



EAST SUSSEX FIRE AUTHORITY

THURSDAY 18 JUNE 2015 at 10.30 HOURS

MEMBERS

East Sussex County Council (12)

Councillors Barnes, Buchanan, Butler, Earl, Galley, Howson, Lambert, Pragnell, Scott, Sheppard, Taylor and Wincott.

Brighton & Hove City Council (6)

Councillors Deane, Morris, O'Quinn, Peltzer Dunn, Penn and Theobald.

You are required to attend this meeting to be held at Fire and Rescue Service Headquarters, 20 Upperton Road, Eastbourne at 10.30 a.m.

AGENDA

Item No.	Page No.	
843.	1	In relation to matters on the agenda, seek declarations of any disclosable pecuniary interests under Section 30 of the Localism Act 2011.
844.	5	Election of Chairman – report of the Monitoring Officer (copy attached).
845.	9	Election of Vice-Chairman – report of the Monitoring Officer (copy attached).
846.	1	Apologies for absence.
847.	1	Notification of items which the Chairman considers urgent and proposes to take at the end of the agenda/Chairman's Business. (Any Members wishing to raise urgent items are asked, wherever possible, to notify the Chairman before the start of the meeting. In so doing they must state the special circumstances which they consider justify the matter being considered urgently).
848.	1	To consider any public questions.

849. 2 To receive any petitions.
850. 11 Non-confidential minutes of the meeting held on 12 February 2015 (copy attached).
851. 2 Callover.
The Chairman will call the item numbers of the remaining items on the open agenda. Each item which is called by any Member shall be reserved for debate. The Chairman will then ask the Fire Authority to adopt without debate the recommendations and resolutions contained in the relevant reports for those items which have not been called.
852. 23 Political Representation on the Panels of the Fire Authority – report of the Monitoring Officer (copy attached).
853. 29 Fire Authority and Panel meetings 2015/16 – report of the Monitoring Officer (copy attached).
854. 31 Treasury Management – Stewardship Report for 2014/15 – report of the Treasurer (copy attached).
855. 47 Communications & Engagement Strategy 2015-2020 – report of the Chief Fire Officer & Chief Executive (copy attached).
856. 75 Local Firefighters’ Pension Board – Update – joint report of the Chief Fire Officer & Chief Executive, Treasurer and Monitoring Officer (copy attached).
857. 79 Service Headquarters – Stage 3 report – report of the Chief Fire Officer & Chief Executive (copy attached).
858. 2 Exclusion of the Press and Public.

To consider whether, in view of the business to be transacted or the nature of the proceedings, the press and public should be excluded from the remainder of the meeting on the grounds that, if the public and press were present, there would be disclosure to them of exempt information. **NOTE:** Any item appearing in the confidential part of the Agenda states in its heading the category under which the information disclosed in the report is confidential and therefore not available to the public. A list and description of the exempt categories are available for public inspection at East Sussex Fire & Rescue Service HQ, 20 Upperton Road, Eastbourne, and at Brighton and Hove Town Halls.
859. 109 Confidential minutes of the meeting held on 12 February 2015 (copy attached). (Exempt categories under paragraphs 1 and 3 of the Local Government Act 1972).

860. 111 Service Headquarters – Stage 3 report – confidential appendices – report of the Chief Fire Officer & Chief Executive (copy attached). (Exempt category under paragraph 3 of the Local Government Act 1972)

ABRAHAM GEBRE-GHIORGHIS
Monitoring Officer
East Sussex Fire Authority
c/o Brighton & Hove City Council

EAST SUSSEX FIRE AUTHORITY

Date: **18 June 2015**
 Title: **Election of Chairman**
 By: **Monitoring Officer**
 Lead Officer: **Clerk to the Fire Authority**
 Lead Member: -

Background Papers: **Previous Reports**
 Fire Brigade Joint Committee 9th September 1996
 Fire Authority December 1996; June 1997; May 1998; June 1999;
 June 2000; June 2001; June 2002; 5 June 2003; 3 June 2004; 9
 June 2005; 8 June 2006; 7 June 2007; 5 June 2008; 9 July 2009;
 3 June 2010; 2 June 2011; 7 June 2012; 6 June 2013; 5 June
 2014

Background Papers
 East Sussex Fire Services (Combination Scheme) Order 1996

Appendices: None

Implications:

Corporate risk		Legal	
Environmental		Policy	
Equality impact	Included in report	Political	Included in report
Financial		Other (please specify)	
Health & safety		Core brief	
Human resources			

Purpose of Report: **To invite the Fire Authority to elect a Chairman and to request the Chairman, once elected, to advise on their preferred title.**

Executive Summary:

1. The Report presented to the Fire Authority on 5 June 2014 set out the background information in relation to the procedures for the election of a Chairman and, if desired, a Vice-Chairman.
2. The Fire Authority duly elected a Chairman to serve for one year, until 4 June 2015. This report seeks approval to appoint a Chairman to the Fire Authority.
3. The rules governing the election are set out in the report.

4. The Fire Authority has agreed previously that it was appropriate to invite the Chairman, once elected, to advise on his/her preferred choice of title.

RECOMMENDATION: The Fire Authority is asked to:

- i. appoint a Chairman; and
- ii. invite the Chairman to advise on his/her preferred title.

Abraham Ghebre-Ghiorghis
MONITORING OFFICER
1 June 2015

1. **BACKGROUND INFORMATION**

- 1.1 The report presented to the Fire Authority on 5 June 2014 set out the background information in relation to the procedures for the election of a Chairman and, if desired, a Vice-Chairman. The Fire Authority duly elected a Chairman on 5 June 2014 to serve for a period of one year, or until the date of the next AGM, when a new election would need to be considered. This report seeks approval to appoint a Chairman to the Fire Authority.
- 1.2 The Combination Order for the creation of the East Sussex Fire Authority sets down the following procedures:
- 17 (1) The Authority shall elect a Chairman, and may elect a Vice-Chairman, from amongst its members.
 - 17 (2) The Chairman, and if a Vice-Chairman is elected, the Vice-Chairman, shall, subject to paragraphs 13 – 16, hold office for a period of one year from the date of their election.
 - 17 (3) Sub-paragraph (2) shall not prevent a person who holds, or has held, office as Chairman, or Vice-Chairman, as the case may be, from being elected or re-elected to either of those offices.
 - 17 (4) On a casual vacancy occurring in the office of Chairman or, if a Vice-Chairman has been elected, the Vice-Chairman, the Authority shall elect from its members a person to replace the Chairman, and may so elect a person to replace the Vice-Chairman, as the case may be.
 - 17 (5) The election to replace the Chairman under sub paragraph (4) above shall take place not later than the next following ordinary meeting of the Authority.
- 1.3 The Standing Orders of the Fire Authority state:
- 9. Election of Chairman and Vice-Chairman
 - 9.1 The Authority shall at the annual meeting elect a Chairman and may elect a Vice-Chairman or Vice-Chairmen from among its members as the first item of business.
 - 9.2 On a casual vacancy occurring in the office of Chairman and Vice-Chairman, the Authority shall elect from its members a person to replace the Chairman and may so elect a person to replace the Vice-Chairman as the case may be.
 - 9.3 The Authority, when deciding to elect a Vice-Chairman, should consider an appropriate representative balance between the two constituent authorities such that the Vice-Chairman, unless the Fire Authority specifically determine otherwise, should be a Member from the other constituent authority to that of the newly elected Chairman.
- 1.4 Under Standing Order 23.1, if more than one person is nominated, there is a procedure for voting by roll call which applies unless otherwise agreed. Last year, the Authority agreed to appoint the Chairman and Vice-Chairman by a show of hands. A third alternative would be to hold a ballot.
- 1.5 When the Fire Authority was first constituted, it was agreed that its 'Chairman' would be formally called as such, as opposed to the title 'Chair' or alternatively, 'Chairman or Chairwoman.' The Fire Authority has previously agreed that it was appropriate to invite the Chairman, once elected, to advise on his/her preferred choice of title.

EAST SUSSEX FIRE AUTHORITY

Date: **18 June 2015**
 Title: **Election of Vice-Chairman**
 By: **Monitoring Officer**
 Lead Officer: **Clerk to the Fire Authority**
 Lead Member: -

Background Papers: Previous Reports
 Fire Brigade Joint Committee 9th September 1996
 Fire Authority December 1996; June 1997; May 1998; June 1999; June 2000; June 2001; June 2002; June 2003; June 2004; June 2005; June 2006; June 2007; June 2008; July 2009; 3 June 2010; 2 June 2011; 7 June 2012; 6 June 2013; 5 June 2014.
Background Papers
 East Sussex Fire Services (Combination Scheme) Order 1996; Constitution

Appendices: None

Implications :

Corporate risk		Legal	
Environmental		Policy	
Equality impact	Included in report	Political	Included in report
Financial		Other (please specify)	
Health & safety		Core brief	
Human resources			

Purpose of Report: **To invite the Fire Authority to elect a Vice-Chairman and once elected, to request the Vice-Chairman to advise on his/her preferred title.**

Executive Summary:

1. Agenda Item 844 above sets out the adopted procedures for the appointment of a Chairman and Vice-Chairman.
 2. Members' attention is drawn specifically to Standing Order 9.3 (see previous agenda item) and, unless the Fire Authority specifically determines otherwise, the Vice-Chairman should be a Member from the other constituent authority to that of the newly elected Chairman.
 3. The Fire Authority is asked to consider whether to elect a Vice-Chairman to assist the Chairman in his or her role.
 4. The Fire Authority has agreed previously that it was appropriate to invite the Vice-Chairman, once elected, to advise on his/her preferred choice of title.
-

RECOMMENDATION:

The Fire Authority is asked to:

- i. consider whether it wishes to elect a Vice-Chairman; and
 - ii. if appointed, to invite the Vice-Chairman to advise on his/her preferred title.
-

Abraham Ghebre-Ghiorghis
MONITORING OFFICER

1 June 2015

EAST SUSSEX FIRE AUTHORITY

Minutes of the meeting of the East Sussex Fire Authority held at East Sussex Fire & Rescue Service Headquarters, 20 Upperton Road, Eastbourne at 10.30 hours on Thursday 12 February 2015.

Present: Councillors Barnes, Buchanan, Butler, Carden, Earl, Galley, Hawtree, Howson (Chairman), Lambert (Vice-Chair), Peltzer Dunn, Pragnell, Powell, Scott, Sheppard, Taylor and Theobald.

Also present:

Mr. D. Prichard (Chief Fire Officer & Chief Executive), Mr. G. Walsh (Deputy Chief Fire Officer), Mr. G. Ferrand (Assistant Chief Fire Officer), Mr. D. Savage (Treasurer), Miss. E Woodley (Deputy Monitoring Officer), Mr. W. Tricker (Head of Finance and Procurement) and Mrs. K. Ward (Clerk).

826. DISCLOSABLE PECUNIARY INTERESTS

826.1 It was noted that, in relation to matters on the agenda, no participating Member had any disclosable pecuniary interest under Section 30 of the Localism Act 2011.

827. APOLOGIES FOR ABSENCE

827.1 An apology for absence was received from Councillors Deane and Wincott.

828. URGENT ITEMS AND CHAIRMAN'S BUSINESS

828.1 Councillor Powell informed Members that she attended an Equality & Diversity briefing at Westminster on 11th February 2015. The briefing was very informative and reiterated the importance of applying equality & diversity across all sectors of the Service and treating everyone in a fair manner.

828.2 Councillor Scott requested that the Chairman consider his request to ask the Fire Authority to review a decision made by Policy & Resources on 15 May 2014 regarding the Automatic Fire Alarm Policy. The Chairman declined his request stating there were other more appropriate channels to raise this matter and as a consequence did not consider it to be urgent business.

828.3 The Chairman advised the Fire Authority that this would be Councillor Carden's last meeting as a Fire Authority Member as he had decided not to stand for re-election in the up-coming Brighton & Hove elections. Councillor Carden has been on the Fire Authority since June 2001 and would be welcomed back to a future meeting for a formal presentation.

829. TO CONSIDER PUBLIC QUESTIONS, IF ANY

829.1 There were none.

830. TO CONSIDER PUBLIC PETITIONS, IF ANY

830.1 There were none.

831. **NON-CONFIDENTIAL MINUTES OF THE MEETING HELD ON 11 DECEMBER 2014**
- 831.1 **RESOLVED** – That the non-confidential Minutes of the meeting held on 11 December 2014 be approved and signed by the Chairman. (Copy in Minute Book).
832. **CALLOVER**
- 832.1 Members reserved the following items for debate:
- 833. Fire Authority Service Planning Processes for 2014/15 and beyond
 - Part A Draft Annual Plan 2014/15
 - Part B Fire Authority Service Planning processes for 2014/15 and beyond – Revenue Budget 2014/15 and Interim Capital Programme 2014/15-2018/19
 - 834. ESFRS Maritime Response Team
 - 835. Fire Authority Treasury Management Strategy 2015/16
 - 837. Firefighters' Pension Scheme – new governance requirements
- 832.2 **RESOLVED** – That all other reports be resolved in accordance with the recommendations as detailed below.
833. **FIRE AUTHORITY SERVICE PLANNING PROCESSES FOR 2015/16 AND BEYOND**
- 833.1 The Fire Authority considered a joint report of the Chief Fire Officer & Chief Executive and the Treasurer that presented the relevant reports on the Service Planning Processes for 2015/16 and beyond for approval for the purposes of setting the 2015/16 Council Tax precept and other relevant matters. (Copy in Minute Book).
- 833.A **Draft Annual Plan 2015/16**
- 833.A.1 The Fire Authority considered a report of the Chief Fire Officer & Chief Executive that summarised the outstanding actions required to complete the Draft Annual Plan 2015/16 for approval and for final completion by the publication date of 30 June 2015. The current 2014/15 Annual Plan contained key information on the Fire Authority's Service priorities for the year ahead including summary performance information and available resources. The draft 2015/16 Annual Plan had been prepared alongside the decisions being made by the Fire Authority and its Panels on similar issues for 2015/16 and beyond. (Copy in Minute Book).
- 833.A.2 The final version of the draft 2015/16 Annual Plan would be adapted to take into consideration the outcomes of all of the 2015/16 Service Planning preparations including current Community Risk Management review activities, the latest Revenue Budget and Capital Programme as well as the outcome of the corporate performance results 2014/15.
- 833.A.3 **RESOLVED** that:
- i) the roll forward of the draft Annual Plan for publication by 30 June 2015, subject to any final amendments once the Revenue Budget has been approved at this meeting and other outstanding information set out in the report, be approved in principle; and

- ii) approval of the final version of the Annual Plan be delegated to the Chief Fire Officer & Chief Executive in consultation with the Chairman.

833.B Fire Authority Service Planning processes for 2015/16 and beyond – Revenue Budget 2015/16 and Interim Capital Programme 2015/16 to 2019/20

- 833.B.1 The Fire Authority considered a joint report of the Chief Fire Officer & Chief Executive and the Treasurer that set out the final draft 2015/16 Fire Authority Revenue Budget and Capital Programme. The Fire Authority was statutorily required to set its precept for 2015/16 before 1 March 2015. (Copy in Minute Book).
- 833.B.2 An initial report on the draft Revenue Budget 2015/16 and Capital Programme 2015/16 – 2019/20 was considered by Members of the Policy & Resources Panel at their meeting on 15 January 2015. Subsequent to that meeting the following additional financial information has been incorporated into the final budget proposals:
- Council Tax and Business Rates bases
 - Collection Fund surpluses for Council Tax and Business Rates
 - Revised estimates of income from the Business Rate Pool
- 833.B.3 Local Government Finance Settlement (LGFS) will not be finalised until the Local Government Finance Report (England) 2015/16 has been approved by Parliament.
- 833.B.4 The Authority had made good progress in identifying and agreeing savings proposals over the last 12 months, through its Changing the Service, Shaping our Future programme. When pre-existing programmes and other non-operational savings were taken into account the Authority had already identified £5.7m of savings for delivery by 2019/20. Depending on decisions on Council Tax, the Authority would still need to find up to another £1.7m of savings over that period. Options for changes to operational and non-operational services (phase 3) that were expected to deliver additional savings would be presented to the Authority to consider over the next 12-18 months.
- 833.B.5 There remained a number of uncertainties for funding in 2015/16 and beyond and the Fire Authority would need to remain flexible in its approach to its financial planning, especially in advance of the next Spending Review which was expected to follow the national elections in May 2015. Current assumptions were based on the most up to date information available. The late announcement of key financial information through both the Autumn Statement and the Local Government Finance Settlement (LGFS) continued to hamper effective and timely planning and reporting.
- 833.B.6 Members considered the two options presented in the report, either: A) to increase the Council Tax by 1.94% taking the Band D charge to £85.07 and generating additional income of £0.441m in 2015/16; or B) to accept the 2015/16 Council Tax Freeze Grant of £0.259m and to maintain the Council Tax Band D at £83.45 for the second year in a row.
- 833.B.7 Councillor Galley highlighted the £13,833,000 in total usable reserves which he considered high and felt the Fire Authority shouldn't be asking for more money from Council Tax payers at this time. He noted the combination of the underspend of £175,000 within earmarked reserves together with the acceptance of the freeze grant would equate to putting Council tax up by 1.94%.

- 833.B.8 The Treasurer noted the reduction in funding by 40% made this parliament with an expected 60% still to come during the next parliament. Some commentaries were predicting a zero grant situation by 2020 and the Fire Authority needed to consider that possibility. The Service had made good progress by identifying and delivering savings, but there was still a lot of work to do to meet the funding gap.
- 833.B.9 The Treasurer advised Members of the comparable information based on a benchmarking exercise which showed that East Sussex was below the national average for reserves. It was important to maintain reserves to enable the Service to deliver capital projects such as the Breathing Apparatus replacement programme, implementation of day crewed plus accommodation, possible replacement of the ALP to ARP and to enable projects such as the joint transport bid and future proposals for Preston Circus and Headquarters. A significant amount of the reserves were already earmarked for capital projects that had been agreed by the Fire Authority.
- 833.B.10 The Chief Fire Officer & Chief Executive reminded Members of the Fire Authority's decision to sell all service housing by 31 March 2015 and that the current Capital Expenditure budget position was largely due to the receipt of those sales. The current Capital Expenditure budget was supported by a contribution from the Revenue Budget which the Fire Authority had already agreed would decrease from £1m per annum to £500,000 per annum over the next 2 years as part of the savings in the MTFP. This reduction in the revenue contribution would put further strain on the existing capital reserves in future years.
- 833.B.11 Councillor Hawtree reiterated the views of local residents in that they understood and supported an increase in Council Tax and that Members should take that on board in their deliberations.
- 833.B.12 Councillor Lambert agreed with Councillor Hawtree and felt that to mitigate the difficult decisions they had made Members should increase Council Tax and progress the CIC to help support local businesses and generate income.
- 833.B.13 Councillor Peltzer Dunn noted the public consultation undertaken was two years ago and that the results were not conclusive as it only showed the views of those that had responded. Officers were asked to provide the number of respondees to the consultation so that the outcomes could be put into context.
- 833.B.14 Councillor Barnes highlighted the importance of capital investment to support new money saving schemes and that there may now be an opportunity to review the Authority's approach to capital. Whilst he did not agree generally with increasing taxation, Councillor Barnes felt it important to increase Council Tax this year in order to underpin the budget and have some control over its future, particularly as there was still £1.4m of savings to be found in the budget.
- 833.B.15 Councillor Scott informed members that there were elements of the budget which he could not support. Pressure on the budget would not change but get worse and Councillor Scott felt it was time to go back to delivering Core services.

833.B.16 **RESOLVED** – That

- (1) an increase in Council Tax of 1.94% (Option A) be approved and as a result the following be approved:
 - (i) the budget proposals set out in this Report and the net budget requirement of £38.627m for 2015/16;
 - (ii) the Council Tax requirement of £23.170m; and
 - (iii) the Council Tax and precepts as set out in Appendix G, part 1;
 - (iv) the capital programme for the next five years and the capital budget of £5.855m for 2015/16 and the plans to use capital grant, capital receipts and revenue contributions to finance that expenditure;
 - (v) the maintenance of the General Reserve at a minimum of 8% of the net revenue budget over the medium term;
 - (vi) the transfer £95,000 from Earmarked Reserves no longer required into the Improvement & Efficiency Reserve;
 - (vii) the transfer of the projected revenue underspend of £0.132m for 2014/15 to the Capital Programme Reserve; and
 - (viii) the fees and charges set out in Appendix D;
- (2) the Chief Fire Officer & Chief Executive, in consultation with the Chairman and Treasurer, be authorised to make adjustments to the presentation of the budget to reflect the final Local Government Finance Settlement.

Councillor Powell wished it formally recorded that she felt the Fire Authority should have approved a higher Council Tax increase.

