

CAMBRIDGESHIRE AND PETERBOROUGH FIRE AUTHORITY
POLICY AND RESOURCES COMMITTEE: MINUTES

Date: 25th January 2018

Time: 10.45* a.m. – 12.15 p.m.

Place: Fire and Rescue Services HQ, Hinchbrooke Cottage, Brampton Road, Huntingdon

Present: Councillors: S Bywater, D Giles, J Peach (Vice Chairman), T Rogers and K Reynolds (Chairman)

Also in attendance: Councillor Shellens.

*Later start to accommodate Members who were delayed by unusually heavy traffic

41. APOLOGIES FOR ABSENCE

Apologies for absence received from Councillors Adey, Smith and Jamil.

42. DECLARATIONS OF INTEREST

None.

43. MINUTES OF THE MEETING HELD ON 14th DECEMBER 2017

The minutes of the meeting held on 14th December 2017 were confirmed as a correct record and were signed by the Chairman.

44. POLICY AND RESOURCES COMMITTEE MINUTE ACTION LOG

Oral updates included:

Minute 101 Update On Strategic Workforce Objectives

a) **Progress in relation to age related claim due to Pension changes** - An update was expected to be announced in the next few weeks.

b) **Membership Review – dependent upon the determination of the Police and Crime Commissioner Business Case** – the decision on the latter is expected early February. There was some uncertainty if this date would slip further.

Minute 39 Committee Work Programme – Request to change recently notified dates for 2018-19 back from Tuesdays to Thursdays - four dates were affected and Officers having consulted with diaries proposed the following changes;

- Thursday 4th October 2018 to replace Tuesday 25th September 2018
- Thursday 20th December 2018 to replace Tuesday 18th December 2018
- Thursday 31st January 2019 to replace Tuesday 29th January 2019
- Thursday 25th April to replace Tuesday 23rd April 2019

The above Committee dates were agreed.

The Minute Action Log was noted as amended above.

45. FIRE AUTHORITY BUDGET 2018-19

The Committee received a report providing details of the proposed budget and precept for 2018-19.

It was highlighted that:

- the Draft Revenue Support Grant (RSG) settlement had been received on 19th December 2017 which was after the December meeting of the Policy and Resources Committee which had considered the initial draft budget.
- The significant change to funding announced as part of the settlement was in respect of the council tax referendum limit increasing from 2% to 3%.

The draft budget presented in December 2017 and the budget attached to the report on the published agenda provided details of a budget on the assumption of a 2% increase in council tax. The budget included in the report appendix also assumed that there would be no further changes to the settlement figures when the final settlement was received.

However for the purpose of consultation, the Fire Authority had consulted on three options: a 0% increase, 2% and an increase up to the new 3% threshold. An oral update on the results of the consultation on the three options was provided at the meeting that indicated that 106 responses had been received, with the following breakdown of the preferences:

56 in favour of 3%
10 in favour of 2%
40 in favour of 0%

An additional Budget Appendix was tabled at the meeting providing details of the effect of an additional 1% increase. This has been included as Appendix 1 to these Minutes. An additional 1% increase to 3% would provide additional revenue of £200k which would mean that the planned budget reduction of £531k would be reduced to £331k. An additional 1% represented an extra 67p on the average Band D Council Tax.

It was explained that the additional revenue raised by increasing council tax by 3% would help with regard to both the additional competence training that

would be required due the age demographic of the force and the expectation of a high turnover of staff in the next five years (affecting up to 70 posts out of an establishment of 175-180 on top of those leaving to take other employment) and to also provide a financial safety cushion should the pay award be higher than the 2% budgeted for. In answer to a question with regard to the average length of service for those leaving the service to work elsewhere, it was clarified that it was those staff with service of between 10 -20 years.

Attention was also drawn to the reduction in fire calls outs which had seen a 40% decrease in the last 10 years which was also a tribute to the greater emphasis on fire prevention educational training. The downside of this was that as both full time and On-Call firefighters were exposed to less real incidents this had potential issues on retaining appropriate competence levels and was also adversely affecting retention with On-Call turnover being 4%. Another factor potentially adversely affecting recruitment was firefighters now being required to pay into the pension scheme for 40 years compared to 30 years previously and that pay had either been frozen or limited to a 1% a year pay increase for the previous six years. Currently the position on pay negotiations was that the unions had rejected the 2% pay offer. Any final pay award would be backdated to June 2017. If 3% was awarded, this would have to be found from reserves for one year only.

