LANCASHIRE COMBINED FIRE AUTHORITY

RESOURCES COMMITTEE

Wednesday, 29 May 2019, at 10.00 am in the Main Conference Room, Service Headquarters, Fulwood.

MINUTES

PRESENT:

Councillors

F De Molfetta (Chairman)
N Hennessy (Vice-Chair)
Z Khan (for F Jackson)
T Martin
D O'Toole
M Parkinson (for S Blackburn)
G Wilkins
T Williams

Officers

D Russel, Deputy Chief Fire Officer (LFRS)
B Norman, Acting Assistant Chief Officer (LFRS)
K Mattinson, Director of Corporate Services (LFRS)
J Bowden, Head of Finance (LFRS)
D Brooks, Principal Member Services Officer (LFRS)

34/18 APOLOGIES FOR ABSENCE

Apologies were received from Councillors Simon Blackburn and Fred Jackson and County Councillors Lorraine Beavers and David Stansfield.

35/18 DISCLOSURE OF PECUNIARY AND NON-PECUNIARY INTERESTS

A personal, non-pecuniary interest was declared by County Councillor G Wilkins in relation to items to be discussed under part 2 of the agenda.

36/18 MINUTES OF THE PREVIOUS MEETING

RESOLVED: - That the Minutes of the last meeting held on 27 March 2019 be confirmed as a correct record and signed by the Chairman.

37/18 YEAR END TREASURY MANAGEMENT OUTTURN 2018/19

The report set out the Authority's borrowing and lending activities during 2018/19. All borrowing and investment activities undertaken throughout the year were in accordance with the Treasury Management Strategy 2018/19, and were based on anticipated spending and interest rates prevailing at the time.

In accordance with the CIPFA Treasury Management code of practice and to strengthen Members' oversight of the Authority's treasury management activities, the Resources Committee received regular updates on treasury management issues including a mid-year report and a final outturn report. Reports on treasury activity were discussed on a quarterly basis with Lancashire County Council Treasury Management Team and the Director of Corporate Services and the content of these reports was used as a basis for this report to the Committee.

Economic Overview
The Director of Corporate Services confirmed that the UK economy had continued to show economic growth with the last annual GDP growth being at 1.4% although this was below recent growth trends. The continued uncertainty regarding the outcome of the discussions to leave the European Union has been impacting on the economy. However, growth had also been affected by world factors.

The continued uncertainty over the economy meant that the Bank of England had continued with its policy of slow and gradual increases in interest rates. Therefore the only change in the base rate came in August when the base rate was increased from 0.50% to 0.75%. The treasury management activity was undertaken with the expectation that interest rates would remain at the historically low levels but that there would be small increases. The latest forecast from Arlingclose, the County Council's Treasury Advisers, was for a 0.25% increase in the base rate in both of the quarters ending March and September 2020.

Borrowing
The borrowing of the Fire Authority had remained unchanged at £2m in 2018/19. The current approved capital programme had no requirement to be financed from borrowing and the debt related to earlier years' capital programmes. Consideration had been given to repaying the £2m but as reported to the Resources Committee as part of the 2019/20 Treasury Management Strategy the penalties incurred on repaying the loans early would incur significant costs. It was concluded that the repayment was not considered to be financially beneficial at the time. However, the situation was periodically reviewed by the Director of Corporate Services. The loans outstanding were all with the Public Loans Works Board (PWLB) and the maturity and interest rates were shown in the report. The total interest paid on PWLB borrowing was £90k which equated to an average interest rate of 4.49%.

Investments
Both the CIPFA Code and the MHCLG Guidance required the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. Throughout the year when investing money the key aim was to strike an appropriate balance between risk and return.

In order to reduce credit risk to the Authority, Lancashire County Council (credit rating by Moodys Aa3) was the main counterparty for the Authority's investments via the operation of a call account. However the Treasury Management Strategy did permit investment with other high quality counterparties including other local authorities. During the year the cash held by the Authority had been positive with the highest balance being £48.7m and the lowest £28.5m. Therefore, given that the expectation was that interest rates would remain low the opportunity was taken to undertake some fixed term investments with other local authorities rather than keeping all the monies in the call account. This aimed to enhance the investment return while keeping the credit risk low. The Authority held 4 fixed term investments totalling £20m, and investing in these fixed term deposits, rather than leaving the money in the call account, had increased the interest received in 2018/19 by £102k although this did reduce the liquidity of the call account provided by Lancashire County Council paid the base rate throughout 2018/19.

