

EAST SUSSEX FIRE AUTHORITY

Minutes of the meeting of the POLICY & RESOURCES PANEL held at East Sussex Fire & Rescue Service Headquarters, 20 Upperton Road, Eastbourne at 11.30 hours on Thursday 5 November 2015.

Members Present: Councillors Barnes, Howson (Chair), Lambert, O'Quinn, Pragnell, Scott and Taylor.

N.B. Councillor Taylor attended the meeting in place of Councillor Theobald, having been nominated by the Group Leader and approved by the Deputy Monitoring Officer.

Also present:

Mr. G. Walsh (Chief Fire Officer & Chief Executive), Mr. S. Apter (Deputy Chief Fire Officer), Mr. G. Ferrand (Assistant Chief Fire Officer), Mrs. C. Rolph (Assistant Chief Officer), Mr. D. Savage (Treasurer), Mr. W. Tricker (Head of Finance & Procurement), Mrs. L. Ridley (Head of Performance Management), Miss L. Woodley (Deputy Monitoring Officer) and Mrs. A. Bryen (Clerk).

988. DISCLOSABLE PECUNIARY INTERESTS

988.1 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.

989. ELECTION OF CHAIRMAN

989.1 **RESOLVED** – That Councillor Howson be elected as Chairman.

990. APOLOGIES FOR ABSENCE

990.1 An apology for absence was received from Councillor Theobald.

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

991.1 There were no urgent items for consideration.

991.2 The Panel welcomed Steve Apter Deputy Chief Fire Officer, to the meeting and wished him well during his time with East Sussex Fire & Rescue Service. Steve had been seconded from Hampshire Fire & Rescue Service. Members welcomed Steve's temporary appointment.

992. NON-CONFIDENTIAL MINUTES OF THE POLICY & RESOURCES PANEL MEETING HELD ON 28 MAY 2015

992.1 **RESOLVED** – That the minutes of the meeting held on 28 May 2015 be approved as a correct record and signed by the Chairman. (Copy in Minute Book).

993. **CALLOVER**

- 993.1 Members reserved the following item for debate:
996. Day Crewed Plus Duty System

994. **PROVISIONAL REVENUE BUDGET AND CAPITAL PROGRAMME MONITORING 2015/16**

- 994.1 Members received a joint report of the Chief Fire Officer & Chief Executive and Treasurer that advised them about issues arising from the monitoring of the 2015/16 Revenue Budget and Capital Programme as at 30 September 2015. (Copy in Minute Book).
- 994.2 Although half way through the financial year, a combination of factors meant that there remained high levels of uncertainty. The Revenue Budget outturn for 2015/16 was projected to be £216,000 underspent.
- 994.3 The overall Capital Programme was projected to be £56,000 underspent. The current year's spending profile was projected to be underspent by £256,000.
- 994.4 The Authority maintained Earmarked and General Reserves in order to assist it in managing its spending plans across financial years (Earmarked Reserves) and making provisions for the financial risks it faces (General Reserves). Members received a summary of the current planned use of Reserves.
- 994.5 A total of £1,023,000 new savings had already been taken from the 2015/16 budget, taking the total savings to £3,046,000. The projected shortfall for the year 2015/16 was £468,000.
- 994.6 **RESOLVED** – that the following be noted:
- (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.

995. **TREASURY MANAGEMENT – HALF YEAR REVIEW FOR 2015/16**

- 995.1 Members received a report of the Treasurer that presented the treasury management half yearly report as required by the Fire Authority's reporting procedures and which covered the treasury activity for the first six months of 2015/16. The report included an update on the first half year of Prudential Indicators which related to the treasury activity. (Copy in Minute Book).
- 995.2 The Fire Authority had complied with its approved Treasury Management Strategy and Prudential Indicators during the first 6 months of the year.

995.3 In challenging economic conditions the average rate of interest received through Treasury Management activity was 0.61%. This reflected the Fire Authority's continuing prioritisation of security and liquidity over yield.

995.4 No new borrowing had been undertaken in 2015/16 to date; a £150k loan matured through the Public Works Loan Board (PWLB) on 30 September 2015. Total loan debt outstanding was £10.973m at an average interest rate of 4.61%. There had been no beneficial opportunities to reschedule debt so far during the year. The projected outturn of the Fire Authority's Capital Financing Requirement (CFR), a measure of the underlying need to borrow, was £10.973m.

995.5 **RESOLVED** – That the treasury management performance for the first half year of 2015/16 be noted.