Issues raised included:

- Querying the allowance of only 1% made for inflation. It was explained in response that growth was being restricted to ensure greater efficiency and the need to remain within the budget envelope; 80% of the budget represented staff costs with inflation calculated using final indices and Consumer Price Index (CPI) forecasts.
- From a presentational issue, the report did not provide figures for the different percentage increases which required to be rectified on the final version to be presented to the Fire Authority. It was clarified that a 1% increase was a rise of 67p, 2% a rise of £1.34 and 3% a rise of £2.01 per year.
- Page 4 of the budget book - an explanation was requested regarding the -£36K transfer from reserves figure. It was explained that this was the combined figure notified from the districts regarding under collection, and would be offset by reserves allocated to deal with it.
- Whether 40% less call outs enabled cost savings to be made in other areas such as fuel and less wear and tear on vehicles, enabling them to have a longer operational life. In response it was confirmed that savings had been made including areas such as the On-Call staffing establishment and moving full time staff around to support the former, as the Service was judged on its response time to incidents. Vehicle life had also increased as suggested and was now up to 15 years with more use made of smaller vehicles. Servicing of vehicles is outsourced as it is more cost effective than the Service having its own facility.

- Following up on the above, a question was raised on whether the reduction in incidents had a knock-on effect on the call centre and required staffing levels. It was explained that the shared call centre with Suffolk had resulted in savings. Efficiencies were looked at in all areas with £400k achieved from staff rationalisation, including a 14% reduction in full time staff and a 30% reduction in support staff. It was highlighted that Cambridgeshire Fire and Rescue Service was run as one of the cheapest in the country and was, in comparison with others, only a small service which made savings more difficult to achieve without compromising service delivery.
 - Page 29 highlighted that the 'Other Income' light blue segment of the pie charts were not included in the key. This would be rectified in the version to the Fire Authority.
 - The point was made by a Member that on the figures provided by 2021, capital projects would require to be financed from borrowing. It was suggested that as the rates were currently low and as the expectation was that they would rise in the next 2-3 years, now would be a good time to lock into some low interest loans to help finance future years capital projects. The Deputy Chief Executive indicated that the report to the Fire Authority meeting would include the future Capital Borrowing Plan.
 - Regarding a request for an update on the proposed Monkswood shared training facility, in discussion it was highlighted that English Nature had indicated that they would be responding to the consultation, but had not yet given a timescale.
 - It was suggested that outside of the meeting it would be useful for the Committee to be given a breakdown of the percentage of the Cambridgeshire population who fell in each of the council tax bands.
- Action Deputy Chief Executive.**

In further discussion on the various budget options of a 0%, 1%, 2% or 3% increase, the Committee was agreed that the case for financing additional specialist training had been made and that this needed to be highlighted in more detail regarding how the additional money would be allocated in publicity literature.

It was unanimously resolved to recommend to the full Fire Authority:

1. That approval is given to a Fire Authority budget requirement of £28,422,000.
2. That approval is given to a recommended Fire Authority precept for Authority Tax from District Authorities and Peterborough City Authority of £19,245,000.

3. That approval be given to an Authority Tax for each band of property, based on the number of Band D equivalent properties notified to the Fire Authority by the District Authorities and Peterborough City Authority (279,882):

Band	Authority Tax	Band	Authority Tax
A	£45.84	E	£84.04
B	£53.48	F	£99.32
C	£61.12	G	£114.60
D	£68.76	H	£137.52

4. That approval is given to the Prudential and Treasury Indicators as set out on page 9 of the report.
5. That approval is given to the Treasury Management Strategy Statement on pages 8 to 13 of the report.
6. That approval is given to the Capital Programme detailed at page 6 of the report.
7. That approval is given to the Minimum Revenue Provision (MRP) Policy Statement detailed at page 14 of the report.

46. **CONSULTATION RESPONSE – FIRE AND RESCUE SERVICE NATIONAL FRAMEWORK**

This report provided a proposed response to the Government consultation on the revised Fire and Rescue National Framework for England, for which the closing date was 14th February, and inviting the Committee to comment on and approve its contents.

The framework aimed to provide an overall strategic direction and support to fire and rescue authorities taking account of sector changes such as the introduction of the inspectorate and the creation of the National Fire Chiefs Council (NFCC). In addition, the framework also reflected the provisions in the Policing and Crime Act 2017 on emergency services collaboration and changes to fire and rescue governance.

