

**MINUTES OF THE MEETING OF ROYAL BERKSHIRE FIRE
AUTHORITY'S MANAGEMENT COMMITTEE**



Held on Monday 8 February 2016 at 6.30pm

**Brigade Headquarters, Newsham Court, Pincent's Kiln, Calcot,
Reading, Berkshire RG31 7SD**

Members: * Councillor Phillip Bicknell
(* *present*) * Councillor David Burbage
* Councillor Colin Dudley (Chairman)
* Councillor Paul Gittings
* Councillor Pauline Helliar-Symons
* Councillor Tina McKenzie-Boyle
* Councillor Edward Plenty
* Councillor Angus Ross

In Attendance: Conor Byrne (Head of Finance, HoF)
Stephen Chard (Clerk)
Trevor Ferguson (Deputy Chief Fire Officer, DCFO)
Andy Fry (Chief Fire Officer, CFO)
Simon Jefferies (Interim Head of Risk Management, IHRM)
Fayth Rowe (Committee Officer, CO)
Anne-Marie Scott (Director of People and Organisational
Development, DPOD)
Paul Southern (Assistant Chief Fire Officer, ACFO)
Councillor Emma Webster

Fire Brigade Union (FBU) Representatives

56. REPRESENTATIVE BODIES

The FBU confirmed that they wished to address the Management Committee on agenda items 8 (IRMP Working Party Proposals), 9 (Strategic Asset Investment Framework 2016-2020) and 11 (2016/17 Budget and Medium Term Financial Plan).

57. APOLOGIES FOR ABSENCE

There were no apologies for absence received.

58. DECLARATIONS OF INTEREST

In accordance with the provisions of the Fire Authority's Local Code of Conduct, Councillor Angus Ross stated that should the Thames Valley Fire Control Service (TVFCS) be discussed in agenda items 11 and/or 14 he declared a personal interest as he was the Chairman of the TVFCS Joint Committee. He would therefore not participate in any debate on the TVFCS should it materialise.

There were no Declarations of Interest received from Officers.

Action

59. MINUTES OF THE MEETING HELD ON 7 DECEMBER 2015 AND MATTERS ARISING

Resolved that the minutes of the meeting held on 7 December 2015 be approved as a true and correct record and signed by the Chairman.

Matters Arising:

It was noted that the actions highlighted within items 43 and 44 had been completed, with the following points made:

Item 44 (7 December 2015) Receipt of Announcements (Co-responding Scheme) – an update on this scheme had been scheduled on the Forward Plan.

Item 44 (7 December 2015) Receipt of Announcements (Fire Sprinklers) - Trevor Ferguson (Deputy Chief Fire Officer, DCFO) explained that draft guidance on this matter had been issued for Members' consideration. Councillor Angus Ross requested that Councillor Paul Bryant be involved in this work.

DCFO to Action

60. RECEIPT OF ANNOUNCEMENTS

The Chairman announced that a group of Members and Officers were visiting Dorset Fire and Rescue Service to observe and learn from their collaborative working model and understand how Dorset maximised use of their buildings and other assets. Trevor Ferguson (Deputy Chief Fire Officer, DCFO) added that this would include how Dorset's community facilities helped with their prevention work.

The Chairman then provided an update on the Authority's co-responding work which was being trialled in Hungerford (since June 2015) and in Wokingham (since December 2015). Co-responders had attended 213 incidents in Hungerford and 231 incidents in Wokingham since the respective trials had started. Councillor David Burbage gave his support to the co-responding initiative and thanked those Fire Officers involved. He felt this was of benefit to the community and was hopeful that the initiative could be rolled-out across the county. The Chairman added that this work was supported by the FBU.

61. ISSUES ARISING FROM THE AUDIT AND GOVERNANCE COMMITTEE

There were no issues arising from the Audit and Governance Committee.

62. RECOMMENDATION FROM COMMITTEES

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

- Item 8 from the IRMP Working Party on 25 January 2016
- Item 9 from Strategic Asset Management Committee on 19 January 2016
- Item 11 from Budget Working Party on 13 January 2016

63. IRMP Working Party Proposals

Eddie Cardoso (FBU Representative) thanked Members for the opportunity to address the Committee on this and other agenda items. In terms of the IRMP Working Party proposals, he made the following points:

- He thanked the Authority for permitting the FBU to participate in this work.
- He urged caution in relation to accepting all of the proposed recommendations due to the impact of these moving forward, in particular the response standards that would go out to consultation as these would be the benchmark for future performance.

Trevor Ferguson (Deputy Chief Fire Officer, DCFO) introduced the report which updated Management Committee on proposed new definitions for response standards which were concise, transparent and easily understood by the public; and sought agreement on the response standards proposals for consideration by the Fire Authority and how the response standard consultation would fit within the overall consultation timeline. The DCFO added that this work, which was undertaken in collaboration with the FBU, culminated in proposals being formed for consultation and pointed out that no decisions had been made at this stage.

