



**EAST SUSSEX FIRE AUTHORITY**  
**POLICY & RESOURCES PANEL**  
**THURSDAY 27 APRIL 2017 at 11:30**

**MEMBERS**

**East Sussex County Council**

Councillors Barnes, Howson, Lambert, Pragnell and Scott

**Brighton and Hove City Council**

Councillors O'Quinn and Theobald

You are requested to attend this meeting to be held at County Hall, St Anne's Crescent, Lewes, East Sussex BN7 1UE, at 11:30 hours, or at the conclusion of the meeting of the Scrutiny & Audit Panel, whichever is the later.

**AGENDA**

Item No.	Page No.	
045.	1	In relation to matters on the agenda, seek declarations of any disclosable pecuniary interests under Section 30 of the Localism Act 2011.
046.	1	Apologies for Absence.
047.	1	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).
<u>048.</u>	3	Non-confidential Minutes of the last Policy & Resources Panel meeting held on 19 January 2017 (copy attached).

Item No.	Page No.	
049.	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 Panel to adopt without debate the recommendations and resolutions contained in the relevant reports for those items which have not been called.
<u>050.</u>	11.	Revenue Budget and Capital Programme Monitoring 2016/17 – report of the Assistant Director Resources / Treasurer (copy attached).
<u>051.</u>	25.	East Sussex Fire & Rescue Service IT Strategy – report of the Assistant Director Resources / Treasurer (copy attached).
<u>052.</u>	27.	Fire Reform and the Adrian Thomas Review – report of Deputy Chief Fire Officer (copy attached).
053.	2.	Exclusion of the Press and Public.  To consider whether, in view of the business to be transacted or the nature of the proceedings, the press and public should be excluded from the remainder of the meeting on the grounds that, if the public and press were present, there would be disclosure to them of exempt information.  <b>NOTE:</b> 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.
054.	49.	Confidential Minutes of the last Policy & Resources Panel meeting held on 19 January 2017 (copy attached).
055.	51.	Sussex Control Centre Project – Progress Update – confidential report of the Interim Assistant Chief Fire Officer (copy attached). (Exempt category under paragraph 3 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 & RESOURCES PANEL held at East Sussex Fire & Rescue Service Headquarters, 20 Upperton Road, Eastbourne at 10:00 hours on Thursday 19 January 2017.**

**Members Present: Councillors Barnes, Howson (Chair), O'Quinn, Pragnell and Theobald.**

**Also present: Councillor Taylor**

**In attendance:**

Mr. G. Walsh (Chief Fire Officer), Ms. E. Woodley (Deputy Monitoring Officer), Mr. D. Savage (Assistant Director Resources/Treasurer), Mr. J. Salmon – Estates Manager and Mrs. A. Bryen (Clerk).

**036. DISCLOSABLE PECUNIARY INTERESTS**

036.1 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.

**037. APOLOGIES FOR ABSENCE**

037.1 Apologies for absence were received from Councillors Lambert and Scott, and Ms. D Whittaker (Deputy Chief Fire Officer) and Mr. M. Andrews (Assistant Chief Fire Officer).

**038. NOTIFICATION OF ITEMS WHICH THE CHAIRMAN CONSIDERS URGENT / CHAIRMAN'S BUSINESS**

**038.1 Councillor John Barnes MBE**

The Chairman congratulated Councillor Barnes on receiving an MBE from Her Majesty the Queen in her New Year's Honours in recognition of his voluntary services to the community of Etchingham.

**038.2 Item No. 042 - Revenue Budget and Capital Monitoring 2016/17**

The Chairman agreed that an additional recommendation regarding a variation to the Capital Programme for work to the Breathing Apparatus Chambers could be considered as an urgent matter by the Panel. It had not been possible to include this information in the published Revenue Budget and Capital Programme Monitoring 2016/17 report (item no. 042), as the work to review the tendered cost had only been completed after the papers had been dispatched. Consideration of this matter was urgent and could not be delayed until the next Authority meeting as this would lead to further delay in commissioning this priority scheme.

**039. NON-CONFIDENTIAL MINUTES OF THE POLICY & RESOURCES PANEL MEETING HELD ON 3 NOVEMBER 2016**

039.1 **RESOLVED** – That the minutes of the meeting held on 3 November 2016 be approved as a correct record and signed by the Chairman. (Copy in Minute Book).

