

At a meeting of the HAMPSHIRE FIRE AND RESCUE AUTHORITY FINANCE AND GENERAL PURPOSES COMMITTEE held at Hampshire Fire and Rescue Service Headquarters, Eastleigh on 29 October 2013.

PRESENT:

Councillors : C. Carter (Chairman); R. Chadd; M. Cooper; G. Hockley; A. Pope; R. Price; R. Smith; L. Stubbs

18 APOLOGIES

Apologies for absence were received from Councillors David Simpson and Graham Burgess.

19 DISCLOSURE OF INTEREST

Members were mindful of their duty to disclose at the meeting any disclosable pecuniary interest they had in any matter on the agenda for the meeting, where that interest was not already entered in the Authority's register of interests, and their ability to disclose any other pecuniary or non-pecuniary interests in any such matter that they might have wished to disclose.

No interests were declared under this item.

20 MINUTES AND MATTERS ARISING

Councillor Pope requested clarification to his declaration of interest under Item 7 of the Minutes, of his position as Chairman of the Hampshire and Isle of Wight branch of the Cooperative Bank, and that this was declared due to discussion over banks which included the Cooperative. It was agreed the Minutes would be amended accordingly.

In relation to Item 11, the Chairman updated the Committee that following changes to the Hampshire Fire and Rescue Authority (HFRA) membership in September, that it had been agreed that Councillor Carew would now be 'Environmental Champion' for the Authority.

The Minutes of the meeting held on 24 July 2013 were confirmed as a correct record and signed by the Chairman.

21 DEPUTATIONS

There were no deputations at the meeting.

22 MEDIUM TERM FINANCIAL STRATEGY REPORT

The Committee considered a report from the Treasurer in relation to the Authority's budget development for 2014/15 and 2015/16 and its medium term financial strategy (Item 6 in the Minute Book).

The Treasurer summarised key developments influencing the budget. Advanced planning by the Authority in anticipation of the impact of the 2010 Comprehensive Spending Review (CSR) had resulted in a balanced budget for 2014/15. It was noted

that the previously indicated budget surplus in 2014/15 of £1.8 million had fallen to £1.6 million due to a reduction in efficiency savings. This would be used to bolster reserves.

For 2015/16, the recent CSR had confirmed a 10% reduction in the overall grant being given to the Department of Communities and Local Government (DCLG). It was noted that there would be no council tax freeze grant from 2016/17.

The impact of the government consultation allowing retained firefighters equal access to a pension scheme was discussed (further detail was provided under Item 9). The settlement was expected to cost the Authority an additional £1 million.

For the 2017/18 budget, changes to national pension arrangements and State Earnings Related Pension scheme (SERPS) would add around £1 million to the Authority's costs. Forecasts predicted a £12 million deficit from 2017/18 (based on a no increase in council tax over the period).

The Director confirmed that the Authority's Budget Alignment Working Group would be reviewing the £12 million gap. Proposed council tax options for the Authority, as detailed in the report, were discussed. Members noted the Authority's planned savings to contribute to bridging the funding gap including a risk cover review. A request to fund an area manager from the Improvement and Sustainability Reserve for a fixed period to undertake the risk cover review was considered.

RESOLVED:

- a) The Committee noted the changes to the financial forecasts.
- b) That Committee confirmed that no increase in council tax would be used as a planning assumption for the 2014/15 budget.
- c) The Committee agreed to use the Investment and Sustainability reserve to fund the Risk Cover Review area manager.

23 QUARTER TWO BUDGET MONITORING REPORT 2013/14

The Committee considered a report from the Treasurer regarding the Service's financial position for the second quarter of 2013/14 (Item 7 in the Minute Book).

The Treasurer provided an update on the financial situation following the end of quarter two which reflected an overall underspend of around £2.4 million. It was noted that £2 million of this was to be used for service improvement measures.

The treasury management mid-year report for 2013/14 outlining activities during the year was highlighted, as well as the capital programme.

Members enquired about the Service Improvement (SI) projects shown within the report. Costs for the website development project were discussed. The project was designed to improve functionality through replacement of the content management system (CMS). It was noted that external auditors had comment that the Authority should consider improving its website.

The Electronic Document and Records Management System (EDRMS) SI project related to replacement of the Service's internal arrangements for managing documents. This was a collaborative project with the County Council who were providing their EDRMS known as Hantsfile. It was confirmed that rigid project specification and high level analysis had been undertaken. The aim of the project was to improve productivity across the organisation.

Members discussed scrutiny of SI projects. It was agreed that the Service would provide HFRA Members with the plans for the EDRMS and website development projects and that approval be deferred to the Authority meeting in December.

