



Buckinghamshire & Milton Keynes Fire Authority

Minutes of the Meeting of the EXECUTIVE COMMITTEE of the BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY held on WEDNESDAY 9 FEBRUARY 2022 at 10.00 AM.

Present: Councillors Christensen (part), Clarke OBE, Darlington (substitution for Marland), Hall (part), Hopkins, McLean, and Walsh

Officers: J Thelwell (Chief Fire Officer), G Britten (Director of Legal and Governance), M Hemming (Director of Finance and Assets), A Hussain (Deputy Director of Finance and Assets) and K Nellist (Democratic Services Officer)

Remotely: M Osborne (Deputy Chief Fire Officer) S Tuffley (Head of Covid-19 Preparedness and Response), S Wells (Head of Prevention, Response and Resilience), M Hussey (Principal Accountant)

Apologies: Councillors Lambert and Marland

The Chairman advised the Committee that the meeting was being recorded and would be uploaded on to the Authority's YouTube channel after the meeting.

<https://www.youtube.com/channel/UCWmIXPWAscxpL3vliv7bh1Q>

EX26 MINUTES

RESOLVED –

That the Minutes and the Exempt Minutes of the meeting of the Executive Committee held on Wednesday 17 November 2021, be approved, and signed by the Chairman as a correct record.

EX27 DISCLOSURE OF INTERESTS

Councillor McLean declared an interest in Item 6 - Great Holm Update as he was a Member of the Development Control Committee for Milton Keynes Council.

EX28 MATTERS ARISING FROM THE PREVIOUS MINUTES

A Member asked for an update on minute EX16 - Immediate Detriment Framework and was advised by the Deputy Director of Finance and Assets that there were 7 'Category 1' cases and 5 'Category 2' cases being processed.

A Member asked a question regarding EX19 – Exemption from Standing Orders Relating to Contracts: Wide Area and Local Area Network (WAN/LAN) Provision – if the Head of Technology, Transformation and PMO could email Members the details of the cost of contract as advised at the last meeting and was advised that this would be done.

EX29

GREAT HOLM UPDATE

The Director of Finance and Assets gave Members an update on the plans for the Great Holm former fire station and the public consultation that started earlier this year. The plans were for a 75-bed care home on the site, designed to cater for a range of care needs including personal nursing, dementia, and end of life care. The care home would follow very closely the existing footprint of the building. The site would utilise the existing access from Haddon, but it would be widened to ensure better visibility for those coming and going. The landscaping would be improved and much of the existing planting would be retained. There would be 32 parking spaces, including 2 disabled spaces and an area for vehicles to turn to allow vehicles to exit forward. The building would be a mix of three and four stories.

The Director of Finance and Assets advised that the public consultation started earlier this month and was still ongoing. The final draft of the planning application would be submitted to the Authority by the end of the month (as stated in the contract). It would then be submitted to the planning authority. It was hoped that planning consent would be received by the end of May 2022, with a view to starting on site in August. Once the site was cleared, building would commence towards the end of 2022, aiming to get practical completion in quarter 1 2024 and looking to open in Summer 2024.

Members discussed residents and the Parish Council's concerns regarding parking and access. The former emergency access roads onto the A5 and Portway would no longer be required and how they would be reinstated to blend into the landscape. Another concern of residents was the operating hours of the build and how the site would be accessed; and the current ongoing graffiti on the hoarding surrounding the site. A Member asked about the provision of electric car charging points in the car park, and access to public to transport for staff and visitors.

The Director of Finance and Assets would update the Committee on the above points at a future meeting.

The Chairman asked that all Councillors in the area be kept up to date.

(Councillor Hall joined the meeting)

EX30**BUDGET MONITORING REPORT APRIL – NOVEMBER 2021**

The Deputy Director of Finance and Assets presented the budget as at 30 November 2021. The Authority was currently projecting an overall underspend of £68k and was not projecting to use any of its reserves. This was predominantly due to an additional rates rebate of £256k, additional funding seen in year of £329k and underspend within employee costs. In terms of underspend seen within direct employee costs, these were predominantly due to pension changes and vacant positions. As part of building the budget for the next financial year, officers had reviewed the establishment and changed all operational staff onto the 2015 pension scheme. Furthermore, the ratio of operational staff that had been budgeted for as competent vs development pay scales and made it more reflective of actual posts in place, had been reviewed. The most current position was that the Authority was looking to use about £95k of reserves.

A Member asked as the Authority had recently undertaken a zero-based budget exercise, when would it be done again and was advised that probably around 2024/25, as it didn't add benefit to do it every year.