Council Tax Calculations

Option a

EAST SUSSEX FIRE AUTHORITY: PRECEPT FOR 2015/16

REF: S43 LOCAL GOVERNMENT FINANCE ACT 1992

	£	£
NET BUDGET REQUIREMENT		38,627,000.00
Forecast Business Rates retained	2,561,000.00	
Top Up grant	4,729,000.00	
Total Base Line funding	7,290,000.00	
Add Revenue Support Grant	7,514,000.00	
Settlement Funding Assessment	14,804,000.00	
Section 31 Grant Business Rates adjustment	276,000.00	
Council Tax Freeze Grant	0.00	
Previous Year's Surpluses/(Deficits)	377,000.00	
Total Council Tax Requirement		23,170,000.00
Tax base	272,366.01	
Basic Council Tax (Band D equivalent)		85.07
Basic Council Tax from above calculation		<u>Council Tax</u>
Band A	6/9	56.71
Band B	7/9	66.17
Band C	8/9	75.62
Band D	9/9	85.07
Band E	11/9	103.97
Band F	13/9	122.88
Band G	15/9	141.78
Band H	18/9	170.14
	<u>Tax Base</u>	<u>Precept</u>
Brighton and Hove	83,633.50	7,114,702
Eastbourne	32,558.90	2,769,786
Hastings	24,281.00	2,065,585
Lewes	34,979.80	2,975,732
Rother	35,708.31	3,037,706
Wealden	61,204.50	5,206,667
	272,366.01	23,170,178

834. **ESFRS MARITIME RESPONSE TEAM – FUTURE OPTIONS**

- 834.1 The Fire Authority considered a report of the Chief Fire Officer & Chief Executive that provided an update on the Integrated Risk Management Plan (IRMP) Phase 3 Review of Offshore Maritime Response. (Copy in Minute Book).
- 834.2 Coastal Fire and Rescue Services (FRS) had a statutory duty to fight fires on vessels within their area by virtue of Section 72 of the Local Government Act 1972. The area of responsibility for Coastal Fire Authorities generally extended to the mean low water mark (MLWM) at ordinary tide. There was no statutory duty for provision of offshore firefighting beyond the MLWM. East Sussex Fire & Rescue Service (ESFRS) had a long history of supporting an offshore maritime response to those in distress as a result of fire on board ship.
- 834.3 Since the last review of the Authority decision to support an offshore maritime response, both the Maritime Coastguard Agency's (MCA) funding and the interim Chief Fire Officers' Association (CFOA) National Resilience Fire & Rescue Marine Response framework had ceased operations.
- 834.4 Along with some other coastal FRSs, ESFRS was successful in identifying funding to enable it to maintain an offshore response managed under local arrangements; this had been operating in its current format since early 2012.
- 834.5 Members considered options, (in light of the financial challenges now facing the Service), for the future of the ESFRS Maritime Response Team, or to cease providing the capability altogether. Option 1 was to maintain existing offshore maritime capability; option 2 was to reduce the size of the Maritime Response Team and introduce a range of efficiency measures; and option 3 was to cease to provide an offshore maritime response capability. Members considered the risks locally, as well as the financial implications of the options presented.
- 834.6 Councillor Lambert favoured option 2 as she felt it important that the Service should have an offshore response team, particularly having regard to the significant growth proposed in Newhaven with regards the proposed additional berths and wind farm, and to support firefighting at other sites such as Hastings, Eastbourne and Brighton Piers.
- 834.7 Councillor Powell agreed but noted her concern that there was no Union view on the proposals.
- 834.8 Deputy Chief Fire Officer Walsh noted a conversation he had with the FBU in which they stated it was not a Core Service and therefore they would not support maintaining the team and would therefore support option 3, although this had not been a formal consultation.
- 834.9 Councillor Barnes didn't feel it appropriate to cut Maritime Response at the moment as Newhaven was at risk due to the level of expansion in the area and suggested it would be appropriate to look at charges should the team be called to the wind farm.
- 834.10 Councillor Butler wished to record her thanks for the support provided by Members and also highlighted the new cross channel ferry service to France from Newhaven.

834.11 **RESOLVED** – That an offshore maritime response continue to be provided in line with a revised model (Option 2) for a further period of three years subject to the necessary consultation with staff, be approved in principle.

835. **FIRE AUTHORITY TREASURY MANAGEMENT STRATEGY FOR 2014/15**

835.1 The Fire Authority considered a report of the Treasurer that recommended borrowing limits, the prudential indicators and limits, the investment strategy and policy as required by Section 3 (1) of the Local Government Act 2003 and the Prudential Code for Capital Finance 2004. (Copy in Minute Book).

835.2 The emphasis continued to be on security (protection of the capital sum invested) and liquidity (keeping money readily available for expenditure when needed). The strategy and limits were consistent with the proposed capital programme and revenue budget. It was impossible in practical terms to eliminate all credit risk. The Fire Authority sought to be prudent

835.3 The Authority was recommended to approve borrowing limits to give flexibility for any future consideration in undertaking new external long-term / replacement borrowing should the need arise or market conditions prove favourable.

835.4 The Fire Authority had always adopted a prudent approach on its investment strategy and, in the last few years, there had been regular changes to the list of the approved organisations used for investment of short term surpluses. This list was regularly reviewed to ensure that the Authority was able to invest at the best available rates consistent with low risk, and the organisations were regularly monitored to ensure that their financial strength and low risk had been maintained. The 2015/16 strategy continued the prudent approach and ensured that all investments were only to the highest quality rated banks and only up to a period of one year.

835.5 The Authority was recommended to approve an increase in investment with any approved counterparty from £3m to £4m. This would allow the Authority to be more flexible with its cash balances during the year.

835.6 The Treasury Management policy statement for 2015/16 remained unchanged from the current year.

835.7 **RESOLVED** – That

- i) the treasury management strategy and policy statement for 2015/16 be approved (and adopted for the remainder of 2014/15);
- ii) for 2015/16 the Authorised Limit for borrowing shall be determined at £13.831m;
- iii) the prudential indicators as set out in the attached Appendix 2 to the report be adopted; and
- iv) the Minimum Revenue Provision (MRP) Statement for 2015/16 as set out in the attached Appendix 3 to the report be approved.

836. **APPROVAL OF PAY POLICY STATEMENT 2015/16**

836.1 The Fire Authority considered a report of the Monitoring Officer that set out the legal requirements relating to the adoption of a pay policy statement, and sought approval to the Fire Authority's Pay Policy statement for the period 1 April 2015 to 31 March 2016. (Copy in Minute Book).

836.2 The Statement had been drawn up with due regard to all relevant guidance and last year's policy and had to be approved by 31 March 2015. The Localism Act 2011 prevented approval of a pay policy statement being delegated by the Authority to a Panel.

836.3 **RESOLVED** – That the Pay Policy Statement for 2015/16, appended to the report, be approved.

837. **FIREFIGHTERS' PENSION SCHEME – NEW GOVERNANCE ARRANGEMENTS**

837.1 The Fire Authority considered a joint report of the Chief Fire Officer & Chief Executive, Treasurer and Monitoring Officer that advised Members of the requirements of the Public Service Pensions Act 2013 and sought approval for the arrangements to establish a Pension Board. (Copy in Minute Book).

837.2 The Public Service Pensions Act 2013 (the '2013 Act') introduced key provisions on scheme governance in relation to the Firefighters' Pension Scheme and other public service pension schemes. It provided for :

- A 'responsible authority' which makes the regulations for the scheme – this will be the Department for Communities and Local Government
- A 'scheme manager' to be responsible for managing the administering the scheme – this will be the Fire Authority.

837.3 Draft Regulations issued by DCLG as the responsible authority provided for:

- The establishment of a new local 'pension board' to assist the scheme manager.
- The establishment of a new national 'scheme advisory board' to provide advice to the Department for Communities & Local Government in relation to changes to the scheme and to provide advice to the scheme manager(s) and pension boards(s).

837.4 The Pension Board is not a decision making body as such, it should not be called a Sub-Committee or Sub-Panel. However, its deliberations should be brought to the attention of the wider Fire Authority, and it is proposed that it should report to the Scrutiny & Audit Panel. The political balance rules will not apply to Member appointments on the Board as it is not a "committee" for the purposes of the Local Government and Housing Act 1989.

837.5 The Pension Board will assist the Fire Authority in its role as the scheme manager to :

- Secure compliance with the scheme regulations and other relevant legislation in respect of governance and administration.
- Secure compliance with the requirements imposed by the Pensions Regulator.
- Assist with any other matters as may be specified in the relevant legislation.

- 837.6 The Board has to include a minimum of 4 members with equal numbers of employer and member representatives. Independent members can also be appointed. To ensure quoracy and appropriate representation, it was recommended that the Board be formed of 8 members (or 9 if it is decided to recruit an independent chair).
- 837.7 Member representatives may be trade union representatives but any active (i.e. contributing but not deferred or pensioner) member of the FPS may be appointed. To ensure fair representation, it is recommended that each of the four representative bodies (FBU, FOA, RFU, APFO) is asked to nominate a suitable Board member.
- 837.8 Employer representatives may be councillors or officers but may not be those with responsibility for making decisions on the pension scheme (i.e. where there is a conflict of interest). These may be a mix of Councillors and officers but given the extent to which many senior officers would be conflicted by their role in the management and administration of the Scheme it is recommended that four Councillors are nominated to be members of the Board. Officers would then be free to advise the Board or be called to attend should the need arise.
- 837.9 Members discussed the merits of appointing an independent Chair or an Authority appointed Chair. It was agreed given the savings the Fire Authority were having to make, that an Authority Appointed Chair would be the best option with a review to be carried out after one year.
- 837.10 Officers advised that there would be approximately two meetings a year, however during the first year there would be additional meetings in order to provide the necessary training. Members felt that this responsibility should attract half the special responsibility allowance in order to save cost and this would match the small number of meetings requiring attendance.
- 837.11 **RESOLVED** – That the requirements of the Public Service Pensions Act 2013 and to comment on and approve the arrangements set out in the report to establish a local Pension Board be noted and specifically
- (i) the Terms of Reference as set out in Appendix B be approved; and
 - (ii) agree to the appointment of an Authority appointed Chair.
 - (iii) the Members' Allowances Scheme be amended to:
 - (a) extend the payment of allowances to the local Pension Board members equivalent to half the special responsibility allowance for membership of a Panel; and
 - (b) the payment of an allowance equivalent to half the Members' Basic Allowance to an independent Chair, should one be appointed be approved; and
 - (iv) authority be delegated to the Chief Fire Officer & Chief Executive, in consultation with the Monitoring Officer, the Treasurer and the Chairman of the Fire Authority, to finalise the details of the establishment of the local Pension Board in line with the final statutory instrument and any further guidance issued by the DCLG or other relevant bodies.

838. **DATE OF ANNUAL MEETING OF THE FIRE AUTHORITY**

838.1 The Fire Authority considered a report of the Chief Fire Officer & Chief Executive that sought approval to change the scheduled date of the annual meeting from 4 June to 18 June 2015. This would allow time for a report on the Service Headquarters relocation to be considered by the Policy & Resources Panel at its meeting on 28 May 2015, prior to the report and any subsequent further recommendations from the Panel being considered by the Fire Authority. (Copy in Minute Book).

838.2 **RESOLVED** - That the annual meeting of the Fire Authority be moved from 4 June to 18 June 2015.

839. **FIRE AUTHORITY AND PANEL MEETINGS**

839.1 **RESOLVED** – That the following dates be approved for meetings of the Fire Authority and its Panels:

Fire Authority:

18 June 2015
10 September 2015
10 December 2015
11 February 2016
16 June 2016

Panel Meetings:

28 May 2015	Policy & Resources, Scrutiny & Audit
09 July 2015	Policy & Resources, Scrutiny & Audit
17 September 2015	Scrutiny & Audit
05 November 2015	Policy & Resources, Scrutiny & Audit
14 January 2016	Policy & Resources, Scrutiny & Audit
12 May 2016	Policy & Resources, Scrutiny & Audit

Members' Seminars:

Friday 13 March 2015
Tuesday 7 July 2015
Wednesday 7 October 2015

840. **EXCLUSION OF PRESS AND PUBLIC**

840.1 **RESOLVED** – That the following items be exempt under the paragraphs indicated of Schedule 12A to the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006 and accordingly are not open for public inspection on the grounds that they include information relating to the financial or business affairs of any particular person (including the authority holding that information), and information relating to an individual.

Item 841 Paragraphs 1 & 3
Item 842 Paragraph 3

The meeting concluded at 12.50 hours.

Signed

Dated this 18th day of June 2015.

Chairman

EAST SUSSEX FIRE AUTHORITY

Date: **18 June 2015**
 Title: **Political Representation on the Panels of the Fire Authority**
 By: **Monitoring Officer**
 Lead Officer: **Clerk to the Fire Authority**
 Lead Member: **-**

Background Papers: Latest Previous Report:
 Fire Authority 5 June 2014
Background Papers:
 The East Sussex Fire Services (Combination Scheme) Order 1996

Appendices: Appendix 1 – Panel membership 2014-15
 Appendix 2 – Proposed Panel membership 2015-16

Implications :

Corporate risk		Legal	
Environmental		Policy	
Equality impact		Political	Included in the report
Financial		Other (please specify)	
Health & safety		Core brief	
Human resources			

Purpose of Report: **To secure political balance on Panels in accordance with the Local Government (Committees and Political Groups) Regulations 1990 and agree the resultant membership to the Panels of the Fire Authority.**

Executive Summary: 1. Under the provisions of the Local Government and Housing Act 1989 and the Local Government (Committees and Political Groups) Regulations 1990, the Fire Authority must keep under review the allocation of seats on Committees and other bodies to ensure, so far as practicable, that they reflect the political groups on the Authority.

2. The rules governing representation on Panels are set out overleaf giving the pattern of membership agreed at the meeting of the Fire Authority on 5 June 2014.
 3. The Fire Authority is invited to agree the membership of its Panels for the forthcoming year.
 4. The Fire Authority is asked to note that a report will be submitted to the Scrutiny & Audit Panel on 17 September 2015, suggesting a new approach for Member Leads.
-

RECOMMENDATION:

The Fire Authority is asked to

- a) consider whether it wishes to:
 - i confirm the Panel arrangements and political representation; and
 - ii appoint the Chairman and Vice-Chairman of the Panels in accordance with Standing Order 41.13 or, as has been the practice in the past, leave it to the Panels to do this under Standing Order 41.14.
as set out in the report; and
 - b) note that a report will be submitted to the Scrutiny & Audit Panel on 17 September 2015, suggesting a new approach for Member Leads.
-

Abraham Ghebre-Ghiorghis
MONITORING OFFICER
11 May 2015

1. **BACKGROUND – CURRENT POSITION**

- 1.1 Under the provisions of the Local Government and Housing Act 1989 and the Local Government (Committees and Political Groups) Regulations 1990, authorities must keep under review the allocation of seats to political groups on their Committees/Panels to ensure, so far as practicable, that they reflect the numbers in the political groups on their authority. The guiding principles which can be drawn from the 1989 Act and which need to be borne in mind when conducting any review are that:
- (a) The majority party should have a majority on each committee/panel;
 - (b) The overall number of committee/panel places allocated to each group should be proportionate to the numbers of each group on the authority;
 - (c) Subject to (a) and (b), the number of seats on each committee/panel should be proportionate to the numbers of each group on the authority.
- 1.2 Currently, there are four political groups on the Fire Authority: Conservative, Labour, Liberal Democrat and UKIP. There is also one Green and one Independent Member of the Fire Authority, but single Members do not constitute a political group.
- 1.3 The Panels are the Authority's committees set up in accordance with Standing Order 41 and their terms of reference are shown in the Constitution. The Panels and their related membership were approved in June 2014, as shown in Appendix 1, along with the proposed political proportionality for 2015/16, Appendix 2.
- 1.4 In order to comply with the principle set out at paragraph 1.1(b) above, to allocate places proportionately for those Panels where proportionality applies for 2015/16, it is proposed to amend the number of places on each Panel to seven; the overall number of places will remain the same.
- 1.5 Political proportionality rules need not apply to Panels of Authorities provided that due notice to adopt alternative arrangements is given to all Members and no Member votes against the proposals when they are considered and approved.
- 1.6 Group Leaders are requested to let the Clerk have the names of their Panel Members by Friday 26 June, in preparation for the despatch of agendas for the first meeting of Panels on 9 July 2015.

2. **MEMBER LEADS**

- 2.1 A report will be submitted to the Scrutiny & Audit Panel on 17 September 2015, suggesting a new approach for Member Leads.

Appendix 1

PANEL MEMBERSHIP 2014-15

	CONSERVATIVE	LABOUR	LIBERAL	GREEN	UKIP
APPOINTMENTS (6)	2 Barnes Theobald	1 Scott	1 Butler	1 Powell	1 Howson
SCRUTINY & AUDIT (8)	3 Galley Peltzer Dunn Taylor	2 Carden Wincott	1 Lambert	1 Deane	1 Buchanan
POLICY & RESOURCES (8)	3 Barnes Pragnell Theobald	1 Scott	1 Lambert	2 Powell Hawtree	1 Howson
HUMAN RESOURCES (6)	3 Peltzer Dunn Pragnell Sheppard	1 Carden	1 Butler	1 Powell	
URGENCY (6)	3 Peltzer Dunn Taylor Theobald	1 Scott		1 Powell	1 Howson

PANEL ALLOCATIONS BASED UPON POLITICAL PROPORTIONS FOR 2015/16

Panel	TOTAL	
Scrutiny & Audit	7	3 Cons, 2 Lab, 1 LDem, 1 UKIP
Policy & Resources	7	3 Cons, 2 Lab, 1 LDem, 1 UKIP
Human Resources	7	3 Cons, 2 Lab, 1 LDem, 1 UKIP
Urgency	7	3 Cons, 2 Lab, 1 LDem, 1 UKIP
Total requiring political proportionality	28	
(The total number of seats = 28, divided 12:8:4:4 on the basis of the 2015/16 political balance)		
Appointments Panel	4/5	Group Leaders + Chairman of the Fire Authority, if not a Group Leader
Pensions Board	TBA	TBA
The Appointments Panel and Pensions Board do not have to be politically balanced, as agreed by the Fire Authority at its meeting in December 2014		

EAST SUSSEX FIRE AUTHORITY

Date: **18 June 2015**
 Title: **Fire Authority and Panel meetings 2015/16**
 By: **Monitoring Officer**
 Lead Officer: **Clerk to the Fire Authority**
 Lead Member: **-**

Background Papers: **None**

Appendices: **None**

Implications:

Corporate risk		Legal	
Environmental		Policy	
Equality impact		Political	Included in the report
Financial		Other (please specify)	
Health & safety		Core brief	
Human resources			

Purpose of Report: **To inform Members of the dates of meetings of the Fire Authority and Panels for the next 12 months.**

Executive Summary:

1. Paragraph 3.1 of Part 1(a) of East Sussex Fire Authority's Standing Orders requires meetings of the Fire Authority to be notified annually in advance. Dates of meetings of the Fire Authority and Panels for the next 12 months are, therefore, detailed below
2. Constituent authorities are consulted when arranging meetings of the Fire Authority in order to avoid clashes wherever possible. Details of meetings are also posted on ESFRS web-site on a continual rolling basis <http://www.esfrs.org/news/whats-on/>

RECOMMENDATION: The Fire Authority is asked to note the dates of meetings of the Fire Authority and Panels for the next 12 months.

Abraham Ghebre-Ghiorghis
MONITORING OFFICER
 1 June 2015

Date:	Meeting:
9 th July 2015	Scrutiny & Audit and Policy & Resources Panels
10 th September 2015	Fire Authority
17 th September 2015	Scrutiny & Audit Panel
5 th November 2015	Scrutiny & Audit and Policy & Resources Panels
10 th December 2015	Fire Authority
14 th January 2016	Scrutiny & Audit and Policy & Resources Panels
11 th February 2016	Fire Authority
12 th May 2016	Scrutiny & Audit and Policy & Resources Panels
16 th June 2016	Fire Authority
<p>Meetings of the Fire Authority to commence at 10.30 hours Meetings of the Panels to commence at 10.00 hours</p> <p>All meetings to take place at Service Headquarters, 20 Upperton Road, Eastbourne BN21 1EU</p>	

EAST SUSSEX FIRE AUTHORITY

Date: **18 June 2015**

Title: **Treasury Management – Stewardship Report for 2014/15**

By: **Treasurer**

Lead Officer: **Treasurer, Duncan Savage**

Lead Member: **-**

Background Papers:

Prudential Code for Capital Finance 2004
 Local Government Act 2003
 Local Government Investments – Guidance
 CIPFA Prudential Code
 CIPFA Treasury Management in the Public Services- Code of Practice

Local Government and Public Involvement in Health Act 2007
 Communities and Local Government-Changes to the Capital Finance System

East Sussex Fire Authority
 14 February 2014 – Agenda Item 772: Treasury Management Strategy for 2014/15
 5 June 2014 – Agenda Item 790 Treasury Management – Stewardship report for 2013/14

Policy and Resources Panel
 13 November 2014 – Agenda Item No 964: Half yearly report for 2014/15

Appendices: **None**

Implications (tick ✓):

CORPORATE RISK		LEGAL	
ENVIRONMENTAL		POLICY	
EQUALITY IMPACT		POLITICAL	
FINANCIAL	Noted in the report	OTHER (please specify)	
HEALTH & SAFETY		CORE BRIEF	
HUMAN RESOURCES			

Any implications affecting this report are noted at the end of the report.

Purpose of Report: **The annual treasury management stewardship report is a requirement of the Fire Authority's reporting procedures and covers the treasury activity for 2014/15. The report also includes the Prudential Indicators which relate to the treasury activity.**

Executive Summary:

1. The Fire Authority has complied with its approved Treasury Management Strategy and Prudential Indicators for the year.
2. In challenging economic conditions the average rate of interest received through Treasury Management activity was 0.51%. This reflected the Fire Authority's continuing prioritisation of security and liquidity over yield.
3. No new borrowing was undertaken in 2014/15, with total loan debt outstanding remaining at £11.123m at an average interest rate of 4.62%. There were no beneficial opportunities to reschedule debt during the year. The outturn of the Fire Authority's Capital Financing Requirement (CFR), a measure of the underlying need to borrow, is £11.123m.

