



EAST SUSSEX FIRE AUTHORITY

THURSDAY 10 SEPTEMBER 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.	
861.	1	In relation to matters on the agenda, seek declarations of any disclosable pecuniary interests under Section 30 of the Localism Act 2011.
862.	1	Apologies for absence.
863.	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).
864.	1	To consider any public questions.
865.	1	To receive any petitions.
<u>866.</u>	5	Non-confidential minutes of the meeting held on 18 June 2015 (copy attached).

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867.	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.
<u>868.</u>	15	Strategic Service Planning and Medium Term Financial Plan 2016/17 – joint report of the Chief Fire Officer & Chief Executive and Treasurer (copy attached).
<u>869.</u>	27	Revenue Budget and Capital Programme Monitoring 2015/16 – joint report of the Chief Fire Officer & Chief Executive and Treasurer (copy attached).
<u>870.</u>	41	Revision to Contract Standing Orders – report of the Chief Fire Officer & Chief Executive (copy attached).
<u>871.</u>	53	Annual Performance Outcome report 2014/15 – report of the Chief Fire Officer & Chief Executive (copy attached).
<u>872.</u>	83	Local Government Pension Scheme – Discretions Policy – report of the Chief Fire Officer & Chief Executive (copy attached).
<u>873.</u>	101	Pensions update – report of the Chief Fire Officer & Chief Executive (copy attached).
<u>874.</u>	105	People & Organisational Development (POD) Strategy (2015/2017) and Inclusion & Diversity (I&D) Strategy (2015/2017) – report of the Chief Fire Officer & Chief Executive (copy attached).
875.	2	Dates of Future Meetings – to be noted:
		17 September 2015 Scrutiny & Audit Panel
		5 November 2015 Scrutiny & Audit and Policy & Resources Panels
		10 December 2015 Fire Authority
		*21 January 2016 Policy & Resources Panel
		*4 February 2016 Scrutiny & Audit Panel
		11 February 2016 Fire Authority
		*26 May 2016 Scrutiny & Audit and Policy & Resources Panels
		16 June 2016 Fire Authority
		7 July 2016 Scrutiny & Audit and Policy & Resources Panels
		8 September 2016 Fire Authority
		15 September 2016 Scrutiny & Audit Panel
		*3 November 2016 Scrutiny & Audit and Policy & Resources Panels
		8 December 2016 Fire Authority

All Fire Authority meetings to commence at 10:30 hours

All Panel meetings to commence at 10:00 hours

* Please note change of dates from those provisional dates previously advised

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876.	3	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.
<u>877.</u>	123	Confidential minutes of the meeting held on 18 June 2015 (copy attached). (Exempt categories under paragraphs 1 and 3 of the Local Government Act 1972).
<u>878.</u>	125	Sussex Control Centre progress report – confidential report of the Chief Fire Officer & Chief Executive (copy attached). (Exempt category under paragraph 3 of the Local Government Act 1972).
879.	-	Norman vs Cheshire – Pensionable Pay – confidential report of the Chief Fire Officer & Chief Executive (report to follow). (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

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 18 June 2015.

Present: Councillors Barnes, Buchanan, Butler, Deane, Earl, Galley, Howson (Chairman), Lambert (Vice-Chair), Morris, O'Quinn, Peltzer Dunn, Penn, Scott, Taylor, Theobald, Whetstone and Wincott.

N.B. Councillor Whetstone attended the meeting in place of Councillor Pragnell, who had temporarily resigned from the Fire Authority.

Also present:

Mr. D. Prichard (Chief Fire Officer & Chief Executive), Mr. G. Walsh (Deputy Chief Fire Officer), Mr. G. Ferrand (Assistant Chief Fire Officer), Mrs C. Rolph (Assistant Chief Officer), Mr. D. Savage (Treasurer), Miss. E Woodley (Deputy Monitoring Officer), Mr. W. Tricker (Head of Finance & Procurement), Mr. J. Salmon (Estates Manager), Mrs. A. Bryen (Clerk) and Mr. C. Reed (East Sussex County Council) (for items 856 and 860 only).

843. DISCLOSABLE PECUNIARY INTERESTS

- 843.1 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.
- 843.2 Councillor Taylor informed the Fire Authority that he was a member of the Planning Committee at Eastbourne Borough Council and, as the Fire Authority had not yet decided whether or not it may submit a planning application in connection with the current Service Headquarters building (item no. 857 on the agenda), he would abstain from voting on this item, although this was not a pecuniary interest.

844. ELECTION OF CHAIRMAN

- 844.1 The Fire Authority considered a report of the Monitoring Officer that set out the procedures governing the election of a Chairman and invited the Authority to appoint a Chairman for the ensuing year. (Copy in Minute Book).
- 844.2 It was proposed by Councillor Scott and seconded by Councillor O'Quinn, that Councillor Wincott be elected as Chairman of the Fire Authority. It was further proposed by Councillor Barnes and seconded by Councillor Buchanan that Councillor Howson be elected as Chairman of the Fire Authority. There were no other nominations.
- 844.3 A roll call was taken and 11 votes were cast for Councillor Howson and 6 votes cast for Councillor Wincott.
- 844.4 **RESOLVED** – That Councillor Howson be appointed Chairman of the Fire Authority for the ensuing year.

845. **ELECTION OF VICE-CHAIRMAN**

845.1 The Fire Authority considered a report of the Monitoring Officer that set out the procedures governing the election of a Vice-Chairman and invited the Authority to consider whether it wished to appoint a Vice-Chairman for the ensuing year. (Copy in Minute Book).

845.2 It was proposed by Councillor Scott and seconded by Councillor O'Quinn, that Councillor Wincott be elected as Vice-Chairman of the Fire Authority. It was further proposed by Councillor Galley and seconded by Councillor Buchanan that Councillor Lambert be elected as Vice-Chairman of the Fire Authority. There were no other nominations.

845.3 A roll call was taken and 12 votes were cast for Councillor Lambert and 5 votes cast for Councillor Wincott.

845.4 **RESOLVED** – That Councillor Lambert be appointed Vice-Chairman of the Fire Authority for the ensuing year.

846. **APOLOGIES FOR ABSENCE**

846.1 An apology for absence was received from Councillor Sheppard. Councillor Whetstone attended the meeting in place of Councillor Pragnell.

847. **URGENT ITEMS AND CHAIRMAN'S BUSINESS**

847.1 There were no urgent items for consideration.

847.2 **Former Councillor Beryl Healy**

The Fire Authority recorded its sincere condolences to the family and friends of Beryl Healy, who had tragically died following an accident at her home earlier in June, and stood in silence in respect of her memory.

847.3 **Councillors Adrian Morris, Jackie O'Quinn and Caroline Penn**

The Chairman welcomed Councillors Adrian Morris, Jackie O'Quinn and Caroline Penn to their first meeting of the Fire Authority, having been appointed by Brighton & Hove City Council.

847.4 **Former Councillor Christopher Hawtree**

The Chairman welcomed Christopher Hawtree to the meeting and presented him with a rose bowl as a memento of his service on the Fire Authority. The Fire Authority thanked Christopher for his contributions to the Fire Authority's work during the past three years, including his membership of the Policy & Resources Panel. Members wished him well in his future career.

847.5 **DCFO Gary Walsh**

The Fire Authority congratulated DCFO Gary Walsh on being awarded the Queen's Fire Service Medal announced in the Queen's Birthday Honours List. Gary had been recognised for his contributions to the Fire & Rescue Service both locally and at a national level.

847.6 Trevor Green
The Fire Authority recorded its congratulations to Trevor Green on being awarded an MBE, also announced in the Queen's Birthday Honours List. Trevor had been recognised for his contribution as a community volunteer and for his work with the charity Operation Florian.

848. **TO CONSIDER PUBLIC QUESTIONS, IF ANY**

848.1 There were none.

849. **TO CONSIDER PUBLIC PETITIONS, IF ANY**

849.1 There were none.

850. **NON-CONFIDENTIAL MINUTES OF THE MEETING HELD ON 12 FEBRUARY 2015**

850.1 **RESOLVED** – That the non-confidential Minutes of the meeting held on 12 February 2015 be approved and signed by the Chairman. (Copy in Minute Book).

850.2 In relation to minute no. 833.B.4, Councillor Deane asked what progress was being made to continue identifying and agreeing savings. She referred to the 8 fires that had occurred in the City during the same week, and asked how the Service had managed that situation and how it would cope in future similar circumstances given that a fire appliance was being removed from the City.

850.3 The Chief Fire Officer & Chief Executive explained the mature arrangements that were in place for responding to incidents across the whole of the East Sussex Fire & Rescue Service, an area that covered East Sussex and the City of Brighton & Hove. Appliances were moved across the County and City to provide cover when required and mutual cover arrangements were in place with neighbouring Fire & Rescue Services.

850.4 Councillor Deane commended the Service for the way it had dealt with multiple incidents.

851. **CALLOVER**

851.1 Members reserved the following items for debate:

- 852 Political Representation on Panels of the Fire Authority
- 855 Communications & Engagement Strategy 2015-2020
- 856 Local Firefighters' Pension Board – Update
- 857 Service Headquarters – Stage 3 report

851.2 **RESOLVED** – That all other reports be resolved in accordance with the recommendations as detailed below.

852. **POLITICAL REPRESENTATION ON THE PANELS OF THE FIRE AUTHORITY**

852.1 The Fire Authority considered a report of the Monitoring Officer that sought agreement to secure the political balance on the Authority's Panels in accordance with the requirements of the Local Government (Committees and Political Groups) Regulations 1990 and to allocate seats to the Panels accordingly. (Copy in Minute Book).

852.2 Councillor Barnes informed the Fire Authority that he had been appointed as Leader of the Conservative Group on the Fire Authority and would, therefore, be serving on the Principal Officer Appointments Panel in accordance with the current terms of reference. This position had previously been taken by Councillor Theobald. Her experience gained from attending earlier meetings of that Panel, particularly in connection with the current recruitment process for the post of Chief Fire Officer & Chief Executive, would be lost.

852.3 Since the Panel's constitution had been agreed in December 2014, local government elections had been held in Brighton & Hove City Council resulting in a change of political representation on the Fire Authority from Brighton & Hove City Council. Councillor Barnes proposed that the Panel's constitution be amended for the ensuing year to include one additional member of the Conservative Group to those already appointed to it. Councillor Barnes proposed Councillor Theobald for this additional place, thereby retaining her knowledge and providing representation on the Panel for Brighton & Hove City Council which would otherwise be absent, given that all political group leaders were currently East Sussex County Councillors. Councillor Lambert seconded the proposal.

852.4 Upon a vote, the Fire Authority agreed that the constitution of the Principal Officer Appointments Panel be increased by one place and this be allocated to the Conservative Group for the ensuing year.

852.5 **RESOLVED** that:

i) the Panel arrangements and political representation be as follows:

<u>Panel</u>	<u>Political Representation</u>
Scrutiny & Audit	3 Cons, 2 Lab, 1 LibDem, 1 UKIP
Policy & Resources	3 Cons, 2 Lab, 1 LibDem, 1 UKIP
Human Resources	3 Cons, 2 Lab, 1 LibDem, 1 UKIP
Urgency	3 Cons, 2 Lab, 1 LibDem, 1 UKIP

Additionally, the following Panels do not have to be politically balanced, as agreed by the Fire Authority on 12 December 2014:

Principal Officer Appointments	Group Leaders + Chairman of the Fire Authority if not a Group Leader + one place allocated to the Conservative Group
Pensions Board	TBC (see minute no. 856 below)

- ii) the Panels be asked to elect their Chairmen in accordance with Standing Order 41.14;
- iii) it be noted that a further report will be submitted to the Scrutiny & Audit Panel on 17 September 2015, suggesting a new approach for Member Leads; and
- iv) the constitution of the Principal Officer Appointments Panel be increased by one place and this be allocated to the Conservative Group for the ensuing year.

853. **FIRE AUTHORITY AND PANEL MEETINGS 2015/16**

- 853.1 The Fire Authority considered a report of the Monitoring Officer that set out the dates of meetings of the Fire Authority and Panels for the next 12 months. (Copy in Minute Book).
- 853.2 The Authority's Standing Orders required the dates of Fire Authority meetings to be notified annually in advance.
- 853.3 **RESOLVED** – That the following dates of meetings of the Fire Authority and Panels for the next 12 months be noted.

Date:	Meeting:
9 th July 2015 ¹	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 ²	Scrutiny & Audit and Policy & Resources Panels
11 th February 2016	Fire Authority
12 th May 2016 ³	Scrutiny & Audit and Policy & Resources Panels
16 th June 2016	Fire Authority

Meetings of the Fire Authority to commence at 10.30 hours
 Meetings of the Panels to commence at 10.00 hours

All meetings to take place at Service Headquarters, 20 Upperton Road,
 Eastbourne BN21 1EU

¹ The Panel meetings due to be held on 9th July 2015 were subsequently cancelled
² This date has now been changed to 21st January 2016 for the P&R Panel meeting and 4th February 2016 for the S&A Panel meeting
³ This date has now been changed to 26th May 2016 for both Panel meetings

854. **TREASURY MANAGEMENT – STEWARDSHIP REPORT FOR 2014/15**

- 854.1 The Fire Authority considered a report of the Treasurer that covered treasury activity for 2014/15 and the Prudential Indicators related to that activity. (Copy in Minute Book).
- 854.2 The Fire Authority had complied with its approved Treasury Management Strategy and Prudential Indicators for the year.
- 854.3 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.
- 854.4 No new borrowing had been 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, was £11.123m.
- 854.5 **RESOLVED** – That the treasury management performance for 2014/15 be noted.

855. **COMMUNICATIONS & ENGAGEMENT STRATEGY 2015-2020**

- 855.1 The Fire Authority considered a report of the Chief Fire Officer & Chief Executive that presented a revised Communications & Engagement Strategy for 2015-20 and Communications Equality Guide. (Copy in Minute Book).
- 855.2 ESFRS had ambitious plans for the future in terms of campaign and partnership work. This revised Communications & Engagement Strategy would help deliver those aims. It would also assist ESFRS in meeting obligations in relation to consultation and engagement with both the public and staff as the Service looks to transform itself.
- 855.3 Councillor Galley suggested that the communications activities listed in para 3.2.8 of the Strategy should be widened to include national events, for example, patriotic memorial events and more recent conflicts. He suggested that the Communications Equality Guide be reconsidered with a view to taking into account issues faced by all sections of the community and to it being written in plainer terms.
- 855.4 The Chief Fire Officer & Chief Executive informed Members that this was a guide for staff to help them develop a greater understanding of communicating with the wide range of community groups within the Service's area. The information in the Guide had been taken from various government sources. The Service sought to continue its good record of inclusivity. ACO Chery Rolph reminded Members of the Fire Authority's statutory obligations under the Equality Act 2010 to prepare Equality Impact Assessments. The Chief Fire Officer & Chief Executive suggested that it may be helpful to amend a specific part of the guidance to give consideration to the use of words or phrases.

855.5 Councillor Deane supported the Guide and said that ESFRS should take advantage of all opportunities to reach all sections of the community. Councillor Scott also supported the Guide, and recognised that ESFRS was an inclusive organisation.

855.6 Councillor Barnes supported the Communications & Equality Strategy but felt that the Guide did not reflect current language and the use of different words that constantly changed over time. The Service's policy should be to use appropriate language and not to cause offence. Although it was suggested that the Strategy be reviewed in 2020, ACO Rolph informed Members that this would be considered annually to ensure that it remained up to date, particularly with regard to the use of language.

855.7 Councillor Butler asked that consideration be given to engaging an apprentice to the journalism and media section of the Service and to web-casting meetings of the Fire Authority as part of the Communications & Engagement Strategy.

855.8 **RESOLVED** – That:

- (i) the revised Communications & Engagement Strategy for 2015-20 be approved;
- (ii) it be noted that the Communications & Engagement Strategy and the Communications Equality Guide will be reviewed annually by officers to ensure they included current terminology; and
- (iii) the Communications Equality Guide be approved, subject to the wording being amended from 'use' to 'consider using' wherever it occurred in the document, as appropriate.

856. **LOCAL FIREFIGHTERS' PENSION BOARD – UPDATE**

856.1 The Fire Authority considered a joint report of the Chief Fire Officer & Chief Executive, Treasurer and Monitoring Officer that updated Members on the progress for appointing Members to the Local Pension Board and appointing a Chair. (Copy in Minute Book).

856.2 The Authority had previously agreed the establishment of a Pension Board in relation to the Firefighters' Pension Scheme. The Chief Fire Officer & Chief Executive informed Members that 4 employee groups represented by the Fire Brigades' Union, Retained Firefighters' Union, Fire Officers' Association and the Association of Chief Fire Officers, had been invited and had agreed to nominate a representative to serve on the Local Pension Board. Four employer representatives would now need to be appointed to the Board. The Local Government Association was developing a training package for Board Members.

856.3 The Treasurer said that Councillors Butler, Earl, Penn and Taylor had expressed an interest in serving on the Board. There were no other expressions of interest.

856.4 The Fire Authority had previously agreed that the Chairman of the Board should be an Authority appointed Chairman. Members were asked if they wished the Fire Authority to appoint a Chairman of the Board now, or leave it to the Board to do this at its first meeting.

856.5 **RESOLVED** – That:

- (i) the report be noted;
- (ii) Councillors Butler, Earl, Penn and Taylor be appointed to the Local Pension Board; and
- (iii) the Board be asked to appoint its Chairman at its first meeting.

857. **SERVICE HEADQUARTERS – STAGE 3 REPORT**

- 857.1 The Fire Authority considered a report of the Chief Fire Officer & Chief Executive that presented the business case for a relocation of Service Headquarters (SHQ) to the Sussex Police Headquarters site in Lewes. (Copy in Minute Book).
- 857.2 Mr C Reed, Asset Investment Manager with East Sussex County Council (ESCC), was invited to answer relevant questions from Members. He had written the Disposal Strategy Options Appraisal (exempt information under paragraph 3 of the Local Government Act 1972 and set out in item no 860). Mr Reed declared that, as part of his role with ESCC, he managed a Service Level Agreement with Sussex Police and was acting for Sussex Police on the Heads of Terms agreement.
- 857.3 Members were reminded that the Policy & Resources Panel on 28 May 2015 had considered this report and had recommended the Fire Authority to approve option 2, the relocation of SHQ to the Sussex Police site in Lewes with the delivery of touchdown space elsewhere in the ESFRS estate.
- 857.4 Members had considered the stage 2 asset appraisal in November 2014 and had agreed to progress with a stage 3 outline business case for the relocation of SHQ to a shared facility with Sussex Police in Lewes.
- 857.5 The work undertaken around ESFRS's future workspace requirements and future ways of working showed that the Service could operate within a much smaller footprint.
- 857.6 Councillor Galley commented on the apparent distance between the Training Block and Malling House and the potential for their being a separation of senior managers from other staff. Councillor Barnes said that the move to Sussex Police presented an opportunity for agile working which would benefit all staff including senior managers. The Chief Fire Officer & Chief Executive reminded Members of the existing culture and way of working in ESFRS which was one of inclusive and shared working and that managers at all levels were encouraged to regularly get out of their offices and to talk to their staff.
- 857.7 Councillor Scott said that, whilst supporting the relocation of SHQ to Lewes, the impact should be discussed with Lewes District Council and Eastbourne Borough Council. He welcomed the future development of a green travel plan.

- 857.8 Councillor Theobald asked about the different break clause options for both Malling House and the Training Block, and about car parking for staff and Members of the Fire Authority. Mr Salmon informed Members that the different break clauses gave greater flexibility for ESFRS to adjust to future requirements for office accommodation. ACFO Ferrand informed Members that Sussex Police were seeking to expand the car parking facilities on the site and there may be opportunities for more spaces to become available to ESFRS at a cost.
- 857.9 Councillor Lambert suggested that Members did not fetter officers' discussions and their ability to achieve the best possible outcomes for the Fire Authority regarding the future of the current SHQ building in Eastbourne.
- 857.10 The Chief Fire Officer & Chief Executive informed Members that there would be suitable meeting room accommodation at Lewes (not shown on the office layout plans). Negotiations were continuing with Sussex Police on options for rent and service charges, and upfront payments. The relocation of SHQ to Lewes would set a framework for the transformation of future service delivery.
- 857.11 Members considered the exempt information presented in item no. 860, when the press and public had been excluded from the meeting, before making the decisions set out below.
- 857.12 **RESOLVED** – That:
- (i) option 2, the relocation of SHQ to the Sussex Police site in Lewes with the delivery of touchdown space elsewhere in the ESFRS estate be approved;
 - (ii) the Capital Programme be varied to include the capital scheme SHQ relocation for £650,000;
 - (iii) the one-off revenue costs of £0.276m be funded from the Improvement & Efficiency earmarked reserves;
 - (iv) authority be delegated to the Chief Fire Officer & Chief Executive, in consultation with the Treasurer and Monitoring Officer, to agree the draft terms of the leases for the Sussex Police site and the Policy & Resources Panel be asked to approve the final terms of the leases;
 - (v) disposal of the existing SHQ site at Upperton Road be approved;
 - (vi) authority be delegated to the Chief Fire Officer & Chief Executive, in consultation with the Treasurer and Monitoring Officer, to agree the draft terms of the disposal of the Upperton Road site in line with the best consideration reasonably obtainable and the Policy & Resources Panel be asked to approve the final terms of the disposal; and
 - (vii) the implementation of the agile programme to support future working styles and future Service transformation be commenced.

Councillor Taylor abstained from voting.

858. **EXCLUSION OF PRESS AND PUBLIC**

858.1 **RESOLVED** – That items nos. 859 and 860 be exempt under the paragraphs indicated below 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 following grounds:

- 859 Paragraphs 1 and 3 – includes information relating to an individual and includes information relating to the financial or business affairs of any particular person (including the authority holding that information).
- 860 Paragraph 3 – includes information relating to the financial or business affairs of any particular person (including the authority holding that information).

The meeting concluded at 13:10 hours.

Signed

Chairman

Dated this 10th day of September 2015.

EAST SUSSEX FIRE AUTHORITY

Date 10 September 2015

Title of Report Strategic Service Planning and Medium Term Financial Plan 2016/17

By Chief Fire Officer & Chief Executive and Treasurer

Lead Officer Duncan Savage, Treasurer

Background Papers

Appendices

1. Medium Term Financial Plan 2016/17 – 2020/21 – Increase council tax by 1.94% each year
2. Medium Term Financial Plan 2016/17 – 2020/21 – Accept council tax freeze grant in 2016/17

Implications (✓)

CORPORATE RISK		LEGAL	
ENVIRONMENTAL		POLICY	✓
FINANCIAL	✓	POLITICAL	✓
HEALTH & SAFETY		OTHER (please specify)	
HUMAN RESOURCES		CORE BRIEF	
EQUALITY IMPACT ASSESSMENT <i>For reports requiring an EIA, the appropriate template can be accessed in Word, via the Templates Key within the Shared tab or via this link file:///j:\msoffice\Templates\Shared\14_04%20Equality%20Impact%20Assessment.dot</i>			

PURPOSE OF REPORT To set out the Fire Authority’s medium term service planning strategy and medium term financial plan for 2016/17-2020/21.

EXECUTIVE SUMMARY

The Fire Authority’s medium term service planning and budgeting processes are well established and closely linked. Whilst the main purpose of this report is to set the financial context for the service planning process, through an update of the Medium Term Finance Plan (MTFP), the fundamental aim of the review process is to determine how best to deliver the Authority’s Vision and Aims, and the targets and priorities that underpin them, within the context of the current estimate of available financial resources for the period 2016/17 – 2020/21.

We expect that the Spending Review 2015 will report on 25 November 2015 and be followed by an Autumn Statement in early December 2015 and the detailed Local Government Finance Settlement (LGFS) possibly later in December. Much of the detail that is required to update the MTFP and to set the budget for 2016/17 will, therefore, not be available until later in 2015. What remains clear though is that Local Government as a whole, including the Fire & Rescue Service, will be expected to continue to bear a greater proportion of savings nationally than other areas of public spending.

When the MTFP was last updated as part of the budget papers approved in February 2015 the Authority had identified savings of £5.7m against its estimated funding gap of £7.1m, leaving further savings of £1.4m still to be identified by 2019/20. When taken together the revisions to both the expenditure and funding elements of the MTFP indicate that there is a need for the Authority to identify additional savings of £0.7m by 2020/21, meaning the savings still to be identified now total £2.1m, assuming Council Tax is increased by 1.94% (see table 3 below for summary). If a Council Tax Freeze Grant of 1% is offered and accepted in 2016/17 then the total saving required increases to £2.4m.

Subject to delivering the savings already approved, the MTFP currently indicates that the Authority can continue to support the capital programme through additional revenue contributions through the 2017/18. Members should note, however, that these figures are indicative at this stage and that detailed information on the implications of the Government's spending plans for the new Parliament will not be known until much later in 2015. The expectation of continued and significant reductions in grant funding must continue to drive our future financial and service planning through the Changing the Service, Shaping our Future programme.

RECOMMENDATION The Fire Authority is asked to:

- i) approve the updated Medium Term Financial Plan for 2016/17 – 2020/21 and its underlying assumptions; and
- ii) note the continuing work under the Changing the Service, Shaping our Future programme to identify savings options to meet required savings targets set out in the report.

1. **MEDIUM TERM SERVICE PLANNING**

1.1 The Fire Authority's medium term service planning and budgeting processes are well established and closely linked. Whilst the main purpose of this report is to set the financial context for the service planning process, through an update of the MTFP, the fundamental aim of the process is to determine how best to deliver the Authority's Vision and Aims, and the targets and priorities that underpin them, within the available resources. This process has become even more important in recent years in the light of the sustained reduction in public sector funding and the consequent need to deliver significant savings over the period of the MTFP. Members and officers will need to ensure that the service planning process, which is driven through the Integrated Risk Management Plan and the 'Changing the Service, Shaping our Future' programme, delivers sustainability in the medium term for both the revenue and capital budgets, and the Service as a whole.

