

# MINUTES OF THE MEETING OF THE ROYAL BERKSHIRE FIRE AUTHORITY



Held on Wednesday 17 February 2016 at 6.30pm

RBFRS Headquarters, Lynda Kenyon Suite, Newsham Court, Pincents Lane, Calcot, Reading RG31 7SD

- Members:**
- \* Councillor Frank Abe
  - \* Councillor David Absalom
  - (\* present) Councillor Alistair Auty
  - \* Councillor Christine Bateson
  - \* Councillor Phillip Bicknell
  - Councillor Paul Bryant
  - \* Councillor David Burbage
  - \* Councillor Anthony Chadley
  - \* Councillor Haqeeq Dar
  - \* Councillor Colin Dudley
  - \* Councillor Adrian Edwards
  - \* Councillor Paul Gittings
  - \* Councillor Pauline Helliard-Symons
  - \* Councillor Carol Jackson-Doerge
  - \* Councillor John Lenton
  - \* Councillor Chris Maskell
  - \* Councillor Tom McCann
  - \* Councillor Iain McCracken
  - \* Councillor Tina McKenzie-Boyle
  - \* Councillor Ian Pittock
  - \* Councillor Edward Plenty
  - \* Councillor Angus Ross
  - \* Councillor Ishrat Shah
  - \* Councillor Jane Stanford-Beale
  - \* Councillor Emma Webster

- In Attendance:**
- Conor Byrne (Head of Finance and Procurement, HOF)
  - Eddie Cardoso (FBU Representative)
  - Stephen Chard (Committee Officer)
  - Trevor Ferguson (Deputy Chief Fire Officer, DCFO)
  - Andy Fry (Chief Fire Officer, CFO)
  - Mark Gaskarth (Area Manager West)
  - Becci Jefferies (Head of Human Resources, Learning and Development)
  - Simon Jefferies (Area Manager Risk and Performance)
  - Dave Myers (Area Manager East)
  - Linda Pye (Committee Officer)
  - Fayth Rowe (Committee Officer)
  - Anne-Marie Scott (Director of People and Organisational Development, DPOD)
  - Paul Southern (Assistant Chief Fire Officer, ACFO)

- Observers:**
- Officers, Royal Berkshire Fire and Rescue Service
  - Members of Representative Bodies
  - Members of the Public

## 77. APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillors Alistair Auty and Paul Bryant.

## 78. DECLARATIONS OF INTEREST

In accordance with the provisions of the Fire Authority's Local Code of Conduct, Councillor Angus Ross declared a personal interest in agenda item 14 as he was

**Action**

the Chair of the Thames Valley Fire Control Service Joint Committee (recommendation 2.7).

Councillor Colin Dudley referred to item 16 Emergency Services Mobile Communications Programme (ESMCP) and stated that if the Fire Authority formally committed to engage in the programme there could be a large number of additional planning applications for masts and he queried whether Members had a dispensation. The Monitoring Officer confirmed that they had but it was noted that Councillors Colin Dudley, Emma Webster, Adrian Edwards, Paul Bryant, Chris Maskell, Haqeeq Dar, Edward Plenty, Tina McKenzie-Boyle, Christine Bateson and John Lenton were all Members on Planning Committees.

There were no Declarations of Interest received from Officers.

## **79. MINUTES OF THE MEETING HELD ON 16 DECEMBER 2015**

### **RESOLVED that:**

The Minutes of the meeting held on 16 December 2015 be approved as a true and correct record and signed by the Chairman.

## **80. QUESTIONS FROM THE PUBLIC UNDER STANDING ORDERS 19 AND 25**

There were no questions from members of the public under Standing Orders 19 and 25.

## **81. RECEIPT OF ANNOUNCEMENTS**

The Chairman made the following announcements:

### **Filming Fire Authority**

It was noted that the Fire Authority meeting would be filmed. The Chairman asked that if anyone did not want to be filmed they should indicate that this was the case.

### **New Member - Welcome**

The Chairman welcomed the newly appointed Member from Slough Borough Council, Councillor Haqeeq Dar. Councillor Dar had been appointed to replace Councillor Joginder Bal.

Councillor Dar was no stranger to the Royal Berkshire Fire Authority as he was previously a Member two years ago. Clearly, a number of changes to the Fire Authority had been seen over the last two years, including the move to the new Headquarters which, of course, incorporated the Thames Valley Fire Control Service.

On that basis, the Monitoring Officer would be in touch to arrange a one-to-one to bring Councillor Dar up to date. On behalf of Royal Berkshire Fire Authority, the Chairman welcomed Councillor Dar back.

### **Outgoing Member**

Councillor Jogindar Bal had been appointed to the Fire Authority in June 2014 and had been a Member of the Strategic Asset Management Committee and Audit and Governance Committee during his time as a Royal Berkshire Fire Authority Member. The Chairman placed on record his thanks to Councillor Bal for his time

and contribution and wished him every success in future endeavours.

### **Heads of Service Update and staff appointments**

The Corporate Management Team had spent December 2015 and January 2016 interviewing for the vacant Head of Service posts. Consequently they were able to make appointments to all vacant roles and Royal Berkshire Fire Authority were looking forward to the new team being fully in place in the first part of 2016. There had been an excellent response to adverts for all posts and a very high calibre of applicants. The appointments which had been confirmed were as follows:

- Head of Finance and Procurement – Conor Byrne
- Head of Corporate Services - Katie Mills would be joining the Authority from Elmbridge Borough Council in Surrey
- Head of Human Resources, Learning and Development – Becci Jefferies
- Head of Business Information & Systems – Nikki Richards
- Area Manager West – Mark Gaskarth, from Wiltshire
- Area Manager East – Dave Myers, from Dorset
- Area Manager Risk and Performance – Simon Jefferies
- Area Manager Trading Company – Paul Maynard

The Chairman congratulated the above in obtaining their posts and wished them all the very best for the future.

### **Closer Working Between the Emergency Services**

Members would have seen the Government's recent response to a consultation on proposals to increase joint working between the emergency services.

In summary, the Government intended to make a number of legislative changes – most of which had direct implications for this Fire Authority and these included:

- The introduction of a statutory duty to collaborate with other 'blue-light' services. The Chairman pointed out that the Fire Authority had already taken collaborative working forward prior to the introduction of this legislation and it was hoped this could be extended.
- Provisions being introduced to enable Police and Crime Commissioners to take on the functions of fire and rescue authorities, where a local case was made.
- Where a Police and Crime Commissioner did take on these functions, they would be able to create a single employer for police and fire personnel;
- In areas where the Police and Crime Commissioner did not become responsible for fire and rescue services, there would be the facility for them to have direct representation on fire authorities, subject to local agreement.

The Chairman was sure that Members would welcome this move by Government to increase collaboration between the blue-light services. It made complete sense and, of course, supported a specific commitment the Fire Authority had made to its constituents when it recently published the Corporate Plan.

Having said that, the provisions being introduced could take the process of integrating blue-light services well beyond collaboration. They could, for example,

lead to wholesale change of governance arrangements with the role of this Fire Authority being transferred completely to the Police and Crime Commissioner. It was therefore necessary to proceed thoughtfully, and ensure that any major decisions taken were in the best interests of the fire and rescue service and, most importantly, the people it served.

In terms of moving this forward, the Chairman had attended a meeting in week commencing 8 February 2016 alongside the Chief Fire Officer, with opposite numbers from Oxfordshire and Buckinghamshire, the Chief Constable and the Police and Crime Commissioner, to discuss the approach that would be taken in the Thames Valley. It had been a useful meeting at which it was agreed to commission a scoping study to examine options for collaboration between the fire, police and ambulance services in the Thames Valley. The terms of reference for this scoping study were being drafted and would be shared in due course once agreed. The Chairman confirmed that he would keep everyone fully up-to-date on an ongoing basis as this important issue moved forward.