RECOMMENDATION: The Fire Authority is asked to note the treasury management performance for 2014/15.

Duncan Savage
TREASURER
4 June 2015

TREASURY MANAGEMENT-STEWARDSHIP REPORT FOR 2014/15

1 Introduction

1.1 The Fire Authority's treasury management activities are regulated by a variety of professional codes and statutes and guidance:

- a) The Local Government Act 2003 (the Act), which provides the powers to borrow and invest as well as providing controls and limits on this activity;
- b) Statutory Instrument (SI) 3146 2003 develops the controls and powers within the Act;
- c) The SI requires the Fire Authority to undertake any borrowing activity with regard to the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code for Capital Finance in Local Authorities;
- d) Under the Act, the former Office of the Deputy Prime Minister has issued Investment Guidance to structure and regulate the Authority's investment activities.

1.2 The Fire Authority has adopted the CIPFA Code of Practice for Treasury Management in the Public Sector and operates its treasury management service in compliance with this Code and the above requirements. These require that the prime objective of the treasury management activity is the effective management of risk, and that its borrowing activities are undertaken on a prudent, affordable and sustainable basis and its treasury management practices demonstrate a low risk approach.

- a) The Code requires the regular reporting of treasury management activities to:
 - b) Forecast the likely activity for the forthcoming year (in the Annual Treasury Strategy Report);
 - c) Review actual activity for the preceding year (this report);
 - d) A mid-year review; and
 - e) A change in the Strategy (if and when required).

1.4 This report sets out:

- a) A summary of the strategy agreed for 2014/15 and the economic factors affecting the strategy in the year;
- b) The Fire Authority's treasury activity during the year on borrowing and short term investments; and
- c) The Prudential Indicators which relate to the Treasury function and compliance with limits

2 **2014/15**

2.1 **Strategy for 2014/15**

2.1.1 At its meeting on 14 February 2014, the Fire Authority agreed its treasury management strategy for 2014/15, taking into account the economic scene including forecast levels of interest rates. At the same time, the Treasury Management Policy Statement was agreed for 2014/15 as set out below.

2.1.2 East Sussex Fire Authority defines its treasury management activities as:
“The management of the organisation’s cash flows, its banking, money market and capital market transactions, the effective management of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

The Fire Authority regards the successful identification, monitoring and management of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation.

This Authority acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is, therefore, committed to the principles of achieving best value in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.

Borrowing

2.1.3 The Fire Authority at the beginning of 2014/15 did not expect to undertake any additional external borrowing in the following 12 months.

2.1.4 Opportunities to reschedule debt had been monitored but have not arisen as yet. The PWLB increased all of its lending rates in October 2010 by 1% on all rates. However, it did not increase the rate of interest used for repaying debt so that, not only has the cost of our future borrowing increased, but the opportunity to restructure our debt when market conditions allow has been significantly reduced.

Investment

2.1.5 When the strategy was agreed in February 2014, it emphasised the continued importance of taking account of the current and predicted future state of the financial sector. The Treasury Management advisors (Capita Asset Services) commented on short term interest rates, the UK economy, inflation, and the outlook for long term interest rates and these factors were taken into account when setting the strategy.

2.1.6 Additionally, the Authority will make use of the creditworthiness service provided by Capita Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moodys and Standard, and Poors. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- credit default swap (CDS) spreads to give early warning of likely changes in credit ratings; and
- sovereign ratings to select counterparties from only the most creditworthy countries.

2.1.7 The strategy going forward was to continue with the policy of ensuring minimum risk but was also intended to deliver secure investment income of at least bank rate on the Fire Authority's cash balances.

2.1.8 As was clear from the events globally and nationally since 2008, it is impossible in practical terms to eliminate all credit risk. The Fire Authority seeks to be as prudent as possible.

2.1.9 The strategy aimed to ensure that in the economic climate it was essential that a prudent approach was maintained. This would be achieved through investing with selected banks and funds which met the Authority's rating criteria. The emphasis would continue on security (protection of the capital sum invested) and liquidity (keeping money readily available for expenditure when needed) rather than yield. The strategy continued with this prudent approach.

2.1.10 It was also recognised that movements within the money markets happen with no notice and the Treasurer may have to amend this strategy in order to safeguard Fire Authority funds. As in the past, any such actions would be reported to the next Fire Authority meeting.

2.1.11 It was not expected that any new external borrowing would be undertaken in 2014/15.

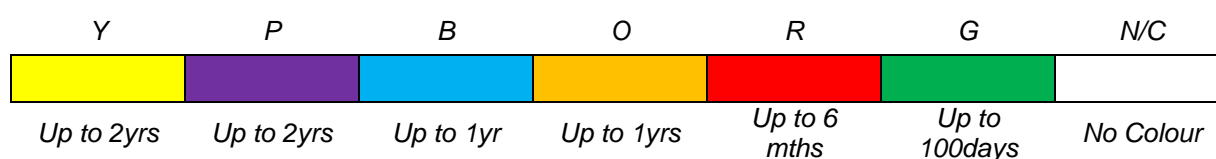
2.1.12 Opportunities for cost effective repayment of existing debt and restructuring opportunities would be constantly monitored and would have been taken if and when they emerged.

2.1.13 The Fire Authority balances were to be invested in line with the following specific methodology:

The modelling approach combines credit ratings, credit watches and credit outlooks, in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative credit worthiness of counterparties. These colour codes are used by the Authority to determine the duration for investments. The strategy provides scope to invest in AAA rated foreign banks. However,

the Authority proposes to only use counterparties (Appendix 6) within the following durational bands that are domiciled in the UK.

- Yellow 2 years
- Purple 2 years
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 3 months
- No Colour, not to be used



The Capita Asset Services credit worthiness service uses a wider array of information than just primary ratings and, by using a risk weighted scoring system, does not give undue influence to just one agency's ratings.

Typically the minimum credit ratings criteria the Authority uses, will be a short term rating (Fitch or equivalents) of short term rating F1, long term rating A-, viability rating of A-, and a support rating of 1. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances, consideration will be given to the whole range of ratings available, or other topical market information, to support their use. All credit ratings will be monitored daily. The Authority is alerted to changes to ratings of all three agencies through its use of the Capita Asset Services credit worthiness service.

- If a downgrade results in the counterparty or investment scheme no longer meeting the Authority's minimum criteria, its further use as a new investment will be withdrawn immediately.
- In addition to the use of credit ratings, the Authority will be advised of information in movements in Credit Default Swap against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Authority's lending list.

The Capita Asset Services methodology was revised in October 2013 and determines the maximum investment duration under the credit rating criteria. Key features of Capita Asset Services credit rating policy are:

- A mathematical based scoring system is used taking ratings from all three credit rating agencies.
- Negative and positive watches and outlooks used by the credit rating agencies form part of the input to determine a counterparty's time band (i.e. 3, 6, 9, 12 months etc.).

- CDS spreads are used in Capita Asset Services creditworthiness service as it is accepted that credit rating agencies lag market events and thus do not provide investors with the most instantaneous and “up to date” picture of the credit quality of a particular institution. CDS spreads provide perceived market sentiment regarding the credit quality of an institution.
- After a score is generated from the inputs, a maximum time limit (duration) is assigned and this is known as the Capita Asset Services colour which is associated with a maximum suggested time boundary.

Counterparty List:

Counterparty	Country/ Domicile	Instrument	Maximum investments	Maximum maturity period
Counterparties in UK				
Debt Management and Deposit Facilities (DMADF)	UK	Term Deposits	unlimited	1 yr
Government Treasury bills	UK	Term Deposits	unlimited	1 yr
Local Authorities	UK	Term Deposits	unlimited	1 yr
RBS/NatWest Group <ul style="list-style-type: none"> • Royal Bank of Scotland • NatWest 	UK	Term Deposits (including callable deposits), Certificate of Deposits	£3m	1 yr
Lloyds Banking Group <ul style="list-style-type: none"> • Lloyds Bank • Bank of Scotland 	UK		£3m	1 yr
Barclays	UK		£3m	1 yr
Santander UK	UK		£3m	1 yr
HSBC	UK		£3m	1 yr
Individual Money Market Funds	UK/Ireland/ domiciled	AAA rated Money Market Funds	£3m	Instant access

2.1.14 All Money Market Funds used will be monitored and chosen by the size of the fund, rating agency recommendation, exposure to other countries (Sovereign debt), weighted average maturity and weighted average life of fund investment and counterparty quality.

2.1.15 All of the investments held with the above counterparties will be classified as Specified Investments. These investments are sterling investments of not more than one-year maturity with institutions we deem to be high credit quality or with the UK Government (Debt Management Account Deposit Facility). These are considered low risk assets, where the possibility of loss of principal or investment income is small. The Fire Authority does not have any Non Specified Investments, which are ones of more than one-year maturity, or with institutions which have a lesser credit quality.

2.2 The economy in 2014/15 – Commentary from Capita Asset Services (Treasury Management Advisors) in May 2015.

2.2.1. The original market expectation at the beginning of 2014/15 was for the first increase in Bank Rate to occur in quarter 1 of 2015 as the unemployment rate had fallen much faster than expected through the Bank of England's initial forward guidance target of 7%. In May, however, the Bank revised its forward guidance. A combination of very weak pay rises and inflation above the rate of pay rises meant that consumer disposable income was still being eroded and, in August, the Bank halved its forecast for pay inflation in 2014 from 2.5% to 1.25%. Expectations for the first increase in Bank Rate, therefore, started to recede as growth was still heavily dependent on buoyant consumer demand. During the second half of 2014 financial markets were caught out by a halving of the oil price and the collapse of the peg between the Swiss franc and the euro. Fears also increased considerably that the European Central Bank (ECB) was going to do too little too late to ward off the threat of deflation and recession in the Eurozone (EZ). In mid-October, financial markets had a major panic for about a week. By the end of 2014, it was clear that inflation in the UK was going to head towards zero in 2015 and possibly even turn negative. In turn, this made it clear that the Bank of England's Monetary Policy Committee (MPC) would have great difficulty in starting to raise Bank Rate in 2015 while inflation was around zero and so market expectations for the first increase receded back to around quarter 3 of 2016.

2.2.2. Gilt yields were on a falling trend for much of the last eight months of 2014/15 but were then pulled in different directions by increasing fears after the anti-austerity parties won power in Greece in January; developments since then have increased fears that Greece could be heading for an exit from the euro. While the direct effects of this would be manageable by the EU and ECB, it is very hard to quantify quite what the potential knock-on effects would be on other countries in the Eurozone once the so called impossibility of a country leaving the EZ had been disproved. Another downward pressure on gilt yields was the announcement in January that the ECB would start a major programme of quantitative easing, purchasing EZ government and other debt in March. On the other hand, strong growth in the US caused an increase in confidence that the US was well on the way to making a full recovery from the financial crash and would be the first country to start increasing its central rate, probably by the end of 2015. The UK would be closely following it due to strong growth over both 2013 and 2014 and good prospects for a continuation into 2015 and beyond. However, there was also an increase in concerns around political risk from the general election due in May 2015.

2.2.3. The Funding for Lending Scheme, announced in July 2012, resulted in a flood of cheap credit being made available to banks which then resulted in money market investment rates falling drastically in the second half of that year and continuing throughout 2014/15.

2.2.4. The UK coalition Government maintained its tight fiscal policy stance but recent strong economic growth and falling gilt yields led to a reduction in the forecasts for total borrowing in the March budget.

2.2.5 The EU sovereign debt crisis had subsided since 2012 until the Greek election in January 2015 sparked a resurgence of fears. While the UK and its banking system has little direct exposure to Greece, it is much more difficult to quantify quite what effects there would be if contagion from a Greek exit from the euro were to severely impact other major countries in the EZ and cause major damage to their banks.

2.3 Interest on short term balances

2.3.1. The total amount received in short term interest for the year 2014/15 was £99,590 at an average rate of 0.51%.

2.3.2. Full details of the interest received has been set out in paragraph 3.6.

2.4 Long term borrowing

2.4.1 No borrowing was undertaken in 2014/15. The total outstanding loan debt at 31 March 2015 was £11,123,000 which did not change from 31 March 2014. The average interest rate on these loans remained at 4.62%.

2.4.2. In 2014/15, although the interest rates were monitored proactively to look for savings from early repayment of some loans and their replacement by new borrowing at a lower interest rate, no opportunities arose. Monitoring of opportunities for the rescheduling of loans will continue in the remainder of this and future years and the debt will be restructured when and if market conditions are favourable. In view of the relatively new debt outstanding and the existing interest rates close to those currently in the market, as well as the penalties for early repayment of loans, the opportunities for restructuring of debt for the Fire Authority may be limited. The decision to increase the PWLB lending rates without increasing the rate used for repaying debt has significantly reduced the opportunity to restructure debt.

2.5 Short term borrowing

2.5.1 No borrowing was undertaken on a short-term basis during 2014/15 to date to cover temporary overdraft situations.

3 Prudential Indicators and limits relating to Treasury Management activities

3.1 The limits set for 2014/15

The Strategy Report for 2014/15 set self-imposed prudential indicators and limits. These are on an annual basis and monitored. They comprise:

- Authorised limit for borrowing (see 3.2 below)
- Interest rate exposure (see 3.3 below)
- Maturity structure of debt (see 3.4 below)
- Compliance with the treasury management code of practice (see 3.5 below)

- Interest on our investments (see 3.6 below)
- Maturity structure of investments (see 3.7 below)
- Capital Financing Requirement and Minimum Revenue Provision Statement (see 3.8 below)

None of the limits were exceeded in 2014/15.

3.2 Authorised limit for borrowing

3.2.1 The table below sets out the actual 2013/14, original estimate, and likely outturn in 2014/15 for borrowing.

	2013/14 Actual £'000	2014/15 Original Estimate £'000	2014/15 Actual £'000
Opening CFR	10,578	11,123	11,123
Capital Investment	3,281	4,140	2,081
Sources of Finance	(2,313)	(3,695)	(1,636)
MRP	(423)	(445)	(445)
MRP – Finance Leases	-	-	-
Movement in year	545	-	-
Closing CFR	11,123	11,123	11,123
less Finance Lease Liability	-	-	-
Underlying Borrowing Requirement	11,123	11,123	11,123
Actual Long Term Borrowing	11,123	11,123	11,123
Over / (Under) Borrowing	-	-	-
Operational Boundary	11,590	11,590	11,590
Authorised Limit	13,982	13,982	13,982

3.2.2 The outturn for 2014/15 shows no under- or over-borrowing.

3.2.3 The borrowing limits set in each year include capacity to borrow in advance of need.

3.2.4 The Operational boundary for borrowing was based on the same estimates as the Authorised limit. It reflected directly the authorised borrowing limit estimate without the additional amount for short term borrowing included to allow, for example, for unusual cash movements. The Operational Boundary represents a key management tool for in-year monitoring and long term borrowing control.

3.2.5 The Authorised limit was consistent with the Fire Authority's current commitments, existing plans and the proposals for capital expenditure and financing, and with its approved treasury management policy statement and practices. It was based on the estimate of most likely, prudent, but not worst case, scenario with, in addition, sufficient headroom (short term borrowing) over and above this to allow for day to day operational management, for example unusual cash movements or late receipt of income. Risk analysis and risk management strategies were taken into account as were plans for capital expenditure, estimates of the capital financing requirement and estimates of cash flow requirements for all purposes.

3.2.6 The Authorised limit is the 'Affordable Borrowing Limit' required by S3 of the Local Government Act 2003 and must not be breached. The estimated long term borrowing at 31 March 2014 of £11,123,000 is under the Authorised limit set for 2014/15 of £13,982,000.

3.3 Interest rate exposure

The Fire Authority's Prudential Indicator continued the practice of seeking competitive fixed interest rate exposure for borrowing and lending.

	2014/15	2015/16	2016/17
Interest rate exposures	Upper	Upper	Upper
Limits on fixed interest rates based on net debt*	100%	100%	100%
Limits on variable interest rates based on net debt*	0%	0%	0%

*Net debt is borrowings less investments

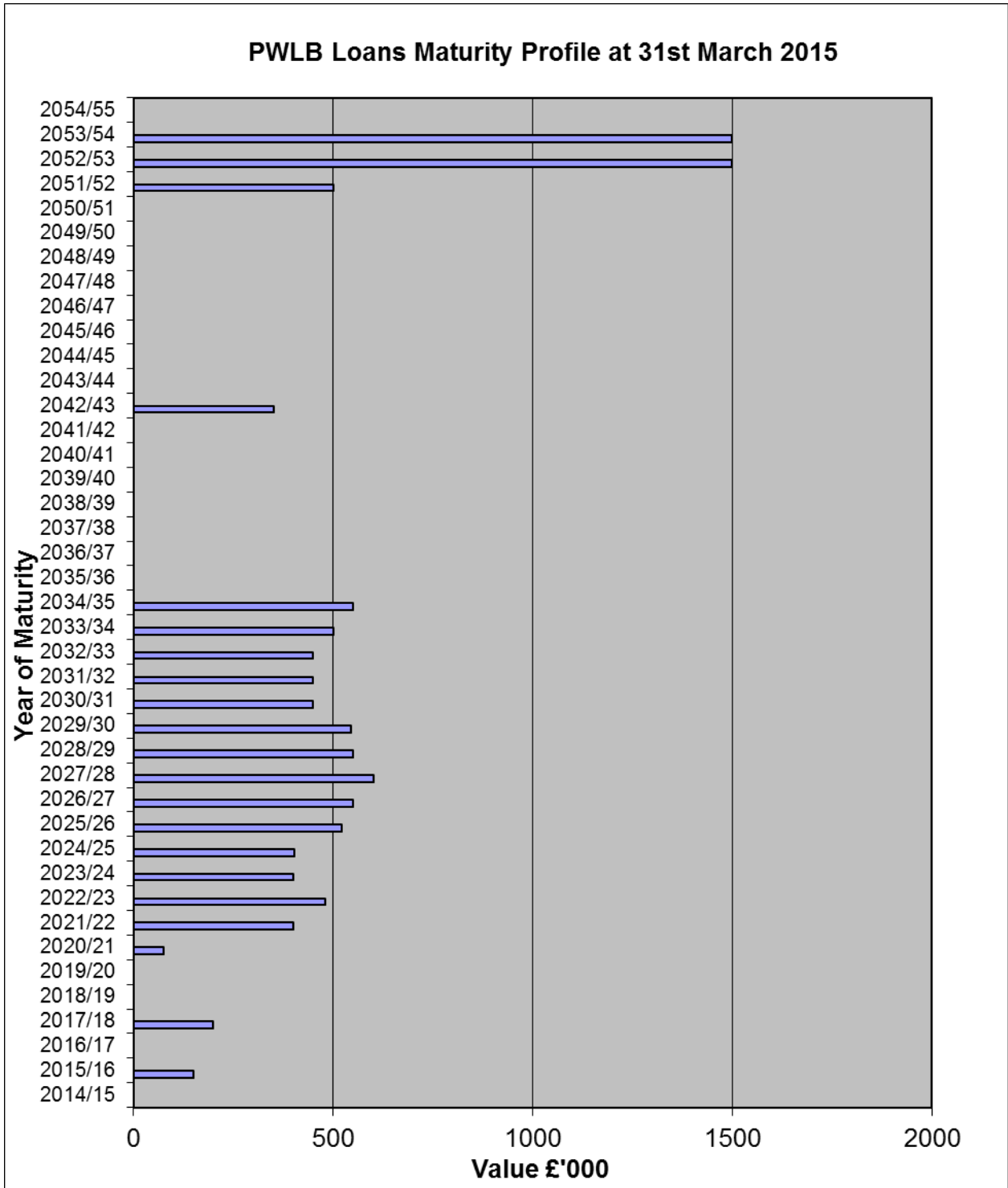
3.4 Maturity structure of debt

The Fire Authority set upper and lower limits for the maturity structure of its borrowings as follows.

	<u>Estimated Lower Limit</u>	<u>Estimated Upper Limit</u>	<u>At 31 March 2015</u>
Under 12 months	0%	25%	1%
12 months and within 24 months	0%	40%	0%
24 months and within 5 years	0%	60%	2%
5 years and within 10 years	0%	80%	16%
10 years and within 20 years	0%	80%	42%
20 years and within 30 years	0%	80%	8%
30 years and within 40 years	0%	80%	31%
Over 40 years	0%	80%	0%

Any new borrowing undertaken would give due consideration to the debt maturity profile, ensuring that an acceptable amount of debt is due to mature in any one financial year. This helps to minimise the authority's exposure to the risk of having to replace a large amount of debt in any future years when interest rates may be unfavourable.

No new borrowing was undertaken in 2014/15. The following graph shows the majority of debt matures in the next 10 to 20 years with some longer dated maturities out to 2052/53 and 2053/54. The first loan to be repaid will be on the 30 September 2015 (£150,000).



3.5 Compliance with the treasury management code of practice

East Sussex Fire Authority has adopted the CIPFA Code of Practice for Treasury Management in the Public Services.

3.6 Interest on our investments

3.6.1 Base interest rate has stayed at 0.50% in 2014/15. The rate is the lowest ever rate and the rate has remained unchanged for the longest period on record. The last change was on 5 March 2009.

3.6.2 There have been continued uncertainties in the markets during the year to date as set out in the previous paragraphs of this report.

3.6.3 The strategy for 2014/15 continued the prudent approach and ensured that all investments were only to the highest quality rated banks and only up to a period of one year.