2. **NATIONAL CONTEXT**

- 2.1 In the Summer Budget announced on 8 July 2015, the Chancellor unveiled a slight slowdown in UK economic growth this year, but the over-riding budget message on the economy was that the recovery was still on track. GDP is forecast to grow by 2.4% this year, compared to the 2.5% which was expected in the March budget. Further ahead, UK GDP is expected to grow by 2.3% next year – the same as forecast in March – and by 2.4% in 2017, up from the 2.3% predicted previously.
- 2.2 The Government has made clear its continued commitment to tackle and eliminate the national budget deficit. To achieve a Budget surplus in 2019/20 the Government will undertake around £37 billion of further consolidation measures. The Summer Budget sets out around £17 billion of measures that will reduce the deficit, including £12 billion by 2019/20 from welfare reform and £5 billion by 2019/20 from tackling tax avoidance and tax planning, evasion and non-compliance, and imbalances in the tax system.
- 2.3 The Summer Budget contained relatively little detail on how the remaining £20 billion cuts would be achieved. However, HM Treasury subsequently published 'A country that lives within its means' which set out in broad terms how the Spending Review (SR) 2015 would be conducted. This re-stated that funding for the NHS, national security, schools and international development would be protected and that significant savings would need to be found in other areas. Government departments are required to model real terms savings of 25% and 40% by 2019/20. SR 2015 will be published on 25 November 2015.
- 2.4 We expect that SR 2015 will be followed by an Autumn Statement in early December 2015 and the detailed Local Government Finance Settlement (LGFS), possibly later in December. Much of the detail that is required to update the MTFP and to set the budget for 2016/17 will, therefore, not be available until later in 2015. What remains clear, though, is that Local Government as a whole, including the Fire & Rescue Service, will be expected to continue to bear a greater proportion of savings nationally than other areas of public spending.

3. **LOCAL POSITION**

Medium Term Finance Plan

- 3.1 A copy of the revised MTFP is included at Appendix 1. The MTFP was previously updated when the 2015/16 Budget was set in February 2015. At that stage there remained further savings of £1.4m to find against a total funding gap of £7.1m by 2019/20. Savings of £5.4m had been identified through the 'Changing the Service, Shaping our Future' programme and a range of other initiatives. Given that the Authority has already embarked on this phased programme to identify savings, and that there will continue to be a degree of uncertainty around funding until much later in 2015, the latest revisions for the MTFP have focussed on updating assumptions for 2016/17 and rolling forward the plan by a further year to 2020/21. The main issues considered are set out in the following paragraphs.

Grant Funding

- 3.2 The pace and scale of reductions in grant funding over the current Parliament will not become clear until later in the year. We have, therefore, continued to assume that cash from Government, Revenue Support Grant (RSG) plus Top Up Grant, will continue to reduce by 10% pa. RSG has reduced by £7.2m or 49% since 2010/11 and it is estimated to reduce by a further £5.6m to £1.9m by 2020/21. This is clearly a significant reduction and, although it has been mitigated to some extent in the short term by the introduction of the new business rates regime in 2013/14, we expected the Authority's SFA (Settlement Funding Assessment – the total of RSG, locally retained business rates and business rates top up grant) to fall by 41% from 2013/14 to 2020/21.
- 3.3 The Authority currently receives a small number of on-going specific revenue grants from central Government for FireLink and New Dimensions. The Government has given an assurance that these will be protected for the next two financial years and we have assumed that they will then reduce by 10% p.a. The grant for the Sussex Control Centre project is expected to be fully drawn down in 2015/16 and is not affected by these assumed reductions.
- 3.4 For 2015/16 the Government announced a £75m resource fund for fire and rescue services made available on a bid-for basis to encourage joint working between fire and rescue authorities, collaboration with other blue light services, and to help meet the upfront cost of service transformation. This fund was created by top slicing the grant settlement and replaced previous allocations of capital funding to each fire authority. There is no information on whether such funding will be available in 2016/17 and beyond.

Business Rates

- 3.5 From 2013/14 Government changed the way in which income collected from business rates (Non Domestic Rates or NDR) is treated, with fire authorities retaining 1% of NDR collected in their local area. This is then topped up by a grant from the portion of the NDR that is retained by central government. Together, these form the Authority's total baseline funding. Current assumptions are based on returns made by the billing authorities and uprated for inflation (RPI) each year. The NDR base is assumed at this stage to remain static. The top up grant is also assumed to increase by inflation (RPI) each year. RPI assumptions have been updated based on the latest projections from the Office of Budget Responsibility (OBR) – 0.7% in 2016/17; 2.2% in 2017/18 and 3.0% thereafter. At this stage, no allowance has been made for surpluses or deficits on the Collection Fund.
- 3.6 In 2014/15 and 2015/16 the Government announced a range of temporary reliefs for small businesses. The Government is compensating authorities for the lost income through a Section 31 grant. This is assumed to cease after 31 March 2016 but is offset by a corresponding increase in business rates income. The Government also introduced a cap on the business rates inflation increase for 2015/16 at 2% instead of the 2.3% RPI increase. The Government has agreed to compensate for this loss of income in 2016/17 but there is no confirmation that this will continue beyond this.

- 3.7 For 2015/16 the East Sussex Business Rates Pool is expected to result in additional benefits for the Authority of £0.226m. No decision has yet been taken as to whether the Pool will continue and, at this stage, no assumption of income from the Pool has been made for 2016/17 or beyond. There are a number of national reviews of Business Rates underway which may impact, along with planned revaluation in 2017 and the potential introduction of Enterprise Zones in some areas of East Sussex.
- 3.8 Overall we estimate that baseline funding (locally retained business rates plus top up grant) will increase by 12% between 2016/17 and 2020/21.

Council Tax

- 3.9 The underlying assumption in the MTFP is that the Council Tax base will increase by 0.4% p.a. based on the medium term projections provided by the billing authorities. Based on the latest national and local information on tax base trends the increase for 2016/17 has been revised upwards to 1.0%. The billing authorities are also consulting on changes to their Local Council Tax Reduction Schemes (LCTRS) for 2016/17. The impact of any changes on the Council Tax base will not be confirmed until early in 2016 and are not included in the revised MTFP.
- 3.10 After 3 years of accepting a Council Tax Freeze grant from Government, the Authority increased its Council Tax by 1.94% in both 2014/15 and 2015/16. The MTFP assumes that Council Tax will be increased by 1.94% each year through the period to 2020/21.
- 3.11 There is no information as to whether the Government will continue to offer a Council Tax Freeze Grant in future years or at what level such a grant would be set. The Localism Act 2011 placed a duty on Local Authorities to hold a referendum if they proposed to raise their Council Tax by more than a threshold set annually by Government. For the last two years the threshold has been set at 2% but there is no information on what level might be set for 2016/17. Appendix 2 shows the impact on the MTFP if a Council Tax Freeze Grant of 1% were to be offered on the same terms as in previous years. Accepting such a grant would reduce income by £0.196m in 2016/17 and £0.327m by 2020/21. Any decision to pursue a Council Tax Strategy of less than the 1.94% p.a. increase currently modelled would increase the level of savings required.

Expenditure

- 3.12 Existing expenditure plans, based on the agreed 2015/16 Revenue Budget and 5 year plan, have been rolled forward for the period to 2020/21 following initial consultation with budget managers and known commitments, and reflect the following assumptions and pressures:
- A net provision for pay inflation of 1.5% pa in 2016/17 – 2018/19 and 2% pa in 2019/20 & 2020/21. The Government's intention is to cap public sector pay rises to an average of 1% over the next 5 years. The level of pay award for the fire and rescue service will be determined nationally through the National Joint Council (NJC);
 - Provision of 2.5% p.a. for price inflation on goods and services;
 - Budget adjustments reflecting year-on-year changes in revenue funding to support current strategies for fleet, IMD and property;

- Increases in employers' contributions of 0.5% pa in 2015/16 and 2016/17 following the recent triennial revaluation of the Local Government Pension Scheme. The next triennial revaluation of the LGPS is due for 2017/18 and the MTFP assumes further increases of 1% pa from 2017/18 to 2019/20;
 - Provision in 2016/17 of £0.650m to reflect the impact of the introduction of the single flat-rate state pension and the resultant loss of National Insurance rebates for those employees who contract out of the second state pension;
 - Short term flexibility in the MTFP, where savings are achieved in advance of need, is utilised to address the reduction in Capital Grant funding by providing additional revenue contributions to fund capital expenditure (albeit re-phasing/reduction of savings, reduces this by £0.271m in the period 2016/17 – 2017/18 with a corresponding increase in the drawdown from capital reserves).
- 3.13 A new Firefighters' Pension Scheme was introduced from 1 April 2015 which reduced average Employers' Contributions as calculated by the Government Actuaries Department (GAD) and resulted in a reduction in RSG of £0.032m in 2015/16. Further work is required to assess the impact of the implementation of the FPS2015, Norman vs Cheshire and the new RDS Modified Scheme (from 1 October 2015) on the budget and this will be carried out over the autumn.
- 3.14 Further work to review expenditure plans, including a more detailed review of the provision for price inflation in the light of historically low levels for both CPI and RPI, will be carried out over the autumn.

Savings Plans

- 3.15 Our expenditure plans also reflect the delivery of the savings agreed as part of the 2015/16 budget and previous decisions taken by the Authority. The estimated savings from both phase 1 and 2 proposals of the 'Changing the Service, Shaping our Future' programme have been reviewed in the light of the development of more detailed implementation plans and reflect both later delivery of some savings and a reduction in the overall amount that can be delivered. The total value of the savings agreed so far is set out in table 1 below.

TABLE 1 – SUMMARY OF SAVINGS BUILT INTO THE MTFP

	2016/17	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000	£000
Total Facing the Challenge Savings	(494)	(567)	(567)	(567)	(567)
Sussex Control Centre Savings	(474)	(474)	(474)	(474)	(474)
Total Deferred Savings	(339)	(339)	(339)	(339)	(339)
Total approved for 2015/16 budget	(1,307)	(1,380)	(1,380)	(1,380)	(1,380)
Total Phase 1 Savings	(892)	(1,013)	(1,013)	(1,013)	(1,013)
Total Phase 2 Savings	(1,137)	(1,430)	(1,430)	(1,430)	(1,430)
Total Additional non-Operational Savings	(74)	(74)	(74)	(74)	(74)
Total non-Operational Savings	(1,179)	(1,555)	(1,728)	(1,728)	(1,728)
Total savings	(4,589)	(5,452)	(5,625)	(5,625)	(5,625)

- 3.16 Any failure to deliver these savings will require compensatory savings to be found elsewhere.
- 3.17 Further proposals resulting from Phase 3 reviews will be reported to the Authority in the coming months, as well as the review of options for the existing Day Crewed Plus proposals following work with the Representative Bodies. Additional work to identify potential savings proposals will be carried out with Heads of Service over the autumn. Any changes to the current savings plan will be built into the MTFP once they have been approved.

Reserves and Balances

- 3.18 Reserves and balances are held in accordance with the Authority's agreed policy, and table 2 below summarises their current values and planned use over the period. As agreed as part of the non-operational savings proposals, the base budget contribution to reserves will reduce from its current level of £1.0m, in phases, to £0.50m from 2017/18. The planned use of reserves and balances will be reviewed as part of the service planning process in the light of the savings requirement, any changes to the Capital Strategy, the outcome of grant funding bids to Government, and the need to fund the costs of up-front investment to support the delivery of savings proposals. The level of reserves held is expected to reduce over the next 5 years and by 2020/21 will comprise primarily an unallocated risk provision (General Balance 31% of total reserves) and resources to fund the Capital Strategy without recourse to borrowing (67% of total reserves).

TABLE 2 – FORECAST OF USEABLE RESERVES BASED ON EXISTING PLANS

	31/03/15 £'000	31/03/16 £'000	31/03/17 £'000	31/03/18 £'000	31/03/19 £'000	31/03/20 £'000
General Balance	3,753	3,753	3,753	3,753	3,753	3,753
Earmarked Reserves	8,809	8,158	7,337	7,128	7,628	8,128
Capital Reserves	4,484	3,152	2,139	3,778	2,139	180
Total Usable Reserves	17,046	15,063	13,229	14,659	13,520	12,061

Capital Strategy

- 3.19 As part of the Service Planning process the annual review of the Capital Strategy is underway and this will draw on new or refreshed strategies for IMD, Fleet and Property, and seek to prioritise capital investment that most effectively supports the delivery of the Authority's vision and aims. The review will include an assessment of the resources available to fund the Capital Strategy against which projects will need to be prioritised. The revenue implications of the current Capital Strategy are included within the MTFP.

SERVICE PLANNING PROCESS

- 4.1 When the MTFP was last updated as part of the budget papers approved in February 2015 the Authority had identified savings of £5.7m against its estimated funding gap of £7.1m, leaving further savings of £1.4m still to be identified by 2019/20. When taken together the revisions to both the expenditure and funding elements of the MTFP indicate that there is a need for the Authority to identify additional savings of £0.7m by 2020/21, meaning the savings still to be identified now total £2.1m, assuming Council Tax is increased by 1.94% (see table 3 below for summary). If a Council Tax Freeze Grant of 1% is offered and accepted in 2016/17 then the total saving required increases to £2.4m. Subject to delivering the savings already approved, the MTFP currently indicates that the Authority can continue to support the capital programme through additional revenue contributions through to 2017/18. Members should note, however, that these figures are indicative at this stage and that detailed information on the implications of the Government's spending plans for the new Parliament will not be known until much later in 2015. The expectation of continued and significant reductions in grant funding must continue to drive our future financial and service planning through the Changing the Service, Shaping our Future programme.

TABLE 3 – SUMMARY OF SAVINGS REQUIRED

	2016/17	2017/18	2018/19	2019/20	2020/21
	£'000	£'000	£'000	£'000	£'000
Total Net Expenditure	37,504	36,913	36,909	37,609	38,330
Total Resources Available	37,504	36,913	36,570	36,344	36,223
Savings Required	0	0	339	1,265	2,107
Total Resources Available (accepting 16/17 freeze grant)	37,308	36,682	36,307	36,047	35,896
Savings Required accepting 16/17 freeze grant	196	231	602	1,562	2,434

- 4.2 Updates on progress will be reported to the Fire Authority and Policy & Resources Panel through the Autumn, with final budget and Council Tax proposals being made to meetings in January and February 2016.

APPENDIX 1

**MEDIUM TERM FINANCIAL PLAN 2016/17 – 2020/21
 INCREASE COUNCIL TAX BY 1.94% EACH YEAR**

	2016/17	2017/18	2018/19	2019/20	2020/21
	£'000	£'000	£'000	£'000	£'000
Gross Revenue Service Budget	37,339	37,171	37,675	38,404	39,157
Less					
Specific grants	(213)	(215)	(193)	(174)	(157)
Other income	(1,830)	(1,875)	(1,925)	(1,973)	(2,022)
Total income	(2,043)	(2,090)	(2,118)	(2,147)	(2,179)
Net Service Budget	35,296	35,081	35,557	36,257	36,978
Capital financing costs less interest receivable	870	867	852	852	852
Capital expenditure from the Revenue Account	588	465	0	0	0
Transferred to Balances	750	500	500	500	500
Total Net Expenditure	37,504	36,913	36,909	37,609	38,330

Net Budget brought forward	38,627	37,504	36,913	36,909	37,609
Unavoidable cost pressures					
Pay inflation	487	484	485	490	501
Price inflation	201	197	197	199	203
Total inflation	688	681	682	689	704
Changes in Capital Financing	(10)	(2)	(16)	0	0
Budget commitments	(258)	(407)	(497)	11	17
Savings approved	(1,543)	(863)	(173)	0	0
Total Net Expenditure	37,504	36,913	36,909	37,609	38,330

Sources of Funding					
Locally Retained Business Rates	2,526	2,581	2,658	2,738	2,820
Business Rate Top Up	4,762	4,867	5,013	5,163	5,318
Business Rates Baseline	7,288	7,448	7,671	7,901	8,138
Revenue Support Grant	6,257	5,050	3,912	2,869	1,911
Start Up Funding Assessment	13,545	12,498	11,583	10,770	10,049
Section 31 Grant Business Rates adjustment	103	0	0	0	0
2016/17 Council Tax Freeze Grant (1%)					
Council Tax Collection Fund Surplus	0	0	0	0	0
Business Rates Collection Fund Surplus					
Council Tax Requirement	23,856	24,415	24,987	25,574	26,174
Total Resources Available	37,504	36,913	36,570	36,344	36,223
Additional Savings Required	0	0	339	1,265	2,107

APPENDIX 2

MEDIUM TERM FINANCIAL PLAN 2016/17 - 2020/21

ACCEPT COUNCIL TAX FREEZE GRANT OF 1% IN 2016/17 ONLY

	2016/17	2017/18	2018/19	2019/20	2020/21
	£'000	£'000	£'000	£'000	£'000
Gross Revenue Service Budget	37,339	37,171	37,675	38,404	39,157
Less					
Specific grants	(213)	(215)	(193)	(174)	(157)
Other income	(1,830)	(1,875)	(1,925)	(1,973)	(2,022)
Total income	(2,043)	(2,090)	(2,118)	(2,147)	(2,179)
Net Service Budget	35,296	35,081	35,557	36,257	36,978
Capital financing costs less interest receivable	870	867	852	852	852
Capital expenditure from the Revenue Account	588	465	0	0	0
Transferred to Balances	750	500	500	500	500
Total Net Expenditure	37,504	36,913	36,909	37,609	38,330

Net Budget brought forward	38,627	37,504	36,913	36,909	37,609
Unavoidable cost pressures					
Pay inflation	487	484	485	490	501
Price inflation	201	197	197	199	203
Total inflation	688	681	682	689	704
Changes in Capital Financing	(10)	(2)	(16)	0	0
Budget commitments	(258)	(407)	(497)	11	17
Savings approved	(1,543)	(863)	(173)	0	0
Total Net Expenditure	37,504	36,913	36,909	37,609	38,330

Sources of Funding					
Locally Retained Business Rates	2,526	2,581	2,658	2,738	2,820
Business Rate Top Up	4,762	4,867	5,013	5,163	5,318
Business Rates Baseline	7,288	7,448	7,671	7,901	8,138
Revenue Support Grant	6,257	5,283	4,122	3,058	2,081
Start Up Funding Assessment	13,544	12,731	11,794	10,960	10,220
Section 31 Grant Business Rates adjustment	103	0	0	0	0
2016/17 Council Tax Freeze Grant (1%)	259	0	0	0	0
Council Tax Collection Fund Surplus					
Business Rates Collection Fund Surplus					
Council Tax Requirement	23,402	23,951	24,513	25,087	25,676
Total Resources Available	37,309	36,682	36,306	36,046	35,895
Additional Savings Required	195	231	603	1,563	2,435

EAST SUSSEX FIRE AUTHORITY

Date 10 September 2015
Title of Report Revenue Budget and Capital Programme Monitoring 2015/16
By Chief Fire Officer & Chief Executive and Treasurer
Lead Officer Warren Tricker, Head of Finance & Procurement

Background Papers None

Appendices Appendix 1: 2015/16 Revenue Budget – Functional Analysis
 Appendix 2: 2015/16 Revenue Budget – Subjective Analysis
 Appendix 3: 2015/16 Capital Budget Monitoring
 Appendix 4: All Years Capital Budget Monitoring (to 2019/20)
 Appendix 5: 2015/16 Reserves Projections
 Appendix 6: Monitoring of Savings 2015/16 - 2017/18
 Appendix 7: Investment as at 31 March 2016

Implications (✓)

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

PURPOSE OF REPORT To report on issues arising from the monitoring of 2015/16 Revenue Budget and Capital Programme as at 31 July 2015.

EXECUTIVE SUMMARY

This is the first financial monitoring report to the Authority for 2015/16 and, although early in the financial year and subject to higher levels of uncertainty, the Revenue budget outturn for 2015/16 is projected to be £126,000 underspent.

The overall Capital Programme is projected to be £62,000 underspent. The current year's spending profile is also projected to be underspent by £62,000.

There are a range of risks which may impact on the Revenue and Capital outturn for the year and these are summarised in section 8 of the report.

The Authority maintains Earmarked and General Reserves in order to assist it in managing its spending plans across financial year (Earmarked Reserves) and making provisions for the financial risks it faces (General Reserves). A summary of the current planned use of Reserves can be found at Appendix 5.

A total of £1,023,000 new savings have already been taken from the 2015/16 budget taking the total savings to £3,046,000. The projected shortfall for the year against is £392,000 and is shown in Appendix 6.

RECOMMENDATION

The Fire Authority is asked to note:

- (i) the projected 2015/16 Revenue Budget outturn;
 - (ii) the projected Capital Programme outturn;
 - (iii) the current use of reserves;
 - (iv) the monitoring of savings taken in 2015/16; and
 - (v) the current year investments.
-

1. **INTRODUCTION**

- 1.1 The financial information contained in this report is based upon enquiries as at the 31 July 2015. The report discloses the main issues, material variances and changes to previously reported variances.
- 1.2 This is the first report to the Fire Authority for 2015/16 and it should be noted that, at this early point in the financial year, it is difficult to accurately forecast outturn and there may be elements, both internal and external, that will influence the final position.

2. **BUDGET OUTTURN SUMMARY**

- 2.1 The table below summarises the 2015/16 Revenue Budget and Capital Programme positions.

	Last report	This report	Movement
	£'000	£'000	£'000
Revenue (see paragraph 3)	n/a	(126)	n/a
Capital (see paragraph 5)	n/a	(62)	n/a

3. **REVENUE BUDGET COMMENTARY**

- 3.1 **Service Delivery Response.** There is a projected underspend of £37,000. The projected underspend comprises £60,000 on Retained Firefighters, based on 3 months of activity. There is also an overspend on the Rates of Crowborough Fire Station of £23,000; as the premises have been extended, the District Valuer has revalued the rates and back dated the increase to 2013/14. There is no surplus budget on the overall Rates budget and this will need to be considered as a pressure for the 2016/17 budget.
- 3.2 **Estates.** The budget manager has advised of overspends on Rates for Service HQ, following a revaluation, and the costs associated with selling Service Houses in the region of £9,000; it is hoped that the overspends can be absorbed within the Estates budget.
- 3.3 **Finance & Procurement –** The budget manager has advised that there will be an underspend of £89,000. This comprises £41,000 for Financial Services and SAP, £14,000 External Audit and £34,000 on Insurance. The External Audit and Insurance may be offered up as savings when the 2016/17 budget is set however the Summer 2015 Budget announcement to increase Insurance Premium Tax (IPT) from 6% to 9.5% from premiums due after 1 November 2015 will put an estimated pressure on the 2016/17 Insurance budget of £16,000.
- 3.4 **Wholtime Pay & Pensions –** The Service Transformation Programme is now expected to run an extra three months to the end of December 2015. The two Operational Manager Review Leaders seconded will remain on the Project until then at an anticipated additional cost of £26,400 which can be contained within this budget.

3.5 All other budgets are projected to be on target, at this stage of the year. Budget provision anticipates any pay awards and following the Brigade Managers award, National Joint Council circular of 18 June 2015, the increase can be contained within this budget. The Chief Fire Officer & Chief Executive has reviewed the delegations and previous Fire Authority papers and is content that this uplift can be applied without recourse to the Fire Authority. The award has been actioned to the appropriate staff. There will be a number of risks with a forecast this early in the financial year and these are addressed in paragraph 8.

4. **MONITORING OF SAVINGS**

4.1 Appendix 6 shows in full all the cumulative savings that make up the 2015/16 Revenue budget and that are included in the Medium Term Financial Plan. Only those savings where there are issues or significant risks are shown separately. In the 2015/16 budget, new savings of £1,023,000 have been taken; £158,000 SCC savings, £10,000 non-operational savings, £674,000 Phase 1 and £107,000 Phase 2 savings and £74,000 additional savings. The forecast shortfall is £392,000 in 2015/16 rising to £466,000 in 2016/17 before falling to £52,000 by 2017/18.

4.2 The current arrangements continue to require the support of the existing control room mobilising software although off-set in part by a reduced cost from the new provider. The net position is currently forecast as a £178,000 shortfall. There may be opportunities to mitigate this pressure, see paragraph 8.5 for details.

4.3 The introduction of Locality Managers in Hastings and Brighton has been achieved in Hastings but delayed in the City as a result of the extension of the Day Crew Plus consultation and complications of the work towards reaching the required establishment at Hove by 1 April 2016. This results in a pressure of £162,000 in 2015/16 falling to £121,000 in 2016/17 before reducing to nil in the following year.

4.4 It has been agreed to replace the old two Watch system on Day Crewed duty system fire stations to revised two Watch system, across a seven day week. This does reduce the operational establishment but the shortfall over the original proposal is the result of the proposal to reduce Watch Manager and Crew Manager being rejected in favour of a reduction in Firefighter posts. Current establishment on each of the five stations is now 12, a reduction of 2 Firefighter posts per station. This has resulted in a £52,000 shortfall in this saving.

4.5 The introduction of day crewed plus at Roedean and The Ridge Fire Stations has slipped as a result of the extension of the Day Crew Plus consultation and this will have a one-off impact on the 2016/17 budget of £293,000.

5. **CAPITAL BUDGET & PROGRAMME COMMENTARY**

5.1 **Sussex Control Facility** – The Scheme is complete with the exception of the retained sum which has been estimated at £25,000. No other invoices are due which leaves a forecast underspend of £92,000.