### **Co-Responding Scheme**

On the 18 January 2016 the Chairman had the pleasure of officially launching a co-responding scheme from Wokingham Fire Station. This was the second scheme within Berkshire, however this was the first wholetime fire station to undertake this function in Berkshire.

The Chairman reported that in this short period of use, around 350 medical emergency incidents had been attended by co-responders. The Chairman also took the opportunity of updating the Authority on the scheme being piloted in Hungerford. Around 320 emergency incidents had been attended by co-responders since this commenced in June 2015.

### **Member Visit to Dorset Community Safety Centres**

To help Members develop their knowledge and understanding of how to turn fire stations into community fire stations, the Chairs of the Authority's Committees and Working Parties would be visiting Dorset Fire & Rescue Service on the weekend of 20 and 21 February 2016. Dorset had developed some excellent community facilities and their safety centres in Weymouth and Bournemouth provided some of the most cutting edge prevention activities within the Fire and Rescue Service.

The visit was being hosted by the Chairman of the Dorset Fire Authority, Rebecca Knox, and Chief Fire Officer Darran Gunter, who Members would recall made a presentation at the previous meeting of the Fire Authority on the outcome of the Peer Review which he led. During the visit Members would be given the opportunity to visit the facilities, see how the wider prevention agenda was being delivered and gain an understanding of how these facilities had been developed, funded and delivered.

Following the visit, the Chairman confirmed that he would update Members on the learning from the visit and share the groups thinking on how the Fire Authority could implement this learning in Royal Berkshire.

### **Signing in/Councillors Lanyards**

For security purposes, Members and visitors to the building were being asked to sign in at reception. This was in addition to the attendance sheet Members were required to sign. In addition, Councillors lanyards were available at reception and the Chairman asked for these to be returned when Members signed out.

## **Fire Exits**

The Chairman explained the fire exits to be used if the alarm was to sound as there was no scheduled fire alarm test.

## **Representative Bodies**

The Chairman asked representative bodies if they wished to address the Fire Authority. Eddie Cardoso (FBU Representative) confirmed that he wished to do so prior to Agenda Item 14 (2016/17 Budget and Medium Term Financial Plan).

## **82. ISSUES ARISING FROM THE AUDIT AND GOVERNANCE COMMITTEE**

It was noted that no reports had been referred from Audit and Governance Committee.

## **83. QUESTIONS FROM MEMBERS UNDER STANDING ORDER 30**

There were no questions from Members under Standing Order 30.

## **84. NOTICES OF MOTION UNDER STANDING ORDER 44**

There were no Notices of Motion under Standing Order 44.

## **85. RECOMMENDATIONS OF COMMITTEES**

It was noted that the following agenda items had been recommended from:

Item 11 from IRMP Working Party on 25 January 2016 and Management Committee on 8 February 2016.

Item 12 from Strategic Asset Management Committee on 19 January 2016 and Management Committee on 8 February 2016.

Items 13 and 14 from Management Committee on 8 February 2016.

Item 15 from Audit and Governance Committee on 3 December 2015.

## **86. APPOINTMENT OF COMMITTEES AND WORKING PARTIES**

It was agreed that Councillor Haqeeq Dar be appointed to the Audit and Governance Committee for the remainder of the municipal year.

## **87. RESPONSE STANDARDS**

Trevor Ferguson, Deputy Chief Fire Officer (DCFO), updated the Fire Authority on proposed new definitions for response standards which were concise, transparent and could be easily understood by the public, and sought agreement on the response standards proposals and how the response standard consultation would fit within the overall Integrated Risk Management Planning consultation timeline. The DCFO clarified that Members were being asked to agree proposals for the consultation process and post consultation, the feedback and analysis would be presented to Fire Authority before response standards were finalised.

Simon Jefferies, Area Manager Risk and Performance (AMRP) went through the detail of the report. He explained that national standards of fire cover disappeared following the Bain Report and the implementation of the Fire and Rescue Services Act 2004. In May 2013, Sir Ken Knight reported "It is for each fire and rescue

authority to determine their own rules for response times". The Fire Authority's current published measures were reported as attendance standards. This meant that the clock was started from the time that the control room alerted the crew at a station and not from the point the first call was taken in the control room from a member of the public.

The following standards had been developed in 2005/6:

- The Royal Berkshire Fire & Rescue Service was committed to achieving an **optimum** response standard of 8 minutes for the first appliance and 10 minutes for the second appliance for dwelling fires.
- The Royal Berkshire Fire & Rescue Service was committed to a **standard** response of 10 minutes for the first appliance and 12 minutes for the second appliance for dwelling fires.
- The Royal Berkshire Fire and Rescue Service was committed to making an initial attendance to road traffic collisions, with the necessary resources to commence extrication of casualties, within 11 minutes.

The operational peer assessment team in 2014 reported that the Fire Authority's standards were overly complex, difficult to understand and should be realigned with the Fire Authority's new strategic commitments. The Fire Authority then directed a review of operational response standards. The DCLG current definition was: *"Response times are from time of call to time of arrival of the first pumping appliance"*

Following direction from the Fire Authority the IRMP Working Party (WP) Members, had been considering the issue of response standards through a range of workshops and presentations. To ensure full stakeholder engagement the FBU had been invited to and had participated in all of these workshops and presentations. As a result of this work the IRMP WP had developed a range of proposals for consideration and potential inclusion in future consultations. The IRMP WP's findings/proposals were as follows:

- A response standard was more transparent, easily understood and preferred rather than an attendance standard. Members agreed that the public would expect any reporting on performance to be measured from the time a call was received at the control room through to an appliance arriving at the incident. Therefore future consultations should include proposals to move from attendance standards to response standards.
- An 'All Emergency Incidents' response standard was considered in detail but it was agreed that proposals for both an 'All Emergency Incidents' and a combined 'Dwelling Fires and Road Traffic Collisions (RTCs) Incidents' standard should be consulted on.
- A single pump standard was favoured for simplicity and to realign with the DCLG definition of a response time. Currently, for dwelling fires, there was a two pump standard and for RTCs a single pump standard.
- It was agreed that proposals around a single pump response standard should clarify that second and additional appliance attendance standards should continue to be monitored internally only.
- It was agreed that publishing a target percentage, where the response standard was met, would create a more transparent and measurable reporting standard

for the public.

- It was agreed that following consultation and agreement by the Authority, all future RBFRRS publications and communications should be consistent in the use of language, in relation to response standards, to ensure transparency.

The IRMP WP also endorsed the proposed development of a new methodology for risk modelling. Previously, the Fire Authority had utilised only historical incident data and the location of past incidents, as the predictor of future risk. The new integrated risk modelling methodology (utilising the software package Cadcorp Workload Modeller) combined all of the community risk management arrangements. It integrated prevention, protection and response activities allowing a more sophisticated targeting of resources. This would bridge the gap between the strategic IRMP processes and the localisation of IRMP to stations supporting the delivery of a key strand of 'Vision 2019'.

This new risk modelling methodology would provide Members and Officers with a greater range of information and data to enable more informed decision making. Workload Modeller would make it possible to look, not just at response times, but also societal risk, based on the demographics of communities across the Royal County. To enable the Fire Authority to model response standards rather than attendance standards in the integrated risk model an average time for call handling needed to be added to the attendance standards. At the inception of IRMP in 2005 around 50% of calls were handled within 60 seconds so an average 60 seconds call handling time was used for risk modelling. Since 2005 a number of factors had changed. As a result of these changes the average call handling time since the cutover to TVFCS was now closer to 90 seconds. Any proposals included for consultation would need to clarify that modelling would be based on an average 90 second call handling standard but performance reporting would be based on the *actual* response standards, including the specific call handling time, not an average time.

It was also agreed that any consultation proposals should provide information on historic performance against the newly defined and simplified response standard definition. This would allow the community to better understand the potential impact of any future changes to response services through the IRMP process.

