

**AWDURDOD TÂN AC ACHUB CANOLBARTH A GORLLEWIN
CYMRU**



MID AND WEST WALES FIRE AND RESCUE AUTHORITY

**CYFARFOD O'R PWYLLGOR ADNODDAU
MEETING OF THE RESOURCES COMMITTEE**

DYDD LLUN, 14 TACHWEDD 2005

MONDAY, 14 NOVEMBER 2005

***PENCADLYS Y GWASANAETH TÂN
HEOL LLWYN PISGWYDD, CAERFYRDDIN
FIRE SERVICE HEADQUARTERS,
LIME GROVE AVENUE, CARMARTHEN***

PRESENOLDEB/ATTENDANCE

Presennol yn y Cyfarfod/Present at Meeting:

CADEIRYDD/CHAIRMAN: T E Evans

IS-GADEIRYDD/VICE CHAIRMAN: J J J Davies

AELODAU/MEMBERS: Cyng/Cllrs: J S Allen-Mirehouse,
Mrs T Devichand, Mrs J Dudley
C Morgan, T Theophilus, G Phillips,
Mrs P Spender, D Price, D C Prothero,
J D A Thompson

YMDDIHEURIADAU/APOLOGIES: Cyng/Cllrs:, R Lewis, G Seabourne,

1 PERSONNEL MATTERS

The Chairman welcomed Councillor Prothero to the meeting following his recent period of ill health, who thanked Members and Officers for their support during the past difficult months.

A welcome was extended to SDO Gene Ashe on his first attendance at a meeting of the Resources Committee

2 DECLARATION BY MEMBERS OF ANY PERSONAL INTEREST

None were declared

3 TO CONFIRM AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON 25th JULY 2005

The minutes of the meeting held on 25th July 2005 were received and confirmed as a true record

4 TO RECEIVE THE TREASURER'S BUDGET MONITORING REPORT FOR THE FINANCIAL YEAR 2005/06

Revenue Monitoring Report for the period 1st April to 30th September 2005

The Treasurer reported that the virement of budget, which had been approved by the Director of Service Policy and Planning since the last Resources Committee had been reflected in the detailed budget which was presented to Members. It was noted that during the first quarter of the year, the £100,000 contingency budget had been vired to the six county command Operational Pay budgets in order to provide interim funding for retained firefighters to carry out home fire safety audits (HFSAs). The contingency budget would now be reinstated, following the receipt of a grant of £140,000 from the Welsh Assembly Government (WAG) which would allow the Authority to take forward fire prevention activity during 2005/06. A further £40,000 could now be applied to community safety initiatives, including the purchase of fire safety equipment in connection with home fire safety audits.

Total expenditure to date included actual expenditure recorded on the financial ledger and known commitments to 30th September. The report showed total expenditure for the period to be slightly in excess of the profiled budget, but the small overspend resulted from a current underspend of £717k (1.8%) being offset by excess pensions expenditure of £795k. A sharp increase in the number of firefighter retirements was expected however, over this and the next few years, and as a consequence of the recruitment campaigns of the mid-1970s. The Elective Pensioners Provision had been set up to even out the impact of this, so it would not result in an overspend in this year's budget. The final deficit for the year against budget on firefighters' pensions was predicted to be between £1m and £1.5m and this would be funded by a transfer from the Elective Pensioners Provision. Other expenditure was expected to remain within budget over the year.

Capital Monitoring Report for the period 1st April to 30th September 2005

The Treasurer reported that expenditure so far in the current financial year on the new Headquarters building was £0.922m (total to date £1.312m). This included contractor's certificates to the end of September 2005. It was noted that the completion date had now been extended to 9th February 2006.

As a result of the Headquarters project, the capital allocation for other projects and minor works in 2005/06 had been restricted although the contract for the refurbishment of Cardigan Fire Station was on going and would be within the £100,000 target. However, a small overspend was expected on equality and diversity minor works in order to complete the E&D projects which were already in progress at the beginning of the financial year. The excess in overall capital expenditure which could arise as a consequence of this would be covered by a small additional contribution from revenue, which had been committed provisionally within the revenue monitoring report.

Members were informed that the capital monitoring report also reflected the (unprogrammed) purchase of four co-responder vehicles (total £23,600), financed from the sale proceeds of surplus vehicles and a contribution from one of the communities involved (Montgomery).