5.2 **Day Crewed Plus** – The consultation process for the introduction of Day Crewed Plus is taking longer than anticipated. Once it is completed, the Capital Scheme spend profile will need to be updated and is expected to slip.

5.3 **Fire Appliances** – The cost of fire appliances is expected to be £30,000 higher than budget. This is due to a higher specification to meet operational requirements in the City as a result of the removal of the Appliance at Hove in April 2016. It is expected that this additional cost can be met from underspends elsewhere in the Capital Programme in 2015/16.

5.4 **Service HQ Relocation** – This scheme has been added to the programme following the decision of the Fire Authority on 18 June 2015. Planned spend in 2015/16 is £118,000.

6. **RESERVES**

6.1 The table in Appendix 5 shows the planned use of reserves for 2015/16, it takes into account of the 2014/15 indicative underspend. It also shows how the reserves are planned to be used over the medium term.

6.2 £25,000 has been transferred from the Improvement and Efficiency Reserve to the Service Transformation Team for consultancy support.

6.3 £79,000 has been transferred from the Sprinklers Earmarked Reserve for use this year, the remaining £121,000 will be spent in 2016/17.

6.4 £84,000 has been transferred from the Volunteers Scheme Earmarked Reserve for use this financial year.

6.5 The Reserves include a Budget Carry Forward of £484,000 which will be released as spend is incurred. £20,000 of the agreed carry forward has been transferred from reserves to the Uniforms budget There have been no further requests for transfers from the Reserves.

6.6 The reserve for relocation expenses will be used to support the base budget for staff relocation costs, and possible cost pressures for the sale of remaining Service houses; any remaining sums will be recycled into other reserves.

7. **BORROWING AND INVESTMENT**

7.1 As at the 31 July 2015, the Authority held cash balances of £17.120m which were invested as set out in Appendix 7, in accordance with the Treasury Management Strategy.

8 **POTENTIAL RISKS**

8.1 **Wholetime Pay** – The monitoring of savings has shown that delays in implementation of some Phase 1 savings proposals combined with the use of RDS staff for cover and the secondment of the 2 Service Transformation Review Leaders for an additional 3 months will bring the Wholetime budget under pressure. There are plans in place to manage this pressure through the process to reduce the establishment at Hove by 1 April 2016 and the use of RDS staff which will need close monitoring over this period.

- 8.2 **Pensions** – A Pensions Provision has been created of £635,000 from the 2014/15 Revenue budget for back dated employers contributions relating to the impact of the Norman vs Cheshire case and an amount of £95,000 has been built into the base Revenue budget. Both of which should be adequate to cover the costs. There is £233,000 built into the base budget for impact of the RDS Modified Pension Scheme which, depending on the level of uptake, may result in a saving. Initial results indicate that the impact of the 2015 Firefighters Pension Scheme may generate a saving in the region of £40,000. This area is complex with a great number of transactions and further analysis of the budget impact will be carried out as the position matures.
- 8.3 **Holiday Pay** – Following the outcome of the Employment Appeal Tribunal Bear Scotland vs Fulton and conjoined cases, a budget pressure has arisen. The impact was initially estimated at £45,000 per year but may be less as greater clarity over the application of the ruling to the types of overtime worked is achieved. Corporate Management Team (CMT) has agreed an interim approach to pay a supplement on overtime payments, to which the representative bodies have agreed, but not withstanding this the pressure would fall on this budget heading although no certainty can yet be attributed.
- 8.4 **L & OD** – The budget manager has advised of a risk of a £35,000 potential overspend on the Wholetime Overtime budget in L & OD. This pressure may arise as a result of a catching up process with regards to training, the knock-on impact of industrial action in 2014/15.
- 8.5 **IMD** – The budget manager has advised of a potential overspend relating to the 3tc contract. The cost of the first quarter 2015/16 for the mobilising system and directly associated software is £68,500 for which there is no budget. Until SCC go live, support from 3tc will be required. However, any underspend in staff has currently been allocated to the extension of key agency resources involved in the 4i implementation. IMD will be endeavouring to fill vacancies in IMD but this is further complicated by the IMD Transformation which requires the establishment of a new IMD client function with skills and knowledge that will not necessarily allow us to replace existing agency staff. This situation is being further examined by IMD currently to see where a balance can be struck satisfying all requirements and expectations.
- 8.6 **Community Risk Management** – The budget manager has advised that the greater part of the £226,000 Business Rates Retention Pooling budget will not be spent this financial year. Progress has been made with the Business Safety Training Coordinator post being advertised and an appointment should be made at the end of July. It is therefore likely that any underspend will need to be carried forward and held in a reserve for spend into 2016/17.
- 8.7 **Corporate** – The budget manager has advised of a potential overspend on the Legal Services budget relating to the sale of the remaining houses and increased usage of the employment lawyer due to the pensions/transformation work, the level of possible overspend is unknown at the moment and the position will be updated as more information is known.

- 8.8 **Capital Programme Sustainability Scheme** – The Project manager has advised of a potential underspending in the current year due to the timing of the recruitment of the Capital Projects Manager roles.
- 8.9 **Capital Programme Replacement of Fuel Tanks** – The Project manager has advised that this scheme is now ‘on hold’ awaiting the outcome of the Emergency Services Collaboration Programme (ESCP) fuel project and may result in an underspend in 2015/16.

East Sussex Fire Authority
2015/16 Revenue Budget – Functional Analysis

Appendix 1

	Original Budget	Revised Budget	Projected Outturn	Variance	Variance	Variance- last report
	£'000	£'000	£'000	£'000	%	£'000
Service Delivery Response	5,418	4,821	4,784	(37)	(0.8)	23
Service Delivery Community Risk Management	490	993	993	0		
Service Delivery Business Safety	345	657	657	0		
Wholetime Pay & Pensions	17,532	17,475	17,475	0		
Service Delivery	23,785	23,946	23,909	(37)	(0.1)	0
Service Support Estates	1,297	1,297	1,297	0		
Service Support IMD	2,922	2,922	2,922	0		
Service Support Fleet	1,607	1,608	1,608	0		
Service Support Special Projects Team	128	128	128	0		
Service Support	5,954	5,955	5,955	0	0.00	0
POD HR	721	721	721	0		
POD L&OD	1,712	1,720	1,720	0		
People & Organisational Development	2,433	2,441	2,441	0	0.00	0
Cost of Democracy	173	173	173	0		
Additional cost of Industrial action	0	0	0	0		
Corporate Management	1,116	1,113	1,113	0		
Finance & Procurement	1,971	1,987	1,898	(89)	(4.5)	(89)
Performance Management	202	227	227	0		
Net Financing Costs	884	884	884	0		
Central	22	22	22	0		
Corporate	4,368	4,406	4,317	(89)	(2.0)	(89)
Capital Expenditure from the Revenue Account	1,087	1,087	1,087	0		
Transfer From Reserves	0	(208)	(208)	0		
Transfer To Reserves	1,000	1,000	1,000	0		
Total Net Expenditure	38,627	38,627	38,501	(126)	(0.3)	0
Financed By:						
Council Tax	(23,170)	(23,170)	(23,170)	0		
Business Rates	(7,290)	(7,290)	(7,290)	0		
Revenue Support Grant	(7,514)	(7,514)	(7,514)	0		
S31 Grants	(276)	(276)	(276)	0		
Collection Fund Surplus/Deficit	(377)	(377)	(377)	0		
Council Tax						
Total Financing	(38,627)	(38,627)	(38,627)	0	0	0
Total Over / (Under) Spend	0	0	(126)	(126)	(0.3)	(66)

East Sussex Fire Authority
2015/16 Revenue Budget – Subjective Analysis

Appendix 2

	Original Budget £'000	Revised Budget £'000	Projected Outturn £'000	Variance £'000	Variance %	Variance- last report £'000
Salaries, Allowances and On-costs	27,624	27,921	27,861	(60)	(0.2)	
Training Expenses	560	582	582	0		
Other Employees Costs	84	292	292	0		
Employee Costs	28,268	28,795	28,735	(60)	0.0	0
Repair, Maintenance and Other Costs	1,047	1,047	1,047	0		
Utility Costs	1,161	1,161	1,184	23	2.0	23
Premises Costs	2,208	2,208	2,231	23	1.0	23
Vehicle Repairs and Running costs	956	961	927	(34)	(3.5)	(34)
Travel Allowances and Expenses	138	143	143	0		
Transport Costs	1094	1,104	1,070	(34)	(3.1)	(34)
Equipment and Supplies	1,293	2,163	2,163	0		
Fees and Services	1,600	1,682	1,627	(55)	(3.3)	(55)
Communications and Computing	2,613	1,436	1,436	0		
Other Supplies and Services	581	651	651	0		
Supplies and Services	6,087	5,932	5,877	(55)	(0.9)	(55)
Minimum Revenue Provision	445	445	445	0		
Interest Payments	510	510	510	0		
Capital Financing	955	955	955	0	0	0
Grants and Contributions	(486)	(486)	(486)	0		
Interest Received	(75)	(75)	(75)	0		
Other Income	(1,511)	(1,685)	(1,685)	0		
Income	(2,072)	(2,246)	(2,246)	0	0	0
Capital Expenditure from the Revenue Account	1,087	1,087	1,087	0		
Transfers From reserves		(208)	(208)	0		
Transfers To reserves	1,000	1,000	1,000	0		
Total Net Expenditure	38,627	38,627	38,501	(126)	0	(66)
Financed By:						
Council Tax	(23,170)	(23,170)	(23,170)	0		
Business Rates	(7,290)	(7,290)	(7,290)	0		
Revenue Support Grant	(7,514)	(7,514)	(7,514)	0		
S31 Grants	(276)	(276)	(276)	0		
Collection Fund Surplus/Deficit Council Tax	(377)	(377)	(377)	0		
Total Financing	(38,627)	(38,627)	(38,627)	0	0.0	0
Total Over / (Under) Spend	0	0	(126)	(126)	(0.3)	(66)

East Sussex Fire Authority
2015/16 Capital Budget Monitoring

Appendix 3

Capital Scheme	Original Budget	Revised Budget	Projected Outturn	Variance	Variance	Variance Last Report
	£'000	£'000	£'000	£'000	%	£'000
Property Major Schemes						
Crowborough Refurbishment	0	9	9			
Newhaven Fire Station	2,783	2,467	2,467			
Sussex Control Facility		93	1	(92)	(98.9)	(92)
Day Crewed Plus – Roedean & the Ridge	1,637	1,855	1,855			
Service HQ Relocation	0	118	118			
Subtotal	4,420	4,542	4,450	(92)	(2.0)	(92)
Property General Schemes						
General Schemes	345	387	387			
Replacement Fuel Tanks	190	190	190			
Sustainability	210	210	210			
Subtotal	745	787	787	0	0.0	0
Information Management						
IMD Strategy SCC	0	607	607	0	0.0	0
Fleet & Equipment						
Fire Appliances	480	480	510	30	6.3	30
Ancillary Vehicles	30	30	30			
Cars & Vans	180	210	210			
Subtotal	690	720	750	30	4.2	30
Total	5,855	6,656	6,594	(62)	(0.9)	(62)

East Sussex Fire Authority
All Years Capital Budget Monitoring (to 2019/20)

Appendix 4

Capital Scheme	Original Budget £'000	Revised Budget £'000	Projected Outturn £'000	Variance £'000	Variance %	Variance last Report £'000
Property Major Schemes						
Crowborough Refurbishment	1,005	997	997			
Newhaven Fire Station	3,560	3,560	3,560			
Sussex Control Facility	1,100	1,100	1,008	(92)	(8.4)	(92)
Day Crewed Plus – Roedean & the Ridge	1,855	1,855	1,855			
Service HQ Relocation	0	650	650			
Subtotal	7,520	8,162	8,070	(92)	(1.1)	(92)
Property General Schemes						
General Schemes	2,595	2,595	2,595			
Replacement Fuel Tanks	190	190	190			
Sustainability	420	420	420			
Subtotal	3,205	3,205	3,205	0	0	0
Information Management						
IMD Strategy SCC	2,027	2,027	2,027	0	0	0
Fleet & Equipment						
Fire Appliances	3,835	3,826	3,856	30	0.8	30
Aerial Appliances	680	680	680			
Ancillary Vehicles	1,044	1,038	1,038			
Cars & Vans	1,461	1,457	1,457			
BA & Ancillary Equipment	750	750	750			
Subtotal	7,770	7,751	7,781	30	0.4	30
Total	20,522	21,145	21,083	(62)	(0.2)	(62)

East Sussex Fire Authority
2015/16 Reserves Projections

Appendix 5

Description	Opening Balance 01/04/15 £'000	2015/16	2015/16	2015/16	2015/16	Projected Closing Balance 31/03/2016 £'000
		Original Transfers In £'000	Original Transfers Out £'000	Projected Transfers In £'000	Projected Transfers Out £'000	
Earmarked Reserves						
Improvement and Efficiency	2,109		(700)		(700)	1,409
Budget Carry Forward	484		(484)		(484)	0
Sprinklers	200		(200)		(79)	121
Insurance	249					249
Community Fire Safety	145		(145)		(145)	0
Breathing Apparatus	750					750
Mapping Solution	69		(69)		(69)	0
Relocation Expenses (Staff Vacating Houses)	90		(90)		(90)	0
Volunteers Scheme	84		(84)		(84)	0
Capital Programme Reserve	4,629	1,000		1,000		5,634
Total Earmarked Reserves	8,809	1,000	(1,772)	1,000	(1,651)	8,158
General Fund	3,753					3,753
Total Revenue Reserves	12,562	1,000	(1,772)	1,000	(1,651)	11,911
Capital Receipts Reserve	4,361	2,652	(3,743)	2,652	(3,861)	3,152
Capital Grants and Capital Contributions unapplied	123		(123)		(123)	0
Total Capital Reserves	4,484	2,652	(3,866)	2,652	(3,984)	3,152
Total Usable Reserves	17,046	3,652	(5,638)	3,652	(5,635)	15,063

Monitoring of Savings 2015/16 - 2017/18

Summary showing Changing the Service Phases 1 and 2 and other operational savings

Ref.	Budget			Current Forecast			Variance			
	2015/16 £'000	2016/17 £'000	2017/18 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	
Phase 1 Savings										
5	Locality Managers	(324)	(324)	(324)	(162)	(203)	(324)	162	121	0
6	Move to revised watch system on Day Crewed Stations	(424)	(424)	(424)	(372)	(372)	(372)	52	52	52
	All other Phase 1 savings	(145)	(317)	(317)	(145)	(317)	(317)	0	0	0
	Total Phase 1 Savings	(893)	(1,065)	(1,065)	(679)	(892)	(1,013)	214	173	52
Phase 2 Savings										
3	Introduce day crewed plus at Roedean and the Ridge fire stations.	0	(391)	(391)	0	(98)	(391)	0	293	0
	All other Phase 2 savings	(107)	(1,039)	(1,039)	(107)	(1,039)	(1,039)	0	0	0
	Total Phase 2 Savings	(107)	(1,430)	(1,430)	(107)	(1,137)	(1,430)	0	293	0
	Sussex Control Centre	(474)	(474)	(474)	(296)	(474)	(474)	178	0	0
	Total Facing the Challenge	(419)	(494)	(567)	(419)	(494)	(567)	0	0	0
	Total deferred savings	(339)	(339)	(339)	(339)	(339)	(339)	0	0	0
	Total non-operational savings	(740)	(1,179)	(1,555)	(740)	(1,179)	(1,555)	0	0	0
	Total additional savings	(74)	(74)	(74)	(74)	(74)	(74)	0	0	0
	Total all other savings	(2,046)	(2,560)	(3,009)	(2,046)	(2,560)	(3,009)	178	0	0
	Total Savings	(3,046)	(5,055)	(5,504)	(2,832)	(4,589)	(5,452)	392	466	52

**East Sussex Fire Authority
Investment as at 31 March 2016**

Appendix 7

Counterparty	Type	Amount £'000	Term	Rate %
Lloyds/HBOS	Fixed Term	2,000	6 months	0.70
Lloyds/HBOS	Fixed Term	2,000	12 months	1.00
Santander	Notice	3,000	95 days	0.60
Barclays	Notice	3,000	100 days	0.67
Standard Life	MMF	3,000	Overnight	Variable
Insight	MMF	3,000	Overnight	Variable
Deutsche Bank	MMF	1,120	Overnight	Variable
Total Current Investments		17,120		

EAST SUSSEX FIRE AUTHORITY

Date 10 September 2015

Title of Report Revision to Contract Standing Orders

By Chief Fire Officer & Chief Executive

Lead Officer Warren Tricker, Head of Finance & Procurement

Background Papers None

Appendices

1. New Procurement Standing Orders in Practice
2. A marked up copy of changes to Contract Standing Orders

Implications (please tick ✓ and attach to report)
Any implications affecting this report should be noted within the final paragraphs of the report

CORPORATE RISK		LEGAL	
ENVIRONMENTAL		POLICY	
FINANCIAL		POLITICAL	
HEALTH & SAFETY		OTHER (please specify)	
HUMAN RESOURCES		CORE BRIEF	
EQUALITY IMPACT ASSESSMENT <i>For reports requiring an EIA, the appropriate template can be accessed in Word, via the Templates Key within the Shared tab or via this link</i> file:///j:\msoffice\Templates\Shared\14_04%20Equality%20Impact%20Assessment.dot			

PURPOSE OF REPORT To update the Authority's Contract Standing Orders, in particular the financial thresholds that dictate the required procurement process and officer authorisation.

EXECUTIVE SUMMARY The current Contract Standing Orders (CSOs) had a minor update in December 2014 but before that were last updated in August 2013.

The Public Contracts Regulations 2015 changes for procurements above the Official Journal of the European Union (OJEU) threshold, together with the UK requirements proposed by Lord Young, will affect procurements both above and below the OJEU threshold.

The Authority's Procurement Strategy identifies the devolution of tactical purchasing to Budget Managers which allows the Procurement Team to act as a central focal point for strategy, advice and guidance.

RECOMMENDATION

To approve a revision of the current Contract Standing Order thresholds and authorisations, as set out in the report and its appendices to take effect from 1 February 2016.

1. **INTRODUCTION**

- 1.1 The Authority's CSOs form part of the Constitution and define the rules and procedures to be adopted, when undertaking any procurement activity on behalf of the Authority. They ensure the delivery of economy, efficiency and effectiveness through competition and the avoidance of practices that may restrict, distort or prevent competition.
- 1.2 The current CSOs had a minor update in December 2014 but before that were last updated in August 2013 and, as part of the ongoing review of Procurement within the Authority, it is recommended that the thresholds are raised to ensure they reflect the impacts of recent legislative changes, better define the roles and responsibilities of officers and align with current best practice and our contemporaries.

2. **NATIONAL/REGIONAL POSITION**

- 2.1 The Public Contracts Regulations 2015 put into English law the changes agreed early in 2014 amending the European Procurement Directives for procurements above the OJEU threshold, together with the UK requirements proposed by Lord Young which affect procurements below the OJEU threshold.
- 2.2 The main impacts include:
- Making shortlisting illegal below the OJEU threshold. Therefore, non-OJEU tenders cannot have a pre-qualification questionnaire designed to restrict the number of bidders submitting tenders.
 - Advertising every tender on a national website, Contracts Finder. This may well increase the number of bidders.
 - All documents to be available and published at the time of advertising. The intention is that by publishing a full specification at the outset, bidders will self-select and not bid for inappropriate work.
- 2.3 In addition, the European Commission has set a deadline for mandating e-procurement across the public sector, with the belief that a total of £82 billion can be saved annually from the £1.6 trillion procurement spend across the EU. This will include posting all contract opportunities online, making all tender documents available, the electronic submission of bids and making all communication digital. In order to address this directive, the Authority has recently implemented e-tendering capability and this is explained in more depth further in the report.

3. **CURRENT POSITION FOR ESFRS**

- 3.1 The Authority's CSOs have not had a thorough refresh since August 2013.
- 3.2 The new public sector procurement regulations will have an immediate impact on the way in which the Authority conducts its procurement and the Authority's limited resources. The Authority's CSOs, therefore, require updating to mitigate the challenges ahead and release resources within Procurement, by devolving the low risk, low value transactions Service-wide.
- 3.3 The Authority's Strategic Procurement Plan identifies better procurement processes that, with relevant support and training, will be achieved by devolving tactical high volume low value spend to relevant officers releasing the Procurement Team to focus on planning, training, guiding and directly supporting high value procurements. Changing CSO thresholds will facilitate this by allowing officers more responsibility through increased thresholds.
- 3.4 Procurement cards (P/Cards) are a well-established e-procurement solution, which enables an organisation to reduce the administrative overheads of low value transactions, for both the buying organisation and the supplier. They are intended to simplify the procurement of goods and services and can effectively transform manual, paper-based procurement and accounts payable processes, into faster, leaner processes, that generate quantifiable cost savings. P/Cards were introduced as a pilot in June 2011, with the intention of simplifying the procurement process and gaining efficiency savings, by removing high volume, low value manually processed orders from SAP.
- 3.5 The Strategic Review of Procurement in October 2013 and the P/Card Audit of December the same year, both recommended further integration within ESFRS and it is now the intention to maximise the benefits by expanding the pilot Service-wide. Service cardholders will be able to purchase via a One Stop Shop (OSS), which is an intranet based Procurement area, which directs staff to our current portfolio of pre-negotiated best value contracts with a wide variety of suppliers, including stationery and consumables agreements, for example. The OSS will also give a window on existing contracts and framework agreements across the public sector that ESFRS has access to.
- 3.6 Devolution of P/Cards Service-wide will allow the central team to focus its activity on oversight, analysis and supporting the business with the strategic, more complex procurements, where it adds most value. For context, of the 7,881 total transactions on SAP in financial year 2013/14, 7,271 were under £5,000 and 5,231 of those were under £500.
- 3.7 In order to recommend changes, it is useful to establish the current pattern of procurement in the Service. The following table shows for the last three financial years the number of procurements falling in each band of contract value:

April 2012 to March 2015	
Values	Number of procurements
Above EU threshold	43
Above £100k but below EU threshold	21
Above £75k but below £100k	6
Above £50k but below £75k	21
Above £25k but below £50k	264
Below £25k	54
Total	409

- 3.8 Based on this analysis, the current threshold of £25,000 means that 355 or 87% of procurements required a tender or EU Framework route and Principal Officers were required to authorise the Contract. Raising this current threshold to £50,000 would reduce this by 264, down to 91 or 22% and increasing it further to £100,000 only reduces it further by 27 down to 64 or 16%.
- 3.9 Approximately 112 of the lines included in the above table relate to IMD procurements. Of those 112, approximately 20 are above £75,000, so the burden of effort is at the lower end of the scale and, of course, responsibility for the competitive process may be transferred to an external party, subject to the ongoing IMD procurement.

4. **REVISED THRESHOLDS**

- 4.1 Currently, Principal Officers have to consider the vast majority of contracts. By raising the threshold at which Heads of Department (any officer reporting directly to a Principal Officer or Director) can authorise contracts would allow those officers to take responsibility for the contracts relating to the delivery of their services and relieve the burden on Principal Officers. Increasing this threshold to £50,000 makes a significant difference as can be seen from the above analysis. Further increases to £75,000 and £100,000 have far less impact and, given the magnitude of spend involved, Principal Officer oversight should be retained. It is, therefore, recommended that the authorisation limit for Directors, Borough Commanders and Heads of Department is increased to £50,000.
- 4.2 For opportunities expected to be under the recommended £50,000 threshold, the officer will be required to seek a minimum of three quotes and the Procurement Manual will recommend that the e-tender system should be used in this case. To take maximum advantage of the P/Card system, it is recommended that, based on the figures in paragraph 3.6, quotes must be sought for opportunities expected to exceed £5,000. Below £5,000 any officer authorised to do so may approve orders. A list of those officers is maintained in Finance & Procurement.
- 4.3 The e-tender system is currently in use in IMD as part of the Transformation programme and will be rolled out Service wide in the new year. Tender opportunities will also be automatically uploaded to the national database Contracts Finder, where the appropriate threshold is met. Contracts Finders is the UK Government's procurement service portal for public sector contract opportunities and the Authority's e-tendering portal automatically uploads those opportunities, where applicable.

- 4.4 E-tendering allows the Authority to conduct a competitive tendering or quotation process, using electronic means and includes:
- The advertisement of the requirement for goods and services
 - Document production
 - Supplier registration
 - Electronic delivery of the documents between the buyer and the supplier
 - Tender opening
 - Evaluation of bids
 - Notification of contract award
- 4.5 In addition to these core functions, the e-tendering portal offers additional capability in managing the complete lifecycle of a contract, from archiving, document management and archiving, contract management and co-ordinating the re-tendering process. EU-Supply is the Authority's e-tendering solution. EU-Supply were awarded the contract to supply the UK Police & Fire Authorities on a framework agreement let by Devon & Somerset FRS in 2014. It is used by over 6,500 authorities within the EU and gives access to over 40,000 suppliers to date.
- 4.6 CSOs give, as an alternative to the tender route, the use of an EU compliant framework agreement. As it delivers similar assurances, the alignment to tender route can be maintained. A framework agreement is an 'umbrella agreement' that sets out the terms, particularly relating to price, quality and quantity, under which individual contracts (call-offs) can be made throughout the period of the agreement, normally a maximum of 4 years. The agreements are commonly set up to cover categories such as office supplies, IT equipment, consultancy services and repair and maintenance services. Using an OJEU compliant framework mitigates the risk of aggregated spend, breaching CSOs or the EU Public Contract Regulations 2015. The due diligence process has been completed on our behalf and the offering has been market tested for best value. To ensure full compliance with the EU Regulations it is recommended that the threshold of £200,000 requiring Chief Fire Officer & Chief Executive approval be reduced to the EU supplies and services threshold, currently £172,514. This is the lowest threshold relating to the Fire Authority, set every two years in British Pounds.
- 4.7 Again, from the above analysis, the majority of contracts and procurement activity is below £50,000 and so this is where the opportunity to make the most impact in terms of saving resources and effort is found. The reduction in tenders sought for this relatively low level of expenditure by modern standards could make the most impact in terms of saving resources and redirecting effort, to the complex, high value and high risk activities.
- 4.8 It is, therefore, recommended that the threshold for the requirement of public notice and tender is increased to £50,000. For anticipated spend between £50,000 and £5,000, 3 quotations must be sought. The Authority's e-tendering portal will again be the preferred procurement tool.