The Authority had a statutory duty to consult the public and a 12 week consultation was ongoing on the Authority's new IRMP contained within the Corporate Plan. The Plan set out the Authority's new policy direction and articulated 'Vision 2019'. The consultation was based on the four high level projects which would enable the Authority to reconfigure its Prevention, Protection and Response community risk management arrangements. Project one of the four projects would specifically look at how the Authority configured response standards, station locations and crewing arrangements.

To enable the consultation dialogue with the community to be as transparent and understandable as possible it was proposed that a single item consultation should take place on response standards. The purpose of this consultation would be to explain the difference in the various methods of reporting performance i.e. attendance standards versus response standards, single pump versus multiple pumps, all emergency incidents versus dwelling fires and RTCs only. It would also propose some simplified and more transparent reporting standards which could be used to make future consultation dialogue with the community more transparent and meaningful. The consultation would provide information which would baseline

any proposed standards against the Service's existing community risk management arrangements. The consultation would not make proposals to change how the current community risk management arrangements were configured.

Future projects to change the community risk management arrangements would be informed and explained in the context of the response standards agreed at the end of the consultation period. Given recent budget announcements and the medium term financial picture for the Fire Authority, it was very likely that the options the Authority would have to consider would impact on response standards. The challenge for Officers and Members would be to find the best possible mix of prevention, protection and response community risk management arrangements, to ensure that the communities of Royal Berkshire continued to live safe and fulfilling lives.

It was noted that in order to ensure that the consultation dialogue with the community was as meaningful and informative as possible, it would be necessary to arrange additional Fire Authority meetings. These meetings were likely to be single item consultation consideration meetings. Given the importance of the matters being considered this was felt to be reasonable and prudent.

Councillor David Burbage felt that the agreement of concise and transparent response standards would aid performance monitoring and help to identify where improvements could be made. Councillor Colin Dudley agreed with this point.

Councillor Tom McCann was concerned should low targets be set as an appropriate level of challenge was necessary. The AMRP reiterated that targets would not be set until after consultation on a range of different options had taken place.

Councillor Dudley then proposed acceptance of the recommendations in the report. The proposal was seconded by Councillor Emma Webster. Councillor Webster took the opportunity of thanking all Officers involved, including FBU representatives, for their extensive work in putting these proposals together. She also raised the importance of encouraging participation in the consultation exercise.

Councillor Pauline Helliari-Symons praised this very important work. She endorsed the thanks given to Officers for their work and extended these thanks to Councillor Webster for all her hard work in this area.

Councillor Helliari-Symons was hopeful that agreement could be reached, post consultation, for consistent response standards to be set for performance measuring and reporting. She felt that it would be of most benefit to the public for the response standard to cover the time from when a call was received in the control room through to an appliance arriving at the incident. Councillor Phillip Bicknell agreed it would be a positive step to have this standard in place. He also raised the importance of reducing response times where possible to achieve the best results possible for residents.

Councillor Frank Abe agreed it was important, for members of the public, to establish consistent and transparent standards as this would help residents understand whether or not performance was improving.

Councillor Dudley closed debate on this item by stating that emergency response was one of the primary roles of the Royal Berkshire Fire and Rescue Service and response was of most concern to residents. It was therefore important that

performance reported to the public was both appropriate and accurate.

**RESOLVED that:**

- The information presented in the report be noted;
- The timeline for consultation on response standards, set within the overall Integrated Risk Management Planning consultation timeline (Appendix B), be agreed;
- It be agreed that the proposals on response standards, contained within this paper, should be considered by the Fire Authority in the context of the consultation responses received from the current IRMP consultation;
- Following '*conscientious consideration*' of the public responses to the current consultation, it be agreed which options should be included in the response standard specific consultation planned for May 2016;
- It be agreed that work would continue to develop an integrated risk modelling methodology that combined all of the Fire Authority's community risk management arrangements of prevention, protection and response to support delivery of 'Vision 2019'.

**88. STRATEGIC ASSET INVESTMENT FRAMEWORK 2016-2020**

Trevor Ferguson, Deputy Chief Fire Officer (DCFO), provided information to allow Members to set a strategic framework for their medium term capital investment in the Authority infrastructure. In recent years the Fire Authority's capital investment strategy had been focused on the short term. This approach had been driven by a number of key factors:

- Changes in the management team and a full review of the IRMP meant that the long term infrastructure of the service was being re-imagined to meet the need of a modern Fire and Rescue service
- Significant budget pressures for public services in the short term had led to uncertainty about the longer term position of the service and the availability of funding resources
- A focus on short term budgeting and controlling council tax for local residents
- Any available fire specific capital resources had been the subject of bidding competitions

Although a pragmatic short term solution to reducing expenditure, it could best be viewed as postponing expenditure, rather than eliminating the need for that investment. As the IRMP reviews reached a conclusion and following the Chancellor's confirmation of the longer term direction for funding for the Authority, the Authority recognised that as far as was reasonably foreseeable the service would have a significant infrastructure to support its service delivery and it would therefore need to invest in that infrastructure to ensure that the capital assets were in place to deliver the Fire Authority's new Strategic Commitments.

Whilst technologies and techniques would inevitably develop and improve over time and detailed solutions would change the Authority would need to invest in a maintenance and replacement programme in the in the following key thematic areas:

- Property
- ICT
- Vehicles and Operational Equipment

The Authority should therefore ensure that its medium term financial strategy included sufficient provision for investment in each of those asset areas and that the impact of that capital investment strategy was reflected in its medium term financial plan. It was proposed that the Authority should endorse an approach that saw sufficient provision being made for investment in each of those key areas that delivered its vision for the service.

A Strategic Capital Investment Framework had been produced which was attached as Appendix A to the report. This examined in detail the key issues for the Authority to consider in setting reasonable provisions within its plan including:

- The scale of the infrastructure
- Current age and condition of assets
- The opportunities to use capital investment to support cultural change and service improvement

The need to invest in the core infrastructure had been analysed and a draft investment plan had been developed based on “Key Assumptions” about the scale and cost of investment required. The proposed provision for future capital expenditure had been presented at BWP where challenges were raised about the level of investment being proposed. At the request of the BWP these concerns were highlighted to the SAMC before the paper was presented and they considered the paper in light of the concerns. As a result of the discussion and challenges at SAMC and additional work on potential capital expenditure the following changes had been made:

- The potential capital receipt from Dee Road had been moved to 2018/19.
- The £50K per annum for equality and diversity and the quick wins budget had been amalgamated and re-profiled across the 5 years of the framework.
- £1m provision had been made for the purchase of the proposed Theale site and two £500k provisions had been made for fleet and communications workshops development.

The proposed investment programme totalled £25.4 million over a five year period. Significant funding was available potentially through use of reserves and capital receipts. However, to fund the programme in full still required a level of borrowing of £11.5m – matching long term resources to long term assets was a sensible and prudent approach to financing. The proposed programme and funding was set out in the document. This level of borrowing could also be significantly reduced if the Authority was successful in securing partner funding or transformational funding from Central Government.

It was important to note that the proposed approach to developing The Strategic Asset Investment Framework was based upon making reasonable provision for the likely investment requirements in the infrastructure of the organisation. It did not represent a commitment to spend. It was expected that officers would present detailed expenditure plans to ‘call down’ against those provisions as needs were identified in detail and a series of corporate reviews were completed. This was essential for good governance and to allow Members detailed scrutiny of major

capital projects before they proceeded in detail. It was stressed that this was not an authorisation to spend as that would be based on further Member scrutiny. However the approach would have the following key advantages:

- A more strategic multi year approach would be adopted;
- A move away from a once a year bidding process allowing more flexibility should expenditure requirements or investment opportunities arise in the year;
- Have a more flexible approach to the capital plan based on core thematic spending areas rather than a single year list of detailed projects. This would allow flexibility around virement to reflect real expenditure needs rather than having to revisit the budget/MTFP in detail;
- Allow a more strategic approach to procurement.

