



**EAST SUSSEX FIRE AUTHORITY**  
**POLICY & RESOURCES PANEL**  
**THURSDAY 10 JANUARY 2013 at 10:00 HOURS**

**MEMBERS**

**East Sussex County Council**

Councillors Livings, Ost, Scott, Sparks, Thomas and Waite.

**Brighton and Hove City Council**

Councillors Pidgeon and Rufus.

You are requested to attend this meeting to be held at East Sussex Fire & Rescue Service Headquarters, 20 Upperton Road, Eastbourne, on Thursday 10 January 2013 at 10:00 hours.

**AGENDA**

- 857. In relation to matters on the agenda, seek declarations of any disclosable pecuniary interests under Section 30 of the Localism Act 2011.
- 858. Apologies for Absence.
- 859. Notification of items which the Chairman considers urgent and proposes to take at the end of the agenda/Chairman's business items.  
  
(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).
- 860. To consider any public questions and petitions.
- 861. Non-confidential Minutes of the last Policy & Resources Panel meeting held on 15 November 2012 (copy attached).
- 862. 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 Panel to adopt without debate the recommendations and resolutions contained in the relevant reports for those items which have not been called.

- 863. Revenue Budget and Capital Programme Monitoring – 2012/13 – joint report of the Chief Fire Officer & Chief Executive and Treasurer (copy attached).
- 864. Medium Term Financial Plan 2013/14 to 2017/18 including IRMP – Consultation Outcomes – report of the Chief Fire Officer & Chief Executive (copy attached).
- 865. Fire Authority Service Planning Processes for 2013/14 and beyond – Draft Revenue Budget 2013/14 and Capital Programme 2013/14 to 2017/18 – report of the Chief Fire Officer & Chief Executive (**copy to follow on 2 January**).
- 866. Members' Motor Insurance whilst on Fire Authority business – report of the Chief Fire Officer & Chief Executive (copy attached).
- 867. 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 Headquarters, 20 Upperton Road, Eastbourne, and at Brighton and Hove Town Halls.

- 868. Confidential Minutes of the last Policy & Resources Panel meeting held on 15 November 2012 (copy attached). (Exempt categories under paragraphs 3 and 4 of the Local Government Act 1972).
- 869. Sussex Control Centre – confidential **oral** update by the Chief Fire Officer & Chief Executive. (Exempt categories under paragraphs 3 and 4 of the Local Government Act 1972).
- 870. Future provision of East Sussex Fire Authority Financial Services – confidential report of the Chief Fire Officer & Chief Executive (copy attached). (Exempt categories under paragraph 3 of the Local Government Act 1972).
- 871. Newhaven Fire Station – proposed disposal of the Fort Road site – confidential report of the Chief Fire Officer & Chief Executive (copy attached). (Exempt categories under paragraphs 3 and 4 of the Local Government Act 1972).

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

**EAST SUSSEX FIRE AUTHORITY**

**Minutes of the meeting of the POLICY AND RESOURCES PANEL held at East Sussex Fire & Rescue Service Headquarters, 20 Upperton Road, Eastbourne, at 10.00 hours on Thursday 15 November 2012.**

**Members Present: Councillors Livings (Chairman), Ost, Pidgeon, Rufus, Scott, Sparks, Thomas and Waite.**

**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. D. Williams (Assistant Chief Officer – Corporate Services), Mrs. C. Rolph (Assistant Chief Officer – Sussex Control Centre), Mr. D. Savage (Treasurer), Mr. R. Charman (Director of Financial Services), Ms. L. Woodley (Deputy Monitoring Officer) and Mrs. K. Ward (Clerk).

AM. A. Brown, AM. A. Reynolds, T/AM. M. O'Brien, GM. M. Gilbert-King, GM. N. Robinson, Mrs. S. Jakeman, Mr. C. Fry, Mrs. V. Chart, Mrs L. Birch, Mr. S. Rose and Mrs. J. Scotland also attended the meeting, and were given approval to stay for the exempt part of the agenda – item numbers 852, 853, 854 and 855.

**842. DISCLOSABLE PECUNIARY INTERESTS**

842.1 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. APOLOGIES FOR ABSENCE**

843.1 There were no apologies for absence.

**844. ANY OTHER NON-EXEMPT ITEMS CONSIDERED URGENT BY THE CHAIRMAN/CHAIRMAN'S BUSINESS**

844.1 There were none.

**845. TO CONSIDER ANY PUBLIC QUESTIONS AND PETITIONS**

845.1 There were none.

**846. NON-CONFIDENTIAL MINUTES OF THE POLICY & RESOURCES PANEL MEETING HELD ON 30 AUGUST 2012**

846.1 **RESOLVED** – That the minutes of the meeting held on 30 August 2012 be approved as a correct record and signed by the Chairman. (Copy in Minute Book).

**847. CALLOVER**

847.1 Members reserved the following items for debate:

- 848. Revenue Budget and Capital Programme Monitoring – 2012/13
- 856. Hastings Review Consultation Update

847.2 **RESOLVED** – That agenda item 856 be considered in open session and that all other reports be resolved in accordance with the recommendations as detailed below.

848. **REVENUE BUDGET AND CAPITAL PROGRAMME MONITORING – 2012/13**

848.1 Members considered a joint report of the Chief Fire Officer & Chief Executive and the Treasurer that reported on issues arising from the monitoring of the 2012/13 Revenue Budget and Capital Programme as at 30 September 2012. (Copy in Minute Book).

848.2 This was the third monitoring report for 2012/13, covering 1 April 2012 to 30 September 2012. The projected Revenue Budget outturn for 2012/13 was estimated to be under budget by £412,000, compared to the £228,000 previously reported in August. The projected outturn on the Capital Programme was projected to be under budget by £559,000, against £414,000 previously reported in August, due mainly to a slippage on projects from 2012/13 to 2013/14.

848.3 Councillor Sparks welcomed the good news aspect of the report and highlighted the level of projected underspend. Those noted were £120,000 within service support, £100,000 on the fuel budget and £204,000 on Pensions which included Ill Health Provision.

848.4 The Treasurer advised Councillors that Officers continued to monitor the budget closely and to identify areas where permanent savings could be made. One of these areas was the proposed buyout of the remaining leases for operational vehicles which would deliver savings in the revenue budget.

848.5 The Chief Fire Officer and Chief Executive drew Members' attention to areas within the report which detailed the underspend and added that some areas of work had been postponed /cancelled due to a reduction in resources to undertake work agreed by Corporate Management Team. He also advised Members that he felt discussions singling out a particular group of staff were unhelpful as all staff contributed to the aims and objectives of the Service, irrespective of their conditions of service.

