

WEST YORKSHIRE FIRE AND RESCUE AUTHORITY

MEETING OF THE FINANCE AND RESOURCES COMMITTEE

HELD ON 19 NOVEMBER 2010

AT FIRE SERVICE HEADQUARTERS, BIRKENSHAW

Present : Councillors A McKenna (in the Chair), M Akhtar, V Binney, A Castle, D Gray, P Harrand, M Khan, A Manifold, R Pryke and D Ridgway

Apologies : Councillor M Iqbal

25 MINUTES OF THE LAST MEETING

RESOLVED

That the Minutes of the Committee at a meeting held on 1 October 2010 be signed by the Chair as a correct record.

26 URGENT ITEMS

None.

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

There were no items which required the exclusion of the public and press.

28 DISCLOSURES OF INTEREST

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

29 QUARTERLY FINANCIAL REVIEW

Consideration was given to a report of the Chief Finance Officer which presented the quarterly overview of the financial position of the Authority for the second quarter of the current financial year.

The current forecast was for a £770k revenue budget underspend. The recent change in the forecast underspend was largely due to a reduction of approximately £200k in overtime payments to firefighters.

Members were advised that £1.1m had been incorporated into the budget as provision for pay and price increases. It was likely in the current financial situation that there

would be a significant underspend in this budget area. It was reported, however, that the monies for early termination payments for staff would be taken from this element of the revenue budget.

There had been good progress made with the capital programme and it was reported that £6m had been spent in the current financial year against the £9m plan.

Detail of the Management Board expenditure approval on a scheme in the approved capital plan was attached as an annex to the report now submitted and Members were advised of the current position with regard to debtors and creditors with 96% of all invoices being paid within the required 30 days. Further detail was reported on the number of invoices paid within 10 days (67%) in accordance with a previous Committee decision to support local suppliers of goods and services.

RESOLVED

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

30 COMPREHENSIVE SPENDING REVIEW

The Chief Finance Officers submitted a report which provided a summary of the impact of the Chancellor's Spending Review announcement on 20 October 2010 and cuts of 25% in public expenditure.

It was reported that the full detail of the Fire Service cuts would not be known until early December but it was anticipated that it may equate to approximately 6% in the first year which represented £14.5m – 15m cuts in West Yorkshire. No further information had been received about any changes to the Fire Formula which would impact on required savings.

Members were further advised that the spending review had or would have an impact on the following areas;

- Council Tax and precept freeze
- Grants and future spending plans
- Pay
- Capital expenditure and cost of borrowing
- pensions

RESOLVED

That the report be noted.

31 TREASURY MANAGEMENT STRATEGY

Consideration was given to a Treasury Management mid-year review report of the Chief

Finance Officer in accordance with the requirements of the CIPFA (Chartered Institute of Public Finance and Accountancy) and CLG (Communities and Local Government) guidance.

It was reported that all Treasury Management actions had been taken in accordance with the approved strategy which had been based on the following principles;

- safety of investment
- accessibility
- yield

Members were advised that it was proposed there be no change to the current Treasury Management Strategy in view of the relative stability of the national economy. It was anticipated that the base rate would remain at 0.5% until the end of the current financial year and it had been noted that the Public Works Loan Board (PWLB) rate had increased whilst an increase in capital financing charges was anticipated.

It was also reported that no change was proposed to the Authority's investment strategy.

RESOLVED

- (i) That the Treasury Management mid-year report be noted;
- (ii) That the investment and debt management strategies be approved for the current financial year; and
- (iii) That the Treasury Management indicators be noted as detailed in the report now submitted.

32 HUTTON PENSION REVIEW

The Director of Human Resources submitted a report which advised Members of the consultation exercise currently being undertaken in relation to Public Service pensions.

Lord Hutton had based the review on the following principles;

- Affordability and sustainability
- Adequacy and fairness
- Simplification

RESOLVED

- (i) That the report be noted; and
- (ii) That a more detailed report on the impact of the Pension Review on the West Yorkshire Fire and Rescue Authority be submitted to the December meeting of the full Authority.

33 LEGACY

Consideration was given to a report of the Director of Corporate Resources which informed Members of the receipt of a legacy and which sought advice on the allocation of the sum involved.

RESOLVED

- (i) That the legacy monies be spent in Calderdale, the benefactor's local district; and
- (ii) That a report be submitted to a future meeting advising of the use of the legacy following consultation with Calderdale District officers.

34 DIRECTOR OF AIMScE – PAYMENT OF EXPENSES

The Director of Corporate Resources sought Member approval for the payment of expenses associated with an appointment to the Board of the Association of Independent Members of Standards Committees in England (AIMScE) in respect of Mr Mike Wilkinson, current chair of the Authority's Standards Committee.

Members were advised that approval had previously been given in respect of Mr Ahmed who had now reached the end of his term as independent member of the Standards Committee.

RESOLVED

That approval be given to the payment of expenses associated with the attendance of Mr Wilkinson at meetings of the AIMScE Board.

Chair