Councillor Paul Gittings referred to Table 1 in Appendix A of the report which gave indicative figures of the funding programme. Some of those figures were quite large sums and he asked for reassurance that those would be the maximum figures. He was also concerned that these framework totals had been published. The DCFO gave an assurance that the figures set out in the table were benchmark figures. The figures for the Fire Authority would be based on need and would be scrutinised by Members prior to committing to any spend.

Councillor Ian Pittock referred to the number of people and roads around the Whitley Wood area and he asked whether consideration could be given to having a base at Arborfield. The DCFO confirmed that the risk modelling tool would predict in relation to the location of future builds and the IRMP Working Party would consider any proposals put forward.

Councillor Tom McCann welcomed the five year programme but he had concerns around the capacity to deliver it. He queried whether the procurement policies were sufficient and noted that there had not been a great deal of discussion about what to do in the future in relation to community hubs. The DCFO stated that as this moved forward additional resources would be required to complete the programme. Community hubs would be provided by other services. Councillor Colin Dudley referred to the forthcoming visit to Dorset Fire and Rescue Service to look at their community safety centres which would be useful. Councillor McCann also referred to the age of the Authority's fire appliances and he queried whether further consideration would be given to the lifespan of appliances as this had not been mentioned in the report. The ACFO confirmed that he would be presenting a paper later in the meeting which proposed that the 14 years lifespan should be reduced to 12 and further rotation of fleet vehicles would be considered so that there was an equal share of wear and tear.

Councillor Christine Bateson queried why no wholetime firefighters had been shown at Windsor.

Councillor Ian McCracken agreed that it was time that a five year plan was in place. He also agreed that as stated in paragraph 2.2 of the report that 'provision' should be made within the medium term financial planning and budget processes for this programme of capital investment. There would be subsequent revenue implications for the capital requirement and he queried whether it would be front loaded or provided in year. It was noted that there was potential to use capital receipts to fund revenue provided that it was used to transform services and this was something that would need to be looked at in the strategic framework at a

later stage.

Councillor David Burbage asked if the Fire Authority could ensure that it received value for money. He was pleased to hear about the trip to Dorset and he hoped that the Fire Authority would take a view as to whether the outcomes were worth the investment. Councillor Colin Dudley assured Councillor Burbage that that would be the case.

Councillor John Lenton did not think that the mileage on the frontline appliances was that high. He also did not understand why the whole appliance needed replacing when it might be possible to update equipment. Councillor Colin Dudley responded that the mileage often had no relation to the wear and tear. Pumps were often in attendance at fires for three to four hours and the engine needed to run over that period in order to drive the pumps. Equipment was updated during the life of the appliance. The ACFO confirmed that appliances needed to be available immediately to respond 24/7 and they needed to be reliable. There was also an issue around availability of spare parts for older vehicles and the wear and tear on the appliances was a problem.

Councillor Angus Ross thanked the DCFO and his team in preparing the report which was timely as it was an essential step which would allow the Fire Authority to operate effectively. He assured Members that no funding had as yet been allocated to the programme and that there would be a robust challenge prior to any spend being authorised. The figures shown were indicative only. Page 46 of the agenda set out where the funding would come from and it was hoped that further capital receipts would be forthcoming to minimise borrowing. Councillor Iain McCracken added his thanks to the DCFO and his team and concurred with the reassurance around the funding of the programme.

**RESOLVED that:**

- The draft Strategic Asset Investment Framework “Key Assumptions” in relation to Estates, ICT and Vehicles be agreed;
- It be agreed that provision should be made within the medium term financial planning and budget processes for this programme of capital investment;
- It be noted that specific capital projects would still require approval and would be subject to regular monitoring and scrutiny;
- It be noted that the Fire Authority would be provided with an annual update of the framework to ensure that it remained fit for purpose;
- It be noted that the framework had been recommended to the Fire Authority by the Strategic Asset Management Committee (19<sup>th</sup> January 2016 meeting) and Management Committee (8<sup>th</sup> February 2016 meeting).

**89. CAPITAL PROVISION FOR FRONTLINE APPLIANCES**

Paul Southern, Assistant Chief Fire Officer (ACFO), provided the Fire Authority with information to support the procurement of frontline fire appliances over a three year period, thereby enabling a medium term capital budgetary provision to be made.

RBFRS had a significant vehicle fleet, including 38 fire appliances, with four being used by the fire cadet programmes, three at the Training Centre and six reserves.

Fire engines had a useful life of typically 10-14 years. The Authority recently extended its lifeing policy to 14 years, which was at the upper end of policies adopted across the service nationally. The current age of Berkshire's fleet was high in comparison to the majority of other fire authorities (as referenced in paragraph 3.5 of the report). Officers believed a 12 year lifeing policy would be more appropriate.

The profile of the current active appliances (excluding those about to be decommissioned and with the cadets) was shown in the graphs in paragraph 3.4 of the report. It was highlighted that the procurement of a fire engine was an involved exercise and there were only a limited number of available manufacturers. In practical terms it might be expected to take two years to secure a new appliance from a decision to proceed being taken. The second graph showed how aged the fleet would be in two years' time, which was the earliest date at which a new appliance could arrive if the decision was taken now to procure new appliances. It might, however, be even longer, as a number of services had placed orders with suppliers in recent months.

The Authority had not bought any new appliances for the last two years. This was emphasised in the graph taken from CIPFA statistics, which showed the average age of front line appliances only. With a lifeing policy of 14 years the Authority would expect to have an average age of seven years. Whilst there were various different types of frontline fire appliances and options to be considered around procurement, the number required to be purchased each year should be based upon the lifeing frequency as shown in the table in paragraph 3.6 of the report.

Based upon the information referenced in this report, it was recommended that, subject to approval of the budget, the Authority should procure three frontline fire appliances in 2016/17, three in 2017/18 and two in 2018/19. The current cost of a frontline fire appliance was contained within paragraph 4.1 of the report.

Work was currently underway across the Thames Valley Fire Services to align fleet procurement and standardise the type of fire appliances in use. Such alignment would enable greater commercial opportunities.

The ACFO confirmed that the Strategic Asset Management Committee (SAMC) would have oversight of the tendering process for the frontline fire appliances.

Councillor Tom McCann queried when the decision was made to extend the Authority's lifeing policy to 14 years. The ACFO explained that this Officer decision was based on a recommendation of the Transport and Fleet Manager and was based on the belief that savings could be made, however these had not materialised. This decision was taken within the past three years. Councillor McCann followed this up by querying what had changed, since this decision was made, to support a move back to a 12 year lifeing policy. The ACFO offered to provide a detailed report on this matter to SAMC.

Councillor McCann stated that his concern was in relation to the lengthy procurement process highlighted and whether the procurement process could be improved.

Councillor Colin Dudley proposed acceptance of the recommendation in the report to agree to make a capital provision to procure three frontline fire appliances in 2016/17, three frontline fire appliances in 2017/18 and two frontline fire appliances in 2018/19. This was seconded by Councillor Adrian Edwards.

Councillor Angus Ross raised the need for a clear expectation on the age of the

Authority's fleet and the condition of vehicles/equipment for their various uses. Councillor Ross felt that the Authority needed a budgetary provision to address the issues of an ageing fleet.

**RESOLVED that:**

It be agreed to make a capital provision to procure three frontline fire appliances in 2016/17, three frontline fire appliances in 2017/18 and two frontline fire appliances in 2018/19.

**90. 2016/17 BUDGET AND MEDIUM TERM FINANCIAL PLAN**

Conor Byrne, Head of Finance and Procurement (HOF), presented a report which would enable the Fire Authority to finalise the Budget requirements and to approve one of the four options set out below in relation to the Council Tax precept for 2016/17. The report also set out the case in support of the Fire Authority seeking a four year grant settlement from Central Government, in response to an offer made in a recent letter from the new Home Office Fire Minister.