848.6 **RESOLVED** – that the Panel note:

- i. the projected 2012/13 Revenue Budget outturn;
- ii. the projected Capital Programme outturn;
- iii. the current and planned use of Balances;
- iv. the transfer of £258,000 to Earmarked Reserves;
- v. the transfer from General Fund to Earmarked Reserves for the Sussex Control Centre expenditure outside of scope of the DCLG grant; and
- vi. the variation to the Capital Programme for the buy-out of leased vehicles using Balances.

849. **TREASURY MANAGEMENT – HALF YEAR REPORT FOR 2012/13**

849.1 Members considered a report of the Treasurer which is a requirement of the Fire Authority's reporting procedures and covers the treasury activity for the first six months of 2012/13. The report included an update on the first half year of Prudential Indicators which related to the treasury activity. (Copy in Minute Book).

849.2 **RESOLVED** – That the Treasury Management performance for the first half year of 2012/13 be noted.

850. **MEMBERS' ALLOWANCE SCHEME – INDEPENDENT REVIEW**

850.1 Members considered a report of the Chief Fire Officer & Chief Executive that advised them of the arrangements for carrying out an independent review of the Members' Allowance Scheme. (Copy in Minute Book).

850.2 **RESOLVED** – That the arrangements for carrying out an independent review of the Members' Allowance Scheme be endorsed.

856. **HASTINGS REVIEW CONSULTATION UPDATE**

856.1 This item was considered in public session.

856.2 Members considered an oral update of the Deputy Chief Fire Officer which provided them with an update on the consultation so far.

856.3 Members were informed of the methods used in obtaining the views of the public and other interested parties. Methods included publication of the review and supporting documents on the Service web site, online questionnaire returns, Service Brief entry, over 200 letters / emails sent out to local Councillors, businesses and other stakeholders, presentations to all Hastings watches, Staff focus groups, public focus groups, stakeholder forum, public forum, public meeting and participation in other public meetings as requested.

856.4 Councillor Thomas noted the professionalism of the Officers at public meetings and that the public who attended had behaved in an honourable manner over such a contentious issue. It was asked whether before the meeting, the Service consulted on where the meeting should be held, the time, place and duration as he was surprised at the relatively low level of attendance.

856.5 Councillor Scott indicated that he had warned the Officers that he felt the Hastings Centre was not an appropriate venue and that he did not think that the meeting had been well advertised. However, Councillor Scott acknowledged that Officers had attended the meetings arranged by the Save the Ridge Campaign, parish councils and others to provide the Service view which he welcomed. At each of the meetings, he suggested that there was overwhelming opposition to the proposals and that public opinion over the matter was high.

856.6 DCFO Walsh advised Members that research had been done on the venue to ensure that it could accommodate the potential numbers of attendees. It also had access to good public transport links and provided ample car parking. A press release had been issued providing details of the public meeting. This had been sent to radio stations and newspapers and posted on twitter and facebook. The Hastings Observer printed details of the public forum within its 23 October edition.

856.7 **RESOLVED** – That the update be noted.

851. **EXCLUSION OF PRESS AND PUBLIC**

851.1 **RESOLVED** – That item no. 856 be considered in public session and that items 852, 853, 854 and 855 be exempt under paragraphs 3 and 4 of Schedule 12A to the Local Government (Access to Information) (Variation) Order 2006 and, accordingly, are not open for public inspection on the grounds that they include information relating to the financial or business affairs of any particular person (including the Authority holding that information), and information relating to any consultation or negotiations, or contemplated consultation or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.

The meeting concluded at 12.30 hours.

Signed

Chairman

Dated this      Day of

2013

**EAST SUSSEX FIRE AUTHORITY**

Panel: **Policy & Resources**

Date: **10 January 2013**

Title: **Revenue Budget & Capital Programme Monitoring 2012/13**

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

Purpose of Report: **To report on issues arising from the monitoring of the 2012/13 Revenue Budget and Capital Programme as at 30 November 2012**

---

**RECOMMENDATION:** The Panel is asked to note:

- (i) the projected 2012/13 Revenue Budget outturn;
- (ii) the projected Capital Programme outturn;
- (iii) the current and planned use of Balances;
- (iv) the contribution of £0.666m to adaptations to Haywards Heath Fire Station to the Capital Programme, funded from the Capital Programme Reserve; and
- (v) the transfer of the remaining transition/collaboration funds of £371,000 in the 2012/13 base budget to Earmarked Reserves. (See Paragraph 3.8).

---

**MAIN ISSUES**

1. This is the fourth monitoring report for 2012/13, covering 1 April 2012 to 30 November 2012. The Revenue Budget outturn for 2012/13 is projected to be under budget by £731,000, compared to the £412,000 previously reported in November.
2. The overall Capital Programme is projected to underspend by £40,000, compared to the overspend of £21,000 reported to the Panel in November, see Appendix 2. The current year's Programme is projected to be under budget by £1,944,000 against £559,000 previously reported in November, due to slippage on projects from 2012/13 to 2013/14, mainly the potential purchase of land to facilitate the development of the Service Training Centre, see Appendix 3.
3. Appendix 1 details the overall Revenue Budget spend and projected outturn.
4. Appendices 2, 3 and 4 present the projected outturn on the Capital Programme over all schemes, the projected spend for the current year and Capital Financing.
5. Appendix 5 details the Balances.

**Des Prichard**  
**CHIEF EXECUTIVE & CHIEF FIRE OFFICER**  
18 December 2012

**Duncan Savage**  
**TREASURER**

## 1 INTRODUCTION

1.1 The financial information contained in this report is based upon the budget report enquiries as at 30 November 2012, and the projected outturn is shown below and in the summary at the end of this report as Appendix 1.

## 2. BUDGET OUTTURN SUMMARY

2.1 The table below summarises the change from previously reported 2012/13 Revenue Budget and Capital spending positions.