3.6.4 The table below sets out the average monthly rate received on our investments and compares it to the Bank of England Base rate to reflect the interest rates available in the market, the reduced term of the investment to an overnight (on call) policy and limitation in the use of counterparties.

Month	Amount £	Monthly rate	Margin against Base rate (0.50%)	Average balance in month £m
April	6,799	0.46%	-0.04%	18.1
May	7,453	0.45%	-0.05%	19.7
June	6,708	0.46%	-0.04%	17.7
July	7,826	0.46%	-0.04%	20.1
August	9,674	0.52%	+0.02%	21.9
September	9,430	0.53%	+0.03%	21.7
October	9,263	0.54%	+0.04%	20.0
November	8,780	0.54%	+0.04%	19.7
December	8,644	0.55%	+0.05%	18.4
January	8,660	0.55%	+0.05%	18.5
February	7,757	0.55%	+0.05%	18.4
March	8,596	0.55%	+0.05%	18.4
Total in 2014/15	99,590	0.51%	+0.01%	19.4

3.6.5 The total amount received in short term interest for the year was £99,590 at an average rate of 0.51%. This was just above the average base rates in the same period (0.50%) but reflects the Fire Authority's risk appetite ensuring, so far as possible in the financial climate, the security of principal and the minimisation of risk.

3.6.6 All instant access (call) bank account deposit rates remained depressed during the whole year, primarily due to the effects of the funding for lending scheme. Instant access cash money market funds have returned around 0.42%. The Fire Authority had a £3m deposit invested for 6 months throughout the year with Lloyds/HBOS earning 0.70%. In August 2014 the Authority invested £3m in two

100-day notice accounts with Barclays and Santander, the longer duration with these banks improved monthly return from that month on. The Fire Authority did not make use of the Debt Management Office in the year.

3.7 Maturity structure of investments

The authority has continued the current policy and not invested any sums for more than 364 days and the investments were of high credit quality. Therefore, all of the investments were classified as Specified Investments.

3.8 Capital Financing Requirement and Minimum Revenue Provision Statement

The Fire Authority's Borrowing Need (the Capital Financing Requirement)

3.8.1 The prudential indicator is the Authority's Capital Financing Requirement (CFR). The CFR is simply the total outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the underlying borrowing need.

3.8.2 The Fire Authority approved the CFR projections for 2014/15 in its Strategy approved in February 2014. These are in the original estimate below.

	2013/14 Actual	2014/15 Original Estimate	2014/15 Actual
	£'000	£'000	£'000
Opening CFR	10,578	11,123	11,123
Closing CFR	11,123	11,123	11,123
Movement in CFR	545	-	-
Movement in CFR represented by:			
Net financing	968	445	445
MRP	(423)	(445)	(445)
Reduction in Finance Lease Liability	-	-	-
Movement in year	545	-	-

3.8.3 The Fire Authority is required to pay off an element of the accumulated General Fund capital spend each year through a revenue charge called the Minimum Revenue Provision (MRP), although it is also allowed to undertake additional voluntary payments.

3.8.4 The Fire Authority has implemented MRP guidance and has assessed the MRP for 2014/15 in accordance with the main Department for Communities and Local Government (CLG) Regulations contained within the guidance issued by the Secretary of State under section 21 (1A) of the Act. A variety of options were provided to authorities, so long as there was a prudent provision. The

major proportion of the MRP for 2012/13 related to the more historic debt liability for capital expenditure incurred before 1 April 2008 or which in the future will be Supported Capital Expenditure, the MRP policy will be:

- Based on the non-housing CFR, i.e., The Authority currently set aside a Minimum Repayment Provision based on basic MRP of 4% each year to pay for past capital expenditure and to reduce its CFR.

3.8.5 From 1 April 2008 for all unsupported borrowing the MRP policy will be:

Asset Life Method – MRP will be based on the estimated life of the assets, in accordance with the regulations (this option will be applied for any expenditure capitalised under a Capitalisation Direction).

4 Treasury Management Advisors

4.1 The Strategy for 2014/15 explained that the Fire Authority uses Capita Asset Services (formerly known as Sector) as its treasury management consultant through the contract that exists with East Sussex County Council. A range of services have been provided including:

- a) Technical support on treasury matters, capital finance issues and advice on reporting;
- b) Economic and interest rate analysis;
- c) Debt services which include advice on the timing of borrowing;
- d) Debt rescheduling advice surrounding the existing portfolio;
- e) Generic investment advice on interest rates, timing and investment instruments;
- f) Credit ratings from the three main credit rating agencies and other market information; and
- g) Assistance with training on treasury matters.

4.2 Whilst the advisers provide support to the internal treasury function, under current market rules and the CIPFA Code of Practice the final decision on treasury matters remained with the Authority. This service remains subject to regular review.

4.3 Capita is the largest provider of Treasury Management advice services to local authorities in the UK and they claim to be the market-leading treasury management service to their clients and better than those offered by competitors. The advice will continue to be monitored regularly to ensure an excellent level of service provided to our authority.

5 Conclusion

5.1 The prime objective of Treasury Management is the effective management of risk and that its activities are undertaken in a prudent, affordable and sustainable basis. This report confirms the Authority has continued to follow an extremely prudent approach with the main criteria of security and liquidity before yield. The current emphasis must be to continue to be able to react quickly if market conditions worsen.

EAST SUSSEX FIRE AUTHORITY

Date: 18 June 2015
Title: Communications and Engagement Strategy 2015-2020
By: Chief Fire Officer & Chief Executive
Lead Officer: Elizabeth Curtis – Communications and Marketing Manager
Tel: 01323 462384 Email: elizabeth.curtis@esfrs.org

Lead Member:

Background Papers:

Appendices: A: Draft revised Communications and Engagement Strategy
B: Communications Equality Guide

Implications:

Corporate risk		Legal	
Environmental		Policy	
Equality impact	Noted in the report	Political	Included within Appendix A
Financial	Noted in the report	Other (please specify)	
Health & safety		Core brief	
Human resources			

Purpose of Report: To support the revised Communications and Engagement Strategy for 2015-20

Executive Summary: ESFRS has ambitious plans for the future in terms of campaign and partnership work. This revised communications and engagement strategy will help deliver those aims. Additionally it will assist ESFRS in meeting obligations in relation to consultation and engagement with both the public and staff as the Service looks to transform itself.

RECOMMENDATION: To support the revised Communications and Engagement Strategy for 2015-20 (attached as Appendix A) and recommend it for adoption

1. **INTRODUCTION**

- 1.1 The Communications and Engagement Strategy was written in 2005 and last reviewed in November 2011 to cover the period 2011/15. A further review of the Strategy has been carried out to ensure it matched the current expectations of the Service and set clear objectives for the future. The new draft Strategy covers the period 2015-2020.
- 1.2 ESFRS has ambitious plans for the future in terms of campaign and partnership work. This revised communications and engagement strategy will help deliver those aims. Additionally, it will assist ESFRS in meeting its obligations in relation to consultation and engagement with both the public and staff as the Service looks to transform itself.
- 1.3 An effective communications and engagement strategy will assist ESFRS in assessing how to reach different groups within the community and within the workplace. It will also support staff on the ground to deliver effective face to face engagement.
- 1.4 The Strategy sets out the recommended stance on a number of key issues. Changes include:
 - An updated **PESTEL** (Political, Economic, Social and Technological evaluation)
 - Brand qualities
 - New Communications and Marketing Principles
 - Updated overarching Communication and Marketing priorities
 - Updated consultation and engagement section to reflect changes in management structures
- 1.5 It is anticipated that this Strategy can be delivered within the current communications budget.

2. **EQUALITY AND INCLUSION**

- 2.1 A Communications Equality Guide (Appendix B) has been written to support this Strategy. This aims to ensure that communications are accessible and appropriate to members of the community we serve.
- 2.2 The Guide aims to capture some of the key points and signpost people in the right direction for further detailed information.

Communications and Engagement Strategy (2015/20)

Responsible Officer	First Section Issue Date	Section Amended/Updated	Review Date
ACO (POD)	October 2005	December 2007 May 2009 March 2010 May 2011 Nov 2011 May 2015	May 2020

Index

	Page Nos.
1. Foreword	50
2. Introduction	50
3. Communications & Marketing Principles	52
4. Community Consultation and Engagement	59
5. Audit, Monitoring and Review	61
6. Impact Assessments	61

Communications Strategy 2015/20

1. Foreword

1.1 This sets out our Communications Strategy for the period 2015-2020.

The Communications Strategy supports East Sussex Fire Authority's (the Authority) vision of '**Achieving safer and more sustainable communities**'.

Our Vision is supported by two strategic aims:

Aim 1: To deliver quality services within available resources

Aim 2: To ensure a competent, diverse, safe and valued workforce

It is underpinned by our core values, which are:

Respect and dignity for all

Trust, integrity, initiative and innovation

Serving our whole community

We are proud of our fire and rescue service and enjoy working in a positive environment

1.2 The Authority is committed to proactive, co-ordinated and integrated communications which deliver the corporate aims of the Authority and East Sussex Fire and Rescue Service (ESFRS) and which raise the profile of both.

1.3 In addition, an agile approach is needed to ensure that communication activities reflect current priorities. For example, an aim may be to create understanding of Service-wide changes including transformation or savings programmes, which may be controversial or high profile. Another example would be promoting the Fire Authority's commitment to increasing the use of sprinklers in buildings.

2. Introduction

2.1 This Strategy takes into account the Authority's Annual Plan, its vision and strategic aims, the Integrated Risk Management Plan, the needs of the communities of East Sussex and the City of Brighton & Hove and the staff of ESFRS.

2.2 With a drive to make efficiency savings within the Service, the size of the communications and marketing team was reduced in 2014. This means activities are prioritised and we have moved towards higher impact, low cost e-communications to reach target audiences.

2.3 Additionally with a growing emphasis on partnerships, effective communication relies on different teams and individuals working alongside the Communications and Marketing function. The Communications and Marketing team's role is – in part – to empower colleagues to make decisions and impact positively on the community. Co-ordination is vital. An integrated communications calendar that includes campaigns and activities from each Borough, station and department within ESFRS is in place. A culture of sharing best practice and success internally and externally is promoted.

2.4 Section 4 sets out principles to engage local stakeholders, communities, supply partners, representative bodies and staff in achieving safer and more sustainable communities and provide high quality local services at an affordable price to our local council taxpayers.

Context

2.5 There are a number of national and local drivers for change and influencing factors which impact on Communications and Marketing function at ESFRS, notably:

2.5.1 Political landscape

Nationally there is a continued drive for the public to have a say in the services they receive, the management of their communities and the facilities within them. Our long standing commitment to community involvement and engagement means we are well placed to deliver this.

In accordance with its statutory duties under the Fire and Rescue Services Act 2004, the Authority is required to have regard to the content of the National Framework document. The National Framework document places a duty on all fire and rescue authorities to produce an Integrated Risk Management Plan (IRMP), setting out details of the way in which they intend to reduce community risk, using an approach that is consistent with value-for-money principles. Draft IRMP are required to be subjected to public consultation.

2.5.2 Growth in online interaction

Members of the public expect to be able to access services and information whenever and wherever they need them – particularly online. Communications must reflect this through increased use of technology and interaction across existing social media platforms.

2.5.3 Economical downturn

Following the 2007/2008 financial crisis, public services have had budgets cut. Engagement and communications must be cost effective, must take into account any detrimental effects the downturn has had on the communities – such as businesses struggling to stay afloat, homeowners unable to afford the costs of maintaining chimneys etc and must take advantage of opportunities for shared working.

2.5.4 Legal considerations

There is a raft of legislation and codes including (but not limited to):

The Code of Recommended Practice on Local Authority Publicity states publicity should be lawful, cost-effective, objective, even-handed, appropriate, have regard to equality and diversity and be issued with care during periods of heightened sensitivity.

<https://www.gov.uk/government/publications/recommended-code-of-practice-for-local-authority-publicity>

Privacy and Electronic Communications Regulations: require companies provide 'opt-in' boxes for unsolicited electronic mail, rather than the 'opt-out' boxes. (Ref: http://ico.org.uk/for_organisations/privacy_and_electronic_communications and <http://www.legislation.gov.uk/ukxi/2011/1208/contents/made>)

Data Protection Act 1998: legal obligations about protecting personal information including the use of images. (Ref: http://ico.org.uk/for_organisations/data_protection)

CAP and BCAP: UK Advertising Codes: These state advertising must be responsible, must not mislead, or offend. (Ref: <http://www.cap.org.uk/>)

DEFRA: guidance on green claims e.g. avoid meaningless terms such as "environmentally friendly" (Ref: <https://www.gov.uk/government/publications/green-claims-guidance>)

Copyright, Design and Patents Act, 1988: Copyright is one of the main types of intellectual property. ESFRS holds a Copyright Licensing Agency licence and a Newspaper Licensing Agency licence. (Ref: CLA: <https://www.cla.co.uk/> and NLA: <http://www.nla-web.co.uk/>)

2.5.5 *Aging population*

According to Government figures in 2010, 10 million people in the UK are over 65 years old. The latest projections are for 5½ million more elderly people in 20 years time and the number will have nearly doubled to around 19 million by 2050. (Ref: <http://www.parliament.uk/business/publications/research/key-issues-for-the-new-parliament/value-for-money-in-public-services/the-ageing-population/>)

Communications and marketing activities must be suitably adapted and targeted to meet the challenges presented by this.

2.5.6 *Environmental*

ESFRS has committed to safeguarding the environment. The Communications and Marketing function takes this into account when printing, considering alternatives routes for sharing information with the target audiences.

3. Communications and Marketing Principles

3.1.1 Effective communications play a key role in helping the Authority deliver its overall strategic aims (as outlined above in Section 1.2).

3.1.2 *Awareness, Interest, Desire and Action*

The AIDA communication model focuses on the sequence of reactions of our target audiences, moving them through the following states:

Awareness: they are aware of a brand, an issue or topic

Interest: they are interested and want to find out more

Desire: they want to do something

Action: they do something

A simple example could be:

- an *awareness* of smoke alarms helping alert people to fire in the home
- an *interest* in how they can protect themselves
- a *desire* to fit smoke alarms
- *acting* to fit smoke alarm

3.1.3 *Push, pull, profile*

There are three main communication and marketing strategies commonly adopted to achieve this outcome:

- Push: Pushing information out through third parties
- Pull: Pulling the audience(s) to ESFRS for information
- Profile: Raising the profile of the organisation and its aims

3.1.4 To ensure we communicate as effectively as possible we have identified the following *Communications and Marketing Principles*, which collectively underpin these strategies.

Push

Work with the media, partners and other third parties to promote campaigns and initiatives.

Manage adverse media or social media coverage through proactive interaction.

Pull

Ensure campaigns, messages and activities are accessible to and reflect community needs.

Be innovative in developing external channels including the website and social media.

Be innovative in developing clear and effective internal channels including the intranet.

Profile

Build and protect our reputation as a trusted and effective fire and rescue service.

Position ESFRS as an employer of choice, in order to attract and retain a diverse workforce that is more representative of local communities.

3.2 **Seven overarching communication and marketing priorities** stem from these principles

PRIORITY ONE – Brand

3.2.1 In marketing:

“A brand is a name, term, sign, symbol or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors.” (Source: Philip Kotler – leading marketing theorist)

Brand equity is the added value endowed on products and services, which may be reflected in the way consumers think, feel, and act with respect to the brand. A brand promise is the marketer’s vision of what the brand must be and do for consumers.

3.2.2 People interact with brands on a daily basis, building relationships and forming opinions. Therefore, we need to ensure that all of our contact with local communities – whether it is person-to-person, online, or in print – is a consistent and positive experience.

3.2.3 ESFRS brand qualities (our brand promise):

- Proactive and committed to serving the community
- Trustworthy and open
- Professional and knowledgeable
- Caring and approachable
- Inclusive

3.2.4 Examples of elements of the brand, brand equity and brand promise:

- Partnership activities demonstrate the commitment of ESFRS to delivering a service which is of benefit to the community.
- Staff knowledge, along with their personal attributes such as friendliness and professionalism, builds brand equity as it fulfills community expectations of the Service.
- A strong, relevant and consistent corporate identity is used by the Authority and ESFRS. This includes a set of corporate colours and rules about use of the logo, making us easy to identify and establishing ourselves as professionals.
- Authority meetings are open to the public and information including papers and decisions can be accessed online, demonstrating openness and trustworthiness.

PRIORITY TWO - Social Marketing and partnership working

3.2.4 ESFRS uses data to map risks through its Integrated Risk Management Plan and incident reporting mechanisms. This provides an excellent source of information for targeting communications. This includes identifying preferred routes of communication for different sections of the community, in particular our vulnerable and hard to reach groups.

3.2.5 Our work will be informed by the Community Safety Strategy and will focus on educating and informing the communities we serve to assist us in reducing risk within the home, the workplace, places of public gathering, community assets and on the road.

3.2.6 We will support communications activities within existing partnerships such as the East Sussex Safer Communities Partnership, as well as other key partners such as Sussex Police and the Sussex Safer Roads Partnership. Where possible, we will identify areas where we can work in new partnerships with other agencies and look towards regional collaboration with other fire and rescue services to provide a more unified approach to tackling problems.

PRIORITY THREE – Inclusion and diversity

3.2.7 Inclusion and Diversity (I&D) is an organisational priority. Communications – both internally and externally - will take into account the protected characteristics.

3.2.8 Communications activities reflect this commitment through:

- publicising activities which promote inclusion e.g. Brighton Pride, Interfaith Week, International Womens Day
- making information freely available in accessibly formats e.g. braille, audio
- adapting content to be appropriate to different individuals e.g. Easy Read.

3.2.9 Plain English

A Plain English approach has been adopted. There is a cost implication to achieving Crystal Marks from the Plain English Campaign which may prevent us seeking this on publications however the principles can be followed. The Campaign states “We campaign against gobbledygook, jargon and misleading public information.” Its mission is to make sure that people get clear information, so that they can use their democratic rights and to make sure all public information is clear and honest.

PRIORITY FOUR – Channel management

3.2.10 There are a range of channels or communication tools available. These can be divided into external and internal channels. The table below evaluates the effectiveness of external tools against the criteria of communications, cost and control. This strategy focuses on three key external channels: media relations, website and social media/e-communications which are shown to be particularly effective and are low cost.

	Media relations	Social media	Adverts	Events & meetings	Website	Direct mail (inc. email)
Ability to deliver a personal message	Low	Low	Low	High	Low	High
Ability to reach large audience	High	High	High	Low	High	Medium
Ability to target particular audiences	Low	Low	Medium	Medium	Low	High
Level of interaction	Low	High	Low	High	Low	Medium
Credibility given by target audience	High	Medium	Low	High	High	High
Absolute costs	Low	Low	High	Medium	Low	Medium
Wastage	High	Low	High	High	Low	Low

3.2.11 Media relations

Media outlets such as newspapers, TV, radio and websites are influential mediums through which organisations can convey their key messages. Audiences access media reports via a number of routes and around the clock. Effective media relations enable us to influence the way we are perceived, building brand equity alongside communicating key messages.

3.2.12 Successful media relations involve being proactive with news and interview opportunities, being accessible and responding effectively and efficiently. Contact details of the Communications and Marketing team are available on the website. Additionally press releases are added to the website and sent out via our social media accounts and email.

3.2.13 Journalists will seek out stories which are dramatic or reveal conflict. A professional working relationship with the media means we will find out about possible adverse coverage at the earliest opportunity. This will improve our chances of ensuring the eventual report or article will be fair, accurate and balanced.

3.2.14 Media training is given to key operational staff to help equip them to deal with journalists and needs to be delivered on a regular basis. Sussex Control Centre staff answer simple press queries out of office hours and a one year out of hours rota is being piloted from April 2015 for more complex or larger scale incidents, where a communications specialist is required.

3.2.15 An agreed protocol for major incidents is vital. A major incident plan has been introduced for ESFRS incidents. Additionally partnership working with the Sussex Warning and Informing Group aims to ensure a co-ordinated response to a multi-agency incident such as a terrorist attack. (See Priority Six for further information).

3.2.16 Website

Our website, www.esfrs.org, holds a wealth of information, supporting our work by providing advice and support, as well as helping to meet legal obligations under transparency and governance rules. It is central to our communications strategy and investment has been agreed to review and replace it.

3.2.17 A content management system has been introduced. It is a software system which allows people without web programming skills to create and manage website content with relative ease. It provides greater resilience as more than one member of staff can publish or remove information, it can be accessed remotely and it will be hosted off site, removing a reliance on IMD for support.

3.2.18 A new style guide has also been introduced. This includes accessibility requirements, branding guidelines and Plain English expectations. All images must meet the corporate policy on image use. User feedback and analytical reporting will be used on a regular basis to identify further improvements.

3.2.19 Social media and e-communications

This strategy focuses on the use of Facebook, Twitter, You Tube and e-newsletters. Social media and e-communications are now frequently used by ESFRS. All press releases appear on both our Facebook and Twitter accounts. Social media is particularly popular in certain demographics and need to be used with this in mind. Members of staff across ESFRS have been trained to use social media on behalf of the Service and a number of corporate accounts now exist.

3.2.20 ESFRS Manual Note IM03_02_V2 IT Security and Information Assurance Appendix C5 sets out our policy on social media for staff. It makes it clear to all of our staff who use social media, either for work or in their personal life, of the standards expected of them so as not to potentially bring the reputation of the Authority or ESFRS in to disrepute.

