

# WEST YORKSHIRE FIRE AND RESCUE AUTHORITY

## MEETING OF THE FINANCE AND RESOURCES COMMITTEE HELD ON 20 JANUARY 2012 AT FIRE SERVICE HEADQUARTERS, BIRKENSHAW

Present: Councillor J Hughes (in the Chair), C Bampton-Smith, J Dodds (as substitute for Councillor A Wallis), R Grahame, P Harrand, D Hopkins, M Khan, A McKenna, D Ridgway and B Smith

Apologies: Councillors A Wallis and D Hall

### 29 MINUTES OF THE LAST MEETING

#### RESOLVED

That the Minutes of the Committee at a meeting held on 18 November 2011 be signed by the Chair as a correct record.

### 30 URGENT ITEM

Item 14 – Proposed sale of former Bradford Fire Station site, Nelson Street

The Chair gave approval for this item to be considered on the grounds of urgency as a decision was required which would not admit of delay and negotiations had not concluded until after the despatch of agenda papers.

### 31 EXCLUSION OF THE PUBLIC – SECTION 100a, LOCAL GOVERNMENT ACT 1972

That the public and press be excluded from the meeting during consideration of the items of business specified below as it was likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public and press were present during these items, there would be disclosure to them of exempt information of the descriptions specified.

AGENDA ITEM NO.	TITLE OF REPORT	MINUTE NUMBER	Description of exempt information by reference to the paragraph number in Schedule 12a of the Local Government Act 1972
E12	Insurance Renewals	40	Paragraph 3 (Financial or Business Affairs) of Schedule 12A, Local Government Act 1972.

E13	FRNCC – future plans	41	Paragraph 2 (Government restriction) of Schedule 12A, Local Government Act 1972.
E 14	Proposed sale of former Bradford fire station site, Nelson Street	42	Paragraph 3 (Financial or Business Affairs) of Schedule 12A, Local Government Act 1972.

### **32 DISCLOSURES OF INTEREST**

No declarations of interest were made in any matter under discussion at the meeting.

### **33 QUARTERLY FINANCIAL REVIEW**

The Chief Finance Officer submitted a report which presented the latest financial forecast based on expenditure and income in the first 9 months of the financial year.

The report projected an underspend in the revenue budget for the current year of £1.41m and detailed the cost of service provision in West Yorkshire compared with other Metropolitan Fire Authorities. Members were advised that West Yorkshire operated at the lowest cost per head and also received the lowest grant per head of population. It also claimed the second lowest precept of all the Metropolitan Fire Authorities. It was considered useful if the five District leaders were to be given the same information about the Authority's true cost of service delivery.

The capital plan had been revisited and had been reduced through the removal of a number of projects from the current year as detailed in the report now submitted.

Members were advised that consideration may be given to taking on additional loans totalling £4 – 5m for periods ranging from 14 – 21 years at rates of less than 4%. This would be a change to the recent concentration on short term variable rate loans. With regard to investments, Members were further advised that another area to consider for re-investment of funds would be Handelsbanken, a Swedish bank which was AA rated. It was unlikely that this would involve significant sums of money and any such investment would be covered by the Authority's existing investment policy.

### **RESOLVED**

- (i) That the report be noted;
- (ii) That the revised revenue budget be approved; and
- (iii) That the revised capital plan be approved.

### **34 BUDGET 2011**

The Chief Finance Officer submitted a report to present a draft capital plan, a draft revenue budget and a treasury management strategy for the next three years to 2014 / 15.

The report set out the following:-

- A three year capital programme
- A service standstill budget
- Details of the revenue support grant settlement
- A treasury management strategy for 2012 / 2013

The Chief Finance Officer explained that he and the Chief Executive would provide the political groups with briefings on the Management Board budget proposals.

#### **RESOLVED**

That the report be noted as the basis for the political groups to consider their budget proposals.

### **35 LOCALISING SUPPORT FOR COUNCIL TAX**

The Chief Finance Officer submitted a report which provided detail of Government's response to consultations on the localisation of support for Council tax in England and its likely impact on the Authority.

It was anticipated that localisation of Council tax support would disadvantage Fire and Rescue Authorities due to a reduction in the council tax base which would reduce the amount of income generated through precept and thereby reduce the level of Government grant.

#### **RESOLVED**

That the report be noted.