### Projected Outturn

	Last P & R Panel report £,000	This P & R Panel report £,000	Movement £,000
Revenue (see paragraph 3)	(412)	(731)	(319)
Capital (see paragraph 5)	(559)	(1,944)	(1,385)

2.2 The movement in the projected Revenue Budget outturn is detailed in Paragraph 3 below.

## 3 PROJECTED REVENUE BUDGET OUTTURN – OBJECTIVE LEVEL

3.1 The table below represents the projected Revenue Budget at objective level:

Directorate/Budget	Current Budget	Actual to date	Projected Outturn	Variance	Last P & R 15 November
	£,000	£,000	£,000	£,000	£,000
Service Delivery Response	5,507	3,570	5,497	(10)	(10)
Service Delivery Prevention	722	528	718	(4)	(4)
Operational Pay and Pensions	18,339	11,922	18,045	(294)	(204)
<b>Total service delivery/operational budget (61% of total budget)</b>	<b>24,568</b>	<b>16,020</b>	<b>24,260</b>	<b>(308)</b>	<b>(218)</b>
Service Support Estates	1,292	644	1,203	(89)	(1)
Service Support IMD	3,156	2,133	2,976	(180)	(10)
Service Support Fleet	2,022	1,431	1,915	(107)	(107)
Service Support Other	221	233	219	(2)	(2)
<b>Total Service Support budget (17% of total budget)</b>	<b>6,691</b>	<b>4,441</b>	<b>6,313</b>	<b>(378)</b>	<b>(120)</b>
People & Organisational Development OD	582	336	578	(4)	(4)
People & Organisational Development HR	738	490	735	(3)	(3)
People & Organisational Development L&D	1,397	795	1,393	(4)	(4)
<b>Total People &amp; Organisational Development (7% of total budget)</b>	<b>2,717</b>	<b>1,621</b>	<b>2,706</b>	<b>(11)</b>	<b>(11)</b>
<b>Corporate Services (6% of budget)</b>	<b>2,364</b>	<b>1,293</b>	<b>2,373</b>	<b>9</b>	<b>(9)</b>
<b>Principal Officers (2% of budget)</b>	<b>779</b>	<b>445</b>	<b>779</b>	<b>0</b>	<b>0</b>
<b>Central (7% of budget)</b>	<b>2,911</b>	<b>233</b>	<b>2,868</b>	<b>(43)</b>	<b>(54)</b>
<b>Total</b>	<b>40,030</b>	<b>24,053</b>	<b>39,299</b>	<b>(731)</b>	<b>(412)</b>



- 3.2 **SERVICE DELIVERY:** The projected underspend of £308,000 comprises an underspend of £14,000 in Response and Prevention as reported previously, and an underspend of £294,000 in operational Pay and Pensions.
- 3.2.1 **Response and Prevention:** The budget remains forecast to underspend by £14,000 reflecting the pay award provision not required for Response and Prevention support staff. This takes into account a projected spend on the Volunteers' project of £58,000 for which there is £36,000 in Earmarked Reserves in 2012/13 and a further £200,000 in Earmarked Reserves in future years. The current year's spend can be absorbed within the current overall projected Revenue Budget underspend without recourse to the earmarked reserves.
- 3.3 **OPERATIONAL PAY AND PENSIONS:** The operational budget is projected to be under budget by £90,000 compared to on-line reported at the last Panel meeting. Pensions' outturn remains unchanged at £204,000 under budget, giving an overall underspend of £294,000.
- 3.3.1 **Wholetime:** Operational substantive numbers are currently at 409, 12 below establishment as at 30 November 2012 but recruitment of external transferees and further migration of Retained Duty System (RDS) staff to wholetime positions is expected to allow a sufficient operational strength in 2012/13 to be maintained. 3 RDS staff are migrating to wholetime positions from 1 January 2013 together with 1 transferee to bring strength up to 413. Many of the substantive vacancies are at Officer level, some of which may be affected by any savings outcomes arising from the current Incident Command System (ICS) Review.
- 3.3.2 The need for operational staff savings in 2013/14 is borne in mind before any permanent recruitment is made and will be balanced against crewing requirements. It should be noted that from 1 April 2013, the operational establishment of 421 should be reduced by 5 to 416 in respect of savings already planned. From 1 October 2013, the establishment will be further reduced by 4 firefighters to 412 with the introduction of the Aerial Rescue Pump in Eastbourne. Potentially, if approved, the current ICS Review may reduce the establishment by approximately a further 4 posts at some point in 2013/14, bringing the establishment down to an indicative level of 408.
- 3.3.3 **Retained:** The retained budget is projected to be online. This takes account of a projected underspend on operational activities and projected overspend on Retained Loss of Earnings. The Head of Learning & Development is in discussion with the Director of Response & Resilience regarding the transfer of budgets concerning the projected overspend on Loss of Earnings as it is training related. The Retained budget remains very volatile.
- 3.3.4 **Pensions:** As reported at the last Panel meeting, the projected underspend on firefighter pensions, including ill health provision, is £204,000. Of this sum, £100,000 will be saved from the base in 2013/14 to help close the budget funding gap. The cost of ill health retirements is incurred in the financial year following retirement and, as there are retirements in the current year, the ill health base budget provision will be maintained for 2013/14.

- 3.4 **SERVICE SUPPORT:** This budget is forecast to be underspent by £378,000 against the previously reported underspend of £120,000. Details are given in paragraphs 3.4.1 – 3.4.3 below. The projection assumes that the £70,000 earmarked for consultancy services to the Information Management Department in the budget may be spent this year and, if not, an adjustment will be made at the next update.
- 3.4.1 **Estates:** Financial Services and the Head of Estates Management have carried out a review of the estates budgets and the Head of Estates has advised that there is a projected underspend of £88,000 on the planned maintenance budget. There is expected to be a permanent saving that cannot be quantified at this stage, to be removed from the base budget to help close the strategic funding gap in 2013/14.
- 3.4.2 **Information Management Department (IMD):** Financial Services and the Head of IMD had identified potential savings of up to £200,000 in 2012/13 but, in the current year, this is being utilised to ensure the delivery of key work streams. £90,000 has been identified as underspend in the current year relating to the Firelink Contract but it is uncertain, at present, if the saving will continue into 2013/14. An additional potential underspend of £80,000 has been identified on the Mobile Data Terminals budget, making a total of £180,000. It also includes the previously reported underspend of £10,000 on the Support Staff pay award.
- 3.4.3 **Fleet:** There remains a projected underspend on the fuel budget of £100,000 as reported previously that will not be allocated at this stage but retained for any overspends or adding to General Reserves at year-end. For 2013/14, it is intended that £50,000 be offered as savings to close the strategic funding gap and that the remainder is held in the base to provide resilience to volatile fuel and utilities price rises in 2013/14. It also includes the previously reported underspend of £7,000 on the Support Staff pay award.
- 3.5 **PEOPLE AND ORGANISATIONAL DEVELOPMENT (POD):** The projected underspend of £11,000 reflects the 1% pay award provision not required for Organisational Development, Human Resources and Learning & Development (L&D) support staff.
- 3.6 **CORPORATE SERVICES:** There is a projected overspend of £9,000, previously reported as a projected underspend of £9,000. This is due to additional work being carried out by Internal Audit.
- 3.7 **CENTRAL:** The central budget is projected to underspend by £43,000. This comprises the £54,000 previously identified to the Panel as unallocated following a review of centrally held budgets undertaken following the announcement of the 1% fire pay award and a projected shortfall in bank interest receipts of £11,000.
- 3.8 **Collaboration/Transition (including Sussex Control Centre costs outside of grant):** Within the Revenue Budget, there is an allocation of £471,000 in respect of the costs associated with collaboration/transition including the Sussex Control Project costs that fall outside of the scope of the DCLG grant. It is anticipated that there will be a spend of around £100,000 against this allocation in 2012/13. The remaining £371,000 has been transferred to Earmarked Reserves.
- 3.9 In summary, the Revenue Budget is projected to underspend by £731,000.

