

<b>WYFRA</b>	<b>FINANCE AND RESOURCES COMMITTEE</b>	<b>8 JULY 2011</b>	<b>ITEM No</b>
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**REPORT OF:** Director of Fire Safety

**PURPOSE OF REPORT:** To make Members aware of the Fire Safety (Protection of Tenants) Bill

**RECOMMENDATION:** That Members note the purpose of the proposed Fire Safety (Protection of Tenants) Bill

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#### **LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT DETAILS**

**EXEMPTION CATEGORY:** None

**ACCESS CONTACT OFFICER:** Craig McIntosh 01274 655705

#### **BACKGROUND PAPERS OPEN TO INSPECTION:**

#### **SUMMARY**

Adrian Sanders (MP for Torbay) has proposed the Private Members Bill, the purpose of which is to make it mandatory to install smoke detection in all rented property.

This paper was written as a briefing for all WY MPs and will be sent out prior to the Bill's next reading in October 2011.

## **1 Background**

- 1.1 Adrian Sanders (MP for Torbay) has proposed the Private Members Bill, the purpose of which is to make it mandatory to install smoke detection in all rented property.
- 1.2 The Fire Minister has not yet demonstrated support of the Bill as the Government's view is that it would constitute unnecessary new regulation. However, he has stated that a working group has been set up to look at how this matter can be taken forward without recourse to regulation. This is being led by Devon & Somerset FRS, primarily to support Adrian Sanders MP. National data from the IRS is being collated to feed into this work.
- 1.3 The Bill has had a number of false starts in Parliament, having its first reading 30 June 2010, it was debated a second time on 19 November 2010, but ran out of time, it was rescheduled for 21 January 2011 and again 1 April 2011, on both occasions running out of time before being debated, and is now scheduled to take place 21 October 2011.

## **2 Information**

- 2.1 WYFRS has had previous correspondence with WY MPs on this issue, that same correspondence has been forwarded to the Fire Minister. The advice he has received suggests that smoke alarm coverage extends to 91% (since revised down to 86%) of all homes in England (English Housing Survey 2008), therefore the Bill is unnecessary. The reality in WY is that in those dwellings experiencing a fire, the figure is nearer 60% smoke alarm ownership. Where there are fatal dwelling fires the figure drops to 20% smoke alarm coverage and, most staggeringly, out of 50 WY fatalities in the last 5 years 48 were in rented property. This will be similar to the position across most FRAs, but particularly the Metropolitan areas. It is not confined to private landlords, these incidents occur equally in ALMO properties without detection, and has been the subject of at least one Coroner's rule 43 notice (addressed via CLG to the Fire Minister) to prevent such incidents occurring in future, this ultimately being the origin of the Private Members Bill.
- 2.2 The Minister appears to be of the opinion that rented accommodation is more than adequately covered by the Housing Health & Safety Rating System (HHSRS), suggesting that any new regulation would be unenforceable. This is not our understanding, as we feel that fire risk is continually underestimated by ALMOs and landlords. WYFRS, has suggested to the Minister that if fire was reclassified as a category 1 hazard, under the HHSRS it would be enforced as any other cat 1 hazard is now, by the Housing Authority. As mentioned the Minister's view is that this would constitute new regulation. A hazard that can result in the injury or death of a tenant is most definitely a category 1 hazard; contrast this with gas safety, less than 30 people per year die of CO poisoning, yet landlords are required to provide a gas safety certificate, whereas over 300 die in fires, but smoke alarms are not required, nor is it deemed a category 1 hazard.

- 2.3 Fire is not a cost just to FRAs, deaths and injuries also create an additional burden on other already stretched public services, particularly the cost to health of treating fire injuries, and housing when homes become uninhabitable as a result of fire. All of these burdens are almost entirely preventable, and would certainly be reduced by the requirement to provide smoke alarms. This societal cost saving outweighing the cost of the additional burden on landlords.
- 2.4 Using the last 5 years WY incident data, and Government's 'Economic Costs of Fire Estimates' from 2004, the costs of dwelling fires to WY are:
- |  |                 |
|--|-----------------|
| 48 deaths in rented property – cost to society | - £66 million   |
| 918 dwelling fire injuries (all dwellings)     | - £142 million  |
| 8879 house fires (property damage only)        | - £64.8 million |
- 2.5 These are figures for WY only, though they make a compelling argument both morally and financially for smoke alarm provision.
- 2.6 The long term aim should continue to be to achieve sprinkler protection for all new build homes as has been achieved in Wales. However, sprinklers will take many years to have any impact on these figures as it would only feed in as new properties are built, because we are starting from a virtually zero base. Smoke detection in all rented property will achieve a much more rapid result and achieve savings across housing and health immediately. Additionally, sprinklers alone are not the complete answer, there is still a requirement for smoke detection to give early warning and allow escape.

### **3 Financial Implications**

- 3.1 None at this time, though if passed it will reduce the costs of future provision of smoke alarms in rented property.

### **4 Equality & Diversity Issues**

- 4.1 Mandatory smoke alarm fitting in rented accommodation would assist in targeting vulnerable and At Risk communities and improve outcomes across a range of agencies/partnerships.

### **5 Conclusion**

- 5.1 Increasing fire safety must include not just reform of the FRS' prevention, protection and response provision, but also the framework in which they operate. It may be possible to maintain fire safety at the level reached with the work of FRS' but, if it is to continue to improve at the same rate, FRS' need to be able to operate in a context that will support the prevention and protection agenda.

5.2 This will achieve significant savings across a number of sectors, particularly housing and health, and it is this wider context that smoke alarm provision should also be considered.