The Management Committee had met on 8th February 2016 to consider the recommendations of the Budget Working Party (BWP). Due to the extremely volatile nature of the funding environment and continuing high levels of uncertainty about final settlement figures, the Management Committee took a decision to amend the recommendations of the BWP, so that the Fire Authority would be able to consider a broader range of Council Tax options. The central rationale for taking this decision was an expectation that further, more accurate information would become available in the period between the Management Committee meeting and the meeting of the full Fire Authority – thereby enabling Members to take a final decision on the Council Tax precept from as well-informed a position as possible.

As anticipated, additional information had now become available and the report contained all funding information from the Government and unitary authorities for 2016/17. It was very clear, however, that as the Authority became more dependent on local funding it would also be exposed to greater volatility and fluctuations based on factors such as the growth in the council tax base, council tax collection rates, and levels of business rates. This volatility created greater risk for the Authority, and underlined the importance of Members taking prudent decisions on Council Tax and other factors over which they had control.

The Secretary of State for Communities and Local Government announced the final local government finance settlement to the House of Commons on 8<sup>th</sup> February 2016. The announcement was a four-year settlement, although the funding allocations from 2017/18 to 2019/20 were indicative. In a letter to Chairs and Chief Fire Officers, which was attached as Appendix E to the report, the new Home Office Fire Minister stated that he recognised the value of clarity on future funding to support good financial planning, and was keen to see fire and rescue authorities make the most of this in driving forward sensible efficiencies. On that basis he had agreed to maintain a previous offer made by the Department of Communities and Local Government of four-year allocations for single purpose fire and rescue authorities that submitted robust efficiency plans. The Minister would be writing to Fire Authorities shortly to provide more information on the criteria and sign-off arrangements for such plans. This Authority was well placed to respond to the Minister's offer because of the strategic approach it had taken already in setting out its commitments in its Corporate Plan 2015-19 and the preparation of

the new Strategic Asset Investment Framework. The approach was also consistent with the representations made to the previous Fire Minister, on behalf of the Authority, by the Chairman in 2015.

The Government carried out a local government resource review and introduced a new funding system for local government in 2013/14 based on a “business rates retention scheme”. Under the new funding system RBFA received revenue support grant (RSG) and a business rates top-up grant that together with CLG’s estimates of the local business rates share for the Authority would form what was effectively in the previous grant regime the “formula grant” funding. Alongside that, the Authority generated its own income through precepting for council tax income as it always had done. In order to stick to the Government’s public sector spending plans, however, the Government had applied the system in such a way as to control “formula grant” funding in line with its control totals for local government funding over the last few years. It had done this by introducing a concept of settlement funding assessment - this being the total of Revenue Support Grant and Business Rates Top up Grant - and controlling this overall total by reducing revenue support grant significantly.

In the recent past the government had made cuts to settlement funding at the same percentage reduction for all Fire and Rescue Authorities. This was regarded by some as unfair since it meant that authorities who were more reliant on government funding received bigger cuts in their overall funding levels than authorities who got a larger proportion of income from council tax.

In response to this challenge the Government had introduced a new concept of “core funding”. Core funding was established based on all government funding in 2015/16 plus actual council tax income in 2015/16 without any increase in taxbase or council tax levels. The Government had reduced revenue support grant to individual authorities in a way that ensured that those authorities delivering the same set of services received the same percentage change in settlement core funding for these services. So all fire and rescue authorities had seen the same reduction in core funding across the period of 9.8%.

Taking council tax into account when calculating this adjustment was a significant change in central government policy and was a measure being adopted to take account of the relative reliance of Fire and Rescue authorities on council tax income. Because this Authority got more of its income from council tax this meant that the cuts to its government funding were slightly higher than originally anticipated.

Following on from the consultation on the provisional settlement, the Government had now responded to concerns from local authorities regarding the size and front-loading of cuts as a result of its new approach around core funding by providing additional resources to ease the pace of reductions during the most difficult first two years of the settlement. Local authorities, including fire and rescue authorities, would receive an additional total of £150m in the form of a transitional grant, paid in each of the first two years of the settlement period, benefitting most those authorities that had seen the sharpest reductions in their Revenue Support Grant. Royal Berkshire Fire Authority would benefit from this provision by £64,000 in 2016/17 and £81,000 in 2017/18. The overall government funding reduction for this Authority is a 24.2% reduction (£3.23m) as set out in the table in paragraph 3.4.1.

The CFO confirmed that the Authority’s financial model had been updated and now included budget bids totalling £165,000. These bids were set out in Appendix F to

the report. The financial model had also been updated to include £357,000 of target savings identified through the BWP process. The savings would come from the heads of service restructure (£150,000), reductions in the operational equipment budget (£120,000) and savings from retendering IT contracts (£87,000).

It was clear that in order to help close the funding gap in 2017/18, 2018/19 and 2019/20 reductions in staff numbers and changes to crewing response arrangements would be needed. The work to identify changes to crewing arrangements would be undertaken as part of the IRMP programme. However, given the authority's duty to consult and the construction work possibly necessary to support such changes, it was anticipated that these savings would not be fully realised until 2018/19. Therefore the use of reserves would be required to bridge the funding gap in 2017/18. The Authority's reserves could be used in the short term to plug the funding gap but it was only prudent to do so if future savings had already been identified. Reserves should not be used to fund recurring expenditure without a clear strategy to balance the budget. The new policy direction which reset the Authority's strategic commitments required substantial capital investment if the Authority's vision of placing fire stations at the heart of communities was to be realised. Members agreed to use the "fiver for fire" income to fund a new fire station at Theale. Furthermore, the purpose of the Development Fund was to finance capital projects and the Strategic Asset Investment Framework which was presented to Management Committee on 8 February 2016 was based on using the Authority's reserves for capital purposes.

Given the size of the funding shortfall in 2017/18 of £1.75 million it seemed prudent to increase council tax. Indeed, the cut in government grant for this Authority was greater than for some other fire authorities because the government assumed that this Authority, which gained a large proportion of its income from council tax, would increase council tax. An increase in council tax of 1% would generate recurring income of £200,000 per annum whilst an increase of 2% would generate £400,000 each year. The Government's assumptions were based on an average of 1.75%. Intelligence across other Combined Fire Authorities had indicated that all would be increasing their Council Tax by at least 1.9% in 2016/17, with the vast majority increasing it by 1.99%. All previous financial planning assumptions had been based on the concept of the government offering and the authority accepting the council tax freeze grant. The Government was not offering a freeze grant for 2016/17. To maintain funding in line with the previous assumption of freeze grant the Authority would need to raise the precept by 1%. RBFA continued to be a very low council tax authority with its band D council tax more than £10 below the national average for FRAs. Even if RBFA increased council tax by 1.75% p.a. for the next four years it would still be below the current (2015/16) national average council tax. If, as intelligence suggested, other CFAs increased by between 1.75% and 1.99% RBFA would certainly remain in the lower quartile.

At the Budget Working Party, Members discussed in detail the pressures on the pay bill overall, the likelihood of pay awards being settled at a level nearer to future CPI than at the Chancellor's assumed 1% and the possibility of pay bill costs being affected by employer pension costs. Members needed to consider closely what would be a prudent approach for their budget process and they would need to review this assumption as part of their overall approach to financial risk in the budget process. If pay awards were 2% rather than 1% per annum, the pay bill would increase by an additional £250,000 each year.

Draft statutory guidance on the flexible use of capital receipts was published

alongside the Settlement consultation. Under this guidance local authorities would be able to use new capital receipts from April 2016 to March 2019 to pay for the revenue set up costs of projects that were designed to make revenue savings.

There had been no announcement on specific revenue grants to date. It was possible the New Dimensions grant might be cut due to the ongoing review of these assets by Central Government. No capital/transformation funding had been announced for FRSs in 2016/17 but indications were clear that all future capital funding would be based on this type of bidding process linked to the proposed duty to collaborate across blue light organisations.