#### 4. **BALANCES**

- 4.1 The table below sets out the opening Balances at the start of the financial year and the planned and projected use during 2012/13.

<b>Earmarked Reserves</b>	<b>1 April 2012</b>	<b>2012/13 Transfers</b>	<b>31 March 2013</b>
	£,000	£,000	£,000
Total Earmarked Reserves	2,365	522	2,887
Capital Programme Reserve	1,152	1,000	2,152
General Fund	4,093	(1,043)	3,050
<b>Total</b>	<b>7,610</b>	<b>479</b>	<b>8,089</b>

- 4.2 Appendix 5 sets out the current opening and new use of Balances for 2012/13, in detail. The projected level of Balances does not include the impact of the funding of the Sussex Control Project (paragraph 5.11) as this will impact in 2013/14 or the projected Revenue Budget underspends. The collaboration and transition earmarked reserves have been combined into a single Improvement and Efficiency Reserve whose purpose is to enable the Authority to develop its efficiency programme, including Meeting the Challenge and its collaboration agenda in the light of the current challenging financial environment, and also to respond to priority areas for service improvement.

#### 5. **CAPITAL PROGRAMME PROJECTS**

- 5.1 Appendix 2 details the Capital Programme allowing for slippage brought forward from 2011/12, approved at the Policy & Resources Panel meeting on 24 May 2012, and including previously approved variations. The overall Programme is projected to underspend by £40,000 compared to the previously reported overspend £21,000.
- 5.2 Appendix 3 shows the current year's budgeted and projected Capital spend. The Project Managers have advised that the following projects, totalling £1,944,000 compared to the previously reported £559,000, will not spend to budget in 2012/13.
- **Crowborough Refurbishment:** Following a recent Project Board meeting (November 2012) the Project Manager has advised that the Project is currently indicating an underspend over the whole project by £1,000. The Project has recently started and is planned to take 42 weeks, with £496,000 being spent in 2012/13 and £511,000 being spent in 2013/14 (£12,000 was spent in 2011/12). The current year will show an underspend due to this slippage of £512,000.
  - **Replacement Cars and Vans:** This scheme has resulted in a saving of £17,000.
  - **Roedean Drill Tower:** The Project Manager has advised that the amount of work required on the tower is substantially less than anticipated with a resultant saving of £74,000 (previously reported as £70,000).
  - **Wadhurst Drill Tower:** The scheme is completed with an underspend in the current year of £4,000, but an overall overspend of £29,000. The overspend was previously reported to the Policy & Resources Panel in July 2012.
  - **Aerial Rescue Pump:** Changes to the specifications have meant that a saving of £11,000 will be achieved.

- 5.3 **Heathfield (Equality Act Project):** The latest information received from the architects managing the project, suggests that the final outturn will be £112,000, (£2,000 over budget). This is inclusive of the additional works carried out on the Wide Area Network (WAN). This is a worst case scenario as the architect is contesting some of the charges with the contractor; this could result in a further reduction of £10,000.
- 5.4 **Refurbishment Lewes & Bexhill:** The Project Manager has advised that the Lewes & Bexhill project is complete and the final retention payments have been made to the contractors. The scheme has come in on budget in the current year and, overall, is overspent by £81,000, as previously reported to Panel.
- 5.5 The project manager has advised that the final cost for the purchase of land at Newhaven will be £715,000. The remaining £1.085m was needed to be carried forward into 2013/14 for the potential purchase of land at Maresfield STC/other projects elsewhere. This was dependant on the outcome of the capital bid to DCLG which we learned on 20 December 2012, was unsuccessful. Officers are considering the implications of this outcome which also saw an increase in the capital grant allocation that was not subject to bidding and Members will be updated in due course.
- 5.6 The project manager has advised that the total expected amount to be paid relating to the Breathing Apparatus Classroom at Maresfield this financial year will be £160,000, leaving £60,000 to be slipped into 2013/14.
- 5.7 The project manager has advised that the Roedean Roof scheme has been taken out of this year's programme and will be slipped into 2013/14, resulting in an underspend in 2012/13 of £30,000.
- 5.8 The project manager has advised that the Replacement Fuel Tanks scheme may underspend by £30,000 if a decision is taken to only proceed with the pumps. The underspend is assumed in this report, subject to final CMT approval in the new year.
- 5.9 The project manager has advised that the Sustainability project will need to slip into 2013/14 by £105,000. Crowborough Fire Station will be used as a proof of concept.
- 5.10 Successful negotiations have resulted in the buy-out of the vehicles under leases being reduced from £670,000 to £651,000, meaning a saving of £19,000.
- 5.11 **Sussex Control Centre:** Spending has started on the Sussex Control Centre, with the roll out of replacement Mobile Data Terminals (MDT). This expenditure is funded wholly by grant, with no time constraints on its use. Therefore, it is assumed in this report that the £840,000 budget (which includes the MDT costs) will be spent.
- 5.12 The Sussex Control Room is to be located at West Sussex's Haywards Heath Fire Station. The cost of the adaptations, which are estimated at £1.332m, cannot be met from the Sussex Control grant and, therefore, are shared equally between ESFRS and WSFRS. The ESFRS contribution of £666,000 is correctly classified as capital expenditure and has been added to the Capital Programme, to be funded from the Capital Programme Reserve. The Policy & Resources Panel, at its meeting in November 2012, noted the proposed funding mechanism and this formalises the variation to the Capital Programme.
- 5.13 Appendix 4 shows the projected resources available to finance the Capital Programme.

6. **SUMMARY**

- 6.1 This reports the current position on the main areas of spending for both Revenue and Capital. There are no outstanding issues.

