

**MINUTES OF A MEETING OF THE  
POLICY, RESOURCES AND PERFORMANCE COMMITTEE**

**HELD ON 2nd FEBRUARY 2012**

**Present:**

Councillor David Acton (Chairman), Councillor Henry Cooper (Vice-Chair), Councillors John Bell, Lynda Byrne, Derek Heffernan, Barrie Holland, Bernard Judge, Tommy Judge, Alan Matthews, Andrew Morgan, John O'Brien, Paul Shannon, Michael Smith and Fred Walker

Also in Attendance: Steve McGuirk (County Fire Officer & Chief Executive), Jim Owen (Deputy County Fire Officer), Paul McKeivitt (Treasurer, Wigan MBC), Ged Murphy (Director of Finance and Technical Services) and Donna Parker (Democratic Services Manager)

**36. APOLOGIES FOR ABSENCE**

There were no apologies for absence received.

**37. MINUTES OF PREVIOUS MEETING**

The Minutes of the Meeting held on 10<sup>th</sup> November 2011 were confirmed as a correct record and were signed by the Chairman.

**38. DECLARATIONS OF INTEREST**

There were no Declarations of Interest received.

**39. URGENT BUSINESS (IF ANY)**

The Chairman raised the following items of urgent business:-

1. It was reported that the next meeting of this Committee had been replaced by an Extraordinary Meeting of the Authority on 15<sup>th</sup> March 2012 to consider the 'Outcomes of the Corporate Plan Consultation Process' which concluded on 23<sup>rd</sup> January prior to the Plan's submission to the Meeting of the Authority on 19<sup>th</sup> April, for final approval.
2. It was reported that a visit to the 'Regional Control Centre' was taking place on 3<sup>rd</sup> February 2012. The visit had been arranged to allow Members who had not been previously to view the site and the facilities available within it as this would be a main topic for debate in the future. All Members who had not previously visited the Control Centre were encouraged to attend.
3. It was reported that the Chairman, Vice-Chairman and County Fire Officer and Chief Executive were holding a Briefing Session with Greater Manchester MP's on 3<sup>rd</sup> February 2012 at 3.00pm. The Session had

been arranged as part of a lobbying exercise on 'Fire and Rescue Service Funding Cuts' and all Greater Manchester MP's had been invited to attend.

#### **40. EXCLUSION OF PRESS AND PUBLIC**

Resolved: That the public be excluded from the meeting when the following items were considered for the reasons set out below:-

Agenda Item No.	Title	Minute No. (to be added)	Description of Exempt Information by reference to the paragraph number(s) in Schedule 12A of the Local Government Act 1972
Appendix 6 to Item 10	Appendix 6 – Budget Monitoring Quarter 3 2011/12: Revenue/Capital	45	1 (Information relating to any individual) 3 (Information relating to the financial or business affairs of any person or organisation, including the Authority)
E.1	Procurement of Multitone Station End Station	49	3 (Information relating to the financial or business affairs of any person or organisation, including the Authority)

#### **41. MINUTES OF MEETING MONDAY, 31ST MAY, 2011 OF APPEALS SUB-COMMITTEE**

The Committee received the Minutes of the Appeals Sub-Committee held on 31<sup>st</sup> May 2011.

Resolved: That the proceedings of the Appeals Sub-Committee held on 31<sup>st</sup> May 2011, be approved.

#### **42. MINUTES OF MEETING MONDAY, 12TH DECEMBER, 2011 OF APPEALS SUB-COMMITTEE**

The Committee received the Minutes of the Appeals Sub-Committee held on 12<sup>th</sup> December 2011.

Resolved: That the proceedings of the Appeals Sub-Committee held on 12<sup>th</sup> December 2011, be approved.

#### **43. TREASURY POLICY STATEMENT**

Consideration was given to a report of the Treasurer in consultation with the County Fire Officer and Chief Executive which sought approval of the Treasury Policy Statement to cover the 2012/13 financial year.

It was reported that the Authority had adopted CIPFA's Treasury Management in the Public Services 'Code of Practice' (2011 Edition).

Members were informed that the Treasurer would report at least twice a year on the operation and exercise of delegated Treasury Management powers. A mid year review report would also be presented to this Committee and a future meeting of the Authority. In addition, an annual report by the Treasurer would also be presented to a meeting of the Authority by no later than 31<sup>st</sup> July 2012 in the succeeding financial year.