RESOLVED:

- a) The Committee noted the latest financial position for 2013/14.
- b) The Committee approved the permanent virements from non pay to pay (as shown in paragraph 5)

That it be RECOMMENDATION to the Authority:

- c) That the Authority approves the changes to the capital programme and its financing set out in this report.
- d) That the Authority approves the mid-year review of treasury management activities and increases the prudential indicator limit for the exposure of investments as set out in Appendix D.
- e) That subject to provision of the EDRMS and website development project plans to Members, the Authority approves the investments over £100,000 reported at paragraph 3

24 JOINT WORKING IN HAMPSHIRE – PROGRAMME UPDATE

The Committee considered a report from the Chief Officer in relation to the Joint Working project in Hampshire (Item 8 in the Minute Book).

The Director updated Members on the latest project developments. Good progress was being made and the legal agreement for shared support services was almost complete. There would be a number of related agreements around specific services. Transfer of staff to the County Council was taking place in line with TUPE (Transfer of Undertakings (Protection of Employment)) principles and regulations.

It was confirmed that the Integrated Business Centre (IBC) processing transactions such as payments and payroll for the Service would start in August 2014. An updated business case in relation to the IBC would be provided at the next Committee.

Members enquired about the future identity of the partnership. The Director explained the aim to build a shared view of the partnership, the way in which customers were supported and the meaning of joint working for staff. A cross-organisational group was progressing these issues and an update would be provided for the Committee in due course.

Development of the partnership and the potential to sell services outside of Hampshire was discussed. The Director confirmed that the programme had been well structured. Processes had been mapped to ensure standardisation of service delivery for customers across the organisations and to produce efficiencies. The project had received external advice on what was regarded as best practice (either in the public or private sectors).

RESOLVED:

- a) The Committee noted the progress to date of the Joint Working in Hampshire project.

25 RETAINED FIREFIGHTERS' PROPOSED PENSION SETTLEMENT

The Committee considered a report from the Chief Officer regarding the proposed retained firefighters' pension settlement scheme (Item 9 in the Minute Book).

The Director updated Members on the background to the proposed settlement. Fire authorities were expected to cover their employer contributions which would be backdated for the period outlined for eligible retained firefighters. The costs for the Authority had been factored into the medium term financial strategy. Longer timescales to implement the changes were noted due to the requirement to offer eligible retained fire fighters the opportunity to apply.

It was confirmed that retained fire fighters who also contributed to pensions as whole-time fire fighters could therefore be contributors to two pension schemes. Members enquired about other authorities' responses to the consultation.

RESOLVED:

- a) The Committee noted the details of the proposed scheme, the submission in response to the Secretary of State's consultation document and the preliminary estimates of costs.

26 REPLACEMENT OF BASINGSTOKE FIRE STATION

The Committee considered a report from the Chief Officer providing an update on the feasibility study into the replacement of Basingstoke Fire Station (Item 10 in the Minute Book).

The Head of Facilities updated the Committee on the work of the Basingstoke project board following an extended feasibility study into replacement of the station. Aspects of the feasibility study were highlighted and Members noted the preference for Option 6, to provide a wholtime and retained station at West Ham Close with interim use of Group Headquarters for primary response. This had been approved by the board.

It was noted that the County Council's Property Services team had been commissioned to provide design proposals and tender the scheme, for project completion by 2016. It was confirmed that training facilities were included in the proposal.

RESOLVED:

- a) The Committee noted the preferred option and reaffirmed their commitment to the replacement of Basingstoke Fire Station.

27 JOINT WORKING WITH ROYAL BERKSHIRE FIRE AND RESCUE SERVICE

The Committee considered a report from the Chief Officer providing an update on the agreement for the provision of fleet maintenance with Royal Berkshire Fire Authority (RBFA) (Item 11 in the Minute Book).

The Head of Facilities updated the Committee on the progress being made with RBFA. The agreement was due to start in January 2014 when the two services would both provide fleet maintenance to the two regions. An overview of the legal agreement was provided and the importance of governance was outlined.

Aspects of the fleet service were discussed in relation to Appendix 1. It was confirmed that servicing of faulty vehicles would be carried out by HFRS and that the income received towards overheads would be retained by the Service. The partnership was expected to bring considerable financial benefit to both HFRS and RBFRS over the duration of the agreement.

RESOLVED:

- a) The Committee noted the progress towards the scheduled commencement of a cooperation agreement with RBFA for the provision of fleet maintenance.

28 CONSTRUCTION INDUSTRY BLACKLISTING

The Committee considered a report from the Chief Officer in relation to the Service's procurement policy for construction services and restrictions on firms that practice blacklisting (Item 12 in the Minute Book).

The Director highlighted the Service's policy and confirmed the restrictions on firms that practice blacklisting. A motion on construction blacklisting was submitted to the HFRA meeting in September outlining the Authority's support for the campaign against blacklisting and following an amendment, had been passed. The Service would be writing to suppliers outlining the requirement to comply with its policy.