East Sussex Fire & Rescue Service Outturn Projection April to November 2012

Appendix 1

	<b>Base Budget</b>	<b>Variations</b>	<b>Current Budget</b>	<b>Actual to Date</b>	<b>Projected Outturn</b>	<b>Projected Variance</b>
	£,000	£,000	£,000	£,000	£,000	£,000
Employees	26,029	131	26,160	16,729	25,962	(198)
Premises	2,093	79	2,172	1,368	2,084	(88)
Transport	1,396	(36)	1,360	944	1,260	(100)
Supplies & Services	6,034	(694)	5,340	3,318	5,164	(176)
Support Services	527	0	527	55	551	24
Capital Financing	2,428	0	2,428	0	2,428	0
Less Income	(1,283)	(65)	(1,348)	(523)	(1,348)	0
<b>Total</b>	<b>37,224</b>	<b>(585)</b>	<b>36,639</b>	<b>21,891</b>	<b>36,101</b>	<b>(538)</b>
Treasury Management	(1,594)	4	(1,590)	197	(1,579)	11
Pensions	3,200	(48)	3,152	1,965	2,948	(204)
<b>Total Expenditure</b>	<b>38,830</b>	<b>(629)</b>	<b>38,201</b>	<b>24,053</b>	<b>37,470</b>	<b>(731)</b>
Transfer from Balances						
Transfer to Balances	1,200	629	1,829	0	1,829	0
<b>Total Gross Expenditure</b>	<b>40,030</b>	<b>0</b>	<b>40,030</b>	<b>24,053</b>	<b>39,299</b>	<b>(731)</b>
Financed by:						
Formula Grant	(15,245)		(15,245)	(11,385)		0
Council Tax	(24,764)		(24,764)	(17,335)		0
Council Tax Collection Fund						
(Surplus)/Deficit	(21)		(21)	(15)		0
	<b>(40,030)</b>	<b>0</b>	<b>40,030</b>	<b>(28,735)</b>		<b>0</b>

## East Sussex Fire &amp; Rescue Service Capital Programme Monitoring April 2012 to March 2013

Capital scheme	Base Budget	Variations	Total approved budget	Spend previous years	Spend 2012/13	Total Spend	Orders placed	To be processed 2012/13	To be processed future years	Forecast outturn	Variance on approved Budget
	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000
<b>Schemes starting in 2012/13</b>											
Replacement Cars & Vans	40		40		23	23				23	(17)
Purchase of Land for Service Requirements	1,800		1,800		715	715			1,085	1,800	0
BA Classroom Maresfield	220		220		15	15	8	137	60	220	0
Property Strategy	760		760			0		41	615	656	(104)
Operational Vehicles lease buy out		670	670			0		651		651	(19)
Information Management Strategy; Sussex Control Centre	1,120		1,120			0	242	598	280	1,120	0
Adaptations to Sussex Control Centre		666	666			0			666	666	0
<b>Total Schemes starting 2012/13</b>	<b>3,940</b>	<b>1,336</b>	<b>5,276</b>	<b>0</b>	<b>753</b>	<b>753</b>	<b>250</b>	<b>1,427</b>	<b>2,706</b>	<b>5,136</b>	<b>(140)</b>
<b>Continuing schemes starting in previous years</b>											
Combined Aerial Rescue Pump	780		780	105	332	437	332			769	(11)
Wadhurst Drill Tower	150		150	179		179				179	29
Crowborough Refurbishment	350	670	1,020	12	7	19	65	424	511	1,019	(1)
Heathfield Equality Act	110		110	6	68	74	13	25		112	2
Refurbishment Lewes & Bexhill	605	27	632	693	20	713				713	81
<b>Total schemes from previous years</b>	<b>1,995</b>	<b>697</b>	<b>2,692</b>	<b>995</b>	<b>427</b>	<b>1,422</b>	<b>410</b>	<b>449</b>	<b>511</b>	<b>2,792</b>	<b>100</b>
<b>Total</b>	<b>5,935</b>	<b>2,033</b>	<b>7,968</b>	<b>995</b>	<b>1,180</b>	<b>2,175</b>	<b>660</b>	<b>1,876</b>	<b>3,217</b>	<b>7,928</b>	<b>(40)</b>

Capital Spend in 2012/13 – forecast spending at 2012/13 outturn (NOT total project outturn)

Appendix 3

Capital scheme	Budget spend 2012/13	Spend 2012/13	Orders placed	Still to be processed in 2012/13	Outturn	Variance on 2012/13 Budget
<b>Schemes starting in 2012/13</b>						
Replacement Cars & Vans	40	23			23	(17)
Purchase of Land for Service Requirements	1,800	715			715	(1,085)
BA Classroom Maresfield	220	15	8	137	160	(60)
Property Strategy Roedean Drill Tower	90			16	16	(74)
Property Strategy Roedean Roof	30				0	(30)
Property Strategy Replacement of Fuel Tanks	55			25	25	(30)
Property Strategy Sustainability Initiative	105				0	(105)
Operational Vehicles lease buy out	670			650	650	(20)
Information Management Strategy; SCC	840		242	598	840	0
Adaptations to Sussex Control Centre	0				0	0
<b>Total Schemes starting 2012/13</b>	<b>3,850</b>	<b>753</b>	<b>250</b>	<b>1,426</b>	<b>2,429</b>	<b>(1,421)</b>
<b>Continuing schemes starting in previous years</b>						
Combined Aerial Rescue Pump	675	332	332		664	(11)
Wadhurst Drill Tower	4				0	(4)
Crowborough Refurbishment	1,008	7	65	424	496	(512)
Heathfield Equality Act	104	68	13	25	106	2
Refurbishment Lewes & Bexhill	18	20			20	2
<b>Total Schemes starting in previous years</b>	<b>1,809</b>	<b>427</b>	<b>410</b>	<b>449</b>	<b>1,286</b>	<b>(523)</b>
<b>Total</b>	<b>5,659</b>	<b>1,180</b>	<b>660</b>	<b>1,875</b>	<b>3,715</b>	<b>(1,944)</b>



**Capital Resources 2012/13**

**Appendix 4**

	<b>Original Budget</b>	<b>Variations</b>	<b>Total Budget</b>	<b>Income Received</b>	<b>Projected Resources</b>	<b>Variance on 2012/13 Budget spend</b>
	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>
Capital Programme Reserve	1,152		1,152		1,152	0
Contribution from General fund	0	670	670		670	0
Capital Receipts	840		840		840	0
DCLG bid funding; Sussex Control Centre	840		840		840	0
Government Grant	1,203		1,203	1,203	1,203	0
Revenue transfer to Capital Reserves	1,000		1,000		1,000	0
<b>Total Resources</b>	<b>5,035</b>	<b>670</b>	<b>5,705</b>	<b>1,203</b>	<b>5,705</b>	<b>0</b>