<b>WYFRA</b>	<b>FINANCE AND RESOURCES COMMITTEE</b>	<b>8 JULY 2011</b>	<b>ITEM No</b>
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**REPORT OF:** Deputy Chief Fire Officer and Director of Operations

**PURPOSE OF REPORT:** To provide Members with a summary of the National Resilience Assurance Team (NRAT) Urban Search and Rescue (USAR) Assurance Review – West Yorkshire Fire and Rescue Service (WYFRS) – January 2011.

**RECOMMENDATION:** Members are asked to note the contents of this report and the recommendations.

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## **LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT DETAILS**

### **EXEMPTION CATEGORY:**

**ACCESS CONTACT OFFICER:** AM Robson – 01274 655783

### **BACKGROUND PAPERS OPEN TO INSPECTION**

NRAT USAR Assurance Review – WYFRS.

### **SUMMARY**

This report provides a summary of the process, conclusions and recommendations contained within the NRAT USAR Assurance Review – West Yorkshire Fire and Rescue Service (WYFRS). Through the self assessment process and consequent NRAT assessment it is clear that WYFRS are managing the service provision of USAR well. Quality assurance is a pivotal function of WYFRS core business and is evident in its USAR capability. An action plan has been produced to ensure that the recommendations in the report are fully implemented.

## **1. Background**

- 1.1. The New Dimension programme is a collaboration between the Department of Communities and Local Government (DCLG) and the Fire and Rescue Service (FRS) to enhance the ability of the FRS to respond to Urban Search and Rescue (USAR) events such as building collapse and major transport incidents. Following the successful rollout of the New Dimension capabilities, responsibility for the long term management of the assets, policies and assurance was transferred to a National Resilience Board (NRB).
- 1.2. Assurance of the USAR capability is obtained through a range of methods; fundamental to which is the Assurance Review process. The aim of which is to identify by means of a systematic, objective and documented procedure that all USAR assets issued to FRSs throughout England are able to respond to national level incidents in accordance with and to the standards identified in relevant national guidance documents. To facilitate this, an Assurance Review Team consisting of National Resilience Assurance Team (NRAT) members are responsible for undertaking reviews. The purpose of the review is to gather information at both strategic and operational levels on the assurance objectives identified and established for the year 2010/11 as approved by the NRB.
- 1.3. The objectives of the Assurance Review are:
  - To identify the organisational strategies, policies, training and procedures which supports the Urban Search & Rescue assets in meeting the National Resilience programme expectations for responding to national level incidents at level three and four.
  - To identify and confirm that programmed vehicle and equipment maintenance, servicing and defect records for National Resilience assets are completed in accordance within the terms and conditions of use.

## **2. Information**

- 2.1. The Assurance Team visited West Yorkshire Fire and Rescue Service (WYFRS) on the 19<sup>th</sup> and 20<sup>th</sup> January 2011 as part of the national 2010/11 assurance review programme. As detailed above, the assurance reviews are part of a wider assurance process within the National Resilience framework; designed to provide evidence to the NRB and key stakeholders that the USAR capability provided by CLG, is ready to respond to major or catastrophic incidents requiring mutual aid.
- 2.2. The Assurance review was greatly assisted by the prior provision of a comprehensive submission of evidence on computer disk. The quality of the evidence provided was of a high standard and provided the assurance team with a sound base on which to gather evidence to assure the USAR capability of WYFRS. The provision of the self assessment has allowed WYFRS to examine the application of USAR related policy, procedures and protocols. This process itself has been seen by WYFRS as beneficial.
- 2.3. During the visit the Assurance Review Team visited WYFRS Strategic Training Facility (STF); Mobilising Control (MACC) and the USAR asset station at Cleckheaton.

### **3. Assurance Review – Final Report Summary**

- 3.1. The Assurance Review Final Report contains an executive summary, the details of which are listed below.
- 3.2. There is a full management structure in WYFRS to support National Resilience. There was evidence presented that demonstrated the support for USAR at operational and strategic levels within WYFRS. USAR is fully integrated into the organisation. Support and enthusiasm from all WYFRS personnel involved in the process was reflected in the responses received via the question sets and was evident throughout the visit.
- 3.3. It is clear that WYFRS has a robust approach to training and development of skills of its USAR teams. They are also committed to educating USAR and non USAR personnel from a number of regions and agencies. The processes and systems to support training demonstrate a commitment to maintenance of competence.
- 3.4. The clear commitment and support for USAR by senior management has enabled WYFRS USAR capability to develop to its current position.
- 3.5. Through the self assessment and consequent NRAT assessment it is clear that WYFRS are managing the service provision of USAR well. Quality assurance is a pivotal function of WYFRS core business and is evident in its USAR capability.
- 3.6. The policy information that underpins WYFRS USAR capability is comprehensive and available to the organisation through a number of mediums and was provided to the review team in advance of the assurance review. A substantial amount of additional documentation and evidence was highlighted during the review which included high level reference to resilience within the WYFRS service plan 2011-2015 and the Training and Development Strategy 2008-2011. This further demonstrates WYFRS strategic management commitment to support overall national resilience and the relevant capabilities including USAR.

### **4. Financial Implications**

- 4.1. There are no direct financial implications associated with this report. However the conclusion section of the Assurance Review makes specific reference to the additional investment provided by WYFRS and the benefits this has had on the capability as a whole. The additional investment has allowed the capability to develop considerably (see 7.1).

### **5. Equality and Diversity Implications**

- 5.1. This report provides evidence for the excellent level of the Equality Framework on the training provided to employees and the impact of equality on equipment.

### **6. Health and Safety Implications**

- 6.1. There are no health and safety implications associated with this report.