The overall interest earned during this period was £0.358m at a rate of 0.95% which compared favourably with the benchmark 7 day index (Sterling Overnight rate 7 day rate) which averaged 0.66% over the same period.

All of these investments were made in accordance with the current Treasury Management Strategy and the CIPFA treasury management code of practice.

Cash flow and interest rates continued to be monitored by the Director of Corporate Services and the County Council's treasury management team, and when rates were felt to be at appropriate levels further term deposits would be placed.

Prudential Indicators
In order to control and monitor the Authority's treasury management functions, a number of prudential indicators had been determined against which performance could be measured. The revised indicators for 2018/19 were presented alongside the actual outturn position.

In response to a question raised by CC Martin, the Director of Corporate Services confirmed that when investments matured these were returned to the Authority, at which time he would discuss and agree with Lancashire County Council Treasury Management Team the options for further investment; with security the first priority.

RESOLVED: - That the Committee noted and endorsed the outturn position report.

38/18 YEAR END CAPITAL OUTTURN 2018/19

The report presented the year end position for the Authority's capital programme including how this had been financed. The year end position for the Authority's capital programme showed total expenditure of £2.4m compared with the budget of £4.2m, with the difference being slippage of £1.8m. It was noted that slippage was a timing issue dependent on the progress of capital schemes and not an indication of future underspends.

The programme had been financed in year, from a combination of revenue contributions (£2.0m), the drawdown of earmarked reserves (£0.03m) and the drawdown of capital reserves (£0.4m), as detailed in appendix 1 of the report.

Prudential Indicators 2018/19
Under the prudential framework the Authority was required to identify various indicators to determine whether the capital programme was affordable, prudent and sustainable.

The revised indicators, after allowing for the various changes to the capital programme, were set out in the report alongside the actual outturn figures confirmed that performance had been within approved limits.

The Impact of Slippage from the 2018/19 Capital Programme into the 2019/20 Programme
The original approved capital programme for 2019/20 was £11.4m. This had been updated to reflect the final level of slippage of £1.8m.

In addition the resultant budget had been reviewed for any changes in timing assumptions since budget setting, and the following changes had been made:

- Vehicles £0.7m, the majority of which related to replacement pumping appliances, whereby we need to undertake a new procurement exercise prior to ordering replacement appliances, and the change in cab specification had led to a delay in undertaking this exercise;
- Building Modifications £4.0m, which related to delays on the Fleet workshop project, pending Polices decision re training requirements, and on Preston Station where design work was still on-going;
- ICT £1.1m – the majority of this related to the replacement Vehicle Mounted Data System hardware, which had been put on hold pending delivery of the national ESMCP project and therefore will not be progressed during 2019/20. The remainder related to various systems which were not expected to be replaced in the year.

Therefore the final proposed capital programme for 2019/20 was £7.5m, funded from capital grant, revenue contributions, and capital reserves. The revised programme and its funding were set out in appendix 2 and considered by Members.

Revised prudential indicators for 2019/20-2021/22 showed that the revised programme remained affordable, prudent and sustainable.

Capital Reserves
As set out in the report, capital programme over the next 5 financial years would leave a balance of £2.9m in capital reserves.

In response to a question raised by County Councillor Wilkins regarding the impact of slippage into the 2019/20 programme relating to ICT, the Head of Finance confirmed that while we waited for the national ESMCP project to be progressed, assurance had been received that the vehicle mounted data system hardware could be put on hold however, some parts of the software were being replaced.

In response to a question raised by Councillor Williams the Director of Corporate Services confirmed that other Fire Services were facing the same delay although Services were not all at the same point depending on their systems; some may have replaced their vehicle mounted data system hardware already.

In response to a concern raised by County Councillor O'Toole for the need to be tighter on forecast expenditure the Director of Corporate Services confirmed the monies would be spent however, the difficulty was in estimating the timing of the spend. For example, the manufacture of a second water tower vehicle and the replacement of the Service wide area network had both been delayed which resulted in the expenditure slipping into 2019/20.

RESOLVED: - That the Committee: -

i) Noted the capital outturn position, the financing of capital expenditure 2018/19 and the prudential indicators; and
ii) Approved the revised 2019/20 capital programme, and the financing of this and the prudential indicators.

39/18 YEAR END REVENUE OUTTURN 2018/19

This report presented the revenue outturn position, and the impact of this on usable reserves. The overall outturn position showed an underspend of £435k, which was lower than the £508k underspend previously forecast.

