



MINUTES OF THE MEETING OF THE FIRE AUTHORITY held on Wednesday, 13 February 2019 at Lecture Theatre - Sadler Road, Winsford, Cheshire at 10.30 am

PRESENT: Councillors B Rudd (Chair), D Bailey, D Beckett, M Biggin, B Dooley, D Flude, P Harris, G Hayes, E Johnson, N Jones, D Mahon, J Mercer, G Merry, S Nelson, S Parker, R Polhill, T Sherlock, M Simon, M Tarr, J Weatherill and S Wright

1 PROCEDURAL MATTERS

A Recording of Meeting

Members were reminded that the meeting would be audio-recorded.

B Apologies for Absence

Apologies for absence were received from Councillors M Barker, K Mundry and Police and Crime Commissioner, David Keane.

C Chair's Announcements

The Chair asked Members to note the content of the Chair's announcements which included details of Authority achievements and events Members had attended since the last meeting of the Fire Authority in December 2018.

The Chair took the opportunity to congratulate Cheshire Fire and Rescue Service on achieving 3rd place on the Stonewall Workplace Index 2019, showing the progress the Scheme had made on LGBT inclusion in the workplace and in service delivery.

D Declaration of Members' Interests

The Chair stated that Members were likely to have an interest in Item 2 when setting the Council Tax. Members confirmed this by a show of hands. He reminded Members that dispensations had been granted to allow Members to take part in the debate and vote in relation to the setting of the Council Tax precept.

E Questions from Members of the Public

Two questions submitted by members of the public from within the area covered by the Fire Authority were dealt with at this point in accordance with procedural rules 4.47 to 4.54. Supplementary questions were also posed and the Chair committed to providing a written response.

The questions and responses are annexed to these minutes.

F Minutes of the Fire Authority

RESOLVED:

That the minutes of the Fire Authority meeting held on 12th December 2018 be approved as a correct record.

G Minutes of the Estates and Property Committee

RESOLVED:

That the minutes of the Estates and Property Committee meeting held on 14th December 2018 be received, for information.

H Minutes of the Brigade Managers' Pay and Performance Committee

RESOLVED:

That the minutes of the Brigade Managers' Pay and Performance Committee meeting held on 16th January 2019 be received, for information.

I Notes of the Member Training and Development Group

RESOLVED:

That the notes of the Member Training and Development Group meeting held on 5th December 2018 be received, for information.

2 DRAFT 2019-20 BUDGET, COUNCIL TAX PRECEPT AND MEDIUM TERM FINANCIAL PLAN 2019-22

Consideration was given to a report of the Chief Fire Officer and Chief Executive which sought Members' approval for the Authority's budget for 2019-20, the Authority's precept, as required by law, for 2019-20 and its Medium Term Financial Plan (MTFP) for 2019 to 2022.

The Authority was required to approve its budget and set the Council Tax precept for the financial year commencing 1st April 2019. The Authority was required to take into account Government funding, precept regulations and organisational demands. This requirement was supported by the production of a MTFP with the annual budget forming the first year of the MTFP. The creation and maintenance of the MTFP was fundamental in promoting good financial planning and delivery of value for money. The MTFP was detailed at Appendix 1 to the report.

Members had considered the Authority's financial information at their Planning Day on 11th January 2019 where Members had the opportunity to challenge the assumptions and proposals being put forward by officers as part of the draft budget and MTFP.

The 2019-20 budget proposals were based on the final year of the Government's

four year settlement. Going forward funding was uncertain and subject to the proposed spending review in 2019. Savings had been identified as a result of thorough reviews of budgets with the intention to protect front-line services and ensure continuity of service delivery. Table 3 and 4 of the report showed the proposed level of precepts for each local authority and the individual amount levied per council tax band based on the three proposed budget options.

Based on the three options the budget requirement would be the following:-

- a) 2.99% proposal: £43.461m;
- b) 1.99% proposal: £43.177m; or
- c) 0% proposal: £42.615m.

It was reported that the Authority was required to set a budget by 14th February 2019 each year, and to issue a precept to the billing authorities before 1st March each year.

Members were reminded that at the Authority meeting on 14th February 2018, the Authority agreed to retain a Wholetime fire appliance in Crewe. This was funded from reserves in 2018-19 and had been included in the base budget from 2019-20 and was shown as the commitment within Table 1 of the report of £450k. In addition, funding (within the one-off items) had been included in the proposed budget for the second fire appliance at Ellesmere Port whilst the review, commissioned by Members at the Authority meeting in February 2018, was being undertaken.