RESOLUTION

It was RESOLVED that the report be received and noted

5 TO RECEIVE A JOINT REPORT OF THE CHIEF FIRE OFFICER AND THE TREASURER ON THE BUDGET REQUIREMENT FOR THE FINANCIAL YEAR 2006/2007

The Treasurer presented a detailed indicative budget report to Members which had been designed to provide the resources to allow the progress being made by the Authority in meeting its declared objectives to be maintained and carried forward to future years. It was noted that the indicative percentage increase for 2006/2007 would be 3.9% and the Treasurer provided further explanation for Members on the following elements of the budget:

Vehicle Replacement Programme - a review of the Vehicle Replacement Programme had been carried out, taking into account the changes being implemented as part of the Integrated Risk Management (IRMP2) Action Plan. A programme for the upgrading of front-line appliances with emergency equipment had now been incorporated, commencing in 2005/2006. In conjunction with the enhanced specification for all new-build appliances, this would provide one upgraded vehicle per fire station by the end of 2008/2009.

Firefighters' Pensions Increase - this represented the net increase in the cost of ongoing pensions as a result of all retirements which were predicted to have occurred by the end of 2005/2006. In respect of retirements taking place in 2006/2007, the budget already included a sum to cover a 'normal level' of commuted lump sums. Commuted payments in excess of this, plus the in-year pensions arising from new retirements, would be funded by transfer from the

Elective Pensioners Provision.

The new firefighters' pension regulations and new financing arrangements were due to be implemented in Wales in April 2007. Pending legislation, pension increases were included in the provisional 2007/2008 and 2008/2009 budgets on the same basis as 2005/2006. However, it was considered that there was no longer a need to make a contribution to the Elective Pensioners Provision of £450,000 per annum. The balance on the provision of £4.414m at 31st March 2005, plus the 2005/2006 contribution, was deemed to be adequate to cover the extra cost of pensions in 2005/2006 and 2006/2007. The net pensions increase for 2005/2006 allowed for removal of the annual contribution.

Recruitment Courses - a recruitment exercise, undertaken jointly with the other Fire and Rescue Services in Wales, was now in progress to fill vacancies arising from retirements and as a result of the deferral of IRMP2 crewing changes. New recruit courses were being booked for 26 recruits in 2005/2006 and a further 20 recruits in 2006/2007. In 2005/2006 the cost could be borne from savings in the uniformed pay budget, but an additional £100,000 would be needed in the Central Training budget (for 2006/2007 only) to train the second year intake of recruits.

Job Evaluation - Job evaluation was a condition accepted as part of the 2-year pay award for Local Government employees agreed from 2004/2005. The job evaluation process was now underway and it was estimated that the financial consequence was likely be an increase of £60,000 in administrative pay budgets from 1st April 2006.

Organisational Development Programme – the Policy and Performance Board had recommended that an Organisational Development Programme be introduced, following on from work undertaken in the Service in 2001/2002. This would include the utilisation of a cultural audit, together with workshops and on-line learning provided by an external agency, and could be undertaken on an ongoing basis at a cost of £25,000 per annum.

Rates: New Headquarters - On the termination of the Johnstown lease the premises revenue costs of the new Headquarters and Control Room could be met within existing budgets, with the exception of the increased rates that would be payable on the new Headquarters building. The figure of £40,000 was the best estimate available.

Alongside the above, the following factors and assumptions had been incorporated into the 2006/2007 indicative budget:

(1) Validation of the full year effects of the 2005/2006 pay increases for uniformed staff (3.4%) and contractual increments for non-uniformed staff.

(2) Assumed pay awards for 2006/2007:

uniformed staff	3.5% (estimated) from 1 st July 2006
non-uniformed staff	3% (estimated) from 1 st April 2006.

- (3) Increase of 1.5% (from 12.5% to 14%) in the Employer's Contribution Rate to the LG Pension Fund, from the triennial actuarial valuation at 31st March 2004.
- (4) Anticipated increase of 6% in Insurance costs.
- (5) Incremental increase of £25,000 in the cost of OS Map Licences (to £80k in 2006/2007, to reach a total of £131k in 2008/2009).
- (6) Inflation of 3% on other expenditure and income.