Section 42A of the Local Government Finance Act 1992 as amended required precepting authorities to have had regard to the level of reserves needed for meeting estimated future expenditure when calculating the council tax requirement. Within the existing statutory and regulatory framework, it was the responsibility of the Head of Finance to advise on the level of reserves that should be held and to ensure that there were clear protocols for their establishment and use. Having taken due regard of the provision for capital being made in the Strategic Asset Investment Framework it was the opinion of the Head of Finance that the use of reserves to plug shortfalls in the revenue grant needed to be avoided wherever possible. If reserves were used to plug shortfalls in revenue funding the delivery of the capital programme would require additional borrowing, greater interest costs and further pressure on the revenue budget in the medium term. This would not be a prudent approach to meeting the medium term financial requirements of the Authority.

Under Section 25 of the Local Government Act 2003, the Head of Finance was obliged to report on the robustness of the estimates and the adequacy of the proposed financial reserves. The Head of Finance believed that the estimates which had been made were robust and that the proposed general fund reserve was sufficient, based on the assessment of financial risks for the next financial year.

Having considered all the factors and being mindful of the volatility and uncertainty attached to the Authority's funding, the HOFP suggested that it would be prudent to raise the precept by at least 1.75% in line with the thinking of Central Government.

Eddie Cardoso, (FBU Representative), thanked the Chairman for allowing him to address the Fire Authority Members on behalf of the FBU and the residents of West Berkshire. The FBU was asking the Fire Authority to opt for Option 4 – to increase the precept by 1.99% which would result in a Band D Council Tax of just £61.87 – that was less than 17 pence per day. The FBU also felt that the Government's offer of a four year settlement in principle should be accepted.

The debate was around one third of a penny per band D equivalent home per day and at the end of the four years this would equate to two pence. At the end of the four years in overall budget terms, however, it was potentially two fully-crewed fire engines across Berkshire or just under 10% of the front line fleet. Whilst those resources would be placed to optimise cover, there would be people in Berkshire who would have to wait for firefighters to save their lives and having to wait that little bit longer for it to happen. He felt that most people would be prepared to pay two pence more per day for the fire service in four years' time and still have the same number of fire engines rather than paying no more and having 10% fewer fire engines.

Strategic Commitment 5 stated that **'We will ensure that Royal Berkshire Fire and Rescue Service provide good value for money'**. Royal Berkshire was the third cheapest non-metropolitan fire and rescue authority in England behind Buckinghamshire (currently at £58.54) and Leicestershire (currently at £60.43). Buckinghamshire had agreed a 1.95% increase and Leicestershire a 1.97% increase for 2016/17 and all other fire authorities were around 1.99%. The 1.99% option would result in a budget of £33.8m which was the same as it was in 2010/11 and that supported the stated commitment to provide good value for money.

£2m of the savings already delivered had resulted in the reduction in firefighter numbers which meant that all the appliances now rode with four personnel as the norm. This was the minimum number required to crew an appliance and therefore options needed to be considered carefully in the future.

Strategic Commitment 6 stated that **'We will work with Central Government to ensure a fair deal for Royal Berkshire'**. The authority had a policy of medium term planning and the Chairman had made representations to the Fire Minister in 2015 to support that principle. The Government had delivered a four year settlement and the FBU urged the Fire Authority to follow its own policy and accept a four year settlement. The option not to increase the budget would have significant consequences on the Authority's ability to get fire engines to incidents within that important intervention window – where the ability to rescue people alive diminished.

Although it was recognised that the economy was still undergoing a fragile recovery which required some prudence, the Authority was starting on a journey to deliver the long term vision. There were a number of known uncertainties which would be appearing towards the end of this budget period. Inflationary pressures were likely to return at some point over the next few years and there was a degree of uncertainty in regard to business rates. The Authority needed to protect its baseline and anything less than a 1.99% rise in the precept would have an impact on the Authority's ability to deliver its vision and maintain a fit for purpose highly efficient service. Members were therefore urged to adopt Option 4 of a 1.99% increase.

The DCFO stated that difficult discussions were taking place in the unitary authorities as the settlement from Government had been extremely challenging. The DCFO confirmed that £357k of target savings had been identified through the Budget Working Party process. The greatest risk over the spending review period was presented in 2017/18 and the IRMP Working Party would be looking at how community safety services could be delivered over the four year budget period in order to identify further savings.

The CFO stated that the advice set out in Section 9 was clear. The four year settlement linked with the Fire Authority's medium term approach and provided certainty in order to facilitate the delivery of the Corporate Plan. To support that the Chairman had recently made representations to the previous Fire Minister that such medium-term funding certainty would be very helpful in financial planning terms.

The CFO was also recommending that the Fire Authority should increase its Council Tax precept by at least 1.75% as this was the average figure the Government were expecting to see. Serious consideration should also be given to using all the 'head-room' available below the referendum limit by taking the option of a 1.99% increase. The Fire Authority deserved credit for the time Members

spent planning in order to achieve an efficient and effective Fire Service. There was a degree of volatility in future funding and to ensure that sufficient financial resources were in place to achieve these ambitious plans then consideration should be given to increasing the precept by 1.99%.

Councillor Christine Bateson referred to paragraph 2.2 in relation to the submission of an efficiency plan. She understood that the Government was now allowing more time for the submission of an efficiency plan and therefore she asked if the Fire Authority had more time. The HOFPP confirmed that the deadline was now October 2016 and therefore the Authority did have a little more time.

Councillor Tom McCann asked for confirmation that if the precept was frozen at the 2015/16 level could the Fire Authority provide the same level of service that it currently did. The Chairman replied that it could provide the same service but that the level or quality of service would not be the same. Councillor McCann noted that negative inflation was predicted but he asked why Officers felt that they had to recommend a figure for an increase in the precept. The Chairman confirmed that Officers had a statutory duty to state what level was in the best interests of the Fire Authority in order to maintain stability. The HOFPP reiterated that in 2017/18 the Fire Authority would need to identify savings and therefore it was felt to be prudent to increase the precept by at least 1.75%. Councillor David Burbage queried what statute was being referred to and he thought that this was a Member led Fire Authority. The CFO confirmed that the HOFPP had a clear set of statutory duties one of which was to inform decision making. He could recommend a course of action that he felt to be necessary and he had a responsibility towards the taxpayers of the district. Councillor Tom McCann stressed that this was a Member decision and therefore did not require Officers proposing what level should be set. The Chairman confirmed that the Officer had given his professional advice and had made a recommendation and not a proposal – the proposal would come from the Chair of the Budget Working Party.

Councillor David Burbage stated that it had been a pleasure to Chair the Budget Working Party and to be involved with the budget in greater detail. He recognised the huge uncertainties around the Government settlement and the lateness of the notification for local authorities. There was a need for a comprehensive Corporate Plan to ensure that equipment etc. was invested in. He thanked Members on the Budget Working Party for the work that they had put in and the Officers for the information which had been provided.

Councillor Burbage confirmed that four options were being presented to the Fire Authority, as had been agreed at Management Committee, but he stressed that the Fire Authority would only take what was necessary from the local taxpayers. The funding settlement from Government for both the Fire Authority and local authorities had been harsh but the 'Fiver for Fire' had helped together with a healthy growth in the Business Rates. Council Tax income had also grown and therefore the Fire Authority's finances were in relatively good shape. The Fire Authority had £11m in reserves which had been built up from historic underspends and there was also the capital receipt from the sale of Windsor Fire Station to take into account. The indicative Capital Programme stated that further investment was required in IT and vehicles etc. The Budget Working Party was therefore proposing that Option 2 – a 1% rise in Council Tax precept – should be agreed which would result in no cuts to front line services. This was seconded by Councillor Phillip Bicknell.

