

**WEST YORKSHIRE FIRE AND RESCUE AUTHORITY**

**MEETING OF THE FINANCE AND RESOURCES COMMITTEE  
HELD ON 30 NOVEMBER 2012  
AT FIRE SERVICE HEADQUARTERS, BIRKENSHAW**

Present: Councillors B Smith (in the Chair); J Dodds, P Harrand, L Holmes, R Grahame, A Hussain, B Selby, A Taylor, G Thornton, C Townsley (as substitute for Cllr C Burke) and P Wardhaugh

Apologies: Councillor C Burke

**19 MINUTES OF THE LAST MEETING**

**RESOLVED**

That the Minutes of the Committee at a meeting held on 21 September 2012 be signed by the Chair as a correct record.

**20 URGENT ITEM**

None

**21 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.

<b>AGENDA ITEM NO.</b>	<b>TITLE OF REPORT</b>	<b>MINUTE NUMBER</b>	<b>Description of exempt information by reference to the paragraph number in Schedule 12a of the Local Government Act 1972</b>
E8	Service Delivery Centre – refurbishment		Paragraph 3 – financial or business affairs
E9	Integrated Risk Management Plan (IRMP) – revised capital costs – five new fire stations		Paragraph 3 – financial or business affairs

## **22 DISCLOSURES OF INTEREST**

No disclosures of disclosable pecuniary interest were made in any matter under discussion at the meeting.

## **23 QUARTERLY FINANCIAL REVIEW**

The Chief Finance Officer submitted a report which presented a quarterly overview of the financial position of the Authority for the third quarter of the current financial year.

The overall forecast was for a £1.47m underspend on the revenue budget and the report reinforced the key variations which had been reported to the September meeting as follows;

- An underspend in firefighter salaries (-£1.378m)
- An overspend on support staff costs due to early retirement and voluntary severance payments (+£457,000)
- Underspend in capital financing charges (-£126,000) and
- Underspend in transport costs (-£150,000)

It was reported that balances in the region of £9.5m were anticipated for the end of 2012 / 13 financial year.

Members were advised that the total cost of the capital plan had been revised and reduced to £12.548m and that approval had already been given by the Joint Control Project Board for expenditure totalling £1.016m of which £1,031 had been spent to date on legal fees.

### **RESOLVED**

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

## **24 MEDIUM TERM FINANCIAL FORECAST**

The Chief Finance Officer submitted an update report which advised of the key issues that would impact upon the Authority's revenue budget and affect the medium term financial plan for 2013 / 14 and 2014 / 15.

It was reported that the financial settlement was not due to be announced until the end of December 2102 but it was envisaged that it would have a significant impact in terms of grant loss. There remained some uncertainty as to whether the settlement would be for a single year or for the remaining two years of the spending review period.

Members were advised of the key issues and their impact on the medium term financial plan as follows;

- Cuts in funding (backloading of the original 25% cuts to the Fire Service) and anticipated total loss of grant to 2015 of £7.3m (based on an equal share of cuts across all fire authorities)
- Changes to the formula – changes to data in the calculation of Revenue Support Grant formula particularly relating to population and the introduction of a sparsity factor
- Precept income – effects of capping, localisation of benefit (reduction in net impact of percentage precept increases) and medium-term deficits in collection fund
- Expenditure pressures and slow economic growth
- Cuts from future national spending reviews
- Forecast budget shortfall of almost £20m by 2018 / 19

## **RESOLVED**

That the report be noted.

## **25 TREASURY MANAGEMENT – MID-YEAR REPORT**

Consideration was given to a Treasury Management 6-monthly review report of the Chief Finance Officer in accordance with CIPFA, central government guidance and the Authority's approved investment strategy.

The report looked at the economy and its impact on treasury management and compared the Authority's performance against the Treasury Management policy.

Members were advised that the investment balance at 30 September 2012 had been higher than forecast due to the maturity dates of several loans and delay in capital expenditure. Additionally, grant funding for the joint control project had been invested during the course of the year which had not been a feature of the original forecast.

It was reported that the Authority had operated at all times within its approved strategy and no changes were proposed to the Authority's Treasury Management Strategy for the remainder of the current financial year.

## **RESOLVED**

That the report and latest Treasury Management indicators be noted.

## **26 SERVICE DELIVERY CENTRE – REFURBISHMENT**

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

Consideration was given to a report of the Director of Strategic Development which advised of plans for the future sustainable use of the Safety Central building and associated requirement for increased capital funding to refurbish the building to accommodate the Service Delivery Centre. Plans had previously been approved for the new Control Suite to be housed on the first floor – the balance of space to be given over to office, meeting and catering spaces together with the creation of parking for 72 vehicles on site.

## **RESOLVED**

- (i) That the revised cost of building works to incorporate the Service Delivery Centre be noted ;
- (ii) That approval be given to the inclusion of a new scheme in the revised capital plan (in the sum detailed in the report) for the construction of a Service Delivery Centre to be funded from virement from underspendings on other schemes within the plan; and
- (iii) That expenditure be approved in the sum detailed in the report now submitted on the development of the new Control Centre and Service Delivery Centre.

## **27 INTEGRATED RISK MANAGEMENT PLAN – REVISED CAPITAL COSTS – FOUR NEW FIRE STATIONS**

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

The Director of Service Delivery submitted a report which advised of the revised capital costs associated with the IRMP phase 1 new-build fire stations at Rastrick, South Kirkby, Killingbeck and Batley Carr. These operational changes would deliver an anticipated £4m in annual revenue savings.

Since the original capital expenditure approval, more detail had become available about the specific land and design requirements – the cost implications of which were detailed in the report now submitted.

## **RESOLVED**

- (i) That approval be given to the revised capital scheme for the land purchase, design and construction for Rastrick Fire Station together with the appointment of consultants (following a fee tender process) for detailed design and management;
- (ii) That, following a fee tender process, the appointment of consultants for the detailed design and management of the South Kirkby scheme be approved;
- (iii) That the revised capital scheme for Killingbeck Fire Station be approved (including provision for the Young Firefighters' scheme and land purchase); and
- (iv) That the revised capital scheme for Batley Fire Station be approved (including provision for the Young Firefighters' scheme and land purchase).

Chair