The intention had been to include the full document as an appendix and as through an omission this had not happened, it was proposed to e-mail it to the Committee following the meeting. On this basis Democratic Services advised that it should be agreed in principle and that if any Member had any further suggestions having subsequently received the full draft document these could be e-mailed to the lead Officer and a revised draft agreed with the Chairman and Vice Chairman. **Action: Assistant Chief Fire Officer.**

Highlighted sections included:

- Within the Workforce Chapter (Chapter 6) the section on 're-engagement of senior officers post retirement' this had been added as a result of an earlier, separate consultation.
- The revision contained at Annex A the revised 'Protocol on Central Government Intervention Action for Fire and Rescue Authorities'. Section 23 of the Fire and Rescue Services Act (2004) requiring that an intervention protocol be prepared that the Secretary of State should have regard to it in exercising such powers.

It was explained that further revisions to the framework might be required as a result of the outputs of the Grenfell Tower Inquiry and the Independent Review of Building Regulations and Fire Safety, but would be the subject of a separate consultation.

There was discussion regarding the Governance section and the section focussing heavily towards the governance model for an authority that falls under the Police and Crime Commissioner and the importance of it having a valid business case and clarity on how the model was expected to work.

It was resolved:

- 1) To note the summary of the contents of the Framework and approve in principle the draft consultation response attached at Appendix 1 to the report.
- 2) To delegate to the Assistant Chief Fire Officer, in consultation with the Chairman and Vice Chairman, approval of the final version of the document taking into account any further comments received following Members viewing the full consultation document and to recommend it on to the full Fire Authority.

47. COMPREHENSIVE SPENDING REVIEW UPDATE

This report provided the Committee with an update of activity completed and proposed actions with regard to the Comprehensive Spending Review (CSR) and the savings required to be made in the four year grant period commencing from 2016 to 2020.

The lead Officer was congratulated regarding the Service being able to advise the Committee that the CSR project had identified the required level of savings for the current CSR period up to 2019/20 which at the time of writing the report had been based on the following financial assumptions which would now need to be amended to take account of the proposal for a 3% increase in Council Tax;

- growth in Cambridgeshire and Peterborough continuing as currently predicted,
- the Authority agreeing to proposed council tax precept increases,

- any pay rises above 1% each year (as agreed by central government via a submitted and approved efficiency plan) would be found outside of the CSR project.

Table 2 of the report detailed the identified savings over each of the years covering the current CSR period and that whilst it showed that they would not be reached in Year 3, Year 4 savings would be able to cover the shortfall.

Comments included:

- In answer to a question on how had the fire and rescue service performance on savings compared to other similar authorities it was explained that Cambridgeshire was fortunate in that it continued to have a growing population and that other services such as Suffolk had struggled to achieve a balanced budget.
- Asking what was the position in Northamptonshire it was explained that they were in a different position being under County Council control and with the financial problems it faced, it had initiated a merger under the local Police and Crime Commissioner with the business case still under review.

It was resolved:

To acknowledge the work undertaken and to note that a revised figure on the savings would be presented to the full Fire Authority meeting.

48. INTEGRATED RISK MANAGEMENT PLAN UPDATE

This report provided the Committee with an update of the Service's delivery against its Integrated Risk Management Plan.

Issues raised included:

- Paragraph 6.3 'Delivery of Firebreak...' Seeking more information on this new programme to support the safety and health of young people. It was explained that it had successfully delivered six courses, costing £6k per course, in Peterborough during 2017 with some of the funding provided by Partners. Officers were now working with partners and schools in other areas of the County to secure funding and formulate the 2018 delivery plan. Councillor Bywater as the Chairman of the Children's Committee at Cambridgeshire County Council (CCC) offered to assist in discussions with CCC Officers.
- Paragraph 7.6 'Providing a cost effective and flexible approach to meeting our aerial capability requirement' – the Chairman asked the progress regarding this procurement exercise. In response it was explained that it had been included in the Capital Programme with the intention that the Service would purchase two new vehicles. The Type

3 project and decision making process had been scrutinised by a Member led review which was presented to Overview and Scrutiny Committee on 11th January. The latter, having received the recommendations of the Member led working group, were satisfied the decision making process was robust and evidence based agreeing that the purchase of two vehicles not necessarily of the same type or specification was appropriate. The Chairman queried the purchase decision making process and was informed that it was an Officer operational decision. He indicated that he was not comfortable that a decision for such large budget items would not involve Members. He would take up the issue with Officers outside of the meeting. **Action: Chairman**

It was resolved:

To note the report.