040. **CALLOVER**

040.1 Members reserved the following items for debate:

- 041 Fire Authority service planning processes for 2017/18 and beyond - Revenue Budget 2017/18 and capital strategy 2017/18 to 2021/22
- 042 Revenue Budget and Capital Monitoring 2016/17

041. **FIRE AUTHORITY SERVICE PLANNING PROCESSES FOR 2017/18 AND BEYOND - REVENUE BUDGET 2017/18 AND CAPITAL STRATEGY 2017/18 TO 2021/22**

041.1 The Panel considered a joint report of the Chief Fire Officer and Assistant Director Resources / Treasurer that presented the Fire Authority's draft Revenue Budget 2017/18, the capital strategy 2017/18 to 2021/22 and the Medium Term Financial Plan 2017/18 – 2021/22 for initial consideration prior to its formal presentation for approval by the Fire Authority on 14 February 2017. (Copy in minute book).

041.2 The Authority's budget proposals for 2017/18 and its 5-year Medium Term Finance Plan (MTFP) had been updated to reflect:

- The Local Government Finance Settlement which had been announced on a provisional basis with a consultation period to 12 January 2017;
- The Minister of State for Policing and the Fire Service's acceptance of the Authority's 4-year Efficiency Plan and the resulting access to a multi-year settlement up to and including 2019/20; and
- The pressures, growth bids and savings identified through the business planning and budget setting process.

041.3 The latest version of the Medium Term Financial Plan (MTFP) showed that the Authority had already identified £1.350m of savings in 2017/18 and a total of £1.937m savings in total over the life of the MTFP.

041.4 The report outlined proposals for setting a balanced revenue budget for 2017/18, including commitments and growth bids, which would be subject to the Authority agreeing a 1.94% increase in its council tax in line with its existing budget strategy. The MTFP set out how the Authority planned to achieve a balanced budget over the medium term but noted the uncertainties for funding especially after 2019/20.

041.5 The Capital Strategy reflected the Authority's identified capital investment requirements for the next five years which could be financed from existing resources without the need to incur additional borrowing. A further review of both the Capital Strategy and the Authority's arrangements for the future funding of its delivery would be undertaken during 2017/18 to reflect the investment proposals in the revised IMD and Estates Strategies.

041.6 The Treasurer highlighted the key updates, particularly the information set out in tables 5 & 6 in the report. The Treasurer confirmed that the Authority was in a sound financial position.

- 041.7 The Treasurer informed the Panel that the East Sussex Business Rates Pool had been dissolved for 2017/18. This had previously been established to allow local authority members of the Pool to retain a greater proportion of growth in business rates. The arrangement had worked successfully for the last and the current financial years with ESFRS spending the financial gain on its safer business initiative. However, the collective view of the Pool was that potential benefits were likely to decline significantly over the forthcoming year mainly due to the likely level of business rate appeals following the business rates revaluation. The option to re-establish the Pool would be considered for 2018/19 when the appeals were concluded and the financial benefits could be more accurately predicted.
- 041.8 The Treasurer also advised that the Government had now published the draft Local Government Finance Bill setting out some aspects of the proposed regime for 100% Business Rates Retention. The Home Office had yet to set out its position on whether Fire & Rescue Authorities should remain within the business rates retention system.
- 041.9 The Chief Fire Officer confirmed that no additional savings would be required over the next five years, and the additional revenue contributions to support capital expenditure and reserves would create capacity within the budget, and there would also be no requirement to borrow for the life of the MTFP.
- 041.10 Councillor Barnes said that whilst he was not in favour of borrowing, if the IT and Estates Strategies, (including work at Preston Circus fire station), needed major capital investment which required borrowing, it would be financially prudent to borrow whilst interest rates were low.
- 041.11 The Treasurer said that the Capital Asset Strategy confirmed the Authority's intention to redevelop Preston Circus Fire Station on its existing site and identified £2.5m of Authority funding for the scheme. An initial feasibility study had been commissioned looking at a range of options including a Fire Station with office or residential provision above. A further feasibility study was being undertaken as part of the Government funded Greater Brighton One Public Estate to explore the potential for collaborating with other public sector partners on the site. Formal proposals would be brought to Members during 2017/18. Members welcomed the addition of the scheme to the Capital Asset Strategy and directed officers to progress the scheme at the earliest opportunity.
- 041.12 The Treasurer said that the budget proposals would be adjusted when presented to the Fire Authority to take account of the final council tax and business rates bases, Collection Fund positions, final Local Government Finance Settlement and to reflect the dissolving of the Business Rate Pool.