3.2.21 Social media sites are different in nature. The following principles should be adopted to make the most of these characteristics:

Facebook - build a community

- High use of visuals e.g. photos and graphics
- Links to web page pages or videos
- Public conversations and interaction

Twitter – fast paced updates

- Frequent updates
- Endorsement of partnership activities or news through retweeting

You Tube – video library

- Central point for all videos
- Establishes ESFRS staff as experts and leaders

PRIORITY FIVE – Internal Communications

3.2.22 A strong internal communication strategy, if delivered effectively, will inform and motivate

the workforce. It is a very challenging task within EFSRS. Barriers include the number of sites (27 including Sussex Control Centre) and the working patterns (e.g. retained and whole time uniformed staff compared to support staff). Additionally not all staff have regular access to a computer or the internet while at work. Effective communication also relies on the willingness of staff to be proactive in reading or absorbing information given to them.

3.2.23 A light touch review of internal communications in 2014 concluded updates about key issues need to be regular, concise, timely and from an authoritative source. Content matters more than format. The overall approach in giving updates about key issues needs to be one of openness and honesty. In shaping and delivering the message, consideration should be given to the circumstances and needs of the local audience receiving the information. Respondents most want to feel that they are being communicated with in an honest, transparent and direct way, particularly when it comes to service changes and budget cuts. There is strong support for more consultative, two-way communication that involves staff and actively seeks their views and input.

3.2.24 Channels

The review revealed there is a clear preference for face-to-face communication (one-to-one, line manager, team meetings, senior manager briefings etc.), especially when communicating important issues affecting the service. Email and Service Brief are mentioned numerous times as preferences alongside face-to-face channels.

Internal communications channels are being streamlined, in line with the preferences expressed by staff.

3.2.25 Key principles for internal communications going forward are as follows:

- There must be a clear commitment to deliver information in a way that is clear, timely and appropriate, with a strong emphasis on forward planning.
- Every communication channel must be used to communicate the same consistent messaging.
- There must be a range of easily accessible ways for staff to feedback and two way communication must be encouraged
- Channels effectiveness should be measured and evaluated to ensure staff are still receiving information in the way they prefer

PRIORITY SIX – Emergency planning

3.2.25 The Communications Team plays an active role within the multi-agency Sussex Warning and Informing Group (SWIG). This is mobilised when there is a major incident.

3.2.26 A stakeholder mapping process was undertaken in Autumn 2013 which identified contacts within organisations including Councils, emergency services and Government agencies. This document is reviewed on an annual basis to ensure it is up to date.

3.2.27 A clear procedure for 24-hour communications support following a major situation or emergency is in place. All messages must be aligned and tools should be used to their best advantage. The pilot of an out of hours rota of comms specialist supports this.

PRIORITY SEVEN – Evaluation

3.2.28 Evaluation of activities assists in improving the service we deliver. Objectives must be set at the start of campaigns with appropriate metrics.

Examples of quantitative measures:

- Web hits – has traffic increased to relevant pages?
- Number of retweets/likes etc on social media
- Attendance at events
- Number of people applying for roles

Examples of qualitative measures:

- Ad hoc feedback (particularly at events or during recruitment processes)
- Focus groups
- Comments on social media

3.2.29 Media and social media monitoring is of particular use. It provides quantitative information (e.g. how many outlets ran the story, the advertising value equivalent etc) and qualitative (e.g. whether it was favourable or not, additional comments etc). Due to its importance, a media monitoring service is used to ensure that all coverage, whether broadcast, print, online or social media, is captured.

3.2.30 Measuring long term behaviour change is more difficult and often more costly. This can be done through primary research e.g. asking people if their behaviour has changed as a result of our actions or through tracking trends in operational statistics and making assumptions, free online surveys or staff carrying out feedback sessions.

4. Community Consultation and Engagement

4.1 This section sets out clear objectives in how to engage our local stakeholders, communities, supply partners, representative bodies and our own staff.

The Local Government Act 1999 places a duty upon local authorities to continually seek to improve the way they carry out their activities. This is the duty of 'Best Value'. Effective consultation is central to the achievement of Best Value for without it the view of service users and other stakeholders will not be heard and they will be unable to influence the way forward. Authorities should ensure that local voluntary and community organisations and small businesses are included in consultations, and that consultation should apply at all stages of the commissioning cycle, including when considering the decommissioning of services.

4.2 Introduction

4.2.1 The Fire Authority is committed to involving local people in shaping their area and the services they receive. Consultation and engagement provides them with opportunities to:

Gain greater awareness and understanding of what ESFRS does.

Voice their views.

Influence decision-making.

Comment on what priorities they believe ESFRS should be delivering that offer service quality at an affordable price to local council taxpayers.

4.2.2 Consultation can be explained simply as a: 'process of dialogue that leads to a decision' (The Audit Commission, 'Listen up', 1999). It is a primary way to ensure services respond to and reflect the needs of local people.

4.2.3 Consulting allows the Fire Authority to gain views from local people or service users about proposed changes, priorities or new initiatives. Although these views are considered, the final decision rests with the Authority.

4.2.4 Engagement is more of a two-way process. There is an emphasis on building relationships with the local community, so that the participants can remain involved on an on-going basis. Method and approaches include:

Making sure there are clear messages about why and how we are engaging, to give people options about how they can be involved.

Designing engagement around the profile, needs and lifestyles of excluded groups. e.g. homeless people, travellers, refugees, etc.

Involving local partners who may have more in-depth knowledge and contact with excluded groups.

4.3 Diversity & Inclusion

- 4.3.1 Our consultation and engagement processes will support the diversity and equality aspirations of the organisation. We will do this by:

Ensuring strategic key issues are consulted upon with representative groups, reflecting the Equality Framework for Local Government and our legal obligations under the Public Sector Equality Duty (Ref: http://www.local.gov.uk/equality-frameworks/-/journal_content/56/10180/3476575/ARTICLE and <http://www.legislation.gov.uk/ukpga/2010/15/part/11/chapter/1>)

Ensuring the results of consultation processes are considered from these different perspectives.

Ensuring that, where differences in communities' needs are significant, these are taken into consideration in service planning decisions.

- 4.4 Engaging with local people helps the Fire Authority build a clearer understanding of local issues from the perspective of those who are most affected by the situation. Getting to know local communities better means that the Fire Authority can ensure the most appropriate methods are used to engage them effectively and successfully. Likewise, good engagement also means that local people gain a better understanding of the challenges being faced by the Fire Authority in seeking to meet their needs.

- 4.4.1 Community engagement activity ranges from ensuring the availability of relevant information to suits the needs of local people through to undertaking research and conducting consultations an encouraging and supporting active participation in decision making.

- 4.4.2 Good community engagement can result in a range of benefits for individuals, communities and partners. These include:

Assisting partners meet their requirement to carry out statutory consultation
Improved relationships with communities through open conversation and honest feedback
Increased public involvement in local decision making and greater possibility of the public being able to influence local decisions
Involving residents in the delivery of public services to make sure their knowledge, experience and priorities help shape services so they are more responsive to local need
Engaging more people in local democracy and decision making about things that affect them

4.10 Key Consultation and Engagement responsibilities

Fire Authority Chairman and Members	Through talks, events, speaking engagements, receptions, through their special role at local level, both giving information and receiving feedback
Chief Fire Officer & Chief Executive and other Principal Officers	Through leadership roles/promoting key aims to national leaders, local community representatives, business leaders, strategic partners, Fire & Rescue Service personnel and both giving information and receiving feedback
Corporate Management Team	Who must achieve a co-ordinated approach to consultation and engagement outcomes
Deputy Chief Fire Officer	For all strategic partnership consultation arrangements and IRMP in co-operation with other Principal Officers
Community Risk Management Communications and Marketing	Through promoting what the Fire Authority stands for and its services
Employees e.g. Heads of function, Borough Commanders	Who can all influence people's perception of the Fire Authority and, as a group, represent a cross-section of the East Sussex community.

4.11 Further guidance on consultation and engagement processes

ESFRS has developed a summary Manual on consultation processes, which is available to staff on the intranet. Any individual or group wishing to undertake a consultation and engagement exercise must notify CMT. This is to ensure that corporate co-ordination of consultation and engagement processes takes place, that all consultation takes place in the most cost effective manner and follows the principles and objectives set out in this Strategy.

5. Audit, Monitoring and Review

- 5.1 The Service will regularly audit and monitor its activities in relation to communications and engagement. The exact process will vary depending on the activity but could include analysis of consultation responses and media monitoring.
- 5.2 The Service will continue to work collaboratively with the South East Fire Improvement Partnership (which replaced the South East Regional Management Board) in the interests of achieving value for money and consistency of approach. This partnership work will ensure the Service is informed of the national position and serve as benchmarks for assessment processes.

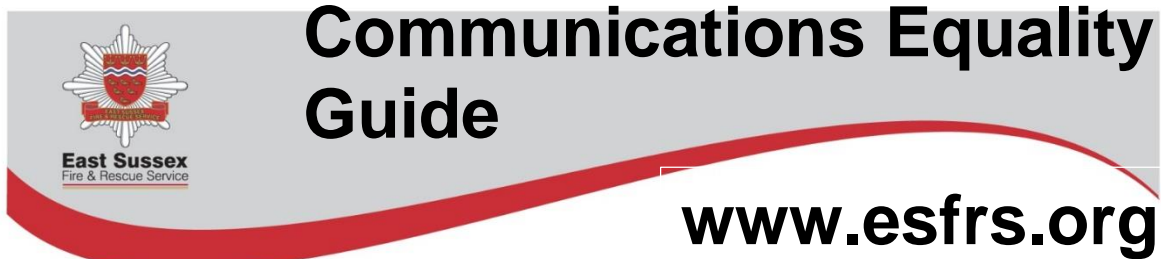
6. Equality Impact Assessment

- 6.1 Our Communications and Engagement work will take into account available community profiling information on the differing needs of people living and working in our area. This will be carried out for each project/consultation.

- 6.2 Effective Communications and Engagement can assist in improving access to our Services and information so that no-one is disadvantaged. The Strategy supports the provision of information in a range of formats suitable for the target audience. This could include the provision of information in different languages, in braille or large print and the use of accepted approaches such as EasyRead for people with learning disabilities.
- 6.3 We will follow best practice guidelines from independent organisations such as the British Institute of Learning Disabilities, the RNIB, the RNID, the Office for Disability Issues and the Government's website guidelines. (Refs: <http://odi.dwp.gov.uk/inclusive-communications/index.php> and <https://www.gov.uk/service-manual/user-centred-design/accessibility>)
- 6.4. Additional guidance has been produced for staff to accompany the EIA.

7. Environmental Impact Assessment (EnIA)

- 7.1 The purpose of the environmental impact assessment is to assess what effect the Authority's strategy may have on the environment. This Strategy minimises the impact on the environment through an emphasis on electronic engagement.



East Sussex Fire and Rescue Service is committed to ensuring its communications are accessible and appropriate to members of the community – meeting any specialist needs they may have.

There is a wealth of information available on this topic. This document aims to capture some of the key points and signpost people in the right direction for further detailed information.

This guide is divided into sections:

[Our community](#)

[Adapting our information](#)

- [Disability](#)
- [Website](#)
- [Languages](#)

[Avoiding offence - use of language and imagery](#)

- [Religion](#)
- [Disability](#)

[Appendix A - Statistics](#)

[Appendix B – alternative formats and translation](#)

Our community

East Sussex has an elderly age profile and is less ethnically diverse than the South East and nationally. The county's population also has higher proportions of people who are married or in a same-sex civil partnership. Around a fifth of the population have a long term health problem or disability that limits day to day activities.

In the 2011 census the resident population of Brighton & Hove was estimated at 273,369 people. The City has an unusual age distribution compared to both the national and regional profiles: it has fewer children and old residents, but a clear swell in the proportion of adults aged 20-44 years.

Brighton and Hove had the highest number of people in same-sex civil partnerships at the time of the 2011 census, with one per cent reporting living in a same-sex civil partnership. This is five times higher than the proportion found in the South East. The best estimate of the number of lesbian, gay and bisexual residents is 11-15 per cent of the population aged 16 or more. There is no similar data available for East Sussex.

When considering faith, a significant proportion of the community identified themselves as Christian. There is also a small number of people who follow one of a wide range of other faiths including Islam, Hinduism and Buddhism.

Further information about our community can be found at [Appendix A - Statistics](#)

Adapting our information

Disability

Disabled people are likely to have a below average level of access to information. This may be due to financial reasons, limited mobility or because absorbing information can require extra effort. Planning the right range of communication channels to use will help reach the maximum number of people in a cost-effective way.

In general, disabled people are consumers of mainstream press however we may also want to target disabled people via their membership of disability or health organisations, or via disability publications.

Although radio is not accessible for people with hearing impairments, many people with visual impairments get their news from radio programmes.

Although not everyone has access to the internet there are an increasing number of outlets and devices disabled people can use to access the web including home PCs, Handheld devices, for example, tablets and smartphones and public libraries.

Good use of social media can help you to better understand, respond to and attract the attention of specific audiences. It enables real two-way communication with people in the places where they are already engaging with their interests.

Source: <https://www.gov.uk/government/publications/inclusive-communication/using-a-range-of-communication-channels-to-reach-disabled-people--2>

Website

Our website www.esfrs.org has a number of features which make it more accessible.

Colour contrast

- Black/white combination passes AAA standard
- Red/White combination passes AAA standard, some smaller text would only pass AA standard but the website typically only uses the Red/White combination for large headings and main menu items

Accessibility

- The website is designed to meet the overall AA standard
- The PDFs on the website do not conform to any accessibility standards

Accessibility checklist

- Images have alternative text
- Colour contrast; as above

- Text-resizing. No in-built function. All browsers have functionality to manage text resizing (and custom colours)
- Headings are correctly nested using the standard HTML Heading tags (<h1> - <h6>)
- Links are contextual and avoid use of “Click here”, “more” etc. except on the home page where alternative links via images are also used.
- Tables are kept to a minimum and are used for data presentation not for structuring the page. Captions and summaries are used as required.
- Visual presentation is defined in ‘stylesheets’ not embedded in the pages.

Languages

We have home safety leaflets (produced by the DCLG) available in a number of languages other than English, specifically Arabic, Bengali, Cantonese, Gujarati, Polish and Portuguese. These are available on our website and we can also print these if requested.

Our corporate publications include details of how to get information in different languages: Albanian, Arabic, Bengali, Cantonese, Farsi, Russian, Gujarati, Kurdish, Portuguese and Polish. (See [Appendix B – alternative formats and translation](#))

It should be noted that the former Communities Secretary Eric Pickles stated: “Local authorities must comply with the duties set out in the Equalities Act 2010, including the duty not to discriminate and the public sector equality duty. But this is not a legal duty to translate documents into foreign languages. Even if publishing only in English could put some people at a particular disadvantage, such a policy may be justified if local authorities can demonstrate that the integration and cost concerns pursue a legitimate aim and outweigh any disadvantage. The equality duty does not require a particular outcome, merely that public authorities consider all the relevant factors.”

<https://www.gov.uk/government/speeches/translation-into-foreign-languages>

Alternative formats

An Easy Read version of our Fire Safety in the Home leaflet is available in print and on our website.

The following formats are available on request.

Large print (reformatted and increased to 18 point sans serif font)

CD ROM in plain text format to enable computer "reader" systems to access and translate the information.

Audio tape, audio CD and braille.

Pictorial format suitable for people with learning difficulties ('Easy Read')

Please note we may not be able to provide these immediately depending on the amount of information requested.

(See [Appendix B – alternative formats and translation](#))

Avoiding offence – guide to language and imagery

Religion

There is always a risk of causing offence when using religion or religious imagery in communications; there may be some components of religion that simply cannot be used. Some aspects of religion are so sacred to believers that it is rarely going to be acceptable to use them in marketing. The dismissive or irreverent depiction of sacred symbols, such as spiritual figures or gods (e.g. Buddha, Vishnu, Jesus), sacred texts (e.g. the Koran), holy places, rituals or festivals, can all cause serious or widespread offence.

Source: CAP Help Notes - Religious Offence

Disability

Avoid passive, victim words. Use language that respects disabled people as active individuals with control over their own lives.

Avoid	Use
(the) handicapped, (the) disabled	disabled (people)
afflicted by, suffers from, victim of	has [name of condition or impairment]
confined to a wheelchair, wheelchair-bound	wheelchair user
mentally handicapped, mentally defective, retarded, subnormal	with a learning disability (singular) with learning disabilities (plural)
cripple, invalid	disabled person
spastic	person with cerebral palsy
able-bodied	non-disabled
mental patient, insane, mad	person with a mental health condition
deaf and dumb; deaf mute	deaf, user of British Sign Language (BSL), person with a hearing impairment
the blind	people with visual impairments; blind people; blind and partially sighted people
dwarf; midget	someone with restricted growth or short stature
fits, spells, attacks	seizures

Source: <https://www.gov.uk/government/publications/inclusive-communication/inclusive-language-words-to-use-and-avoid-when-writing-about-disability--2>

Gender

Language should be gender neutral.

Avoid	Use
He/she if not referring to a specific individual	They
Headmistress/headmaster	Headteacher
Spokesman/woman	Spokesperson
Manning the phones	Staffing the phones
Postman	Postal worker

It should also be noted that it is not appropriate to add gender pre-fixes when describing roles e.g. “lady judge, female firefighter, male nurse, male secretary” as this implies these roles are rightfully belong to the opposite gender.

Source: Diversity in Diction - Equality in Action - a guide to the appropriate use of language from Unison, TUC and TUC Cymru (Wales).

LGBT

According to Stonewall, ninety nine per cent of lesbian, gay and bisexual young people report hearing the derogatory use of phrases such as ‘that’s so gay’ or ‘you’re so gay’ in school. The unchallenged use of ‘gay’ to mean bad or rubbish has a profoundly negative effect on gay young people’s self-esteem. Stonewall also highlights that we have seen significant changes in recent years enabling many more lesbian and gay people to have families. Images used to depict family life should therefore be reflective of this.

Avoid	Use
homosexual	Gay, gay man or lesbian gay person/people
homosexual relations/relationship/couple/family sexual preference	Relationship/couple/family sexual orientation or orientation
gay lifestyle or homosexual lifestyle	gay lives or gay and lesbian lives
admitted homosexual or avowed homosexual	openly lesbian, openly gay, openly bisexual, or simply "out"
Transgendered/a transgender/transgenders Transvestite/tranny	transgender
sexual identity transgender identity	gender identity gender expression

Sources: <https://www.lgbtmap.org/file/allys-guide-to-terminology.pdf>
<http://www.glaad.org/reference/offensive>
http://www.stonewall.org.uk/what_we_do/2583.asp#attitude

Race

Everyone has an ethnic identity based on shared geography, cultural tradition, language or religions - using the phrase "people of ethnic origin" is therefore meaningless. In circumstances where it is necessary to refer to someone's race or ethnicity, and you are uncertain about the terminology to use, ask them how they wish to be described.

Asia is a vast continent, incorporating many countries, so the term "Asian" is not very specific. People of Indian, Pakistani and Bangladeshi origin for example may prefer to be referred to as such rather than the broad term Asian. The same can be said for the term South East Asian (Chinese, Japanese and Vietnamese people).

Avoid	Use
Ethnic/ethnics	Minority ethnic group
Blacks	The Black community or a Black person
Half caste or mixed race	mixed ethnicity or mixed ethnic origin
Coloured/non white	Refer to specific ethnic group
Paddy/Mick	Irish people
Taff	Welsh people
Jock	Scottish people
Gippos, tinkers or pikies	Gypsies, travellers or Romany Gypsies

Source: Diversity in Diction - Equality in Action - a guide to the appropriate use of language from Unison, TUC and TUC Cymru (Wales).

Appendix A - Statistics

The following statistics have been gathered from two sources – East Sussex County Council and Brighton and Hove City Council. The East Sussex figures are broken down into Boroughs.

<http://www.eastsussexinfigures.org.uk/webview/welcome.html>

<http://www.bhconnected.org.uk/content/local-intelligence>

Age

	All people	0-15	16-29	30-44	45-64	65+
East Sussex	534,402	92,086	76,989	88,025	147,854	129,448
Eastbourne	100,537	17,154	16,483	17,980	25,196	23,724
Hastings	90,754	16,880	15,741	16,976	24,435	16,722
Lewes	99,479	17,378	13,715	16,557	27,980	23,849
Rother	91,054	13,973	11,324	12,177	25,942	27,638
Wealden	152,578	26,701	19,726	24,335	44,301	37,515

	All people	Under 16	16-44	45-64	65-79	80 +
Brighton	273,369	44,345	132,192	61,140	24,136	11,556

Gender 2011

	Female (%)	Male (%)
Brighton and Hove	50	50
East Sussex	51.8	48.2
Eastbourne	52.2	47.8
Hastings	51.2	48.8
Lewes	51.4	48.6
Rother	52.5	47.5
Wealden	51.8	48.2

Ethnicity 2011

	All people	All White	All Mixed or Multiple ethnic group	All Asian or Asian British	All Black or Black British	Other ethnic group
Brighton and Hove	273,369	243,512	10,408	11,278	4,188	3,983
East Sussex	526,671	505,422	7,473	9,143	2,912	1,721
Eastbourne	99,412	93,508	1,791	2,795	783	535
Hastings	90,254	84,631	1,948	2,126	1,065	484
Lewes	97,502	94,159	1,275	1,400	416	252
Rother	90,588	87,951	1,031	1,103	305	198
Wealden	148,915	145,173	1,428	1,719	343	252

Disability 2011

	All people	People with long term health problem or disability	Day-to-day activities limited a little	Day-to-day activities limited a lot	People without long-term health problem or disability
Brighton & Hove	273,369	Not known	24,124	20,445	228,800
East Sussex	526,671	107,145	58,902	48,243	419,526
Eastbourne	99,412	20,831	11,209	9,622	78,581
Hastings	90,254	19,956	10,375	9,581	70,298
Lewes	97,502	19,054	10,583	8,471	78,448
Rother	90,588	21,242	11,591	9,651	69,346
Wealden	148,915	26,062	15,144	10,918	122,853

LGBT 2011

The Government estimates that 5-7% of population is Lesbian, Gay and Bisexual.

