

NORTH WALES FIRE AND RESCUE AUTHORITY

Minutes of the meeting of **North Wales Fire and Rescue Authority** held on **Monday 22 January 2024** virtually via **Zoom**. Meeting commenced at **09.30hrs**.

Councillor

Dylan Rees (Chair)
Bryan Apsley
Marion Bateman
Carol Beard
Tina Claydon
Adele Davies-Cooke
Jeff Evans
Chrissy Gee
Alan Hughes
Chris Hughes
Gareth R Jones (until 09:25)
Marc Jones
Gwynfor Owen
Beverley Parry-Jones
Arwyn Herald Roberts
Gareth A Roberts
Rondo Roberts
Gareth Sandilands
Michelle Walker
Mark Young

Representing

Anglesey County Council
Wrexham County Borough Council
Flintshire County Council
Conwy County Borough Council
Flintshire County Council
Flintshire County Council
Anglesey County Council
Flintshire County Council
Denbighshire County Council
Conwy County Borough Council
Conwy County Borough Council
Wrexham County Borough Council
Gwynedd Council
Wrexham County Borough Council
Gwynedd Council
Gwynedd Council
Wrexham County Borough Council
Denbighshire County Council
Denbighshire County Council
Denbighshire County Council

Also present:

Dawn Docx	Chief Fire Officer (CFO)
Stewart Forshaw	Deputy Chief Fire Officer (DCFO)
Helen MacArthur	Assistant Chief Fire Officer (ACFO)
Dafydd Edwards	Treasurer
Gareth Owens	Clerk and Monitoring Officer
Lisa Allington	Executive Assistant
Helen Howard	Head of Finance and Procurement
Tracey Williams	Head of Corporate Communications
Euros Lake	Audit Wales
Rachel Harries	Audit Wales

1 APOLOGIES

Councillor

Paul Cunningham (Deputy Chair)
Sharon Doleman
John Brynmor Hughes
John Ifan Jones
Austin Roberts
Paul Rogers
Dale Selvester
Rob Triggs

Representing

Flintshire County Council
Conwy County Borough Council
Gwynedd Council
Anglesey County Council
Conwy County Borough Council
Wrexham County Borough Council
Flintshire County Council
Gwynedd Council

ABSENT

Councillor

Representing

The above apologies were offered and accepted.

A session reflecting on the Emergency Cover Review (ECR) decision making process and Culture was delivered to Members by the Chief Fire Officer (CFO) prior to the meeting's commencement.

2 DECLARATIONS OF INTEREST

2.1 There were no declarations of interest.

3 NOTICE OF URGENT MATTERS

3.1 No notice of urgent matters had been received.

4 MINUTES OF THE FIRE AND RESCUE AUTHORITY MEETING HELD ON 16 OCTOBER 2023 AND THE EXTRAORDINARY FRA MEETING HELD ON 18 DECEMBER 2023

4.1 The minutes of the North Wales Fire and Rescue Authority (the Authority) meeting held on 16 October 2023 were submitted for approval.

4.2 The minutes of the extraordinary Authority meeting held on 18 December 2023 were submitted for approval.

4.3 **RESOLVED to:**

- i) approve the FRA minutes from 16 October 2023 and 18 December 2023 as a true and correct record of the meetings held.**

5 MATTERS ARISING

5.1 In relation to the minutes from the meeting of 16 October 2023, an update was requested for item 15.7 which referred to the New Training Centre. DCFO Forshaw confirmed that, following Members' approval for the purchase of the land, lawyers had been engaged and the process to finalise the purchase of the land was progressing and was anticipated to complete over the next few weeks.

- 5.2 In relation to the minutes from the meeting of 18 December 2023, CFO Docx informed Members that a Task and Finish group had now been established and was being led by AM Ant Jones. A formal meeting with the Fire Brigades Union (FBU) had already taken place and a place on that group been offered to them. A request had also been sent out to all employees for volunteers from any department or area of the North Wales Fire and Rescue Service (the Service) to sit on this group. The first meeting should take place before the end of the month. Options would be developed and brought back to Members.

