

**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, 16 IONAWR 2006

MONDAY, 16 JANUARY 2006

***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: Mrs T Devichand,
Mrs J Dudley, C Morgan,
T Theophilus, G Phillips, D Price,
J D A Thompson

YMDDIHEURIADAU/APOLOGIES: Cyng/Cllrs:, R Lewis, D C Prothero

YN BRESENNOL /IN ATTENDANCE: Cyng/Cllr: B J Hall

1 DECLARATION BY MEMBERS OF ANY PERSONAL INTEREST

None were declared

2 TO CONFIRM AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON 14 NOVEMBER 2005

The minutes of the meeting held on 14th November 2005 were received and confirmed as a true record.

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

Revenue Monitoring Report for the period 1st April to 31st December 2005

The Treasurer reported that the contingency budget had now been reinstated, following receipt of the grant of £140,000 from the Welsh Assembly Government to take forward fire prevention activity during 2005/06. The grant had been vired into the 2005/06 budget, providing £100,000 in Operational Pay for retained firefighters to carry out home fire safety audits and £40,000 for other fire prevention measures, including the purchase of fire safety equipment in connection with home fire safety audits.

It was noted that total expenditure to date included actual expenditure recorded on the financial ledger and known commitments to 31st December. The report showed total expenditure for the period to be slightly under the profiled budget. The small underspend had resulted from a current underspend of £1,065k (2.6%) being offset by excess pensions expenditure of £1,012k. The final deficit for the year against budget on firefighters' pensions was predicted to be around £1.6m. Members were informed that this would not impact on the 2005/06 outturn against budget, as it 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 December 2005

It was noted that expenditure so far in the current financial year on the new Headquarters building was £1.732m (total to date £2.122m). This included contractor's certificates to the end of December 2005.

The projected total of capital expenditure for the year exceeded the total capital allocation by £152k. Of this, at least £53k would be funded from capital receipts and external capital contributions, leaving an estimated £99k to be financed from Revenue. This was due to pressure on the equality and diversity/minor works budget, as noted in the last report to Resources Committee, and an increase in the new Headquarters furniture cost that could not be contained within the overall 2005/06 capital equipment budget. Provision for additional revenue contribution to capital of £99k had been made in the Revenue expenditure forecast.

RESOLUTION

It was RESOLVED that the report be received and noted

4 TO RECEIVE A JOINT REPORT OF THE CHIEF FIRE OFFICER AND THE TREASURER ON THE 2006/2007 REVENUE AND CAPITAL BUDGETS

The Treasurer reminded Members that at the Meeting of the Resources Committee on the 14th November 2005 the 2006/07 indicative budget requirement of £41,885,082, representing an increase of 3.9% over the 2005/06 budget, had been approved as a basis for consultation with the constituent Unitary Authorities.

Following the Meeting, the Clerk had formally written to the six constituent Authorities, as required under the provisions of the Combination Scheme Order, giving notice of the proposed budget requirement for the Fire and Rescue Authority for the 2006/07 financial year and inviting their comments. It was reported that to date no response had been received. For Members information the principal elements of the 3.9% budget increase had been summarised for clarity.

RESOLUTION

It was RESOLVED that

- *the Revenue Budget for 2006/07 be approved*
- *the three year Capital Programme 2006/07 to 2008/09 as a provisional plan pending the outcome of the FSEC analysis be approved*

5 TO RECEIVE THE TREASURERS REPORT ON THE PRUDENTIAL CODE AND PRUDENTIAL INDICATORS FOR 2006/2007

The Treasurer informed Committee that the objective of the Prudential Code was to provide a framework for local authority capital finance that would ensure for individual local authorities that:

- capital expenditure plans were affordable
- all external borrowing and other long term liabilities were within prudent and sustainable levels
- treasury management decisions were taken in accordance with professional good practice
- that in taking decisions in relation to capital expenditure and treasury management the Authority was accountable, by providing a clear and transparent framework.

The Prudential Code set out prudential indicators that must be used, and factors that must be taken into account to demonstrate that authorities were fulfilling the aims of the Code. The prudential indicators were not designed to be comparative performance indicators and the Code did not include suggested

indicative limits or ratios. They were designed to support and record local decision making in a manner that was publicly accountable.

The Treasurer explained that the prudential indicators for the forthcoming and following years must be set before the beginning of the year through the processes established for the setting of the budget. They may be revised at any time, following due process, and must be reviewed, and revised if appropriate, for the current year when the prudential indicators were set for the following year.

In setting or revising their prudential indicators, authorities were required to have regard to the following matters:

- affordability
- prudence and sustainability
- value for money
- stewardship of assets
- service objectives
- practicality

RESOLUTION

It was RESOLVED that the 2006/2007 prudential indicators be approved

6 TO RECEIVE A REPORT ON THE AUTHORITY'S ARRANGEMENTS FOR BANKING SERVICES

Committee were informed that the three year agreement which Mid and West Wales Fire and Rescue Authority had with Barclays Bank PLC for banking services was due to expire on 31st March 2006.

It was noted that under the current terms of the Agreement no bank charges or interest was payable, free on-line banking facilities were included, stationery (ie cheques) were supplied free of charge, and investment facilities and advice were provided free, with Treasury deposit transactions being actioned by the Bank on receipt of telephone instructions from authorised Finance officers.