Councillor Paul Gittings also thanked Officers who had been involved with the

Budget Working Party and noted that the figures put forward by Officers were recommendations and not proposals. It had been a testing process which had been made more difficult by the unfair way the settlement for local government had been handled. The late changes just prior to Christmas and the front loading nature meant that 2017/18 would be extremely difficult. The assumptions around the level of Council Tax would change the position. Councillor Gittings felt that a zero percent rise was not a viable option. An increase of 1.99% would mean £1.20 extra per year per taxpayer and even that would not be guaranteed to safeguard the future of the Fire Service. Firefighters would be concerned about working conditions and they would fight any cuts to front line services. The blame clearly rested with the Conservative Government which would lead to a down grading of services. He was sceptical around the four year funding deal and felt that it was not worth the paper it was written on as it was not favourable to Fire Services. There was uncertainty around the level of future funding and the reliance on business rates was risky as it was possible that a number of the larger corporations could be lost if the country came out of the EU. His group would therefore not support the 1% increase in Council Tax precept proposed by Councillor David Burbage.

Councillor Pauline Helliars-Symons reassured Members that a long and detailed discussion had taken place on all four options. The Fire Authority had ambitious plans around capital spend and the Budget Working Party had taken into account the level of reserves and the historic levels of underspend in the budget when making their decision. The public would not thank the Fire Service for taking money it did not need and she felt that a 1% increase would be sufficient to deliver what was required. A 1% increase was £1 per person for the whole year and would go some way to mitigate what local authorities would have to put on their Council Tax. The Budget Working Party had recognised that an increase was required and she felt that the 1% was a good compromise.

Councillor Tom McCann acknowledged the aspirations and challenges but he confirmed that he would abstain from voting. He had concerns that the Fire Authority was in a position where a Chief Officer was at loggerheads with the ruling group.

Councillor Colin Dudley noted Councillor McCann's abstention. He noted that the Labour Group blamed the Government for being in this position. However, it was not the Conservative Government which had left the country in this mess - £63k per person in debt. These austerity measures needed to be taken now. He confirmed that a number of options had been considered and the Management Committee had also looked at this and had asked for four options to be debated by the Fire Authority. Councillor Dudley confirmed that Officers did have the right and the duty to make recommendations/give advice on the amount of funding required. The duty of Members was to consider the level of reserves which the Fire Authority held as it was unfair to take more given those healthy levels.

Councillor David Burbage stated that the representations made by the FBU had been interesting and he confirmed that he would not like to see a reduction in services. He felt that the Fire Authority could manage in the envelope proposed and that the zero percent option was also viable. However, Councillor McCann's comments had been noted and it was felt that a 1% increase was prudent as there was sufficient funding in reserves to ensure that the Fire Authority was in a good position and good shape for the future.

It was confirmed that the Fire Authority would vote on recommendations 2.1 to 2.6

together and it would vote on recommendation 2.7 (TVFCS budget for 2016/17) separately as Councillor Angus Ross was Chair of that Committee.

Recommendations 2.1 (Option 2) to 2.6 were agreed with one abstention (Councillor Tom McCann). Recommendation 2.7 was agreed with two abstentions (Councillors Tom McCann and Angus Ross).

**RESOLVED that:**

2.1. The following option be approved (including the formal resolution) to set the precept in 2016/17 and the Authority's Medium Term Financial Plan:

**Option 2:**

Increase the precept by 1% resulting in a Band D council tax of £61.27 and a council tax requirement of £20,166,894.91. In addition to identified savings of £357,000 a contribution of £160,000 from reserves will be required to arrive at the net budget requirement of £32,770,241.91. The Medium Term Financial Plan related to this level of precept was shown in Appendix B1. The formal resolution was shown in Appendix B2.

2.2. The Government's offer of a four-year settlement be accepted in principle, and the Head of Finance and Procurement be directed to prepare and submit an efficiency plan and any other required documentation to the Home Office to secure the four-year settlement offer in question.

2.3. The Strategic Capital Investment Programme set out in Appendix I be approved.

2.4. The mid-year Treasury Management report in Appendix J be approved.

2.5. The Prudential Indicators, Treasury Strategy and Investment Strategy set out in Appendix K be approved.

2.6. The fees and charges set out in Appendix L be approved.

2.7. The TVFCS budget for 2016/17 set out in Appendix M be approved.

**91. ROYAL BERKSHIRE FIRE AUTHORITY – PAY POLICY STATEMENT  
2016/17**

*(Councillor Emma Webster left the meeting at 8.22pm).*

Anne-Marie Scott, Director of People and Organisational Development (DPOD) introduced the report which sought approval of the draft Pay Policy Statement for 2016/17 prepared for the Fire Authority to meet its obligation under Section 38 (1) of the Localism Act 2011.

Becci Jefferies, Head of Human Resources, Learning and Development, explained that it was a requirement of Sections 38 to 43 of the Localism Act 2011 for relevant authorities in England to prepare a Pay Policy Statement for each financial year. Pay Policy Statements had to be approved by a meeting of the full Fire Authority and subsequently published.

A draft Pay Policy Statement for the Royal Berkshire Fire Authority for the forthcoming year (2016/17) was attached at Appendix A to the report and had been presented to the Audit and Governance Committee on 3 December 2015 for consideration.

Subsequent to the Audit and Governance Committee meeting on 3 December

2015, further guidance had been received. The Pay Policy Statement had therefore been slightly amended to reflect the requirements within the Local Transparency Publishing Organisational Information guidance produced by the Local Government Association. These amendments amounted to publishing the median salary information when detailing the pay multiples. A number of small changes had also been made to the language in the statement to aid clarity.

A further amendment had been made to the section relating to Payments on Termination. Following revision of the Authority's Scheme of Delegation to Officers, all proposed terminations were no longer considered by a meeting of Members of the Fire Authority and this sentence had therefore been removed.

The draft Pay Policy Statement reflected the current position regarding pay and benefits and reflected changes arising from organisational restructuring to date. Any further changes arising during 2016/17 would be updated in the statement as appropriate.

An independent review of the car user schemes and allowances had been undertaken and recommendations were currently being considered by the Corporate Management Team. Once finalised, the new proposed arrangements would be subject to consultation with representative bodies and agreed outcomes would be included in the 2016/17 Pay Policy Statement.

The statement also referred to the new compulsory Living Wage of £7.20 per hour to workers over 25 years of age that would come into force in April 2016. However, it was noted that the minimum salary currently utilised within the Fire Authority exceeded this amount.

The mechanism and timing for the assessment of the entitlement to a Continuous Professional Development payment might be adjusted, subject to consultation with representative bodies and would therefore require a small amendment to the statement prior to publication.

The Pay Policy Statement incorporated final pay figures based on figures available at 1 December 2015.

Councillor Colin Dudley queried the reference made to equal pay. The Head of Human Resources, Learning and Development explained that in accordance with the Authority's Equality Strategy, pay was monitored and reviewed. A recent review of the Authority's pay data by the Local Government Association did not identify any significant equal pay issues. Councillor Dudley stated his preference for no equal pay issues and asked that any 'insignificant' issues be resolved.

The Head of Human Resources, Learning and Development also confirmed that the Pay Policy Statement covered both uniform and non-uniform staff, their benefits etc.

Councillor Iain McCracken noted that the assessment of the entitlement to a Continuous Professional Development payment might be adjusted by Officers and he queried whether this was significant enough to warrant Member sign off. The Head of Human Resources, Learning and Development explained that delegated authority was sought in this area in order to overcome timing issues of these assessments, meaning they could be implemented without delay. She also explained that changes would not be significant and recent restructuring meant there was a lower number of Officers eligible for these payments.

Councillor Dudley proposed acceptance of the recommendations in the report,

together with the above amendment on Continuous Professional Development subject to further scrutiny by the Audit and Governance Committee. The proposal was seconded by Councillor McCracken.

**RESOLVED that:**

- The amendments made to the draft Pay Policy Statement, following presentation of it to the Audit and Governance Committee, be noted;
- The Pay Policy Statement for 2016/17 be approved, subject to ratification on the amendment of Continuous Professional Development Payments by Audit and Governance Committee.