Data is not available for East Sussex.

Brighton and Hove City Council state: "Our city had the highest number of people in same-sex civil partnerships at the time of the 2011 census, with 2,346 residents aged over 16, or one per cent, reporting living in a same-sex civil partnership. This is five times higher than the proportion found in both the South East (0.2 per cent) and England (0.2 per cent). Our best estimate of the number of lesbian, gay and bisexual residents is 11-15 per cent of the population aged 16 or more. It's difficult to accurately gauge how many residents are lesbian, gay or bisexual as there is no census of the city's residents where a question about sexual orientation is asked and good practice is to provide respondents to surveys with a choice of whether to state their sexuality. We have very little information about transgender residents in the city, although work is underway to address this.

Religions and belief 2011

	Christian	Muslim	Buddhist	Jewish	Hindu	Sikh	Other	No Religion	No religion stated
Brighton & Hove	117,276	6,095	2,742	2,670	1,792	342	2,409	115,954	24,089
East Sussex (%)	59.9	0.8	0.4	0.2	0.3	0.0	0.7	29.6	8.1
Eastbourne	59.6	1.5	0.5	0.2	0.4	0.1	0.6	29.2	8.0
Hastings	51.9	1.3	0.5	0.2	0.5	0.0	0.7	36.6	8.3
Lewes	57.0	0.6	0.5	0.3	0.3	0.0	0.6	32.5	8.2
Rother	64.8	0.5	0.3	0.2	0.2	0.0	0.6	25.2	8.2
Wealden	64.0	0.4	0.3	0.2	0.1	0.0	0.8	26.3	7.9

Language 2011

	All people aged 3 and over	English	Other
Brighton and Hove	264,238	242,405	21,833
East Sussex	510,441	493,873	16,568
Eastbourne	96,172	90,223	5,949
Hastings	86,858	83,216	3,642
Lewes	94,522	92,056	2,466
Rother	88,240	86,598	1,642
Wealden	144,649	141,780	2,869

Breakdown of "other"

	French	Portuguese	Spanish	Other EU European language	Other non EU European language	Arabic	West/Central Asian language	South Asian language	East Asian language	African language	Other language
Brighton and Hove	1,335	799	1,624	7,831	396	2,226	1,077	1,699	3,087	541	1,163
East Sussex	867	1,021	792	6,525	1,332	405	713	1,922	2,373	445	173
Eastbourne	221	701	368	2,331	408	157	274	533	778	121	57
Hastings	151	65	76	1,396	379	87	284	560	476	138	30
Lewes	165	131	136	990	173	59	62	258	395	65	32
Rother	122	37	69	553	150	58	46	210	302	66	29
Wealden	208	87	143	1,255	222	44	47	361	422	55	25

Alternative formats and translation

Albanian	Me kërkesë, një përmbledhje e këtij dokumenti gjendet edhe në gjuhën shqipe.
Arabic	ملخص لهذه الوثيقة متاحاً أيضاً باللغة العربية عند الطلب.
Bengali	এই ডকুমেন্টের সারাংশও অনুরোধে বাংলায় পাওয়া যায়।
Cantonese	本文件的摘要也可應要求製作成中文(繁體字)版本。
Farsi	خلاصه شده این مدرک هم در صورت درخواست به فارسی موجود است.
Russian	Краткое содержание настоящего документа по отдельному запросу предоставляется также на русском языке.
Gujarati	આ દસ્તાવેજનો ટૂંકસાર વિનંતી કરવાથી ગુજરાતીમાં પણ મળી રહેશે.
Kurdish	کورتەیهکی ئەم بەلگەیه هەرۆهها به پێی داواکاری به زمانی کوردی دەس دەکەویت
Portuguese	Encontra-se também disponível um sumário deste documento em Português, a pedido.
Polish	Dokument ten jest na życzenie udostępniany w języku polskim.



0303 999 1000

The following formats are available on request:

Large print

(reformatted and increased to 18 point sans serif font)

CD ROM in plain text format to enable computer 'reader' systems to access and translate the information. Audio tape, audio CD and braille. Pictorial format suitable for people with learning difficulties ('easy read').

For translations of this document, please contact the Publicity and Media Officer.

Tel: 0303 999 1000

Fax: 01323 725574

Minicom: 01323 462003

Agenda Item No. 856

EAST SUSSEX FIRE AUTHORITY

Date: 18 June 2015
Title: Local Firefighters' Pension Board – Update
By: Chief Fire Officer & Chief Executive, Treasurer and Monitoring Officer

Lead Officer:

Lead Member:

Background Papers: Scrutiny & Audit Panel 28 May 2015 Item 970 - Firefighters' Pension Scheme – new governance requirements
Fire Authority 12 February 2015 Item 837 - Firefighters' Pension Scheme – new governance requirements
The Public Service Pensions Act 2013
Governance and administration of public service pension schemes – draft code of practice no. 14 – The Pension Regulator
Local Government Pension Scheme – Draft Guidance on the creation and operation of Local Pension Boards in England and Wales - consultation draft – Shadow Scheme Advisory Board for LGPS
Firefighters' Pension Scheme 2015: proposals for new governance arrangements – consultation draft – DCLG
The Firefighters' Pension Scheme (Amendment) (Governance) Regulations 2015

Appendices: Appendix A – Representatives' Role Description

Implications:

Corporate risk		Legal	Noted in the report
Environmental		Policy	
Equality impact		Political	
Financial		Other (please specify)	
Health & safety		Core brief	
Human resources			

Any implications affecting this report are noted at the end of the report.

Purpose: To update Members on the process for appointing members of the Local Pension Board and to appoint a Chair.

EXECUTIVE SUMMARY: The Authority has agreed the establishment of a Pensions Board in relation to the Firefighters Pension Scheme. It also agreed that the Chair of the Board should be appointed by the Authority. This report provides information about the progress in seeking employee representatives and asks the Authority to appoint a Chair of the Board, or leave it to the Board to do this at its first meeting.

RECOMMENDATION: The Authority is recommended to:

- i) note the report; and
- ii) appoint a Chair of the Local Pension Board; or leave it to the Board to do this at its first meeting.

REPORT

1. At its meeting on 12 February 2015 the Fire Authority approved the establishment of a Local Pension Board (the Board) to fulfil the requirements of The Public Service Pensions Act 2013 (the '2013 Act') and draft Regulations introduced by the Department for Communities and Local Government (DCLG). Subsequently, the DCLG has issued its final Regulations and, whilst these have no impact on the terms of reference agreed by the Authority, they do provide some additional flexibility over the appointment of Board members, by relaxing the requirement for knowledge and understanding and also allowing deferred scheme members and pensioner members (as well as active scheme members) to be nominated as employee representatives. A job description for Board members has been developed and is attached at appendix A.
2. The Authority also agreed at its meeting on 12 February 2015 that the Board should consist of four employee representatives; one from each of the representative bodies who have membership within our operational staff (FBU, RFU, FOA and APFO), and four employer representatives, drawn from Members of the Authority. At the time of writing this report only FOA (Chris Baker) and APFO (Gary Ferrand) had confirmed their nominations. No Member nominations had been received. A further update will be provided at the meeting.
3. In line with the Board's Terms of Reference the Authority now needs to appoint a Chair from the Board's Members or, if the Authority so wishes, leave it to the Board to do this at its first meeting. The appointment will only be for a period of a year, since at its meeting in February 2015 the Authority agreed a review of the position of Chair after one year.
4. In order to meet the expectations of the Regulator and the CLG, the Board must meet within 4 months of the 1 April 2015, and an initial meeting will take place before the end of July 2015 at Service Headquarters.

Des Prichard
CHIEF FIRE OFFICER &
CHIEF EXECUTIVE
8 June 2015

Abraham Ghebre-Ghiorghis
MONITORING OFFICER

Duncan Savage
TREASURER

East Sussex Fire Authority

**Employer and Member Representatives on the East Sussex Fire Authority
Firefighters Pension Board
Role Description**

Summary

The role of a representative on the East Sussex Fire Authority (ESFA) Firefighters Pension Board is to represent the interests of the employer/ all members within the Firefighters Pension Scheme and channel information back to those persons effectively.

The Representative's aim is to enable the ESFA Pension Board to fulfil its responsibilities in respect of the governance of the East Sussex Firefighters Pension Scheme (the Scheme) in accordance with the Public Service Pensions Act 2013, legislation governing the Firefighters Pension Scheme and the Code(s) of Practice issued by the Pension Regulator.

As a full member of the Board, you will play an important part in the governance and administration of the Scheme. Scheme members and ESFA, as the Scheme Manager, will benefit from the work you do in helping to ensure that the Scheme is well managed.

1. Main Responsibilities of the Representatives

The Board's role is to work closely in partnership and assist the Scheme Manager in relation to the following matters:

- Securing compliance with the scheme regulations and other legislation relating to the governance and administration of the scheme and any statutory pension scheme that is connected with it;
- Securing compliance with requirements imposed in relation to the scheme and any connected scheme by the Pensions Regulator;
- Ensuring any breach of duty is considered and followed under the scheme's procedure for reporting to the Pensions Regulator and to the Scheme Manager;
- Such other matters as the scheme regulations may specify;
- Assisting the Chair to ensure the effective and efficient governance and administration of the scheme.

2. Duties

Representatives will be required to:

- Prepare for all meetings in advance, including reading all papers and minutes
- Contribute to setting the agenda for meetings
- Actively participate in meetings
- Show respect to other Board members
- Assist the Chair in the effective running of meetings
- Have due regard for members and employers when making decisions
- Comply with the Nolan Principles

3. Conflicts of Interest

ESFA Firefighters Pension Scheme Board members will be required to adhere to the Authority's Conflicts of Interest Policy. All conflicts of interest must be declared on appointment to the Board and if/when they occur.

4. Training and Knowledge

Each Board member must have sufficient understanding of the FPS, the Pension Regulators Code of Practice and other relevant legislation and local policies to enable them properly to exercise the functions of a member of the Board. Board members will be required to undertake a personal training needs analysis and to regularly review their skills, competencies and knowledge to identify gaps or weaknesses.

Board members are expected to attend training opportunities and maintain a wider interest in the subject in order to provide rigour and challenge to the Scheme Manager.

Every member of the Pension Board must be conversant with:

- the rules of the scheme, and
- any policy about the administration of the scheme

Every member of the Pension Board must have an understanding of:

- the law relating to pensions, and
- any other matters which are prescribed in regulations

Members of the Pension Board must meet key attendance and training requirements as detailed in the Terms of Reference of the Pension Board.

5. Qualities expected of Board Members

- commitment to the role
- integrity, vision and good/independent judgment
- a willingness to devote the necessary time and effort to their duties as Representatives
- ability to help formulate recommendations
- good communication skills
- tact and diplomacy
- willingness to speak one's mind and listen to the views of others
- understanding of the legal responsibilities of a Pension Board member.

6. Desirable experience and knowledge

- knowledge and experience of governance or management of work based pension schemes and the regulatory bodies involved
- knowledge of the Firefighters Pension Scheme
- an awareness of the practices and policies about the administration of the Firefighters Pension Scheme
- experience of committee/trustee work
- the law relating to pensions
- any matters which are prescribed in regulations.

7. Time Consideration

The Board meets a minimum of twice a year. In addition to meetings, contact electronically or by telephone may be necessary.

The time commitment for a representative is expected to be 6 days per year on average which will include training.

EAST SUSSEX FIRE AUTHORITY

Date: **18 June 2015**

Title: **Service Headquarters – Stage 3 Report**

By: **Chief Fire Officer & Chief Executive**

Lead Officer: **ACFO Ferrand**

Lead Member: **Councillor Barnes (Service Support)**

Background Papers: **Confidential Item Report 860**

Purpose of Report: **To present the business case on a relocation of Service Headquarters to the Sussex Police site in Lewes**

Executive Summary:

1. The current Service Headquarters (SHQ) building is too large for our current and future requirements.
2. There is a need for ESFRS to adopt modern working principles to ensure that we continue to utilise our estate efficiently and make best use of our assets and resources.
3. Significant capital investment is required to support any ongoing occupation of the existing SHQ for the short to medium term.
4. There are significant benefits of relocating to a shared strategic partner's site. These include the use of shared facilities and meetings rooms as well as moving to closer collaborative working and closer alignment of services.

RECOMMENDATIONS: The Fire Authority is asked to **AGREE** the following:

- a. the approval of option 2, the relocation of Service Headquarters (SHQ) to the Sussex Police site in Lewes with the delivery of touchdown space elsewhere in the ESFRS estate;
- b. the Capital Programme be varied to include the capital scheme SHQ relocation for £650,000;
- c. the one-off revenue costs of £0.276m to be funded from the Improvement & Efficiency earmarked reserves;
- d. authority be delegated to the CFO&CE, in consultation with the Treasurer and Monitoring Officer, to agree the terms of the lease for the Sussex Police site;
- e. disposal of the existing SHQ site at Upperton Road; and

- f. authority be delegated to the CFO&CE, in consultation with the Treasurer and Monitoring Officer, to agree the terms of the disposal of the Upperton Road site in line with the best consideration reasonably obtainable; and
- g. commence the implementation of the agile programme to support future working styles and future Service transformation.

Des Prichard
CHIEF FIRE OFFICER & CHIEF EXECUTIVE
 13 April 2015

List of Previous Reports:

Policy & Resources Panel Report: Service Headquarters – Stage 2 Option Review 13
 November 2014

Appendices:

Appendix A	Sussex Police Location Plan and Photos
Appendix B	Sussex Police Floor Plans – Confidential
Appendix C	Sussex Police Draft Heads of Terms
Appendix D	ESFRS Agile Vision Blueprint
Appendix E	Touchdown Feasibility Floor Plans
Appendix F	Storage Audit Executive Summary
Appendix G	Financial Options Appraisal Overview
Appendix H	Detailed Financial Models – Confidential
Appendix I	ESFRS SHQ Disposal Strategy Options Appraisal – Confidential
Appendix J	Implementation Programme
Appendix K	HR Assessment
Appendix L	SHQ Staff Briefing Feedback
Appendix M	HQ Move Equality RAID Log
Appendix N	PEST & SWOT Analysis

1. **INTRODUCTION**

- 1.1 The Stage 2 Asset Appraisal report was presented to Members at the Policy & Resources Panel meeting on 13 November 2014. The report explored opportunities against several different locations and approaches to the future provision of Service Headquarters (SHQ) and provided a summary of the financial and non-financial assessments undertaken against these, with the aim of identifying a preferred way forward. Members agreed with the recommendations to progress with a Stage 3 outline business case on the relocation of SHQ to a shared site on the Sussex Police HQ facility in Lewes.
- 1.2 This report sets out the outline business case for the potential relocation in order that decisions can be made on the future provision of a SHQ.
- 1.3 The existing SHQ at Upperton Lane, Eastbourne provides approximately 3,500sqm of space over six floors in addition to the reception area on the ground floor. There are approximately 135 staff based at SHQ which equates to a utilisation provision of 26msq per employee. In comparison, the current accepted target utilisation area for modern working environments would be approximately 8-12sqm per employee.
- 1.4 The Stage 2 report highlighted the need to reduce the space provided in the existing SHQ and adopt modern working principles to deliver a working environment which reflects the needs of the Service for the future.
- 1.5 Following the decision by Members, the Corporate Management Team agreed to proceed with the following key work-stages to support and inform this business case:
- Develop a disposal strategy for the Upperton Road site;
 - Draft outline Heads of Terms with Sussex Police to include rental rate, term, shared facilities, facility management arrangements and parking provisions;
 - Establish 'right size first' principles to ensure that we continue to make best use of our resources and deliver a working environment that supports the delivery of our services against our future needs;
 - Undertake feasibility studies into potential dispersal/touch down locations across the ESFRS estate, targeting those sites which have currently underused spaces.

Approach

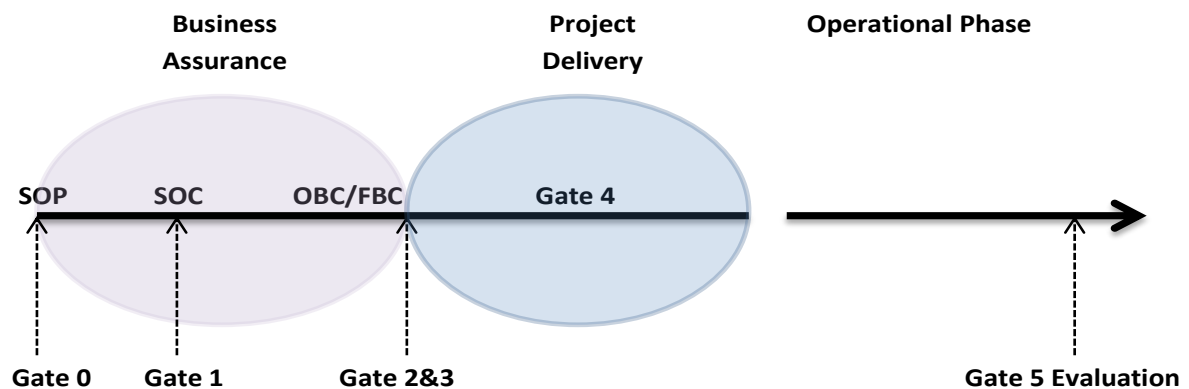
In accordance with best practice, the SHQ review is progressing through a three stage asset appraisal process.

- 1.6 **Stage 1** – a high level test, to progress into a Stage 2 appraisal. It is not necessary at this stage to test against specific detailed options, but instead is a high level performance assessment of the asset. This was reported to CMT in October 2014.

- 1.7 **Stage 2** – a strategic appraisal of both financial and non-financial criteria against a range of options. The purpose of the Stage 2 appraisal is to enable the organisation to assess the suitability of an existing asset against alternative options and arrive at a preferred option/options, which can be developed into a detailed business case (Stage 3), enabling disposal or capital investment decisions to be made. This was reported to the Policy & Resources Panel on 13 November 2014.
- 1.8 **Stage 3** – Production of business case against the preferred option(s) with proposed delivery strategy. Often the property decision will have wider impacts on other strategies, for example, HR and IMD. These will be assessed at this time and will be reflected in any delivery plan. This report is considered to satisfy the requirements of the Stage 3 outline business case.
- 1.9 This process also aligns with the recognised HM Treasury Green Book Five Case Model developed to assist in investment decision making. The five stages are set out below, together with the alignment of the Asset Appraisal Stages above:

Gate	Covering	Asset Appraisal Stages
0	Case for Change: Ascertaining strategic need or fit and preparing the Strategic Outline Programme (SOP)	Stage 1 & 2
1	Long Listed Options Scoping the proposal and preparing the Strategic Outline Case (SOC) Gate 1: Business justification and identify preferred option	Stage 2
2 & 3	Commercial Case on Preferred Option Planning the scheme and preparation of the Outline Business Case (OBC) Gate 2: Agree delivery strategy Approve procurement and investment Procuring the VFM solution and preparing the Full Business Case (FBC) prior to final investment decision Gate 3: Final investment decision	Stage 3
4	Implementation 'Go Live'	
5	Evaluation Benefits realisation following relocation	

- 1.10 It is proposed that following any decision at this stage, the implementation stage would progress to 'go live' with the project monitored and controlled under a strategic steering board. The diagram below illustrates the decision process.



2. STRATEGIC OUTLINE CASE

- 2.1 As identified in the Stage 2 appraisal, there are a number of strategic opportunities which would be delivered through the relocation to the Sussex Police site. These include:
- Ability to deliver new ways of working e.g. agile and flexible working
 - Financial (Revenue and Capital) savings
 - Opportunity to support joint/shared working with other organisations
 - Making best use of ESFRS assets
 - Supporting cultural change
 - Flexibility to support future strategies
 - Supporting the delivery of core functions in the future
- 2.2 There are also opportunities that exist to align with other corporate projects and agreed work activities, such as:
- ICT Transformation Programme
 - Lean processing and management
 - Shared services review
- 2.3 The on-going pressure to deliver revenue savings, closer collaboration with strategic partners, and the need for flexibility to adapt to change and deliver future strategies, are specific strategic drivers for ESFRS to consider within this business case.
- 2.4 The Authority recognises that there are likely to be significant changes ahead. The proposed relocation to the Sussex Police site will support and enable the Service to adapt and respond to these changes, without the constraints associated with a fixed freehold building and the impending capital investment required. The proposed solution allows greater flexibility against our requirements and, therefore, provides a good strategic fit against these key strategic drivers.