It was reported that within the growth proposals there were a number of initiatives to provide firefighters with appropriate equipment to support their fitness and wellbeing e.g. a Mental Health and Wellbeing Advisor was proposed for a 12-month trial. Members welcomed the appointment of a Mental Health and Wellbeing Advisor, and the Chair put on record his thanks to the Staff Engagement Forum for the suggestion and welcomed further suggestions to improve staff wellbeing in the future.

In order to produce a balanced budget as required under statute, assuming the proposed increases in expenditure were approved, savings would be required as the level of funding from the Government and council tax precept, was not sufficient to meet expenditure. A full list of the proposed savings for 2019-20 was detailed in Appendix 2c of the report. The main savings were described in paragraphs 18 to 25 of the report.

Section 25 of the Local Government Act 2003 also placed a requirement on chief finance officers to formally report on the adequacy of the reserves. A Reserves Strategy 2019-24 was detailed at Appendix 4 of the report. It was reported that one of the key elements of the Reserves Strategy was to use the earmarked Capital and Integrated Risk Management Plan Reserves to support capital expenditure. The Capital Strategy for 2019-24 indicated that expenditure of over £30m was planned to take place between April 2019 and March 2022 with approximately £20m being financed from reserves. The resulting balances on reserves were detailed in Annex A to Appendix 4.

Members raised a series of questions and comments relating to the Reserves Strategy. In response, the Treasurer advised that the Fire and Rescue National Framework required that a Reserves Strategy should explain how the “level of general reserve has been set” and should include “justification for holding a general reserve larger than 5% of budget”. As part of the Reserves Strategy approved in February 2018 the level of the General Reserve for Cheshire Fire Authority would be maintained at around £2.2m, approximately equivalent to 5% of budget and it was proposed that this approach would be maintained across the medium term. The Strategy would be kept under review as capital spending was incurred and the level of reserves would be adjusted to reflect the actual spend at the end of each financial year.

Members had a discussion on the draft 2019-20 Budget and Council Tax Precept and due to financial uncertainties supported the Council Tax precept increase of 2.99% for 2019-20 as set out in Table 3 of the report.

The Chair advised that at the request of the Fire Authority he had written to the Minister of State for Policing and the Fire Service, Nick Hurd MP on 10th December 2018 to raise concerns regarding the reduction in central funding provided to Cheshire Fire Authority and the potential impact on the provision of fire and rescue services this could have if funding reductions continued. A response had been received from the Minister dated 31st January 2019 that would be circulated accordingly.

The Chair advised that he would write again to the Minister on behalf of the Fire Authority to request that the fire and rescue services funding was properly reflected in the Spending Review. Members suggested that local MPs should also be lobbied.

On being put to the vote Members decided to increase the Council Tax precept by 2.99% with 20 votes in favour and 1 abstention.

RESOLVED: That

- [1] the Medium Term Financial Plan, as set out in Appendix 1 of the report be approved;**
- [2] the Budget Requirement as set out in Table 1, paragraph 9 of the report, be agreed, noting the base budget and inflation figures and agreeing the Commitments, Growth and one-off items contained in Appendices 2a and 2b of the report;**
- [3] the Funding Elements as set out in Table 1, paragraph 9 of the report, and Identified Savings as set out in Appendix 2c be noted;**
- [4] A Council Tax increase of 2.99% for 2019-20 be agreed and the Council Tax precepts as set out in Table 3 of the report be approved;**
- [5] the proposed capital programme for 2019-20 as set out in Table 2 of the report be approved;**
- [6] the Capital Strategy as set out in Appendix 3 of the report be approved;**

- [7] the Reserves Strategy as set out in Appendix 4 of the report be approved;**
- [8] the Statement of Robustness of Estimates as set out in Appendix 5 of the report be noted; and**
- [9] the Financial Health Targets as detailed in paragraph 27 of the report be adopted.**

3 TREASURY MANAGEMENT STRATEGY 2019-20

Consideration was given to a report of the Head of Finance which sought approval of the Treasury Management Strategy for the year 2019-20. This was a requirement of guidance issued by the Department for Communities and Local Government, the 2009 CIPFA Treasury Management Code and the CIPFA Prudential Code. It also assisted the Authority in demonstrating its compliance with requirements contained in the Local Government Act 2003.

The Treasury Management Strategy comprised of four main elements: Capital Expenditure Plans and Prudential Indicators; Borrowing Strategy and Prudential Limits; Annual Investment Strategy; and Minimum Revenue Provision (MRP) Statement.

