



## NOTTINGHAMSHIRE AND CITY OF NOTTINGHAM FIRE AND RESCUE AUTHORITY

### MINUTES

of meeting of the Authority held on **24 FEBRUARY 2012** at Fire and Rescue Service Headquarters, Bestwood Lodge, Nottingham from 10.30 am to 12.52 pm

#### Membership

	Councillor D Pulk	(Chair)
	Councillor B Grocock	(Vice-Chair)
	Councillor C Arnold	
	Councillor C Barnfather	
	Councillor S Carroll	
	Councillor B Cooper	
^	Councillor B Cross	
	Councillor S Fielding	
	Councillor J Hemsall	
	Councillor E Kerry	
	Councillor J Morris	
	Councillor J Packer	
	Councillor K Rigby	
	Councillor D Smith	
^	Councillor T Spencer	
	Councillor G Wheeler	
	Councillor L Yates	
^	Councillor J Zadrozny	

Members absent are marked ^

#### **59 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Cross, Spencer and Zadrozny.

#### **60 DECLARATIONS OF INTERESTS**

The Chief Fire Officer declared a personal and financial interest in agenda item 10, 'Committee Recommendations on Pay,' (minute 68), on behalf of himself and the other Principal Officers present and the affected officers left the room when this item was discussed.

## **61 MINUTES**

**RESOLVED** that the minutes of the meeting held on 16 December 2011, copies of which had been circulated, be confirmed and signed by the Chair.

## **62 CHAIR'S ANNOUNCEMENTS**

The Chair reported on the following matters:

- (a) Councillors Barnfather and Yates were welcomed to their first meeting of the Fire and Rescue Authority;
- (b) he had been notified that there would be an Open Day at Misterton Fire Station on Saturday 25 February, beginning at 10.00 am. Members and their families and friends were welcome to attend;
- (c) tribute was paid by the Chair, the Vice Chair and a number of other members to the late Councillor Tom Pettengell, who died on 31 December 2011. As well as being a member of the Fire Authority, Councillor Pettengell was the County Councillor for Chilwell and Toton and former Chairman of the County Council, when his chosen charity was the Fire Fighters Charity.

The meeting observed a minutes silence in tribute to his memory.

## **63 CHANGES TO COMMITTEE MEMBERSHIPS**

**RESOLVED** that Councillor E Kerry be appointed to the Appointments Committee in place of Councillor K Girling.

## **64 WORKING BALANCES**

Consideration was given to a report of the Chief Fire Officer, copies of which had been circulated, informing Councillors of the working balances sufficient to meet the needs of the Fire and Rescue Authority during the 2012/13 financial year and beyond.

The report was introduced by the Director of Finance and Resources who reminded the meeting that the Fire and Rescue Authority had a statutory duty to maintain a level of financial reserves. The updated risk assessment, details of which were set out in Appendix A of the report, showed that an appropriate level of working balances should remain at £3.4 million, albeit that there had been minor changes to the risk factors since 2011. The projected level of balances by 31 March 2012 was in the region of £8 million which was considerably higher than the required £3.4 million and had prompted the suggestion that some of the balances were used to fund the capital programme. This would reduce the revenue effects of capital financing going forward and effectively return some of the excess balances to the benefit of taxpayers.

The Director of Finance and Resources went on to give details of the earmarked reserves set out in paragraph 2.17 of the report.

**RESOLVED**

- (1) that the results of the review of risks shown at Appendix A of the report be noted;
- (2) that the proposed level of balances of £3.4 million be approved.

**65 PROPOSED CAPITAL AND REVENUE BUDGETS 2012/13 TO 2014/15 AND LEVELS OF COUNCIL TAX FOR 2012/13**

Consideration was given to the report of the Chief Fire Officer, copies of which had been circulated, seeking approval for the proposed final budgets for 2012/2013 to 2014/2015 and the levels of precept and council tax.

The report was introduced by the Director of Finance and Resources who advised the meeting that at its January 2012 meeting, the Finance and Resources Committee had resolved to present three options to the Fire Authority for setting levels of Council Tax.

Options for 2%, 3% and 0% Council Tax increases were discussed.

The Chair thanked officers for the comprehensive report and the Finance and Resources Committee for its recommendations.

The Chair of the Finance and Resources Committee proposed that Option 3 set out in paragraph 2.102 of the report be adopted for the levy of precept and Council Tax for 2012/13. This was seconded by the Vice Chair. This was unanimously agreed by the meeting.