This report would also be submitted to the next meeting of the Authority on 16<sup>th</sup> February 2012, for final approval.

Recommended: That:

1. The Treasury Policy Statement for the 2012/13 financial year, be approved.
2. A mid year review report, together with an annual report by the Treasurer be presented to this Committee and a meeting of the Authority by no later than 31 July in the succeeding financial year.

#### **44. TREASURY POLICY STATEMENT 3RD INTERIM REPORT**

Consideration was given to a report of the Treasurer which reviewed the operation and exercise of delegated Treasury Management Powers. The report covered the first nine months of 2011/12 and reviewed the credit ratings of the organisations with which the Authority could place its surplus funds and explained how the lending list was drawn up.

Recommended: That Treasury Management: 3<sup>rd</sup> Interim Report including Review of Credit Ratings, be accepted.

#### **45. BUDGET MONITORING QUARTER 3 2011/12: REVENUE/CAPITAL**

Consideration was given to a report of the Treasurer which outlined the position of expenditure against the Revenue Budget including the Fire-fighters' Pensions Account and the Capital Programme at the end of Quarter 3 for 2011/12 (Appendix 1 to 5 refers). At the close of Quarter 3 it was anticipated that by the end of the year there would be a £4.296m underspend when compared against the Annual Budget.

It was reported that this was the third budget monitoring report of the year. The report showed the summary position for both capital and revenue expenditure which provided the opportunity to identify the potential impact upon balances and deviation from the current year's budget. The report also included the summary position to highlight any major variances and to provide explanations for those variations.

Members were advised that balances at 31<sup>st</sup> March 2011 were £15.575m. The 2011/12 budget identified a deficit of £2.482m which would reduce this level. However, the projected outturn, as at Quarter 2, showed an underspend against the budget of £2.180m. This would then leave a remaining balance of £15.273m. The use of balances and earmarked reserves would be utilised to provide the necessary funding required in support of the medium term financial strategy. Balances would be available to meet potential timing differences on the delivery of the savings required.

In conclusion, the review of spending showed that in overall terms Brigade net expenditure was currently below the original budget and would be contained within available resources. The predicted position reported as part of this third quarter monitoring should assure Members that efficiencies were already being achieved and that this position would assist in underpinning the financial future of the Authority and that the Authority's financial management systems remained sound.

Recommended: That:

1. The content of the report, comments raised and projected year end variations for 2011/12, be noted.
2. The revised position on the Capital Programme, including the movement of budgets between schemes, be approved.

#### **46. CAPITAL PROGRAMME 2012/13 TO 2014/15 - PRUDENTIAL INDICATORS AND MINIMUM REVENUE PROVISION (MRP) STATEMENT 2012/13**

Consideration was given to a report of the Treasurer in consultation with the County Fire Officer and Chief Executive which set out the requirements to determine prudential indicators and treasury management objectives for the forthcoming financial year 2012/13. It was reported that the detail contained within the report was consistent with the 'Budget Strategy Report 2012/13 and Medium Term Forecast 2012/12 to 2014/15 (Minute 47 refers).

This report would also be submitted to the next meeting of the Authority on 16<sup>th</sup> February 2012, for final approval.

Recommended: That:

1. The various prudential indicator requirements, as detailed in the report, be noted.
2. The Prudential Indicators and Treasury Management objectives, as detailed in Table 11 (Summary of Prudential Indicators) of the report, be approved.
3. The Minimum Revenue Provision Statement for 2012/13, be adopted.

#### **47. BUDGET STRATEGY REPORT 2012/13 AND MEDIUM TERM FORECAST 2012/13-2014/15**

Consideration was given to a report of the Treasurer in consultation with the County Fire Officer and Chief Executive which set out the 2012/13 revenue estimates for the Fire and Rescue Service and requested that Members consider the Medium Term Forecast 2012/13 to 2014/15 (refer to Appendix 1 to 7 of the report). The report included a range of key issues and set out three potential financial models that illustrated significant reductions in Central Government Grant and the impact on the overall financial position of the Authority.

Members were informed that the Authority's strategy remained to deliver affordable precept rises in future years whilst seeking to deliver the significant changes in the way the Service was delivered, as detailed in the draft Corporate Plan, for the benefit of the residents of Greater Manchester.

The Authority had already started to plan ahead with the recently approved creation of a £5m Restructuring Reserve, and this forward looking approach needed to be maintained over the medium term if the Authority was to deal successfully with the financial challenges that lie ahead.