- 4.9 The current CSOs include a number of exemptions or approvals that can be exercised by Principal Officers or contract officers, for example allowing single tender action or making changes to approved lists of contractors. In line with the changes to thresholds which will engender a greater degree of delegation, it is recommended that the exercise of these exemptions and approvals should be by the Head of Finance and Procurement. This will also provide consistency of approach and independence from the procurement process where that is being led by a contract officer.

5. **CONSULTATIONS**

- 5.1 The recommendations have been discussed with the Procurement Improvement Board and the Treasurer to the Fire Authority.

6. **CROSS-DIRECTORATE ISSUES CONSIDERED**

- 6.1 A programme of training will be developed to ensure that all key commissioners and their relevant team members understand the key principles of procurement and are fully conversant with the revised Contract Standing Orders and their application and knowledgeable in the use of the e-tendering system.

Key principles will include:

- Compliance
- Pre-market engagement
- Benchmarking
- Key performance indicators
- Service level agreements
- Specification drafting
- Delivering the optimal commercial outcome
- Contract management
- Overview of the public sector regulations and their intent
- Corporate social responsibility
- Sustainability
- Whole life costing

- 6.2 The Learning & Organisational Development Team has been consulted and a comprehensive programme of training is being developed. This is expected to take the form of face to face support, supplemented with e-learning packages, as part of ongoing refreshment and induction. The Head of HR has also been consulted as to the content of job descriptions for relevant officers. The training is expected to last 5 months and it is, therefore, recommended that the changes take effect from 1 February 2016.

- 6.3 An updated Procurement Manual to guide and support officers engaged in procurement will also be launched.

7. **HEALTH & SAFETY ISSUES**

- 7.1 Suppliers and their Employees would be required to comply fully with the Health & Safety at Work Act 1974 and any other statutory or regulatory requirement appropriate to the performance of any resulting contract.

8. **EQUALITY AND DIVERSITY IMPLICATIONS**

- 8.1 The Procurement process and on-going contract management will ensure that the service provider complies with all aspects of the Equality Act 2010 and any subsequent revisions/amendments to the Act in relation to its employees and the provision of works, services or supplies.

9. **POLITICAL**

- 9.1 The Public Contracts Regulations 2015 put into English law the changes agreed early in 2014, amending the European Procurement Directives for procurements above the OJEU threshold, together with the UK requirements proposed by Lord Young which affect procurements below the OJEU threshold.

10. **ENVIRONMENTAL**

- 10.1 It is the Authority's policy to actively promote sustainability through procurement. The Authority's approach to sustainable procurement means that any service provider must consider the long-term environmental, social and economic factors over the whole life of the contract in the drive for continuous improvement. Sound environmental credentials will be assessed as part of the procurement process and performance monitored via on-going contract management.

11. **SOCIAL**

- 11.1 Good procurement practice should ensure that social issues are taken into account within procurement and contract management, in line with the Public Services (Social Value) Act.

12. **TECHNOLOGICAL**

- 12.1 The recommendation of Service-wide e-tendering capability supports the European Commission deadline of mid-2018, for mandating e-procurement across the public sector, including posting all contract opportunities online, making all tender documents available, accepting electronic submission of bids and making all communication digital.

13. **LEGAL**

- 13.1 Above-threshold procurements that are subject to the EU Directives and the Public Contract Regulations will be supported in full by specialists within the Procurement Team, thus reducing the risk to the Authority of any legal challenge.

14. **COMMUNICATION IMPLICATIONS**

- 14.1 There will need to be a Service-wide introduction to the revised CSOs, in varied formats, to ensure we capture all members of the intended audience.

15. **FINANCIAL IMPLICATIONS**

15.1 No direct financial implications of note.

16. **APPENDICES**

Appendix 1

Illustration of proposed procurement processes, to support the revised thresholds.

Appendix 2

A mark up of CSO changes.

APPENDIX 1

New Procurement Standing Orders in Practice

Threshold	Procurement Process	Delegation
EU Threshold and above	Full OJEU compliant tender process Pre-determined strategy	<ul style="list-style-type: none"> • Procurement led process, working with Head of Service. See Annex A – decision tree for route selection process.
£50,000 to EU Threshold	Full Tender Supported by: Pre-determined strategy Full business case PID where appropriate	<ul style="list-style-type: none"> • Budget Manager led • Procurement oversight & support, including approval of selected supplier, prior to formal award
£5,000 to £49,999	3 Quotes (RFQ via E-tendering portal) One Stop Shop	<ul style="list-style-type: none"> • Budget Manager led • Any direct Procurement involvement determined by risk/complexity
Less than £5,000	No mandatory competitive process One Stop Shop P/Card	<ul style="list-style-type: none"> • Budget Manager led • No direct Procurement involvement • Staff to use P/Cards, via Procurement maintained One Stop Shop, with ready access to contracted suppliers, web hosted portals and framework agreements

Request for Quotation

A Request for Quotation (RFQ) is a market enquiry, issued to prospective suppliers, typically for lower value or simple acquisitions.

The purpose is to invite commercial offers from a number of suppliers in order to secure competition and to gather information about the suppliers' solutions, their lead time, service support and other dimensions of value in their proposition.

The selection of a Request for Quotation as opposed to a Simple Tender would reflect the fact that the value and complexity of the proposed acquisition is lower and a less formal approach is, therefore, acceptable.

The lowest cost quotation, which meets our requirements, would normally be accepted.

Requests for Quotation must be invited by an advertisement through the e-tendering solution.

Tender

A Tender is a document that establishes the terms and conditions of the offer.

A Tender opportunity would be issued to prospective suppliers on the e-tendering portal, for higher value and/or more complex solutions.

The purpose is to invite commercial offers from a number of suppliers in order to secure competition and to gather information about the suppliers' solutions, capability and key market intelligence.

The selection of a Tender as opposed to a Request for Quotation would reflect the fact that the scope of works and specification are clearly defined.

Any evaluation would require us to compare the qualitative aspects of the suppliers' proposition, such as quality and service, with quantitative aspects such as price.

Request for Tender documentation would usually include:

- Specification: This describes the work to be done and the standards required;
- Terms and Conditions of the contract: These set out the rules of the contract that will be entered into between us and the appointed contractor;
- Pricing Document: This enables the tenderer to set out and provide a price for the work.
- Full business case capturing the reasoning for initiating a Procurement i.e. the business need and the options considered to meet that need (technical and commercial).
- A defined Procurement strategy.
- PID where applicable.
- Depending on the type of contract, other documentation could include plans or details of sites and relevant policy documents.

The lowest submitted tender which meets the required specification will normally be accepted.

The appropriate Manager may accept other than the lowest tender to specification where:

1. There is a material improvement in specification in contrast to the lowest tender and that the tender other than the lowest tender represents the best value for money and should be deemed the most economically advantageous;
2. The goods, materials or services tendered for are not available for immediate supply and where, in the opinion of the Manager, by reason of their non-availability another tender might reasonably be regarded as the most economically advantageous tender.

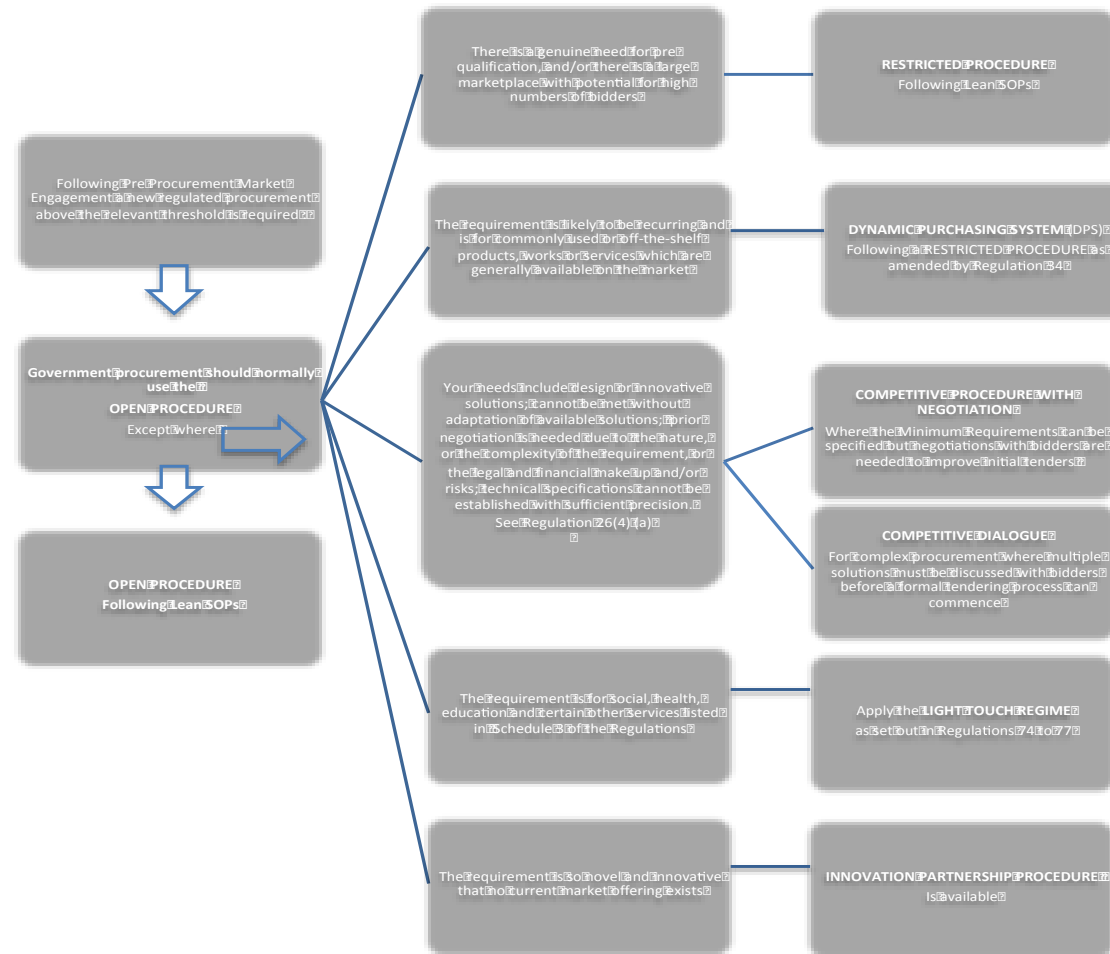
EU Threshold and above

The current threshold for 2015 is £172,514 for supplies and services and £4,322,012 for works.

The Public Contracts Regulations 2015 have introduced new choices of procurement procedures. These are the new innovation partnerships procedure and changes to the Competitive Dialogue procedure and the competitive procedure with negotiation.

Fully supported by the Procurement Team, key commissioners would be guided in conducting a fully compliant procedure, the route selected being appropriate to their needs and based on the Crown Commercial Service guidance below.

Annex A: Procurement Route Decision Tree



Notes:

- This is intended as a guide to choosing the right procurement procedure. It is not legal advice nor does it constitute an exhaustive description of all of the options or considerations that may be applicable. If in any doubt as to how to proceed you should take appropriate professional advice.
- A new regulated procurement does not include further competitions or all-offs under existing framework or DPS contracts.

EAST SUSSEX FIRE AUTHORITY

Date 10 September 2015

Title of Report Annual Performance Outcome Report 2014-15

By Chief Fire Officer & Chief Executive

Lead Officer Liz Ridley, Head of Performance Management

Background Papers None

Appendices Appendix A – Annual performance outcome report 2014/15

Implications (✓)

CORPORATE RISK		LEGAL	
ENVIRONMENTAL		POLICY	
FINANCIAL		POLITICAL	
HEALTH & SAFETY		OTHER (please specify)	
HUMAN RESOURCES		CORE BRIEF	
EQUALITY IMPACT ASSESSMENT <i>For reports requiring an EIA, the appropriate template can be accessed in Word, via the Templates Key within the Shared tab or via this link file:///j:\msoffice\Templates\Shared\14_04%20Equality%20Impact%20Assessment.dot</i>			

PURPOSE OF REPORT To present the annual performance results for 2014/15

EXECUTIVE SUMMARY This report provides CMT with details of East Sussex Fire Rescue Service's performance for the period 1 April 2014 – 31 March 2015. ESFRS met its target in 71% of indicators for 2014/15, which is a slight reduction on last year where it met 74%. A difference of 1 indicator.

RECOMMENDATION That the Fire Authority notes the report.

1. **INTRODUCTION**

- 1.1 This report, which is attached as a separate document, summarises the 2014/15 performance outcomes. The report aims to provide a single view of information which allows Elected Members, Auditors and members of the public to hold the Service's senior managers and staff to account in terms of the provision and performance of their Fire & Rescue Service for 2014/15.
- 1.2 The report provides a comparison against last year's performance, whether or not the target was achieved and the direction of travel from the previous year in a simple Red, Amber, Green traffic light portrayal.
- 1.3 East Sussex Fire & Rescue Service's results are compared against the results for Fire and Rescue Services in the rest of England on a scale of best to worst performance based on DCLG results 2013/14. The national results for 2014/15 results have not yet been published.
- 1.4 The report highlights a slight decline on last year's performance as 71% of performance indicators met the targets as opposed to 74% the previous year. A difference of one indicator not meeting its target.

2. **MAIN ISSUES**

- 2.1 Primary Fires are 7.4% under target (93 incidents) and have reduced by 3.1% (37) since 2013/14 from 1,188 to 1,151 fires and reduced by 27.1% (429) since the 2009/10 baseline.
- 2.2 34% of the primary fires attended in 2014/15 did not require any form of firefighting action by our crews and a further 23% were dealt with by small means, a portable extinguisher, or were allowed to burn out under the supervision of the crew.
- 2.3 Accidental dwelling fires are 0.7% over target (4 incidents) and have increased by 2.4% (13) since 2013/14 from 525 to 538 fires but reduced by 7% (37) since the 2009/10 baseline of 562. Cooking appliances were responsible for 273 (51%) of the accidental dwelling fires and 347 (64%) of them occurred in the kitchen.
- 2.4 46% of the accidental dwelling fires attended in 2014/15 did not require any form of firefighting action by our crews and a further 30% were dealt with by small means, a portable extinguisher or were allowed to burnout under the supervision of the crew. 'Small means' includes such methods as using a bucket of water, disconnecting a fuel supply or removing an item from a heat source, for example.
- 2.5 Deliberate Primary Fires excluding vehicles fires are 47% under target (109 incidents) and have reduced by 16% (24) since 2013/14 from 149 to 125 fires; and reduced by 57% (164) since the 2009/10 baseline of 289.
- 2.6 The performance outcome summary is set out in Appendix A attached as a separate document.



East Sussex
Fire & Rescue Service

Annual Performance Outcome Report for 2014/15

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1. Introduction

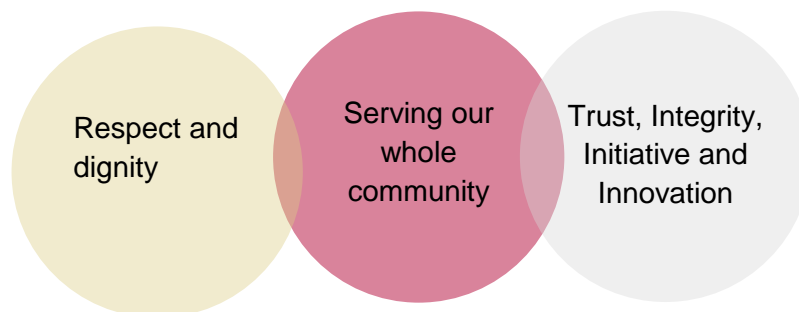
This report provides details of East Sussex Fire Rescue Service’s performance for the period April – March 2014/15.

It provides a transparent, single view of information which allows Elected Members, Auditors and members of the public to hold the Service’s senior managers and staff to account in terms of the provision and performance of their Fire & Rescue Service for 2014/15.

The primary objective of the Fire Authority is to drive down risk in local communities, schools and businesses across the county of East Sussex and the City of Brighton & Hove. Our aim is to make our County and City a safer place to live in, work in and visit as well as to improve wellbeing for all our citizens. We are also seeking to ensure we contribute to the wider sustainability agenda as well as invest to achieve sustainability in our own service provision to meet long term needs at a price council taxpayers can afford.

- Our Vision is** *‘Achieving safer and more sustainable communities’*
- Our Aims are:** *To deliver quality services within available resources*
To ensure a competent, diverse, safe and valued workforce

Our Core Values



2. Operating Environment

East Sussex Fire & Rescue Service provides prevention, protection and response services to 820,800 people living in 352,000 households within the area of East Sussex and the City of Brighton & Hove. We work within a large and diverse area on the south coast of England, covering rural locations as well as a busy city centre and urban seaside towns.

The County of East Sussex experiences the highest levels of deprivation of all the counties in the South of England. Our larger towns and the City of Brighton & Hove are very popular tourist destinations and the summer population is enhanced significantly, with approximately 8 million visitors, along with the risk of fire and road traffic collisions. The main headlines for the Service's area are:

Coastal influences

- At least 70% of the population lives along 47 miles of coast.
- Our area provides almost every aspect of community risk including multiple harbours, with the inherent risk of ship fires and oil terminals leading into the city of Brighton & Hove.
- The influence of the landscape and significant coastal and inland flooding causes risks

* Data provided by ONS and CIFPA for mid-year populations 2014 and Dwellings 2013.

3. Strategic Aims and Objectives

Our Annual Plan 2014/15 identifies two strategic aims and seven strategic objectives; these are:

Strategic Aim 1: To deliver quality services within available resources

- Prevent loss of life and injuries in our communities
- Protect our communities against economic, property or heritage loss
- Respond effectively and safely to incidents with appropriate planned resources
- Deliver cost effective services, which focus on community risk and customer needs at a price the local community can afford and within available resources

Strategic Aim 2: Ensure a competent, diverse, safe and valued workforce

- Embed and embrace equality and diversity principles in all that we do
- Attract and retain high calibre and committed staff, and help them develop professional skills and competence to meet our business needs
- Maintain and improve the standards of health, safety and welfare of our staff and provide a safe and secure workplace

Within each of our main aims we have set clear objectives as to what we want to achieve. We measure these objectives through performance indicators and targets to enable us to see if we are meeting them.

4. Summary of achievement.

The Table below provides a key summary of our achievement against targets in our priority areas, non-priority areas and our Integrated Risk Management Response standards in the year 2014/15. Our priority areas for 2014/15 were:

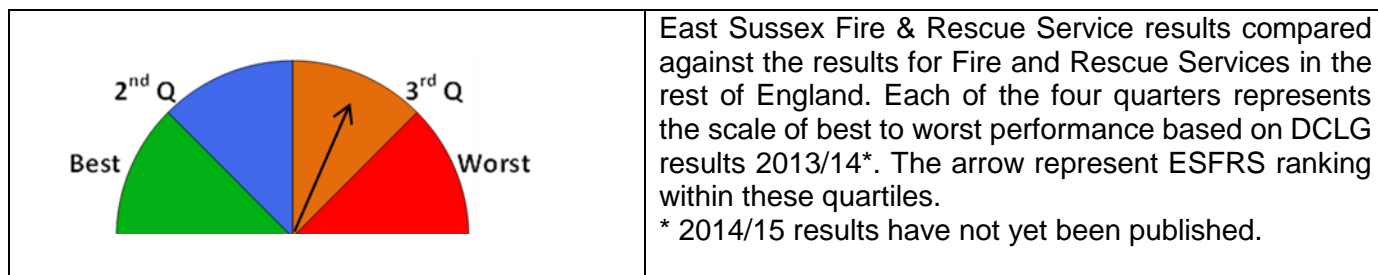
- Reducing accidental dwelling fires.
- Responding quickly to a fire to stop it spreading from the room it started in.
- Reducing false alarm calls, especially in properties with a previous history of this.
- Increasing the number of home safety visits that we complete with the more vulnerable members of our community.
- Reducing the number of absences of our employees due to sickness.
- Reducing the amount of revenue we spend.

Indicator group	✓ Indicators where the target has been met	* Indicators where target has not been met
Priority Areas	3 (50%)	3 (50%)
Non-priority areas	12 (66.7%)	6 (33.3%)
IRMP Standard	7 (100%)	0 (0%)
All Indicators	22 (70.9%)	9 (29.1%)

As can be seen from the above table, we have met our target in 71% of indicators for 2014/15, which is a slight reduction on last year where we met 74%

5. Performance Results 2014/15

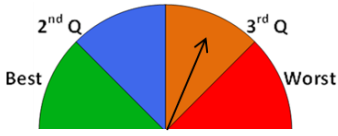
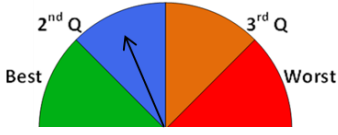
The following section contains the results against our strategic objectives. The tables give a comparison against last year's performance, whether or not the target was achieved and the direction of travel from the previous year.



Strategic Aim 1 - To deliver quality services within available resources

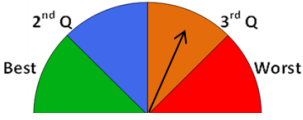
1.1 Prevent loss of life and injuries in our communities

Indicator No.	How will we measure performance?	2013/14 Outturn	National Quartile Position 2013/14	2014/15 Outturn	Target	Target met	Direction of travel from 2013/14
1	% of Home Safety Visits to vulnerable people	87.4%	This is an ESFRS indicator only, no National data is available for comparison	91.9%	90.0%	Yes	Improved
7	Home Safety Visits	10,529	The national data for this indicator is not due to be released until September 2015	9,346	10,000	No	Declined
36	% of fires in dwellings with no smoke alarm	23.2%	This is an ESFRS indicator only, no National data is available for comparison	21.7%	32.0%	Yes	Improved
9	Number of deaths in primary fires	5		2	Aspirational Target zero fire deaths		Improved
11	Deaths in Accidental Dwelling Fires	4		1	Aspirational Target zero fire deaths		Improved
10	Number of injuries in primary fires	37		40	52	Yes	Declined
12	Injuries in Accidental Dwelling Fires	29		29	37	Yes	Same
2	No of accidental dwelling fires	525		538	534	No	Declined

Indicator No.	How will we measure performance?	2013/14 Outturn	National Quartile Position 2013/14	2014/15 Outturn	Target	Target met	Direction of travel from 2013/14
8	Number of primary fires	1,188		1,151	1,244	Yes	Improved
13a	Deliberate primary fires not in vehicles	149		125	234	Yes	Improved
13b	Deliberate primary fires in vehicles	123		97	208	Yes	Improved
14	Deliberate secondary fires	473		429	590	Yes	Improved
4a	A reduction of automatic fire alarms (AFA) from the base year result of 2009/10	-31.5%	This is an ESFRS indicator only, no National data is available for comparison	-38.0%	-20.0%	Yes	Improved
4b	% of AFA calls challenged by ESFRS	10.3%	This is an ESFRS indicator only, no National data is available for comparison	16.9%	Monitor only	Monitor only	Improved
4c	% of AFA calls turned back by ESFRS	5.6%	This is an ESFRS indicator only, no National data is available for comparison	7.6%	Monitor only	Monitor only	Improved
4d	% of AFA mobilised calls to properties covered by the RRO that were classified as a primary fire	2.6%	This is an ESFRS indicator only, no National data is available for comparison	3.2%	Monitor only	Monitor only	Declined

After each fatal fire the Head of Community Risk Management conducts a 'Fatal Fire Review' with stakeholders and partners. Outcomes are shared to influence future prevention activities across all agencies.

1.2 Protect our communities against economic, property or heritage loss

Indicator No.	How will we measure performance?	2013/14 Outturn	National Quartile Position 2013/14	2014/15 Outturn	Target	Target met	Direction of travel from 2013/14
15	No of fires in non-domestic properties	169		177	176	No	Declined
16	Inspections of high risk premises completed	512	The national data for this indicator is not due to be released until September 2014	370	480	No	Declined

The annual target for inspections of high risk premises completed was set against a full complement of staff. Several staffing issues throughout the year had an impact on performance and so the target was not met for 2014/15.