Simon Jefferies (Interim Head of Risk Management, IHRM) then went through the detail of the report. The Authority first developed its own attendance standards in 2005/06 following the removal of national standards. These were as follows:

- The RBRFS 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 RBFRS was committed to a standard response of 10 minutes for the first appliance and 12 minutes for the second appliance for dwelling fires.
- The RBFRS 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 Authority's standards were overly complex, difficult to understand and should be realigned with the Authority's strategic commitments. The Fire Authority then directed a review of operational response standards through the IRMP.

The IRMP had considered many issues in detail, this including receiving a range of workshops and presentations, and had agreed the following:

(Councillor Emma Webster joined the meeting at 6.40pm).

- A response standard was more transparent, easily understood and preferred to an attendance standard. Members of the public would expect any reporting on performance to be measured from the time a call was received by control through to an appliance arriving at the incident. Therefore, consultation should include proposals to move from attendance to response standards.
- Proposals for both an 'All Emergency Incidents' and a combined 'Dwelling Fires and Road Traffic Collisions (RTCs) Incidents' standard should be consulted upon.
- A single pump standard was favoured for simplicity and to realign with the DCLG definition of a response time.
- Publishing a target percentage, where the response standard was met, would create a more transparent and measurable reporting standard for the public.

- Following consultation and agreement by the Authority, all future RBFRS publications and communications should be consistent in the use of language, in relation to response standards, to ensure transparency.

The IRMP also endorsed the proposed development of new methodology for risk modelling. This methodology would combine all the Authority's community risk management arrangements; and would integrate prevention, protection and response activities allowing a more sophisticated targeting of resources. This new methodology would provide Members and Officers with a greater range of information and data to enable more informed decision making.

To enable the modelling of response rather than attendance standards, an average time for call handling needed to be added to the attendance standards. It was noted that the average call handling time since the changeover to the Thames Valley Fire Control Service (TVFCS) was 90 seconds. Proposals 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. Consultation proposals should also provide information on historic performance against the newly defined and simplified response standard definition, examples of which were provided within the report.

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 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 and to propose some simplified and more transparent reporting standards. The consultation would provide information which would baseline any proposed standards against existing community risk management arrangements, but would not make proposals to change how 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.

The draft timeline for proposal development and consultation was provided in Appendix B to the report. To ensure the consultation dialogue with the community was as meaningful and informative as possible it would be necessary to hold additional Fire Authority meetings in 2016/17 as part of the process.

Councillor David Burbage queried what the revision of the risk modelling methodology would entail in practice. The IHRM explained that this would bridge the gap between strategic IRMP processes and the localisation of IRMP to stations to support the delivery of a key strand of 'Vision 2019'. It would help integrate local plans and would allow for prevention and protection as well as response standards.

Councillor Burbage was concerned should there be a reduced focus on response. The RBFRS saved lives and the achievement of response times was a critical part of that. The DCFO explained that it was the intention to provide more sophisticated information on prevention, protection and response standards which would be balanced across these three areas. This would help inform decision making. The DCFO assured Members that current response work would be maintained.

Andy Fry (Chief Fire Officer, CFO) explained that the Authority's emergency response remained highly important. However, he pointed out that with a number of incidents it had been found that fatalities had occurred before the emergency call had even been made. There was therefore a need for a more balanced approach with a greater level of prevention and protection work, but this would not be at the expense of reducing response standards.

Councillor Phillip Bicknell queried whether response times could be broken down into individual elements and monitored in that way as he felt that would help to identify where improvements could be made. The IHRM explained that information on these individual elements, i.e. call handling through to arrival on the scene of an incident, were available if requested. Councillor Bicknell queried whether this was publicly reported and Councillor Emma Webster stated that this information was provided to IRMP and was therefore publicly available. It would also be the role of IRMP to challenge areas of performance when necessary.

Councillor Colin Dudley queried whether the response target should be broken down in the way described by Councillor Bicknell or whether it was preferable to have an overall response standard which measured the response from the emergency call to control through to arrival at the scene of an incident as this was the most important measure for members of the public. The DCFO reiterated that this work was in response to a wish of Members for more transparent response standards and felt that this would be best served by an overall response standard. The CFO explained that an overall response standard was proposed for the consultation for reporting performance to members of the public. However, a significant amount of performance data was available to support this which was routinely monitored. He agreed that the individual components of the Authority's response would be considered to assess whether there were areas where time could be saved.

Councillor Dudley then proposed acceptance of the recommendations in the report. The proposal was seconded by Councillor Pauline Helliard-Symons.

Before proceeding to the vote, Councillor Webster informed Members that the report had been produced following a substantial amount of work and she gave thanks to Officers and FBU Officers for their work. Councillor Webster also raised the importance of encouraging participation in the consultation exercise.

Resolved that the Management Committee:

- **Noted the information presented in the report.**
- **Agreed to recommend to the Fire Authority the timeline for consultation on response standards, set within the overall IRMP consultation timeline.**
- **Agreed to recommend to the Fire Authority 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 outgoing IRMP consultation.