041.13 **RESOLVED** –That:

- (i) it be noted that:
  - (a) the Government had approved the Authority's Efficiency Plan, however the multi-year settlement as set out in the Local Government Finance Settlement was only provisional at this stage and may be subject to change;
  - (b) the council tax and business rate bases and the Collection Fund positions were still awaited and final budget proposals may change once this information was received;
  - (c) the East Sussex County Council Business Rate Pool had been dissolved and consideration would be given to re-establishing it in 2018/19; and
- (ii) subject to any changes as a result of paragraph (i) above, the Fire Authority be recommended to approve:
  - (a) an increase in council tax of 1.94% and thus approve:
    - (i) the budget proposals set out in this report and the net budget requirement of £37.422m for 2017/18;
    - (ii) the council tax requirement of £25.084m; and
    - (iii) the council tax and precepts as set out in Appendix F to the report;
  - (b) the capital programme for the next five years and the capital budget of £4.530m for 2017/18 and the plans to use capital grant, capital receipts and revenue contributions to finance capital expenditure;
  - (c) the maintenance of the General Reserve at a minimum of 8% of the net revenue budget over the medium term;
  - (d) the fees and charges set out in Appendix C to the report;
  - (e) that the Chief Fire Officer, in consultation with the Chairman and Treasurer, be authorised to make any adjustments to the presentation of the budget to reflect the final Local Government Finance Settlement; and
  - (f) that progress be made as quickly as possible with the Preston Circus Fire Station project.

042. **REVENUE BUDGET AND CAPITAL PROGRAMME MONITORING 2016/17**

- 042.1 The Panel considered a joint report of the Chief Fire Officer and the Assistant Director Resources / Treasurer on issues arising from the monitoring of the 2016/17 Revenue Budget and Capital Programme as at 25 November 2016. (Copy in minute book).
- 042.2 The Revenue Budget was forecast to be underspent by £528,000 (previously £262,000 underspent). This was less than 1.4% of the total revenue budget. The main variations were Safer Communities (£370,000 underspend), OSR (£143,000 overspend) and Planning & Improvement (£183,000 underspend).

- 042.3 This projected underspend provided the Authority with the opportunity to establish an earmarked reserve to fund the one off costs of Wholetime Firefighter recruitment during 2017/18 and 2018/19, and the amount would be confirmed in a future report to Members. The Chief Fire Officer said that due to the number of firefighters due to retire/leave the Service in the next 2-3 years, firefighter posts would fall under establishment by late 2017. It was important to begin a recruitment process to bring the number of firefighters to an over-establishment position for a short time to allow for a period of training new recruits. There was no provision in the existing budget to provide for an over-establishment and so the projected underspend could be used for this. The Authority would need to run a training course at the beginning of 2018.
- 042.4 Councillor Barnes supported using the underspend for firefighter recruitment and training and asked if the Authority could train firefighters under an apprenticeship scheme so that it could recoup the apprenticeship levy. The Chief Fire Officer confirmed that the Government had agreed to a firefighter apprenticeship trailblazer and the recruitment of wholetime firefighters would come under these arrangements. ESFRS was also looking at other career pathways for firefighters.
- 042.5 The overall Capital Programme was projected to be £1,000 overspent (previously reported as £13,000 underspent). The current year's Capital Programme was projected to be underspent by £2,029,000 (previously £27,000 underspent), The large variance was the result of the General Property, Fleet and Equipment schemes slipping into 2017/18.
- 042.6 The Authority maintained 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 faced (General Reserves). Overall, the year-end balance was forecast to be £16.444m which was £0.548m higher than planned, primarily due to slippage in the capital programme.
- 042.7 Members received a summary of the savings of £1,864,000, already taken from the 2016/17 budget, all of which were forecast to be achieved.
- 042.8 Members received additional information after the agenda had been published relating to the required works to the Service's four Breathing Apparatus (BA) Chambers in 2016/17. The Panel, (min no. 017-2016 on 26 May 2016), had previously approved a variation to the Capital Programme of £300,000 to support the required works to the Service's four BA Chambers in 2016/17.
- 042.9 The need for the scheme was identified following the investigation into the accident at the Service Training Centre (STC) in June 2015 where a firefighter was seriously injured during a BA training exercise and a subsequent review by BLR Associates (consulting & building services engineers).
- 042.10 The BLR review had made a number of recommendations relating to the Authority's Health and Safety responsibilities, including the installation of temperature probes, work to ensure the boiler worked efficiently and effectively, and the installation of equipment to support an emergency evacuation situation. A conditions report was undertaken across the remaining three BA chambers and similar remedial works were identified as being required.