## **7. Conclusion**

- 7.1. The commitment of WYFRS to its USAR response is evident at all levels and continues to be driven by enthusiastic and dedicated managers and team members. Additional financial investment by WYFRS has allowed the capability to develop considerably.
- 7.2. The content of the self assessment evidence provided by WYFRS ensured effective information management and as a consequence ensured the review process was as productive as possible for all concerned. Further relevant evidence identified during the review was provided readily.
- 7.3. The level of information provided within the documentation enabled the Assurance Review Team to understand the structure and approach of WYFRS and covered all levels within the FRS from strategy to policies and procedures to individual training records. This provided the team with clear evidence of the common thread running through the organisation and confidence in WYFRS ability to respond to local, regional and national level incidents with the required amount of competent personnel and with equipment that is operationally ready and fit for purpose.
- 7.4. The questioning at operational and strategic level proved sound knowledge bases and indicated depth of understanding of the relevant subject matter at each level.
- 7.5. The report also reflects the fact that the assessment has been carried out two thirds of the way through a major transition process for the USAR/Technical Rescue Team in West Yorkshire and reflects the hard work at commitment of staff at all levels to ensure that the highest standards are being met.

## **8. Recommendations and Support**

- 8.1. Part of the Assurance Review process is about providing recommendation and future support to the Fire and Rescue Service (FRS) in the delivery of their USAR capability. Following the assurance process the Assurance Review Team made the following recommendations:
  - Consideration should be given to the independent and external verification of in-house training (Critical Friend Approach); this would be seen as an advanced practice.
  - A policy is produced recognising the need for retesting of face fit and repeating of PortaCount test.
  - WYFRS has shown commitment to the USAR canine capability in the provision of two USAR dogs and handlers, one of which is hosted for Tyne and Wear FRS. Neither of these dogs is presently qualified to USAR standards. As such, this area is developing until qualification is achieved. No recommendations are necessary in this area as this was seen to be progressing satisfactorily. It is acknowledged that there are a number of external influences which may have delayed the qualification of the dogs. – No Support deemed necessary.
  - MACC - Creation of action plan specifically for National Resilience related health and safety event reporting.



8.2. An action plan has now been produced to address the recommendation's highlighted above. The Station Manager with the National Resilience Lead is working together with the regional NRAT contacts to ensure all recommendations are actioned in line with national guidance and using examples of best practice from other FRSs.

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**REPORT OF:** CHIEF FINANCE OFFICER

**PURPOSE OF REPORT:** TO PRESENT A QUARTERLY OVERVIEW OF THE FINANCIAL POSITION OF THE AUTHORITY.

**RECOMMENDATIONS:**

- (A) THAT MEMBERS NOTE THE CONTENT OF THE REPORT
- (B) APPROVE THE REVISED REVENUE BUDGET
- (C) APPROVE THE REVISED CAPITAL PLAN

#### **LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT DETAILS**

**EXEMPTION CATEGORY:** NONE

**ACCESS CONTACT OFFICER:** G. MAREN  
CHIEF FINANCE OFFICER  
TEL: 01274 655711

**BACKGROUND PAPERS  
OPEN TO INSPECTION:**

#### **SUMMARY**

The purpose of this report is to present an overview of the financial performance of the authority of the first quarter of the current financial year. The report is split into four sections dealing with revenue expenditure, capital expenditure, treasury management and debtors and creditors.

## 1. **BACKGROUND**

The purpose of this report is to present an overview of the financial performance of the authority of the first quarter of the current financial year. The report is split into four sections dealing with revenue expenditure, capital expenditure, treasury management and debtors and creditors.

In addition to the quarterly report to the Finance and Resources Committee reports on revenue and capital expenditure are also prepared for management board, senior managers and cost centre managers to enable them to manage their individual budgets.

## **SECTION 1 REVENUE EXPENDITURE MONITORING**

### **1. INTRODUCTION**

Expenditure is monitored throughout the year against the approved revenue budget with reports being considered by each meeting of the Management Board and each meeting of the Finance and Resources Committee. The purpose of the report is to monitor progress against the approved revenue budget; provide an early forecast outturn for the financial year; provide an explanation of any major variations, and to show the impact of any variations on the revenue balances of the Authority.

This is the first report of the financial year and is based on expenditure for the first three months of the year. Clearly this is very early in the financial year and forecasts are based on previous year's expenditure patterns; as the year progresses changes to the forecast will emerge.

### **2. REVENUE BUDGET REVISION**

When the revenue budget is approved an amount is included in contingencies for future pay and price increases. During the course of the financial year the budget is revised to take account of allocations from this fund. In the first three months there have been two allocations from contingencies.

Insurance      £58,000

The insurance renewals were concluded by 31 March 2011 and were reported to the previous meeting of this committee; when the budget is approved allocation is included within contingencies for any increase in premium. This allocation reflects the increase in value of the Authority's assets along with some small increases in premiums. Successful tendering in the last 5 years means that the insurance premium paid in the current year remains £30k below the premium paid in 2006/2007.

Vehicle Fuel   £150,000

Increasing fuel prices are now having a significant impact on fuel expenditure. This allocation reflects the change in prices since the budget was approved in January.

### **3. EXPENDITURE MONITORING**

Members will be aware that this year represents the first year of the spending review with the Authority suffering a significant loss in revenue support grant and is anticipating further significant reductions in the next three year. The main strategy for delivering the required savings is the control of salaries expenditure through non recruitment and the control of overtime which is reflected in the early expenditure forecast.

Overall there is a projected under spending of £0.277m in the current year with the major variations shown in the table below followed by an explanation of the variations.