**RESOLVED that**

- (1) the strategy of using balances to both fund the capital programme and to make advance payments of Minimum Revenue Provision in order to reduce future revenue obligations be approved;
- (2) Option 3 set out at paragraph 2.102 of the report be adopted for the levy of precept and Council Tax for 2012/13;
- (3) the payment of Members Allowances for 2012/13 be approved in accordance with the existing published scheme.

**66 PRUDENTIAL CODE FOR CAPITAL FINANCE 2012/13**

Consideration was given to a joint report of the Treasurer and the Chief Fire Officer, copies of which had been circulated, informing members of the Fire Authority's obligations under the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code.

**RESOLVED that the Prudential Limits for 2012/13 be approved as follows:**

<b>Estimate of Ratio of Financing Costs to Net Revenue Stream</b>	<b>7.7%</b>
<b>Estimate of the Incremental Impact of the New Capital Investment Decisions on the Council Tax (Band D)</b>	<b>£1.96</b>

<b>Estimate of Total Capital Expenditure to be Incurred</b>	<b>£3,722,000</b>
<b>Estimate of Capital Financing Requirement</b>	<b>£24,922,000</b>
<b>Operational Boundary</b>	<b>£28,764,000</b>
<b>Authorised Limit</b>	<b>£31,641,000</b>
<b>Upper limit for fixed rate interest exposures</b>	<b>100%</b>
<b>Upper limit for variable rate interest exposures</b>	<b>30%</b>
<b>Loan Maturity:</b>	<b>Limits:</b>
<b>Under 12 months</b>	<b>Upper 20% Lower 0%</b>
<b>12 months to 5 years</b>	<b>Upper 30% Lower 0%</b>
<b>5 years to 10 years</b>	<b>Upper 75% Lower 0%</b>
<b>Over 10 years</b>	<b>Upper 100% Lower 0%</b>
<b>Over 20 years</b>	<b>Upper 100% Lower 30%</b>
<b>Upper Limit for Principal Sums Invested for Periods Longer than 364 Days</b>	<b>£2,000,000</b>

## **67 TREASURY MANAGEMENT STRATEGY 2012/13**

Consideration was given to the report of the Treasurer, copies of which had been circulated informing the meeting of the Fire Authority’s Treasury Management Strategy for 2012/12 and seeking approval of the Fire Authority’s Minimum Revenue Provision Policy for 2012/13.

### **RESOLVED:**

- (1) that the Treasury Management Strategy 2012/13 as set out in the report be noted;**
- (2) that the Minimum Revenue Provision policy 2012/13 be approved.**

The Chief Fire Officer, Deputy Chief Fire Officer and Director of Finance and Resources left the room prior to consideration of the next item.

## **68 COMMITTEE RECOMMENDATIONS ON PAY**

A representative of the Fire Brigades Union (FBU) asked the following questions of the Chair regarding this item;

Question 1 “Can the Fire Authority explain why in these times of austerity, with the loss of jobs and cuts to front line cover for the residents of Nottinghamshire, that they continue to pay the Chief Fire Officer and other Principal Officers over 30% more than the minimum salary they are required to do so as set down by the National Joint Council.”

The Chair responded to the question as follows:

“In response to your question, the National Joint Council does not set down a salary requirement or recommendation. The salary to be paid to any Chief Fire Officer is quite explicit within the Gold Book and that it is a matter for each local employer. The rates published by the National Joint Council are levels at which the salary should not fall below.

They are the minimum that should be paid linked to population. Each Fire Authority is to utilize this information when setting its local pay levels.

The average national pay for the role in 2010 was £131k, which includes the range from the largest fire and rescue service (London) to the smallest (Isle of Wight).

The pay for the Chief Fire Officer in Nottinghamshire is set at the average of those paid in Leicestershire, Derbyshire and Staffordshire. These are all services within the immediate region and who are also fire and rescue authorities where the Chief Fire Officer also performs the role of Head of Paid Service, Senior Professional Advisor, Senior Operational Officer and Chief Executive. The pay in Nottinghamshire is not the highest of these, nor the second highest, yet Notts is the largest fire and rescue service in terms of establishment and has the largest population to protect.

The pay of the Chief Fire Officer has remained static for two years and has just been reviewed and set at the same level for a further two years.