RESOLUTION

It was RESOLVED that

- *the budget requirement for the 2006/2007 financial year with an indicative percentage increase of 3.9% be approved as a basis for consultation with the constituent Unitary Authorities*
- *that the revised 5-year Vehicle Replacement Programme be approved*

6 TO CONSIDER A DRAFT RESPONSE TO A POLICY REVIEW ON THE "RESTRUCTURING OF CONSTABULARY" BEING UNDERTAKEN BY THE SOCIAL JUSTICE AND REGENERATION COMMITTEE, NATIONAL ASSEMBLY OF WALES.

Consideration was given to a letter received from the Clerk to the Social Justice and Regeneration Committee inviting the Service to provide a written response as part of its policy review on Restructuring the Constabulary. A draft response was attached for Members' consideration.

RESOLUTION

It was RESOLVED that the draft report be approved for submission to the Social Justice and Regeneration Committee

7 TO RECEIVE A SUMMARY OF A FIRE AT GRIFFITHS PALLETS, HENDY

Members were aware that between the 18th September and the 13th October 2005, the Service had been called to several incidents at a wood reclamation site in Hendy, Carmarthenshire, known as Griffiths' Pallets. One of the incidents had required a Service attendance for over ten days.

Due to the duration of the incident, and the levels of smoke that had been carried over the surrounding areas, this fire had caused widespread consternation amongst the people of Hendy, Fforest and Pontardulais and both local councillors and the Assembly member for Llanelli, Catherine Thomas, had requested a formal report from the service into the incident. which was attached for Members' information

RESOLUTION

It was RESOLVED that the report be received for information

8 TO RECEIVE AND CONSIDER A REQUEST ON THE DONATION OF A FIRE APPLIANCE

The Welsh Area Fire Engine Restoration Society, WAFERS, had written to the Chief Fire Officer requesting the donation of a redundant Fire Appliance that was scheduled to be disposed of at auction. Fire Authority Policy stipulated that assets may only be donated to registered charities, and, in addition the Fire Authority would wish to see benefit to both parties demonstrated. It was noted that the asset would realise approximately £2,000 at auction and that the money would in this instance be redirected into the Transport Budget for utilisation by the Transport Manager towards the cost of Co-responder vehicles.

It was noted that the society wished to use the vehicle as a standing display at both their museum and shows, rallies and fetes that they also attended. WAFERS were a Registered Charity in their own right and they also supported the Fire Service National Benevolent Fund and other charities. Although Members valued the good work carried out by WAFERS they were of the majority view that in light of the previous discussions on the budget requirement for the financial year 2006/2007, that the vehicle should be sold at auction and the money utilised by the Transport Manager for Co-responder vehicles.

RESOLUTION

It was RESOLVED that that the Transit L4P be disposed of in the normal manner with funds being redirected towards the purchase of a co-responder vehicle within the service area.

9 TO RECEIVE A REPORT ON THE NEW HEADQUARTERS PROJECT

The following reports were received for information:

New Fire and Rescue Service Headquarters Update

Progress on site had been steady, however the contractor had reported some further slippage to the contract period. This had been enhanced by the Christmas period when the contractors had a two-week break. The contractor at the last progress meeting on the 11 October 2005 had reported that the contract would be completed by the 9 February 2006.

Although disappointing, the contractor has encountered some loss of time due to weather and utility services.

The last contract valuation (number 7), dated 30 September 2005 had seen the expenditure rise to £1.2m, to date the contract remains on budget.

It was noted that an extension of the lease for the accommodation at Cillefwr Industrial Estate had been agreed in principle with the landlord.

Control Room Relocation

The underground cable problems that had been experienced by British Telecommunications (BT) and that had delayed the October transfer of operations to the new Llangunnor facility had now been cleared. Consequently, discussions with staff, contractors and Dyfed Powys Police had recently been undertaken in order to identify a mutually convenient alternative date to effect the move.

Acquisition of land at Tregaron Fire Station

At present building works were proceeding to upgrade the station and accommodate sanitary facilities for female firefighters. Due to the very restricted area for car parking and training purposes a neighbouring parcel of land would enhance the current facility.

Negotiations had commenced with the neighbouring landowner to purchase a strip of land that would alleviate the congestion caused as a result of drill nights and turnouts.

RESOLUTION

It was RESOLVED that the reports be received and noted