

**NORTH WALES FIRE AND RESCUE AUTHORITY**

Minutes of the meeting of North Wales Fire and Rescue Authority held on Monday 23<sup>rd</sup> October 2006 at The Guildhall, Wrexham. Meeting commenced at 10.35am.

**Present:**

Councillor

T Roberts (Chairman)  
E C George (Vice-Chairman)

W E Jones  
G C Evans  
S Frobisher  
J A Smith  
D Barratt  
D Clayton  
E F Evans  
R G Hampson  
J Ovens  
C Shone  
M Griffith  
E Morgan Jones  
W T Owen  
G O Williams  
N S Colbourne  
G M Craddock  
P M Shone  
M Williams  
W J Chorlton  
J A Roberts

Representing

Gwynedd Council  
Wrexham County Borough Council  
  
Conwy County Borough Council  
Denbighshire County Council  
Denbighshire County Council  
Denbighshire County Council  
Flintshire County Council  
Flintshire County Council  
Flintshire County Council  
Flintshire County Council  
Flintshire County Council  
Flintshire County Council  
Gwynedd Council  
Gwynedd Council  
Gwynedd Council  
Gwynedd Council  
Wrexham County Borough Council  
Wrexham County Borough Council  
Wrexham County Borough Council  
Wrexham County Borough Council  
Ynys Môn County Council  
Ynys Môn County Council

**Also present:**

S A Smith (Chief Fire Officer and Chief Executive); I R Miller (Clerk and Monitoring Officer to the Authority); K W Finch (Treasurer to the Authority); C Enness (Deputy Chief Fire Officer); C Hanks (Assistant Chief Fire Officer, Service Support); P S Claydon (Assistant Chief Fire Officer, Service Delivery); D Docx (Assistant Chief Officer, Finance and Procurement); S Morris (Corporate Planning Manager); K Hughes (Service Development Manager); S Forrest (Accountant, Treasurer's Department, Conwy County Borough Council) and Rh Evans (Member Liaison Officer).

## **PART I**

### **1) Apologies**

#### Councillor

P C Evans JP  
S C Jones  
J Vaughan  
G Williams  
W T Roberts

#### Representing

Conwy County Borough Council  
Conwy County Borough Council  
Conwy County Borough Council  
Denbighshire County Council  
Ynys Môn County Council

### **2) Notice of Urgent Matters**

The Chairman advised that no items had been submitted to either the Clerk or him for consideration. Prior to proceeding with the business agenda he made a statement advising members that the Part II business item "Fire 1<sup>st</sup> – Rhyl Community Fire Station Project" had been withdrawn. He explained that the issue had been debated at the Executive Panel meeting on 9<sup>th</sup> October. At its meeting the Panel had requested that the Welsh Assembly Government (WAG) confirm in writing, ahead of the current meeting, the amount of grant funding it was allocating towards the cost of the project. As written confirmation was yet to be received, and as the allocation was central to the project's cost to the Authority, he had therefore decided to defer discussion on this item of business until the Authority's next meeting in December when, hopefully, the situation would be far clearer.

### **3) Announcements**

- i. The Clerk read a letter the Chairman had received from Councillor Trefor Lloyd Hughes, Mayor of Holyhead, thanking the Service and its personnel for their professional response to the tragic fire at Llanfaethlu in which two young boys had lost their lives, and for the support Service personnel had given to Ambulance Service staff at the incident. Members were advised that a copy of the letter would be forwarded to Holyhead Fire Station.
- ii. The Chairman informed members that there had been a change in Denbighshire County Council's representatives on the Authority. Councillor Glyn Williams, who unfortunately could not be present at the current meeting, had replaced Councillor David Jones MBE on the Authority. The Chairman paid tribute to Councillor Jones' service to the Authority. He had been a member of the Authority since its establishment in 1996 and a past Chairman. A strong advocate for the Welsh language he had been instrumental in ensuring that the Authority conducted its meetings through the medium of both languages. The Chairman informed members that he would be

writing to Councillor Jones to thank him for his service and to wish him better health in future.