	<b>FORECAST</b>	<b>APPROVED BUDGET</b>	<b>VARIANCE</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Wholetime firefighters	£58,514	£59,000	-£486
Retained firefighters	£2,158	£2,059	£ 99
Brigade control	£2,090	£2,238	-£148
Support staff	£9,825	£9,866	-£41
Supplies and services	£4,041	£3,841	+£200
Income	£3,269	£3,383	-£114

**3.2 Wholetime Firefighters -£486,000**

Following an overspending on overtime in the early part of 2010/2011 a more rigorous management of overtime control was introduced, resulting in the projected under spending in the current financial year. However, it must be noted that increased activity as a result of grass fires or flooding would have a significant impact on overtime expenditure.

**3.3 Retained Firefighters +£99,000**

A saving of £0.3m was taken from the retained firefighter budget in 2011/2012 based on previous years' activity levels. In the early part of this year increased activity due to grass fires resulted in higher than normal expenditure causing the forecast over spending. As the majority of the expenditure is activity driven it is likely that this forecast will change as the year progresses.

**3.4 Brigade control -£148,000**

This is the impact of two members of staff leaving and not being replaced as a result of the recruitment freeze. In addition, the stringent control of overtime has resulted in a reduction in overtime payments.

**3.5 Support staff -£41,000**

The impact of the recruitment freeze means that any staff turnover will result in an under spending on salaries expenditure.

**3.6 Supplies and services +£200,000**

The projected overspending relates to uninsured claims from former employees suffering from asbestosis; these costs include legal fees and compensation. Whilst there is no provision in the approved budget, provision is included within the minimum revenue balances.

**3.7 Income £114,000 shortfall**

This is partly a result of reduced funding from CLG for the operation of the National Control Centre and a forecast fall in external training income as a result of cuts in public expenditure.

**4. IMPACT ON REVENUE BALANCES**

Description	General Reserve
Balance at 1 April 2010	£8.300 m
Approved use of balances	
	-£0.840 m
Impact of forecast	£0.277m
Forecast balance at 31/3/2011	£7.737m

2011/2012 REVENUE EXPENDITURE MONITORING  
JULY 2011

<b>EXPENDITURE</b>	<b>PAYMENTS TO DATE £000</b>	<b>EXPEND FORECAST £000</b>	<b>APPROVED BUDGET £000</b>	<b>VIREMENT</b>	<b>REVISED BUDGET £000</b>	<b>FORECAST VARIANCE £000</b>
Wholtime firefighters	£15,438	£58,514	£59,000		£59,000	-£486
Retained firefighters	£392	£2,158	£2,059		£2,059	£99
Firefighters pensions		£1,356	£1,356		£1,356	£0
Brigade control	£530	£2,090	£2,238		£2,238	-£148
Support staff	£2,470	£9,825	£9,866		£9,866	-£41
Other employee expenses	£47	£1,021	£1,021		£1,021	£0
Premises expenses	£221	£2,842	£2,842		£2,842	£0
Transport costs	£517	£2,400	£2,265	£150	£2,415	-£15
Supplies and services	£995	£4,041	£3,841		£3,841	£200
Insurance	£810	£810	£752	£58	£810	£0
Lead authority charges		£288	£288		£288	£0
Capital financing charges		£7,053	£7,053		£7,053	£0
Provision for pay & prices		£382	£590	-£208	£382	£0
<b>Total Expenditure</b>		<b>£92,780</b>	<b>£93,171</b>	<b>£0</b>	<b>£93,171</b>	<b>-£391</b>
Training income	£12	£76	£141	£0	£141	-£65
Fire Safety Income	£3	£67	£79	£0	£79	-£12
Grants	£0	£1,616	£1,653	£0	£1,653	-£37
Other Income	£235	£1,510	£1,510	£0	£1,510	£0
<b>Total Income</b>		<b>£3,269</b>	<b>£3,383</b>	<b>£0</b>	<b>£3,383</b>	<b>-£114</b>
<b>Net expenditure</b>		<b>£89,511</b>	<b>£89,788</b>	<b>£0</b>	<b>£89,788</b>	<b>-£277</b>

## **SECTION 2 CAPITAL EXPENDITURE MONITORING**

### **INTRODUCTION**

At its meeting on 18 February 2011, the Authority approved a three year capital programme of £32.9m which included schemes to the value of £9.66m for the current financial year.

#### **1 SCHEMES SLIPPED BETWEEN FINANCIAL YEARS AND CAPITAL VIREMENT**

The nature of major capital schemes means that expenditure often straddles a number of financial years, particularly the case in major building schemes and the development of major information systems. As part of the expenditure monitoring process, schemes totalling £2.78m, which were not completed in 2010/2011, have been added to the 2011/2012 capital plan increasing it to £12.394m.

It is anticipated that as the year progresses a number of schemes programmed for the current year will slip into 2012/2013 and it is anticipated that final capital expenditure will be in the region of £10m.

As part of the revision of the plan, all the schemes relating to the Integrated Risk Management Plan have been set up under a separate cost centre. This is because service delivery is directly linked to the delivery of the capital plan and the management of the schemes has been transferred to the IRMP department within the operations directorate.

At the Authority AGM in 2010 the Management Board was given delegated power to approve individual virement between capital schemes of up to £100,000. Details of any approvals will be reported to committee throughout the year as part of this report.

#### **2 CAPITAL PAYMENTS 2011/2012**

The actual capital payments to date total £1.23m of which £0.5m is on schemes which commenced in the previous financial year. Details of expenditure on individual schemes are included in Appendix 2.

#### **5 APPROVALS UNDER FINANCIAL PROCEDURE 3.11**

Under financial procedures 3.11 the Management Board can approve expenditure on schemes in the approved capital plan up to an amount of £100,000. This approval is subject to approvals being reported to the Finance and Resources Committee. Details of schemes approved by the Management Board are attached in Appendix 1.