- **Agreed to recommend that the Fire Authority should then decide, following ‘*conscientious consideration*’, which options are included in the response standard specific consultation planned for May 2016.**
- **Agreed that work continue to develop an integrated risk modelling methodology that combines all of the Authority’s community risk management arrangements of prevention, protection and response to support delivery of Vision 2019.**

64. Strategic Asset Investment Framework 2016-2020

Management Committee considered the report (Agenda Item 9) which provided information to enable Members to set a strategic framework for medium term capital investment in the Authority’s infrastructure.

Eddie Cardoso (FBU Representative) stated that the FBU welcomed a medium term view of capital investment in the Authority’s infrastructure. He did however urge caution in naming the stations to be refurbished and including indicative costs as this could raise false expectations.

Mr Cardoso then referred to paragraph 3.8 of the report which gave a proposed investment programme of £25.4m over a five year period. This was proposed to be funded by borrowing £11.5m and Mr Cardoso queried whether reserves would be used to help fund the programme as a sum from the Authority’s reserves (currently at around £11m) was not specified. In addition, the report did not take into account grant funding or contributions from partner agencies. These contributions could be achieved when considering plans to share buildings.

More specifically, Mr Cardoso queried whether investment of £3.5m in Whitley Wood Fire Station constituted good value for money.

Trevor Ferguson (Deputy Chief Fire Officer, DCFO) explained that the Authority had been without a medium term capital view for a number of years, with the capital investment strategy focussed on the short term for the reasons explained in paragraph 3.1 of the report. However, it was recognised that as far as was reasonably foreseeable the service would need significant infrastructure to support its delivery and would need to invest in that infrastructure to ensure that the capital assets were in place to deliver the Authority’s new strategic commitments set out in the Corporate Plan. This included a key direction to place fire stations at the heart of communities and investment would be needed to achieve this.

The DCFO also explained that the format of the finalised Strategic Asset Management Framework 2016/20 would mirror that used for the Corporate Plan.

The assumptions for capital expenditure had been considered by both the Budget Working Party (BWP) and Strategic Asset Management Committee (SAMC), and while this document outlined strategic investment, the DCFO made it clear that approval of the document did not constitute an authority to spend. Each major project and its associated expenditure would require approval from the Fire Authority before it could proceed.

In response to the reference made to the use of reserves, the DCFO explained that the figure of £11m was the position at March 2015, this was projected to reduce to £9m by year end 2015/16. He also made the point that not all

reserves were available to spend. The reserves position provided as Appendix D to the 2016/17 budget report showed that much of the £9m was earmarked for a particular purpose with only the General Fund Balance (£2.3m) available for consideration.

In terms of making reference to work on specific stations in the Strategic Asset Investment Framework, the DCFO clarified that these references served to ensure that a funding provision was made for these works and it was considered prudent to do so. It was envisaged that Whitley Wood Fire Station would have scope for community access/facilities as part of placing the station at the heart of the community. It could also host training sessions and the sum identified was felt to be appropriate.

The DCFO explained that financial contributions from partners would be pursued and there was potential for transformation funding. However, the document provided headline figures for the Authority's expenditure based on the current situation.

Councillor David Burbage was concerned at the high costs anticipated to achieve the aim of having fire stations at the heart of communities. The proposed funding programme contained the indicative costs already referred to for Whitley Wood and a provision of £5.5m for Theale Fire Station, and he questioned whether this was considered a reasonable cost. Councillor Burbage also noted that the site for Theale Fire Station was unconfirmed and it was therefore questionable whether it would be physically located in the heart of the community and its location was an important factor in making this work. Councillor Colin Dudley pointed out that the aim to put stations at the heart of the community did not necessarily relate to their geographical location. The purpose of this priority was to enable greater community access etc. Councillor Burbage reiterated that geographical location was a key aspect when considering both community access and the ability for fire crews to respond to incidents.

The DCFO gave the view that stations at the heart of the community went beyond their geographical location and was to enhance their use as a community asset. The indicative costs were felt to be reasonable, this view was based on research of costs incurred elsewhere in the country and the costs identified for the Authority were comparatively lower. However, the DCFO reiterated that the figures included were a provision for the future and any decision on new stations/major refurbishment of existing stations and cost would be for Members.

Councillor Burbage then queried the costs of developing Wokingham and Windsor fire stations. The DCFO confirmed these as £1.5m and £750k respectively. Councillor Burbage repeated his concern at the higher costs being indicated. The DCFO explained that it was for SAMC and ultimately the Fire Authority to consider the needs of a building/its specification alongside cost before any agreement was reached. Councillor Dudley added to this by reiterating the point that this paper was not outlining confirmed expenditure, the plans were in alignment with the Authority's agreed strategic direction and costs were at this stage estimated. Councillor Burbage expressed concern that estimated costs could be seen as a target cost and value for money not sought.