## Appendix 5

<b>BALANCES POSITION WITH IN YEAR TRANSFERS 2012/13</b>						
	2012/13	2012/13	2012/13	2012/13	2012/13	2013/14
	Opening Balance £,000	Anticipated Spend £,000	Transfer To General £,000	Transfer To earmarked £,000	Transfer To Earmarked from Rev Budget £,000	Closing Balance £,000
Earmarked Reserves						
Transition	500	(500)	0	0	0	0
Collaboration	500	0	0	(500)	0	0
Improvement & Efficiency	0	0	0	500	371	871
Wide Area Network	400	0	(400)	0	0	0
San H Communication Equipment	178	0	(178)	0	0	0
Maritime Incident Response Group	150	0	0	0	0	150
Insurance Reserve	106	0	0	0	108	214
Technical Fire Safety	95	(95)	0	0	0	0
Community Fire Safety 2014/15	0	0	0	0	150	150
Breathing Apparatus 2014/15	0	0	0	750	0	750
SCC Desktop Provision	0	0	0	85	0	85
SCC Connectivity	0	0	0	106	0	106
Mapping Solution	0	0	0	120	0	120
Coaching for Safer Communities	91	0	(41)	0	0	50
Relocation Expenses for staff vacating Houses	85	0	0	0	0	85
RDS Training	70	0	0	0	0	70
IMD Strategy	55	(55)	0	0	0	0
Outstanding Minor Commitments relating to 2011/12	46	0	(46)	0	0	0
Volunteers Scheme (3 years)	36	0	0	200	0	236
IMD HR system Replacement	30	(30)	0	0	0	0
Community Safety (c/f)	12	0	(12)	0	0	0
Safe Drive	11	0	(11)	0	0	0
<b>Total Earmarked Reserves</b>	<b>2,365</b>	<b>(680)</b>	<b>(688)</b>	<b>1,261</b>	<b>629</b>	<b>2,887</b>
<b>General Fund</b>	<b>4,093</b>		<b>688</b>	<b>(1,261)</b>	<b>200</b>	<b>3,720</b>
<b>Operational lease buy-out</b>		<b>(670)</b>				<b>(670)</b>
						<b>3,050</b>
<b>Capital Programme Reserve</b>	<b>1,152</b>		<b>0</b>	<b>0</b>	<b>1,000</b>	<b>2,152</b>
<b>TOTAL BALANCES</b>	<b>7,610</b>	<b>(1,350)</b>	<b>0</b>	<b>0</b>	<b>1,829</b>	<b>8,089</b>

**EAST SUSSEX FIRE AUTHORITY**

Panel: **Policy & Resources**

Date: **10 January 2013**

Title: **Medium Term Financial Plan 2013/14 to 2017/18 including IRMP – Consultation Outcomes**

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

Purpose of Report: **To apprise the Panel of the consultation responses to the latest draft Medium Term Plan 2013/14 to 2017/18 for consideration as part of the Fire Authority's medium term strategic policy and resource planning considerations**

---

**RECOMMENDATION:** The Panel is asked to give full consideration to the available outcomes of this latest consultation and engagement process as part of its medium term planning processes.

---

**MAIN ISSUES:**

1. As part of systematic Medium Term Planning processes, a draft Medium Term Plan, including proposed IRMP issues covering the period 2013/14 to 2017/18, was approved for consultation earlier this year. This was to follow on after the Hastings Review work, supported by a similar consultation programme to that used in previous years, commensurate with the strategic nature of the document and the need to seek initial views on some more fundamental policy and resource management prioritisation issues. The key consultation methodologies used were the ORS commissioned telephone survey, and deliberative focus groups so that the outcomes could be democratically representative and inclusive to meet local demographic profiling. The views of our key local stakeholders as well as the views of representative bodies were also sought.
2. The whole span of consultation processes involved:
  - a) Publication of the draft Plan on the Service web site.
  - b) A complementary online questionnaire.
  - c) An online telephone survey undertaken by ORS with 500 demographically representative consultees (Appendix 1 attached as a separate document for Members of the Fire Authority, copy on website or available from the Clerk).
  - d) 3 deliberative public focus groups covering the City, the central areas of East Sussex and Hastings. **The summary results of the 3 focus groups are set out in paragraph 6. The full report will be presented to the Fire Authority meeting in January, following the last focus group meeting on 17 December 2012.**
  - e) A Service Brief item inviting staff to consult on the Plan as well as reminders.
  - f) E mails/letters to over 300 local stakeholder, businesses and community groups inviting them to view and consult on the review online (Appendix 3 and 4 results).
  - g) A follow up e-mail/letter to stakeholders seeking responses to meet the response deadline.
  - h) 300 copies to managers, stations and libraries for distribution.
  - i) offers by ACO(CS) to meet any station or team to discuss the issues involved.
3. The 12 week consultation programme ended on 14 December 2012. This report is a full representation of all responses received.

4. It is fair to say that the overall results indicate that we have sustained extensive public support as a Service; consultees still believe we provide value for money to local council taxpayers; and our strategic aims are supported. However, recognising we are not immune from the economic fallout, the public wish response service standards to be protected the most; reducing prevention and protection is also not favoured. Maximising council tax within government limits is the preferred potential partial solution - but reducing staffing costs via different crewing arrangements is seen as a higher priority for the Service to address, along with increasing income from fees and charges and greater partnership working to achieve efficiencies in scale and scope of support services.

5. Two areas of improvement were identified from the telephone survey -

Q 2.5 A quarter of residents (25%) felt poorly informed about the standard of service they should expect from their Fire & Rescue Service (compared with 40% in 2010/11).

Q 2.6 More than half (52%) of residents reported feeling poorly informed about what their Fire and Rescue Service spends its money on (compared with 53% in 2010/11).

Clearly, the improvement work (updating and re-releasing the Service Standards leaflet, revamping our website, more press releases, open days etc., and the publication of a finance digest) to seek to improve our previous weak score in these areas has done little to achieve an improvement on these concerns.

6. The deliberative focus groups were very successful. A number of the Hastings Focus Group were invited back for a second time to cover financial issues following their deliberations on the Hastings IRMP review and all those invited attended. As the last Group meeting took place on 17 December 2012, the detailed results are still being written up. An executive summary will be presented to the Fire Authority at its January meeting to assist with the strategic budget discussions. After a full presentation of the medium term service planning issues, one of the exercises undertaken was to ask each group which key service areas could be considered for potential future savings after all current savings streams had been fully exhausted and in the light of a potential £4m resourcing gap in a few years' time. A preliminary summary of the results is set out in the table below. All the groups appreciated that savings would have to come from most, if not all, areas and other options were also possible and should be considered in due course.