The annual budget for the year was set at £54.770m. The final outturn position showed net expenditure of £54.335m, giving a total underspend for the financial year of £435k. As set out in the Year End Usable Reserves and Provisions Outturn report (reported elsewhere on the agenda) it was proposed to transfer £333k to the general reserve and £102k to earmarked reserves, predominantly to the Prince's Trust Reserve.

The final position within individual departments was broadly consistent with that reported throughout the year, and specifically the forecast presented to the March Resources Committee. As previously reported, the majority of the underspend during 2018/19 related to additional funding received during the last quarter of the financial year. The detailed final revenue position was set out in Appendix 1, with major variances being summarised in the report.

Delivery against savings targets
It was noted that performance exceeded the efficiency target largely as a result of staffing savings made and procurement savings in respect of contracts let during the year.

In response to a question raised by County Councillor O'Toole regarding the level of underspend, the Director of Corporate Services advised that the aim was for a breakeven position at year end however, 2 additional sources of funding (which could not have been predicted or budgeted for) had been received from the Government during the last quarter i) for redistribution of unused national business rates levy fund which provided the Service with £237k and ii) section 31 grant for business rates relief which provided a further £192k; without these sums the outturn position would have been at break even.

The Director of Corporate Services advised that in relation to the claim for Emergency Financial Assistance under the Bellwin Scheme for the winter hill incident the Government had confirmed that in principle (and subject to a review of the claim) they would meet the costs from section 31 grant and not from the Bellwin Scheme; the position re any potential future claims was being raised at a national level.

In response to a question raised by County Councillor Wilkins regarding the proposal to transfer £109k into the Prince's Trust earmarked reserve, the Director of Corporate Services advised that this was in response to a number of risks associated with the Prince's Trust funding including providing a greater buffer for any future loss of college funding following a planned merger between Accrington &

Rossendale College and Nelson & Colne College. The funding would be monitored during the financial year and would be reviewed in 12 months' time.

RESOLVED: - That the Committee noted and endorsed the outturn position on the 2018/19 revenue budget.

40/18 YEAR END USABLE RESERVES AND PROVISIONS OUTTURN 2018/19

The report presented the year end outturn position in respect of usable reserves and provisions based on the information reported in the Revenue Outturn, Capital Outturn and Treasury Management Outturn reports.

The Authority approved the reserves and balances policy as part of its budget setting process, in February, with the year-end outturn position being reported to Resources committee and included in the statement of accounts. The previously reported Revenue Outturn, Capital Outturn and Treasury Management Outturn all fed the Authority's overall reserves position, which was considered by Members as summarised in the report.

General Reserve
These were non-specific reserves kept to meet short/medium term unforeseeable expenditure and to enable significant changes in resources or expenditure to be properly managed in the medium term.

In response to a question raised by County Councillor O'Toole in relation to the level of reserves summarised on page 36 of the agenda pack the Director of Corporate Services advised that the Authority needed to hold an adequate level of general reserves in order to provide:-

- A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing;
- A contingency to cushion the impact of unexpected events;
- A means of smoothing out large fluctuations in spending requirements and/or funding available.

As a precepting Authority any surpluses or deficits were transferred into/out of reserves in order to meet future potential commitments, and as such the balance of the surplus on the revenue budget, £333k, had been transferred into this reserve. After allowing for transfers the Authority now held a General fund balance of £8.2m. This was within the target range agreed by the Authority at its February meeting, £3.2m to £10.0m. The Director of Corporate Services confirmed that the funding assumptions in the medium term financial strategy showed there were plans to use the General Fund balance, with projections showing a funding shortfall over the medium term which would require the drawdown of reserves in future years.

Earmarked Reserves
The reserve covered all funds, which had been identified for a specific purpose. The overall reserves level increased slightly from £7.9m to £8.0m, with the detailed position in respect of the various earmarked reserves considered by Members as set out in the report.

The Director of Corporate Services highlighted:

PFI Equalisation Reserve – This reserve was to smooth out the annual net cost to the Authority of both PFI schemes, and would be required to meet future contract payments. The level of reserve required to meet future contract payments had been updated to reflect current and forecast inflation levels.

Public Works Loan Board – This reserve was created to meet the potential penalty costs associated with repayment of the remaining PWLB loans. The Authority still had £2.0m of long term loans, incurring £0.1m of interest charges per annum. Opportunities to repay these were reviewed to save any interest payments, however based on the current penalty of £0.9m this was not considered prudent at the present time.

In response to Member questions the Director of Corporate Services confirmed that if a decision was taken not to repay the loans there would be no need for the reserve, similarly if the potential penalty reduced, the size of the reserve would also reduce with any difference going back into the revenue general fund.