- 042.11 The original report to Members had been prepared to short timescales in order to ensure that the new scheme could be progressed swiftly given its importance (including the suspension of BA training whilst the BA Chambers were not fit for purpose) and it was noted in that report that the £300,000 budget was based on this initial assessment and that “full costings will be gathered as part of the tender process”.
- 042.12 Following the approval of the scheme, the Authority had appointed specialist consultants Hamson Barron Smith to develop the scheme and to enable the Authority to invite tenders for the works.
- 042.13 It soon became apparent that there were fundamental issues with the present heating system and the manner in which the air within the chamber was heated. The solution was to replace the boilers with a different type and to install large heat exchangers within the air circulation ducting. This method would heat the air within the chamber effectively and efficiently and more importantly, it would be controllable.
- 042.14 Provision was also being introduced to monitor the temperatures within the chambers. This had already been introduced at STC at Maresfield but would now be installed at the remaining three.
- 042.15 The addition of these changes to the scheme led to higher than budgeted tenders being received (the total cost of boilers and ducting is £145,000) and despite working closely with the preferred contractor to reduce their bid cost by c£40,000, the total scheme cost was now forecast to be £360,000 including all fees and a small contingency.
- 042.16 In order to progress the scheme, which remained a high priority, and to comply with Financial Regulations, it was necessary to seek the approval of Members to accept the tender as it was over 10% in excess of the scheme budget and also to approve a variation to the Capital programme to increase the budget to £360,000 which could be funded from existing unallocated capital resources.
- 042.17 The Chief Fire Officer referred to the Coroner’s letter in relation to the death of a firefighter in Manchester which had included mention of BA training, and which provided further evidence of the need to progress the actions recommended to ESFRS BA Chambers.
- 042.18 It was not possible to include this information in the report on the Revenue Budget and Capital Programme Monitoring 2016/17 when the agenda was published, as the work to review the tendered cost was only completed after the papers had been dispatched. Consideration of this matter was urgent and could not be delayed until the next Authority meeting as this would lead to further delay in commissioning this priority scheme.
- 042.19 The Chairman agreed that the additional recommendation to approve a variation to the Capital Programme for the BA Chambers could be considered as an urgent matter by the Panel.



042.20 **RESOLVED** – That

- (i) the use of the uncommitted element of the Corporate Contingency to support the IMD Transformation Programme, reducing the need to drawdown from the IMD Transformation reserve be approved;
- (ii) the use of the projected revenue underspend to establish an earmarked reserve to fund the one-off costs of Wholetime Firefighter Recruitment be approved in principle;
- (iii) a variation to the Capital Programme to increase the budget for the BA Chambers scheme to £360,000 be approved;
- (iv) the projected Revenue Budget underspend be noted;
- (v) the projected underspend in the Capital Programme be noted;
- (vi) the variation to the Capital Programme be noted;
- (vii) the planned use of reserves be noted;
- (viii) the monitoring of savings taken in 2016/17 be noted; and
- (ix) the current year investments be noted.

043. **EXCLUSION OF PRESS AND PUBLIC**

043.1 **RESOLVED** – That item 044 be exempt under paragraph 3 of Schedule 12A to the Local Government (Access to Information) (Variation) Order 2006 and, accordingly, is not open for public inspection on the grounds that it includes information relating to the financial or business affairs of any particular person (including the Authority holding that information).

The meeting concluded at 11:15 hours.

Signed

Chairman

Dated this

day of

2017





## EXECUTIVE SUMMARY

The Revenue Budget is forecast to be underspent by £558,000 (previously £528,000 underspent). This is 1.4% of the total revenue budget and reflects a combination of successful achievement of key savings, identification of further savings in-year and some delays in sourcing additional capacity that have now been addressed.

