

PART I MINUTES

ROYAL BERKSHIRE FIRE AUTHORITY'S EXECUTIVE COMMITTEE MINUTES TUESDAY 10 JANUARY 2006

**HELD AT BRIGADE HEADQUARTERS COMMENCING AT 6.30PM AND CONCLUDED
AT 9.05PM**

**Present: James E R Mole (Vice-Chairman),
Christine Borgars, Dr Paul Bryant,**

Apologies: Jeff C G Brooks, Barrie J S Patman

(Councillor James Mole in the Chair)

COUNCILLOR TERRY MILLS

Members and Officers stood in silent tribute to the memory of Councillor Terry Mills, Chairman of the Royal Berkshire Fire Authority, who sadly passed away on Tuesday 27 December 2005.

1.01/06 DECLARATIONS OF INTEREST

Having been reminded that in accordance with the Fire Authority's Code of Conduct, Members are required to declare interests, which are Personal or Personal and Prejudicial, where appropriate, it was noted that on this occasion there were no such declarations to be made.

1.02/06 MINUTES: 5 DECEMBER 2005

The Minutes of the last meeting held on Monday 5 December 2005, having been previously circulated, were taken as read and signed by the Chairman as a correct record.

1.03/06 BUDGET 2007/2007

The Executive Committee received a copy (Agenda item 4 – not reproduced) of the latest Budget figures and were requested to give further consideration to the Authority's Budget requirements for 2006/2007 and consider any amendments it wishes to make at this stage of the process.

Members were advised that the following Appendices were presented (not reproduced) in support of the report prepared by the Authority Treasurer:

- Appendix A: Provisional Grant and Council Tax Figures for 2006/2007
- Appendix B: Medium Term Financial Plan 2006/2007 to 2008/2009
- Appendix C: Revenue Bids
- Appendix D: Revenue Savings
- Appendix E: Capital Bids

On the invitation of the Chairman the Authority Treasurer took Members through the various Appendices and the following is a summery of their contents, comments made and where necessary decisions reached:

Appendix A: Provisional Grant and Council Tax Figures for 2006/2007

In noting that the provisional, grant and council tax figures had been announced on 5 December 2005 and were set out in Appendix A, together with the figures for 2004/2005. In 2005/2006 the Authority's Band D Council Tax was £46.16 and the proposed Budget, if approved, would increase this figure by 5% to £48.46. For this year the Government had abolished the provisional FSS method and introduced a new block grant system.

In emphasising that the grant and taxbase figures are provisional and subject to change the Authority Treasurer (AT) confirmed that the Authority would be notified of the final figures by 31 January and if sufficient information had been received the Committee would be provided with an update at its next meeting scheduled to take place on Monday 23 January 2006.

In addition the Unitary Authorities will notify the Authority of any surpluses/deficits on their Collection Funds that will also have to be taken into account. Depending on the figures received from the Unitary Authorities the Authority could have a provisional budget of £30.033m for 2006/2007.

The ODPM are also introducing a new system of funding firefighters' pensions from April 2006, which means that the Authority must operate a separate account for these pensions and pay into it employers' contributions from the main revenue account. The ODPM will then top up the pensions account to ensure it breaks even and in order to fund this it has top-sliced Fire Authorities' grants. In addition it has also set notional budgets for 2005/2006 capping purposes and these figures were presented in Appendix A.

It is estimated that main revenue account expenditure on firefighters' pensions would be £483,000 lower than in 2005/2006, but over £530,000 of grant has been top-sliced by the ODPM. If the present system of self-funding had continued, the Authority would have faced unavoidable growth pressures of £320,000 and £300,000 in 2006/2007 and 2007/2008 respectively. The Authority has therefore benefited from the new funding arrangements.

Appendix B: Medium Term Financial Plan 2006/2007 to 2008/2009

In noting the Draft Budget figures for 2006/2007 and the indicative projection of needs for 2007/2008 and 2008/2009, Members were advised that, at this stage in the process, there were still several uncertainties as set out in the report and as such the figures must be treated with caution, but as indicated earlier be subject to revision at a later stage in the process. The provisional Budget for 2006/2007 is £30,033m, which represents a £XXX cash increase on the Base Budget when compared with last year's approved Budget of £29,477m.

Members were reminded that last year the sum of £200,000 had been set aside to reserves to meet the future need to repay the Transitional Funding Grant to the ODPM. The ODPM have now allowed Authorities to postpone 50% of the repayment of Transitional Grant until 2007/2008. It is therefore recommended that the Authority releases 50% of the £200,000 reserve it set aside in 2005/2006 this year, and releases the remaining 50% next year to counter the reduced grant settlements in each year.

