

Dorset Fire Authority

Minutes of meeting held at Dorset Fire and Rescue Service
Headquarters, Poundbury, Dorchester on 21 February 2013.

Present:

Mrs Rebecca Knox (Chairman)

Mrs Ann Stribley (Vice-Chairman)

Col Geoffrey Brierley, Mr Les Burden, Mrs Beverley Dunlop, Mr Philip Eades, Mr Spencer Flower, Mr David J Fox, Mr Barry Goldbart, Mrs Susan Jefferies, Mr Trevor Jones, Miss Sue Levell, Mr David Milsted, Mr Christopher Rochester and Mr John Wilson.

Officers present:

Mr Darran Gunter (Chief Fire Officer), Mr Richard Bates (Treasurer), Mr Jonathan Mair (Clerk), and Mr Lee Gallagher (Committee Officer).

Officers attending for items as appropriate:

Mr Ian Cotter (Head of Financial Services), Mrs Jenny Long (Director - People Services) and Ms Vikki Shearing (Head of Information Management).

Apologies for Absence

1. No apologies for absence were received.

Code of Conduct

2.1 No declarations were made by any members of any disclosable pecuniary interests under the Code of Conduct.

2.2 The Clerk confirmed that requests for dispensations had been received and granted for all members of the Fire Authority to enable them to participate and vote in relation to the budget setting process at minutes 6-9 below.

Minutes

3. The minutes of the meeting held on 6 December 2012 were confirmed and signed.

Audit and Scrutiny Committee

4.1 The Authority received the minutes of the Audit and Scrutiny Committee meeting held on 9 January 2013. It was noted that the recommendation in relation to the role of independent members and governance arrangements would be considered later in the meeting (minutes 14-15).

4.2 The Chairman of the Audit and Scrutiny Committee highlighted the Committee's consideration in relation to dealing with floods as a non-statutory duty, which had increased dramatically over the past three years to 226 incidents in 2012. Members expressed the need for continued lobbying to Government for funding to deal with flooding. The Chairman of the Fire Authority indicated that this had been raised through the Local Government Association (LGA) and that this could be raised through the LGA Fire Conference in March 2013, as suggested by another member.

4.3 The Chairman of the Audit and Scrutiny Committee also drew attention to consideration of the West Moors Training Centre Lease Agreement, and the need for attention to be given to 'Plan B' in good time. The Chief Fire Officer confirmed that an update report would be considered by the Committee in July 2013.

Noted

Budget Planning for 2013/14 - Public Consultation

5.1 The Authority considered a report by the Chief Fire Officer in relation to public consultation undertaken regarding budget planning for 2013/14 following consideration of future budget preparation on 21 June 2012.

5.2 The Chief Fire Officer introduced the report and summarised the public consultation exercise which had been considered by the Budget Working Group on 4 September 2012. The consultation took place at eight forums during September and October throughout each of the districts, Bournemouth and Poole and comprised 106 participants.

5.3 Members acknowledged that the forums discussed the role, cost and future financial scenarios facing the fire service and then made judgments in respect of priorities associated with the level of fire precept, crewing arrangements on appliances and/or reducing the number of appliances in order to achieve a balanced budget. Participants also discussed issues associated with one-off Government grants. The outcome indicated that there was an initial low awareness of the function and costs of the fire service in Dorset, and the overall preference was to increase the fire precept and to a lesser degree to consider different crewing arrangements. Unanimous support was given to an increase in Council Tax of 5p per week and majority support for an increase of 10p per week across the eight forums.

Noted

Budget 2013/14

6.1 In order to consider the budget and precept, the Authority considered reports by the Chief Fire Officer and the Treasurer to the Fire Authority on the 'Budget for 2013/14 and the Medium Term Finance Plan' and the 'Precept Implications of the Budget for 2013/14' together as detailed below:

Budget for 2013/14 and the Medium Term Finance Plan

6.2 The Authority considered a report by the Chief Fire Officer on the Dorset Fire and Rescue Service final position on the revenue and capital budget requirements for 2013/14. The Budget Working Group considered many of the issues included in the report at its meeting held on 7 January 2013 and at the all member seminar on 23 January 2013.

6.3 The Chief Fire Officer outlined the financial considerations facing the Authority, which included the requirement to make savings of over £4M per year by 2015/16, saving a total of over £29M up to and including 2016/17; cuts in central government funding; and successive council tax freezes. It was explained that the Authority had kept council tax at £60.39 since April 2010, having taken council tax freeze grants in 2011/12 and 2012/13 which caused increased budgetary pressures. It was noted that a further council tax freeze in 2013/14 would see the forecast annual budget deficit increase to over £3M by 2017/18.

6.4 The potential impact on the Fire Authority was illustrated to members, which highlighted that there was no significant further efficiency saving that could be made through the back office that would bridge the predicted deficit and that future savings would see changes to front line services through reductions in crewing, fire appliances, and increased response times. It was also noted that the Community Risk Reduction Group would consider the options for future savings.