49. FIRE AUTHORITY PROGRAMME MANAGEMENT REPORT

This report provided the Committee with progress against the corporate objectives for 2017-18.

In the report the Service Transformation Manager highlighted the following areas in respect of the Type 3 (High) Projects:

- PO105 General Data Protection Regulation Implementation Project – this was on target.
- P108 Replacement ICCS and Mobilising Solution – the specification for this was to be prepared over the coming months in order to be able to make a decision in the Autumn.
- P0104 Implementation of Wholetime Shift System – the two additional appliances had now been received. The response time in rural areas had reduced so the early indication was that that they are working well and have been well received.
- P073 Asset Management Software – The trial which had already rolled out to three of the four stations was progressing well.
- P084 Review of Reporting – this was going well with the dashboard having gone live being well received.
- P089 ESMCP Emergency Services Mobile Communications – This was still awaiting the Home Office schedule, which had been further delayed. A technical solution is not in place and there was now significant delay. As this was a project that the Government would not allow to fail as it involved all blue light services and the financial benefits were considered to be significant, one Member commented that if it became a financial burden it would be a further pressure on the budget.
- PO88 – On-Call Project Stage 2 – Councillor Reynolds had joined the Board. This was looking at different crewing models with the next stage looking at how to better support the On-Call firefighters to ensure they recognised that they were valued. A question was raised regarding

whether there was an appetite with On-Call firefighters to move area and go to other stations. In reply it was indicated that for some this was not an issue and there was flexibility in the less critical stations.

- P098 - Cambridgeshire Public Services Network – This was nearer green now as progress was being made.

It was resolved:

To note the update.

50. STRATEGIC RISK AND OPPORTUNITY MANAGEMENT REPORT

This report provided the Policy and Resources Committee with an update of the Service's Strategic Risk Register.

The Deputy Chief Executive in presenting the report commented that the blue areas of the scoring matrix appendix were difficult to read. (Note - Officers had already undertaken to review the shades used for future reports) **Action:**

Tamsin Mirfin

Areas highlighted included:

- R130 - the introduction of the General Data Protection Regulations - which posed a significant risk to the Service showing as red on the matrix mitigations were in progress with the work recognised as a priority to ensure the Service was appropriately compliant with May 2018 introduction date.
- PO91 - ICT Shared Service Joint Administration – a meeting had been arranged to discuss this with colleagues in Bedfordshire.

Issues raised in subsequent discussion included:

- Asking how often the risks were reviewed – the reply quarterly to ensure they were still current and that mitigation measures being taken were effective.
- The Chairman expressed surprise that R127 – Succession Planning shown as a high risk was at this level – in reply it was explained that it was due to the small size of the Service and that where a person left there would be a gap in knowledge despite the best efforts to undertake appropriate documentation (also R001 Reliance on key staff to deliver the core service) – it was a risk rather than an actual current event. The challenge going forward was to ensure the appropriate people were attracted to fill vacancies that arose.
- There was a discussion regarding a letter to be sent to HM Revenue and Customs (HMRC) regarding the current confused tax situation whereby Officers on duty using lease cars were treated as being tax

exempt, but if not used to provide cover, it was treated as a private vehicle and therefore fully taxed. This was being challenged.

It was resolved:

To note the contents of the report.

POLICY AND RESOURCES COMMITTEE WORK PROGRAMME

The work programme and revised dates agreed earlier in the meeting were noted.

Democratic Services raised the issue of whether the Committee wished to continue to receive Overview and Scrutiny Committee Minutes which were only included for information purposes as at earlier meeting there had been a request that the format should change from receiving hard copy as part of the agenda to just receiving a link to save paper. However this approach had been challenged at the last meeting as some Members were not accessing the link. The Chairman confirmed that due to a discussion earlier regarding the role of the Overview and Scrutiny Committee, their minutes should revert back to being included as a hard copy item on the agenda.

The Work Programme was noted.

**DATE OF NEXT MEETING – 10.30 A.M. THURSDAY 12th APRIL 2018 AT
SERVICE HEADQUARTERS HUNTINGDON**

Chairman
12th April 2018