Preferred main means of achieving savings in the future – scores out of 100	KEY FOCUS GROUP OUTCOMES		
	The City	Central & Eastern	Hastings
<b>Least favoured first</b>			
Fewer appliances, slower response times	0	10	0
Other e.g. return to merger, increasing fees and charges, etc. – specifically identified by City Group – others supported but didn't scope them as options.	18	0	0
Reducing prevention and protection services	7	22	10
Changing crewing arrangements	25	45	50
Increasing Council Tax within Government limits	50	23	40
<b>Most favoured last</b>			

7. When the issue of either accepting or rejecting Council Tax Freeze grant was proposed, 13% of the Central & Eastern group thought the Freeze Grant should be accepted; 60% thought the Freeze Grant should be rejected, and 27% did not know. For both the City and Hastings groups, all consultees thought the Council Tax Freeze Grant should be rejected in favour of a 2% increase in Council Tax due to the more favourable long term financial impacts upon the Service.
8. Disappointingly, there was little staff reaction and very few responses from stakeholders via the online survey (Appendix 2) – but it has to be borne in mind this was very much an externally focussed consultation to inform stakeholders of the key resourcing issues and a prompt for them with regard to seeking their views on the key review areas for the future as well as get public reaction to some key options for the Fire Authority to help Members with their budget deliberations. Whilst one key stakeholder clearly understood the messages (Appendix 3), which was reassuring to say the least, the rest remain noticeable by their reluctance to provide any response at all. It is suspected that the request to respond to the more politically sensitive questions, such as whether to accept council tax freeze grant or not, would have put off most officers from responding on behalf of their respective local councils, but that subject was relevant to ask other stakeholders.
9. A letter was sent from the Fire Brigades Union to the Chairman of the Fire Authority on 10 December 2012 which is attached as Appendix 4 which questioned the legality of our latest Medium Term Plan from the Integrated Risk Management perspective. An appropriate response is being prepared for the Chairman's consideration at the time of writing this report and will be tabled at the meeting of the Panel.
10. A more detailed analysis will follow on what conclusions might be drawn for further consideration as part of next year's strategic planning processes and a summary will be published in the final version of the Plan for publication by 31 March 2013 along with the appropriate supporting documents.

**Des Prichard**

**CHIEF FIRE OFFICER & CHIEF EXECUTIVE**

18 December 2012

Previous Reports

P&R August 2012 – Medium Term Financial Plan

**ONLINE TELEPHONE SURVEY RESULTS – ATTACHED AS A SEPARATE DOCUMENT FROM ORS**

**PLEASE NOTE THAT THE OUTCOMES OF 3 DELIBERATIVE FOCUS GROUPS IN THE CITY, CENTRAL & EAST SUSSEX, AND HASTINGS ARE STILL TO BE FINALISED AND WILL BE PRESENTED TO THE FIRE AUTHORITY IN JANUARY FOR CONSIDERATION.**

## APPENDIX 2

## ONLINE RESPONSES RECEIVED

	Strongly agree	Tend to agree	neither	Tend to disagree	Strongly disagree
<b>Consulting you</b>					
1. Appreciate being consulted on future plans?	6	1	0	0	0
2. Plan easy to understand?	0	5	1	0	1
3. Feel well informed about standards of services you should expect from us?	2	4	1	0	0
4. We are working hard to make our communities safer?	4	2	1	0	0
<b>Targeting our Services to those who need them</b>					
5. You agree with our vision, values and aims?	2	4	0	1	0
6. We should continue to prioritise our services more closely to local people most in need, but still meet agreed service standards?	5	2	0	0	0
<b>Developing our Services for the future</b>					
7. We should prioritise our response and protection to achieve the best community safety outcomes that we can afford?	7	0	0	0	0
8. We should continue to seek ways of working with partners and sharing support services where it is most cost effective?	5	0	0	1	1
9. We should create opportunities to increase income on some services to plough back for general community good?	5	0	1	0	1
<b>Paying for our Services</b>					
10. We should charge for false alarm calls when it is made possible by change in law?	3	3	1	0	0
11. Our 2012/13 Council Tax bill of £81.86 is reasonable?	1	3	2	0	0
12. This cost represents good value for money to you?	0	4	3	0	0
13a. Council tax increase of approximately £3 per year per household?	1	1	2	1	0
13b. Council tax increase of between £2 and £3 per year per household?	0	2	1	1	1
13c. Council tax increase of no more than £2 per year per household?	1	2	1	0	1

**PRINCIPAL STAKEHOLDER LETTER RECEIVED**

Dear Ms Williams,

**East Sussex Fire Authority's Medium Term Plan 2013/14**

I write in regard to the consultation document on ESFRS medium term plan; both to praise the open and inclusive nature of the consultation and welcome the trajectory it proposes.

I have asked relevant officers to share with me their views and am pleased to report that the plan received only positive feedback.

Colleagues involved in civil contingency noted the opportunity for joint working around fire prevention, especially on our estates, and with highways to reduce collisions.

The only significant change they noted was the use of smaller fire engines to navigate our roads. I feel sure you will be talking with us about the issues this raises in future.

The Head of Communities and Equality remarked that the plan looked 'very good', and the Commissioner for Community Safety has proposed adding it to the agenda of the Community Safety Forum agenda for 10th December.

This last action will, I hope add to the number of people minded to respond.

Thank you for asking us to take part.

Sincerely,  
Cllr Jason Kitcat  
Leader – Brighton & Hove City Council



LETTER FROM REGIONAL OFFICIAL FBU

Executive Council Member Jim Parrott

---

Councillor John Livings  
Chairman  
East Sussex Fire Authority  
20 Upperton Road  
Eastbourne  
East Sussex  
BN21 1EU

10<sup>th</sup> December 2012

Dear Mr Livings

I have read the *East Sussex Fire Authority Medium- Term Plan 2013/14-2017/ (including IRMP 2013/14-2015/16) Public Consultation Document* and find that it does not give the reader even the most basic information on their consultation rights or the statutory duties that East Sussex Fire Authority (ESFA) must fulfil.

I have searched the East Sussex Fire and Rescue Web site and I cannot find *the IRMP 2013/14-2015/16* referred to in the title of the consultation document.

It is clear that the author of the document has not understood guidance provided by the Government on what information must be made publically available.

It is also clear that ESFA has not produced an IRMP as required by the *Fire and Rescue Framework for England 2012*. I shall raise both of these statutory failings through the appropriate channels.

The Public Consultation Document is not fit for purpose and I urge you withdraw it to avoid further damage to the reputation of East Sussex Fire Authority.

I have included a summary of legislation and guidance provided by government to fire and rescue authorities to assist them in identifying and assessing risks and to produce control measures that must be included in an IRMP.