## **SECTION 3 TREASURY MANAGEMENT**

### **TREASURY MANAGEMENT**

At its meeting on 18 February the Authority approved a treasury management strategy as part of the overall Revenue Budget and Capital Planning process. This strategy sets out how the Authority will deal with its cash flows arising from the capital investment plan and revenue budget. The strategy sets out both the Borrowing Strategy and Investment Strategy that the Authority will follow for the period. At subsequent meetings there will be a comparison of activity against the treasury management strategy, including a detailed half yearly report. Because of the proximity to the start of the financial year this report just provides details of the treasury management activity during the first three months of the year.

#### **3.1 OVERALL ECONOMIC POSITION**

##### **Outlook for the economy and interest rates**

The strength of the UK economy's recovery from recession has surprised analysts and policymakers alike. Economic activity has been boosted by three main factors: the exceptionally loose stance on monetary policy; the lower value of sterling, and the recovery in international trade. Despite the recession, inflation has remained stubbornly high. The current factors boosting inflation are considered temporary by members of the Bank of England's Monetary Policy Committee (MPC) and not representative of the underlying demand and supply situation. The outlook for interest rates is based on the expectation that potential supply comfortably exceeds demand, and that the MPC will look to maintain the current level of accommodative monetary policy to support demand in the face of considerable headwinds.

Kirklees Council provide treasury management services to the Authority. Their advisor forecasts Base Rate remaining at 0.5% for most of 2011, and although rising thereafter, remaining below "normal" levels at least until 2013/14. Longer term interest rates are likely to rise slowly as the economic situation improves but the rate of increase will be tempered by the Government's austerity measures and the safe haven status of UK government debt.

#### **3.2 BORROWING**

The Authority has not taken on any new long term borrowing in the current financial year and has again taken advantage of the low rates offered through short term variable rate loans. Over the period the Authority has borrowed £16.1m of which £8.5m remains outstanding at the current time. The average interest rate for the temporary borrowing is 0.54% which compares with the long term PWLB rate of 5.17%.

The Authority's treasury advisors will continue to monitor rates and will lock in long term loans later in the year however, the Authority will receive a big cash injection in the form of pension grant at the beginning of July which will offset the need for any new borrowing in the short term.



## LOBO (Lender Option Borrower Option)

In May 2006 the Authority took a LOBO (lender option borrower option) loan of £2.0m for a fixed period of 60 years at a rate of 3.58% fixed for the first 5 years of the loan. After this period the lender can review the interest rate at 5 yearly intervals and the Authority has the option to either repay the loan or accept the new rate. At the first interest rate review in May 2011 the lender did increase the rate; the next interest rate review will be in 2016.

## New Borrowing

There has been no new long term borrowing in the first three months of the financial year leaving a balance of long term debt outstanding at £50.377m at 30 June 2011. The Authority had the following temporary loans outstanding at 30 June 2011.

### Temporary Borrowing

Counterparty	Interest Rate	Maturity Date	Amount £000s
City of Edinburgh	0.9%	01 Sept 2011	2,500
Chichester District Council	0.42%	19 July 2011	2,000
Newport City Council	0.42%	29 July 2011	2,000
Caerphilly Borough Council	0.35%	22 July 2011	2,000

### 3.3 INVESTMENTS

The final part of this section of the report deals with the Authority's investment strategy. In general the Authority will only invest funds for the following reasons:-

1. to facilitate day to day cash flow variations
2. to temporarily invest funds which have been borrowed from capital purposes in advance of interest rate increases
3. to invest internal funds (e.g. revenue balances) when it is deemed more prudent to do so rather than using them to reduce borrowing.

However, in the current economic climate, the Authority is limiting investment and using internal balances to reduce borrowing wherever possible.

### Investments as at 28 June 2011

Counterparty	Interest Rate	Maturity Date	Amount £000s
Bank of Scotland	0.75%	30 June 2011	1,038
Government DMO	0.25%	1 July 2011	2,000
Aviva Sterling Liquidity Fund	0.51%	30 June 2011	257
<b>Total</b>			<b>3,295</b>

The Bank of Scotland account is held primarily for liquidity purposes – the account offers instant access and is useful for the withdrawal of funds when the Authority is unable to find monies to borrow on a particular day, but also offers a good level of security. The Authority's deposit in the money market fund forms part of a £7 billion fund that invests mainly in AA and AAA rated financial institutions and companies. Aviva have stressed that their current policy is to maximise income whilst protecting principal and liquidity.

## **SECTION 4    DEBTORS AND CREDITORS**

The final section of the report deals with the payment of creditors and collection of income from debtors.

### **1. Payment of Invoices**

The prompt payment of invoices is set down in Best Value legislation and as such the Authority is measured on the payment of invoices by a performance indicator. The Authority is required to pay all undisputed invoices within 30 days of receipt, if not suppliers are within their rights to charge the Authority interest on outstanding bills.

The target for the prompt payment of invoices set by central government for 2011/12 is 100%. In the first three months 98.62% of invoices have been paid within 30days.

### **2. Outstanding Debt**

The Authority receives income for services provided, these include special services, training courses, fire safety certificates, licences for telecom masts on premises. In most cases because of the type of service provided it is not possible to raise a charge in advance of the service and as a consequence debtor accounts are raised.