The Authority's procurement was carried out via the Joint Working in Hampshire procurement team, which was therefore also being aligned with policies of the County Council and Hampshire Constabulary.

Members enquired when the proposed actions outlined within the report would be completed. It was estimated that through liaison with partners this would be achieved before the end of the financial year. Members were satisfied with the policy framework and supportive of the proposed actions.

RESOLVED:

- a) The Committee noted the content of the report and the proposed actions to address construction industry blacklisting.

29 PROPERTY RELATED MATTERS

The Committee considered a report from the Chief Officer regarding property related matters in accordance with the Authority's Scheme of Delegation (Item 13 in the Minute Book).

The Director highlighted the current property matters being dealt with by the Service. An update was provided on the use of the former divisional HQ building at Redbridge Hill Fire Station by Hampshire Constabulary as a replacement to their former police station.

Licenses had been granted for the South Central Ambulance Service (SCAS) to use nine fire stations as serviced standby points. Ambulances would be able to use designated parking spaces and use of the station welfare facilities whilst on call. It was confirmed that all but one of these were retained stations and that security measures were in place whilst the buildings were being used by partners.

Members enquired about the fee for the license granted to the PCC for shared use of the station. This was determined by assessment of use by partners and it was noted that the service charge will be reviewed annually.

An update was provided on the Authority's disposal of the former Winchester Fire Station through a Principal Agreement with Bargate Homes Limited. Factors in relation to the site location and the disposal were noted by Members.

RESOLVED:

- a) The Committee noted the actions taken under delegated powers

30 NETWORKED FIRE CONTROL SERVICES PROJECT

The Committee considered a report from the Chief Officer providing information on the progress of the Networked Fire Control Services Project (NFCSP) (Item 14 in the Minute Book).

The Area Manager provided an update to the Committee on the project partnership amongst Hampshire, Dorset, Wiltshire, Devon and Somerset Fire Services, to replace their control systems. The partnership had secured value for money through joint purchase and it was confirmed that the government grant would fund the procurement and system maintenance for the eight years of the contract.

It was noted that the project had been benchmarked and validated independently. There was an opportunity for Hampshire to offer its services to others. It was confirmed that staff were well informed on the new control system. Members agreed that it would be useful to visit the new control rooms in due course.

RESOLVED:

- a) The Committee noted the contents of the report.

31 CHANGES TO THE EMERGENCY VEHICLE FLEET

The Committee considered a report from the Chief Officer detailing changes to the emergency vehicle fleet (Item 15 in the Minute Book).

The Area Manager updated the Committee on continuing developments for the emergency vehicle fleet. These formed part of the Service's Risk Cover Review and its aim to enhance its response to incidents. The changes were also intended to bring significant financial savings and were creating large improvements across the fleet.

Changes to different vehicles were noted including replacement of the special equipment units and the multi-role vehicles with response support vehicles, which combined both of these capabilities. The resulting significant reduction in spending was noted by Members.

Members endorsed the positive developments in relation to increased partnership working for service delivery including the water rescue unit and environmental protection units.

RESOLVED:

- a) The Committee noted the changes already made and the planned changes to the emergency vehicle fleet.
- b) The Committee noted the financial savings the vehicle improvements had already received, and the potential for further savings in rationalising and improving the emergency vehicle fleet, especially if combined with the forthcoming risk review.

32 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED:

The public were excluded from the meeting during the following item of business, 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 were present during that item there would have been disclosure to them of exempt information within Paragraph 3 of Part I Schedule 12A to the Local Government Act 1972, and further that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons set out in the report.

33 PROPERTY RELATED MATTERS – EXEMPT APPENDIX TO ITEM 13

The Committee considered an exempt Appendix from the Chief Officer (Item 17 in the Minute Book) in connection with property related matters highlighted under Item 13.

The Director summarised information from the Appendix in relation to disposal of the former Winchester Fire Station. Members noted the information provided and in relation to the agreed recommendations under Item 13.

34 VEHICLE REPLACEMENT PROGRAMME

The Committee considered an exempt report from the Chief Officer regarding the Service's Vehicle Replacement Programme proposals for 2014/15 to 2018/19 (Item 18 in the Minute Book).

The Area Manager provided an update on proposals for the next 3 – 5 years. Features of the provisional programme were discussed including changes to specialist and ancillary vehicles and to staff vehicle leasing and pool car arrangements.

RESOLVED:

That it be a RECOMMENDATION to the Authority:

That the vehicle replacement programme for the years 2014/15 to 2016/17, as set out in Appendix 2 to this report, is approved subject to the approval of the capital programme by the Authority at its budget meeting on 19 February 2014.