



- Legal  Jane Pollard
- Finance  David Clarke
- Other Chief Officers  .....
- District Councils  .....
- Health Authority  .....
- Police  .....
- Other Bodies/Individuals  Michelle McHugh

**FINAL DECISION                      YES/NO**

***SUGGESTED NEXT STEPS :***

- Further consideration by this Committee  .....
- To Council  Council will approve the 2007/08 budget at its meeting in February 2007.
- To Cabinet  The views of this Overview and Scrutiny Committee on the budget proposals will be reported to Cabinet
- To an O and S Committee  .....
- To an Area Committee  .....
- Further Consultation  .....

## Community Protection Overview and Scrutiny Committee 6<sup>th</sup> November 2006

### 2007/08 to 2009/10 Spending Proposals of the Community Protection Directorate

### Report of the Strategic Director of Community Protection and County Fire Officer

#### Recommendation

The Committee comments on the 2007/08 to 2009/10 spending and consequential funding proposals identified by the Community Protection Directorate.

#### 1 Introduction and Background

- 1.1 Over recent years the medium term financial planning and annual budget process has developed to encourage wider consultation on, and consideration of, spending proposals being made by Directorates. Overview and Scrutiny Committees are key players in this consultation and this report provides the Committee with information about the spending proposals for the Community Protection Directorate.
- 1.2 The Directorate is presenting information on its additional spending proposals for 2007/08 to 2009/10 for scrutiny and validation. Like last year revenue budget proposals and capital programme bids are presented together in one report in order to promote a coordinated, whole-Directorate approach.
- 1.3 However, there is one significant additional aspect to the information before the Committee this year. A new medium term financial planning strategy was agreed by Council in July 2006. This stated, amongst other things, that the County Council will plan on the basis that:
  - Inflation and the corporate costs of capital (through to the end of the current approved programme) will be funded from government grant and council tax income.
  - Any other unavoidable pressures Members wish to meet will be funded from the balance of council tax income and reducing investment in low priority services.

- New developments will be funded from efficiency savings (with a minimum of 2.5% savings generated each year) and any further reduced investment in low priority services.

The reality of this, given the forecast level of resources available, is that Directorates have been asked to identify the actions they would need to take to manage any spending pressures (excluding inflation) if they did not receive additional resources. Therefore the Committee is also asked to comment on the actions the Directorate would need to take to meet its spending pressure.

1.4 Having considered the spending proposals from the Strategic Director, the Overview and Scrutiny Committee may wish to:

- Probe base budgets.
- Consider the reasonableness and validity of proposals put forward in light of the likely level of resources available, the corporate priorities as outlined in the corporate business plan, and the vision and Directorate strategy.
- Consider the actions being proposed by the Directorate to meet the spending pressures and explore whether all possible ways of funding the pressure have been investigated.
- Comment on the prioritisation of proposals by Strategic Directors.

## **2 Directorate Vision and Delivery Strategy**

2.1 The Directorate will continue to develop an integrated approach to the Community Protection Agenda for Warwickshire following the merger of Community Safety and Warwickshire Fire and Rescue Service in 2006/07, through the Business Change Group.

The Community Safety agenda will focus on early identification and intervention in order to reduce the impact on communities and result in safer neighborhoods. This will be delivered both directly by the Directorate and indirectly through partnerships and commissioned services.

The Directorate will continue to deliver the Fire and Rescue Service Modernisation Agenda through the Integrated Risk Management Plan 2007-2010 focusing on intervention and prevention work within communities. Partnership working through the West Midlands Regional Management Board to deliver service strategies on a regional basis and to generate longer-term efficiency gains will remain an important focus, as will developing new and existing partnerships to assist in achieving our goals.

One of the fundamental challenges facing the Directorate for 2007/08 and beyond will be the delivery of the efficiency savings required by Warwickshire County Council and the Government, particularly the difficulties in achieving cashable savings whilst working within the current framework. The Directorate

will also have to address the challenges around vehicles like the Local Area Agreement and their effects on resource allocations and how they are managed.

### 3 Revenue Budget - Spending Proposals

#### 3.1 2007/08 Base Budget

A Directorate analysis of the 2007/08 revenue base budget is shown at **Appendix A**. This information is to help Members place the subsequent discussion in context. The base budget for the Directorate is the approved cash allocation in 2006/07, adjusted for any one-off funding.

#### 3.2 2007/08 to 2009/10 Spending Pressures and Funding Strategy

In August 2006 the Strategic Director, Resources issued initial guidance on the preparation of the 2007/08 to 2009/10 budget. This required Directorates to analyse their spending proposals between pressures and those that were investment proposals. Spending pressures, in this instance, are defined as those pressures, resulting from factors external to the Directorate, that the Directorate cannot meet without a change in policy or a change in the way the service is delivered.

3.3 As part of the guidance notes Directorate's have also been asked to identify what actions they would need to take to meet all their spending pressures if additional resources were not available. Some of the actions would be within the specific service area, some elsewhere in the Directorate. Table 1 shows the Directorate has additional spending pressures of £78,000 for £2007/08, £80,000 for 2008/09, and £82,000 for 2009/10. Possible actions have been identified to meet all of these additional costs, excluding inflation in line with the guidance.