Insurance Aggregate Stop Loss – The Authority has aggregate stop losses on both its combined liability insurance policy and its motor policy. In any one year the maximum liability for insurance claims is capped at the aggregate stop losses. As such the Authority can either meet the costs direct from revenue or can set up an earmarked reserve. Within Lancashire we have chosen to meet the potential costs through a combination of the two. Hence the amount included in the revenue budget reflected charges in a typical year with the reserve being set up to cover any excess over and above this. As such the reserve, combined with amounts within the revenue budget, provide sufficient cover to meet 2 years' worth of the maximum possible claims.

Capital Reserves and Receipts
Capital Reserves had been created from under spends on the revenue budget in order to provide additional funding to support the capital programme in future years; as such they could not be used to offset any deficit on the revenue budget, without having a significant impact on the level of capital programme that the Authority could support.

Capital Grant had been previously received in relation to Lancaster Fire Station rebuild, this has been fully utilised within the year. Capital Receipts were generated from the sale of surplus assets, which had not yet been utilised to fund the capital programme.

In 2018/19 £352k of capital reserves were used. However, this was partly offset by the sale of assets, which generated £69k of capital receipts. As a result of this the Authority currently held £19.0m of capital reserves/receipts. The Director of Corporate Services advised that (as set out on page 41 of the agenda pack) the capital reserves reduced to £3m over the 5-year programme. Without this level of reserves the capital programme would be unaffordable and hence the Authority's ability to invest improvements would be limited. He advised that the reserves identified did not allow for the potential relocation of Service Headquarters. If this was included then all capital reserves and receipts would be utilised to fund this, as well as potentially requiring additional borrowing.

North West Fire Control Reserves
Last year's accounts were amended to reflect the Authority's 25% share of North West Fire Control Ltd. As such the 2018/19 accounts would be updated in due course however, these were not available at the time of writing the report therefore it had been assumed that the year end position had not changed from 2017/18 to 2018/19 (which would be updated for the final version of the accounts). It was noted that these reserves were not available for use, as they formed an essential part of NW Fire Controls financial planning.

Provisions
The Authority had three provisions to meet future estimated liabilities:-

- Insurance Provision, which covered potential liabilities associated with outstanding insurance claims. A review of current claims outstanding and our claims history had been undertaken and as such the provision had increased to £502k at 31 March 2019.
- RDS Provision, which covered potential costs associated with RDS personnel relating to employment terms and eligibility to join the Pensions Scheme.
- Business Rates Collection Fund Appeals Provision, which covered the Authority's share of outstanding appeals against business rates collection funds, which was calculated each year end by each billing authority within Lancashire based on their assumptions of outstanding appeal success rates, as part of their year-end accounting for the business rates collection fund. The change in this reflected the latest estimates provided by billing Authorities.

The overall position at year end showed the Authority (excluding North West Fire Control balances) holding £36.5m of reserves and provisions, compared with the anticipated position of £36.1m identified in the Reserves and Balances Policy, agreed in February. The majority of the difference relating to the additional grant funding received in respect of Business Rates at the end of the year. At this level the Treasurer believed these were adequate to meet future requirements in the medium term.

RESOLVED: - That the Committee: -

i) noted the additional £62k of earmarked reserves and the additional £198k of provisions, contributing to the overall revenue outturn position;
ii) agreed the year end transfers associated with the revenue outturn, £333k to the general reserve and £102k to earmarked reserves;
iii) agreed the year end transfer associated with the capital outturn, £352k drawdown from capital reserves and £28k drawdown from earmarked reserves;
iv) noted £69k of capital receipts;
v) noted and endorsed the overall level of reserves and provisions as set out in the report.

41/18 CORE FINANCIAL STATEMENTS 2018/19

This report presented the Core Financial Statements, which formed part of the Statement of Accounts for the Combined Fire Authority for the financial year ended 31 March 2019.

The Statements took account of the information presented in the Year End Revenue

Outturn, Year End Capital Outturn, Year End Treasury Management Outturn and Year End Usable Reserves and Provisions Outturn reports and were prepared in line with recommended accounting practice which was not accounted for on the same basis as we accounted for council tax. As such this meant they did not match the details in the Outturn reports, and hence the sections provided an overview of each statement and a reconciliation between Outturn reports and the Core Financial statements where appropriate.

It was noted that the 2018/19 core statements presented assumed that the Authority's 25% share of North West Fire Control Ltd year end position had not changed from 2017/18 to 2018/19 (which would be updated for the final version of the accounts).

