
CLEVELAND FIRE AUTHORITY

MINUTES OF ORDINARY MEETING

16 FEBRUARY 2018



PRESENT:

CHAIR

Cllr Jan Brunton Dobson – Middlesbrough Council

HARTLEPOOL BOROUGH COUNCIL

Councillors Marjorie James, Ray Martin-Wells

MIDDLESBROUGH COUNCIL

Cllrs Teresa Higgins, Tom Mawston

REDCAR & CLEVELAND BOROUGH COUNCIL

Cllrs Neil Bendelow, Ray Goddard, Mary Ovens

STOCKTON ON TEES BOROUGH COUNCIL

Cllrs Paul Kirton, Jean O'Donnell, Mick Stoker, William Woodhead

AUTHORISED OFFICERS

Chief Fire Officer, Director of Corporate Services, Legal Adviser and Monitoring Officer, Treasurer

APOLOGIES FOR ABSENCE:

Councillors Rob Cook – Hartlepool Borough Council

Councillor Naweed Hussain – Middlesbrough Council

Councillor Norah Cooney – Redcar & Cleveland Borough Council

Councillor Gillian Corr – Stockton Borough Council

91. DECLARATIONS OF MEMBERS INTEREST

It was noted no Declarations of Interests were submitted to the meeting.

92. MINUTES

RESOLVED – that the minutes of the Special meeting of 8 December 2017 be confirmed.

93. MINUTES OF MEETINGS

RESOLVED – that the Minutes of the Executive Committee meeting on 26 January 2018 be confirmed.

94. COMMUNICATIONS RECEIVED BY THE CHAIR

Rachel Stevens - EMP/1/18 Pay Update, NJC/1/18 IFSG Strategies and Reports, NJC/2/18 Workforce Survey, Brigade Managers Pay Survey, Pension Transition Arrangements to Pay Offer, EMP/7/17 Pay Claim 2017

Home Office – HMICFRS Inspection Programme and Framework, HMICFRS Monthly Updates, Building a Safer Future, Fire & Rescue National Framework for England: Consultation, Government Response: Re-employing Senior Fire Officers, Council Tax Referendum Information Note.

RESOLVED – that the communications be noted.

95. REPORT OF THE CHIEF FIRE OFFICER

95.1 Information Pack

- 95.1.1 Employers Circulars
- 95.1.2 National Joint Council Circulars
- 95.1.3 Campaigns

RESOLVED – that the information pack be noted

96. JOINT REPORT OF THE CHIEF FIRE OFFICER AND TREASURER

96.1 Medium Term Financial Strategy 2018/19 - 2020/21 and Council Tax Setting 2018/19

The Treasurer presented Members with an update of the Medium Term Financial Strategy (MTFS) to reflect the 2018/19 Local Government Finance Settlement announcement and to enable Members to consider the 2018/19 budget and Council Tax recommendations referred from the Executive Committee meeting on 26 January 2018. The report covered:

- 2017/18 Forecast Outturn
- Local Government Financial Settlement Announcement 2018/19
- Core Spending Power
- Business Rates Retention
- Fair Funding Review
- Impact of February 2018 announcement on the MTFS
- Short Term Impact – 2018/19 and 2019/20
- Medium Term Impact – 2020/21
- Capital Programme Review
- Review of the Reserves
- Robustness Advice

The Treasurer reported that the previous forecast Budget Shortfall for 2018/19 and 2019/20 of £1.881m reported to the Executive Committee on 26 January 2018 was based on a 1.9% Council Tax increase, 1% pay cap and provisional local resources (i.e. Council Tax and Business Rate income).

Following the financial settlement announcement he confirmed a revised Budget Shortfall of £1.676 for the same period based on a 2.9% Council Tax increase, 2% pay provision and an increase in local resources.

Referring to the 2020/21 Financial Outlook, the Treasurer reported that this would be a period of significant uncertainty regarding 75% Business Rates retention and the Fair Funding Review.

The Treasurer informed Members that by 2019/20 the Authority would have had nine successive years of grant cuts totalling £6.7m (20%) reduction since 2010/11.