The main variations are:

- Safer Communities (£378,000 underspend) – this is due to a review of the staffing establishment and successful achievement of the Riding at Standard post reductions for 2016/17 without the need to fully utilise the flexibility built into the budget, alongside a review of pensions funding which has identified an underlying saving of £250,000;
- OSR (£174,000 overspend) – a number of budget pressures have been identified relating to staffing and services, and where these are ongoing have been addressed through the 2017/18 budget setting process;
- Planning & Improvement (£238,000 underspend) – delays in appointment to the Programme Management Office and re-phasing of consultation plans underpin this underspend.
- Corporate Contingency (£183,000 underspend) – primarily due to lower pay increases than were provided for in the budget and savings from the senior management restructure.

This projected underspend provides the Authority with the opportunity to establish an earmarked reserve to fund the one off costs of wholetime firefighter recruitment during 2017/18 and 2018/19 as previously agreed.

The overall Capital Programme is projected to be £31,000 underspent (previously reported as £1,000 overspent). The current year's Capital Programme is projected to be underspent by £694,000 (previously £2,029,000 underspent although these figures are not comparable as the budget was reset at Fire Authority Meeting in February 2017). Although the Programme was reviewed there continues to be slippage in the Property General into 2017/18 (Appendices 3 and 4). None of this slippage is assessed to have any immediate impact on operational service delivery.

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, updated for the current Capital Asset Strategy, can be found at Appendix 5. Overall, the year-end balance is forecast to be £21.119m which is £5.223m higher than planned, primarily due to slippage in the capital programme, delayed contractual milestone payments relating to the IMD Transformation project slipping from 2016/17 into 2017/18 and additional specific grants received from central government which will be spent in 2017/18.

A summary of the savings – £1,864,000 – taken from the 2016/17 budget, is set out in Appendix 6. All of these savings are forecast to be achieved.

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**RECOMMENDATION:** Members are asked to note the:

- (i) projected Revenue Budget underspend;
- (ii) projected underspend in the Capital Programme;
- (iii) variation to the Capital Programme;
- (iv) planned use of reserves;
- (v) monitoring of savings taken in 2016/17; and
- (vi) current year investments.

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## 1. **INTRODUCTION**

- 1.1 This report is based upon enquiries as at 31 March 2017 with updates in key areas. The report discloses the main risks, issues and material variances.

	Last Policy & Resources report	This Policy & Resources report	Movement
	£'000	£'000	£'000
Revenue (see paragraph 2)	(558)	(430)	(128)
Capital in year (see paragraph 5)	(2,029)	(694)	n/a

- 1.2 This is the fourth monitoring report for 2016/17, the third to Policy & Resources (P & R) following an initial report to Fire Authority. Whilst the report reflects the position as at 31 March, the final outturn is subject to the closedown of the accounts which is currently underway.

## 2. **REVENUE BUDGET COMMENTARY**

- 2.1 **Safer Communities:** This directorate is forecast to underspend by £378,000 (previously an underspend of £370,000) (Appendix 2).
- 2.1.1 **AD Safer Communities:** This budget is projected to overspend by £2,000 (unchanged).
- 2.1.2 **Borough Commanders:** There is a projected underspend of £382,000 (previously £359,000 underspend) which comprises an overspend on Overtime of £50,000 (previously £90,000 overspend), an underspend on Wholetime pay of £79,000 (previously £132,000 underspend), an underspend of £18,000 on RDS pay (previously £30,000 underspend), an underspend on Support Staff of £5,000 (previously £10,000 underspend) and a projected underspend on Firefighters' pension employers' contributions of £330,000 (previously £277,000 underspend). This forecast takes into account the one-off flexibility of £280,000 built into the AD Safer Communities (SC) budget, for 2016/17 only, to support the safe management of the reduction in posts under the Riding at Standard proposals.
- 2.1.3 The above forecast for retained duty system (RDS) pay is an underspend of £18,000 (previously £30,000). The projection is based on eleven months of actual activity plus an estimate of the final month and takes into account the previously reported

budget transfers for the RDS Support Officer and vehicle and now allows for the settlement of Prevention of Less Favourable Treatment Regulations 2000 for RDS public holiday pay.