A Member asked about inflation and was advised that as Members were aware, inflation had gone up to approximately 5.4% and the target was 2%. Where it had been identified for example utilities, it had been built into the budget. The Procurement Team also did an excellent job renegotiating contracts and getting fixed prices. If any risks materialised, the Authority would look to mitigate it with additional funding or reallocated funding.

A Member asked what the Authority's rate of inflation was and was advised that it was not possible to give an exact amount, but the pay award was factored into the budget planning assumptions at the level of a 2% increase, but in terms of contracts it would vary.

RESOLVED -

1. That the provisional outturn forecast for the Authority as of 30 November 2021 be noted.

EX31**THE PRUDENTIAL CODE, PRUDENTIAL INDICATORS AND MINIMUM REVENUE PROVISION**

The Principal Accountant advised Members that this was a technical paper and was presented annually to this Committee to approve the recommendations, before final approval of the Authority. The Prudential Code was established to ensure the capital investment plans were affordable, prudent and sustainable, and that treasury management decisions were taken in accordance with good professional practice. The Prudential Indicators presented here

demonstrate that the current plans for capital investment meet those criteria and present an acceptable level of risk to the Authority. Minimum Revenue Provision was a statutory charge to the General Fund (revenue budget), which ensured that the Authority had sufficient cash balances to repay borrowing upon maturity, reducing the refinancing risk. Since 2015/16, there had been sufficient funds set aside to cover the repayment of the long-term borrowing; however, early repayment of those loans was currently not an option due to the prohibitive penalties on early repayment. There were also no plans for additional borrowing according to the medium term financial plan.

A Member noted that level of capital expenditure was reducing significantly, which may be correct financially, but was the Authority able to maintain operational services with the reduction.

The Director of Finance and Assets advised that as Members were aware, the Authority had been campaigning for precept flexibility, and one of the points noted by HMI in their report was that the capital reserves were low, so the capital programme had been built on the low level of reserves. The Authority needed to do a certain amount of basic property maintenance and replace a number of vehicles each year. If Councillors approve the additional precept flexibility, the Authority could address the issue raised by HMI and use that money initially to put back into the capital reserves and look to increase expenditure when possible. The Property Strategy would be refreshed this year.

The Chairman advised Members that this was one of the topics that would be discussed at an upcoming Member's planning day, ensuring that the Service was fit for the future and more productive than it was in the past.

The Chief Fire Officer advised Members that what officers didn't want to do was pre-empt the Members' decision on whether they approve the precept flexibility, but they would be bringing forward to Members ideas and thoughts of how they look at the Service moving forward. This would be based on a number of matters including performance, the service and response times. It would also be based on the use of current fire stations and whether they were in the right place etc. There would also be a broader discussion about how the additional money would be spent, if Members approve it, over the next two to three years.

RESOLVED –

That the Executive Committee approve the recommendations below for submission to the Fire Authority.

- 1) the Prudential Indicators for 2022/23
- 2) the Minimum Revenue Provision policy statement

EX32 MEDIUM TERM FINANCIAL PLAN (MTFP) 2022/23-2026/27

The Deputy Director of Finance and Assets firstly advised Members that there was a line of text missing that should have preceded the recommendations that was erroneously omitted from the paper, which should have read “It is recommended that the Authority be recommended to:” Secondly, Appendix 1 & 2 had been updated following more accurate council tax and rates collection figures provided by the respective billing authorities.

The Deputy Director of Finance and Assets advised Members that the main report Annex A presented the proposed revenue and capital Medium Term Financial Plan (MTFP) for the financial years 2022/23 to 2026/27. The MTFP was closely linked to the Financial Strategy update provided in December 2021, which was the link between the organisation’s long-term service objectives and its financial capacity. The Authority’s long-term Service objectives were set out in the Public Safety Plan (PSP) and Corporate Plan.

The final settlement was published on 7 February 2022 and was due to be debated tomorrow. One key change this year from previous settlements, was that the government had provided the lowest charging quartile of fire and rescue authorities (FRAs) the flexibility to increase their band D precepts by £5 in 2022/23 without the need to hold a referendum. This was to assist those FRAs in addressing immediate pressures and to maintain a sustainable income baseline for future years. The Authority was included within these eight FRA’s and had the option to increase Council tax precept by £5.

The Service’s most recent report dated December 2021 by HMICFRS, noted in its summary, “that they were encouraged by the service’s work to improve value for money, but still have concerns about the service’s funding model as its limited reserves are being used to supplement funding of its response functions.” If Members were to approve a £5 increase in precept, this would result in approximately £1.1m additional funding compared to a precept increase of 2%. The additional funding would predominantly be utilised to recruit additional firefighters to build its response functions. Furthermore, the Authority would be able to increase the revenue contributions to capital which would build the reserves that were used for funding the capital programme, in the process addressing another concern raised within the HMICFRS report.

