



**NOTTINGHAMSHIRE AND CITY OF NOTTINGHAM
FIRE AND RESCUE AUTHORITY**

**NOTTINGHAMSHIRE & CITY OF NOTTINGHAM FIRE & RESCUE AUTHORITY
(NFRS)**

**MINUTES of the meeting held at Nottingham Fire and Rescue Services HQ,
Bestwood Lodge, Arnold Nottingham NG5 8PD on 24 February 2017 from 10.32
am - 12.27 pm**

Membership

Present

Councillor Darrell Pulk (Chair)
Councillor Brian Grocock (Vice Chair)
(from item 44)
Councillor Liaqat Ali
Councillor John Allin
Councillor Chris Barnfather
Councillor Eunice Campbell (left after
item 51)
Councillor Sybil Fielding
Councillor Patience Uloma Ifediora
Councillor Roger Jackson
Councillor Dave Liversidge
Councillor Michael Payne (left after item
49)
Councillor Mike Pringle
Councillor Ken Rigby (left after item 48)
Councillor Gordon Wheeler (left after
item 49)
Councillor Malcolm Wood
Councillor Liz Yates (left during item 50)
Councillor Jason Zadrozny

Absent

Councillor John Clarke

Colleagues, partners and others in attendance:

Wayne Bowcock - Deputy Chief Fire Officer, NFRS
John Buckley - Chief Fire Officer, NFRS

Sue Maycock	- Head of Finance, NFRS
Craig Parkin	- Assistant Chief Fire Officer, NFRS
Ian Pritchard	- Head of Procurement and Resources, NFRS
Neil Timms	- Treasurer to the Authority
Malcolm Townroe	- Clerk to the Authority
James Welbourn	- Governance Officer

41 APOLOGIES FOR ABSENCE

None.

42 DECLARATIONS OF INTERESTS

None.

43 MINUTES

The minutes from the meeting held on 16 December 2016 were agreed as a true record and signed by the Chair.

44 CHAIRS' ANNOUNCEMENTS

The Chair welcomed everyone to the meeting, and made the following announcements:

Fire Minister speech on reform

- New Act in place and increased pace of change expected;
- HMI starting inspections this year;
- Call for increased transparency. 'Basket of Goods' (selection of goods purchased as part of a procurement exercise) to be re-run;

CIPFA Police/Fire Conference

- Some areas already developing business cases for changes in Governance;
- Regardless of governance, separate budgets will be required;

Pension Dispute

- Employment Tribunal taken by the FBU has gone in favour of the Employers – FBU are to appeal;

NJC Meeting

- Pension Scheme advisory Board – welcome to Councillor Jason Zadrozny;

Other items

- Treasury Management Training took place at rising of the last Finance and Resources meeting. Very useful, and I thank those that were able to attend;

- Met with the Chief Executive of the Fire Officers Association (FOA) which is one of the recognised trade unions.
- Strategic Equalities Board is at the rising of today's meeting;
- Thanks to those Members who are not standing for re-election in May's County elections. This is Councillors Allin, Rigby and Yates;
- The Chaplain for NFRS, the Venerable Robin Turner has been with NFRS since 2009, and retires this Easter. There is a certificate of thanks, along with a small gift and some flowers for his wife, Liz.

45 PRUDENTIAL CODE FOR CAPITAL FINANCE 2017/18

Neil Timms, Treasurer to the Fire Authority introduced a report informing Members of the Authority's obligations under the CIPFA Prudential Code for Capital Finance.

There is an assumption in the report that there will be a rise in Council Tax this year; however if there isn't a rise, the report covers this eventuality.

The Authority borrows money to make up shortfalls in cash, and tends to use the Public Works Loan Board (PWLB), although the Authority does have one market loan which is a Lender Option Borrower Option (LOBO).

Loan maturity is broadly matched up with the life of the Authority's assets.

RESOLVED to approve the Prudential Limits for 2017/18 as follows:

Estimate of Ratio of Financing Costs to Net Revenue Stream	6.0%
Estimate of the Incremental Impact of the New Capital Investment Decisions on the Council Tax (Band D)	£0.40
Estimate of Total Capital Expenditure to be Incurred	£5,113,000
Estimate of Capital Financing Requirement	£28,407,000
Operational Boundary	£27,762,000
Authorised Limit	£30,538,000
Upper limit for fixed rate interest exposures	100%
Upper limit for variable rate interest exposures	30%
Loan Maturity:	<u>Limits:</u>
Under 12 months	Upper 20% Lower 0%
12 months to 5 years	Upper 30% Lower 0%

5 years to 10 years	Upper 75% Lower 0%
Over 10 years	Upper 100% Lower 0%
Over 20 years	Upper 100% Lower 30%
Upper Limit for Principal Sums Invested for Periods Longer than 365 Days	£2,000,000

46 TREASURY MANAGEMENT STRATEGY 2017/18

Neil Timms, Treasurer to the Fire Authority informed Members of the Authority's Treasury Management Strategy for 2017/18.

There is a policy in place that the Authority can borrow in advance of need. If there is a really good rate and it is known in advance that the money will be required for the next year, an assessment will be made as to whether or not early borrowing represents good value for money. Capita advise on these matters.

RESOLVED to:

- (1) note the Treasury Management Strategy 2017/18 as set out in the report;**
- (2) approve the Minimum Revenue Provision policy 2017/18 as set out in paragraphs 2.51 to 2.54 of the report.**

47 REVIEW OF RESERVES AND WORKING BALANCES

Sue Maycock, Head of Finance at NFRS introduced a review of reserves and working balances.

There is no prescribed formula for setting a minimum level for reserves so the Authority carries out a risk assessment; also, there is a need to have reserves backed by cash in case cash flows fluctuate.