1.3 Respond effectively and safely to incidents with appropriate planned resources

Indicator No.	How will we measure performance?	2013/14 Outturn	National Quartile Position 2013/14	2014/15 Outturn	Target	Target met	Direction of travel from 2013/14
3	% of accidental dwelling fires confined to room of origin	91.2%	This is an ESFRS indicator only, no National data is available for comparison	92.4%	94.0%	No	Improved
18	% of Life Threatening Incidents (LTIs) attended by 1st appliance within 8 minutes	72.0%	This is an ESFRS indicator only, no National data is available for comparison	69.8%	60.0%	Yes	Declined
19	% of LTIs attended by 1st appliance within 13 minutes	94.3%	This is an ESFRS indicator only, no National data is available for comparison	93.2%	90.0%	Yes	Declined
20	% of LTIs attended by 2nd appliance within 8 minutes	54.5%	This is an ESFRS indicator only, no National data is available for comparison	50.9%	50.0%	Yes	Declined
21	% of LTIs attended by 2nd appliance within 13 minutes	84.3%	This is an ESFRS indicator only, no National data is available for comparison	82.5%	80.0%	Yes	Declined
22	% of incidents attended within 20 minutes	98.8%	This is an ESFRS indicator only, no National data is available for comparison	98.6%	95.0%	Yes	Declined
23	% of LTIs attended by a minimum of 8 crew within 8 minutes	55.0%	This is an ESFRS indicator only, no National data is available for comparison	51.2%	50.0%	Yes	Declined
24	% of LTIs attended by a minimum of 8 crew within 13 minutes	84.7%	This is an ESFRS indicator only, no National data is available for comparison	82.4%	80.0%	Yes	Declined

1.4 Deliver cost effective services, which focus on community risk and customer needs at a price the local community can afford and within available resources

Indicator No.	How will we measure performance?	2013/14 Outturn	National Quartile Position 2013/14	2014/15 Outturn	Target	Target met	Direction of travel from 2013/14
6	Expenditure per head of the population	£49.06	This is an ESFRS indicator only, no National data is available for comparison	£46.90	£47.72	Yes	Improved
34	To achieve a 3.5% reduction in CO2 emissions against 2010/11	13.33%	This is an ESFRS indicator only, no National data is available for comparison	N/a	14.0%	Yes	-
35	Percentage of people satisfied with the service received during the 999 call	99%	This is an ESFRS indicator only, no National data is available for comparison	96%	Monitor only	Monitor only	Declined
36	Percentage of people satisfied with the service received at the scene of the incident	99%	This is an ESFRS indicator only, no National data is available for comparison	100%	Monitor only	Monitor only	Improved

Strategic Aim 2 - Ensure a competent, diverse, safe and valued workforce

2.1 Embed and embrace inclusion and diversity principles in all that we do

Indicator No.	How will we measure performance?	2013/14 Outturn	National Quartile Position 2013/14	2014/15 Outturn	Target	Target met	Direction of travel from 2013/14
5	The number of working days/shifts lost due to sickness	8.8	This is an ESFRS indicator only, no National data is available for comparison	8.0	7.5	No	Improved
30	Number of RIDDOR incidents	8	The national data for this indicator is not due to be released until September 2015	7	12	Yes	Improved
39	Number of injuries sustained by Wholetime and Retained firefighters during operational activities	38	The national data for this indicator is not due to be released until September 2015	24	Monitor only	Monitor only	Improved
40	Total number of injuries sustained by Wholetime and RDS firefighters during training activities	19	The national data for this indicator is not due to be released until September 2015	28	Monitor only	Monitor only	Declined
29	Number of workplace reported accidents / injuries	127	The national data for this indicator is not due to be released until September 2015	137	124	No	Declined

2.2 Attract and retain high calibre and committed staff, and help them develop professional skills and competence to meet our business needs

Indicator No.	How will we measure performance?	2013/14 Outturn	National Quartile Position 2013/14	2014/15 Outturn	Target	Target met	Direction of travel from 2013/14
38	Number of operational staff completing development programmes		This is an ESFRS indicator only. National data is available for comparison				

To be developed for 2015/16

2.3 Maintain and improve the standards of health, safety and welfare of our staff and provide a safe and secure workplace

Indicator No.	How will we measure performance?	2013/14 Outturn	National Quartile Position 2013/14	2014/15 Outturn	Target	Target met	Direction of travel from 2013/14
5	The number of working days/shifts lost due to sickness	8.8	This is an ESFRS indicator only, no National data is available for comparison	8.0	7.5	No	Improved
30	Number of RIDDOR incidents	8	The national data for this indicator is not due to be released until September 2014	7	12	Yes	Improved
39	Number of injuries sustained by Wholetime and Retained firefighters during operational activities	38	The national data for this indicator is not due to be released until September 2014	24	Monitor only	Monitor only	Improved
40	Total number of injuries sustained by Wholetime and RDS firefighters during training activities	19	The national data for this indicator is not due to be released until September 2014	28	Monitor only	Monitor only	Declined
29	Number of workplace reported accidents / injuries	127	The national data for this indicator is not due to be released until September 2014	137	124	No	Declined

6. Detailed Performance Analysis

After analysing the overall performance information we have identified a number of key indicators which we have undertaken additional and more detailed analysis upon.

These key indicators include:

- Primary Fires
- Accidental Dwelling Fires
- Deliberate Fires
- Primary Fire Fatalities
- Primary Fire Injuries
- Industrial/Commercial Fires
- Sickness Indicators

This analysis has looked at the following

- Performance with previous years
- Main Types and causes of the incidents
- Geographic analysis of the location of the incidents

The results of this detailed analysis are reported in the following section.



6.1 Primary Fires

Current Performance (April-March 2014/15): 1,151 Fires

Primary Fires are 7.4% under target ✓ (93 incidents) and have:

- ✓ Reduced by 3.1% (37) since 2013/14 from 1,188 to 1,151 fires;
- ✓ Reduced by 27.1% (429) since the 2009/10 baseline.

Main Types of Primary Fires

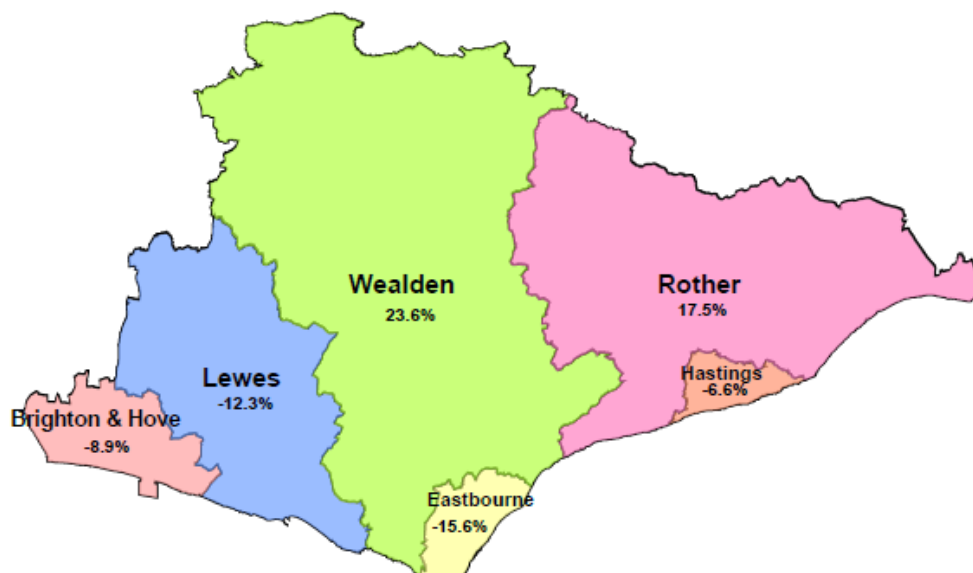
<p>50% (572) Dwelling Fires</p> 	<p>21% (240) Vehicle Fires</p> 	<p>23% (269) Industrial/ Commercial Fires</p> 	<p>6% (70) Other outdoor fires</p> 
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Main Cause of Fire

19% (222) were Deliberate

81% (929) were Accidental or not known (main causes being 195 Cooking, 194 Fault in equipment or appliance and 81 faulty electrical fuel supply)

Reduction of Primary Fires in 2014/15 against 2013/14 by Borough



Borough	2013/14	2014/15	% Difference
Brighton and Hove	479	436	-9%
Eastbourne	128	108	-16%
Hastings	196	183	-7%
Lewes	130	114	-12%
Rother	103	121	18%
Wealden	148	182	24%

Additional information for Increases in Primary fires from 2013/14 to 2014/15

Rother had a 56% (9) increase in primary fires in houses from 2013/14 to 2014/15, there were also five Garden shed fires in 2014/15 (none in 2013/14) and a further five fires in 'Buildings open to public' with none in the previous year, three of these were sports halls or pavilions.

Wealden had an 83% (5) increase in fires in 'Other workplaces' against 2013/14 nine out the total 11 were on farms. Domestic dwellings also saw an increase of 17% from 2013/14 to 2014/15, there were five more house fires and six more fires in 'Purpose Built Flat/Maisonette - MO/Up to 3 storeys'

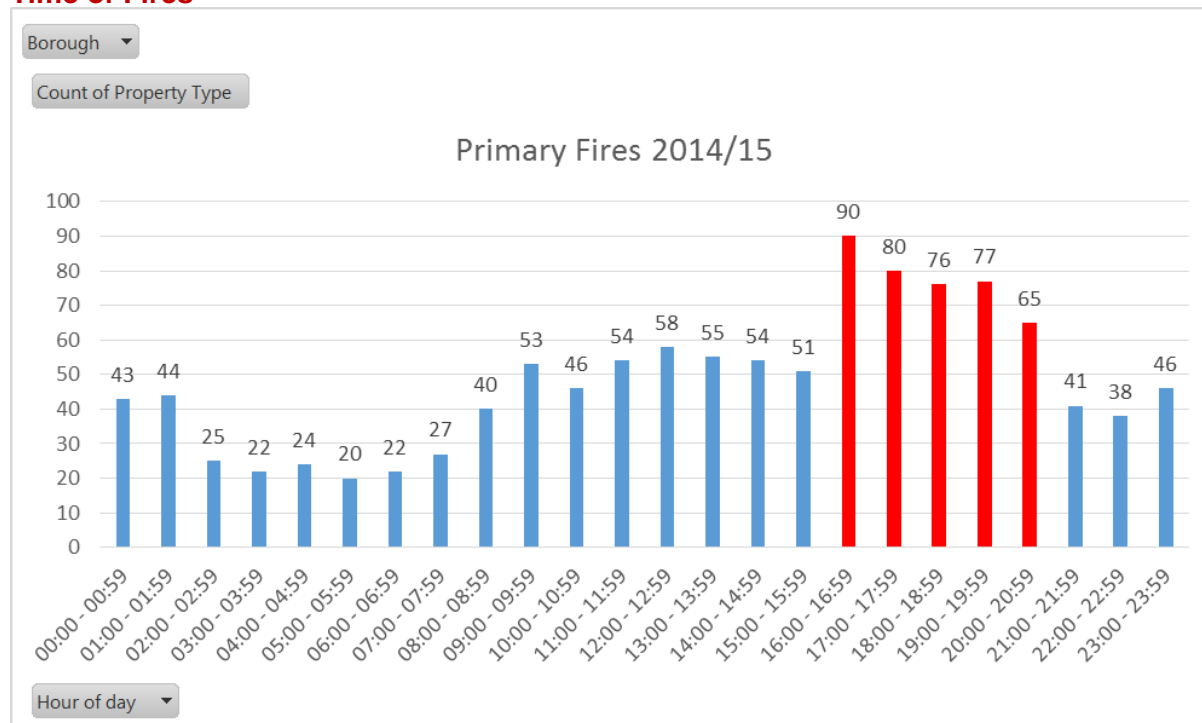
Main firefighting action by ESFRS fire crews at primary fires

Main firefighting Action at Primary fires 2014/15	Total
Foam	53
Hosereel	341
Main branch/Jet	41
Monitors (MON) - ground or aerial	4
None - Burned out (Allowed to burn under control)	29
None - No firefighting	393
Non-portable/ fixed sources - Water from garden hose	1
Not known	4
Not stated	34
Other - Other methods	11
Portable extinguishers	88
Small means	152
Grand Total	1151

34% of the primary fires attended in 2014/15 did not require any form of firefighting action by our crews and a further 23% were dealt with by small means, a portable extinguisher or were allowed to burnout under the supervision of the crew.

Small means includes such methods as using a bucket of water, disconnecting a fuel supply or removing an item from a heat source for example.

Time of Fires



Between 16:00 and 20:59 there have been 388 Primary Fires (33.7%).

6.2 Accidental Dwelling Fires

Current Performance (April- March 2014/15):538

Accidental Dwelling Fires are 0.7% over target ✘ (4 incidents) and have:

Increased ✘ by 2.4% (13) since 2013/14 from 525 to 538 fires;

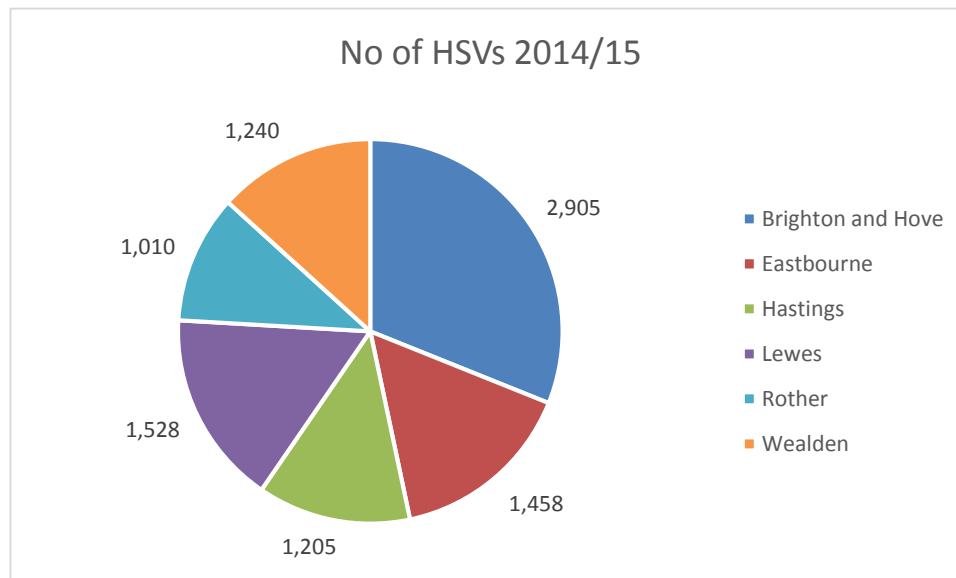
Reduced ✔ by 7% (37) since the 2009/10 baseline of 562;

Main Sources of Accidental Dwelling Fire



Cooking appliances were responsible for 273 (51%) of the Accidental dwelling fires and 347 (64%) of them occurred in the kitchen

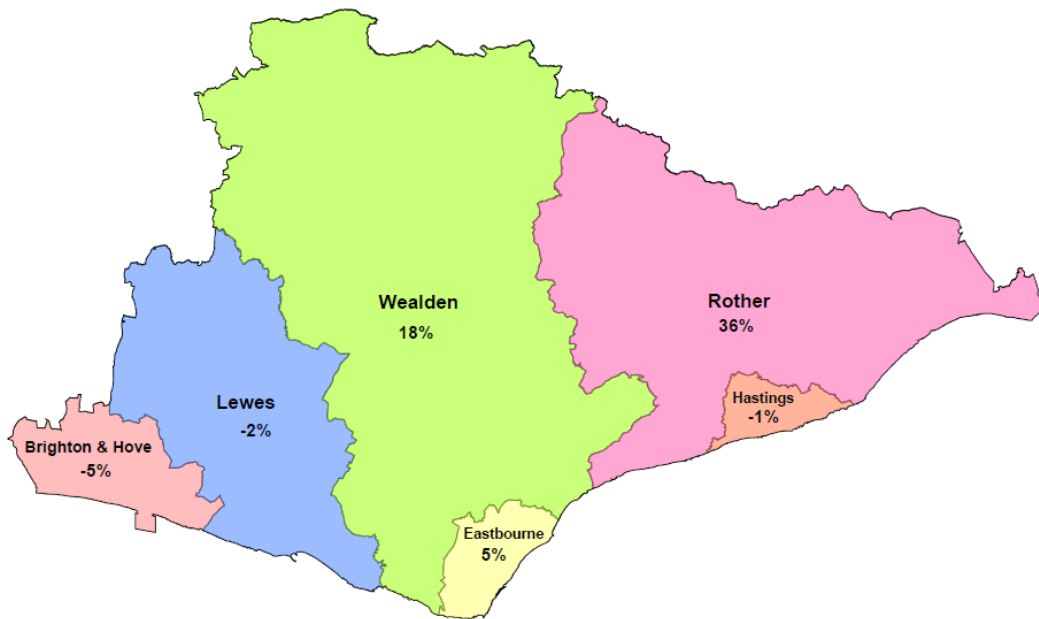
Home Fire Safety Visits



East Sussex Fire and Rescue Service had undertaken 9,346 Home Fire Safety Visits between April and March 2014/15.

Borough	Population	No of HSVs 2014 Per 10,000 population	
Brighton and Hove	281,076	2,905	103
Eastbourne	101,547	1,458	144
Hastings	91,093	1,205	132
Lewes	100,229	1,528	152
Rother	92,130	1,010	110
Wealden	154,767	1,240	80

Reduction of Accidental Dwelling Fires in 2014/15 against 2013/14 by Borough



Borough	2013/14	2014/15	% Difference
Brighton and Hove	227	215	-5%
Eastbourne	54	57	5%
Hastings	92	91	-1%
Lewes	52	51	-2%
Rother	42	57	36%
Wealden	57	67	18%

Additional information for Increases in accidental dwelling fires from 2013/14 to 2014/15

Rother had a 71% (10) increase in accidental dwelling fires in houses from 2013/14 to 2014/15 and there were also three more fires in ‘Self-contained Sheltered Housing’ in 2014/15 (nine in 2013/14 against 12 in 2014/15).

Wealden had an 11% (4) increase in accidental dwelling fires in Houses against 2013/14. ‘Self-contained Sheltered Housing’ also saw an increase of 200% from 2013/14 to 2014/15 (2 in 2013/14 and 6 in 2014/15).

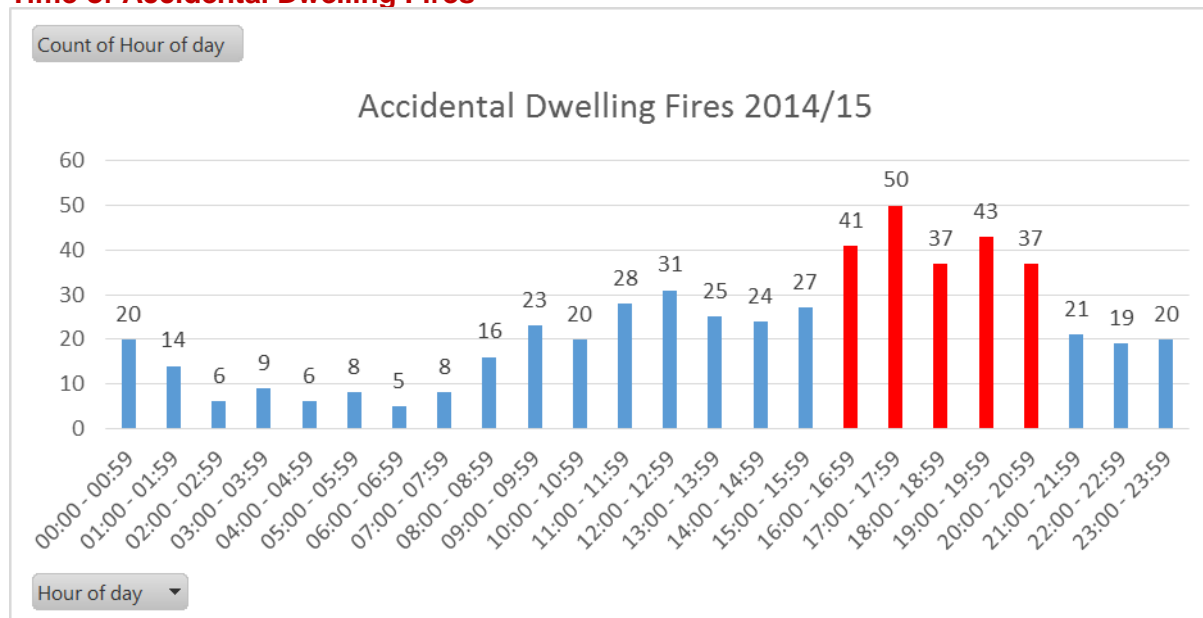
Main firefighting action by ESFRS fire crews at accidental dwelling fires

Main firefighting Action at Accidental dwelling fires 2014/15	Total
Foam	10
Hosereel	97
Main branch/Jet	9
Monitors (MON) - ground or aerial	1
None - Burned out (Allowed to burn under control)	13
None - No firefighting	246
Not known	2
Not stated	7
Other - Other methods	4
Portable extinguishers	51
Small means	98
Grand Total	538

46% of the accidental dwelling fires attended in 2014/15 did not require any form of firefighting action by our crews and a further 30% were dealt with by small means, a portable extinguisher or were allowed to burnout under the supervision of the crew.

Small means includes such methods as using a bucket of water, disconnecting a fuel supply or removing an item from a heat source for example.

Time of Accidental Dwelling Fires



Between 16:00 and 20:59 there have been 208 Accidental Dwelling Fires (39%).

6.3 Deliberate Fires

Current Performance (April- March 2014/15):651

Deliberate Primary Fires excluding vehicles Fires are 47% under target ✓ (109 incidents) and have:

Reduced ✓ by 16% (24) since 2013/14 from 149 to 125 fires;

Reduced ✓ by 57% (164) since the 2009/10 baseline of 289;

Deliberate Primary Fires in vehicles Fires are 53% under target ✓ (111 incidents) and have:

Reduced ✓ by 21% (26) since 2013/14 from 123 to 97 fires;

Reduced ✓ by 58% (133) since the 2009/10 baseline of 230;

Deliberate Secondary Fires are 27% under target ✓ (161 incidents) and have:

Reduced ✓ by 9% (44) since 2013/14 from 473 to 429 fires;




Reduced ✓ by 49% (424) since the 2009/10 baseline of 853;

Main Types of Fire

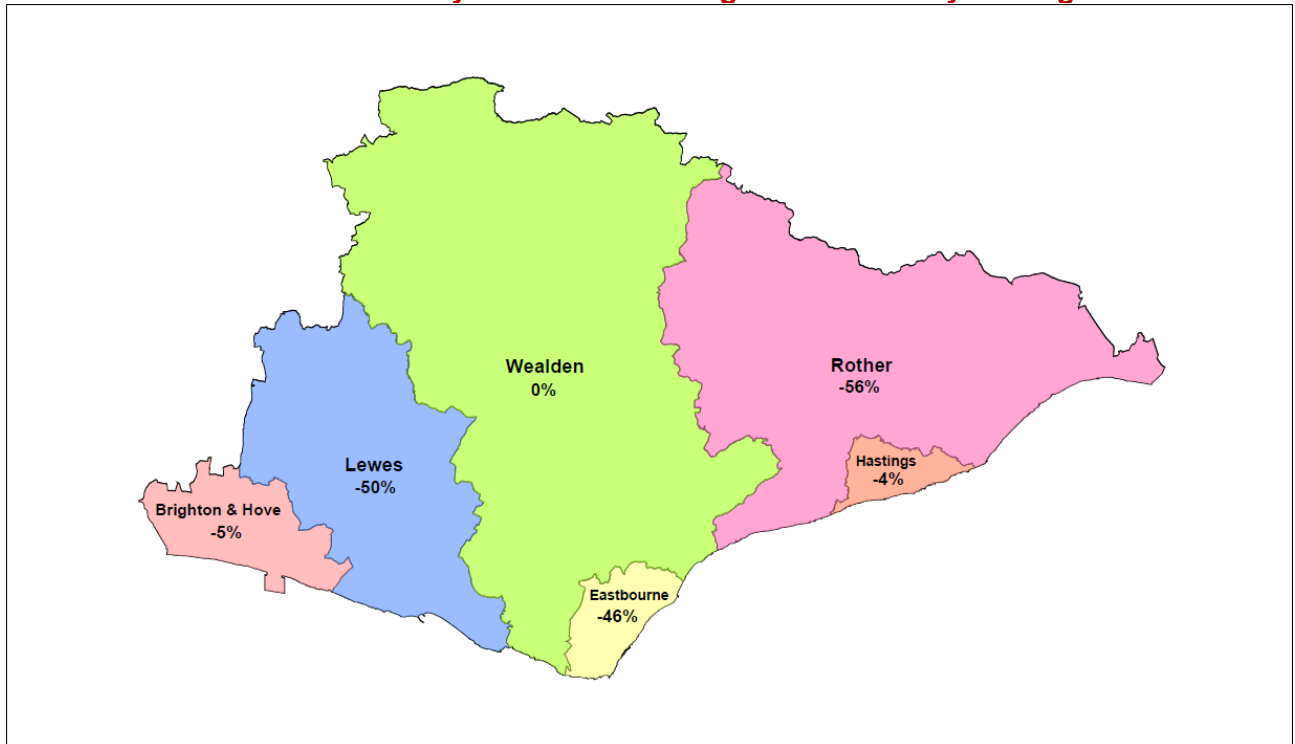
Deliberate Primary Fires – 222 fires (34% of all deliberates)

<p>15% (34) Dwelling Fires</p> 	<p>44% (97) Vehicle Fires</p> 	<p>24% (53) Industrial/ Commercial Fires</p> 	<p>17% (38) Other outdoor fires</p> 
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Deliberate Secondary Fires – 429 fires (66% of all deliberates)