6.5 The majority of members expressed their support for the Budget for 2013/14 recognising that the Budget Working Group had carefully considered a range of options for

future years which would include further reductions due to the difficult financial climate facing the Country.

Precept Implications of the Budget for 2013/14

6.6 The Authority considered a report by the Treasurer to the Fire Authority regarding the precept implications for the 2013/14 budget requirement.

6.7 Members were informed that for 2013/14, the Authority's level of grant per head of population showed a reduction of 13.5%, which meant that Dorset would have the fourth lowest level of funding per head of population in England. However, this year the Government had recognised that imposing a 'one size fits all' regime for managing council tax had a disproportionate effect on well run authorities who had historically low levels of council tax and budget. For those authorities, such as Dorset, the local referendum limit for 2013/14 was £5 or 2%, whichever was the higher. If agreed, this would deal with the immediate budget issues and allow a short period of time for a transformational change programme to mature to examine all possible options for saving before significant changes to frontline services. This strategy would also be in line with the recent public consultation exercise as outlined in minute 5 above.

6.8 Support was given to the option to accept the Government's offer to increase council tax. It was therefore proposed, in line with the recommendation detailed within the Treasurer's report, that the council tax level be increased by £4.95, which was the equivalent of £65.34 per year for a Band D property, and would provide an extra £1.5M per year for the Authority.

6.9 One member signalled her understanding of the difficult financial situation facing the Authority, but indicated that she could not support the increase in council tax.

6.10 At the end of the debate the Chairman indicated that work must continue with the minister, officers and other authorities to address the Government's grant formula, and to also promote the understanding with the public on how the precept was set and that the funding was directly attributed to the Authority.

6.11 On being put to the vote, the recommendations in the Chief Fire Officer's and the Treasurer's reports were agreed.

Resolved

7.1 That the basic amount of precept for fire purposes in Dorset for 2013/14 in accordance with the recommendation of the Budget Working Group and as set out in Appendix A to the Treasurer's report, be approved.

7.2 That the Clerk be authorised to issue precepts on the Dorset collection authorities accordingly.

7.3 That the budget and precept options for 2013/14 outlined in the Chief Fire Officer's report be noted.

7.4 That the capital programme of £1.678m for 2013/14 as shown in Appendix A of the Chief Fire Officer's report be agreed.

Treasury Management Strategy Statement and Prudential Indicators for 2013/14

8.1 The Authority considered a report by the Treasurer to the Fire Authority in relation to the Treasury Management Strategy Statement and Prudential Indicators for 2013/14 in line with the CIPFA Prudential Code regarding planning of capital expenditure and funding.

8.2 Members noted that the Code required the publication and monitoring of Prudential Indicators to inform the Authority of the scope and impact of capital spend. In

addition, there were separate requirements under the CIPFA Treasury Management Code to publish a Treasury Management Strategy, including revisions due to the recent economic climate.

8.3 It was also reported that the County Council would offer Treasury Management training to Fire Authority members as part of the member induction programme following the County Council elections in May 2013.

Resolved

- 9.1 That the Prudential Indicators and Limits for 2013/14 to 2015/16 be approved.
- 9.2 That the Minimum Revenue Provision (MRP) Statement be approved.
- 9.3 That the Treasury Management Strategy be approved.
- 9.4 That the Investment Strategy be approved
- 9.5 That the Treasurer be granted delegated authority to determine the most appropriate means of funding the Capital Programme.

Third Quarter Financial Performance Report

10.1 The Fire Authority considered a report by the Chief Fire Officer which provided an analysis of the financial position as at 31 December 2012, based on profiled projections and actual data to date.

10.2 The Head of Financial Services introduced the report and outlined the financial position in respect of the revenue budget, reserves and balances, and the capital programme. Attention was drawn to the potential underspend of the Authority due to savings made on the support staff pay award saving, management of vacancies and lower than expected costs for operational turnouts of retained staff.

10.3 Specific reference was made to two issues facing the Authority. Firstly, it was noted that there was a need to transfer £180k to the Leadership Development Reserve which would be used to address workforce planning and offset a spike in training costs over the next few years. Secondly, there was an opportunity to buy out of a lease for eight fire appliances early at a cost of £242k, therefore introducing more flexibility in the use of the vehicles.

Resolved

- 11.1 That the report be noted.
- 11.2 That the transfer of £180k to the Leadership Development Reserve (as outlined in paragraph 3.2 of the Chief Fire Officer's report) be approved.
- 11.3 That the buyout of an operating lease for eight fire appliances, funded from cost centre balances (as outlined in paragraphs 4.3 and 4.4 of the report) be approved.

Role of Independent Members and Governance Arrangements

12.1 The Authority considered a report by the Clerk regarding the role of independent members and governance arrangements following a resolution of the Authority on 28 September 2012 to disband the Standards Committee.

