



MEMORANDUM TO: AUTHORITY

FROM: RESOURCES COMMITTEE

2016/17 BUDGET UPDATE - FEP 2551 – AGENDA ITEM 6

On consideration of the above report, the Resources Committee at its meeting on 14 January 2016 - **Resolved** - That:

- (1) The report be noted;
- (2) The Committee also notes that the provisional grant settlement, combined with the effect of the withdrawal of the threat of strike action means that the overall savings target required for 2016/17 (subject to confirmation of the final funding from the Mayor) is now reduced by a total of £4.5 million compared to the original target;
- (3) The Committee believes that operational changes are best introduced, so far as possible, as part of a comprehensive package consequent on the outcome of the full LSP 6 review to take effect in the year 2017/18, and therefore considers that any operational changes for 2016/17 should be kept to the absolute minimum required to produce a balanced budget;
- (4) The Committee therefore believes the reduced savings target should be primarily applied so as to reduce so far as possible the impact of operational cuts in 2016/17 and therefore agrees that 'Option A' be further adjusted, so as to remove from the alternate crewing proposals the remaining 2 FRUs and 1 of the aerial appliances, (which subject to further officer advice, should be the one stationed at Dagenham on which Havering relies for first aerial attendance); and the balance of any reduced savings requirement be applied to reducing further the draw on reserves;
- (5) The Committee notes the suggestion that under 'Option B' the additional revenue available as a result of the reduced savings target should be applied, inter alia, to introducing a series of allowances and one-off payments, but believes this not to be the best application of these funds, as to do so is potentially storing up problems for the medium and long term; and
- (6) The Committee notes that the overall effect of the reduced savings target, (subject to officer advice about the actual costs) if applied to 'Option B's permanent removal of 13 pumping appliances, would mean that instead of 13 appliances being removed only 4 would need to be cut instead; and therefore recommends that this be the preferred course of action for 'option B' in light of paragraph 2 above.

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Clerk to Resources Committee

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