The Deputy Director of Finance and Assets advised Members that the key assumptions were detailed in Section 4 of Annex A and were based on information received to date. An additional £822m unringfenced services grant would be distributed to all tiers of government. This grant was for 2022/23 only and the government would work with the sector on how they distribute this funding from 2023/24 onwards. The

funding was in recognition of the range of vital services delivered by all tiers of government across the country. Indicative figures show that Buckinghamshire Fire and Rescue Service would receive £0.355m, which had been reflected in its projections under the heading Services Grant.

Council tax collection funds were adversely impacted since the start of the Pandemic whereby the tax base reduce by 0.65% in 2021/22. However, the latest projections show a recovery in the collection fund with a projected growth of 2.19% in the tax base.

The Deputy Director of Finance and Assets advised that uncertainty persisted regarding pensions following the ruling in December 2018 that the transitional arrangements introduced for the firefighters' schemes in 2015 were discriminatory. The Executive Committee had adopted the immediate detriment framework in November 2021 and the officers were currently processing claims from members who want to be treated as if they remained on their original pension scheme. It was expected that this would increase the longer-term costs of the firefighters' schemes, although it was not yet possible to quantify the impact.

The Revenue Support Grant/Business Rates for 2022/23 had been revised downwards from £8.000m to £7.826m (a decrease of £174k). Future year's forecasts had been updated to reflect this movement. Previous figures used were taken from the provisional funding settlement which was an estimate and more accurate figures would be provided when billing authorities confirm them.

The Council Tax surplus figure for 2022/23 has been revised downwards from £257k to £222k (a decrease of £35k) as one of the billing authorities had recently confirmed their deficit which was not available at the time of producing the report. Due to these changes, the Revenue Contribution to Capital budget in Appendix 1(a) and 1(b) for 2022/23 had been revised downwards from £1.825m to £1.616m (a net decrease of £209k). The Net Budget Requirement shown in Appendix 1(a) and 1(b) for 2022/23 had therefore also decreased by £209k (from £33.689m to £33.480m).

RESOLVED –

That the Authority be recommended to:

1(a) Note and have due regard to the report and Statement of the Chief Finance Officer (see section 8 of Annex A).

1(b) Approve a Council Tax precept of £72.16 for a band D equivalent property (equal to an increase of 9.6p per week) and the revenue budget as set out in Appendix 1.

1(c) Approve the capital programme as set out in Appendix 2.

1(d) Transfer the £600k from the referendum reserve to the revenue contribution to capital reserve.

EX33

RESPONSE TO THE PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT 2022 TO 2023: CONSULTATION

The Director of Finance and Assets advised Members that this report was for noting, it sets out the Authority's response to the provisional settlement, which was published in December and the final settlement would be laid before Parliament this week. In general terms, the Authority's response, was that it welcomed the settlement proposal. The Authority still needed to be really careful of what it did, and if approved, needed to show that the additional money was being spent wisely. The position was a lot more positive than it had been, giving the Authority the opportunity to invest in the Service, rather than as previously having to manage with fairly limited funding.

The Director of Finance and Assets advised Members that it also covered some other issues around the Services grant, which was a one off. The Services grant was to recognise that all local authorities were stretched, and they all did vital work, so it was recommended that it was kept within local government as well. In particular, the Authority welcomed the additional flexibility around the £5. As the Chairman had said, a lot of work had gone into securing the flexibility and the group leaders had written a letter of thanks to the Fire Minister as he had been very supportive of it and noting the work he had done. The response to the consultation that had been submitted, mirrored very closely the response from the National Fire Chiefs Council.

A Member asked if the Service would stay in the lowest quartile moving forward and was advised by the Director of Finance and Assets, that yes, at present the precept was £67.16, and the national average at the moment was £80, and even if the Authority did successive increases for a number of years, it would still be in the lowest quartile for the next 2-3 years at least.

RESOLVED –

That the response to the consultation be noted.

EX34

TVFCS ICCS CONTRACT AND INTER AUTHORITY AGREEMENT

The Head of Prevention, Response and Resilience advised Members that this particular report focused on the Thames Valley Fire Control Service (TVFCS) and the report was in two parts. The first part was the Integrated Communication Control System contract (ICCS). When the TVFCS went live in April 2015, there were two ICCS contracts with Capita Secure Information Solutions Limited, which had been entered into by Oxfordshire County Council and Royal Berkshire Fire Authority respectively. However, the TVFCS steady state transition plan

recommended that these two contracts be brought into one single contract, with the term running from April 2017 to January 2021. Within the inter-authority agreement, under clause 17.3 this particular contract should be brought to the respective authorities to agree should an extension be required. There was an extension to this contract that took it through to March 2022, however this decision was not brought before this Authority or others. This was an oversight, the reason for which are detailed within the report and assurances have been provided this will not be repeated again.