Councillor Angus Ross pointed out that the costs for Theale Fire Station included the cost of purchasing land, this was not an issue for the Windsor development. Funding for the new Theale Fire Station would need to be

sufficient to incorporate the necessary appliances and meet the needs for community access. He did however agree for the need for the level of expenditure to be carefully considered before it was committed.

Councillor Dudley then gave the view that the greater collaboration being sought with other emergency services, including the sharing of facilities, could result in financial contributions from other services/agencies. However, an investment framework needed to be established to enable plans to move forward. As stated, effort had been given to looking at models in place within other fire authorities and the visit to Dorset Fire and Rescue was planned to help inform developments in Berkshire. The Fire Authority would be asked to agree a financial provision, but it was very much the intention to achieve the best value for money possible.

Councillor Burbage agreed it was important to have a clear understanding of requirements for works and of costs before any commitment was made. He then stated that he was pleased that a medium term approach was being proposed which was particularly important for ensuring the Authority's fleet was kept up to date.

Councillor Dudley then proposed acceptance of the recommendations in the report and gave thanks to BWP and SAMC Members for their work in this area. He again made the point that the recommendation to the Fire Authority was to agree a financial provision for this framework and not to make any firm financial commitment, with all projects/their expenditure subject to scrutiny. He agreed with the importance of maintaining the Authority's fleet. Councillor Dudley also made the point that professional guidance/support would be sought on projects as necessary. The proposal was seconded by Councillor Ross who agreed that the framework served as a useful indicator of future costs in order to achieve 21st century fire stations. It would be an area for concern if there was not agreement to proceed with this ambitious plan.

Councillor Ross acknowledged the concern raised by the FBU in relation to identifying stations for refurbishment etc and agreed there was a need to be clear that this was a funding framework with details to be confirmed. He was also hopeful that financial contributions could be achieved from partner organisations and that capital receipts could help to meet costs.

Councillor Pauline Helliard-Symons referred to the graphs within the framework document that demonstrated the current age profile of appliances and the profile in two years time should no investment take place. The number of appliances aged 10 years and over in two years time would be a cause for concern. The investment proposed over the medium term was therefore necessary. In terms of the funding envelope, Councillor Helliard-Symons felt that the figures identified needed to be considered as a maximum and not a spending target.

Councillor Paul Gittings agreed with the importance of Member scrutiny over funding decisions. However, he raised the importance of ensuring good working conditions were in place for fire fighters.

Councillor Burbage requested that recommendation 2.2 (to recommend to the Fire Authority that provision should be made within the medium term financial planning and budget processes for this programme of capital investment) be amended to make it clear that the provision would be subject to further scrutiny before funding was committed. This addition was agreed by Councillors Dudley and Ross as proposer and seconder.

Councillor Ross also felt that an annual update on progress should be provided to the Fire Authority. Andy Fry (Chief Fire Officer, CFO) felt that this update could be incorporated within the reconfigured annual capital report.

Resolved that Management Committee:

- **Discussed the draft Capital Investment Strategy and agreed the “Key Assumptions” (page 50) in relation to Estates, ICT and vehicles.**
- **Would recommend to the Fire Authority that provision should be made within the medium term financial planning and budget processes for this programme of capital investment, but that funding would not be committed until plans had been robustly scrutinised by Members.**

65. Capital Provision for Frontline Fire Appliances

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

The RBFRS had a significant vehicle fleet, including 38 fire appliances, with 4 in use by the fire cadet programmes, 3 at the Training Centre and 6 reserves. Fire engines had a useful life of typically 10-14 years and the Authority recently extended its ‘lifeing’ policy to 14 years, which was at the upper end of policies adopted nationally. With a ‘lifeing’ policy of 14 years the Authority should expect to have an average age of 7 years. The current average 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 were of the view that a 12 year ‘lifeing’ policy was more appropriate.

The procurement of a fire engine was an involved exercise and there were a limited number of available manufacturers. In practical terms it might be expected to take 2 years to secure a new appliance from a decision to proceed being taken and the report provided detail on how aged the fleet would be in 2 years time. The current age of appliances over 10 years old was already high and this would become a greater concern in 2 years time if there was no additional investment.

Based upon the information in the report, it was recommended that, subject to approval of the budget, the Authority should procure 3 frontline fire appliances in 2016/17, 3 in 2017/18 and 2 in 2018/19. The current cost of a frontline fire appliance was contained within paragraph 4.1 of the report.

The ACFO also explained that work was underway across the Thames Valley Fire Services to align fleet procurement and standardise the type of fire appliances in use.

Councillor Emma Webster queried when the Authority’s Aerial Ladder Platform (ALP), currently unavailable for use, would be back in service or whether it would be replaced. The ACFO confirmed that additional repairs were required to the ALP, but added that it was possible to utilise the ALP of a neighbouring fire authority to respond to emergencies as needed. The availability of neighbouring equipment was monitored. Councillor Colin Dudley asked the ACFO to confirm with Members when the Authority’s ALP would be back on the run or, if it was beyond economically acceptable repair, the length of time to procure a new ALP and its cost. If the latter option was necessary and a

high cost then Councillor Dudley suggested that current borrowing arrangements could continue.