The Treasurer advised that if such a good quality service could be continued at no cost to the Authority, there could be no financial advantage in re-tendering for banking services. It was therefore recommended that a request be made to Barclays Bank PLC to extend the agreement for banking services, on the existing basis, for a further three years.

RESOLUTION

It was RESOLVED that Barclays Bank be requested to extend the agreement for banking services, on the existing basis, for a further three years

7 TO RECEIVE A REPORT ON RISK REDUCTION PLANNING (RRP) GUIDANCE FOR THE FIRE AND RESCUE AUTHORITIES

Members were aware that the Welsh Assembly Government had just published its long awaited guidance on Risk Reduction Planning for Fire and Rescue Authorities and Service Standards for Attendance to Fires in the Home. The two documents were undertaking a period of consultation until 31 January 2006. The short turn around on the consultation was to ensure early finalisation of the guidance to allow Fire and Rescue Authorities time to prepare Risk Reduction Plans by the end of October 2006 ready to inform the 2007/08 budget and planning cycle.

The Chief Fire Officer reported that given that the two consultations were inextricably linked and had the same deadline date, it had seemed appropriate to respond to both documents together.

It was noted that the Wales Risk Reduction Planning guidance replaced the English guidance used since 2003/04 on Integrated Risk Management Planning (IRMP). The Welsh Assembly Government document was clearly linked to wider Welsh Public Service agendas and the Wales Programme for Improvement.

Attached to Member's papers was a short synopsis of the guidance and the initial thoughts of officers and it was noted that the Chief Fire Officer, Deputy Chief Fire Officer and Head of ORM had been involved in some elements of the developmental work of both of the documents and therefore they had held few surprises. In addition, the Chief Fire Officer and Head of ORM had formed part of the technical working group dealing with the service standards referred to. Members were informed that the documents were considered to be a fair representation of discussions held with WAG and comments submitted during the course of development.

The Chief Fire Officer informed Committee that it was the Service's view that the guidance in its present form should be broadly welcomed and supported and a response made by the Authority in this vein.

Councillor John Thompson made reference to the Wales Spatial Plan and expressed concerns that Fire Authorities were not represented during the course of the planning process. Members agreed that this should be raised with the Welsh Assembly Government.

Following consideration of the two guidance documents, Members broadly agreed the shape of the final response, which would be submitted to WAG by the end of January 2006.

RESOLUTION

It was RESOLVED

- *that both consultation documents be covered by a single Authority response.*
- *that an appropriate response be prepared by the Authority's officers to be forwarded to the Welsh Assembly Government by the end of January 2006*

- ***that representation be sought from the Welsh Assembly Government for Fire Authorities to be consulted as part of the Wales Spatial Planning process***

8 TO RECEIVE A REPORT ON THE BEECHAM REVIEW OF LOCAL SERVICE DELIVERY

Members were aware that in July 2005 the First Minister announced that Sir Jeremy Beecham, Vice-Chair of the Local Government Association would lead a review of local service provision. In December, the Chairs and Chief Fire Officers of the Fire and Rescue Services in Wales gave oral evidence to Sir Jeremy. The Authority had also been invited to provide written evidence to the review, and to this end a draft response had been prepared for Members' consideration which provided direct responses to the questions posed in the Consultation document.

RESOLUTION

It was RESOLVED that the draft response be approved

9 TO RECEIVE A REPORT ON THE WELSH DECLARATION ON CLIMATE CHANGE AND ENERGY EFFICIENCY

Consideration was given to correspondence received from the WLGA with an invitation to demonstrate a commitment to tackle greenhouse gas emissions and develop strategies to improve energy efficiency. The commitment was part of the WLGA's manifesto for local government, "Leading Reform in Local Services 2005-2008"

As Climate change had been recognised as the most important environmental issue and had been regarded by some as an even greater threat than terrorism, in England, over eighty authorities had signed up to a similar declaration and it was likely that many authorities in Wales would sign up to this initiative. It was noted that Assembly Ministers Carwyn Jones and Andrew Davies had agreed to be in attendance for the formal "signing ceremony".

The Authority had recently demonstrated a commitment to protecting the environment with the inclusion of design features and energy-saving components within the new HQ building such as a passive ventilation system, solar shading and under-floor heating, powered by a gas condensing boiler. Earlier in 2001, work had been undertaken by the Service in developing an Action Plan for Local Agenda 21, an initiative to address issues of sustainability to protect and promote the environment. In addition arrangements had also been made to meet with a representative of Arena Network Services to examine the possibility of pursuing the "Green Dragon Environmental Management Standard."

RESOLUTION

It was RESOLVED that the initiative be supported and that further reports

be received as appropriate

10 TO RECEIVE A REPORT FOR INFORMATION ON THE FIRE AND RESCUE SERVICES (CHARGING AND EMERGENCIES) (WALES) ORDER 2005 – DRAFT FOR CONSULTATION

Members were aware that the Welsh Assembly Government was currently consulting on the detail of the Fire and Rescue Services (Charging and Emergencies) (Wales) Order 2005. The closing date for consultation had been 24 December 2005.

Given the complexity of the consultation document and the response prepared by Officers, it had not been possible to finalise and present this to full Fire Authority at its meeting on 5 December 2005.

However attached for Member's attention was a response which had been approved by the Chairman on 20 December 2005 and which had been submitted to the Welsh Assembly Government.

RESOLUTION

It was RESOLVED that the response be received and noted