### **36 LOCAL GOVERNMENT RESOURCE REVIEW**

Consideration was given to a report of the Chief Finance Officer which set out Government's response to a consultation regarding the proposal to permit local authorities to retain their business rate income and thereby allowing them to benefit from additional business rates generated through economic growth (Min no. 26 refers).

Members were advised that the proposal would end the current method of central collection and subsequent distribution to local authorities as part of the Local

Government Finance settlement. In future, Fire and Rescue Authorities would receive a percentage share of each district's business rate baseline which, in the long term, would enable them to benefit from any additional income.

However, it was reported that the 2012 / 13 grant would be adjusted by updating data sets. Until the detail was known, it would not be possible to confirm whether this would have a positive or negative impact on future Fire Authority funding formulae.

## **RESOLVED**

That the report be noted.

### **37 GREEN AND ENVIRONMENTAL ISSUES - UPDATE**

The Director of Corporate Resources submitted a report which informed Members of the activities of the Environmental Working Group and of the initiatives that had been introduced which included the following;

- Monitoring of energy and water consumption
- Travel to Work survey and Car Sharing scheme
- Re-cycling facilities
- Smart meters at Fire Stations
- Cleaner vehicle emissions
- Video conferencing / homeworking
- Lighting and heating efficiency initiatives on new-build and refurbishments

It was further reported that the initiatives had contributed to the reduction in the use of water and gas by more than the 10% target (in excess of £18,000).

## **RESOLVED**

That the report be noted.

### **38 YORKSHIRE PURCHASING ORGANISATION (YPO) – ASSOCIATE MEMBERSHIP**

Members considered a report of the Director of Corporate Resources which advised of the announcement by Yorkshire Purchasing Organisation (YPO) to award the West Yorkshire Fire and Rescue Authority with the status of Associate Member.

As a direct result of Associate Membership, the Authority would receive an annual dividend payment whilst not being exposed to any future financial commitment in the event of YPO making a loss.

## **RESOLVED**

That the report be noted.

### **39 MEMBER ATTENDANCE AT FINANCE SEMINAR**

Consideration was given to a report which sought approval for Member attendance at a Finance seminar to be held in York on 10 February 2012.

The seminar would provide Members with a policy update and an introduction to specific elements of the change to local authority funding to take effect from April 2013.

It was reported that the seminar would be free of charge for Local Government Yorkshire and Humber members and the cost of travel and subsistence would be met from within existing revenue budget provision.

#### **RESOLVED**

That approval be given to the attendance of Members at the Finance Seminar in York on 10 February 2012, priority to be given if necessary, to Members of the Finance and Resources Committee.

### **40 INSURANCE RENEWALS**

(The item was considered as exempt information under Schedule 12A(3) of the Local Government Act 1972 – business or financial affairs)

The Chief Finance Officer submitted a report to seek approval to extend the existing liability cover for a further 12 months following an increase in premium for 2012 / 13 by the existing insurers. The increase had been made in response to two significant claims in 2010 / 11 and would apply until the current contract expired on April 2013.

#### **RESOLVED**

That approval be given to the renewal of the liability insurance on revised terms with Travelers Insurance until April 2013.

### **41 FRNCC – FUTURE PLANS**

(The item was considered as exempt information under Schedule 12A(2) of the Local Government Act 1972 – Government restriction)

Consideration was given to a report of the Director of Operations which advised of changes to the location of the Fire and Rescue Service National Co-ordination Centre.

The change had resulted from the demise of the Regional Control Centre project when Communities and Local Government (CLG) and the Chief Fire Officers' Association (CFOA) considered that West Yorkshire was no longer the premium location.

Members were advised that the transfer, due to take place on 1 April 2012, would have an impact on staff who had been working secondary contracts. CLG had been asked to meet redundancy costs which would otherwise have to be met from the revenue budget.

**RESOLVED**

That the report be noted and approval be given to the actions taken to date.

**42 SALE OF FORMER BRADFORD FIRE STATION, NELSON STREET**

(The item was considered as exempt information under Schedule 12A(3) of the Local Government Act 1972 – business or financial affairs)

The Director of Corporate Resources submitted a report which sought approval for the proposed sale of the former Bradford Fire Station site, Nelson Street as detailed in the report now submitted.

**RESOLVED**

- (i) That approval be given to the sale of the land comprising the former fire station at Nelson Street Bradford on the terms indicated in the report subject to officers undertaking prior consultations with Bradford MDC; and
- (ii) That officers review the procedures for future land disposals in relation to possible liaison with District Councils prior to disposal.

Chair