996. **DAY CREWED PLUS DUTY SYSTEM**

996.1 Members considered a report of the Chief Fire Officer & Chief Executive that apprised them of the progress with the negotiations on the implementation of the Day-Crewed Plus duty system. (Copy in minute book).

996.2 Negotiations had taken place with the Fire Brigades Union on the implementation of the Fire Authority's decision on 5 June 2014 for the introduction of the Day-Crewed Plus duty system (DCP) at Roedean and The Ridge Fire Stations.

996.3 As a result of a failure to reach agreement on the implementation of the proposals, both parties had agreed to request assistance from the National Joint Council, Joint Secretaries. Following this, both parties had agreed to seek alternative proposals that would allow the Fire Authority to achieve the savings required in the Medium Term Financial Plan (MTFP) and bridge the funding gap of £2.1m by 2020/21 (at the time of the negotiations this was £1.4m by 2019/20).

996.4 Agreement on three viable options for alternative savings proposals had been reached with the Fire Brigades Union, as set out in the report. Members were advised of the related legal considerations, and the alternative savings proposals following extensive negotiations with the Fire Brigades Union.

996.5 Members noted the additional savings proposals under negotiation with the Fire Brigades Union, which will identify further savings from April 2016.

996.6 Councillor Barnes welcomed the constructive negotiations and the solution that had been reached through agreement, noting that greater savings were likely to be achieved in the long term. Whilst the original principle of Day Crewed Plus could not be ruled out entirely, the alternative proposals set out in the report would be more beneficial.

996.7 Councillor Lambert agreed that the proposals represented a sensible and sustainable way forward, but asked what risk there was in meeting the timescale through natural wastage (such as retirements) and voluntary redundancies.

- 996.8 Councillor Scott congratulated Officers on achieving a sensible way forward through discussions with the FBU, and looked forward to early discussions taking place on major issues in the future.
- 996.9 Councillor Pragnell supported the proposals. He asked when the restructuring proposals would be brought to Members for their consideration.
- 996.10 CFO Walsh informed Members that the alternative proposals would not be irreversible, but should that happen, further costs would be incurred. Savings would be achieved through natural wastage, voluntary redundancies, promotions and retirements in 2016/17 and 2017/18 and he was reasonably confident that the target could be met. There would be additional benefits of not paying for additional accommodation required for Day Crewed Plus at a budgeted cost of £1.855m. The autumn statement would be available on 25 November and should the outcome of this be worse than anticipated with a greater reduction in grant, then Day Crewed Plus may have to be reconsidered; this point had been made throughout the negotiations. Following the agreement that had been reached, other representative bodies had been briefed and had been supportive of the proposals. An implementation plan was being prepared following an issue of concern raised by the Retained Firefighters Union.
- 996.11 ACO Rolph informed Members of the progress of proposals for the restructure of the organisation and said that a report would be brought to the Fire Authority on 10 December 2015.
- 996.12 **RESOLVED** – That
- (i) the report be noted; and
 - (ii) the Fire Authority be recommended to approve the recommendation of the Chief Fire Officer & Chief Executive that the alternative savings proposals are accepted, rather than continue to incur costs associated with the introduction of Day Crewed Plus, as an agreed negotiated position cannot be reached with the Fire Brigades Union.

997. **EXCLUSION OF PRESS AND PUBLIC**

- 997.1 **RESOLVED** – That item 998 be exempt under paragraphs 1 & 4 of Schedule 12A to the Local Government (Access to Information) (Variation) Order 2006 and, accordingly, is not open for public inspection on the following grounds:

Paragraph 1 – that it includes information to any individual.

Paragraph 4 – that it includes information relating to any consultations or negotiations, or contemplated consultations 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.

998. **CONFIDENTIAL MINUTES OF THE MEETING OF THE POLICY AND RESOURCES PANEL HELD ON 28 MAY 2015 (EXEMPT CATEGORIES 1 & 4)**

998.1 **RESOLVED** – That the confidential minutes of the meeting of the Policy and Resources Panel held on 28 May 2015 be approved as a correct record and signed by the Chairman. (Copy in Minute Book).

998.2 It was agreed that the confidential minutes may now be made available for the press and public, but the reports and the background papers should remain exempt from publication under paragraphs 1 & 4 of Schedule 12A to the Local Government 1972.

The meeting concluded at 11:45 hours.

Signed

Chairman

Dated this Day of

2016