- iii. Best wishes were conveyed to a number of members and officers who had celebrated, or were about to celebrate, special birthdays.
- iv. Dates of future committee meetings: members were advised that no date had yet been set for the next Executive Panel meeting. The next Fire and Rescue Authority meeting, scheduled for 18<sup>th</sup> December 2006, would be held at Siambr Dafydd Orwig, Caernarfon. The same evening the Joint Emergency Services' Annual Carol Service would be held at Bangor Cathedral.

#### **4) Minutes**

The following minutes were submitted:

- i. Fire and Rescue Authority meeting held on 19<sup>th</sup> June 2006

**Resolved: - to approve the minutes as a true and correct record of proceedings.**

The following minutes were submitted for information purposes:

- ii. Executive Panel meeting held on 18<sup>th</sup> May 2006

#### **5) Matters Arising**

The following matters arose from the minutes submitted:

**Executive Panel 18<sup>th</sup> May 2006, Page 9, Co-responding:** the Chief Fire Officer informed members that the Judge's decision on the High Court case instigated by Nottinghamshire and Leicestershire Fire and Rescue Authorities in relation to co-responding, and in particular to the contractual arrangements of the 2003 Pay and Conditions of Service Agreement, was expected to be announced later that afternoon. Officers would monitor the situation and inform members of the outcome.

#### **6) Chairman's Report**

The Chairman introduced his report (distributed at the meeting) which provided members with a brief update on the meetings and events attended by him in his capacity as Chairman, and in his absence the Vice-Chairman as his representative, since the Authority's last meeting on 19<sup>th</sup> June 2006. It was:

**Resolved: - to note the information contained in the report.**

## **7) Risk Reduction Plan 2007/08**

The Chief Fire Officer introduced his report (previously circulated) which asked the Authority to endorse the Executive Panel's recommendations in relation to the draft Risk Reduction Plan (RRP) 2007/08 and its proposed responses to comments received on the consultation. He briefed the Authority on the RRP process and its timetable before informing members that both the Assistant Chief Officer (Finance and Procurement) and the Corporate Planning Manager were on hand to answer their questions. It was:

### **Resolved: - to**

- i note the responses received to the consultation on the RRP 2007/08***
- ii endorse the recommendation of the Executive Panel to approve the adoption of the RRP 2007/08 as drafted, subject to only minor editorial corrections; and***
- iii endorse the recommendation of the Executive Panel to issue a response to written comments submitted on the draft RRP 2007/08 as presented in Attachment 1.***

## **8) Arrangements for Improvement Plans 2006/07**

The Assistant Chief Officer (Finance and Procurement) introduced her report (previously circulated) which presented the draft Improvement Plan 2006/07 for the Authority's approval prior, in accordance with legislative requirements, to its publication by 31<sup>st</sup> October 2006. Before the commencement of the meeting an amendment to page 30 of the draft Improvement Plan had been distributed to all present. The Assistant Chief Officer (Finance and Procurement) explained that, although the final version of the Guidance on developing and implementing the Wales Programme for Improvement for Fire and Rescue (WPI-FRA) had not yet been published, due to a drafting error in the Local Government (Improvement Plans) (Wales) Order 2006 fire and rescue authorities in Wales had inadvertently been included within the scope of the Order. Consequently authorities were required to produce and approve an Improvement Plan by the end of October. The Chairman informed members that the final draft of the circular detailing the interim arrangements for the WPI-FRA process had not been issued until 17<sup>th</sup> October 2006.

