



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

**MINUTES of the meeting held at Fire and Rescue Services HQ, Bestwood Lodge,
Arnold Nottingham NG5 8PD on 15 February 2019 from 10.31 am - 12.03 pm**

Membership

Present

Councillor Brian Grocock (Chair)
Councillor Michael Payne (Vice Chair)
Councillor Andrew Brown
Councillor Eunice Campbell-Clark
Councillor John Clarke
Councillor Sybil Fielding
Councillor Vaughan Hopewell
Councillor Patience Uloma Ifediora
Councillor John Longdon
Councillor Jackie Morris
Councillor Francis Purdue-Horan
Councillor Mike Quigley MBE
Councillor Kevin Rostance
Councillor Mohammed Saghir
Councillor Parry Tsimbiridis
Councillor Jonathan Wheeler
Councillor Malcolm Wood

Absent

Councillor Jason Zadrozny

Also in attendance

Paddy Tipping, Nottinghamshire Police and Crime Commissioner

Colleagues, partners and others in attendance:

John Buckley - Chief Fire Officer, NFRS
Wayne Bowcock - Deputy Chief Fire Officer, NFRS
Malcolm Townroe - Clerk and Monitoring Officer to the Fire Authority
Charlotte Radford - Treasurer to the Authority
Becky Smeathers - Head of Finance
Catherine Ziane-Pryor - Governance Officer

47 APOLOGIES FOR ABSENCE

Jason Zadrozny – personal reasons

48 DECLARATIONS OF INTERESTS

None.

49 MINUTES

The minutes of the meeting held On 14 December 2018 were confirmed as a true record and signed by the Chair.

50 CHAIRS' ANNOUNCEMENTS

The Chair informed the Authority that the Service has climbed 72 places and is now ranked within the top 100 Stonewall organisations, recognising the excellent inclusion work undertaken by the Service. The thanks of the Chair were extended to all staff who had been involved in putting the submission forward.

Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) has been with the Service this week undertaking the final stage of the inspection. It is anticipated that initial feedback could be provided next week and that the full assessment will be published during the summer and will of course be presented to the Authority.

The Chair and Chief Fire Officer's meetings with MPs have resulted in a Parliamentary question being put to the Policing and Fire Minister regarding future funding, to which he responded positively. The Chief and Chair will continue to maintain the pressure on local MPs with regard to the Comprehensive Spending Review.

51 PRUDENTIAL CODE FOR CAPITAL FINANCE 2019/20

Becky Smeathers, Head of Finance, presented the Prudential Code for Capital Finance 2019/20 report of the Chief Fire Officer, which informs the Authority of the obligations under the CIPFA Prudential Code for Capital Finance and seeks approval for the proposed capital plans, prudential limits and monitoring processes.

The prudential code ensures that plans are affordable, prudent and sustainable and now also includes investment benchmarking.

RESOLVED

(1) to approve the Prudential Limits for 2019/20 as follows:

Estimate of Ratio of Financing Costs to Net Revenue Stream	5.5%
Estimate of Total Capital Expenditure to be Incurred	£5,448,000
Estimate of Capital Financing Requirement	£30,098,000
Operational Boundary	£30,600,000
Authorised Limit	£33,660,000

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

(2) to approve the following local indicator for 2019/20:

Upper limit for internal borrowing as a % of the Capital Financing Requirement	20%
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52 TREASURY MANAGEMENT STRATEGY 2019/20

Becky Smeathers, Head of Finance, presented the Treasury Management Strategy 2019/20 report.

The following points were highlighted and questions from Members responded to:

- (a) The report provides a summary of what the strategy includes;
- (b) The Authority is anticipated to need to borrow up to £9m during the next 3 years;
- (c) Debt is projected to be £24.1m;
- (d) Investments are predicted to be £17.1m;
- (e) It is not proposed at this point to reschedule any debts;
- (f) It is proposed to increase the investment limit with any single counterparty from £2m to £4m;
- (g) With regard to the Investment Strategy, the contract with Link has been extended within the framework, to 2 years.

RESOLVED to approve:

- (1) **the Treasury Management Strategy 2019/20 as set out in the report;**
- (2) **the proposed increase to the counterparty limit as set out in paragraphs 2.44. to 2.55 in the report;**

- (3) the use of Link's Agency Treasury Service as set out in paragraph 2.45 in the report;**
- (4) the proposed investment risk benchmarks as set out in paragraphs 2.48 to 2.51 in the report;**
- (5) the Minimum Revenue Provision policy 2019/20 as set out in paragraphs 2.52 to 2.55 of the report;**
- (6) for Members of the Authority to attend Treasury Management training to be organised after the May elections as detailed in paragraph 2.57 of the report.**

53 BUDGET PROPOSALS FOR 2019/20 TO 2021/22 AND OPTIONS FOR COUNCIL TAX 2019/20

Becky Smeathers, Head of Finance, presented the joint report of the Chief Fire Officer and Treasurer to the Fire Authority.

