

**NORTH WALES FIRE AND RESCUE AUTHORITY
EXECUTIVE PANEL**

Minutes of the Executive Panel Meeting of the North Wales Fire and Rescue Authority held on 23 October 2017 at Fire and Rescue Headquarters, St Asaph. Meeting commenced at 10am.

PRESENT

Councillors:

M Ll Davies (Chair)	Denbighshire County Council
M Bateman	Flintshire County Council
A Davies	Denbighshire County Council
V Gay	Flintshire County Council
R Griffiths	Anglesey County Council
J B Hughes	Gwynedd Council
P R Lewis	Conwy County Borough Council
R E Parry	Conwy County Borough Council
R Roberts	Wrexham County Borough Council
A Tansley	Conwy County Borough Council

ALSO PRESENT:

S A Smith (Chief Fire Officer and Chief Executive); K Finch (Treasurer);
D Docx (Deputy Chief Fire Officer); G Owens (Deputy Clerk);
R Simmons and R Fairhead (Assistant Chief Fire Officers); S Morris (Corporate Planning Manager); T Williams (Corporate Communications Manager);
A Davies (Member Liaison Officer).

APOLOGIES

B Blakeley	Denbighshire County Council
E W Jones	Anglesey County Council
P Pemberton	Wrexham County Borough Council
G Williams	Gwynedd Council

As this was the Dawn Docx' last meeting with the Authority, the Chair took the opportunity to wish her well in her new role at GMFRS.

1 DECLARATIONS OF INTERESTS

1.1 None

2 NOTICE OF URGENT MATTERS

2.1 The Chair informed members that the CFO had asked to address members on the firefighters' pay offer.

3 MINUTES OF THE MEETING HELD ON 17 JULY 2017

3.1 The minutes of the last meeting were submitted for approval.

3.2 **RESOLVED to approve the minutes as a true and correct record.**

4 MATTERS ARISING

4.1 11 Firefighters' pay offer - the CFO informed members that the position remains as at the date of the last FRA meeting and that the FBU has not yet responded to the 1% pay offer. Members were reminded that as a consequence of the pay negotiations the emergency medical care/ co-responding pilot ceased as of 18 September 2017. It was noted that the cash equivalent of 1% pay award, £100k, will remain in the Authority's budget.

5 BUDGET OPTIONS 2018-19

5.1 The DCFO presented the report which updated members on the progress made in developing the FRA's draft revenue budget for 2018-19.

5.2 The DCFO referred to the pay award for firefighters and having discussed the matter with the Treasurer they considered that the most prudent way to deal with the matter would be to be put the money from 2017-18 into a provision in order to have the funds to pay the pay award for 2017, once it is agreed nationally.

5.3 It was noted that the pay award was one of the many unknown factors about next year's budget; others included possibly increased activity levels and the possibility of the reduction or removal of direct grants from the WG which would mean ceasing grant funded projects such as Phoenix and Arson Reduction Team.

5.4 The Treasurer reported that he had discussed the local government settlement with the six local authorities' Chief Finance Officers and that they had all had sight of the report presented to the Executive Panel; the local authorities' contributions had also been discussed and the Treasurer had indicated that the Authority will consider the feasibility of a stand still of contributions for 2018-19.

5.5 Members were reminded that there will be greater financial challenges facing the Authority in 2019-2020 arising out of the pension revaluation and the transitional arrangements to the new national communication system. As the quantity of these cost pressures is currently unknown, they will have to be addressed during the 2019-2020 budget setting process.

5.6 It was noted that the budget setting process is undertaken by a Working Group which consists of members of the Executive Panel meeting in private; members will be presented with various options and provided with detailed information to help inform their work in setting a budget and drafting improvement objectives. They will then present their findings to the Executive Panel and thereafter the full FRA.

5.7 Cllr Lewis supported the Treasurer's concerns about the difficulty of achieving a stand still in contribution for 2018-19. Cllr Lewis also asked all members to agree that the principal objective for the working group in the New Year should be to look at finding service reductions worth £1 million for 2019-2020, in case the cost pressures for 2019-20 amount to £1 million.

5.8 **RESOLVED to**

- (i) note the assumptions upon which the draft revenue budget has been set for 2018-19;**
- (ii) confirm that they wish to recommend to the Authority that the 2018-19 budget be constructed on the basis of the current level of service provision;**
- (iii) recommend to the meeting of the Fire and Rescue Authority in December 2017 that, in line with the three year financial strategy, it approves an increase in the contributions of the constituent councils for 2018-19 and/or approves the use of reserves to underpin the budget for one more year;**
- (iv) agree to set the principle that the Working Group should identify options to save £1million through service reductions for 2019-20.**

6 RESPONSE TO THE AUTHORITY'S 2017 PUBLIC CONSULTATION

6.1 The report presented summarised the main themes of the written responses to the Authority's 2017 public consultation about the steps that should be taken towards achieving its improvement and well-being objectives.

6.2 Twenty-eight replies were received and the themes identified from the responses related to:

- front line and core services and responding to major incidents;
- community safety (accidental dwelling fires); and
- funding fire and rescue services in the area.

6.3 **RESOLVED to note the main themes of the response to the public consultation conducted between May and July 2017.**

7 STRATEGIC RISK MANAGEMENT

- 7.1 The report summarised the content of the Authority's strategic risk register in accordance with the Strategic Risk Management Policy.
- 7.2 The Authority's strategic risk register lists known risks that could potentially prevent the Authority from achieving its planned outcomes and/or delivering its core functions. Register entries are ascribed risk scores that are regularly re-evaluated by officers to reflect the current state and the predicted effect of planned countermeasures. It was noted that the risk register is updated twice a year with heads of departments' input and the Chair and Deputy Chair have sight of it at least twice per year.
- 7.3 A summary of the latest register entries was tabled at the meeting and it was noted that countermeasures are put in place to mitigate risks as much as possible.
- 7.4 **RESOLVED to note the identified strategic risks that are faced by the Authority.**

8 MINIMUM REVENUE PROVISION

- 8.1 The Treasurer presented the report which outlined the basis of revising the calculation of the annual Minimum Revenue Provision (MRP) for the current financial year and to revise the MRP policy for 2018/19. The policy sets out the method to be used for charging a prudent amount to the revenue budget for the repayment of debt.
- 8.2 The possibility of revising the basis of calculating MRP had been referred to earlier in this financial year when members considered treasury management issues. In essence, should it be approved, the financial saving for 2017/18, and subsequent years, is estimated to be £360,000 each year.
- 8.3 Members were content to support the concept and noted that detailed financial and technical information will be contained in the report to the Authority prior to a final decision being taken.
- 8.4 **RESOLVED to recommend to the Fire and Rescue Authority that:**
- (a) **the revision of the basis of calculating the annual Minimum Revenue Provision for 2017/18 and the MRP Policy for 2018/19 be considered for approval;**
 - (b) **the Treasurer discuss the proposed revisions with the Wales Audit Office and their views be reported to the Authority.**