Action

Councillor Edward Plenty queried the age of reserve fire engines. The ACFO advised that on average these were 12-14 years old (with the oldest at around 15 years) and were used as cover for existing engines whilst they were being serviced.

Councillor Pauline Helliar-Symons queried whether fire engines that had reached the end of their use in Berkshire could be donated, for example to the fire services in Africa described at the last Fire Authority meeting. Councillor Dudley felt that the potential for this and cost implications was something for SAMC to consider. The ACFO did not feel that costs would be significant.

Andy Fry (Chief Fire Officer, CFO) felt it would be useful to develop a fire appliance disposal policy which would cover sale, disposal etc of appliances. Councillor Angus Ross felt this could be incorporated as part of the fleet strategy project.

Councillor Dudley proposed acceptance of the recommendation in the report. This was seconded by Councillor Ross.

Resolved that Management Committee:

- **Recommend that the Fire Authority agree to make a capital provision to procure 3 frontline fire appliances in 2016/17, 3 frontline fire appliances in 2017/18 and 2 frontline fire appliances in 2018/19.**
- **A fire appliance disposal policy would be developed as part of the fleet strategy project.**

66. 2016/17 Budget and Medium Term Financial Plan

The Chairman, Councillor Colin Dudley, introduced the item which provided Members with the latest information in relation to the 2016/17 Budget and Medium Term Financial Plan (MTFP). He pointed out that Officers had produced some additional budget scenarios to aid consideration of financial planning over the medium term. This unusual step had been taken as a result of the volatility of the financial picture that had arisen since the Budget Working Party (BWP) held its last meeting on 13 January 2016.

The Chairman was certain that Members would have become very familiar with the impact that the changes to the way that funding was allocated was having in their own local authority and the disproportionately negative impact this had had on Berkshire Authorities and those across the south of England.

The Chairman therefore felt it was necessary to consider the impact of two key changes in how the Authority had been planning its medium term financial strategy. Firstly that the Council Tax freeze grant had been removed and replaced by the Government assumption that the Authority would raise Council Tax locally by an average of 1.75%. However, this was a decision for Members to take and the Chairman felt it would be useful to provide Members with further information on grants available etc to aid this decision.

Secondly, the Chairman felt that it would be sensible for Members to consider the medium term impact as the volatility of the Authority's funding continued to increase. This was clearly demonstrated this year with Business Rates collection.

The Chairman felt that full debate was needed on whether to accept the recommendations as written in the report or to amend them based on the latest financial information.

Eddie Cardoso (FBU Representative) was concerned at the prospect of further cuts as a result of reducing grant funding, particularly when considering that the cuts of recent years had had a greater impact on the budget for uniformed rather than non-uniformed staff. He felt that a more detailed budget breakdown was needed to inform the Fire Authority debate. This included information on the income projected as a consequence of development across Berkshire.

Mr Cardoso questioned why consideration was being given to a single year settlement when the Government had consulted on a four year settlement. He also felt that the original proposals contained within the agenda for a 0% and 1% Council Tax rise was not sufficient as this would minimise the effect on the Authority's baseline budget for future years. It was noted in the report that the majority of other combined Fire Authorities were considering a 1.99% increase to Council Tax in 2016/17 which would be more appropriate. Therefore, the FBU did not accept the proposals outlined in the report and an increase in Council Tax of either 1.75% or 1.99% needed to be the consideration.

Trevor Ferguson (Deputy Chief Fire Officer, DCFO) commented that the Authority had been working in a very volatile and frequently changing financial position since the Autumn Statement was produced. As already noted, the Council Tax freeze grant, which had provisionally been included in the MTFP, had been removed and replaced by a Government assumption of a 1.75% Council Tax increase. The Local Government Finance Settlement was also increasing the savings required in order to balance the budget. The original savings target had been met, primarily from a Head of Service restructure.

Conor Byrne (Head of Finance, HoF) referred to the four budget scenarios circulated which were based on the information known to date. It was still incomplete in some areas, including information on Business Rates income. The HoF pointed out that the NNDR1 surplus had reduced from £450k to £137k in 2016/17. There was however some positive news to report as a result of growth in the taxbase.

The HoF then referred to comments by the FBU in relation to a surplus in the Council Tax collection fund, however this was not guaranteed with some local authorities potentially likely to be in a deficit position.

The net impact since the BWP had concluded its work was a reduction in income of £61k in 2016/17.

The HoF then described changes to the expenditure levels in 2016/17, as detailed in the budget scenarios. These included the £100k reinserted into the retained budget following the one-off saving of £200k in 2015/16, this had been agreed by the BWP; a 1% pay increase had been included for each of the next four years which was in line with a Government assumption; and the removal of an industrial action contingency.