Councillor James asked if the Treasurer was aware of Council Tax Collection Rates across the four constituent Authorities and asked whether they were comparable. The Treasurer confirmed they were broadly comparable.

Councillor Mawston referred to Appendix D and asked if there was a statutory level of reserves the Authority must maintain. The Treasurer confirmed that there was no minimum and that Auditors would only be concerned if reserve levels were too high.

96.1 Medium Term Financial Strategy 2018/19 - 2020/21 and Council Tax Setting 2018/19

The CFO reported that as a general guideline five per cent unearmarked reserves was deemed acceptable and fire authorities needed to be explicitly clear what earmarked reserves would be used for. He added that the issue of reserves is addressed in the new National Framework Document.

The Legal Adviser and Monitoring Officer (LAMO) asked Members to vote on the recommendations of the Executive Committee. Members voted unanimously in favour of the recommendations.

RESOLVED:-

- (i) That the increase in the core Council Tax referendum limit from 2% to 3% for 2018/19 and 2019/20 announced by the Government be noted.
- (ii) That the provisional 2018/19 Local Government Finance Settlement stating that “in recognition of higher than expected inflation and the pressures on services such as social care and policing, the Government has decided to make changes to the Council Tax referendum principles” be noted.
- (iii) That a 2018/19 Council Tax increase of 2.9% and supporting statutory calculations detailed in Appendix A, which includes the following Council Tax levels, be approved:

2017/18		2018/19		
Weekly Council Tax £	Property Band	Annual Council Tax £	Weekly Council Tax £	Annual increase £
0.94	A	50.12	0.96	1.41
1.09	B	58.47	1.12	1.65
1.25	C	66.83	1.29	1.89
1.41	D	75.18	1.45	2.12
1.72	E	91.89	1.77	2.59
2.03	F	108.59	2.09	3.06
2.34	G	125.30	2.41	3.53
2.82	H	150.36	2.90	4.24

Approximately 65% of households are in Band A or B

- (iv) That the 2018/19 revenue budget as detailed in Appendix B be approved.
- (v) Members noted that the reduction in savings required over the next two years from £1.881m to £1.676m would be phased as follows:
 - 2018/19 - £0.752m
 - 2019/20 - £0.924m
- (vi) Members noted that the Chief Fire Officer would present a report to the Authority’s March meeting outlining the outcome of the CIRMP to enable Members to approve the final savings proposals to address the revised budget deficits. Members noted that the revised phasing reduces the cuts required in 2018/19, providing a longer lead time to implement the CIRMP.

96.1 Medium Term Financial Strategy 2018/19 - 2020/21 and Council Tax Setting 2018/19

- (vii) That the principle of using the Budget Support Fund to temporarily fund higher pay awards in 2017/18, 2018/19 and 2019/20 to provide a longer lead time to enable further forecast permanent budget reductions to be identified be approved. Members noted that an update will be reported to a future meeting when details of pay awards have been finalised.**
- (viii) That an indicative 2019/20 Council Tax increase of 2.9% be approved. Members noted that a final decision will be made in February 2019 to reflect Government Council Tax referendum limits.**
- (ix) Members noted that further savings may be required in 2020/21 depending upon the impact of 75% Business Rate Retention and the FFR.**
- (x) That the proposal to transfer the 2017/18 forecast managed underspend of £400,000 to the Budget Support Fund to help underpin the MTFs be approved.**
- (xi) That the updated capital programme detailed in Appendix C be noted and approved.**
- (xii) That the Authority's reserve strategy as detailed in Appendix D be noted and approved.**

**97. LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION ORDER) 2006
RESOLVED - "That under Section 100(A) (4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business, on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 3 and 4 below of Part 1 Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006", namely information relating to any financial or business affairs of any particular person (including the authority) holding that information and namely information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.**

**98. CONFIDENTIAL MINUTES
RESOLVED – that the Confidential Minutes of the Special proceedings of 8 December 2017 be confirmed.**

**99. CONFIDENTIAL MINUTES OF MEETINGS
RESOLVED – that the Confidential Minutes of the Executive Committee meeting on 26 January 2018 be confirmed.**

**COUNCILLOR JAN BRUNTON DOBSON
CHAIR**