Replying to a question from Councillor W E Jones the Corporate Planning Manager apologised for the quality of the graphs in the draft Improvement Plan document. She explained that due to technical problems members had been furnished with black and white copies of the document instead of the intended colour copies. As a result the colour contrast in the graphs had been of poor quality. She assured members that the final document would be published in colour on the Service's website. Members:

**Resolved: - to**

- i note the requirement to publish an Improvement Plan for 2006/07 before 31<sup>st</sup> October 2006; and***
- ii approve the draft Improvement Plan 2006/07 for publication by 31<sup>st</sup> October 2006.***

**9) Statement of Accounts 2005/06 and the Letter of Representation**

The Treasurer introduced his report (previously circulated) which presented the audited version of the Authority's Statement of Accounts for 2005/06 to members along with a copy of the correspondence between the External Auditor and the Treasurer in respect of the Accounts. He reminded members that they had been presented with a pre-audited version of the Statement of Accounts at the Authority's meeting on 19<sup>th</sup> June. Since then the Accounts had been audited by the WAO and the requested amendments which were primarily presentational changes, listed and explained in paragraph 3 of the covering report, had been made. WAO officials had indicated they were now content to sign off the 2005/06 Statement of Accounts. The Treasurer advised members that as the Authority approved the Statement of Accounts it was required, under the Accounts and Audit (Wales) Regulations 2005, to formally acknowledge the Letter of Representation sent to the External Auditor. It was:

**Resolved: - to**

- i. approve the amended Statement of Accounts for 2005/06; and***
- ii. acknowledge the Letter of Representation sent to the External Auditor.***

**10) Audit of the Financial Statements – Reporting to Those Charged with Governance**

The Chairman welcomed Mr Matthew Edwards, Audit Manager, Wales Audit Office (WAO) to the meeting to present the WAO's report (previously circulated) to members. Prior to introducing his report Mr Edwards informed members that the Welsh version of the report was now available. He advised members that the report, which was in the WAO's new house style, contained a summary and a detailed analysis of the auditor's findings. He then referred members to paragraph 9 on page 6 of the report which referred to the "uncorrected misstatements" and explained that, although the entries referred to in this paragraph did not comply with either the CIPFA Statement of Recommended Practice (SoRP) or Financial Reporting Standard (FRS) 12, following meetings with the Treasurer and his staff the Auditor was satisfied that the provisions held were transparent and utilised within a reasonable period of time. The constituent authorities were also aware of the existence of these provisions. Members:

**Resolved: - to note the Wales Audit Office's report.**

The Chairman thanked Mr Edwards for attending and for presenting the report.

## **11) Provisional Outturn 2006/07**

The Treasurer introduced his report (previously circulated) which detailed the expenditure to date in the current financial year and, based on the expenditure figures, the estimated final outturn figures for the 2006/07 financial year. Prior to detailing the budget variances listed in his report the Treasurer explained that due to the type of service provided it was extremely difficult at this point in the financial year to accurately predict the final outturn figures as they were predominantly dependent on activity levels. It was:

### **Resolved: - to**

- i. note that the outturn estimate took into account activity levels to date and an estimate of future activity levels for the remainder of the year which could change; and***
- ii. note the projected underspend at this time, and that consideration be given on how to deal with the underspend when a further report is presented to the Authority at its December meeting.***

## **12) Pensions Review**

The Treasurer introduced his report (previously circulated) and explained that usually at this time of year he provided members with an update report on the pension provision held by the Authority. However this year's report provided members with an insight into the proposed funding arrangements for the new Firefighters' Pension Scheme, due to be introduced in April 2007, and its subsequent impact on the Pension Provision held by the Authority. The Treasurer then proceeded to explain the differences in the financing arrangements for the current scheme and the new pension scheme, and informed members of the current balance held in the Pension Provision. As a result of the new funding arrangements the WAG was looking at revising the Revenue Support Grant (RSG) settlement so that it could recover the top up grant paid to fire and rescue authorities through a corresponding reduction in the RSG. At present a difference of opinion existed between the Treasury, WAG and fire and rescue authorities in relation to this proposal, with the latter holding the view that such changes had the potential to have a detrimental effect on the constituent authorities' council tax levels.