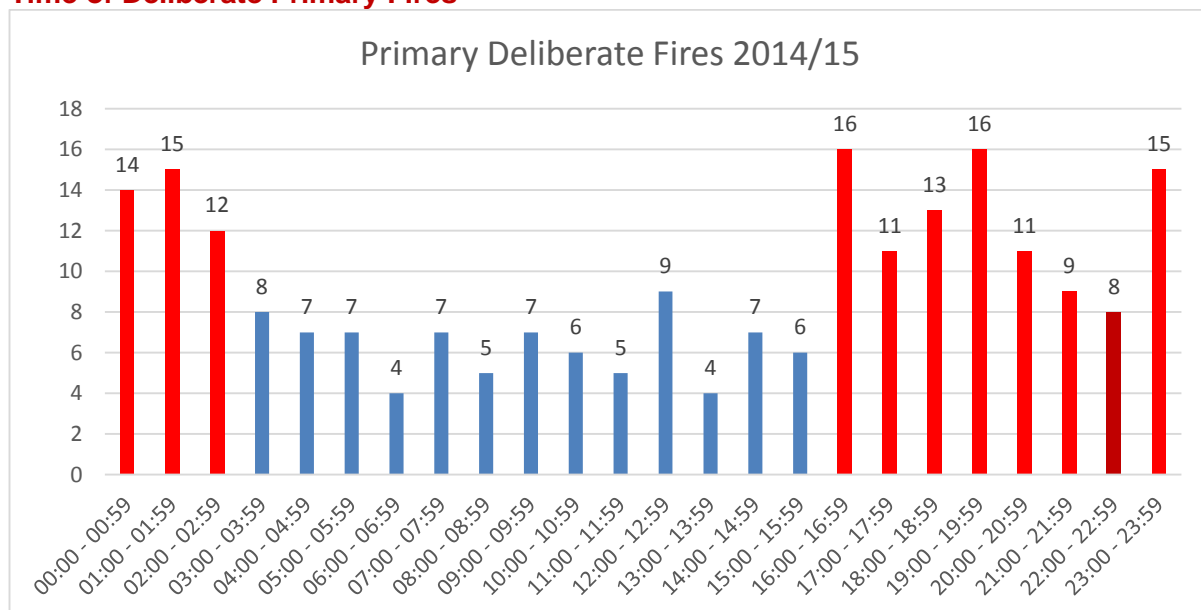
<p>22% (94) Grassland fires</p> 	<p>23% (97) Refuse / Bin fires</p> 	<p>55% (238) Others</p> 
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Reduction of Deliberate Primary Fires in 2014/15 against 2013/14 by Borough



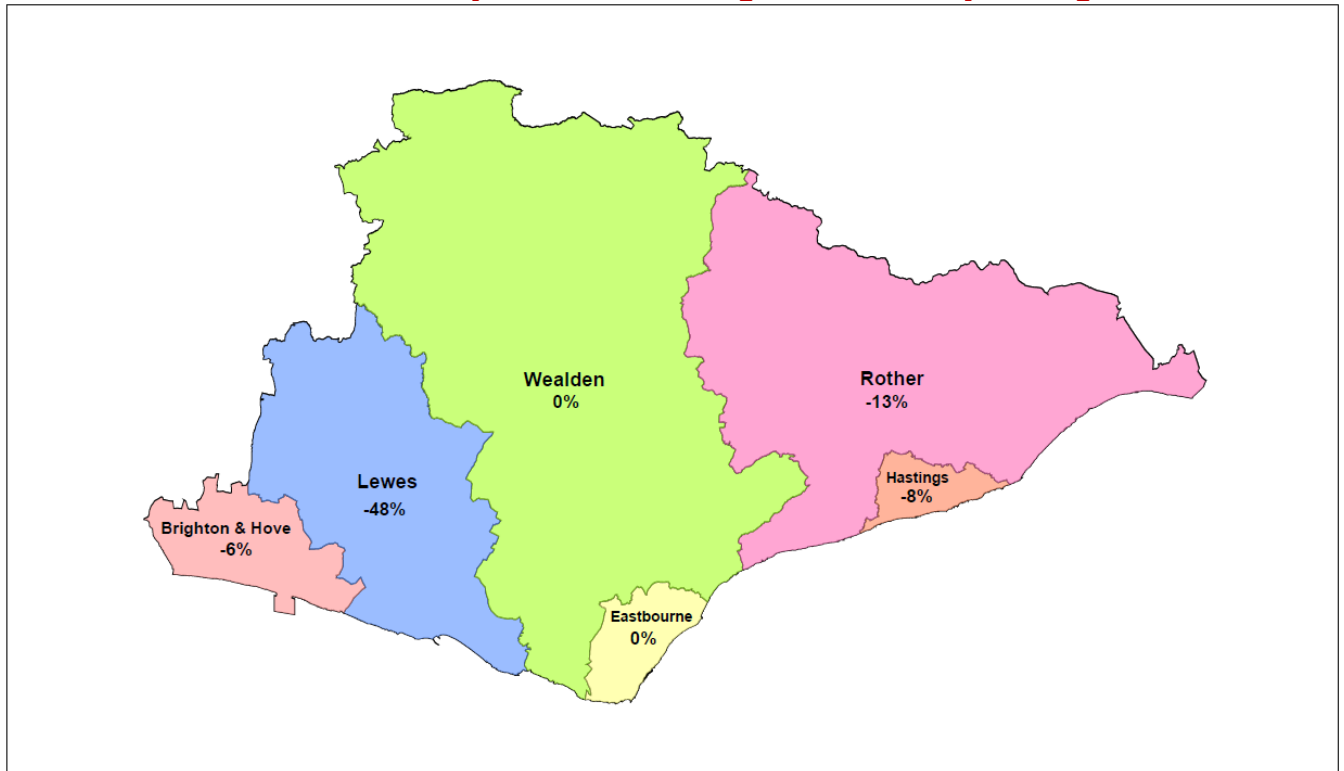
Borough	2013/14	2014/15	% Difference
Brighton and Hove	110	104	-5%
Eastbourne	28	15	-46%
Hastings	56	54	-4%
Lewes	30	15	-50%
Rother	25	11	-56%
Wealden	21	21	0%

Time of Deliberate Primary Fires



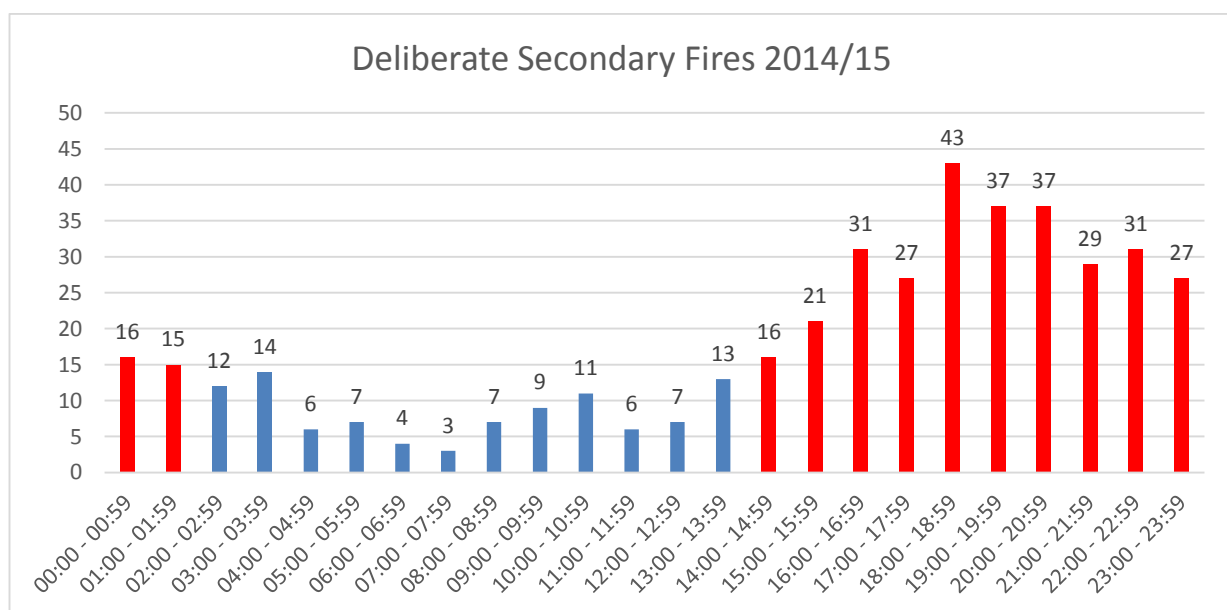
Between 16:00 and 02:59 there have been 140 Deliberate Fires (63%).

Reduction of Deliberate Secondary Fires in 2014/15 against 2013/14 by Borough



Borough	2013/14	2014/15	% Difference
Brighton and Hove	190	178	-6%
Eastbourne	45	45	0%
Hastings	96	88	-8%
Lewes	79	41	-48%
Rother	32	28	-13%
Wealden	48	48	0%

Time of Deliberate Secondary Fires



Between 14:00 and 01:59 there have been 330 Deliberate Fires (77%).

6.4 Primary Fire Fatalities

Current Performance (April- March 2014/15): 2

There were 2 fatalities in 2014/15 which is a 60% (3) reduction ✓ since 2013/14.

Age Ranges

Both were 65 and over;

Both of these fatalities were due to smoking materials. One of these fires was not in a domestic dwelling. **This means 1 fatality was in an Accidental Dwelling Fire.**

Primary Fire Injuries

Current Performance (April- March 2014/15):40

There were 40 injuries in 2014/15 which is an 8% (3) increase ✗ since 2013/14.

Main Injury Types

- 35% (14) Overcome by Gas/Smoke;
- 32.5% (13) Burns/Scalds;
- 10% (4) Breathing difficulties;
- 12.5% (5) A combination of Burns and Overcome by Gas/Smoke
- 10% (4) Other;

Age Ranges

- 12.5% (5) between 17 and 24;
- 17.5% (7) between 25 and 35;
- 10% (4) between 36 and 45;
- 5% (2) between 46 and 55;
- 12.5% (5) between 56 and 65;
- 22.5% (9) are 66 and over;
- 20% (8) were not known.

Gender

- 75.5% (29) were Male;
- 27.5% (11) were Female.

29 (72.5%) of these injuries were in Accidental Dwelling Fires.

6.5 Sickness Indicators

Current Performance (April- March 2014/15)

All Staff Sickness is 7% over target ✖ (0.5 shifts) and has:

Decreased ✔ by 10% (0.8 shifts) since 2013/14 from 8.8 shifts lost per person to 8.0;

- **Wholetime Staff Sickness** Decreased ✔ by 2.5% since 2013/14 from 8.0 to 7.8 shifts per person;
- **Control Room Staff Sickness** Increased ✖ by 3% (0.3 shifts) since 2013/14 from 9.3 to 9.6 per person;
- **Green Book (Non Uniformed) Staff Sickness** Decreased ✔ by 14% (1.5 shifts) since 2013/14 from 10.7 to 8.2 per person;

There have been 4,855.5 shifts lost in 2014/15 compared to 5,529.5 shifts lost in 2013/14.

Long Term vs Short Term Sickness

53.4% of Sickness is classed as Long Term (more than 28 days).

18.4% of sickness is classed as Medium Term (8 to 27 days)

28.2% of sickness is classed as Short Term.

6.6 Health and Safety

Current Performance (April- March 2014/15): 137 Accidents

Accidents in the workplace is 10% over target ✖ (13):

Increased ✖ by 8% (10) since 2013/14 from 127 accidents to 137

Increased ✖ by 13% (16) since 2010/11 from 121 accidents to 137

7. Complaints received 2014/15

We received eleven complaints from members of the public this year as opposed to ten last year.

No.	Nature of Complaint	Substantiated?	Action Resulting / Comments
1	Service received during a fire at premises	Justified	FF(and others in similar black spot areas) to be reminded to use the pager device with the strongest signal
2	Behaviour of staff whilst on duty	Partially justified	Reminder of expected standards when representing the Organisation. Training provided for ESFRS staff when diffusing aggressive behaviour
3	Manner of member of staff at incident	Justified	Formal management action taken
4	Conduct of Fire Safety Officers	Not justified	Complaint withdrawn
5	Speed of appliance	Not justified	Evidence and records did not support the complaint
6	Response of 999 call	Not justified	Evidence and records did not support the complaint
7	Conduct of Fire Safety Officer	Partially justified	Reminder of expected standards when representing the Organisation
8	Service provided at an incident	Justified	Resolved and response issued. Training need identified
9	Conduct of Business Safety Staff	Not justified	Complaint considered withdrawn as complainant did not respond to telephone calls or letters
10	Conduct of Business Safety Staff	Not justified	Evidence and records did not support the complaint
11	Media communication process	Partially justified	Process review for similar situations

EAST SUSSEX FIRE AUTHORITY

Date 10 September 2015
Title of Report Local Government Pension Scheme – Discretions Policy
By Chief Fire Officer & Chief Executive

Background Papers n/a

Appendices East Sussex Fire and Rescue Service Local Government Pension Scheme – Employer Discretions Policy

Implications (✓)

CORPORATE RISK	✓	LEGAL	✓
ENVIRONMENTAL		POLICY	
FINANCIAL	✓	POLITICAL	
HEALTH & SAFETY		OTHER (please specify)	
HUMAN RESOURCES	✓	CORE BRIEF	
EQUALITY IMPACT ASSESSMENT			

PURPOSE OF REPORT The Fire Authority is asked to note and approve the East Sussex Fire and Rescue Service (ESFRS) Local Government Pension Scheme (LGPS) Employer Discretions Policy.

EXECUTIVE SUMMARY The Local Government Pension Scheme (LGPS) Regulations 2013 (The 2013 Regulations) include a requirement for employers to formulate, publish and keep under review a number of employer discretions. The attached statement of employer discretions has been formulated and approved by the Corporate Management Team (CMT) and agreed with the representative bodies.

RECOMMENDATION The Fire Authority is asked to approve the ESFRS LGPS Employer Discretions Policy as detailed in the attached Appendix A.

1. **INTRODUCTION**

- 1.1 The new Local Government Pension Scheme (LGPS) Regulations 2013 (The 2013 Regulations) came into force on 1 April 2014. They include a requirement for employers to formulate, publish and keep under review a number of employer discretions.
- 1.2 More detail about each of the discretions is set out in the Appendix to this report, but in brief the main discretions are:
- i) Regulation 16 (2) (e) and 16 (4) (d) – Funding of additional pension
 - ii) Regulation 30 (6) – Flexible retirement
 - iii) Regulation 30 (8) – Waiver of actuarial reductions
 - iv) Regulation 31 – Award of additional pension
 - v) Para 2(2) Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendments) Regulations 2014 – Waiving actuarial reductions pertaining to 85 year rule

In the majority of cases the discretions are broadly similar to those available under previous scheme regulations, however those under Regulation 16 are new.

- 1.3 The Chief Fire Officer & Chief Executive has existing delegations, in consultation with the Treasurer, to discharge the functions of the Authority, including the exercise of any discretions under the LGPS.

2. **REVIEW AND IMPLEMENTATION**

- 2.1 A scheme employer must prepare a written statement of its discretions policy in relation to the exercise of its functions. There is an on-going obligation to keep the discretions policy under review and it is recommended that this is carried out by the Head of HR on a periodic basis.
- 2.2 The Chief Fire Officer & Chief Executive currently has delegated powers, in consultation with the Treasurer, to exercise any of the pension discretions.
- 2.3 In formulating and reviewing its policies, the Authority must have regard to the extent to which the exercise of their discretionary powers, unless properly limited, could lead to a loss of confidence in the public service and must be satisfied that the policy is workable, affordable and reasonable, having regard to the foreseeable costs.
- 2.4 In considering the exercise of any discretion the Authority, as the employer, will assess each case on its merits and this will include any financial impact on the Authority or the Fund.

- 2.5 Where the exercise of any discretion is being requested that has a financial impact, for example as part of a redundancy process or severance package, then the financial and other implications should be considered as part of the wider business case. The business case to support a redundancy/severance package must set out the full cost (including any costs of redundancy, additional pension and pension strain) and the forecast savings. The general expectation will be that break-even will be achieved within 3 years.

3. **CONSULTATIONS**

- 3.1 This policy applies to all employees of ESFRS who are in, or are eligible to join, or have been a member of the Local Government Pension Scheme.
- 3.2 Consultations have been undertaken with the recognised representative bodies who may have members for whom the LGPS pensions' discretion policy could be applied.
- 3.3 There is agreement with the representative bodies in respect of the LGPS Discretions Policy.

4. **FINANCIAL IMPLICATIONS**

- 4.1 In considering the exercise of any discretion the Authority, as employer, needs to consider the financial implications. In most cases, this relates to the strain cost on the fund as a result of waiving actuarial reductions or the cost of awarding additional pension. The actual cost will depend on the specific circumstances and, in some cases, these may be significant. Although the Authority pays a 1% additional contribution to the ESPF to avoid the immediate payment of strain costs (award of additional pension is not covered) if the total strain cost over a 3 year period exceeds 1% there will be an impact on employer contribution rates at the next valuation.
- 4.2 The 2013 Regulations introduce two new discretions in relation to 'Additional Pension Contributions' (Regulation 16 – APCs). Essentially, APCs provide for additional pension to be purchased which will then enhance the final pension benefits payable. The discretions provide the opportunity for the employer to fund, either in whole or in part, the cost of this additional pension contribution. Similarly, Regulation 31 gives a Scheme employer power to award an active member of the scheme or a member who was active but dismissed by reason of redundancy or business efficiency, additional pension benefits. The costs associated with this are considerable, for example, the maximum additional pension which can be purchased is £6,500. As a guide, the costs of purchasing this for a male aged 40 years is £55,926 and for a female aged 40 years is £59,826. These costs increase the older the individual, for example, rising to £78,208 for a female aged 50 years. All of these discretions will result in an immediate cost to the Authority (i.e. are not covered by the 1% contribution). Therefore, the policy states that the discretion under Regulation 16 will not be exercised, and the discretion under Regulation 31 will only be exercised in exceptional circumstances, where a clear business case can be made.

4.3 In order to ensure that there is consistent and effective application of the discretions it is recommended that, for each request under the discretions, a business case must be prepared which sets out the full cost of any proposed severance package (including any costs of redundancy, additional pension and pension strain) and the forecast savings. The general expectation will be that break- even will be achieved within 3 years.

5. **LEGAL IMPLICATIONS**

5.1 The new Local Government Pension Scheme (LGPS) Regulations 2013 (The 2013 Regulations) came into force on 1 April 2014. They include a requirement for employers to formulate, publish and keep under review a number of employer discretions.

5.2 The Local Government Pension Scheme (LGPS) is a statutory scheme. The rules and regulations governing the schemes are laid down by the Government.

5.3 There are some provisions of the Scheme that are discretionary. Discretionary powers allow employers such as ESFRS to choose how, or if, they apply certain provisions.

5.4 The LGPS Employer Discretions Policy aims to summarise the discretions that ESFRS exercises as an employer in relation to the Local Government Pension Scheme and has been updated to reflect the new regulations from 1st April 2014.

ESFRS LGPS Employer Discretions Policy

Aim

The Local Government Pension Scheme (LGPS) is a statutory scheme. The rules and regulations governing the schemes are laid down by the Government.

There are some provisions of the Scheme that are discretionary. Discretionary powers allow employers such as East Sussex Fire & Rescue Service (ESFRS) to choose how, or if, they apply certain provisions.

This document aims to summarise the discretions that ESFRS exercises as an employer in relation to the LGPS and has been updated to reflect the new regulations from 1st April 2014.

Details on the scheme including the answers to frequently asked questions can be found on the LGPS 2014 website.

<http://lgps2014.org/content/frequently-asked-questions-0>

Scope

This policy applies to all employees of ESFRS who are in, or are eligible to join, or have been a member of the LGPS. The policy confers no contractual rights and the employer retains the right to change the policy as necessary.

Policy Provisions

The discretions have been grouped under the following headings:

- Joining ESFRS.
- During your employment with ESFRS.
- Leaving your employment with ESFRS.
- Adjustments to your pension rights following ill health.
- Loss of pension rights as a result of a fraudulent activity, dismissal or conviction of certain offences.
- Re-employment following retirement.
- Following your divorce.
- Following your death.

The decision whether or not to exercise any discretion under this policy will take into account the financial and operational interests of the Service.

The pension discretions within this policy were approved by the Corporate Management Team on 19 August 2015 *and the Fire Authority on 10 September 2015.*

All pension discretions will be reviewed at least on a 4-yearly basis, or as and when circumstances change.

Joining East Sussex Fire & Rescue Service

How much will it cost and when will it be deducted?

(Determination of Pension Contributions - Regulation 9(2) & 9(3) & 9(4) & A55 (9) of the LGPS regulations 2013. (Deduction of contributions from a member's pay - Regulation 85 (1) of the LGPS regulations 2013)

You will pay between 5.5% and 12.5% of the pay you receive for your contractual hours. This will be deducted on your regular pay day. The rate you pay depends on the band you fall into. If you work part time your rate will be based on the whole-time pay for your job although you will only pay contributions on the pay you actually earn.

Assessment of pay bandings takes place on an annual basis each April following the reassessment of the national bandings.

Your pension contributions will, however, be re-assessed during the course of the year if you change role, or your role is re-graded. Your contributions may also be re-assessed if there is another significant change to your salary during the course of the year. If your contribution rate changes as a result, your contributions will be adjusted at the point at which the change occurs.

What elements of my pay are pensionable?

(Determination of elements of pay on which pension contributions should be assessed - Regulation B4 (1) (b) of the Benefit Regulations 2007)

Pension contributions must be paid on all the salary, wages, fees and other payments that you receive as an LGPS member and any benefit specified in your contract of employment as being pensionable.

Any element of pay that is being paid to you and complies with the definitions as described in the LGPS 2013 Regulations, including non-contractual overtime, will be regarded as pensionable. Certain payments, such as travel and subsistence expenses and pay in lieu of notice, are excluded from this.

Only sums that are liable for income tax may be specified as pensionable.

What happens if my pay is reduced or I go on unpaid leave?

(Whether a lump sum payment made in the previous 12 months is determined as a 'regular lump sum' for purposes of Assumed Pensionable Pay - Regulation 21(5) of the LGPS regulations 2013)

If you have a period of reduced contractual pay or no pay due to sickness or injury or you have a period of relevant child related leave (e.g. maternity / paternity / adoption leave) or reserve forces service leave, ESFRS needs to provide the pension fund with the 'assumed pensionable pay' you would have received during that time. We will calculate what your pay would have been for the period when you were on reduced contractual pay or no pay.

The assumed pensionable pay is calculated as the average of the pensionable pay you received for the 3 months before the pay period in which you went on to reduced pay or no pay.

If you received a lump sum payment which was pensionable within the 3 month period mentioned above, the CFO& CE in consultation with the Treasurer will decide whether or not this should be included in the assessment of your assumed pensionable pay.

Each case will be assessed on its merits to ensure that your assumed pensionable pay for the period concerned is not more than you would have received had you not had a period of absence.

Can I combine my previous pension benefits to my current period of scheme membership?

(Extension of period for scheme member to elect to un-aggregate former deferred Benefits – Regulation 22 (7)(b) and 22 (8)(b) and of the LGPS regulations 2013)

If you have previous pension benefits (deferred benefits), when you re-join the LGPS you have 12 months from re-joining to ask to keep your deferred benefits separate. Your benefits will be automatically joined with the benefits in your new pensions account (or, where the deferred benefits arose from the ending of another job in which you were working in addition to your current job, your pension benefits will automatically be joined with the pension account of your on-going job).

The CFO&CE in consultation with the Treasurer will consider an extension to the time limit on a case by case basis if it is clear that you were unable to meet the normal time period due to circumstances beyond your control.

If you do have benefits in other schemes you can look into this option by contacting the Orbis Pensions Team who will arrange for you to receive this information.

Can I transfer my previous pension into the LGPS?

(Extension of period for a scheme member to elect to transfer previous pension rights- Regulation 100 (6) of the LGPS regulations 2013)

You are allowed to transfer previous pensions into the LGPS. Your request to move them must be made within 12 months of starting scheme membership.

The CFO&CE in consultation with the Treasurer will consider an extension on a case by case basis if it is clear that you were unable to meet the normal time period due to circumstances beyond your control.

During your employment with East Sussex Fire & Rescue Service

Does ESFRS have a shared cost Additional Voluntary Contribution (AVC) arrangement?

(Establishment of a Shared Cost AVC (SCAVC) facility -Regulation 17 (1) of the LGPS regulations 2013)

No, a shared cost AVC scheme is where ESFRS contributes AVCs as well as yourself. ESFRS does not intend to exercise this discretion.

ESFRS does operate a non-shared AVC scheme where you can invest money through an AVC provider, often an insurance company or building society. The scheme provider for ESFRS is The Prudential. AVCs are deducted directly from your pay and attract tax relief.

Does ESFRS have a shared cost Additional Pension Contribution (APC) arrangement?

(Establishment of a Shared Cost APC (SAPC) facility – Regulation 16(2)(e) & (4)(d) of the LGPS regulations 2013

No, a shared cost APC scheme is where ESFRS contributes APCs as well as yourself, when you have chosen to pay additional monies to increase your pension benefits. ESFRS does not intend to exercise this discretion.

The LGPS operates an APC scheme where you can purchase extra pension for your retirement (but ESFRS will not share the cost of this). If you are in the main section of the scheme, you can pay more in contributions to purchase up to £6,500 of extra pension. Any extra pension you purchase is payable each year in retirement and is payable on top of your normal LGPS benefits.

Any extra regular contributions are taken from your pay, on which you will receive tax relief.

You can also pay APCs by way of a one off lump sum.

What happens if I have an industrial injury?

(Local Government (Discretionary Payments) (Injury Allowances) Regulations, Regulation 3 (Reduction in Remuneration) & 4 (Loss of employment through permanent incapacity) 2011)

If you have an industrial injury during the course of your work and suffer a (temporary) reduction in pay or loss of employment through permanent incapacity you may be entitled to receive an industrial injury allowance. Each case will be looked at on a case by case basis. You do not have to be a member of the LGPS to receive the allowance.