The Director of Corporate Services had circulated before the meeting a slightly updated version of the Core Financial Statements 2018/19. He advised that after the report had been produced the full statement of accounts was reviewed for accuracy and as part of that process an error was found which related to a year end adjustment for the Authority's share of billing authorities' year end council tax collection fund. In order to present an accurate position to Members it was felt timely to present an updated version of the core financial statement at the meeting. County Councillor O'Toole commended the team on noticing the error and bringing it to the attention of the Committee.

Members considered the appendices:

<u>Narrative Report</u>
This set out the financial context in which the Combined Fire Authority operated, and provided an overview of the financial year 2018/19 as well as details of future plans. The performance statistics for 2018/19 were not yet completed and would be updated prior to the final version being approved.

<u>Comprehensive income and expenditure account</u>
This statement showed the accounting cost in the year of providing services. It was a summary of the resources that had been generated and consumed in providing services and managing the Authority during the last year. It included all day-to-day expenses and related income on an accruals basis, as well as transactions measuring the value of fixed assets actually consumed and the real projected value of retirement benefits earned by employees in the year.

<u>Movement in reserves statement</u>
This statement showed the movement in the year on the different reserves held by the Authority, analysed into i) Usable Reserves (those that the Authority may use to provide services or reduce local taxation, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use) and ii) Unusable Reserves (which include reserves that hold unrealised gains and losses where amounts would only become available to provide services if the assets were sold; and reserves that hold timing differences 'between accounting basis and funding basis under regulations').

<u>Balance Sheet</u>
This showed the value as at the date of the assets and liabilities recognised by the Authority. The net assets of the Authority (assets less liabilities) were matched by

the reserves held by the Authority.

In response to a question from County Councillor Wilkins the Director of Corporate Services confirmed that the majority of the ‘Other Long-Term Liabilities’ net liability of £831m (as detailed on page 7 of the revised report) was in relation to the unfunded firefighters pension scheme which was based on an actuarial accounting valuation, not the full tri-annual valuation.

Cash flow statement
This statement showed the changes in cash and cash equivalents of the Authority during the reporting period. The statement showed how the Authority generated and used cash and cash equivalents by classifying cash flows as operating, investing and financing activities.

The unaudited Statement of Accounts would be signed by the Treasurer to certify that it presented a true and fair view of the financial position of the Authority as at 31 March 2019. This would be subject to review by the Authority’s external auditors, Grant Thornton which was scheduled to take place in June and July. A further report will be presented to the Audit Committee in July, following completion of the external audit. At this meeting the Chair of the Audit Committee would be asked to sign the final statement of accounts, as well as the Treasurer. Following which a final audited set of accounts would be presented to the Resources Committee for information.

RESOLVED: - That the Committee noted and endorsed the Core Financial Statements.

42/18 2019/20 BUDGET UPDATE

The report provided an update on 2019/20 budget in respect of increased pension costs and associated grant and revised Section 31 grant calculation in respect of business rate reliefs. Dependent upon the outcome of discussions with MHCLG the Authority was potentially looking at a net shortfall on its revised budget of £94k, which could be met from an additional drawdown of reserves.

Pension Costs
As reported at the last Resources Committee the Home Office released the results of the valuation in March, providing details of the increase in employer contributions for the 1992, 2006 and 2015 schemes as set out in the report. These increases were significantly higher than the 12.6% increase that had been quoted. As a result of this all Fire Authorities suffered a significantly higher budgetary impact than initially calculated.

Representations had therefore been made to the Home Office stating that their additional national funding of £97m was not sufficient, as it was based on an incorrect calculation. This had been accepted by the Home Office and the Treasury, who have provided an additional £18m of grant to cover this.

In terms of Lancashire we had now had chance to fully work through the new rates, based on the actual mix of employees in each scheme. The total cost of the new employer pension contributions was £3.5m, some £0.4m higher than budgeted. However grant now stood at £3.1m, £0.5m higher than budgeted. Hence the net effect was actually a budget reduction of £0.1m.

It was emphasised that, as previously highlighted, no allowance had been made in the 2019/20 budget for any increased costs associated with the DCP crewing system and in particular any changes to the pensionability of the allowance. It was noted that the cost of moving to a 30% pensionable allowance, if it was agreed, would have increased from £150k to £300k as a result of the increased pension contributions. The ongoing funding of this pressure would be considered as part of the Spending Review process.