The report presents proposals for the Revenue and Capital budgets for the period 2019/20 to 2021/22 and requests that the Authority determine the level of Council Tax for 2019/20, and seeks approval for fees and charges for 2019/20 and the continuation of the payment of Members' Allowances within the approved scheme.

The following points were highlighted and questions from members responded to:

- (a) The Capital Programme is the same as was presented to the Finance and Resources Committee in January;
- (b) The Revenue budget requirement has increased by £288k since its submission to the Finance and Resources Committee. This is due to final adjustments to the expenditure budget and a £127k reduction in collection fund surpluses;
- (c) The employers' contribution rates are set to increase for the firefighters' pension fund following changes by the Treasury to discount rates used in pension valuations. The exact employer rates are not yet known but costs are expected to be in the region of £2.2m with the Home Office providing a grant of £2m to part fund the additional expenditure. Furthermore, there is an ongoing court case regarding the transitional arrangements to the 2015 Firefighters' pension scheme. Dependant on the outcome of the case, there could be significant additional costs which would need to be funded from reserves;
- (d) Some savings are projected into 2019/20 including Mixed crewing (£800k), Joint Control Room (£350k) and budget manager reductions (£200k) as outlined in the report, with further savings required;
- (e) Projections of the budget deficit with a 2.95% Council Tax Rise in 2019/20 and 1.95% increase thereafter, are provided in table 3 within the report;
- (f) It is difficult to produce finance projections and longer term objectives as it is not yet known what the funding levels from Central Government will be beyond 2019/20. It is hoped that there will be an indication by the spring of next year. For the purposes of

planning it has been assumed that funding will be provided at a flat rate. The impact of a 5% variance in Central Government funding would be approximately £600k.

Members of the Authority made the following comments:

- (g) Authority members of all political parties thanked Becky Smeathers and the Finance Team for undertaking the budgetary work and providing detailed and comprehensive information;
- (h) No joy is taken by members in increasing council tax by 2.95% but political unity is developing in that services like the Fire and Rescue Service depend on local funding so it is hoped that in the circumstances, the 2.95% increase is acceptable to citizens;
- (i) The recommendation of a 2.95% increase is agreed as although savings are consistently sought, there is concern at the ongoing requirement and reliance on the use of reserves. This is not sustainable;
- (j) Further information is requested for the Finance and Resources Committee regarding where further savings have been and could be achieved.

The Chair assured the Authority that he and the Chief Fire Officer would continue to raise with MPs the pressing concerns around the future funding of the Service.

Members voting in favour of implementing a 2.95% increase of Council Tax precept are:

Councillor Brian Grocock (Chair)
Councillor Michael Payne (Vice-Chair)
Councillor Andrew Brown
Councillor Eunice Campbell-Clark
Councillor John Clarke
Councillor Sybil Fielding
Councillor Vaughan Hopewell
Councillor Patience Ifediora
Councillor John Longdon
Councillor Jackie Morris
Councillor Francis Purdue-Horan
Councillor Mike Quigley
Councillor Kevin Rostance
Councillor Mohammed Saghir
Councillor Parry Tsimbiridis
Councillor Jonathan Wheeler
Councillor Malcolm Wood

Member not present: Councillor Jason Zadrozny

RESOLVED

- (1) to approve a 2.95% Council Tax increase, with the balance of £1.448m to be met by funding from reserves in line with the Medium Term Financial Strategy;**

- (2) to task the Chief Fire Officer to identify options for addressing the 2020/21 £798k deficit to enable the Fire Authority to approve a balanced budget going forward, as required by law;**
- (3) for the 2019/20 precept level to be notified to the Billing Authorities based on the information set out in Section 2 and Appendix C to the report, as required by statute;**
- (4) to approve the fees and charges for 2019/20, as set out in Appendix D to the report;**
- (5) to approve the payment of Members Allowances for 2019/20 in accordance with the approved scheme.**

54 STRATEGIC PLAN 2019 – 2022 CONSULTATION OUTCOMES

John Buckley, Chief Fire Officer, presented the report which informs the Authority of the consultation outcomes regarding the draft Strategic Plan 2019-2022 and asking that the Authority approve the adoption of the final amended Plan.

Prior to the meeting, a revised report was circulated, paper copies were available at the meeting, and the revised report is issued with the initial publication of the minutes.

Members of the Authority and Officers were disappointed that although having received the best response volume to date, that the numbers were still low, even though the Service had proactively encouraged and promoted engagement, including via social media. It is noted that low levels of response are not unusual for non-controversial consultations.