On the issue of the existing provision held by the Authority members were advised by the Treasurer that the money was still officially the constituent authorities' money, but with their agreement the Authority had retained it as a provision to alleviate any possible future budgetary pressures due to pension liabilities. He proceeded to explain that although the new financing arrangements would eventually lead to the Authority not needing to hold such a large Pension Provision for future liabilities he was reluctant, at present, to return it

to the constituent authorities as he needed to be certain that sufficient money was available to cover all costs until the new scheme had been established and was fully operational. He had been assured by officials at the former Office of the Deputy Prime Minister (ODPM), now the Department for Communities and Local Government (DCLG), that neither they nor the WAG could seize the Pension Provision money as it belonged to the constituent authorities.

Councillor W J Chorlton advised that he had been approached by the Director of Finance for Ynys Môn County Council who had requested consideration that its share of the Provision be returned, as he was of the view that leaving the money in the Pension Provision made it extremely vulnerable and left the door wide open for central government to seize it. Councillor Chorlton was of the view that it would be more prudent to return the money to the constituent authorities under a caveat stipulating that the Fire and Rescue Authority could, at any time, recall part or the entire returned amount for the purposes of financing pension liabilities. The Clerk advised that if this was the Authority's wish a further report would have to be submitted for members' consideration, as the current report did not specify actual amounts that could be returned to each of the constituent authorities. The Treasurer advised Councillor Chorlton that he fully understood his Authority's viewpoint but at present, bearing in mind the assurances given by the relevant Government Departments, he was happy to hold the money in the Provision until a more accurate assessment of future liabilities had been undertaken. A number of members agreed with the Treasurer's view. Councillor Chorlton, seconded by Councillor J A Roberts, proposed to accept the first two recommendations in the report but that the third be amended to facilitate the Authority to return part of the Pension Provision to the constituent authorities with a clause stipulating that the Authority had a right, at any time, to recall part or all of the returned amount to fund pension liabilities. On being put to the vote, by a majority it was:

**Resolved:** -

- i to note the new financing arrangements for the Firefighters' Pension Scheme;***
- ii that a further analysis be undertaken on Ill Health retirements to ascertain an estimate for future budgetary requirements; and***
- iii that a report be prepared for the Authority's December meeting detailing the amounts which can be returned from the Pension Provision to the constituent authorities under a caveat that would permit the Authority to recall part, or all, of the refund if it were required to fund unexpected pension liabilities in future.***

### **13) Treasury Management and Prudential Indicators**

The Treasurer introduced his report (previously circulated) which, in line with the CIPFA Code for Capital Finance, reported and sought approval for any significant changes in the Prudential Indicators and, in accordance with the

CIPFA Code of Practice on Treasury Management, furnished members with information on changes made to the Authority's long term borrowing and counterparties list. He explained that the rescheduling of debts referred to in paragraph 4 of his report had been done in the interests of the Authority. In reply to a question from Councillor D Clayton on debt rescheduling the Treasurer advised that some loans would be liable for penalty payments for early repayment, this would be dependent upon a number of factors, such as the loan type and its duration. The Service's Accountant informed Councillor Clayton that the loans listed in paragraph 4 of the report had not incurred any penalties for early repayment. Members:

**Resolved: - to approve the amended Prudential Indicators, note the amended list of counterparties, and to note the loan rescheduling.**

#### **14) Bad Debt Write-Off**

The Treasurer introduced his report (previously circulated) which updated members on the position regarding a bad debt and asked for their approval to write off the debt in accordance with the Authority's Financial Regulations. Members were informed that, following their request at the previous Fire and Rescue Authority meeting, further enquiries had been made in relation to the limited company against whom the debt had been raised. It had become clear that both the business and the site were owned by the same company which had since been dissolved. Consequently there were no other routes by which the Authority could attempt to recover part or all of the outstanding debt.