Question 2 “Could the Fire Authority also explain why almost £1000 per month is allocated for the supply of a car for the Chief Fire Officer who will primarily use the vehicle to travel from his home address to Head Quarters. Does the Fire Authority believe that this is value for money?”

The Chair responded to the question as follows:

“The Fire Authority does not specifically allocate £1000 per month for a car. A car is purchased by the Transport Manager for use by the Chief Fire Officer in performance of his role both locally, regionally and nationally and for business purposes only. Its use goes far greater than the journey between home and Headquarters.

The same arrangement is in place for all of the Principal Officers and has been for the last 15 years.

The amount spent on the vehicle is commensurate with the role. The figure quoted within the pay policy takes into account the amount spent, and the residual resale value after three years. It is then averaged to give a value to the provision.

The car remains an asset of the Fire Authority and is not available to the Chief Fire Officer when he is on leave. It can be utilized by the service if required and recalled at any time. If the Fire Authority were to remove the vehicle then we would have to find a way of ensuring that the Chief Fire Officer gets to all of the venues he is required to do so at specified times or reimburse for every business mile incurred in the pursuance of the role. This is likely to be more costly than the current arrangement but is kept under review.

The car is normally replaced by the service every three years to ensure that the service gets the best return on the resale market.”

Consideration was then given to the report of the Chief Fire Officer, copies of which had been circulated, presenting members with the decision of the Policy and Strategy Committee with regard to principal officers pay and the Human Resources Committee with regard to the requirement for a pay policy.

The Policy and Strategy Committee at its meeting on 3 February 2012 had agreed that the salary of the Chief Fire Officer and the remainder of the management team remain at the

levels set in December 2009 until the next review in December 2013 (subject to any national uplifts as agreed by the National Joint Council).

The Localism Act placed a duty on public sector bodies to have and publish a pay policy for the organisation. The Human Resources Committee had recommended a pay policy for approval by the Fire Authority. This was attached to the report.

Councillor Wheeler queried why the Director of Finance and Resources was given an allowance towards a car and whether it was strictly necessary for the carrying out of his duties.

Councillor Rigby queried the value of the vehicles currently used by Principal Officers and wondered whether in such austere times it was prudent for the current vehicles to be provided.

The Chair suggested that both issues should be addressed by a report to be taken to Policy and Strategy Committee on the provision of vehicles to Principal Officers.

## **RESOLVED**

- (1) that the decision of the Policy and Strategy Committee with regard to principal officers pay be ratified;**
- (2) that the decision of the Human Resources Committee be ratified and the pay policy attached to the report be formally adopted;**
- (3) that a report be taken to the next meeting of the Policy and Strategy Committee regarding Fire Authority's current policy in relation to the provision of vehicles to Principal Officers.**

## **69 UPDATED GOVERNANCE ARRANGEMENTS**

Consideration was given to a report of the Clerk to the Fire Authority, copies of which had been circulated, advising the meeting on the outcome of the review by the Standards Committee of revised Standing Orders,

The amendments to the Standing Orders had been agreed by Standards Committee at its meeting on 10 February 2012, save for one issue. The Standards Committee had agreed that the provision allowing members of the public to ask questions should include the ability to ask one supplementary question provided that it related directly to the original question or the answer given to that question. The issue was whether this should be extended to questions from members and trade union representatives.

After discussion, members felt that for the sake of consistency, there should be no supplementary questions from either the public, members or trade union representatives.

## **RESOLVED**

- (1) that paragraph 15.18 of the draft Standing Orders in Appendix A be amended from '5 clear working days' to '3 clear working days'**
- (2) that paragraphs 15.22 and 15.23 of the draft Standing Orders in Appendix A be deleted.**

- (3) that no supplementary questions from the public, members or trade unions should be permitted;**
- (4) that the revised Standing Orders attached as Appendix A to the report be agreed, subject to amendment to cover the agreement in resolutions (1) (2) and (3) above;**

#### **55 COMMITTEE OUTCOMES FOR NOTING**

Consideration was given to reports of the Chairs of the following committees, copies of which, including minutes of those meetings, had been circulated:

- (a) Policy and Strategy Committee – 27 January and 3 February 2012;
- (b) Performance Monitoring Committee – 6 January 2012;
- (c) Finance and Resources Committee – 13 January 2012;
- (d) Community Safety Committee – 20 January 2012;
- (e) Human Resources Committee – 27 January 2012

**RESOLVED that the reports and the business undertaken by the Committees be noted.**