The Head of Prevention, Response and Resilience advised Members that at the Executive Committee meeting on 17 November 2021, this contract was being novated to Capital SSS Limited and the sale went through to NEC Software Solutions UK Limited on 3 January 2022. Members also took the decision at the Executive Committee meeting on 15 September 2021, for the Vision 4 mobilising contract to be extended by one year from April 2022 to March 2023. This report was looking to align both the Vision 4 mobilising contract and the ICCS contract.

The Head of Prevention, Response and Resilience advised Members that contained within the Inter-Authority agreement was a review clause. This allowed for each Authority, after the fifth anniversary of the TVFCS going live, the opportunity to consider whether it wished to exercise its right to withdraw from the agreement. If the decision was taken to withdraw, the Authority would have to consider the options available.

The Head of Prevention, Response and Resilience advised Members that following the collaborative partnership in establishing TVFCS, there was compelling evidence that had ensured the Authority continued to provide an effective control room function, which was an integral part of its emergency response capability. As well as allowing the Authority to maintain financial efficiencies, alongside improving resilience and performance, which had enhanced the service to both the public and its operational firefighters.

A Member asked about the need to constantly be monitoring the efficiency of the contract in terms of cost savings and cost efficiencies and also what other options were out there, how would officers propose to undertake that review moving forward.

The Head of Prevention, Response and Resilience advised that Officers would bring forward recommendations to the TVFCS Joint Committee in July 2022 setting out whether to further extend the Vision 4 mobilising and ICCS contracts in line with the agreement, or seek to commence a full replacement.

RESOLVED –

1. That extending the TVFCS DS3000 Integrated Communication Control System (ICCS) contract for one year, from April 2022 to March 2023 be agreed.
2. That Buckinghamshire and Milton Keynes Fire Authority (the Authority) remains a member and party to the inter authority agreement (IAA) relating to the steady state operation of Thames Valley Fire Control Service (TVFCS) be agreed.

(Councillor Christensen left the meeting)

EX35 MEMBERS' ALLOWANCES

The Director of Legal and Governance advised Members that as a standalone fire and rescue authority, the Authority has a wide discretion in adopting an annual Scheme of Allowances. The main proviso was that the Authority must have regard to the recommendations of the Independent Remuneration Panels of its two constituent councils. As set out in the executive summary, the Scheme of Allowances had been linked to the NJC 'grey book' annual pay award for firefighters since 2012/13. The application of this index linking had been endorsed annually by the Authority until 2021/22.

Although there had been a grey book 2% pay award effective from 1 July 2020, the Authority agreed in February 2021 to suspend the indexation for the year 2021/22, resulting in a 0% increase in Members' Allowances. If the link to the grey book were to be reinstated for 22/23 this would result in a recommendation to the Authority of an increase of 1.5%.

A draft proposed Scheme of Allowances for the year 2022 to 2023 was appended at Appendix C and showed in the alternative the effect of a 1.5% increase from the current financial year. Regulations require that the Authority makes a scheme providing for the payment of a basic allowance to each Member of the Authority, which must be the same for every Member of the Authority. The scheme of allowances reflects the requirements in the regulations that allow Members to elect to forgo entitlements or any part of their entitlement to allowances by giving notice to a specified officer.

RESOLVED –

1. That the Authority be recommended to adopt a Scheme for Members' Allowances for 2022/23 (Appendix c) with either
 - a) 0% increase in allowances; or
 - b) 1.5% increase in allowances.

EX36 EXCLUSION OF PUBLIC AND PRESS

RESOLVED –

It was moved and resolved that the public and press representatives from the meeting by virtue of Paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972, as the report and minutes contains information relating to any individual; and Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as the report and minutes contain information relating to the financial or business affairs of a person (including the Authority); and on these grounds it is considered, at this moment in time, that the need to keep information exempt outweighs the public interest in disclosing the information.

The Director of Finance and Assets, Deputy Director of Finance and Assets, Head of Covid-19 Preparedness and Response and the Principal Accountant left the meeting.

EX37 INJURY PENSION OVERPAYMENTS

The Committee considered the report and appendices, details of which were noted in the confidential/exempt minutes.

EX38 DATE OF NEXT MEETING

The Committee noted that the date of the next Executive Committee meeting would be held on Wednesday 23 March 2022 at 10.00am.

THE CHAIRMAN CLOSED THE MEETING AT 11.15 AM.