The report outlines a move away from a very low risk budget to come up with a more realistic approach.

RESOLVED to:

- (1) note the results of the review of risks shown at Appendix A of the report;**
- (2) approve the proposed minimum level of working balances of £4.4m for 2017/18.**

48 BUDGET PROPOSALS FOR 2017/2018 TO 2019/2020 AND COUNCIL TAX 2017/2018

Sue Maycock, Head of Finance at NFRS presented the Fire Authority with proposals for Revenue and Capital budgets for 2017/2018 to 2019/2020 to allow Members to determine the level of Council Tax for 2017/2018, as well as presenting a strategy for the flexible use of capital receipts and to set out fees and charges for 2017/2018.

Members were also asked to consider the continued payment of Members' Allowances.

The Finance and Resources Committee has considered options and recommends to the Authority that a 1.95% Council Tax increase is applied for the year 2017/18.

The following information was highlighted:

- (a) the final grant settlement from Government was received on Tuesday 21 February. It is the same as the one listed in the report;
- (b) when the Finance and Resources Committee met in January, they didn't have the surplus fund and tax base figures, so they were presented as estimates. It has now been confirmed that there was an increase in the tax base, but a reduction in surplus funds;
- (c) the residual unfunded balance to be met by funding from reserves is £525,518;
- (d) Members thanked Sue and the Finance Team for all their hard work in producing this report.

The Treasurer was content with the proposals in the report – the reserves and balances are adequate for the purposes of the Fire Authority. The Fire Authority would be perfectly within their legal rights to support the Budget. The Budget is supported by changes, required to be made by Members, of over £1million.

Members voting in favour of implementing a 1.95% increase of Council Tax precept are:

Councillor Darrell Pulk (Chair)
Councillor Liaqat Ali
Councillor John Allin
Councillor Chris Barnfather
Councillor Eunice Campbell
Councillor Sybil Fielding
Councillor Brian Grocock (Vice Chair)
Councillor Patience Uloma Ifediora
Councillor Roger Jackson
Councillor Dave Liversidge
Councillor Michael Payne
Councillor Mike Pringle
Councillor Ken Rigby
Councillor Gordon Wheeler
Councillor Malcolm Wood
Councillor Liz Yates

Councillor Jason Zadrozny abstained from the Council Tax vote; Councillor John Clarke was absent.

RESOLVED to:

- (1) set a 1.95% increase of Council Tax precept for 2017/2018 as required by statute; use general reserves to fund the residual unfunded balance of £525,518;**
- (2) approve the flexible use of capital receipts strategy as set out in paragraph 2.40 of the report, which is that capital receipts in 2017/2018 will be used to either finance future capital expenditure or to repay borrowings and will not be used in this year to fund the revenue cost of reform projects;**
- (3) approve the fees and charges for 2017/2018, as set out in Appendix E of the report;**
- (4) approve the continued payment of Members Allowances for 2017/2018 in accordance with the approved scheme.**

49 POLICING AND CRIME ACT 2017

John Buckley, Chief Fire Officer at NFRS presented a report to Members on the Policing and Crime Act.

The following information was highlighted:

- (a) NFRS are working with the Clerk to the Fire Authority on governance. Some of the act is wordy and complex and it will take some time to get through;
- (b) the Act gives the Police and Crime Commissioner (PCC) several options in relation to the Fire Authority;
 - i) do nothing and not join;
 - ii) become part of the existing authority;
 - iii) take over the Fire Authority completely;
- (c) two fire authorities elsewhere in the UK have been putting business cases together involving the PCC taking over completely. These business cases don't follow the single employer model;
- (d) Notts Fire Authority would have to help with a business case should the PCC want to take over – to date, there has been no formal approach from the PCC;
- (e) Notts Fire Authority have nothing to fear from an inspection, and have previously done very well through Peer Reviews;
- (f) the Chair has offered to meet the Nottinghamshire PCC on several dates, but as yet he has been unavailable. The intention is to meet him in the next couple of weeks – the Chair will report back to Members of the Authority.

RESOLVED to:

- (1) note the enactment of the Policing and Crime Act 2017;**

- (2) **approve the inclusion of a 'Collaboration Implications' section on all future Authority reports.**

50 UPDATE ON SUSTAINABILITY STRATEGY FOR 2020

John Buckley, Chief Fire Officer at NFRS provided an update to the Authority on the progress made against the Sustainability Strategy for 2020.

The following information was highlighted:

- (a) a lot of work has happened on alternative crewing with Area Manager Strategic Support around 'shaping our future';
- (b) NFRS are looking at areas of demand with regard to mixed crewing. The move is toward a retained crew overnight at certain stations;
- (c) voluntary secondary contracts are to help stations who are off the run, to provide retained cover. Individuals would put themselves onto a voluntary register, and then people would be sought to do work that was required. This would be done within existing budgets.

RESOLVED to

- (1) **note the contents of the report;**
- (2) **request an update paper to come back to the September meeting of the Fire Authority.**

51 COMMITTEE OUTCOMES

The outcomes from the last round of Committees were noted by Members.

52 EXCLUSION OF THE PUBLIC

RESOLVED to exclude the public from the meeting during consideration of the remaining item in accordance with section 100A(4) of the Local Government Act 1972 on the basis that, having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

53 EXEMPT MINUTES

The exempt minutes from the meeting held on 16 December 2016 were agreed and signed by the Chair.

54 AMENDMENTS TO THE PERMANENT ESTABLISHMENT

John Buckley, Chief Fire Officer at NFRS introduced a report on amendments to the permanent establishment.

RESOLVED to accept the recommendations in the report.