The Head of Finance explained that the Borrowing Strategy for the Authority reflected the current approach that whilst interest rates for investments remained low, the Authority would finance its capital programme from cash balances as far as possible. The Authority had, however, approved the use of borrowing to fund its training centre project (and associated works) at Sadler Road in order to preserve reserves for other matters requiring capital expenditure. In addition further borrowing would be required from 2021-22 onwards to fund capital programme plans as available reserves were exhausted.

It was proposed that the Authority continued to set the MRP at 6.7% of the opening Capital Financing Requirement (CFR) in respect of its existing CFR. This was considered to be a prudent and sustainable approach, however the 6.7% level remained subject to review. Any future new borrowing would be subject to MRP charged over a period that was reasonably commensurate with the estimated useful life applicable to the asset purchased or created.

RESOLVED: That

- [1] the Authority's Treasury Management Strategy for the year 2019-2020 be approved; and**
- [3] the Authority's Prudential Indicators included the Authorised Limit and Operational Boundary, as detailed at Appendix 1 of the report, be approved.**

4 INTEGRATED RISK MANAGEMENT PLAN 2019-20 (IRMP 16)

Consideration was given to a report of the Chief Fire Officer and Chief Executive which sought approval to publish the Authority's action plan for 2019-20 (IRMP 16), following the conclusion of a formal 13 week consultation programme.

The report included an overview of the consultation programme and a summary of the key issues highlighted within the full consultation report, copies of which had been circulated to Members and was also available to view online on the Authority's website.

It was reported that a total of eight roadshows had been held across Cheshire in a number of supermarkets and Members questioned the low survey returns at Morrisons in Chester. In response, Graeme Worrall, Policy and Transformation Officer, advised that this was the first time this location had been used. This low response in the Chester area had been mitigated as a good response had been received to the online survey from the Chester area.

Members were advised that efforts were made to ensure that the consultation was prominent on the Service's website throughout the consultation period and there were regular updates on the Service's social platforms and the use of the two paid-for advertisements on Facebook to extend the awareness of the consultation. A link was also included within the Service's FireLink newsletter.

Members had a discussion about the IRMP proposals and welcomed the report. One Member raised a specific concern about the service delivery model and commented on the culture within the organisation.

RESOLVED: That

- [1] the publication of the annual action plan for 2019-20 (IRMP 16) by 31st March 2019 be approved; and**
- [2] the Chief Fire Officer and Chief Executive be authorised to make any final drafting changes to the IRMP, including the addition of final performance and financial information.**

5 HMICFRS INSPECTION REPORT

Consideration was given to a report of the Head of Protection and Organisational Performance which presented the outcomes from the report about the inspection of Cheshire Fire and Rescue Service by Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) in the summer of 2018.

Members were advised that the inspection process consisted of a wide variety of pre-inspection evidence gathering in the form of data, documents and a qualitative self-assessment. The outcome from the inspection was that HMICFRS found no Causes for Concern during the inspection. However, nine Areas for Improvement had been identified, within the 'People' aspect requiring improvement under the diagnostics 'Promoting the right values and culture' and 'Ensuring fairness and promoting diversity'.

Officers had prepared an outline Action Plan which concentrated on the Areas for Improvement. The intention was to present the Action Plan to the Performance and Overview Committee on 27th February 2019 and thereafter report program. The Action Plan would be used to evidence the actions that have been carried out to bring about the necessary improvements.

Members had a discussion on the outcomes from the report. The Chair on behalf of the Authority took the opportunity to thank all staff involved in the HMICFRS inspection for the time and commitment given to the process and to the Service for achieving a 'Good' HMICFRS result. The Chair advised that he had also written to the Chair of Lancashire Fire and Rescue Service congratulating the Service on achieving an 'Outstanding' HMICFRS result.

RESOLVED: That

- [1] the content of the inspection report be noted;**
- [2] the relative performance of the Service compared to the other services in the first tranche of inspections be noted; and**
- [3] the progress reporting arrangements relating to the Action Plan as referred to in paragraph 15 of the report be confirmed.**

6 NEW BRIGADE MANAGER STRUCTURE

Consideration was given to a report of the Chief Fire Officer and Chief Executive which provided information about the proposed new Brigade Manager structure, appointment process and changes to the Constitution that would be required if the proposal was approved.