If you sustain a bodily injury during the course of your work which results in death the following payments will be made. If you are a member of the Local Government Pension Scheme, the LGPS ensures that your family is supported. It provides:

- a lump sum death grant of three years' pay, no matter how long you have been a member of the LGPS, provided you are under 75 at the date of death. For part-time employees, it is three times your actual part-time pay;
- an ongoing pension for your husband, wife, civil partner or nominated cohabiting partner. This increases every year in line with the cost of living and is payable for the rest of their life; and
- children's pensions for your eligible children. These increase every year in line with the cost of living.

Leaving your employment with East Sussex Fire & Rescue Service

Can I receive a refund of my contributions?

(Contribution Equivalent Premium (CEP) in excess of the Certified Amount (CA) recovered from a refund of contributions can be recovered from the Pension Fund – Regulation 92 of the LGPS Regulations 1997 and Regulation A49(1) & (2) of the Administration Regulations 2007)

If you are entitled under the scheme to receive a refund of contributions, this will be subject to deduction of fund tax and a contribution equivalent premium (CEP) which is the payment to reinstate you into the state scheme as if you had never paid into the LGPS.

This is due to you paying a lower rate of tax and National Insurance contributions whilst paying into the LGPS.

Can I convert scheme AVCs into membership credit?

(Regulation 15(1) (b) of the LGPS (Transitional Provisions and Savings) Regulations 2014 and Regulation 66(9) (b) of the (Transitional Provisions) Regulations 1997)

In certain circumstances you can use your AVC fund to buy membership in the pension scheme. An application should be made within 30 days of leaving. However, the CFO&CE, in consultation with the Treasurer, will consider an extension on a case by case basis if it is clear there was no fault on your part for not being able to meet the normal time period.

Can I request to take flexible retirement?

(Whether all or some benefits can be paid if an employee reduces their hours or grade Regulation 30(6) of the LGPS Regulations 2013 and Regulation 11 (2) of the (Transitional Provisions and Savings) Regulations 2014 and Flexible retirement and waiving of any actuarial reduction – Regulation 30(8) of the LGPS Regulations 2013)

You can request to take flexible retirement. The CFO&CE in consultation with the Treasurer will consider your request on a case by case basis. ESFRS has a flexible retirement policy to help you phase into your retirement. Flexible retirement lets you continue working on a reduced hours, or reduced grade basis and draw all of your accrued pension benefits subject to certain qualifying criteria.

To be eligible to make a request for Flexible Retirement under the LGPS regulations, you must:

- Be actively making contributions to the LGPS.
- Be aged 55 or over.
- Have 5 years or more pensionable service in the local government pension scheme and with ESFRS.
- Be taking at least a 20% reduction in your hours and/or your salary.

Flexible Retirement will have a cost attached to it and a business case must be made setting out the reason for supporting the flexible retirement.

Can I retire early without my employers consent?

(Whether to 'switch on' the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60 – Schedule 2, para 2(2) of the (Transitional Provisions and Savings) Regulations 2014) and Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits pre-1st April 2014 membership where the employer has 'switched-on' the 85 year rule – Schedule 2, para 2(3).

Yes. The scheme now allows you to retire from age 55 without the need for our consent. However if you retire between 55 and 60 and had protection under what is called the '85 year rule' (i.e. if you add your age and length of service in whole years and this equates to 85 or more) you will lose your '85 year rule' protection and your benefits might, therefore, be subject to actuarial reduction as you will be receiving them earlier than you would have done. The regulations allow us as your employer to 'switch on' the 85 year rule. Your benefits may still be subject to an actuarial reduction however, it may be less than if the 85 year rule was not 'switched on'.

As ESFRS would have to meet the cost of 'switching on' the 85 year rule if you retire between 55 and 60, it will consider doing so if there are exceptional compassionate grounds for doing so or if you are retired on the grounds of efficiency of the service.

If ESFRS chooses to switch on the 85 year rule in your case it then has the discretion to waive the pre 1st April 2014 reduction.

Any requests will be considered by the CFO&CE in consultation with the Treasurer. Any decision made will be within the limits of the approved financial budget and financial procedure rules, in compliance with ESFRS policies and to no significant service implications.

Will my pension be reduced if I receive my pension benefits early?

(Whether to waive, in whole or part, actuarial reduction on benefits which a member voluntarily draws before normal pension age-Regulation 30(8) of the LGPS Regulations 2013)

Yes, ESFRS does not normally agree to waive the costs of an employee's actuarial reduction, and your pension and lump sum will therefore be reduced as you will be receiving your pension earlier than you would have done.

However, there may be exceptional compassionate grounds that may justify ESFRS waiving the actuarial reduction. ESFRS may also choose to make immediate payment of LGPS retirement benefits without reduction, to compensate an employee who is over 55, in the event that their employment is terminated on the grounds of the efficiency of the service.

Where this is the case, the grounds for doing so must be included in the business case for the early release of pension and is subject to the relevant approval processes on the length of time (in years and days) that you retire early from the date your benefits are paid to age 65. This is known as an actuarial reduction.

Exercise of these discretions will be by the CFO&CE in consultation with the Treasurer.

If I am made redundant what payments will I be entitled to?

Regulation 5, 6 – Discretion under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England & Wales) Regulations 2006

If you are made redundant aged 55 and over, you will be entitled to receive immediate payment of your LGPS retirement benefits. These benefits will be made without reduction. If you are aged under 55 when you are made redundant, you cannot receive the immediate payment of your LGPS benefits. They will instead be deferred and will be increased annually in line with the cost of living increase and will become payable from Local Government Pension Scheme's normal retirement age (State Retirement Age with a minimum of 65).

Regardless of your age, ESFRS provides an enhanced redundancy payment, to compensate you for loss of earnings if you have two or more years' continuous service (as defined by the Redundancy Payments Modification Order).

If my employment is terminated on the grounds of the efficiency of the Service will I be entitled to compensation?

Regulation 6 – Discretion under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006

ESFRS may choose to make immediate payment of LGPS retirement benefits without reduction, to compensate an employee who is over 55, in the event that their employment is terminated on the grounds of the efficiency of the service. This is entirely at our discretion and will be considered by the CFO&CE in consultation with the Treasurer in the following circumstances:

- Where budget reductions are being considered but before proposals for redundancy are consulted on
- The volunteer is over the age of 55 and has been a member of the pension scheme for 2 years
- The retirement would allow a reorganisation of the service which would compensate for the cost of the retirement and provide a saving for the service.

What happens if my lump sum compensation payment is incorrect?

(Power to enable employers to decide the steps taken to recover overpayments on lump sum compensation - Regulation 8 Early Terminations of Employment (Discretionary Compensation) Regulations 2006)

If ESFRS makes an over, or underpayment of your lump sum compensation, we will let you know. If an underpayment has been made, immediate steps will be taken to make the appropriate payment. ESFRS will also seek to recover any overpayment. In the case of an overpayment ESFRS will consider a reasonable time limit for the overpayment to be repaid.

If I have a drop in pay is my pension protected?

(Issue a certificate of protection of pension benefits where eligible non-councillor member fails to apply for one (drop in pay/restrictions occurring pre 1st April 2008 – Regulation 23(4) of the LGPS 1997 Regulations)

Your final year's pay when you leave the LGPS will still be used to work out your benefits built up before 1st April 2014. This means that any future pay increases will be included in the final pay used to work out these benefits.

The definition of final pay for benefits built up before April 2014 remains the same as it was before the Scheme changed. Your final pay is normally the pay in respect of your final year of scheme membership on which you paid contributions, or one of the previous 2 years if this is higher. This remains so from April 2014.

If you have a certificate of protection which was issued by us for a reduction or restriction in pay beyond your control before 1 April 2008 and you leave the LGPS within 10 year of the reduction or restriction, then this protection continues to apply after April 2014 for benefits built up in the final salary scheme.

Can I receive additional pension?

(Whether to grant additional pension to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency – Regulation 31 of the LGPS Regulations 2013)

Awarding additional pension will only be considered where employees facing redundancy choose to waive their entitlement or part of their entitlement to redundancy pay (over and above their entitlement to statutory redundancy pay) in order to purchase additional pension. ESFRS can choose to award you an additional pension up to the value of £6,500 in these circumstances.

These requests will only be considered in exceptional circumstances, such as where there are significant compassionate grounds or where an individual is affected by changes in legislation or guidance during their notice period, or where there is no cost to ESFRS. A written business case setting out any additional cost and the justification of the discretion will be required.

Any requests will be considered by the CFO&CE in consultation with the Treasurer.

Adjustments to your pension following ill health

If your employment is being terminated for reasons of ill health and you are in the pension scheme, we must decide whether or not you are entitled to an ill health retirement pension. To help us decide this we need to obtain a certificate from an independent registered medical practitioner who will assess whether 'as a result of ill health or infirmity of mind or body' you are permanently incapable of 'discharging efficiently the duties of the employment you were engaged in' and, if so, whether you are not 'as a result of ill health or infirmity of mind or body' immediately capable of undertaking any 'gainful employment' (see definition below).

The LGPS has 3 tiers of ill-health provision:

- Tier 1 is where you are judged to be permanently incapable of carrying out your duties, or any comparable role, with no reasonable prospect of obtaining gainful employment before your normal pension age (State Retirement Age with a minimum of 65).
- Tier 2 is where you are judged to be permanently incapable of carrying out your duties and “unlikely to be capable of gainful employment within 3 years of leaving,” but capable of obtaining gainful employment elsewhere at some stage before normal retirement date.
- Tier 3 is where you are judged to be permanently incapable of carrying out your duties, but capable of performing work elsewhere within 3 years of leaving employment, or before pension age if earlier.

The following discretions relate to the LGPS ill-health provisions:

What happens if I am able to work again or the medical advisor deems me fit to work?

(Determine whether a person in receipt of a Tier 3 ill health pension has stated gainful employment – Regulation 37(3) & (4) of the LGPS Regulations 2013 and Recovery of payments following commencement of gainful employment – Regulation 37(3) of the LGPS Regulations 2103)

An award under tier 3 must be subject to review after 18 months and in any event cannot be paid for a period exceeding 3 years, (provided you are not in gainful employment, or considered capable of undertaking such employment).

You must inform ESFRS immediately if you obtain ‘gainful employment’ at any time between your tier 3 ill health pension award commencing and the expiry of the three years.

For the purposes of a tier 3 award, “gainful employment” is considered to be paid employment for at least 30 hours each week for a contract period of at least 12 months.

As part of a review of a tier 3 ill health award, ESFRS may cease payment of the award from the date you obtained gainful employment, or were considered by an independent medical adviser as capable of undertaking gainful employment. Any decision to cease payment will be made by the CFO&CE in consultation with the Treasurer on the advice of the independent medical adviser.

Additionally, if you are still receiving your tier 3 ill health pension after you have obtained gainful employment, or where a medical advisor has determined you as capable of undertaking gainful employment, ESFRS will seek to recover any overpayment made to you.

What if my condition has not improved or has deteriorated?

(Determine whether a person in receipt of Tier 3 ill health pension following review is unlikely to be capable of undertaking gainful employment before normal pension age because of ill health – Regulation 38(3) of the LGPS Regulations 2013)

If you are on a tier 3 ill health pension and your condition has not improved, or has deteriorated, ESFRS will decide whether there is an entitlement to ill health pension under the provision of tier 2. Any such decision to convert your tier 3 award to a tier 2 award can be taken at any time and must be no later than 3 years of the date that payment of benefits under tier 3 has stopped, or before you reach the age of 65. Any decision will be made by the CFO&CE in consultation with the Treasurer on the advice of the independent medical adviser.

Can I receive my pension benefit early?

(Determine whether a tier 3 member is permanently incapable of undertaking any gainful employment – V31(7) of the Benefits Regulations 2007 and Choice of payment of pension: pensioner member with deferred benefits B30A(3) of the Benefits Regulations 2007 and whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid under B30A – Regulation B30A (5) of the Benefit Regulations 2007)

This only applies if you stopped paying into the pension scheme on or after 1 April 2008 but before 1 April 2014.

If your tier 3 ill health pension has been stopped you can ask to receive payment of your benefits on or after age 55. As there is a cost associated with the early payment of your pension, ESFRS will not normally agree to the early payment of your pension, unless there is a significant compassionate grounds for doing so.

ESFRS may choose to waive, on compassionate grounds, the actuarial reduction applied to benefits payable where your tier 3 ill health pension was stopped, and you have applied for early access and your request has been approved.

Any requests will be considered by the CFO&CE in consultation with the Treasurer. Any decision made will be within the limits of the approved financial budget and financial procedure rules, in compliance with ESFRS policies and subject to no significant service implications.

Early payment of Deferred Benefits

(Whether to grant pre 1st April 1998 leavers early payment of their deferred benefits on or after the age of 50 on compassionate grounds – Regulation D11(2)(C) of the LGPS Regulations 1995) and Regulation 31(2) of the LGPS Regulations 1997 and whether to grant application for early payment of deferred benefits Regulations 2007 and 30(8) of the LGPS Regulations 2013)

Pre 31st March 2014 leavers

ESFRS will not automatically agree to bring your deferred benefits into pay early, unless there are exceptional compassionate grounds for doing so.

Each case will be considered fairly by the CFO& CE in consultation with the Treasurer based on the circumstances and merits of the case.

If ESFRS agrees to early payment of deferred benefits under the LGPS Regulations 1995 and 1997, you should note that this will only be from age 55 or date of application (if later than 55), as any payment before the minimum pension age of 55 is not authorised under the Finance Act 2006.

Post 31st March 2014 leavers

Your deferred benefits are normally payable from your normal retirement age which is linked to your state retirement age, with a minimum age of 65.

You can choose to take early payment of your deferred benefits from age 55 without your former employer's consent. However, you must be aware that your benefits will normally be reduced to take into account early payment.

ESFRS may choose to waive the actuarial reduction applied to your benefits on exceptional compassionate grounds. Any requests will be considered by the CFO&CE in consultation with the Treasurer.

Can I receive my deferred pension early due to my poor health?

(Decide whether a deferred beneficiary meets permanent ill health and reduced likelihood of gainful employment criteria – Regulation 31(4) of the Benefits Regulations 2007 and 38(3) of the LGPS Regulations 2013)

The CFO&CE in consultation with the Treasurer will decide whether or not you can receive your deferred pension early. To help them make this decision they have to obtain a certificate from an independent registered medical practitioner to determine:

Pre 31st March 2014 leavers

- Whether you are suffering from a condition that renders you 'permanently incapable of discharging efficiently the duties of the relevant employment because of ill-health or infirmity of mind or body'.

And, if so,

- Whether as a result of that condition you have 'a reduced likelihood of being capable of undertaking any gainful employment' before reaching normal retirement age, or for at least three years, whichever is the sooner'.

Post 31st March 2014 leavers

- Whether you are suffering from a condition that renders you 'permanently incapable of discharging efficiently the duties of their former employment because of ill-health or infirmity of mind or body'.

And if so,

- Whether as a result of that condition you are 'unlikely to be capable of undertaking any gainful employment' before reaching normal pension age, or for at least three years, whichever is the sooner.

Internal Dispute Resolution Procedure (IDRP)

What do I do if I don't agree with a decision that has been made regarding my pension?

(Decide procedure to be followed by adjudicator when exercising stage one IDRP functions – Regulation 74(4) of the LGPS Regulations 2013) (Whether to extend six month period to lodge stage on IDRP appeal – Regulation 74(6) of the LGPS Regulations 2013)

If we have taken a decision in relation to your membership of the LGPS which you are not satisfied with you have the right to use the Internal Dispute Resolution Procedure (IDRP). Similarly, if you believe that we should have taken a decision in relation to your membership of the scheme and that our failure to do so means that you have been adversely affected, you have the right to use the IDRP.

The complaint procedure has two stages. Many complaints are resolved at the first stage. Any complaint you make is treated seriously and considered thoroughly and fairly. At any stage during the formal complaint procedure you can contact the Pensions Advisory Service (TPAS) for information and advice.

In the first instance you should raise any concern with the Pensions & Payroll Manager who will endeavour to resolve the matter in an informal way. If you are not satisfied by the response that you have received from the Pensions & Payroll Manager you should put your complaint in writing, within six months of the day you were told the decision you want to complain about, to the CFO&CE who will respond formally to the complaint. The CFO&CE will consider an extension to the time limit on a case by case basis if it is clear that you were unable to meet the normal time period due to circumstances beyond your control.

Loss of pension rights as a result of a fraudulent offence of grave misconduct

Is my pension benefit affected if I leave employment due to a fraudulent offence or grave misconduct?

(Payment of a refund of contributions in misconduct cases and Forfeiture of pension rights as a result of offences or misconduct – Regulation 88(2), 111(2) & (5), 112(1), 113(2), 115(2) & (3) of the LGPS Regulations and Regulation A47(2), A72(1)(3), A73(1) (2), A74(2), A75(2) & (3) of the Administration Regulations 2008 and Regulation 19(2), 91(1), (4), (8), 92(1) & (2), 93(2), 95 of the LGPS 2013 Regulations)

If you leave your employment with ESFRS due to a fraudulent offence, grave misconduct, negligence or any work related criminal offence that results in financial loss to ESFRS, it will, in exceptional circumstances, seek to reduce the value of your pension benefits commensurate with the offence.

There is no automatic entitlement to a refund on your pension contributions, if you leave your employment with less than 3 months' scheme membership, as a result of a fraudulent offence or grave misconduct and ESFRS would seek to withhold any such amount where considered appropriate.

Each case will be referred to the CFO&CE in consultation with the Treasurer for consideration.

Re-employment with ESFRS

Do I still receive my pension if I am re-employed by ESFRS?

(Reduction of annual compensation on re-employment "abatement"-Regulation 17 Early Termination of Employment (Discretionary Compensation) Regulations 2000)

Your annual compensation may be adjusted or suspended throughout your re-employment with the ESFRS. This is to make sure that you are not receiving any more than the value of pay you would have received when you left your former employment.

Will my added years' compensation be affected if I am re-employed by ESFRS?

(Reduction of added years due to re-employment -Regulation 19 Early Termination of Employment (Discretionary Compensation) Regulations 2000)

When your re-employment ends, your compensatory added years will be adjusted in order that the value of any LGPS pension you are in receipt of, together with your annual compensation, does not exceed what you may have expected to receive as a benefit had you remained in continuous employment with ESFRS to age 65.

Following your death

Will my spouse receive annual compensation on re-marriage or cohabitation?

Suspension of spouse's compensation during a period of remarriage or Cohabitation. Regulation 21(5) & (7) Early Termination of Employment (Discretionary Compensation) Regulations 2000.

ESFRS will continue payment of a spouse's compensation to existing pensioners, as well as to new pensioners, who remarry or cohabit after 31st March 1998.

How will my children's compensation payment be paid?

(Payment and apportionment of children's compensation -Regulation 25(2) Early Termination of Employment (Discretionary Compensation) Regulations 2006.)

Eligible children's annual compensation payments will be paid on an equal share basis.

Will the extra contributions I was making between 1972 to 1988 count towards my widower's pension?

Women with membership before 6th April 1988. Regulation 9 LGPS (Transitional provisions) Regulations 1997.

For women who were making extra contributions to update their service from 1972 to 1988 for widower's pension purposes we will count this period in full without any further contributions. Women who marry after 31st March 1998 who have 1972-1988 service will also be allowed to count the relevant period in full for this purpose.

EAST SUSSEX FIRE AUTHORITY

Date 10 September 2015
Title of Report Pensions update
By Chief Fire Officer & Chief Executive
Lead Officer Cheryl Rolph Assistant Chief Officer

Background Papers

Appendices None

Implications (✓)

CORPORATE RISK		LEGAL	
ENVIRONMENTAL		POLICY	
FINANCIAL	✓	POLITICAL	
HEALTH & SAFETY		OTHER (please specify)	
HUMAN RESOURCES	✓	CORE BRIEF	
EQUALITY IMPACT ASSESSMENT			

PURPOSE OF REPORT To update the Fire Authority of recent pension developments.

EXECUTIVE SUMMARY Over the past few months, there have been two significant pension developments which have both resource implications in terms of staff time as well as potential financial impacts. These developments are outside of the control of the Authority and relate to the national direction and responsibilities of the Government.

BACKGROUND PAPERS DCLG Firefighters Pension Scheme Frequently asked questions
 Fire & Rescue Services National Employers Circular EMP/03/15

RECOMMENDATION The Fire Authority is asked to note this report.

1. **FIREFIGHTERS' PENSION SCHEME: GOVERNMENT ACTUARY'S DEPARTMENT (GAD) ISSUES UPDATE FOLLOWING MILNE DETERMINATION**

- 1.1 In May 2015, the Pensions Ombudsman held that the failure of GAD to consider if it was making a mistake in law by no longer pro-actively revising commutation tables for the Firefighters' Pension Scheme after the early 1990s amounted to maladministration. The Ombudsman held that Mr Milne should be put back in the position he would have been in if the reviews that GAD failed to bring about had taken place before he retired in November 2005. The Ombudsman also directed GAD to inform the Scottish Public Pension Agency and/or any other relevant Scheme authority of the factors that would have applied if it had revised the tables in December 2004. Relevant Scheme authorities include Police and Fire.
- 1.2 It is understood that GAD has already complied with the required actions in relation to Mr Milne and is now working with the relevant government departments to facilitate redress in other cases. This will include guidance about when redress should be provided in the form of an additional lump sum and when in the form of an increase to the pension being paid, as well as how to handle cases where the pensioner has died. GAD has now finalised the guidance and required tables of factors and the Pensions Scheme administrator & HR department are now working to calculate redress in a range of different circumstances.
- 1.3 Within ESFRS there are some 66 individuals affected by this ruling and they have all been written to and advised of the situation.
- 1.4 HM Treasury has confirmed in writing to the LGA that DCLG will fund the additional lump sum payments, albeit it is still not entirely clear how they will make the payments and there is a possibility that DCLG may attempt to recover these costs via the Spending Review. Further information to Members will be made available in due course however Government expectations are that the majority of calculations are completed by December 2015 and Scheme Administrators will have made the majority of payments by April 2016.
- 1.5 Further guidance is awaited from the External Auditor on whether there is any impact on the Authority's 2014/2015 accounts which are due to be approved by Scrutiny & Audit Panel on 17 September. An oral update will be provided at the meeting.

2. **FIREFIGHTERS' PENSION SCHEME 2015: TRANSITIONAL ARRANGEMENTS**

- 2.1 Members will recall that a new Firefighters' Pension Scheme was introduced on 1 April 2015 and that, during the consultation period for this, the Fire Brigades Union levied a trade dispute with Ministers in England, Scotland and Wales. This resulted in several periods of industrial action during 2013 and 2014. The trade dispute is still live.

- 2.2 During the consultation process between Government and the FBU, transitional arrangements were consulted upon and subsequently introduced. The Government agreed to protect those members who, as at 1 April 2012, were within 10 years of their current scheme's Normal Pension Age and they would remain in their existing pension scheme until they retire. A taper protection for those members who are up to a further 4 years from their scheme's Normal Pension Age was introduced and these members would remain in their existing pension scheme until their taper protection date, at which point they will transfer to the 2015 scheme.
- 2.3 NJC circular 03/15 issued on the 14/7/2015 highlighted the prospect of a legal challenge in relation to the protections/transitional arrangements. Subsequent to this, notification from the FBU solicitors has confirmed a legal challenge on the grounds of potential discrimination on age and in some cases, sex and race.
- 2.4 Usual arrangements in the case of an Employment Tribunal (ET) application are to proceed in the first instance with conciliation and an application from the FBU solicitors with ACAS has been made.
- 2.5 Given that all FRS are affected by this legal challenge, the NJC has offered to manage the claims on behalf of FRS, which does include appointing legal representation, liaison with DCLG and the FBU. This seems a very sensible approach and officers have confirmed with the NJC that this approach, as well as a proportional cost sharing basis, would suit and fulfil our needs. The NJC has now confirmed that all FRS have agreed to this arrangement and they have signed up Bevan Brittan LLP to act on our collective behalf.
- 2.6 The Fire Authority will be kept updated as developments occur and, of course, it is too early to predict an outcome. However, Members will be interested to learn that should the Government be found to have acted unlawfully, then it will have to change the transitional arrangements and that affected individuals may be offered compensation.

EAST SUSSEX FIRE AUTHORITY

Date: 10 September 2015

Title: People & Organisational Development (POD) Strategy (2015/2017) and Inclusion & Diversity (I&D) Strategy (2015/2017)

By: Chief Fire Officer & Chief Executive

Lead Officer: Cheryl Rolph, Assistant Chief Officer

Lead Member: Councillor Carla Butler

Background Papers:

Appendices: Appendix A: People & Organisational Development (POD) Strategy (2015/2017)
Appendix B: Inclusion & Diversity (E&D) Strategy (2015/2017)

Implications:

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

Purpose of Report: To present to the Fire Authority revised strategies.

Executive Summary: It is important to keep Fire Authority strategies under review so that they meet the changing environment, financial, legislation and expectations. In order to drive the work of the People & Organisational Development Directorate, there are 3 strategies of which these are 2. The Communications & Engagement Strategy was approved by the Fire Authority in June 2015.

RECOMMENDATION: To approve the revised strategies.

1. **PEOPLE & ORGANISATIONAL DEVELOPMENT (POD) STRATEGY (2015/2017)**

- 1.1 The POD strategy was originally developed in October 2005 and last reviewed in in March 2015. A review of the strategy was planned in the POD business plan for the period 2014/15 but was delayed due to senior staff absence.
- 1.2 The review has now been undertaken with involvement from the Lead Member, key business managers and matches the current expectation of the Authority & Service. It covers the period 2015 to 2017 which is a shorter than usual time frame but recognises that the Authority & Service priorities will undoubtedly change during this time parameter.
- 1.3 The major change is the introduction of a new theme (Performance Management on page 7, section 3.7). Whilst the Service has in place effective arrangements for performance management and monitoring, it was felt that the existing strategy did not exemplify this adequately.
- 1.4 The revisions within the POD strategy has borne in mind existing budgets for 2015/2016 and current staffing within the POD directorate.