RESOLVED to approve the adoption of the Strategic Plan 2019-2022 as per Appendix B to the revised report.

55 APPOINTMENT OF DEPUTY CHIEF FIRE OFFICER

John Buckley, Chief Fire Officer, presented the report which informs the Authority that following Deputy Chief Fire Officer Wayne Bowcock's acceptance of the post of Chief Fire Officer for Gloucestershire Fire and Rescue Service, an independent recruitment and selection process had been undertaken and successful candidates interviewed by the Appointments Committee.

The Appointments Committee recommends the appointment of current Assistant Chief Fire Officer Craig Parkin as Deputy Chief Fire Officer.

It is recommended that the Head of Procurement and Resources, Ian Pritchard, is appointed as Interim Assistant Chief Fire Officer as a temporary arrangement until the outcome of a review later in the year.

Members of the Authority were concerned that consultants costing £12k had been engaged to ensure that the recruitment process was independent when alternative independent options, including engaging with partner organisations, were available and should be more thoroughly explored in future.

Members of the Authority congratulated Wayne Bowcock on his appointment and wished him well for the future.

RESOLVED

- (1) to appoint Mr Craig Parkin as the Deputy Chief Fire Officer, with effect from 25 February 2019, as recommended by the Appointments Committee;**
- (2) to support the proposal of the Chief Fire Officer to temporarily appoint Mr Ian Pritchard as the Assistant Chief Officer pending a review and report to the Fire Authority later in 2019.**

56 PAY AND GRADING REVIEW (GREEN BOOK)

John Buckley, Chief Fire Officer, presented the report which seeks authority to amend the grading structure following the outcomes of national pay negotiations and as approved by the Human Resources Committee at its meeting on 25 February 2019.

The Authority is presented with two options to choose from; either retain the current pay grading arrangements or the simplified and amended arrangements which remove all overlaps in pay grading and provide a fairer progression by providing a uniform number of scales within each grade, as attached as Appendix A to the report.

RESOLVED to approve the local grading structure, as set out as Option 2 to the report as the basis for a collective agreement with UNISON.

57 NOTTINGHAMSHIRE FIRE SAFETY LTD UPDATE

Wayne Bowcock, Deputy Chief Fire Officer presented the report which informs members of the progress made with the review and development of the trading company.

As a result of the review to date and with the agreement of current Directors:

- (i) the number, make up and method of appointing Directors is under review;
- (ii) the company will become a 'Community Interest Company' (CIC) which will change the name of the organisation to 'Nottinghamshire Fire Safety CIC';
- (iii) a dedicated business Development Manager will be appointed;
- (iv) reviews of Service Level Agreements between the Company and NFRS.

The Chair and Lead Opposition member thanked Wayne for the huge amount of work he has dedicated to the review and supporting the trading Company Directors.

RESOLVED

- (1) to note the report;**
- (2) to agree that at the Fire Authority AGM each year, Directors' positions are considered and nominations made to maintain a minimum of five company directors.**

58 COMMITTEE OUTCOMES

John Buckley, Chief Fire Officer, presented the report which provides the minutes of the following sub-committees:

Community Safety Committee 11 January 2019
Finance and Resources Committee 18 January 2019
Human Resources Committee 25 January 2019
Appointments Committee 30 January 2019
Policy and Strategy Committee 01 February 2019

RESOLVED to note the report.

59 PROPOSED DATE OF NEXT MEETING

As this is the last meeting to be attended by some City Council members who are not standing for re-election at the forthcoming City Council Local Election in May, the Chair, Councillor Brian Grocock, who himself is standing down after 24 years as a councillor, thanked all members of the Authority and Fire Service staff with whom he had worked during his time as Chair, adding that it had been an honour and a pleasure.

The Vice-Chair, Councillor Michael Payne, specifically thanked the Chair for his exemplary contribution, even handed and passionate approach, adding that he was widely respected and liked.

Lead Opposition Member, Councillor Andrew Brown, echoed the comments of the Vice-Chair and wished all exiting members well for the future.

RESOLVED to note that the Fire and Rescue Authority is next proposed to meet on 7 June 2019 for the AGM.

60 EXCLUSION OF THE PUBLIC

RESOLVED to exclude the public from the meeting during consideration of the remaining items 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.

61 EXEMPT MINUTES

The exempt minutes of the meeting held on 14 December 2018 were confirmed as a true record and signed by the Chair.

62 JOINT HEADQUARTERS COLLABORATION PROGRAMME

John Buckley, Chief Fire Officer, presented the report.

RESOLVED to approve the recommendations as set out in the report and added to in the meeting.