<b>Table 1: Spending Pressures and Funding Strategies for the Community Protection Directorate</b>			
	2007/08 £000	2008/09 £000	2009/10 £000
Inflation	669	1,291	1,882
Spending Pressures	78	80	82
<b>Total Additional Costs</b>	<b>747</b>	<b>1,371</b>	<b>1,964</b>
Funding strategies within the service areas	(78)	(80)	(82)
Directorate wide funding strategies			
<b>Total Funding Strategies</b>	<b>(78)</b>	<b>(80)</b>	<b>(82)</b>
<b>Net Call on Corporate Resources</b>	<b>669</b>	<b>1,291</b>	<b>1,882</b>

3.4 Appendix B provides further details regarding the proposals outlined in the above table. Furthermore the Directorate has produced a detailed individual bid for each budget pressure and the actions proposed for managing the cost. These are available on request from Sally Bentley (Ext.3218).

3.5 The spending pressures highlighted in Table 1 above relate to a National Directive which requires additional funding to train staff following Assessment and Development Centres, replacement of grant funding in order to continue with our existing youth FireBreak scheme, and funding to enable the Directorate to outsource ladder maintenance that is currently being carried out by firefighters at the expense of Community Fire Safety activities.

- 3.6 Given the difficult financial challenges facing the Directorate in achieving Warwickshire County Council savings, finding savings over and above these to fund our pressures will require some tough decisions around reprioritising resources and considering the future of services currently being provided.
- 3.7 National developments led by the Department of Communities and Local Government (DCLG) around the Regional Control Centres and Firelink will also have an impact on the Directorate. Developments are unlikely to take effect until the latter stage of our medium term financial plan (2009/10), and we are unable at this stage to quantify pressures due to the lack of information provided by DCLG. The Directorate will endeavour to keep members informed, as details are made available.

### 3.8 Revenue Investment Proposals

In addition to the spending pressures outlined above the Directorate is proposing revenue investment proposals of £484,000 for £2007/08, £448,000 for 2008/09, and £457,000 for 2009/10. In addition to these proposals there is a revenue impact of the Directorates proposed capital investments of £12,000 in 2007/08 rising to £50,000 by 2009/10. These are summarized in Table 2 below, in priority order. The prioritisation is a combined revenue and capital prioritisation and the capital bids are listed in Table 3.

<b>Table 2: 2007/08 to 2009/10 Revenue Investment Proposals</b>				
Reference	Proposal Title	2007/08 £000	2008/09 £000	2009/10 £000
R-IP-CP-01	Proposal 1 Fire Services Emergency Cover Toolkit Support Costs	46	47	48
R-IP-CP-03	Proposal 3 Joint Commissioning Manager (Alcohol)	51	52	53
R-IP-CP-04	Proposal 4 Introduction of Warwickshire Community Advocates Scheme	130	122	125
R-IP-CP-05	Proposal 5 Expansion funding for Domestic Violence Community Advice and Support Service	150	153	156
R-IP-CP-06	Proposal 6 Expand the provision of sustainable substance misuse harm reduction initiatives for young people	45	46	47
R-IP-CP-07	Proposal 7 Appointment of a Young Firefighters Association Champion	27	28	28
R-IP-CP-09	Proposal 9 Automation of Fire Station Bay Doors	20		
R-IP-CP-10	Proposal 10 Security Enhancement at Retained Fire Stations	15		
	<b>Total Revenue Proposals</b>	<b>484</b>	<b>448</b>	<b>457</b>
	Revenue impact of capital investment proposals			
	◆ Capital financing costs	12	36	50
	◆ Running costs			
	<b>Total Call on Corporate Resources</b>	<b>496</b>	<b>484</b>	<b>507</b>

- 3.9 Appendix C provides further details regarding the proposals outlined in the above table. Furthermore the Directorate has produced a detailed individual bid for each investment proposal. These are available on request from Sally Bentley (Ext.3218).
- 3.10 The investment proposals have been driven and prioritised, essentially by the requirement to develop a risk profile for Warwickshire (proposal 1) that will inform strategic decision making and steer the intervention and prevention initiatives that will have most impact upon communities (proposals 3-7). Proposals 9 and 10 support the provision of suitable facilities within our fire stations to support both community activities and staff conditions.

## 4 Capital Programme – Investment Proposals

- 4.1 Table 2 above shows the capital investment proposals of the Directorate would, by 2009/10, result in a £50,000 impact on the revenue budget if approved. This section provides more detail on those capital investment proposals.
- 4.2 In August 2006 the Strategic Director, Resources issued guidance on the preparation of capital investment bids for 2007/08 to 2009/10. This required Directorates to complete a detailed investment bid form and to place the proposals in priority order. Table 3 lists the bids for the Community Protection Directorate.

<b>Table 3: 2007/08 to 2009/10 Capital Investment Proposals</b>				
Reference	Proposal Title	2007/08 £000	2008/09 £000	2009/10 £000
C-IP-CP-02	Proposal 2 New and Replacement Equipment for Fire Appliances	125	128	130
C-IP-CP-08	Proposal 8 Coleshill Fire Station Refurbishment	250		
C-IP-CP-11	Proposal 11 Expansion of Tier 4 Drug and Alcohol Rehabilitation Services	300		
<b>Total Capital Investment Proposals</b>		<b>675</b>	<b>128</b>	<b>130</b>

- 4.3 Appendix D provides further details regarding the proposals outlined in Table 3. Furthermore the Directorate has produced a detailed individual bid for each investment proposal. These are available on request from Sally Bentley (Ext.3218).
- 4.4 New and replacement equipment for fire appliances (proposal 2) is essential to enable the Directorate to continue operating the existing rolling replacement programme which is required to equip new fire appliances. Proposal 8 will support the provision of suitable facilities within our fire stations to support both community activities and staff conditions. Proposal 11 is a self financing capital bid that will increase the provision of alcohol rehabilitation services for Warwickshire.

William Brown  
Strategic Director of Community Protection and County Fire Officer



6<sup>th</sup> October 2006