- 2.1.4 **Community Safety:** This budget is forecast to be overspent by £12,000 (as previously reported) resulting from the finalisation of the wholetime pay review and has been corrected through the 2017/18 budget setting process. Monitoring of the Business Rate Pool at the end of Quarter 3 indicates that the Authority's share of the Pool income will be £187,000 rather than the £100,000 included in the budget. The forecast surplus will be transferred to the Safer Business Training Reserve. The final amount to be received is not confirmed until September 2017.
- 2.1.5 **Business Safety:** The forecast underspend for this budget has been revised to £10,000 (previously £25,000 underspend) as vacant posts have been filled more quickly than anticipated. This forecast takes account of any spend relating to fire investigation work.
- 2.2 **Operational Support and Resilience:** This Directorate is forecast to be £174,000 overspent (previously £143,000 overspent). The projected shortfall in Dry Riser Test income is revised to a £15,000 overspend (previously £10,000 overspend). The East Sussex share of the SCC is forecast to be overspent by £115,000 (previously £89,000 overspent). The projected overspend on the staffing budget of £64,000, additional pressures on operational expenditure of £30,000 and the projected £50,000 underspend on the Emergency Services Mobile Communication Project remain unchanged.
- 2.3 **Training and Assurance:** This budget is projected to be on target (previously £9,000 underspent).
- 2.4 **Resources/Treasurer:** This budget is projected to be £5,000 overspent (previously £3,000 underspent).
  - 2.4.1 The underspend on charges from ESCC for financial services is forecast to be £70,000 underspend (previously £50,000). The Estates Manager has identified a £20,000 overspend on reactive maintenance and £20,000 overspend on the Cleaning contract. The Finance Manager has identified a £12,000 underspend on consultancy budget. The projected £40,000 overspend on Uniforms, £10,000 underspend on FireLink grant, £25,000 mast rental income shortfall and £8,000 underspend on the Transparency grant all remain unchanged.
  - 2.4.2 As previously agreed the balance of the corporate contingency will be used to support the cost of IMD Transformation. As a result of this and the slipping of key contract milestone payments, of significant value, from 2016/17 into 2017/18 there is likely to be no requirement to drawdown funds from the IMD Transformation Reserve in 2016/17 as had originally been planned.

- 2.5 **Planning and Improvement:** The budget is forecast to underspend by £238,000 (previously £218,000 underspend). Changes in social marketing and delayed projects have introduced an additional underspend of £20,000. The forecast underspends of £49,000 consultation, £134,000 delayed implementation of a Programme Management Office and £35,000 various vacant posts remain unchanged.
- 2.6 **Human Resources and Organisational Development:** The forecast overspend of £45,000 (previously on target) is made up of £5,000 on relocation expenses, £15,000 for the Job Evaluation Project, £10,000 additional staffing and £15,000 employee relations.
- 2.7 **Chief Fire Officer:** The CFO staff budget is projected to be underspent by £6,000 (previously £46,000 underspent). The forecast underspend on pay has fallen to £25,000 (previously £46,000) and other budgets overspending by £19,000 (previously on target).
- 2.8 **Non Delegated Costs:** This budget is projected to overspend by £102,000 (previously on target). There is a £78,000 underspend on pension related payments that are charged directly to the Authority, an overspend of £79,000 on ill health retirement costs, £29,000 overspend on the Cycle to Work scheme (where the Service has spent up front and employees are yet to repay in full) and redundancy costs of £72,000 that, given the overall underspend, there is no need to fund from reserves.
- 2.9 **Corporate Contingency:** This budget is intended to provide some flexibility for CMT to manage in-year budget pressures and was set at £270,200 for 2016/17.
- 2.9.1 With £100,000 already transferred out and £329,000 added, as a result of the in-year savings from Senior Management Restructure and overprovision for pay awards, the flexibility increased to £499,000.
- 2.9.2 The balance of the unspent Corporate Contingency as previously agreed, will be spent supporting the IMD Transformation in 2016/17 thus reducing the level of drawdown from the IMD Transformation reserve in 2016/17 and maximising the funding available to support investment in the IMD Strategy in future years. The position in IMD (see paragraph 2.4.2) means only £301,000 is required leaving an underspend of £183,000.
- 2.10 **Financing:** £10,000 of additional financial support has been received through the Business Rates Relief, Reconciliation of Authorities 2015-16 Income Loss Payments grant from government.
3. **MONITORING OF SAVINGS**
- 3.1 Appendix 5 shows the savings required to be made in 2016/17 and the following two financial years. This illustrates the levels of savings that need to be achieved in those years, rather than the cumulative savings including those already achieved.

- 3.2 It has been confirmed that the reduction of 14 posts for the Change to Ridership saving has been achieved.