Revenue bids of £165k had been approved.

A list of additional savings identified had been included in the scenarios, but despite these, a one-off contribution would need to be made from reserves to balance the 2016/17 budget. This contribution would need to be in the region of £400k if a Council Tax freeze was agreed, however this would reduce to £16k if an increase of 1.99% was agreed. Even with a 1.99% increase for each year of the MTFP, cumulative savings of around £1.8m would be needed

between 2017/18 and 2019/20.

Financial risks included the volatility of business rates income and the increased costs if a pay award in excess of 1% was agreed during the course of the MTFP.

Councillor Dudley queried whether the removal of headquarters building duplication budget of £250k could be achieved in 2016/17 as Dee Road had yet to be disposed of. The HoF did not feel this saving could be made in full within the next financial year as only some areas of the site had been closed down. He felt that the savings achieved in 2016/17 would be closer to £200k in this area. Councillor Emma Webster pointed out that an alternative site for the fire station at Dee Road would need to be found before this could be fully realised. Councillor Phillip Bicknell felt that the value of the site would be increasing and the capital receipt achieved in time could offset costs. Councillor Bicknell also highlighted the potential for capital receipts to be used to fund some revenue costs. The HoF explained that a Government dispensation would be needed before this could be permitted.

Councillor David Burbage, Chairman of the BWP, reported that BWP Members had considered the budget in great detail and this included the likelihood of pressures as a result of reducing government grants. He remained supportive of the BWP's recommendations presented in the report, for either a 0% or 1% increase in Council Tax, when considering the Authority's high level of reserves and its historic underspends.

Councillor Dudley clarified that it was the role of Management Committee to make recommendations on the budget to the Fire Authority. He then stated that all Members would be able to participate once in the Management Committee debate on the budget.

Councillor Burbage asked the HoF to comment further on the reduced NNDR1 surplus of £137k and what this was based upon. The HoF confirmed that three of the Berkshire unitaries had responded to date on this matter and the loss of the Vodafone site in Bracknell was a key factor behind this reduction. The HoF also confirmed that the Collection Fund surplus of £133k had been confirmed for 2016/17.

Councillor Burbage then queried the income that could be achieved from collaborative working with other organisations. Andy Fry (Chief Fire Officer, CFO) was of the view that the outcome of the ongoing pilots would need to be assessed before considering the income that could be achieved in this area in future. Councillor Burbage gave the view that the level of income could at least be estimated based on the models in existence elsewhere. Councillor Dudley pointed out that the cost of co-responding was a consideration as part of this and he was therefore concerned if an estimate of income was formed at this stage.

The CFO added that the principle of co-responding in terms of costs, for example with the South Central Ambulance Service, was purely on a cost recovery basis with no net income anticipated. Councillor Burbage commented that the Fire Authority needed to take a view on the approach to funding collaborative working/co-responding.

Councillor Paul Gittings queried the confidence felt in the provisional Local Government Finance Settlement for 2016/17. Councillor Dudley referred to the opening of Thames Valley Fire Control by the then Fire Minister who expressed an intention at that time for longer term financial planning and an

indication of longer term grant funding being given. In terms of accuracy, Councillor Dudley felt that the level of accuracy was improving compared to the information of previous years with an indication of medium term funding being provided. The DCFO felt that there was a level of risk in terms of the settlement, but he did feel it unlikely that the situation would worsen. He did however voice concern in not accepting the four year settlement and the negative impact this could have. The HoF added that the acceptance of a four year settlement could be beneficial to the Authority for future years.

Councillor Burbage noted that the non-uniformed employee budget for 2015/16 was £6,132m and queried whether this would be fully spent by year end when considering spend to date in the Q3 report. The HoF confirmed that some transitional funding had been used to meet non-uniform costs, but explained that a further £1.5m was budgeted to be spent in this area by year end. The HoF also confirmed that any underspend in this area could be used to contribute to the 2016/17 budget. A bidding process was in place for the use of transitional funding and the HoF agreed to provide Councillor Burbage with further information on the bids received for the transitional funding.

In the event that transitional funding bids were not forthcoming, Councillor Dudley queried whether funds could instead be used to limit the list of savings required. The CFO pointed out that the transitional funding of £2m was a one-off sum available for spend over a four year period and was set up in recognition of the need to implement invest to save initiatives. Approved bids were reported to the Audit and Governance Committee who monitored spend. The HoF clarified that the £2m was held as an earmarked reserve, but was moved to revenue once bids were approved and funding allocated.

Councillor Webster sought to understand the impact in terms of the cost to an individual household of a 1.99% Council Tax increase. The HoF confirmed this as an increase of £1.21 per year.

Councillor Burbage referred to the current reserves position and queried whether this included the receipt from the sale of Windsor Fire Station. The HoF advised that this was not included in the reserves as it would be part of the provision to fund the Capital Programme. The HoF also explained that income from the Trading Company had not been included in the budget scenarios.