Section 31 Grant in respect of Business Rates Relief
Part of the Authority's funding came from business rates in the form of a locally retained share and a top-up grant. At previous Autumn statements and Budget events, the Chancellor of the Exchequer announced various changes to the business rates system, such as small business relief. The Government had undertaken to compensate local authorities for the loss of income they suffered as a result of these changes. Compensation would be provided by means of a grant payment to authorities under section 31 of the Local Government Act 2003.

This grant was calculated based on information provided by billing authorities and on the level of top-up provided by the Government. Using Government guidance and funding formula at the time of setting the budget we built £575k of section 31 grant from the Government in respect of our top-up share.

At the end of April MHCLG wrote to Authorities setting out the annual value of Section 31 Business Rate Relief grants for the year. This quoted a figure of £302k, some £273k less than our calculation. We immediately queried this with MHCLG assuming it was an error on their part. Having chased this a number of times we have now obtained a response explaining that our method of calculation was incorrect and that the correct calculation should have deducted the element of Revenue Support Grant that was rolled into the top up funding (in our case £8.4m) before applying the relevant indexation. Giving a revised calculation as follows:-

£17,656,850 (Top up) - £8,386,086 (RSG rolled in)=£9,270,76x16/491=£302,102.

We have queried this with Lancashire County Council, Blackburn with Darwen Council and Blackpool Council, all of whom are top-up authorities in the pilot pool, all of whom have applied the same formula and all of whom, according to MHCLG, have overstated their section 31 grant. None of the authorities were aware of any guidance explaining the revised formula for pilot pools, nor was Ribble Valley, as the lead authority. We have queried where and when this additional guidance was made available and at the time of writing the report are awaiting an answer. Until such time as we receive a response to this query we are unable to say what the next steps will be, but a worst case scenario shows the Authority suffering a funding reduction of £0.3m.

RESOLVED: - That the Committee:
i) note the final position re increased cost associated with changes to employer pension contributions, and the additional grant associated with this;
ii) note the position in respect of Section 31 Grant for Business Rates Relief and endorse the action taken to date;
iii) note the potential overall impact on the 2019/20 revenue budget and the potential

need to drawdown an additional £94k of reserves;

iv) approve a virement to action these changes, subject to the outcome of discussions relating to the Section 31 Grant re Business Rates Relief.

43/18 EFFICIENCY PLAN 2019/20

The efficiency plan updated that initially approved in 2016/17 as part of the four year funding settlement, which had been updated on an annual basis thereafter. The update was based on the approved 2019/20 budget.

Included within the update were revised savings figures, showing total savings of over £20m being delivered since April 2011. With further savings of £1.2m already identified. As set out in the budget report the Authority was faced with funding shortfalls in future years. Savings opportunities would continue to be identified and collaborative opportunities explored to deliver savings in order to contribute to this position, however the ongoing use of reserves would remain a key component of our Medium Term Financial Strategy.

Overall the Authority was well placed to meet the financial challenges that it faced in the medium term, and would continue to balance future council tax levels and the need for investment whilst maintaining effective service delivery.

RESOLVED: - That the Committee noted and endorsed the Efficiency Plan.

44/18 DATE AND TIME OF NEXT MEETING

The next meeting of the Committee would be held on Wednesday, 25 September 2019 at 1000 hours in the Main Conference Room at Lancashire Fire and Rescue Service Headquarters, Fulwood.

Further meeting dates were noted for 27 November 2019 and 25 March 2020 and agreed for 20 May 2020.

45/18 EXCLUSION OF PRESS AND PUBLIC

RESOLVED: - That the press and members of the public be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraph of Part 1 of Schedule 12A to the Local Government Act 1972, indicated under the heading to the item.

46/18 SUB-COMMITTEE - CONTRACT VARIATIONS

(Paragraph 3)

RESOLVED: - That the Committee approved the recommended contract variation and that a separate meeting of the Sub-Committee would take place to agree how it would operate.

47/18 HIGH VALUE PROCUREMENT PROJECTS

(Paragraph 3)

Members considered a report that provided an update on all contracts for one-off purchases valued in excess of £100,000 and high value procurement projects in excess of £100,000 including: new contract awards, progress of ongoing projects and details of new projects.

RESOLVED: That the Committee noted the report.

48/18 URGENT BUSINESS (PART 2) - PRESTON FIRE STATION PROJECT

(Paragraph 3)

RESOLVED: - That the Committee approved the recommendation made by the Director of Corporate Services.

M NOLAN
Clerk to CFA

LFRS HQ
Fulwood