In response to a query raised on Appendix 1 - Review of Rents and Charges 2012/13 Paragraph 2(iii) 'Other Employee Charges', it was agreed that the rate of pay for Chief Officers (per hour) be included in the provided list.

Members had an in-depth discussion on the Authority's future lobbying strategy in light of the cuts for the fire and rescue service in years 3 and 4 of the Comprehensive Spending Review (CSR). It was reported that the Chairman of the Authority had written to all AGMA Leaders and Greater Manchester MP's outlining the current position. In addition, representatives from the Association of Metropolitan Fire and Rescue Authorities (AMFRA) had recently met with the Minister for Fire and Metropolitan MP's to discuss the matter of funding in further detail.

It was noted that this report had been considered at the AGMA Executive on Friday 27<sup>th</sup> January 2012.

Recommended: That:

1. The 2012/13 Service Budgets, as detailed in this report, be noted and the Investment Decisions and Efficiencies, as detailed in Table 1b and 1e of the report, be approved.
2. The Treasurer's recommendation on the minimum level of balances for 2012/13 at 5% of net budget requirement and to review the contribution from revenue balances and savings to ensure that this is maintained in future years, be endorsed.

3. The proposal to accept the one off Council Tax freeze grant for 2012/2013 and make recommendations to the Authority meeting on 16th February 2012 regarding the precept level and the use of reserves, be endorsed.
4. The arrangements made to consult the non domestic ratepayers and representative bodies and the extensive consultation arrangements with the District Councils, be noted.
5. The 'Capital Programme 2012/13 to 2014/15 – Prudential Indicators and Minimum Revenue Provision (MRP) Statement 2012/13' report (Minute 46 refers) be submitted to the Meeting of the Authority on 16<sup>th</sup> February 2012 as part of the Authority's consideration of the budget and precept.
6. The principles in developing the Medium Term Forecast, be endorsed.
7. The draft Medium Term Forecast scenarios, as detailed in Appendix 4 to 6 of the report, for 2012/13-2014/2015, be approved.
8. The efficiency saving decisions, as listed in Table 1e and detailed in Appendix 2 of the report, be approved.
9. The proposal, that rents be increased by 8.75% and other charges, as detailed in Appendix 1 of the report, including the rate of pay for Chief Officers in Paragraph 2(iii) 'Other Employee Charges', of the Appendix, be approved.
10. The agreed changes to the Value for Money Strategy, be approved.
11. The Capital Programme, as detailed in Appendix 7 of the report, be approved.

#### **48. FUTURE FIREFIGHTING PROJECT - BRIEFING PAPER**

Consideration was given to a report of the County Fire Officer and Chief Executive which provided information on a range of research projects, collectively known as the 'Future Firefighting Project'.

Members were advised that the aim of the 'Future Firefighting Project' was to achieve the challenging objectives of public value, public safety and firefighting safety, in an increasingly complex and hazardous world. GMFRS would be embarking upon two projects under the 'Future Firefighting Project', as detailed within the report.

Recommended: That:

1. The content of the report and comments raised, be noted.

2. The Committee support the approach to research and development, complementary to the draft Operational Strategy.
3. If the Bid for funding is successful then further detailed proposals will be submitted.
4. If the Bid was unsuccessful, then GMFRS intend to progress as much of the work as possible from a more narrow UK perspective, seek alternative funding streams and absorb any work within existing resources.

#### **49. PROCUREMENT OF MULTITONE STATION END EQUIPMENT**

Consideration was given to a report of the County Fire Officer and Chief Executive which sought approval for the procurement of an upgrade to the existing Multitone Station End Equipment that was required to support the mobilising system. In addition, the report sought an exemption from normal tendering requirements under Contract Standing Order 3.1(e).

Recommended: That

1. The procurement of the upgrade to the Station End Equipment from Multitone in conjunction with Cumbria Fire and Rescue Service (FRS), through the most cost effective collaborative route, as detailed in the report, be approved.
2. The suspension of tendering requirements under Contract Standing Order 3.1(e) on the grounds that goods are required as a partial replacement for or addition to existing goods or installations and obtaining them from another contractor would result in incompatibility or disproportionate technical difficulties in operation or maintenance, be approved.
3. The Committee note the reduction of £8K for GMFRS and £9K from Cumbria FRS on the original quoted costs as a result of undertaking a joint approach to supplier engagement and requirements.

CHAIRMAN