Members were reminded that in recognition of the need to have a sustainable Brigade Manager structure with sufficient capacity to lead effectively whilst supporting the initial development and settling in of a new Chief Fire Officer and Chief Executive (CFO), the Fire Authority agreed to pilot a revised Brigade Manager structure for a period of six months. An internal recruitment process was undertaken and two substantive Area Managers were appointed into two temporary Assistant Chief Fire Officer (ACFO) posts for the duration of the pilot which ran from 1st July.

On evaluating the pilot it was clear that the new structure had fulfilled the design principles and had seen a significant improvement in the ability of the Brigade Managers to apply sufficient time and focus on their areas of responsibility. The new structure had also enabled significant progress to be made in addressing the challenge and stated problem of staff engagement, visibility and accessibility. As part of the evaluation of the pilot and prior to submitting the report to Members, wider research was carried out to understand and compare the brigade management structures within other fire and rescue services.

Members had a discussion about the changes to the Constitution and requested that

any reference to the Deputy Chief Fire Officer (DCFO) was removed from the Constitution.

One Member requested clarity that no other teams within the organisation were being increased to support the new Brigade Manager Structure. In response, the Chief Fire Officer and Chief Executive confirmed that this would not be the case.

On being put to the vote the recommendations were carried with 20 votes in favour and 1 abstention.

RESOLVED: That

- [1] the new Brigade Manager structure be approved;**
- [2] the creation of two Assistant Chief Fire Officer posts be approved;**
- [3] the appointment process be noted; and**
- [4] minor changes to the Constitution, including any reference to the Deputy Chief Fire Officer being removed, be approved.**

7 PAY POLICY STATEMENT 2019-20

Consideration was given to a report of the Director of Transformation which sought approval to publish the Pay Policy Statement for 2019-20 as detailed in Appendix 1 to the report. The publication of the statement was an annual requirement and the statement must be published by 31st March immediately preceding the financial year to which it relates.

RESOLVED: That

- [1] the Pay Policy Statement attached as Appendix 1 to the report be approved; and**
- [2] the Director of Transformation in conjunction with the Director of Governance and Commissioning be authorised to make any in-year changes to the Pay Policy Statement necessitated by new legislation or guidance.**

8 PEOPLE STRATEGY 2019-22

Consideration was given to a report of the Director of Transformation which sought approval of the People Strategy 2019-22 that was now a requirement of all fire and rescue services following the introduction of the updated Fire and Rescue National Framework. Once approved, it was intended that the People Strategy would replace the existing Transformation Plan that was approved and was currently monitored by the Staffing Committee in respect of the key workstreams and priorities relating to people and workforce reform.

RESOLVED: That;

- [1] the People Strategy 2019-22 attached as Appendix 1 to the report be approved.

9 DELEGATION OF POWERS TO THE CHIEF FIRE OFFICER AND CHIEF EXECUTIVE

Consideration was given to a report of the Director of Governance and Commissioning which sought approval to secure a fresh delegation to the Chief Fire Officer and Chief Executive to enable him to authorise officers to carry out their duties under legislation associated with the core activities of the fire and rescue service.

RESOLVED: That

- [1] the delegation of powers contained in Annex 1 of the report to the Chief Fire Officer and Chief Executive be approved.

10 JOINT USE OF FRODSHAM FIRE STATION BY CHESHIRE CONSTABULARY

Consideration was given to a report of the Director of Governance and Commissioning which sought approval to the grant of a lease of part of Frodsham Fire Station to the Police and Crime Commissioner for Cheshire (PCC).

RESOLVED: That

- [1] the grant of a lease of part of Frodsham Fire Station to the Police and Crime Commissioner for Cheshire be agreed with the final terms and conditions to be finalised by the Director of Governance and Commissioning.

11 EXCLUSION OF PRESS AND PUBLIC

RESOLVED: That

- [1] Under Section 100(A) (4) of the Local Government Act 1972, as amended by the Local Government (Access to Information) Order 2006, the press and public be excluded from the meeting for the items of business listed below on the grounds that they involve the likely disclosure of exempt information as defined in Schedule 12 A to the Act in the paragraphs indicated.

Item 12- Land at Holmes Chapel Fire Station

Paragraph

- (3) Information relating to the financial or business affairs of any particular person (including the authority holding that information)**

12 LAND AT HOLMES CHAPEL FIRE STATION

Consideration was given to a report of the Director of Governance and Commissioning which described the land ownership and rights associated with Holmes Chapel Fire Station and provided information about a set of proposals that would involve a change of land ownership and rights.

RESOLVED: That

- [1] Officers be authorised to sell land adjacent to Holmes Chapel Fire Station and make the necessary changes to the associated rights upon the terms outlined in the report.**