12.2 Members noted that the Authority had also resolved that the Audit and Scrutiny Committee should be asked to consider the inclusion of independent co-opted members on the Committee. This matter was subsequently considered by the Committee on 8 January 2013. The Committee supported the recommendations contained in the Clerk's report, but asked that:

- (i) If Independent Members were to be engaged, it should be on the basis that a background of auditing capability was essential.

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- (ii) The opportunity to serve on the Committee should be offered firstly to those who had previously served as Independent members.
- (iii) Any appointment should be made for a term of 12 months to provide an opportunity to review how the process for inclusion of Independent Members was meeting the Service's needs.

12.3 One member expressed his opposition to the inclusion of independent members on the Audit and Scrutiny Committee as, in his opinion, there was no reason for the appointment as there was no clear aim or problem to address as a result of any appointment. He also felt that there was already a sufficient level of independence as members were democratically accountable.

12.4 Other members shared their views regarding the need for independent members to take part in the role of the Committee, including the need for a review to be undertaken following any appointment.

12.5 Support was voiced for independent members to be used as this would provide evidence to Government in anticipation of any future suggestion that independent members be incorporated into audit arrangements.

12.6 The Chairman of the Audit and Scrutiny Committee highlighted that the Authority was supported by officers, had internal and external audit arrangements, and that it would be difficult to recruit independent members.

12.7 On being put to the vote, the recommendation in the report was lost.

Resolved

- 13. That the membership of the Audit and Scrutiny Committee not be increased to include the co-option of two unelected independent persons.

Chief Fire Officer's Association Protective Security Strategy

14.1 The Authority considered a report by the Chief Fire Officer regarding the Chief Fire Officer's Association (CFOA) Protective Security Strategy.

14.2 The Head of Information Management explained the Authority's legal obligation to protect the security of information and to avoid adverse legal and reputational exposure. It was further explained that the risk associated with the security of information was heightened as a result of sharing personal and sensitive information with partners to help make vulnerable members of the community safer. Members were informed that the CFOA Protective Security Strategy provided an approach for Fire and Rescue Services to share confidential and sensitive information, and the report updated the Authority on improvements and compliance with the Strategy. Work to migrate information from the current secure service would be carried out in 2014.

14.3 It was also reported that work was being undertaken through the Safe and Independent Living (SAIL) Partnership, which included working with and sharing information with the voluntary sector.

14.4 The Chief Fire Officer highlighted the legal and reputational risks of protecting sensitive information, but as the Chairman of the South West Regional Secure Information Interchange Programme information sharing was vital to efficiently and effectively target vulnerable people.

Noted

Enhanced Redundancy – Review of Multiplier

15.1 The Authority considered a report by the Chief Fire Officer regarding redundancy payments at an enhanced rate, referred to as the redundancy multiplier. The Authority previously considered a report in relation to the review of the redundancy multiplier at its meeting held on 28 September 2012.

15.2 The Director for People Services introduced the report and explained that the Authority had discretion to multiply the number of weeks' statutory pay by a multiplier which ranged from 0 to 3.46, and that the current multiplier was 2.5. Members had previously requested further information on multipliers in other authorities, which was considered by the Resourcing and Reform Programme Board on 23 January 2013. The Board had then subsequently recommended a reduction in the multiplier to 1.75. It was also recommended that the multiplier be reviewed on an annual basis.

15.3 One member asked why the multiplier applied to local authorities when the private sector would use statutory redundancy pay and not have a set policy for enhancements. It was noted that the multiplier was traditionally used across the public sector, and that it was correct to review the multiplier on an annual basis to ensure that the level was suitable, and that progressive decreases to reflect the financial climate were also appropriate. Another member commented that in his experience redundancy payments in the private sector were not restricted to statutory payments.

Resolved

16.1 That the redundancy multiplier be reduced from 2.5 to 1.75, with effect from 1 April 2013.

16.2 That the same level of multiplier be applied for compulsory and voluntary redundancy.

16.3 That the Authority retain its policy that redundancy payments should be calculated on the basis of 'actual' salary.

16.4 That the Authority retain its policy that compensation payments should not generally be made to employees who are allowed to retire on the grounds of efficiency, but that in exceptional circumstances a one-off payment may be paid where this has been approved by the Fire Authority.

16.5 That the level of the multiplier be reviewed on an annual basis.

Questions

17. No questions were asked by members under Standing Order 17.

Tributes to Members of the Fire Authority

18. The Chairman took the opportunity to report the long service of both Mr David J Fox who had served on the Authority for 37 years and Col Geoffrey Brierley who had served for 12 years. As both members were not seeking to be elected at the forthcoming County Council elections on 2 May 2013, the Chairman and Chief Fire Officer presented them with commemorative plaques to mark their contribution to the work of the Fire Authority over many years. Members wished them both well for the future.

Meeting duration: 10.00am – 12.10pm