6 CHAIR'S REPORT

- 6.1 It was noted that a written paper had been provided to Members to inform them on the meetings and events attended by the Chair and Deputy Chair of the Authority in their official capacities between October 2023 and December 2023.

6.2 RESOLVED to:

- i) Note the information provided within the report.**

7 PROVISIONAL OUTTURN 2023/24

- 7.1 ACFO HM presented the Provisional Outturn 2023/24 paper which provide Members with an update on the revenue and capital expenditure forecast for 2023/24, as at 30 November 2023.

- 7.2 It was noted that all of the financial papers on the agenda were inter-related and therefore there may be some duplication of information.

- 7.3 Dafydd Edwards, Treasurer, noted that the need to utilise reserves had been less in 2023/24 than in had previously been anticipated at around £1m. This would therefore enable the remaining £1m of the £2m originally expected to be spent from reserves in 2023/24 to be used for 2024/25.

- 7.4 It was also noted that the premises spend had increased with an overspend in 2023/24 and ACFO MacArthur confirmed that this was largely due to the impact of Covid meaning that spend on premises had to be stopped. Work on stations had been caught up on in 2023/24 with the backlog of routine maintenance now back on track, and so pressures within building works won't be to the same level next year.

7.5 RESOLVED to:

- i) note the draft revenue and capital outturn projections for the 2023/24 financial year as detailed within the report;**
ii) note the risks associated with inflation and supply chain issues; and
iii) approve the use of earmarked and general fund reserves.

8 BUDGET SETTING 2024/25 AND MEDIUM-TERM RESOURCE STRATEGY

- 8.1 Dafydd Edwards, Authority Treasurer, presented the 2024/25 Budget Setting and Medium-Term Resource Strategy to Members, the purpose of which was to provide Members with a detailed budget overview contained within the Authority's Medium-Term Resource Strategy (MTRS) 2024/25 – 2026/27, including associated risks and uncertainties.
- 8.2 The Treasurer congratulated the Budget Scrutiny Working Group on the work that they had put into the budget setting process, and advised Members that the details of the levy to constituent authorities were detailed on page 57 and the difference in the amounts to be paid came down to population. Those who had to pay more received a higher allocation from the Welsh Government Financial Settlement for Local Authorities accordingly.
- 8.3 The levy increase had been reduced from around 15% to 10.8% following the work of the Budget Scrutiny Working Group. However, following the receipt of a letter from the Deputy Minister urging the Service to keep the increase in the levy to a minimum, the decision had been taken to use reserves to cover some exceptional one-off or non-recurring expenditure in order to bring it down to the 8.8% increase being proposed today.
- 8.4 Members were asked to note that using reserves to support core services was not permitted and so only exceptional one-off or non-recurring expenditure could be covered.
- 8.5 ACFO MacArthur gave thanks to the Finance Department and the Budget Scrutiny Working Group, who had been working hard since October to put this budget proposal together.
- 8.6 The Chair of the Budget Scrutiny Working Group advised Members that work had been carried out in a respectful manner and with the cost of living crisis borne in mind. A good working relationship with Officers had been in place and he felt the involvement of Members in the budget setting process to be crucial.
- 8.7 It was asked whether the Service were happy with the risk of utilising reserves as part of the budget setting, as this would obviously deplete them further, and what if the Service were to need them for extraordinary circumstances. It was further asked if there would be any communication for Members to take back to their constituent authorities.