3. **SUSSEX POLICE SITE**

- 3.1 The Sussex Police site is located north of the town centre of Lewes. The site is positioned within the South Malling area accessed off Church Lane. Serving as the HQ for Sussex Police, the site provides approximately 19,000sqm of gross internal floor area across a number of different buildings.
- 3.2 The Sussex Police Estates Strategy 2013-2018 provides an overview of the Police estate and strategic plans over the future medium term. The strategy highlights the strategic importance of the HQ site and the continued requirement for a central strategic HQ hub which provides the overall direction and core service functions across the force area. The site currently accommodates the force-wide policing teams, which include the Chief Officers/Headquarters, Strategic Command, Communications, force-wide operational units such as Roads Policing and units that form part of Joint Command (Firearms, Major Crime Team and Forensic Investigations). In addition, there are force-wide support functions including HR, IT, Finance and Learning & Development.
- 3.3 The site has secure boundaries and access is gained via the main entrance gates at the front of the site where there is manned security. A location aerial plan and photos are shown in appendix A.
- 3.4 Malling House itself is a grade listed property which accommodates the Chief Officers' team and connects directly to a later addition which provides canteen and meeting areas. There are numerous other buildings within the site, predominantly having been constructed between 1960 and the 1980s. There is a large central building which accommodates the main reception area and this links with the Training Block, which is currently undergoing major remodelling and refurbishment. Following these works, the Training Block will provide open plan office layouts over three floors with the ground floor providing a suit of training and meeting rooms.
- 3.5 The proposal is for the ESFRS Principal Officers' team to relocate into the ground floor of Malling House and, therefore, achieve a physical link with the Police Chief Officers located on the 1st floor. All other ESFRS teams would relocate into the newly remodelled and refurbished Training Block. See location plans at Appendix A.
- 3.6 The refurbishment of the Training Block is due to be completed by the end of summer 2015. There will be a period of 12 months where the Police will need to utilise this space for decants and relocations whilst other buildings are prepared for future use. Therefore, the proposed timescale of any relocation for the main body of ESFRS staff into the site is proposed to be winter 2016. The Training block will be made available fully fitted out with modern working layouts which reflect Sussex Police's future ways of working standards.
- 3.7 Floor plans for both Malling House and the Training Block are shown in Appendix B. Further information is provided later in the report however, the plans illustrate two layout approaches – the first where we are able to create a more spacious layout by delivering further touchdown/dispersal space elsewhere in the estate, and the second, where a higher density layout needs to be used together with a requirement for further space should touchdown/dispersal space not be delivered elsewhere in the estate.

Heads of Terms Overview

- 3.8 Given the shared approach to the site, both Malling House and the Training Block areas will be licenced to ESFRS. The rental rate will vary between the two areas to reflect the differences of accommodation being provided.

Training Block

- **Rate:** Being a newly refurbished open plan office, the Training block rate will be £12.50 per sq ft which is comparable to modern office accommodation in Lewes.
- **Term:** 15 years with landlord/tenant break clause at 10 years.

Hand back: There will be an opportunity for ESFRS to hand back up to 25% of floor area at 12 month intervals following the first 12 months. This will ensure that ESFRS is not committed to over-occupy space in the future if space requirements reduce as a result of efficiencies being delivered through an agile programme or collaborative working.

Malling House

- **Rate:** Malling House will have a lower rate of £7 per sq ft which reflects the age, condition and limitations of space within a grade listed property.
- **Term:** 15 years with landlord/tenant break clause at 5 years. This will provide ESFRS with the opportunity to exit the agreement for Malling House should the working environment no longer meet requirements.

Service Charge

- 3.9 The Police site has a complete facility managed service which includes security provision, cleaning, porter services, post services and reception. In addition, ESFRS will have access to and use of the canteen, meeting areas and gym facilities.

Service Charge: £10.50 per sq ft

Parking

- 3.10 Sussex Police have plans to increase parking provision on the site, adding approximately 200 spaces. The Heads of Terms include provision for 45 spaces allocated for ESFRS use; these will be charged at £400 per space per annum.

- 3.11 Officers have agreed draft Heads of Terms content which incorporate the above rates, the draft of which is attached in Appendix C.

4. OPERATIONAL BENEFITS

- 4.1 It is acknowledged at a local level that the emergency services across the City and the County have managed and responded to a wide range of incidents and events very effectively over previous years. Senior managers across the Service and the Force agree that successful outcomes are grounded in effective planning, and in a joined-up approach prior to events, and these have been enshrined within very close working arrangements at Silver & Gold Command level.

ESFRS officers recognise that the current location of the Police Gold/Silver Command at Lewes is remote from the ESFRS HQ, and ideally a more rapid response in setting up the Command suite is preferable. A joint location will present an ideal situation and avoid any challenges caused by travel or weather conditions.

Further operational benefits of co-location with the Police include:

- Increased public perception and re-assurance that the emergency service collaboration leads to a more effective response.
- Co-location of Fire and Police Operational Planning Teams will foster cross-pollination of ideas and greater understanding and appreciation of Service-specific issues in the context of multi-agency planning.
- Sharing of information and intelligence, e.g. secure or officially sensitive information can be relayed quickly and easily.
- Potential for reduction in response or attendance at events through cross-agency planning.
- Enhanced staff training opportunities, which will accrue through a single, seamless approach.
- Enhanced Strategic & Tactical Command Suites.

5. **FUTURE WAYS OF WORKING – PHASE 1**

- 5.1 Under the Stage 2 appraisal, there was general acceptance that ESFRS need to ‘right size first’ ahead of any potential relocation. The principles set out in the report, such as the introduction of ‘hot-desking’ arrangements, modern efficient working layouts and delivering an infrastructure (property, IT & HR) that support modern ways of working, were accepted as key future requirements for the Service outside of any premises we were delivering them in. Therefore, there has been a need to identify what our requirements would be from any future working environment.
- 5.2 A workshop was held with senior managers across the Service, the aim of which was to consider what future ways of working may look like for ESFRS and identify the initial requirements from any new working environment. This aims to bridge the critical step between understanding where we are currently to where we want to be. What is clear is that there is a common understanding for the need to implement modern ways of working, which underpins and provides a common thread between other strategies being developed and implemented; these include the IMD Strategy, Transformation Programme and the SHQ review itself.
- 5.3 To assist this process, a set of Statement of Service Requirements (SSRs) have been developed for the first stage of an agile vision for the Service. The vision focusses on the need to provide an environment which supports staff to work in the most effective way to deliver our services. The ‘vision’ blueprint is presented in Appendix D.

- 5.4 Agile programmes can take many years to fully implement as they develop beyond just hot-desking and reduced storage space. Typically, these programmes include fully implemented electronic document record management systems (EDRM), mapping of data and processes to develop outcome focussed processes for staff, sharing of information between departments and fully remote working across the organisation.
- 5.5 The SHQ space requirements have a number of core dependencies (Core Needs) as these directly relate to area and layouts, these are:
1. Application of worker styles to staff and adoption of desk:staff ratios against these;
 2. Creation of touch-down/dispersal workstations across the estate based on strategic locations;
 3. Rationalisation of our current storage requirements and implementation of a 1st Stage scrap, store and scan approach;
 4. Enable staff to log-on to any terminal and have access to all critical applications;
 5. Ability for staff to log-in to the ESFRS network remotely and across any ESFRS site.
- 5.6 This business case focusses on the Core Needs required ahead of any relocation, whilst also identifying what the future (desirable or optional) requirements might be to ensure that we are moving towards a common vision. This aims to bridge the gap between 'where we are' and 'where we want to be'.

Worker Styles

- 5.7 Following the workshop, It is proposed that we adopt the following worker styles against staff to ensure that we are not overproviding space:
- Fixed Desk Worker
 - Office Worker
 - Flexible Worker
 - Field Worker
- 5.8 The Vision Blueprint under Appendix D provides a worker-style guide against each of these.
- 5.9 Following the workshop, senior managers were tasked with applying these styles to each member in their team. The table below provides a summary of how many staff could be applied to each worker style:

Table 1: Staff Nos and Worker Styles

	Nos of Staff	Ratio	Nos of Desks
Field Worker	6	1:10	1
Fixed Desk Worker	31	1:1	31
Fixed Office Worker	58	1:1	58
Flexible Worker	46	6:4	31
Grand Total	141		121

- 5.10 Based on this assessment, the baseline requirement is for 121 workstations. It is likely that, as technology provision improves and agile principles are embedded, there will be a higher number of staff allocated to 'flexible worker' status and, therefore, a reducing pressure on workstations at the HQ site.
- 5.11 It should be noted that, at this stage, individual staff consultation has not been undertaken as to the allocation of work-style category to their role,

6. **TOUCHDOWN/DISPERSAL SITES**

- 6.1 As part of the need to become more flexible in the way we work there is likely to be a requirement for ESFRS to provide touchdown/dispersal space across the estate. The provision of touchdown spaces across the estate reduces the need for space/workstation provision in the central SHQ. Not only will this ensure that ESFRS is making best use of its existing estate, it will also benefit flexible/office/field workers who will be able to touchdown into these spaces when off-site. There may also be a small number of staff that could be permanently located at one or more of these locations.
- 6.2 The Service Training Centre at Maresfield provides a strategic link to the north of our operational area and could provide touchdown space without any significant alterations. The south coastal corridor between Rye in the east and Hove in the west is a key communication route for the Service. There are a number of sites along this corridor where there is potential for better and more efficient use of space. On this basis, outline design and costing feasibilities have been carried out at the following sites:

- Bexhill
- Hastings – Bohemia Road
- Hove
- Brighton – Preston Circus
- Eastbourne – (feasibility being progressed)

6.3 To provide efficient working environments in these locations, the Service will need to move away from the current 'my space' culture, whereby teams operate within separated spaces to an 'our space' approach to space.

6.4 Table 2 below provides a summary of the feasibility results:

Table 2: Touchdown Feasibility Summary

	Option Provision	Net Gain	Area	Build £	Fit Out £	Total £	£ / Workstation
Bexhill							
Option A	18	8	64	£44,670	£18,597	£63,267	£7,908
Option B	23	13	119	£83,675	£23,707	£107,382	£8,260
Bohemia Road							
Option A	24	13	100	£76,372	£29,426	£105,798	£8,138
Option B	22	11	136	£112,672	£31,312	£143,984	£13,089
Hove							
Option A	17	7	88	£9,291	£20,276	£29,567	£4,224
Option B	21	11	130	£88,404	£24,870	£113,274	£10,298
Preston Circus							
Option A	14	14	245	£180,579	£21,598	£202,177	£14,441
Option B	53	53	555	£573,157	£69,776	£642,933	£12,131
Eastbourne							
TBA							

Preferred Options

- 6.5 Appendix E shows indicative floor plans against each of the options above. From the feasibilities there are a number of preferred options which are outlined below:

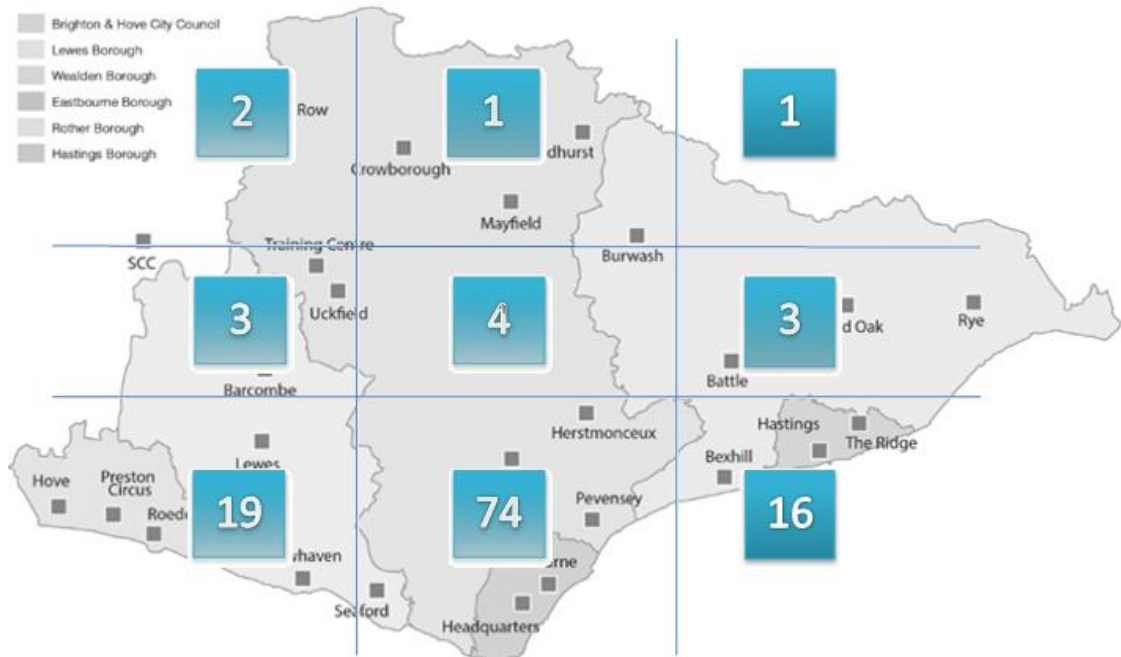
Bexhill Option B – would require the current PDR Pro training workstations on the 1st floor to be reallocated to shared workstations used by anyone. The Office Manager’s office and four operational workstations would be relocated down into the ground floor office adjacent to the main entrance. The office areas (currently separated with lightweight partitions) on the 1st floor would be opened up to provide a total of 17 hot-desk/touchdown/dispersal workstations.

Bohemia Option A – There are currently a mix of segmented offices on the 1st floor which are used by community safety, business safety and administration teams. Under this option, the offices either side of the corridor running down the centre of the 1st floor would be opened up to create two large open plan offices providing a total of 18 hot-desk/touchdown/dispersal workstations.

Hove Option B – Again there is currently a mix of segmented offices on the 1st floor which are used by business safety and admin teams. Whilst the financials are useful, there is also a need to consider the quality of space being provided. Hove Option A still relies on using existing segmented office arrangements which although could be used more efficiently, does not deliver the aims of open agile working principles. By opening up this space, under Option B, 21 hot-desk/touchdown/dispersal workstations would be provided.

- 6.6 The second floor at Preston Circus has been dormant for over 10 years, and therefore requires substantial work and investment to bring it up to modern standards. As a result of the electrical and heating system upgrade costs and the refurbishment of welfare facilities, the costs associated to any office provision are higher than other options being considered. The capital costs associated to bringing the area up to standard has led this site to be discounted from this business case.
- 6.7 The feasibilities demonstrate that the cost of delivering this type of space differs from site to site, depending on the existing layouts and ease of adaptation. In addition to just a financial or opportunity consideration, there is a need to consider the strategic need against where staff currently live. Depending on where touchdown space is delivered, it will serve to reduce the need to travel daily to a central SHQ for flexible or field workers and allow them to use these as start/finish locations during their working day.

6.8 The map below illustrates the current home locations of SHQ staff:



6.9 Adopting an approach of reduced space at the Lewes SHQ and provision of touchdown space elsewhere, the strategic locations for touchdown space would be the central south and south east locations. Based on the feasibilities, Bexhill Option B would meet the needs of providing a good layout of space at an affordable cost for the south-east region, as well as providing potential overlap for the south-central area and good communication links to Hastings and areas north of Bexhill.

6.10 Eastbourne is clearly a strategic location for touchdown space and building on the feasibility work being progressed, it would not be unreasonable to estimate a capacity for 20 touchdown workspaces in the Eastbourne Fire Station. Based on this feasibility work and similarity of age, condition and construction of Bexhill, an estimated cost per workstation of £8,500 has been used to calculate a budget cost of £170,000 for delivering touchdown space in this location.

6.11 Should a further programme be developed following later stages of an Agile programme, these first stage sites would provide proof of concept to any potential programme being rolled out in the future, at which time other sites included within the feasibility study may be considered. Any future increased delivery of touchdown space would reduce the need of workspace at the SHQ and, therefore, provide the opportunity of hand back and further savings at the Lewes site. Furthermore, the adoption of collaborative shared space with other strategic partners may also support the roll out of further spaces in the future.

7. **STORAGE AUDIT**

- 7.1 A storage audit has been undertaken by a 3rd party, Agile Data Solutions. The audit team undertook a survey through the current SHQ building and across all teams to identify the existing storage provision at SHQ. The team has assessed the current storage and identified what information could be potentially scrapped, stored off-site, scanned and what would need to be stored on-site at any future location. This is a key requirement as part of 'right sizing' ahead of any relocation.
- 7.2 An executive summary of the report findings is presented in Appendix F. The headlines from the report are:
- Currently have 962 linear meters (ln m) of storage
 - In some areas, up to 75% of information stored could be securely disposed of, leading to a reduction of 283 ln m
 - 213 ln m could be potentially scanned
 - On-site storage could be reduced to 302 ln m
- 7.3 The table below provides a high level summary of the storage audit:

	Linear Meters
Current Storage	962
Less Immediate Disposal	-284
35% could be stored off-site	-163
Scan	-213
Total Future On-site Storage	302

8. **SPACE REQUIREMENTS**

- 8.1 Based on the delivery of Agile Phase 1 and an assessment against our future workstyles, there is a baseline requirement for 121 workstations. Colleagues from ESCC Agile team have also assessed our future space requirements applying similar principles from their own future workspace standards. This has been used to inform ESFRS space requirements at the Police HQ site.
- 8.2 Table 3 below provides a detailed breakdown comparison between space needs and space provision at the Lewes Police site based on the floor plans in Appendix B. Table 4 provides an overview of the total workstation requirements across the estate. These are based on a reduced space requirement at SHQ supplemented with further touchdown and dispersal space provided at both Bexhill and Eastbourne Fire Stations. There will be a small number of workstations provided at Hove and Service Training Centre to support the requirement. A further 150 sqm would need to be added to the Training Block area, together with a higher density desk layout (Option B under Appendix B) if touchdown space is not provided.
- 8.3 Overall, the table demonstrates that our space needs would be met, although storage will remain an issue which we will need to focus on to reduce our requirements.

Table 3

ESFRS Space Requirement - Police Site

	Baseline Requirement					Provision		
	Nos	Ratio	No. Workstations Req.	Area (m ²)	Total Area (m ²)	Nos	No. Workstations Provided	Total Area (m ²)
PO Requirement						Malling House		
Cellular Large Offices PO's	4	1:1	4	24	96	3	4	104
PO Support - P.A's	3	1:1	3	3	9	3	3	16
Clerks to FA	4	1:1	4	3	12	4	4	20
Total Desks	11		11		117		11	140
Meeting Room	1			15	15	1		35
Storage/Reprographics	1			10	10	1		20
Waiting/Touchdown Space	1			40	40	1	3	48
Total Storage/Meeting Rooms	3		0		65	3	3	103
Welfare Facilities					12			12
Circulation 20%					36	40%		72
Total	11		11		230		14	327
Service Area Requirements						Training Block		
Director Offices	3	1:1	3	12	36		3	30
Fixed Desk Workers	7	1:1	7	2.5	18		7	308
Office Workers	54	1:1	54	2.5	135		54	
Flexible Workers	23	6:4	15	2.5	38		10	
Field Workers	2	10:1	1				1	
Total Desks	89		80		190		75	338
Small Meeting Rooms	3			5	15	3		14
Quiet Offices/ 1-2-1 Space	6			5	30	6	6	29
Total Offices/Meeting Rooms					45			43
Team Storage	127			1.5	191			196
Personal Storage	127			0.5	64	128		32
Total Storage Ln M					254			228
Kitchenette	1			12	12	Shared		
Breakout Area/ Flexible Meeting Area	1			20	20	Inc Above		
Total			80		521		81	609
Total Across Both Sites			91		751		95	936

Table 4 – Space Provision Overview

	Staff	Ratios Applied	Workstations	Remaining
HQ Site				
HQ Training Block			81	
Field Worker	2	1		
Fixed Desk Worker	10	10		
Fixed Office Worker	54	54		
Flexible Worker	23	15		
	89	80	81	1
HQ Malling				
Fixed Desk Worker	7	7		
Fixed Office Worker	3	3		
	10	10	11	1
HQ Total	99	90	92	2
Bexhill				
Fixed Desk Worker	1	1		
Fixed Office Worker	5	5		
Bexhill Total	6	6	13	7
Eastbourne				
Field Worker	4	1		
Fixed Desk Worker	2	2		
Fixed Office Worker	6	6		
Flexible Worker	14	10		
Eastbourne Total	26	19	20	1
Hove				
Flexible Worker	3	2		
Hove Total	3	2	2	0
STC				
Fixed Office Worker	1	1		
Flexible Worker	6	4		
STC Total	7	5	5	0
Grand Total	141	122	132	10

9. **FINANCIAL ASSESSMENT**

- 9.1 Net Present Cost (NPC) assessments have been undertaken against three options, these are:
0. Remain as existing at SHQ
 1. Relocation to Sussex Police site with provision of workspace for all staff
 2. Relocation to Sussex Police site (with reduced space requirement) supplemented with the delivery of touchdown space elsewhere in the ESFRS estate.
- 9.2 Option 1 would require a higher density layout for workstations, in addition to further space requirements within the Police site.
- 9.3 For the purpose of the financial model, both Bexhill Option B and the provision of 20 workspaces at Eastbourne Fire Station have been assumed against option 2.
- 9.4 It is accepted that, after a period of settling in, we will need to adjust to our actual space requirement taking allowance of annual leave, part time workers, increased numbers of flexible workers, etc. which have not been factored into our baseline space requirement or financial assessment. Any such further reduction in space requirements would have the potential to release further revenue savings.
- 9.5 A 15 year NPC assessment has subsequently been applied to provide a comparison against each option. The assessment takes into account both capital and revenue expenditure. The NPC calculation enables us to make a financial assessment over a longer term and delivers a present cost against each option. This enables the Authority to consider the medium-term financial effect of each option and compare these against a baseline of present day. Capital and Revenue costs/income included in the model are:
- Capital Planned Maintenance costs (Upperton Road)
 - Capital Refurbishment/Remodelling costs of Upperton Road or Touchdown sites
 - Capital fit out costs
 - Capital receipt income from any sale of property
 - Revenue running costs/Service Charge – electricity, gas, repair and maintenance, FM services, etc.
 - Revenue rental rates
 - Revenue relocation costs – people and property
 - Revenue implementation costs Phase 1 Agile

9.6 Appendix G provides an overview of the property costs against each option. In addition to these, for both the Police site options, the costs associated to the first stage of future ways of working have been included and cover:

Project Management Resources & Support	To prepare and implement the move together 1 st stage requirements	£150,000 over 2 years
Scanning Costs	Informed by the storage audit	£ 43,000 (one-off cost)
Off-site Document Storage Costs	Informed by the storage audit	£ 10,000 on-going
Physical Move Costs	To relocate to another site	£ 40,000 (one-off cost)
HR Relocation Policy Costs	Informed by the HR assessment	£222,000 over 2 years

- 9.7 It is accepted that to remain in the existing SHQ at Upperton Road, we would need to take a longer term view and as such are not able to present a ‘do nothing’ option. We have included those costs which were included in the baseline Option 0 under the Stage 2 appraisal. The building requires substantial capital investment for both planned maintenance works which relate to the external fabric, windows and services and amount to £755k over the next 5 years, and have also included internal refurbishment costs which, based on basic internal refurbishment unit costs, would cost approximately £2.9m to refurbish the whole building.
- 9.8 Whilst the Police options deliver few revenue savings initially, they provide the opportunity to avoid the significant capital investment required in the existing SHQ and use some of the capital receipt from the sale of SHQ to be invested into future ways of working for ESFRS.
- 9.9 The Net Present Cost savings for both Police options over 15 years are more than £5.5m against the option to remain at Upperton Road. This takes into account the implementation of future ways of working under the Police options.
- 9.10 Against taking additional space at the Police site, there would be approximately £429k of revenue savings over 15 years, to providing touchdown space elsewhere in the ESFRS estate (i.e. Option 2). Sussex Police have also raised the concern that there may not necessarily be the additional space available under the larger Police site area option. The provision of touchdown space has wider benefits, by reducing the impact on some staff and also properly adopting agile principles and culture which support the worker types we already have within the Organisation. There are also the opportunities of future benefits and savings against the touchdown space, that as any agile programme develops and the designation of flexible workers increase, the space requirement on the Police site could reduce and therefore enable ESFRS to hand-back space, therefore delivering further potential for future revenue savings.