The CFO then referred to his comments in the report on the option of the four year grant settlement and on Council Tax options. In summary, he advised that the option to consider a four year grant settlement should be submitted for consideration by the Fire Authority as it was his view that this would provide the Authority with a greater level of certainty of funding over the medium term. The CFO also advised that it would be his recommendation for a wider range of options for Council Tax increases to be submitted to the Fire Authority. The CFO also commented that an appropriate budget needed to be set to ensure the Fire Service remained efficient and effective, and his advice was based on that objective.

Councillor Dudley queried whether there was any indication of the Council Tax increases being proposed in other fire authorities. The CFO advised that he had contacted his counterparts in other areas and the majority were proposing a 1.9% or 1.99% increase to their Council Tax precept.

Councillor Dudley then proposed the recommendations contained in the report (the BWP's recommendations). The proposal was seconded by Councillor

**HoF to
Action**

Burbage.

Councillor Dudley commented that the BWP produced its recommendations based on the information it had to hand at the time of its meetings, but this was difficult due to the changing situation and this was why fuller options had been presented to Management Committee. He agreed that it was vital to ensure that an efficient and effective service continued to be delivered and an appropriate level of taxation needed to be considered as part of that. Councillor Dudley acknowledged the Authority's reserves, but pointed out that much of these were earmarked for particular purposes.

Councillor Burbage described the BWP's considerations. These included the Authority's historic underspends and a potential underspend in 2015/16 in the non-uniformed staffing budget. He felt that the BWP's recommendations as outlined in the report should proceed to the Fire Authority without change with options remaining for the Fire Authority's consideration on the financial settlement due to the level of uncertainty. In terms of Council Tax, Councillor Burbage would not be supportive of an increase in excess of 1% when considering the likelihood of an increase being implemented by local authorities, the Authority's level of reserves and a likely underspend being reported against the current year's budget.

Councillor Pauline Helliard-Symons proposed an amendment to the BWP's second recommendation. She felt that the Fire Authority should give consideration to four Council Tax levels (0%, 1%, 1.75% and 1.99%) and stated her view that a 1.75% increase would be appropriate. The amendment was seconded by Councillor Angus Ross.

Councillor Ross felt it would be sensible to consider accepting a four year settlement and to achieve the best possible base budget moving forward, he gave his view that a 1.75% Council Tax increase was the best option. This increase would help to ensure that the best service possible continued to be delivered to residents and the cost impact on residents, as already noted, would be minimal.

Councillor Gittings supported the proposed amendment. He felt it would be sensible for the Fire Authority to have a fuller range of options before them and Councillor Gittings agreed it was necessary to at least maintain service levels. The pay award was also an important consideration, ideally this would be higher than the 1% proposed in the budget scenarios.

Councillor Webster supported the amendment when considering the frequently changing financial position.

Councillor Burbage questioned a Council Tax rise of anything higher than 1% when considering the reserves held. He also queried what level of reserves would be considered sufficient to prevent a Council Tax increase. Councillor Burbage stated that the 0% and 1% options were agreed by the BWP, these recommendations should be respected and presented to the Fire Authority.

Councillor Phillip Bicknell was concerned that residents were being unnecessarily taxed when considering high reserves and consistently reported underspends, together with the strong likelihood that local authorities would raise their Council Tax levels. He favoured the recommendations proposed in the report.

Councillor Helliard-Symons reiterated that the cost impact on residents would be minimal. A Council Tax increase of 1.99% would result in an increase of only

£1.21 per year to the tax payer.

The amendment was then put to the vote and was carried. This would form the substantive motion to the Fire Authority.

Councillor Dudley reiterated the point that Management Committee was making a recommendation to the Fire Authority and not taking any decisions. It was hoped that a clearer understanding of the financial situation would be known by the time Fire Authority met on 17 February 2016.

In terms of the first recommendation, it was agreed that this would proceed unchanged to the Fire Authority – i.e. for the Authority to consider a single year settlement or a four year settlement.

Councillor Gittings raised the importance of lobbying Government on behalf of residents with a view to confirming future funding.

Resolved that Management Committee:

- **Accept the recommendation of the BWP in relation to the proposed four year settlement and agree to recommend to the Fire Authority a single year settlement or a four year settlement.**
- **Would recommend four council tax levels to the Fire Authority for consideration - 0%, 1%, 1.75% and 1.99%.**

67. Crewing Level Monitoring

Paul Southern (Assistant Chief Fire Officer, ACFO) informed Management Committee of the crewing levels for wholetime and retained appliances and for the Thames Valley Fire Control Service (TVFCS) for the third quarter of 2015/16.

The station based establishment was 328 excluding the Retained Support Officers. 14 fire fighters joined the wholetime fire stations at the start of November 2015, with 2 leaving the Fire Service.