2. **INCLUSION & DIVERSITY (I&D) STRATEGY (2015/2017)**

- 2.1 The I&D strategy was originally developed in October 2005 and last reviewed in 2013
- 2.2 The current strategic structures for delivery of I&D were dormant in 2014 due to the arrangements being unwieldy. As such, it is proposed that we move away from a lead member role specifically for Equality & Diversity and that this role is encompassed with the lead member role for POD.
- 2.3 Key metrics and performance would then be reported to the Scrutiny and Audit Panel on an annual basis
- 2.4 The main change to the strategy is the move towards inclusion. Whilst the overriding principles of equality are still encompassed within the strategy, inclusion enables us to maintain our commitment to the principles of fairness, respect, equality, dignity and autonomy. They are promoted overtly to all, to form part of the organisation's everyday goals and behaviour.
- 2.5 It is because of this and the recognised added benefits to supporting productivity, retaining and protecting quality staff, creating wider appeal and cultural change that engages that wider community, that we, like many other organisations are making the shift to inclusion.

People & Organisational Development Strategy (2015/17)

Responsible Officer	First Section Issue Date	Section Amended/Updated	Review Date
ACO(POD)	October 2005	May 2009 March 2010 March 2011 March 2012 June 2015	March 2017

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People & Organisational Development Strategy (2015/17)

1. Foreword

1.1 We are pleased to introduce our People & Organisational Development Strategy for the period 2015–2017. The People & Organisational Development Strategy supports East Sussex Fire and Rescue Authority’s vision of “**Achieving safer and more sustainable communities**”. In turn it should enable all employees to embrace its core values, which are: -

- ***Respect and dignity for all***

We treat our colleagues and all members of our community in a way that values their individuality. We will challenge discrimination and inappropriate behaviour at all levels.

- ***Trust, integrity, initiative and innovation***

We are honest and trust each other. We encourage initiative and lateral thinking.

- ***Serving our whole community***

We are here to provide a professional and efficient service to our community. We will provide value for money.

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

We enjoy the work we do and we work towards the continual improvement of our service and ourselves. We encourage and will manage constructive challenge. We will be a good employer.

1.2 In seeking to continuously improve the services we deliver, the recruitment, selection and development of our staff alongside a change in the culture to reflect the Fire and Rescue Service and best practice, people & organisational development principles are key business drivers for us.

1.3 This strategy should be read in conjunction with the Inclusion & Diversity Strategy and the Communications & Engagement Strategy.

2. Introduction

2.1 This strategy has been developed to support delivery of the Fire Authority’s vision, our future 2020 aims, strategic aims and objectives and its strategic plans including the Medium Term Financial Plan (MTFP), Annual Plan and Integrated Risk Management Action Plan (IRMP) which contains the challenges, risks and opportunities faced by the Service and how we intend to respond to them.

2.2 East Sussex Fire & Rescue Service, along with all other Public Sector organisations, faces an unprecedented period of change with a drive to deliver services to the public at a significantly lower cost. Achieving savings and delivering better services and retaining a high level of staff motivation and participation, means we are operating in a challenging environment. This strategy focuses on our intended response to the challenges, risks and opportunities in terms of our people and outlines our broad commitments and planned actions in the coming years.

- 2.3 We need to address considerable external and internal challenges;
- Challenging financial environment, more demands on limited resources
 - Developments in employment law and the changing landscape with pensions and the impact on the workforce and the employer
 - continued debate on how fire can integrate with other public services to deliver better outcomes for the community potential risks of employee disputes and industrial action
 - Increased staff turnover and increased employment costs

• **Local Context**

2.4 East Sussex Fire Authority is responsible for providing prevention, protection and response services to the City of Brighton and Hove and the County of East Sussex County.

2.5 At the same time as delivering our statutory duties we have to deliver savings of approximately £7.1m or 18.2% of our revenue budget over the next five years (2015/16 to 2019/20) as identified in our Medium Term Finance Plan (MTFP). Due to the scale of the savings, we have embarked upon fundamental reviews of our services in three phases by 2018/19.

2.6 Our Service operates from 24 Community Fire Stations, a Training Centre, Vehicle Workshops, Sussex Control Centre located at Haywards Heath and our Service Headquarters. Our staffing comprises:

- Sussex Control Centre staff who receive emergency calls, mobilise fire appliances for firefighting, rescue and humanitarian services, and who also support the management and collection of operational information
- Wholetime and retained duty system firefighters at our community fire stations who provide the key intervention response to incidents and proactive safety advice to the community
- Specialist staff who provide Community Fire Safety advice, Arson Reduction initiatives and Legislative Fire Safety services to the public and businesses
- Senior operational managers and specialist advisers located at Service Headquarters

Support staff who provide core services including information management, financial and procurement services, engineering services, estates management, health and safety, human resource management (which includes Payroll and Occupational Health) learning and development (which includes Inclusion and Diversity & Communications), performance management and administration.

2.7 The Service is committed to meeting the principles of a number of externally accredited awards but does not make application towards these. These are listed below in 2.8. We currently hold the Customer Service Excellence Standard and every three years we are assessed against the Fire and Rescue Operational Assessment Toolkit both of which, provide us with a health check on how we perform operationally and how our communities view us.

- 2.8 Investors in People
- Charter for Member Development
- Stonewall Index
- Disability plus
- MIND

3. **Principles**

3.1 Our Future 2020 aims to ensure that we have shared values across the organisation, taking personal responsibility for delivering quality services and striving for excellence to the benefit of our communities. This Strategy contains a number of themes that are considered to be central to delivery and support of our Strategic Aims and objectives.

3.2 The key themes flow from these broad objectives and are contained within the POD Business Plan which is refreshed on an annual basis.

3.3 **THEME– Developing the skills and capacity of the Fire Authority**

3.3.1 This will focus on enhancing and enriching Member development to support them in realising their full potential as Fire and Rescue Authority community leaders within East Sussex and the City of Brighton and Hove.

3.4 **THEME– Developing the skills and capacity of the workforce**

3.4.1 This will focus on supporting and improving the quality of managerial leadership in the service. This will include planning the development of existing top teams and managerial staff, planning the development of future managers & leaders, the Service's core values throughout the organisation and being seen as employer of choice and being equipped to implement different working practices, as part of shared or collaborative services as clients or managers.

3.4.2 In order to support this, the organisational design of the Service needs a new streamlined structure going forward. This is in part because the financial pressures on the Service continue and show no sign of letting up in the next 4 years, but equally because the way in which we operate is significantly different now from the last major restructure in 2008. We have to ensure that our structure is appropriate and proportionate and a top line management review is clearly the right starting point.

3.4.3 There is also a need to focus on building on the framework of a competency and developmental based approach, across all areas of the Service. We will ensure that the quality and timeliness of operational training and development is paramount, so that we enhance the risk critical skills of firefighters and operational officers and in particular key areas such as incident command and structural firefighting.

3.4.4 In the changing and challenging environment we need to ensure that the skills and capacity to adapt, manage and lead change are developed.

3.5 **THEME– Organisational Development**

- 3.5.1 We want to be the best fire and rescue service we can be and that means having a clear vision of what we do, having shared values across the organisation, and staff taking personal responsibility for delivering quality services and striving for excellence to the benefit of our communities.
- 3.5.2 We will focus on identifying successful and best practice approaches to managing performance and productivity to ensure that we deliver the best possible service to our communities.
- 3.5.3 We will create a culture based on relationships and effective people management including absence management based on ESFRS core values, which will be the basis for improvement. Diversity in every sense will be embedded into managing performance and workforce diversity issues will be tackled effectively.
- 3.5.4 We want to build a successful relationship between all our staff emphasising engagement and communication in all our employee interactions to enable a change in the culture so that we can continually improve the organisation and the service we deliver to our communities.
- 3.5.5 We will investigate more flexible ways of resourcing our workforce, as well as flexible ways of working to enable us to deliver high quality and efficient customer focused services
- 3.5.6 We will deliver a modern working environment that supports our staff to work efficiently and flexibly in the way we deliver services. This will also ensure we continue to attract and retain excellent staff.

3.6 **THEME – Resourcing**

- 3.6.1 We will adopt effective clear, consistent and transparent policies, practices and processes for recruiting, selecting and developing staff. Coupled with this we will also adopt effective strategies in order to recruit a diverse workforce reflecting the communities we serve. It is still important that we improve the involvement of under-represented groups at all levels in the service.
- 3.6.2 We will develop better workforce and succession planning models across the service and will strive to target and attract talented people into the service, promoting a positive image of ESFRS among potential applicants, particularly from underrepresented groups. This will be a vital ingredient to our success.
- 3.6.3 Apprenticeships are a tried and tested way to recruit new staff, re-train or upskill existing staff or people returning to work after a break and we will therefore be working towards bringing about an apprenticeship scheme to support parts of the Service.

3.7 **THEME – Performance Management**

3.7.1. Performance management is a process by which **managers** and employees work together to plan, monitor and review an employee's work objectives and overall contribution to the organisation. This will focus on securing performance improvements in terms of:

- Development - unless there is continuous development of individuals a teams, performance will not improve
- Effectiveness of the individual, team and organisation
- Managing behaviour - ensuring that individuals are encouraged to behave in a way that allows and fosters better working relationships.

3.8 **THEME– Recognition and Reward**

3.8.1 This will focus on modernising local pay, reward and recognition structures. There should be fairness in pay and reward structures across all occupational groups within ESFRS taking into account all the employment relationships that exist.

3.8.2 In developing pay strategies, however, we will continue to combine the flexibility of local issues with the stability of the national bargaining framework for pay increases. We will also ensure that any national terms and conditions are adhered to.

3.8.3 We will develop and promote ESFRS as an employer of choice with improved working practices, work/life balance, personal development, health and wellbeing and fair pay.

3.9 **THEME – Delivering the POD FUNCTION.**

3.9.1 We will focus on delivering the People & Organisational Development function that supports the delivery of ESFRS. It will move from being predominantly advisory and transactional to becoming more strategic, promoting the added value of professional contributions to improved organisational performance

3.9.2 We will ensure that POD staff are trained to accredited standards and hold the appropriate professional qualifications.

3.9.3 We will make optimum use of the HR database to improve people information, providing HR metrics for the better performance of the Service. Policies and procedures will fit business requirements as well as being best practice and in line with legislation.

3.9.4 Financial transactions will be in accordance with Fire Authority procedures and comply with Audit Standards and expectations.

4 **Audit, Monitoring and Review**

4.1 The Service will regularly audit and monitor its POD policies and practices.

4.2 The Service will continue to work collaboratively with other services within the South East in the interests of consistency of approach and serve as benchmarks for assessment processes.

- 4.3 The Service will maintain learning and development records for all Members and employees on computerised systems. Hard copy record files will also be kept. The confidentiality of such records is vital and security will be built into computer and hard copy systems accordingly. The systems will comply with the Data Protection Act and Freedom of Information Act. Electronic systems will comply with the relevant Government Standards.
- 4.4 Practical training, exercises and records will be the subject of regular audit to ensure that Service policies are adhered to, and good practice observed. Audit outcomes will be acted on and changes made to support quality of delivery for personnel, learning & development and organisational development issues.
- 4.5 Monitoring of information in relation to ethnicity, gender, race, age, religion and sexuality will be undertaken on an annual basis (for existing staff) and via job applications, applications for promotion, attrition rate and exit interviews, training, discipline and grievance. We will use this information to ensure staff of all groups are treated fairly throughout the various employment processes.

5 Equality Impact Assessment

- 5.1 A full equality impact assessment has been prepared to complement this Strategy. This is to ensure that our Strategy takes into account available community profiling information on the differing needs of people living and working in our area and will further assist, along with risk reduction information, to prioritise our future services. The EIA is available on request in hard copy from the Clerk to the Fire Authority or alternative format versions if required. It can be viewed electronically on our website/intranet hyperlinked from the strategies in the section on the Constitution.

6. References

The following policies and reference documents support this strategy:

[Fire & Rescue Services Act 2004](#)

[Civil Contingencies Act 2004](#)

National Framework

Dept. of Communities and Local Government

[Fire and Rescue: A shared vision towards 2017](#)

Local Government Association

Annual Plan 2015/16

East Sussex Fire Authority

[Integrated Risk Management Action Plan](#)

East Sussex Fire Authority

[Other Corporate Strategies](#)

East Sussex Fire Authority

The Fire Authority Constitution

East Sussex Fire Authority

Inclusion & Diversity Strategy 2015/2017

Responsible Officer	First Section Issue Date	Section Amended/Updated	Review Date
Assistant Chief Officer (People & Organisational Development)	Oct 2005	April 2011 March 2012 June 2015	March 2017

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1. FOREWORD

- 1.1 We are pleased to introduce our Inclusion & Diversity Strategy for the period 2015 – 2017. This Strategy supports East Sussex Fire and Rescue Authority’s vision of “**Achieving safer and more sustainable communities**”. We aim to achieve this by maintaining our high quality prevention, protection and response services and tailoring these to those in greatest need through education, advice and support.

Our Strategic Aim (No.2) “**To ensure a competent, diverse, safe and valued workforce**” and its underlying objective “**to embed and embrace equality and diversity principles in all that we do**” is only achievable if we provide consistently high standards of service which are delivered by knowledgeable and well-trained employees who understand the needs of their communities.

- 1.2 In order to meet these aims and objectives we introduced a set of core values in 2005 (and are currently under review). All employees are expected to display, promote and embrace these values and challenge any behaviours which are contrary to these values. The values are: -

- **Respect and dignity for all**

We treat our colleagues and all members of our community in a way that values their individuality.

We will challenge discrimination and inappropriate behaviour at all levels.

- **Trust, integrity, initiative and innovation**

We are honest and trust each other.

We encourage initiative and lateral thinking.

- **Serving our whole community**

We are here to provide a professional and efficient service to our community.

We will provide value for money.

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

We enjoy the work we do and we work towards the continual improvement of our service and ourselves.

We encourage and will manage constructive challenge.

We will be a good employer.

- 1.3 As East Sussex Fire and Rescue Authority continue to lead, and promote improvements in *achieving safer and more sustainable communities*, investment in our staff becomes ever more crucial. In seeking to continuously improve the services we deliver, understanding and working with our diverse communities and staff, alongside a change in culture to reflect the modern Fire and Rescue Service are key business drivers for us all.

2. INTRODUCTION

- 2.1 This strategy has been developed ensuring consideration of: -
- [The Annual Plan](#)
 - [The Integrated Risk Management Plan](#)
 - The [People and Organisational Development Strategy](#)
 - The [Communications & Engagement Strategy](#)
 - The aspirations and expectations of the communities of East Sussex & the City of Brighton & Hove
 - The staff of East Sussex Fire & Rescue Service
 - [The Fire & Rescue Service Equality & Diversity Strategy 2008-2018](#)
 - [The Fire and Rescue National Framework for England](#)
 - [The Equality Act 2010](#)
 - [The Public Sector Equality Duty](#)
- **National Context**
- 2.2 The Government's Public Sector Equality Duty (general duty) states that public bodies must have due regard to the need to:
- **Eliminate unlawful discrimination, harassment and victimisation**
 - **Advance equality of opportunity between different groups**
 - **Foster good relations between different groups**

These three aims of the general duty involve:

- Removing or minimising disadvantages suffered by people due to their protected characteristics.
 - Taking steps to meet the needs of people from protected groups where these are different from the needs of other people.
 - Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.
- In order to comply with the general duties, public authorities are required to publish sufficient information to demonstrate its compliance.

The vision of the national Fire and Rescue Service Equality and Diversity Strategy 2008-2018 is *"to make fairness and inclusion fundamental to everything we do."* This is both as service provider where we have a duty to strive to achieve equality of access, equality of impact and equality of outcome for all; in other words a service which equally meets the needs of all. As a public service employer efficiency and effectiveness can be achieved where staff feel valued and a culture of inclusion exists.

The Fire and Rescue Service Equality Framework (which superseded the Equality Standard for Local Government) recognises and addresses equality and diversity objectives that are a priority for the fire and rescue service.

○ **Local Context**

2.3 The Fire Authority has a strong commitment and reputation for being determined to put Inclusion & Diversity at the heart of everything we do. This was confirmed during the Peer assessment in March 2012, where the Authority and Service was assessed at '**Excellent**' level of the Fire & Rescue Service Equality Framework.

2.4 In particular we want to focus on those in greatest need and those who are most vulnerable in our society.

3. INCLUSION & DIVERSITY GOALS

3.1 We recognise that any vision needs to be translated into goals and subsequent actions if it is to become more than a worthy aspiration.

3.2 Our goals are:

- To maintain the achievements that enabled us to obtain "Excellent" in the FRS Equality Framework.
- To maintain our membership as a Stonewall Diversity Champion.
- To maintain our commitment to the Charter for Employers who are Positive about Mental Health.
- To maintain our commitment to the principles of the "Two-ticks positive about disability" symbol.
- To continue to put inclusion and diversity at the heart of the work of the Fire Authority and the Fire and Rescue Service.
- To embed equality good practices in everything we do.
- To engage, and involve, partners and consult with our community.
- To ensure that staff are aware of, feel engaged with and promote the inclusion & diversity agenda.
- To build training, communication, corporate support and resources to enable our staff to deliver services that reflect community risk and need.
- To create a workforce reflective & understanding of the local community.
- To monitor, review and report what we do to learn and improve.

4. COMMUNITY

4.1 The area covered by East Sussex Fire and Rescue Service incorporates the County of East Sussex (pop 526,671) and the City of Brighton & Hove (approx. pop 275,800). Our community is growing and encompasses a diverse range of people and groups each with differing needs, providing us with a broad range of opportunities and challenges when working both for and with the community.

4.2 Facts about our community:

- Our area attracts 8 million visitors a year, including 5 million day visitors.
- East Sussex is made up of many diverse and culturally rich communities, despite the relatively small numbers of many of these communities when compared to some other parts of England and Wales.
- East Sussex has some of the most and some of the least deprived areas in the country.

- We live in one of the most wooded counties in England where 63% is designated as ‘an area of outstanding natural beauty’, with 47 miles of coastline, some of which is designated ‘heritage coast’.
- East Sussex has a high proportion of elderly residents with one in four residents over pensionable age. There are approximately 14% of older people living in low income households in East Sussex.
- Government trend research suggests an average population increase of 3,900 people a year in East Sussex, almost all in post-retirement age groups.
- The Black and Minority Ethnic (BME) population represented 4% of the total population in East Sussex in 2011 and 20% in Brighton and Hove.
- Brighton & Hove is known for its lesbian, gay, bisexual and transgender (LGBT) community, estimated to be about 11-15% aged 16 years or older of the population.
- There are over 35,000 full-time students in Brighton & Hove.

5. PRINCIPLES AND PRIORITIES

5.1 In ensuring ‘*a competent, diverse, safe and valued workforce*’, the Inclusion and Diversity Strategy contains a number of principles which are considered to be central to delivery and which will support the objectives of embedding and embracing inclusion and diversity in all that we do by: -

- Ensuring that all members of the public are treated with dignity and respect, will be given equal access to our services, based on risk and impact assessments and take account of differing needs in the community and plan to meet these
- Supporting employees to feel valued, treated with dignity and respected for who they are, and the contribution they make to the Service
- Attracting and recruiting a more diverse workforce which is representative of our communities
- Developing and fostering an inclusive environment for both employees and the communities we serve.

5.2 Five key priorities flow from these broad principles which are the key drivers to maintaining equality: -

Priority 1 – Leadership and promoting inclusion

5.2.1 This will focus on us ensuring that our Champions inclusion objectives and associated action plans are fully implemented within the timelines identified. We will nurture Inclusive leadership values in our existing managers throughout the organisation, so that we may be seen as an employer of choice as well as planning for future leaders and develop the skills of our staff to champion our organisational values.

5.2.2 The Fire Authority will monitor and audit the completion of Equality Impact Assessments and ensure that equality and diversity issues are fully considered in the procurement of all goods and services.

Priority 2 – Accountability

- 5.2.3 We will promote our successes and good practice to the public and our staff regarding improvements to service delivery and employment practice.
- 5.2.4 We are open to scrutiny and challenge and will embrace regular peer review.

Priority 3 – Effective service delivery and community engagement

- 5.2.5 The Fire Authority [Communications & Engagement Strategy](#) will underpin consultation with our partners, stakeholders, local community and employees to deliver a service that effectively communicates and delivers safety awareness. Effective planning and engagement are crucial to improving the effectiveness and quality of Service delivery. As part of this we commit to promoting inclusion and diversity by using equality impact assessments so that we can be sure our functions and policies are assessed for the impact they have on all of the protected characteristics and vulnerable members of our communities. We will do this by ensuring that our ability to communicate and engage with our communities is supported by our local managers understanding and engaging with the appropriate and relevant groups.

Priority 4 – Employment and Training

- 5.2.6 This will focus on ensuring we adopt effective clear, consistent and transparent policies, practices and processes for recruiting, selecting and developing staff. Coupled with this we will also adopt effective strategies in order to recruit a diverse workforce reflecting the communities they serve. It is crucial that we improve the involvement of under-represented groups at all levels in the service so that we can recognise, understand and respond to the needs of all our communities.
- 5.2.7 We will be targeting and attracting talented people into the service, promoting a positive image of ESFRS among potential applicants, particularly from underrepresented groups. This will be a vital ingredient to our success.
- 5.2.8 We will also work hard to ensure that issues affecting culture, working practices, equipment, clothing, facilities and food continue to be addressed so that all staff can work in a safe, inclusive and supportive environment.

Priority 5 – Evaluation and sharing good practice

- 5.2.9 We will
- Review, monitor and evaluate policies, practices, activities and decisions to assess their impact on different groups and highlight possible inequalities. Underlying causes of unfairness, inequality or discrimination will be mitigated or removed.
 - Monitor and evaluate the effectiveness of our processes regarding bullying, harassment, discrimination and unacceptable behaviours and identify improvements.
 - Conduct employee and community surveys, in partnership with representative bodies to measure perceptions of the Fire & Rescue Service to assess the level of community and employee engagement.
 - Measure the diversity of our workforce to identify underrepresented groups and address these issues with positive action.

- Recognise and celebrate national, regional and local achievements and share good practice.

6. **SUCCESS INDICATORS**

6.1 We will know we have improved and achieved our goals by 2017 when:

- The risk of injury and death by fire and other incidents among more vulnerable and high-risk groups is falling year on year. We understand the needs of all communities and our service is tailored to these needs
- The service is integrally involved in community engagement programmes.
- Fire Authority members and senior service leaders have a reputation for championing equality issues.
- The Service is seen as an exemplar of equality good practice for fire authorities and other public sector organisations.
- We have a clear understanding of the workforce profile and understand the needs of our employees. All employees are respected, supported and valued regardless of their protected characteristic e.g. age, disability, gender identity, marriage/civil partnership status, race, religion/belief, sex or sexual orientation.
- Instances of bullying, harassment, discrimination or unacceptable behaviour are not tolerated in any part of the organisation and are dealt with effectively, fairly and swiftly.
- Employees and community feedback includes positive attitudes about our culture and service.
- Our staff are able to be open about their sexual orientation, religion or religious belief at work.
- Women, Black, Asian and Minority Ethnic groups (BME) and employees with disabilities are at all levels of the organisation. This will be measured through our workforce profile monitoring data produced on an annual basis.
- Recruitment of women in the operational sector is increasing.
- Recruitment of ethnic minority employees reflects representation in our communities of working age.
- Levels of retention for men and women, and Black and Minority Ethnic groups (BME) and the white majority are comparable. Again, these will all be measured through the annual workforce profile monitoring data.

7. **AUDIT, MONITORING AND REVIEW**

7.1 Monitoring our impact onto service provision and the application of our Inclusion and Diversity Strategy helps us know and understand the extent to which we are achieving our desired objectives and outcomes.

7.2 In addition to workforce monitoring (e.g. induction, promotion, development, secondment, grievance, discipline, leaving the organisation), we will monitor the impact of our services on different groups of people, e.g. by their protected characteristics and vulnerability. This will help us ensure that everyone has access to our services and that they are delivered in a way that is appropriate to their need.

8. **EQUALITY IMPACT ASSESSMENT**

8.1 All policies, practices, activities and decisions will be impact assessed in the development stage and amended as necessary to ensure they do not potentially discriminate against a particular group or groups. Impact assessments can be viewed on the intranet. They will be considered by the appropriate Corporate Diversity Champion, Inclusion & Diversity Team as well as the Fire Authority's Scrutiny & Audit Panel.

8.2 The EIA is available on request in hard copy from the Clerk to the Fire Authority or alternative format versions if required. It can be viewed electronically on our website/intranet hyperlinked from the strategies in the section on the Constitution.

9. **REFERENCES**

9.1 The following Policies and reference documents support this Strategy:

[Fire & Rescue Services Act 2004](#)

[Civil Contingencies Act 2004](#)

Human Resources Strategy

[Fire Authority Constitution](#)

[Annual Plan 2014/15](#)

[Medium Term Plan 2013/14 – 17/18](#)

[The Equality Act 2010](#)

[Public Sector Equality Duty](#)

[Fire and Rescue National Framework for England](#)

[Fire & Rescue Service Equality &](#)

[Diversity Strategy 2008-2018](#)

[Integrated Risk Management Plan 2014/15-2016/17](#)

Chief Fire Officers' Association
East Sussex Fire Authority
East Sussex Fire Authority
East Sussex Fire Authority

Government Equalities Office
Dept. Communities & Local
Government (DCLG)
DCLG

East Sussex Fire Authority.