Table 5 below, provides a high level cost benefit analysis across the options:

Table 5 – Options Appraisal Summary

Option	0	1	2
	Upperton Existing	Police Site Without Touchdown	Police Site with Touchdown
Total Area Provided msq	3,500	1,150	1,000
Total Desks Provision	150	141	132
Police Site		141	92
ESFRS Estate			40
Total 15 yr Capital Costs	-4,133,000	1,985,287	1,730,486
Total 15 yr Revenue Costs	-4,489,000	-5,085,896	-4,528,863
Net Present Cost @ Yr 15	-7,166,426	-2,066,874	-1,901,973
Net Present Cost Savings @ Yr 15 Against Existing		5,099,553	5,264,454
Revenue Costs @ Yr 5	-268,000	-286,393	-249,258

Costs calculated from Yr 1

9.11 Appendix H provides the detailed breakdown behind each financial model for each option.

9.12 The costs have not included any additional parking provision above and beyond the 45 spaces provided under the Heads of Terms. Neither has there been any provision made for any contribution towards any shuttle bus service at this stage.

10. **DISPOSAL STRATEGY**

10.1 To support this Stage 3 report, ESCC Business Services Department was commissioned to undertake a disposal strategy options appraisal. The full report is included under Appendix I.

10.2 The report provides an overview of the site, commercial appraisal of the local market and also the local planning policies which would apply. In terms of existing use as commercial office space, there is very little demand for large office buildings of this size in Eastbourne. The large majority of commercial activity in Eastbourne relates to smaller units up to 5,000 sq ft and, therefore, would suggest sub-division being the most likely approach under continued commercial use.

10.3 The report sets out three different approaches for disposal, which are:

1. Market freehold with vacant possession;
2. Market leasehold of whole or part and then sell with investment opportunity;
3. Obtain change of use then market freehold interest.

10.4 There are various risks against each option which are covered in more detail within the report. Under option 2, ESFRS would need to undertake refurbishment and sub-division works to create smaller units ahead of securing tenants and then selling the building with the investment opportunity. There are significant risks attached to the upfront capital investment required, void periods and potentially not fully letting the building prior to any eventual sale.

10.5 Option 3 explores the opportunity of obtaining planning permission for residential conversion prior to the sale of the site. Under existing Planning Policy the building is likely to qualify for a change of use under the Permitted Development Rights (PDR). This change could be to residential, whilst incurring Community Infrastructure Levy (CIL) liabilities there would be no obligation to provide affordable housing, which enhances the profit margin under redevelopment for residential use. However, with the residential conversion costs being so high against the relatively low gross development value, it would be difficult to achieve a residual site value higher than the other options being considered.

10.6 Option 1 has the advantage of being open to future uses and enables the market to determine the best value for the site through a sealed bidding process. This approach does not make any predetermined assumptions on the future use of the site and will, by virtue of the current Planning Policy, attach the benefit of PDR. It would also open the opportunity to any potential single occupier purchasers seeking similar accommodation which evidence suggests is in short supply.

10.7 Option 1 would also allow ESFRS to start marketing the property immediately and negotiate a potential retained occupation either through a lease back arrangement or delayed completion.

11. **IMPLEMENTATION STRATEGY**

11.1 There are a number of key activities and deliverables which will be required ahead of any potential relocation. Many of these relate to the key core requirements identified under the Agile blueprint. Following any decision made to proceed with the relocation the key activities are set out below:

- Staff consultation
- Develop engagement plan
- Develop Green Travel Plan and Transport Strategy
- Procure suppliers – scanning and document storage
- Appoint Project Management resource
- IMD – remote desktop, remote access, IT solutions against worker styles
- Sign-off layout plans – both Police site and Touchdown space
- Agree Sussex Police Heads of Terms and draft agreement
- Prepare design and specifications for touchdown space and procure
- Agree Furniture, Fittings and Equipment (FF&E) for each site
- Implement scanning and storage solutions
- Engagement and move preparation
- Move execution

11.2 Appendix J provides a more detailed breakdown of the implementation programme, which demonstrates that the move could be executed by the end December 2016. Key to the successful implementation will be the appointment of Project Management resources to manage and implement the stages through the programme. The programme will need to be fully supported by senior managers and aligned with both the IMD Strategy and Transformation Programme, with any key risks or misalignment identified early on.

12. **PEOPLE**

12.1 The HR Team has undertaken an assessment of the implications on the relocation of SHQ to the Sussex Police site. There are several different forms of employment contract in place covering both operational and support staff. This initial assessment would suggest that most if not all contain mobility clauses, therefore the Authority legally has the right to vary the workplace of employees (where mobility clauses are contained within contracts) and it is not believed that this will constitute a contract variation or dismissal. However, as stipulated in the contract clauses, this will only be the case following a period of consultation. The consultation period, in this sense, is not defined in law (as no redundancies will result), but should be of reasonable length to ensure that (a) all employees have had the opportunity to express their views and (b) in order to demonstrate that the consultation was meaningful and therefore it is not believed that this will constitute a contract variation or dismissal.

- 12.2 There might be a small number of roles currently undertaking purely SHQ related duties, that maybe affected by the relocation to the Sussex Police site. Depending on the service provision being proposed by Sussex Police, these roles may become at risk should the service provision remove the requirement for ESFRS staff. We would propose that these are considered as part of the formal consultation undertaken with staff and following final agreement with Sussex Police in respect of the service provision being delivered. It is too early to determine whether there will be any redundancy costs as a result of these proposals and therefore no specific provision has been made within the financial assessment. Any redundancy costs which are incurred would be funded in line with current policy from the Improvement and Efficiency Reserve.
- 12.3 Consultation and staff engagement will be critical to the success of the relocation and the implementation of new ways of working for staff. The HR assessment has identified the potential timescale needing to be allowed for this process, which is 6.5 months. This, together with the engagement activities has been reflected in the implementation programme for the project.
- 12.4 The HR assessment is presented under Appendix K. The assessment also provides an overview of the calculation for relocation policy costs which has been reflected in the financial appraisals.

13. **CONSULTATIONS**

- 13.1 Two briefing sessions have been held with staff to provide an overview of the HQ review, the potential relocation to the Lewes Police site and provide the opportunity for staff to give initial informal feedback on their key concerns. The sessions were run on 18 and 23 March, and were attended by over 40 members of staff. Following the staff sessions, a questionnaire was sent out to each attendee for them to fill out and provide their feedback anonymously. A summary is provided in Appendix L. Through the staff sessions themselves and the analysis of the feedback, it is clear that at this stage the majority of staff do not understand the strategic opportunities a move to a Partner site would deliver, or the strategic geographical links to Lewes as a location. When asked whether they agree that this was the right move for ESFRS:
- Only 21% of staff agreed;
 - 34% required more information, and;
 - 34% of staff disagreed that this would lead to ESFRS delivering services at best value allowing the Service to work more efficiently;
 - Over 46% of staff were not sure whether this would enable this
- 13.2 It will therefore be key, as part of any next stage, for a communication and engagement plan to be developed for staff, to ensure that information and the wider benefits are shared. Many of the staff working from SHQ do not have regular day to day contact with our Partner organisations and, therefore, it is more difficult for them to understand the benefits of closer collaborative working and those benefits that might be achieved from a co-location. However, there is a strong understanding of why ESFRS needs to move from the current SHQ and adopt more efficient working environments.

- Over 87% staff agreed that there is a need to reduce our current space requirements;
- 63% agreed that we need to move to a more modern working environment; and
- Over 80% of staff understand the need to adopt 'agile' working principles

13.3 The two key concerns for staff are travel arrangements and parking provision. Sussex Police are extending the parking provision on the site by over 200 spaces. ESFRS will be allocated 45 spaces, which is the same number currently provided at Upperton Road. As part of any relocation, a travel plan and transport strategy will need to be developed to understand how staff intend to travel into work in future and introduce incentive schemes to encourage the use of public transport and car sharing. There will also be a need to review the pool car arrangements, to ensure that staff are not reliant on bringing their own transport to the HQ site if they have work travel needs on any particular day.

14. **CROSS DIRECTORATE ISSUES CONSIDERED (E.G. PEOPLE RESOURCING & TRAINING)**

14.1 As part of the implementation plan, there will be a need to identify relevant training to support staff and line managers to work in a new environment. Those managing staff designated as flexible workers will need to adopt different management approaches and systems with a focus to outcome based performance monitoring.

14.2 Teams will potentially need to change the way they hold team meetings and disseminate information to ensure that flexible workers do not become remote from the team.

14.3 The resources for the implementation of the project have been included within the financial appraisal.

15. **HEALTH & SAFETY ISSUES**

15.1 None considered at this time.

16. **EQUALITY AND DIVERSITY IMPLICATIONS**

16.1 At this stage a high level Equality Impact Assessment has been undertaken with the results being populated into a Risks, Assumptions, Issues and Dependencies (RAID) log. The log is presented in Appendix M and is intended to be a live document, whereby risks can be added as any consultation process moves forward. We are unable to carry out individual consultations until the future direction has been agreed. At this early stage we have carried out a high level assessment, however, the log has also been circulated to members of all the other equality and diversity groups to ensure their feedback is captured.

16.2 The early risks identified relate to:

- Transport/travel arrangements for those with disability/mobility issues;
- Travel time and costs for those who have children or dependants – there is quite likely to be an indirect impact upon female staff;
- Travel costs for those on part-time working hours;
- Security restrictions on the Police site may prevent some staff with convictions being able to work on the site;
- Security of personal information needing to be shared with Sussex Police

16.3 There will be a need following formal consultation with staff to start to identify the mitigation actions which will need to be taken to mitigate these risks.

16.4 The proposal for implementing more agile ways of working can support and enhance staff working environments. The adoption of different worker styles can also serve to improve the current working environment and, therefore, benefit the way ESFRS supports staff with specific needs or requirements.

17 **IMPACT ASSESSMENTS CONSIDERED**

17.1 As covered above.

18. **POLITICAL**

18.1 The Fire Authority expects the Service to make best use of its estate and other assets.

19. **ENVIRONMENTAL**

19.1 The more efficient use of space should ultimately lead to a reduced CO2 footprint for the Service. However, it is likely that the most significant environmental impact will relate to travel arrangements.

19.2 Informed through the analysis undertaken by the HR team on current and future home to work locations, the large majority of staff would be travelling from Eastbourne and the immediate surrounding area into Lewes. There is a regular weekday train service running four times per hour at peak times, with a journey time of approx. 25mins. The Sussex Police site is located 1 mile from the railway station which equates to a 20min walk. There are several bus service routes from the High Street and Southover Road, which is nearer to the Station, which cover the Malling estate. However, the bus timetables indicate that there are few buses which run the entire route at the peak commuter times when these would be required.

- 19.3 A transport strategy and green travel plan is being developed to explore whether the public transport service could be improved to provide a more regular bus service up to the Sussex Police site from the railway station. Sussex Police are currently reviewing their own transport strategy and considering options around a shuttle bus service, which could incentivise staff to use public transport and serve to relieve parking pressures on-site and in the neighbouring residential streets. The addition of ESFRS staff and travel requirements may make a shuttle service more viable for Sussex Police as a joint service provided for staff at peak commute times and could be integrated into part of the staff relocation package.
- 19.4 As part of the Heads of Terms, there will be 45 parking spaces allocated to ESFRS. As is currently the case, approximately half of these would be allocated for priority use by response officers and pool cars. To promote the adoption of car share amongst staff, it is suggested that the remaining 20 spaces are made available until 10am for people car sharing. A system will need to be introduced whereby both (or more) staff leave their ID parking permit visible in the car and will demonstrate their authorisation to use the car share space. The car share approach, taken together with the other spaces, equates to parking provision for 65 staff, approximately half of the total number relocating to the site.

20. **ECONOMIC**

- 20.1 The SHQ site currently supports a small employment base within Eastbourne, and includes fringe benefits to the town, such as foot-fall traffic at various times of the day into the main retail centre. The relocation of ESFRS staff to Lewes would not necessarily remove this economic activity, as the building will support another use. If the building is purchased for the provision of smaller commercial units or by a single occupier purchaser, it is likely that the building would accommodate a higher number of occupants and therefore increase the economic activity to the local area.

21. **TECHNOLOGICAL**

- 21.1 There will be implications for the IMD infrastructure to support the new ways of working being proposed. The key core requirements have been identified within this business case, however, as identified previously, they will be a requirement to ensure that any relocation programme aligns with the IMD Strategy.

22. **LEGAL**

- 22.1 Disposal of assets will adhere to the ESFA Financial Regulations and IFRS accounting standards.

23. **COMMUNICATION IMPLICATIONS**

- 23.1 As identified, communication and engagement will be key to the successful delivery of any relocation and the implementation of new ways of working. As part of the implementation programme, in conjunction with the Sussex Police Communication Team, it will be critical to develop the communication plan which ensures there is coordinated approach to communication.

24. **CORPORATE AND SERVICE RISK**

24.1 Following any decision to relocate, there will be a need to identify the Corporate and Service risks associated with the implementation programme, together with the development of a RAID log to track and identify the actions required to mitigate these risks.

24.2 For the purpose of this report a PEST (political, economical, social, technological) and SWOT (strengths, weaknesses, opportunities and threats) analysis has been undertaken which is included at Appendix N.

25. **FINANCIAL IMPLICATIONS** (including Capital and Revenue implications, Value for Money and Efficiency Savings)

25.1 The Service has a base revenue budget providing for the running costs, including business rates, utilities and cleaning, of the existing SHQ of £268,000 (2014/15). By year five Option 1 is £18,400 per year more expensive than remaining at Upperton Road and Option 2 saves £18,700 per year.

25.2 The savings do not accrue immediately as there are a number of one-off revenue costs associated with the move. Firstly there is the period when both sites are in use with a residual spend associated with the existing SHQ. There will also be costs associated with the relocation and there have all been included in the evaluation. Option 1 has a small annual cost so will never pay back the one-off costs, whereas over the life of the lease the savings Option 2 generates just fall short, by £40,100, repaying the one-off costs.

25.3 It is recommended that the one-off revenue costs of £0.276m over and above the current revenue budget provision are funded from the Improvement & Efficiency earmarked reserve which is currently forecast to stand at £1.4 million at 1 April 2016. The overall revenue position for the two options is shown in the tables below:

OPTION 1 - REVENUE

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21 to 2030/31	Total
	£	£	£	£	£	£	£
New site		79,100	286,400	286,400	286,400	3,367,600	4,305,900
Existing site	268,000	200,000	50,000				518,000
One off revenue costs		67,800	111,000	83,300			262,100
Total revenue cost	268,000	346,900	447,400	369,700	286,400	3,367,600	5,086,000
Revenue cost (saving)	0	78,900	179,400	101,700	18,400	218,600	597,000

OPTION 2 - REVENUE

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21 to 2030/31	Total
	£	£	£	£	£	£	£
New site		69,800	249,300	249,300	249,300	2,931,300	3,749,000
Existing site	268,000	200,000	50,000				518,000
One off revenue costs		67,800	111,000	83,300			262,100
Total revenue cost	268,000	337,600	410,300	332,600	249,300	2,931,300	4,529,100
Revenue cost (saving)	0	69,600	142,300	64,600	(18,700)	(217,700)	40,100

25.4 The current Capital Asset Strategy does not include the investments identified as being required in the option to remain at SHQ. While there is no capital payment required with Options 1 and 2 there are some capital costs associated with the proposed move; Option 2 is more because of the modifications to the existing estate to provide the dispersal and touchdown facilities. The disposal of the current SHQ is expected to generate a capital receipt in excess of the forecast costs.

25.5 The Authority does hold useable reserves that can be used to fund the capital investment in advance of any receipt being generated by the sale of the current SHQ to more than replenish those reserves and it is, therefore, recommended that the Capital Programme be varied to include the capital scheme SHQ relocation for £650,000. The overall capital position including the phasing is shown for the two options in the table on the pink confidential paper available in session.

25.6 Discussions with Sussex Police regarding the Heads of Terms are on-going and include options for payment, for example making an up-front capital contribution in return for a reduced lease payment over all or part of the lease period. Whilst these options should not affect the relative assessment of the options presented in this report they may offer some flexibility in addressing the revenue budget pressures set out in the Authority's Medium Term Finance Plan.

25.7 The recommendation is based on the data available at the time of preparation and negotiations continue with Sussex Police. Assumptions and estimates have been considered for reasonableness.

26. **PERFORMANCE MANAGEMENT ISSUES**

26.1 None considered at this time.

27. **SUMMARY**

- 27.1 The earlier Stage 2 report highlighted the inefficient use of the current SHQ and identified the strategic benefits for the relocation to Lewes. This Stage 3 report and the work that has been undertaken to support it, has further highlighted the need for ESFRS to relocate from the current SHQ and the need to adopt a more modern working environment.
- 27.2 The work which has been undertaken around our future space requirements and, in particular, the work undertaken by SMT to develop the vision for our future ways of working, demonstrate that the Service could operate within a much smaller footprint and provide a better working environment for the Service.
- 27.3 The Net Present Cost savings through the relocation to the Sussex Police site are above £5.5m over 15 years. The financial savings from the relocation are largely realised through the avoidance of significant capital investment required to remain in the existing building and also through the eventual capital receipt from its sale. This would enable investment into new ways of working which would support the way we deliver our services and the environment from which we deliver them. The creation of touchdown space within our existing estate will ensure we continue to make best use of our assets, and will also provide a proof on concept for further roll-out, should there be additional need or an opportunity to provide space for collaborative partners in the future.
- 27.4 The relocation to the Sussex Police site would provide the Service with a flexible solution for the medium term, whereby ESFRS would share the advantages of being co-located on a partner's site and all the existing facilities already provided there. If, in time, our space requirement reduces, we would have the option to reduce our space without incurring the usual financial penalties present in other commercial property agreements.
- 27.5 The relocation also offers a real opportunity for ESFRS to make further savings in the future, whether through increased use of flexible working and, therefore, smaller workspace requirement and lower rental costs, or as a result of greater collaborative working.
- 27.6 There will be significant change for staff and there will be a need to properly engage, communicate and undertake consultations with staff in order to successfully implement the change and ensure that ESFRS meets individual needs. There are already good examples of where this has been managed successfully, which demonstrate that the needs of an organisation can be delivered alongside the needs and concerns of its staff. The benefits outlined in this report are considered to be worth delivering against the time, effort and resource it will require. Furthermore, the timing will allow any relocation to align with other programmes such as the IMD strategy.

APPENDICES

Appendix A	Sussex Police Location Plan and Photos
Appendix B	Sussex Police Floor Plans - Confidential
Appendix C	Sussex Police Draft Heads of Terms
Appendix D	ESFRS Agile Vision Blueprint
Appendix E	Touchdown Feasibility Floor Plans
Appendix F	Storage Audit Executive Summary
Appendix G	Financial Options Appraisal Overview
Appendix H	Detailed Financial Models - Confidential
Appendix I	ESFRS SHQ Disposal Strategy Options Appraisal - Confidential
Appendix J	Implementation Programme
Appendix K	HR Assessment
Appendix L	SHQ Staff Briefing Feedback
Appendix M	HQ Move Equality RAID Log
Appendix N	PEST & SWOT Analysis