- 8.8 ACFO MacArthur confirmed that a briefing paper for Members would be produced following the meeting. She further confirmed that she was satisfied that the proposal to utilise reserves for the financial year 2024/25 was based on expenditure that was non-recurring or exceptional; however, there were some potential residual risks such as pay, pensions and spate conditions. Should that happen, it would be necessary to revisit the use of general fund reserves which may result in the need to bolster the reserves in future years.
- 8.9 A Member stated that these were difficult and unprecedented times and that all those involved in producing this budget should be applauded for their hard work in reducing the increase to below double figures. He also asked that future budgets be kept to as low an increase as possible.
- 8.10 One Member queried the apportionment of the levy amongst the constituent authorities and asked if they were stable year on year. The Treasurer responded that the apportionment of the levy was based on population, as was the local government grant. There had been a change in the population figures this financial year due to the phasing in of population figures from the last census resulting in an increase in population in some authority areas and a reduction in others. It was confirmed that there should be no significant change to population figures over the next few years.
- 8.11 Another Member asked for an example of the one-off costs being covered by the use of reserves. It was also asked if steps were being taken to save money on capital expenditure where possible, and whether the Budget Scrutiny Working Group could meet more often in the future.
- 8.12 ACFO MacArthur confirmed that discussions were taking place about more regular meetings of the Budget Scrutiny Working Group.
- 8.13 ACFO MacArthur further gave examples of one-off expenditure being covered by reserves, including one-off exceptional costs for the introduction of Microsoft 365 across the Service and the introduction of wildfire kits.
- 8.14 It was confirmed that the capital programme was predicated on essential expenditure and a focus was placed on sustainability where possible.
- 8.15 A Member asked whether, when calculating the levy, the Barnett formula was taken into consideration, and the Treasurer confirmed that it was not as this was not the formula used by the Welsh Government for their local government settlement.

- 8.16 ACFO MacArthur was asked to confirm who worked out the apportionment for the constituent authorities and she responded that the funding formula was developed by the Welsh Government, with representation from local authorities and that the Service had no flexibility in this regard.
- 8.17 The Treasurer confirmed that the Budget Scrutiny Working Group would be convened at an earlier stage this year in order to commence work on the budget for financial year 2025/26.
- 8.18 The Clerk advised Members that there were two different formulas where the budget was concerned; that used for the local government settlement which also considered factors such as rural density and deprivation, and that used to allocate the levy which was based on population alone. This was part of the reason that a precept levy was being lobbied for.
- 8.19 **RESOLVED to:**
- i) Note the findings of the Budget Scrutiny Working Group, including the planning assumptions used to develop the revenue budget for 2024/25;**
 - ii) approve the final financial planning assessment of a net budget requirement of £48.322m for 2024/25 including the use of earmarked reserves of £0.924m;**
 - iii) note the requirement to review the arson reduction activity during 2024/25 to consider the future provision following the grant reductions;**
 - iv) note the residual risks and uncertainties faced by the Authority in 2024/25 in respect of nationally agreed pay awards and financial support for the anticipated pension increases;**
 - v) approve the final planning assessment of £5.676m for the capital programme for 2024/25;**
 - vi) note the 10-year capital plan and the separate requirement to consider the business case for the new training centre during 2024/25; and**
 - vii) endorse the communication of the financial levy to each constituent local authority.**

9 TREASURY MANAGEMENT UPDATE Q2 2023/24

- 9.1 ACFO HM presented to Members the Treasury Management Report Q2 2023/24. This report presented Members with an update on the treasury management activity and compliance with the treasury management prudential indicators for the period 1 April 2023 to 30 September 2023.
- 9.2 It was noted that this report had already been scrutinised and approved by Members of the Audit Committee.

- 9.3 **RESOLVED to:**
i) **note the treasury management activities and prudential indicators for the period 1 April to 30 September 2023.**

10 PROTOCOL ON GIFTS AND HOSPITALITY

- 10.1 The Clerk to the Authority presented for Members' approval the revised gifts and hospitality protocol.
- 10.2 It was noted that the format of the document had altered slightly and that recommendations made by the Standards Committee had been incorporated.
- 10.3 **RESOLVED to:**
i) **approve the gifts and hospitality policy and procedure.**

11 URGENT MATTERS

- 11.1 There were no urgent matters to consider.

It was noted that the next meeting would take place on 15 April 2024.

Meeting closed: 10:35