Yours sincerely



Jim Parrott



**EAST SUSSEX FIRE AUTHORITY**

Panel: **Policy & Resources**  
Date: **10 January 2013**  
Title: **Members' Motor Insurance whilst on Fire Authority business**  
By: **Chief Fire Officer & Chief Executive**  
Purpose of Report: **To provide guidance on the lawful procedure with regard to Members using their own private motor vehicles on Fire Authority business.**

---

**RECOMMENDATION:** The Panel is asked to note the need for Members to obtain business mileage insurance cover whilst on Fire Authority business.

---

**MAIN ISSUES**

1. The law requires car drivers to have motor insurance to use their own vehicles on the public highway.
2. To attend meetings and functions of the Fire Authority, and in common with other local authorities, East Sussex Fire Authority reimburses the travel expenses of its Members. In the case of car and motor bike users, the reimbursement is based on the mileage rate specified in the Members' Handbook.
3. Whilst the Fire Authority provides some insurance cover for Members when they are engaged on business which relates to their activities for the Authority, this limited insurance cover does not extend to Members' own vehicles, even if these vehicles are used on Authority business.
4. Members must advise their own insurers and ensure they are suitably covered if they are using their own vehicles on Fire Authority business. This means business use cover. This is a requirement of all local authority Members, staff and, indeed, required for any businesses.
5. In order to ensure the Fire Authority complies with its legal requirements, all Members must now provide evidence that they have business cover insurance if using their own vehicles on CFA business, on an annual basis.

**Des Prichard**  
**CHIEF FIRE OFFICER & CHIEF EXECUTIVE**  
21 December 2012

## 1. **INTRODUCTION**

- 1.1 The ESFA Members' Handbook, Section G, sets out the Members' Allowance Scheme covering the allowances which can be claimed by Members (including Co-opted Members) of the Authority.
- 1.2 This Scheme includes travelling and subsistence allowances, including how to claim these allowances.
- 1.3 The Scheme also describes the insurances the Authority has in place for Members, including the fact that this does not extend to motor insurance for Members' own vehicles.
- 1.4 Valid motor insurance is a statutory requirement in the UK, and the Scheme reminds Members that they should ensure they have appropriate cover in place if using their own vehicle for Authority business.

## 2. **CURRENT POSITION**

- 2.1 The Scheme sets out the procedure for claiming travel expenses, including mileage claims. The Authority provides some insurance cover for Members when they are engaged on business which relates to their activities for the Authority. The insurance does not cover any party political activities. The insurance covers certain risks in the following broad categories:
  - Public Liability
  - Officials' Indemnity
  - Libel and Slander
  - Employers' Liability
  - Personal Accident Insurance
  - Business Travel Insurance
- 2.2 However, the Fire Authority's motor insurance does not extend to Members' own vehicles, even if these vehicles are used on Authority business. The current motor insurer, Zurich Municipal (ZM), does not offer this option for regular use; however the Authority's officers and Members are covered in unforeseen circumstances. Within the Members' Allowance Scheme, Members are reminded to ensure that they have advised their own insurers and they are suitably covered if their own vehicles are to be used on Authority business.
- 2.3 There are three rates of mileage allowances: car, motorcycle and cycle. These rates are based on the HMRC advisory rate calculated to reflect the actual running costs of the vehicle, including fuel, maintenance and insurance (HMRC EIM31215). If a higher rate was paid, the payment would be subject to possible income tax and national insurance deductions.
- 2.4 As an alternative to personal car travel, and encouraged for longer journeys, Members are permitted to claim the actual cost of coach travel or standard class rail fares.

### 3. DEVELOPMENTS

- 3.1 Technical developments at the DVLA have led officers to review existing arrangements for our staff as well as overall corporate responsibilities. Electronic links to DVLA allow on-line checking of drivers' qualifications to drive Service vehicles. To increase the rigor of the reimbursement process, officers were requested to provide copies of valid insurance documentation, if they had not previously done so.
- 3.2 The requirement to provide documentary evidence is in line with best practice and the heightened importance laid at the Authority's duty of care to employees.
- 3.3 A Service Brief item reminded staff of this requirement which was queried. As a result, Officers contacted the Authority's current insurer, ZM, to ask them for their views on business cover. ZM advised that any individual using their own vehicle for business reasons is legally obliged to have business cover on their insurance policy. This was also confirmed with the Authority's insurance broker, Jardine Lloyd Thompson (JLT).
- 3.4 Whilst JLT is unable to comment on specific policies or companies, with most insurance companies, business cover is available at no extra cost to the policy holder if added at renewal. It is the case, however, that many insurance companies will charge an administration fee if a policy is changed during its term.
- 3.5 Officers then further investigated the approach taken by other authorities. Contact was made with East Sussex County Council who confirmed that they require their officers **and Members** to have business cover if they are using their own vehicles on Authority business and are claiming for mileage and this is what they advise.
- 3.6 Officers also asked the question to the wider fire and rescue community using the Fire Internetworking Data Service (FINDS). This is a communications forum established by the fire and rescue community to allow information sharing and exchange of practices and procedures. 18 responses were received with regard to the position:
- 7 specifically require business insurance to be in place,
  - 5 require a declaration to be signed stating the appropriate cover is in place,
  - 1 is introducing a declaration to be signed, stating the appropriate cover is in place,
  - 5 make no requirement, generally relying on the individual to act appropriately.
- 3.7 In summary, 13 require it and either have or are introducing checking procedures and 5 rely wholly on the individual to arrange their insurance affairs appropriately.

#### 4. **WAY FORWARD**

- 4.1 There is a clear legal requirement that to use a private vehicle on approved business use, the appropriate insurance cover must include use on business purposes.
- 4.2 A complementary report was presented to Corporate Management Team at its meeting in December 2012 to resolve and reconfirm arrangements for all ESFRS staff using their own cars, etc. on ESFRS business. Staff are now required to provide evidence that their insurance cover must include use on business purposes. This reflects the Authority's duty of care to employees and safeguards against error or omission. No reimbursement of any additional costs was agreed.
- 4.3 This report similarly advises that Members who use their own vehicles for Fire Authority business matters are now requested to provide evidence that their own insurance cover covers business use.
- 4.4 Usually, such cover will already be in place as expected by our constituent authorities. As stated earlier, Member mileage rates take account of all running costs and, therefore, presume insurance costs are already factored into the reimbursement.
- 4.5 It may arise that a Member cannot get cost effective business insurance. This would affect both the constituent authority as well as the Fire Authority. However, this is most likely to be linked to an underlying reason for a very high premium even for non-business use, rather than a consequence of business cover. Alternative transport arrangements would need to be resolved by the Member concerned. The legal responsibilities placed upon the Fire Authority should not be compromised.