In order to fully crew all 14 wholetime pumping appliances at minimum levels, the number of wholetime staff required on duty each shift was 56 personnel. During the reporting period, crewing of 56 was maintained and the availability of the 14 wholetime appliances was achieved for 100% of shifts.

The service maintained 7 retained pumping appliances and the report provided information on their availability.

The minimum crewing level for the TVFCS was 6 on duty of which 3 needed to be supervisory managers. During the reporting period, crewing fell below minimum levels on 40 occasions (22% of shifts). On 34 of these occasions operational officers made up the shortfall, on the remaining occasions, the TVFCS managed with a reduced level of staffing.

Councillor Colin Dudley noted from the graph on the front page of the report that there were 323 personnel in posts and queried whether this figure included recruits in training. The ACFO confirmed that these recruits were excluded from this figure and they would be available to be 'on the run' from April 2016. The total number of current recruits/trainees was 12, with around 6-7 officers due for retirement.

The ACFO also confirmed that further recruitment drives would be considered.

Councillor Phillip Bicknell referred to the high overtime peak which occurred

during August 2015. The ACFO commented that the management of annual leave was being considered as a way of reducing this overtime need.

Councillor Emma Webster was concerned that crewing of the TVFCS fell below the minimum requirement on 22% of shifts and queried what action was being taken to address this. The ACFO commented that improvements to working conditions would be made.

Resolved that Management Committee:

- **Note the report.**

68. Verbal Update on Trading Company

Paul Southern (Assistant Chief Fire Officer, ACFO) provided a verbal update to Management Committee on the Trading Company. He advised that there had been some delay to this work as a result of staffing changes. He was however pleased to report that some local authorities had taken up the flood defence training.

The ACFO advised that options would be presented in April 2016 on setting up a Community Interest Company.

Councillor Colin Dudley highlighted the need to increase income generation and queried whether stretched budget targets would be in place for 2016/17. The ACFO confirmed this would be the case.

Resolved that Management Committee:

- **Note the report.**

69. 2015/16 Budget Monitoring

Conor Byrne (Head of Finance, HoF) introduced the report which informed Members of revenue and capital outturns against budgets up to the end of December 2015.

Revenue expenditure was provided in summary form in Appendix A and in greater detail in Appendix B. The main variances to date were as follows:

- There was an underspend on staff overall, albeit the overtime costs for uniformed employees exceeded the budget, but this was offset by vacant positions and the reduction in pension costs from moving to the 2015 Firefighter Pension Scheme. Work was underway on moving budgets out to Fire Stations and it was envisaged that this would be in place from the start of the new financial year. Once this work had completed, it would allow for greater clarity and control on staff vacancies, and the amounts and reasons for overtime at each station.
- The majority of the variance under Transport related to the costs of fuel, which remained at a lower cost base than allowed for in the budget. This position was expected to continue for the remainder of the year, but it was difficult to predict costs beyond then.
- Under income, the Authority had received £75k as a result of an adjudication award.

The revenue outturn was £159k below the profiled budget at the end of December 2015.

Capital expenditure was detailed in Appendix D, but in summary, expenditure

to the end of December 2015 was £710k.

Councillor David Burbage referred to the point discussed earlier in the meeting in relation to non-uniform spend which had been partly met by transitional funding (a reserve fund). Councillor Burbage queried whether other areas had been funded from a virement from reserves. The HoF advised this had only been undertaken in order to carry forward funding, for example to offset pressures from one financial year to the next. The HoF agreed to provide further information of where this had been the case.

HoF to
Action

Resolved that Management Committee:

- **Note the report.**

70. FORWARD PLAN

The Royal Berkshire Fire Authority's Forward Plan was presented to the Committee.

Resolved that:

- **The Forward Plan be noted.**

71. DATE OF NEXT MEETING

The next meeting would take place on Monday 11 April 2016 at 6.30pm in the Brigade Headquarters, Pincents Kiln, Calcot, Reading, RG31 7SP

Prior to entering the Part II discussion, the Chairman took the opportunity to highlight the tremendous work undertaken by Control Officers in challenging circumstances, particularly over the Christmas period when software problems were an issue, including on Christmas Day. He commended Officers for their work and the fact that the issues experienced did not impact on service delivery due to the commitment of Officers to keep residents safe.

72. 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 Items on the grounds that they involve the likely disclosure of exempt information, as defined in the 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.

73. PART II MINUTES OF THE MEETING HELD ON 7 DECEMBER 2015

Resolved that:

The Part II minutes of the meeting held on 7 December 2015 be confirmed as a correct record and signed by the Chairman.

74. BUDGET WORKING PARTY MINUTES

Resolved that:

Approved on 11.04.16

The confidential minutes of the Budget Working Party held on 13 January 2016 be noted, with amendments agreed.

75. PART II MINUTES OF THE STRATEGIC ASSET MANAGEMENT COMMITTEE

Resolved that:

The confidential minutes of the Strategic Asset Management Committee held on 19 January 2016 be noted.

The meeting closed at 9.40pm