The level of outstanding debt owed to the Authority to the 30 May 2010 is £145,262 this can be profiled as follows:

Less than 60 days -	£ 90,906
Greater than 60 days -	£ 54,356

The procedure for issuing accounts and debt collection is provided by Kirklees Council under a Service Level Agreement. A summary of the procedure for collecting outstanding debt is detailed below:

21 days	first reminder letter
28 days	second reminder letter
35 days	instigation of debt recovery system

As detailed above, there is currently £54,356 of debt which is at the recovery stage.

**Management Board Approvals under financial procedures 3.11  
April to May 2010**

<b>April 11</b>	<b>ESTIMATED COST</b>
Mobile and home working infrastructure	£40,000
Purchase of mobile devices	£50,000
<b>May 2011</b>	
Air inflation hose equipment	£38,000
Thermal imaging cameras	£60,000
Lay flat hose	£30,000
Line rescue equipment	£15,000
Lightweight portable pumps	£12,000
Water rescue equipment	£35,000
PPV fans	£75,000
Server replacement	£80,000
New personal computers	£80,000
Wireless networking	£40,000
Software licences	£100,000
Business continuity	£40,000
Networking hardware	£40,000
Oakroyd hall refurbishment	£50,000
Training centre refurbishment	£40,000
Emergency electrical back up Stanks, Gipton, Illingworth, Keighley	£90,000
Refurbishment planning Rothwell, Castleford	£40,000
Washing and welfare facilities Odsal Gipton	£40,000
Central heating upgrades Moortown, FWG, Bingley, Odsal	£65,000
Internal fabric Idle Moortown Rawdon	£50,000
Tarmac replacement Halifax	£30,000
Environmental improvements Keighley	£30,000
Health and safety	£40,000
Electrical and heating	£35,000
Training facilities	£20,000
Asbestos replacement	£40,000
DDA improvements	£10,000
Replacement diesel tanks	£10,000
Appliance bay doors	£10,000
External fabric	£30,000
Station Kitchen refurbishments	£10,000
Fire prevention measures	£20,000
Access control and cctv	£60,000
Environmental improvements	£50,000

**CAPITAL BUDGET MONITORING 2011/12  
SUMMARY**

Details of Scheme	Original Capital Plan	Virement/Slippage	Revised Capital Plan	Expenditure 2011/12	Balance Uncommitted
Property services	£6,370,000	-£4,259,000	£2,111,000	£256,702	£1,854,298
IRMP	£0	£6,550,000	£6,550,000	£327,258	£6,222,742
Information technology	£708,000	£156,900	£864,900	£157,569	£707,332
Transport	£1,360,000	-£76,500	£1,283,500	£138,855	£1,144,645
Operations	£1,228,400	£233,500	£1,461,900	£331,827	£1,130,073
Human resources	£0	£27,700	£27,700	£21,702	£5,998
Fire Safety & Community Relations	£0	£95,400	£95,400	£0	£95,400
	£9,666,400	£2,728,000	£12,394,400	£1,233,912	£11,160,488

**CAPITAL BUDGET MONITORING 2011/12  
CORPORATE RESOURCES  
PROPERTY**

Details of Scheme	Original Capital Plan	Virement/Slippage	Revised Capital Plan	TOTAL EXPT	Balance Uncommitted
<b>Oakroyd Hall Major refurbishment</b>	£50,000		£50,000		£50,000
<b>Training Centre</b>					
Training Centre and main block - external refurbishment	£300,000		£300,000		£300,000
Training Centre, MPTC Refurbishment & Emergency power back up provision	£40,000		£40,000		£40,000
<b>Fire Stations</b>					
Emergency electrical back up power supply systems	£90,000		£90,000		£90,000
Ilkley Environmental improvement & DDA	£50,000		£50,000		£50,000
Rothwell and Wakefield - Major Refurbishments	£40,000		£40,000		£40,000
Keighley, Odsal & FWG - Replacement of heating systems & washing facilities	£135,000		£135,000		£135,000
Idle, Moortown & Rawdon - Internal fabric refurbishment	£50,000		£50,000		£50,000
Replacement of tarmac & surfaces	£30,000		£30,000		£30,000
General Strategic Refurbishment	£225,000		£225,000		£225,000
Security System Installations	£60,000		£60,000		£60,000
	<b>£1,070,000</b>				
<b>IRMP Schemes</b>					
Pontefract Fire station New Build	£1,800,000	-£1,800,000	£0		£0
Normanton Fire Station New Build	£1,800,000	-£1,800,000	£0		£0
Normanton Accommodation 33 The Grove	£0		£0		£0
Normanton Accommodation 20 The Grove / flats	£0		£0		£0
Castleford Fire Station DC(CC) Accommodation	£0		£0		£0
Land purchase fire station re location	£1,700,000	-£1,700,000	£0		£0
Rothwell Fire Station DC(CC) Accommodation	£0		£0		£0
Rothwell Fire Station Renovation	£0		£0		£0
<b>TOTAL CAPITAL PLAN 2011/12</b>	<b>£5,300,000</b>	<b>-£5,300,000</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>
Safety Central Bramley		£12,000	£12,000	£0	£12,000
FSHQ Whitehall Road Access PM08/02		£44,000	£44,000	£280	£43,720
Oakroyd Hall FSHQ major refurbishment and alterations including conference room, access routes & services.		£4,000	£4,000	£100	£3,900
Installation of external passenger lift system to the accommodation block		£32,000	£32,000	£0	£32,000
Phased external fabric and environmental efficiency improvements including double glazed window replacements, insulated external cladding and re-roofing works to the Training Centre FSHQ. Initial phase to include Classroom 4, Canteen and Bar areas.		£3,000	£3,000	£3,000	£0
Featherstone Fire Station, Extension, upgrading of office, meeting & welfare facilities & building refurbishment		£6,000	£6,000	£926	£5,075
Diesel tank replacement		£9,000	£9,000	£0	£9,000
Kitchen refurbishments		£1,000	£1,000	£937	£63
Upgrade of corporate signage		£24,000	£24,000	£995	£23,005
Breathing Apparatus building extension for kit storage, change & shower facilities		£65,000	£65,000	£1,286	£63,714
Reception replacement		£3,000	£3,000	£0	£3,000
Strategic Corporate development		£15,000	£15,000	£0	£15,000
Environmental and Energy Efficiency Improvements		£36,000	£36,000	£15,445	£20,555
Strategic Major Refurb Rothwell & Brighouse Fire Stations		£30,000	£30,000	£800	£29,200
Phased programme Ablution Refurb inc FWG		£8,000	£8,000	£0	£8,000
Phased programme general refurbishment Huddersfield Fire Station		£5,000	£5,000	£0	£5,000
Phased programme general refurbishment Halifax Fire Station		£4,000	£4,000	£500	£3,500
Replacement of central heating, distribution, plant and control systems inc Morley and FWG		£73,000	£73,000	£52,110	£20,890
Roof replacement including thermal insulation upgrades Osset		£4,000	£4,000	£0	£4,000
Replacement of tarmac and surfaces to drill grounds road ways and pathways inc Odsal		£31,000	£31,000	£715	£30,285
General Upgrade Health and Safety		£9,000	£9,000	£3,424	£5,576
General Upgrade electrical, heating and other services		£12,000	£12,000	£1,290	£10,710
Refurbishments of training facility and training tower.		£6,000	£6,000	£1,198	£4,802
Refurbishment of fire station kitchen installations		£15,000	£15,000	£0	£15,000
Rolling Programme of Fire prevention measures to meet regulatory reform order legislation		£4,000	£4,000	£1,582	£2,418
Security Fencing Improvements various locations		£13,000	£13,000	£504	£12,496
Access control and security at all locations including PAC based card access system and CCTV		£57,000	£57,000	£19,307	£37,693
Electricity Major Back up		£150,000	£150,000	£0	£150,000
Biomass Boiler Training Centre		£25,000	£25,000	£0	£25,000
Hunslet Refurbishment		£326,000	£326,000	£150,359	£175,641
Bolts on training towers (line rescue anchor points)		£15,000	£15,000	£1,944	£13,056
<b>TOTAL SLIPPAGE</b>		<b>£1,041,000</b>	<b>£1,041,000</b>	<b>£256,702</b>	<b>£784,298</b>
<b>TOTAL CAPITAL INCLUDING SLIPPED SCHEMES</b>	<b>£6,370,000</b>	<b>-£4,259,000</b>	<b>£1,041,000</b>	<b>£256,702</b>	<b>£784,298</b>