In response to a question on the Capital/Leasing costs the AT confirmed that this indicates the revenue consequences of the previous year's Capital programme and the Authority must set aside a minimum of 4% of the value of capital assets to repay the premia on loans together with the payment of interest of approximately 4.5% of the value.

It is also proposed to allocate the sum of £80,000 a year to the costs of regional projects and preparations for Regional Control Centres. Few firm figures have yet been received from the Regional Management Board, but it is anticipated that a significant amount of project work on collaboration initiatives will occur in 2006/2007. In addition, extra staff and retention payments will be required in Control as regionalisation approaches.

Appendix C: Revenue Bids

In analysing the Revenue Bids set out in Appendix C a new category of "Unavoidable" had been included in addition to the usual categories of Essential, Highly Desirable and Desirable.

As indicated in Appendix B only the Unavoidable Bids in the sum of £356,000, have been included under 'Other Pressures' and in order to fund these additional savings are necessary.

Consideration was therefore given to the reports presented in support of the Unavoidable Bids and the Officer responsible provided Members with additional information whilst highlighting the alternative solutions and potential implications of doing nothing, which in some cases could have a detrimental effect on the way in which the Authority operates and/or undertakes its statutory responsibilities.

In noting the Bids set out in the Highly Desirable and Desirable categories, Officers, in response to a request from the Chairman, briefly summarised the Bids set out in the Essential category. Members' attention was drawn to the need to appoint an Information Requests and Licensing Officer to work on the effective handling of requests for information under the Freedom of Information Act 2000 and licensing for the re-use of public sector information held by the service. This will ensure that the Royal Berkshire Fire Authority correctly discharges its responsibilities in relation to recent information legislation.

Having considered the implications of this, Members agreed that the costs of employing an additional ½ post in Document Management, in the sum of £15,000 be transferred to the Unavoidable category with the balance of £11,000 remaining in the Essential category. It was noted however that the implications of transferring funding would require an equivalent saving being made elsewhere in the Base Budget.

With regard to the provision of Training Shoes the Chief Fire Officer was requested to consider alternatives such as phasing their introduction over two years and also investigating the feasibility of obtaining sponsorship.

Appendix D: Savings

Members were reminded that as mentioned earlier additional savings would be necessary to fund the unavoidable bids. One option would be to use part of the pensions provision to bridge any identified funding gap but this was not supported by Members. Officers will continue to look at ways of achieving additional savings and report any possible ideas for further savings to the next Executive Committee Meeting scheduled to take place on Monday 23 January 2006.

Appendix E: Capital Bids

The Authority had been notified that it will receive £738,000 of Government borrowing support, an increase of £12,000 when compared with the support received in 2005/2006.

The AT advised Members that in his opinion the Authority could fund the complete list of Bids set out in the Appendix, based on a Budget of £1.5m, which was well within the spending capabilities of the Authority.

On the invitation of the Chairman Officers took Members through the Capital Bids explaining the reasons for the projects inclusion in the list and highlighting the implications of doing nothing.

The AT also reminded Members that when approving Capital Bids, it should be borne in mind that the full annual revenue costs will not be incurred until 2007/2008 bringing further pressure for compensatory savings/increased Council Tax in that year.

Conclusions

The Chief Fire Officer indicated that some of the papers presented in the Appendices will be reviewed and revised based on further information being received before the publication of the Agenda for the next meeting.

RESOLVED: That the Fire Authority’s Budgetary requirements for 2006/2007 (as amended) set out in the Appendices be considered further and referred back to the Executive Committee at its meeting on Monday 23 January 2006, together with the additional information as indicated, for final consideration and referral to the Fire Authority Meeting in February 2006.

1.04/06 DATE OF NEXT MEETING

It was noted that the next Executive Committee meeting is scheduled to take place on Monday 23 January 2006 at Brigade Headquarters commencing at 6.30pm.

1.05/06 EXCLUSION OF THE PUBLIC

RESOLVED: That under Section 100(A)(4) of the Local Government Act 1972 (as amended), the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in the paragraphs of Part 1 of Schedule 12A of the said Act as indicated:

	Agenda item	Paragraph
6	Part II Minutes – Monday 5 December 2005	1
7	Exceptional Payment	1

Note: The following is a summary of the items considered in the Part II Agenda of the Royal Berkshire Fire Authority’s Executive Committee meeting held on Tuesday 10 January 2006)

1.06/06 PART II MINUTES: 5 DECEMBER 2005

The Part II Minutes of the last meeting held on Monday 5 December 2005, having been previously circulated, were taken as read and signed by the Chairman as a correct record.

1.07/06 EXCEPTIONAL PAYMENT

The Executive Committee approved the granting of Delegated Powers to the Chief Fire Officer to make appropriate arrangements to settle a potential financial claim against the Authority.

Signed Copy:.....
Councillor James E R Mole
Chairman

Date: 23 January 2006