**92. EMERGENCY SERVICES MOBILE COMMUNICATIONS PROGRAMME (ESMCP) INFORMATION AND SIGN OFF PACK**

Paul Southern, Assistant Chief Fire Officer, advised Fire Authority Members of the Chief Fire Officer's intention to formally commit Royal Berkshire Fire and Rescue Service to the Emergency Services Mobile Communications Programme (ESMCP), subject to a number of qualifying conditions being met as the programme proceeded.

The ESMCP was a cross government programme to replace the existing mobile communications service for the three emergency services (Firelink for the fire and rescue services) with a new commercial system based on 4G, which was a mobile communications standard allowing wireless internet access at much higher speeds. The Emergency Services Network (ESN) would provide the next generation integrated critical voice and broadband data services for the three emergency services (Fire, Police and Ambulance).

The main objectives of the ESMCP were:

- **Better** with integrated broadband services, public functionality, national coverage and high availability.
- **Smarter** by being more flexible, to evolve and improve over time and pay for features required by users.
- **Cheaper** to address budget pressures, re-competed regularly to leverage market forces.

RBFRS had received an ESMCP Sign Off Pack from DCLG in late December 2015, which was attached to the report at Appendix A. The Pack outlined their commitment to provide reasonable transition funding for FRS's move to the ESN. As a condition of releasing the funds there was a requirement for the Chief Fire Officer to confirm the intention to commit to the ESMCP.

The Pack provided summary information about the Programme rationale and its benefits for the fire service from both an operational and financial perspective. In particular the pack:

- Provided an explanation of the Programme's transition, steady state and financial implications involved
- Provided an indication about the likely costs for RBFRS of the ESN through its steady state up to 2032
- Highlighted where there might be scope for additional efficiencies by FRS's

- Demonstrated that the potential alternatives to participation in ESMCP carried significant risks for FRS's both from a financial and operational perspective
- Asked FRS's to provide the Department for Communities and Local Government (DCLG) with a decision about whether the FRS intended to participate in the ESMCP.

In order to reduce project management costs associated with the ESMCP delivery, a South Central Task Group (SCTG) had been established. The SCTG included RBFRS, Oxfordshire FRS, Buckinghamshire FRS, Hampshire FRS, Isle Of Wight FRS, Thames Valley Police, Hampshire Police and South Central Ambulance Service.

The SCTG would work through the two main phases of the ESMCP, which were mobilisation and transition. The Mobilisation phase involved the design, build and testing of the systems, which was due to conclude in July 2017. The Transition stage for the SCTG area was scheduled for January 2018. A significant amount of work however would have to be undertaken in preparation for the transition period.

The table in the report highlighted a variety of alternatives to ESMCP and an explanation regarding why the Government believed they were not viable when compared to the benefits that ESMCP would bring.

Officers had reviewed the available options and the Chief Fire Officer (CFO) intended to formally commit to engaging RBFRS in the ESMCP. Attached at Appendix B, was the CFO's letter to DCLG in response to the sign off pack, with associated qualifying conditions.

It was noted that the ESMCP presented a significant risk and was on the RBFRS Strategic Risk Register which was monitored by Officers and the Audit and Governance Committee. At this stage the risks were primarily related to financial matters, delays in programme delivery, availability/functionality/coverage of the hardware and systems, along with industry capability to deliver the programme. The Home Office programme team were engaging with suppliers to ensure readiness and therefore the risk would sit at a central programme level until such time RBFRS were assured that the risks had been reasonably addressed.

Councillor Angus Ross noted that the Home Office programme team were engaging with suppliers and he asked whether that should read DCLG. The ACFO thought that the project had been moved from DCLG to the Home Office but he would clarify that.

Councillor Ian Pittock asked if the letter could include security issues and assurance that the CESG (Communications Electronics Security Group) process would be used to ensure the security of the system. The ACFO confirmed that he could ensure that was included.

Councillor Iain McCracken noted that the words 'reasonable funding' had been used and he asked what that meant. Words like 'indicative' and 'assumptions' had also been used. It was also noted that the timescale was for 2020. This programme had first been mentioned around four years ago and now a further four years had been mentioned. During that timescale a number of vehicles would need to be replaced and would need to be capable of using that product. He asked if the cost of the core product was known, what it consisted of and what the ancillary products would cost. The ACFO confirmed that a number of issues remained undefined and were still in the concept stage and therefore functionality was not known at present. Current systems and standards had been put forward to give an

indicative cost. It would be necessary to ensure that when new vehicles were acquired that they were future proofed. There would be a benefit of all blue light services using the same equipment but as yet it was not known what the product was, who would be paying for it and whether it would do what was required. The new technology would require new masts which could mean up to around 500 masts up and down the country all of which would require planning permission and that process would take some time. There was a potential opportunity to use existing masts with some adaptation. At this point in time the Fire Authority was not sure that it had sufficient budgetary cover or information. This was unknown technology but working with other agencies ensured a united approach. The existing contract would expire in 2020 and it would cost £4m to continue with that so that was the key focus.

Councillor Iain McCracken asked what Plan B was? The ACFO confirmed that that was outlined in the report but that it was limited and high risk.

Councillor Tina McKenzie-Boyle stated that the potential issues were risks at the moment and she asked how that would be managed. The ACFO had confidence that the issues would be managed. This was a joined up process with collective thoughts and expertise in the working groups. The project was ongoing and the Fire Authority could only respond with the information given.

Councillor David Burbage asked what happened in other countries and were there other examples of best in class that the authority could steal from. The ACFO responded that the risks of going alone had been outlined in the report.

Councillor Tom McCann welcomed the report but asked why it had been circulated late. The ACFO advised that this was due to information only being received in late December and the absence of the Officer in question who was dealing with this. The CFO stated that another issue was that all the blue light services were involved and it had therefore been necessary to ensure that the letter was consistent with the response from the other services.

Councillor Tom McCann noted that the document contained a large number of acronyms and asked if it could be made more user friendly in order that members of the public could understand it. The Chairman stated that this was a document of a technical nature and would therefore contain acronyms but they were all explained so members of the public should be able to read and understand the document.

**RESOLVED that:**

- The intention of the Chief Fire Officer to formally commit Royal Berkshire Fire and Rescue Service to the ESMCP be noted; and
- The qualifying conditions that the Chief Fire Officer would be attaching to the commitment in question in a letter to DCLG be noted.

**93. FORWARD PLAN**

**RESOLVED that:**

The Royal Berkshire Fire Authority's Forward Plan for the period March to July 2016 was noted, subject to the addition of the Strategic Asset Management Committee (SAMC) on 12 July 2016 and its agenda items; and for the Fire Authority Structure to be scheduled, as already agreed, for the Audit and

Governance Committee prior to debates at Management Committee and the Fire Authority.

It was also confirmed that the Member Development Update, scheduled for Audit and Governance Committee on 28 July 2016, would also be considered by Management Committee.

#### **94. MINUTES OF THE STANDING COMMITTEES**

##### **RESOLVED that:**

It be noted that the minutes of the following meetings had been published on the RBFRS website:

- Management Committee – 20<sup>th</sup> October 2015 (approved);
- Strategic Asset Management Committee – 1<sup>st</sup> December 2015 (approved).

#### **95. DATE OF THE NEXT MEETING**

Monday 25 April 2016, 6.30pm in the Lynda Kenyon Suite, Brigade Headquarters, Newsham Court, Pincents Kiln, Calcot, Reading, Berkshire RG31 7SD.

#### **96. EXCLUSION OF THE PRESS AND 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 Agenda Item on the grounds that it involves the likely disclosure of exempt information, as defined in Paragraphs 1, 2, 3 and 4 of Part I of Schedule 12A of the said Act indicated and is exempt information if, and so long as, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

#### **97. PART II MINUTES OF THE MEETING HELD ON 16 DECEMBER 2015**

##### **RESOLVED that:**

The Part II Minutes of the meeting held on 16 December 2015 be approved as a true and correct record and signed by the Chairman.

*(The meeting concluded at 8.58pm)*