The Treasurer then explained that, in the light of this case, he had reflected on the practicalities of the Authority's current limit for seeking members' approval for the writing off of bad debts. He was recommending that, as Fire and Rescue Authority debts were relatively low risk and, on the whole, few and far between, the Authority should raise its limit for seeking approval for their writing off to £5,000. This change would take immediate effect and would be incorporated into the review of the Financial Regulations that was currently underway. The Treasurer agreed to a request from Councillor W J Chorlton that an annual report be presented to the Authority listing all the debts under £5,000 that had been written off. It was:

**Resolved: -**

- i to approve the writing off of the debt as irrecoverable as per Regulation 14.10 of the Authority's Regulations;***
- ii to approve a revised limit of £5,000 for reporting the write off of bad debts to the Fire Authority and to amend the Financial Regulations accordingly; and***
- iii that an annual report be presented to the Authority listing all the debts under £5,000 that were written off as irrecoverable.***



## 15) Fire and Rescue Service Funding

The Assistant Chief Officer (Finance and Procurement) introduced her report (previously circulated) which asked the Authority to sanction the Executive Panel's recommendations in relation to responding to recent correspondence from the Welsh Assembly Government (WAG) regarding possible alterations to the current funding arrangements for fire and rescue authorities in Wales. Members were informed by the Assistant Chief Officer that the letter from the WAG's Minister for Social Justice and Regeneration to the chairs of Welsh fire and rescue authorities, appended to the report, had been totally unexpected and proposed restricting the annual increases in authorities' budgets to an average of the RSG increases in their respective constituent authorities. The Assistant Chief Officer informed members that her report detailed the advantages and disadvantages of the current and proposed funding arrangements and advised that the Authority's Executive Panel, which had considered the Minister's letter at length at its meeting on the 21<sup>st</sup> September 2006, had recommended to the Authority that it should reject the Minister's proposal and respond to her letter in a manner similar to the one taken by Mid and West Wales Fire and Rescue Authority.

The Vice-Chairman reminded members that the current funding arrangements had served the Authority well over the past ten years. These arrangements gave the Authority the opportunity, if the need arose, to request additional contributions from the constituent authorities as well as the option to return any underspend to those authorities. In reply to a point raised on precepting status and the Minister's obvious opposition to Welsh fire and rescue authorities becoming precepting authorities, the Clerk advised that if authorities became precepting bodies they would be subject to the same restrictions as local authorities in the form of hypothecation and the threat of direct capping. It was:

***Resolved: - to endorse the Executive Panel's decision and reply to the Minister's letter "expressing its [the Authority's] general contentment for the current funding system and rejecting her proposal to amend the Combination Orders so that the annual uplift in net expenses could not exceed the annual uplift in the Revenue Support Grant as determined annually by the Welsh Assembly Government".***

## 16) Wales Charter for Member Support and Development

The Chief Fire Officer introduced the Member Liaison Officer's report (previously circulated) which asked members to approve the draft Fire and Rescue Authorities' Charter for Member Support and Development and the associated Authority Member Role Descriptions and Person Specifications. He explained that members would already be familiar with the Charter in their own home authorities and that the Welsh Local Government Association (WLGA) was, at present, seeking authorities' agreement on the draft fire and rescue versions of the documents and for them to resolve in principle to pursue Charter status in due course.

The Member Liaison Officer then proceeded to detail the contents of the report and attached documents. She explained that the documents presented to members for approval were adaptations of the corresponding local authority Charter and associated documents. Officers from the three Welsh fire and rescue authorities and the WLGA had met to adapt the original Charter documents for fire and rescue authority purposes. The primary purpose of these meetings had been to ensure that the requirements of the fire and rescue authorities' Charter would avoid duplication of services and training already provided to members by their home authorities. Such an approach was in accord with both the WAG's vision in "Making the Connections" and the recommendations of the Beecham Review. In its RRP Guidance the WAG had explicitly stated that fire and rescue authorities had, in addition to considering community risks, to bear in mind their corporate risks. North Wales Fire and Rescue Authority had highlighted adopting and pursuing Charter recognition status, which would require members to be given support and development opportunities, as a possible means by which to mitigate corporate risks in its RRP for 2007/08.