**CAPITAL BUDGET MONITORING 2011/12  
IRMP**

Details of Scheme	Original Capital Plan	Virement/Slippage	Virement/Slippage	Revised Capital Plan	TOTAL EXPT	Balance Uncommitted
Pontefract Firestation New Build		£1,800,000	£540,000	£2,340,000	£215,555	£2,124,445
Normanton Fire Station New Build		£1,800,000		£1,800,000	£21,967	£1,778,033
Normanton Accommodation 33 The Grove			£200,000	£200,000	£12,147	£187,853
Normanton Accommodation 20 The Grove / flats				£0	£6,098	£-6,098
FRU Moortown		£50,000		£50,000		£50,000
Castleford Fire Station Renovation		£40,000		£40,000	£2,659	£37,341
Castleford Fire Station DC(CC) Accommodation		£350,000		£350,000	£520	£349,480
Bradford CARP		£170,000	£120,000	£290,000		£290,000
Land purchase fire station re location		£500,000		£500,000		£500,000
Huddersfield CARP		£80,000		£80,000		£80,000
Rothwell Fire Station DC(CC) Accommodation				£0	£520	£-520
Rothwell Fire Station Renovation				£0		£0
Home Fire Safety Checks		£900,000		£900,000	£67,793	£832,207
<b>TOTAL CAPITAL PLAN 2011/12</b>		<b>£0</b>	<b>£5,690,000</b>	<b>£860,000</b>	<b>£6,550,000</b>	<b>£327,258</b>

**CAPITAL BUDGET MONITORING 2011/12  
CORPORATE RESOURCES  
IT**

Details of Scheme	Original Capital Plan	Virement/Slippage	Revised Capital Plan	TOTAL EXPT	Balance Uncommitted
Replacement PC Equipment	£80,000		£80,000	0	£80,000
Replacement Printers	£3,000		£3,000	0	£3,000
Purchase and Installation of Software Licences	£250,000		£250,000	£131,452	£118,549
Wireless Computer Equipment	£40,000		£40,000	0	£40,000
Replacement File Servers	£80,000		£80,000	0	£80,000
Networking Hardware	£40,000		£40,000	0	£40,000
Business Continuity Hardware for IT System	£40,000		£40,000	0	£40,000
Continual Development of the Premises Risk Data	£10,000		£10,000	0	£10,000
Mobile Computing / Home Working	£35,000		£35,000	0	£35,000
CFS Laptops	£50,000		£50,000	0	£50,000
Installation of Secure Internet Link	£80,000		£80,000	0	£80,000
<b>TOTAL CAPITAL PLAN 2011/12</b>	<b>£708,000</b>	<b>£0</b>	<b>£708,000</b>	<b>£131,452</b>	<b>£576,549</b>
Software Licences	£0	£4,500	£4,500		£4,500
Wireless Networks	£0	£5,000	£5,000	£5,088	£-88
Mobile Computing	£0	£25,000	£25,000	£21,029	£3,971
Web Development Programme	£0	£122,400	£122,400	£0	£122,400
<b>TOTAL SLIPPAGE</b>	<b>£0</b>	<b>£156,900</b>	<b>£156,900</b>	<b>£26,117</b>	<b>£130,783</b>
<b>TOTAL CAPITAL INCLUDING SLIPPED</b>	<b>£708,000</b>	<b>£156,900</b>	<b>£864,900</b>	<b>£157,569</b>	<b>£707,332</b>