Members were advised that a bilingual version of the draft documents would be produced once all fire and rescue authorities had approved the draft versions. Both Mid and West Wales and South Wales fire and rescue authorities had already given their approval to the documents. Once a "Statement of Intent" to apply for the Basic Level Charter had been signed the Authority would have 6 months within which to compile and forward its submission to the WLGA. Prior to this taking place the Authority would undertake a self-assessment against the Charter's criteria to see what measures needed to be put in place for it to achieve the award.

Councillor E C George was of the view that the Charter would underpin members' work on the Authority and assist them when raising and pursuing fire and rescue authority issues and objectives, such as the installation of sprinkler systems, in their home authorities. He also felt that it might prove beneficial for Welsh fire and rescue authorities to endeavour to achieve the Basic Level Charter award at the same time, as they all shared a common purpose and it would present an opportunity for greater collaboration, joint working and for sharing best practice. In replying to Councillor George's comments the Member Liaison Officer advised that Mid and West Wales Fire and Rescue Authority were particularly keen on the idea of sharing good practice and for the three authorities to strive to attain the award at approximately the same time. The issue of whether members were reporting back to their own authorities on fire and rescue authority business had also been raised during the meetings held to draft the Charter documents. Members:

**Resolved: - to**

- i approve draft fire and rescue authorities' Charter for Member Support and Development;***
- ii approve the associated draft Role Descriptions and Person Specifications; and***
- iii pursue Charter status recognition in due course.***

### **17) Complaints Procedure – Stage 3**

The Clerk introduced his report (previously circulated) requesting the Authority's approval of the Executive Panel's recommendations in relation to a procedure for handling complaints submitted to the Authority under stage 3 of the complaints procedure. He detailed the contents of the report to members and advised that, since the Executive Panel's meeting, he had reflected further on the proposed procedure and had concluded that it would be apt for a timetable, similar to the one for stages 1 and 2 of the Complaints Procedure, to be built into the third stage of the procedure process. The recommended timetable would be: following the receipt of the complainant's written submission detailing his complaint the Authority would have 2 weeks within which to respond to the complainant, answering the issues raised in his/her/their submission; the complainant then would have a further 2 weeks within which to submit comments on the Authority's statement of response; when this further 2 week period had elapsed a hearing would be convened with the relevant paper work distributed as per normal committee distribution procedures.

Councillor D Clayton enquired, since the Authority's complaints procedure had been in operation for over ten years, whether it would be opportune at this moment in time, particularly considering the advice issued by the Public Services Ombudsman for Wales in the recently published "Guidance to Local Authorities on Complaints Handling", for the Authority to review its procedure with a view to simplifying the process. Members agreed with this view and it was:

**Resolved: - pending a comprehensive review being undertaken of the Authority's Complaints Procedure, to ratify the Executive Panel's proposals:**

- i that the arrangements detailed in the report be adopted for the purpose of hearing any stage 3 complaint in future;***
- ii that the Executive Panel should be responsible for appointing a sub-committee of three members to hear third stage complaints; and***
- iii that the format for hearing any third stage complaint be as set out in paragraph 7 of the report.***

### **18) Representation on the Authority's Standards Committee**

The Clerk introduced his report (previously circulated) which requested the Authority to sanction the Executive Panel's decision to appoint Councillor Cliff Shone to serve on the Standards Committee in place of Councillor Sharon Frobisher. He explained that as the Standards Committee was due to meet on

2<sup>nd</sup> October 2006, ahead of the next scheduled meeting of the Fire and Rescue Authority, the expressions of interest received from members wishing to serve on the Standards Committee had been referred to the Executive Panel for it, under powers delegated to it, to appoint a representative to serve on the Committee. The Clerk thanked Councillor Shone for attending the meeting on 2<sup>nd</sup> October. Members:

***Resolved:* - to ratify the Executive Panel's decision to appoint Councillor Cliff Shone to serve on the Standards Committee until the next ordinary elections in 2008.**

#### **19) Urgent Matters**

None.

### **PART II**

#### **20) "Fire 1<sup>st</sup>" – Rhyl Community Fire Station Project**

This item of business had been deferred until the Authority's next meeting. See agenda item number 2.

The meeting concluded at 11.40am.