**CAPITAL BUDGET MONITORING 2011/12  
CORPORATE RESOURCES  
TRANSPORT**

Details of Scheme	Original Capital Plan	Virement/Slippage	Revised Capital Plan	TOTAL EXPT	Balance Uncommitted
Vehicle Replacements	£750,000	-£120,000	£630,000	£107,180	£522,820
IRMP Related Vehicle Replacement	£550,000		£550,000		£550,000
Ladder Replacements	£10,000		£10,000	£808	£9,192
POD Refurbishments	£30,000		£30,000		£30,000
Traffic Management System	£20,000		£20,000		£20,000
<b>TOTAL CAPITAL PLAN 2011/12</b>	<b>£1,360,000</b>	<b>-£120,000</b>	<b>£1,240,000</b>	<b>£107,988</b>	<b>£1,132,012</b>
Fire Appliances x 10	£0	£41,000	£41,000	£30,867	£10,133
Young Firefighters Vehicle	£0	£2,500	£2,500	£0	£2,500
<b>TOTAL SLIPPED SCHEMES 2011/12</b>	<b>£0</b>	<b>£43,500</b>	<b>£43,500</b>	<b>£30,867</b>	<b>£12,633</b>
<b>TOTAL CAPITAL INCLUDING SLIPPED</b>	<b>£1,360,000</b>	<b>-£76,500</b>	<b>£1,283,500</b>	<b>£138,855</b>	<b>£1,144,645</b>

**CAPITAL BUDGET MONITORING 2011/12  
HUMAN RESOURCES**

Details of Scheme	Original Capital Plan	Virement/Slippage	Revised Capital Plan	TOTAL EXPT	Balance Uncommitted
Smart Board	£0	£23,000	£23,000	£21,702	£1,298
Replacement Accident Database	£0	£4,700	£4,700	£0	£4,700
<b>TOTAL SLIPPAGE</b>	<b>£0</b>	<b>£27,700</b>	<b>£27,700</b>	<b>£21,702</b>	<b>£5,998</b>



**CAPITAL BUDGET MONITORING 2011/12  
FIRE SAFETY**

Details of Scheme	Original Capital Plan	Virement/Slippage	Revised Capital Plan	TOTAL EXPT	Balance Uncommitted
Home Fire Safety Checks	£0	£900,000	£900,000	£67,793	£832,207
Young Firefighter	£0	£30,000	£30,000	£0	£30,000
Fire Investigation Technology	£0	£13,000	£13,000	£0	£13,000
Fire Investigation Database	£0	£10,000	£10,000	£0	£10,000
Audit data recording equipment	£0	£17,100	£17,100	£0	£17,100
CFS equipment and fleet replacement	£0	£25,300	£25,300	£0	£25,300
<b>TOTAL CAPITAL INCLUDING SLIPPED SCHEMES</b>	<b>£0</b>	<b>£995,400</b>	<b>£995,400</b>	<b>£67,793</b>	<b>£927,607</b>

**CAPITAL BUDGET MONITORING 2011/12  
OPERATIONS**

Details of Scheme	Original Capital Plan	Virement/Slippage	Revised Capital Plan	TOTAL EXPT	Balance Uncommitted
FiRe Control project	£26,800		£26,800		£26,800
Air Inflation Hose System	£38,000		£38,000		£38,000
Thermal Imaging Cameras	£60,000		£60,000		£60,000
Lay Flat Hose	£30,000		£30,000		£30,000
Line Rescue Equipment	£15,000		£15,000		£15,000
Ultra Light Portable Bulbs	£12,000		£12,000		£12,000
Water Rescue Equipment	£35,000		£35,000		£35,000
CAFS Equipment	£30,000		£30,000		£30,000
Command Unit ICT Provision	£83,600		£83,600		£83,600
Operational PPE	£400,000		£400,000	£765	£399,235
Hydrants	£450,000		£450,000	£104,062	£345,938
Small Command Support Vehicle	£0	£120,000	£120,000		£120,000
BA Equipment	£0		£0		£0
Secretariat, Exercise and Website Development for WYLRP	£18,000		£18,000		£18,000
Flood Response Equipment	£30,000		£30,000		£30,000
<b>TOTAL CAPITAL PLAN 2011/12</b>	<b>£1,228,400</b>	<b>£120,000</b>	<b>£1,348,400</b>	<b>£104,827</b>	<b>£1,243,573</b>
PPV Fans	£0	£1,100	£1,100	£0	£1,100
Technical Rescue Vehicle	£0	£17,800	£17,800	£6,003	£11,797
Flood Response	£0	£30,000	£30,000	£19,977	£10,023
Adapt Demountable Units IRMP	£0	£14,200	£14,200	£4,475	£9,725
Command Units ICT Provision and Upgrade	£0	£50,400	£50,400		£50,400
<b>TOTAL SLIPPAGE</b>	<b>£0</b>	<b>£113,500</b>	<b>£113,500</b>	<b>£227,000</b>	<b>£83,045</b>
<b>TOTAL CAPITAL INCLUDING SLIPPED SCHEMES</b>	<b>£1,228,400</b>	<b>£233,500</b>	<b>£1,461,900</b>	<b>£331,827</b>	<b>£1,326,618</b>