#### 4. **CAPITAL PROGRAMME COMMENTARY**

- 4.1 **Property Major Schemes, Newhaven Fire Station:** The professional fees relating to this scheme are currently being negotiated however this forecast reflects a prudent estimate.
- 4.2 **Property Major Schemes, Service HQ Relocation:** The works at some of the dispersal sites have taken longer to specify than expected resulting in slippage of £139,000 into 2017/18 and some costs have been re-classified as revenue, not capital, (£97,000 in 2016/17 and £105,000 overall).
- 4.3 **Property General Schemes:** The prioritisation of resources to other areas has resulted in slippage of £197,000 in General Schemes, £203,000 in Breathing Apparatus Chambers and £48,000 in Sustainability in 2017/18. In the case of the Breathing Apparatus Chambers works will be completed in May 2017.
- 4.4 **Fleet & Equipment, Fire Appliances:** The delivery of the remaining appliances took place in March 2017 however there has been a delay in receiving two new cars and four new vans.

#### 5 **REVENUE BUDGET AND CAPITAL PROGRAMME RISKS**

- 5.1 **Saxon House:** Now operational it may be that unexpected works will be required relating to a retaining wall and adaptations to the drill tower. At this stage estimates are being sought but it is too early to identify a likely cost. Both relate to the operational fire station so the full cost is to be borne solely by ESFRS.

#### 6. **RESERVES**

- 6.1 The table in Appendix 4 shows the planned use of reserves for 2016/17. The planned transfer into the Improvement & Efficiency (I&E) earmarked reserve is the 2016/17 Transition Grant.
- 6.2 The table has been updated for the reduced receipts in year with the delay in the disposal of Fort Road Newhaven, the initial receipt for Upperton Road and lower use of receipts reflecting the forecast in year underspend on the Capital Programme.
- 6.3 The Improvement and Efficiency Reserve draw down has been reduced on the basis that it will not be used to fund redundancy payments in 2016/17. The Community Fire Safety and the ESN Health Check earmarked reserves are now expected to be utilised in 2017/18.
- 6.4 Several grants have been received late in the financial year which have been earmarked for use in 2017/18, primarily £1.1m for works required to prepare for the roll out of the new Emergency Services Communication network following a successful application to the Home Office.



- 6.5 With the Corporate Contingency being used to support the IMD Transformation in 2016/17 the amount drawn down from the IMD Transformation reserve has been reduced. This leaves a greater one off sum to be used in future years.

7. **BORROWING AND INVESTMENT**

- 7.1 As at 31 March 2017, the Authority held cash balances of £22.449m which were invested as set out in Appendix 7 in accordance with the Treasury Management Strategy. Following the reduction in the base rate to 0.25% we have seen reductions in the rates earned on both our bank deposits and money market funds. However the higher level of balances available for investment means an expected surplus over budget of £44,000 (previously £25,000).

**East Sussex Fire Authority**  
**2016/17 Revenue Budget – Objective Analysis**

**Appendix 1**

	<b>Original Budget £'000</b>	<b>Revised Budget £'000</b>	<b>Projected Outturn £'000</b>	<b>Variance £'000</b>	<b>Variance %</b>	<b>Variance last report £'000</b>
Training and Assurance	2,049	2,126	2,126	0	0.0	(9)
Resources/Treasurer	7,585	7,581	7,586	5	0.1	(3)
Planning and Improvement	1,157	1,132	894	(238)	(21.0)	(218)
<b>Total Deputy Chief Fire Officer</b>	<b>10,791</b>	<b>10,839</b>	<b>10,606</b>	<b>(233)</b>	<b>(2.1)</b>	<b>(230)</b>
Human Resources and OD	868	907	952	45	5.0	0
Safer Communities	19,472	19,347	18,969	(378)	(2.0)	(370)
Operational Support	3,583	2,556	2,730	174	6.8	143
<b>Total Assistant Chief Fire Officer</b>	<b>23,923</b>	<b>22,810</b>	<b>22,651</b>	<b>(159)</b>	<b>(0.7)</b>	<b>(227)</b>
CFO Staff	831	735	729	(6)	(0.8)	(46)
Treasury Management	1,368	1,368	1,324	(44)	(3.2)	(25)
Non Delegated costs	402	377	479	102	27.1	0
Corporate Contingency	270	499	316	(183)	(36.7)	0
Transfer to Reserves	847	2,176	2,176	0	0.0	0
Transfer from Reserves	0	(303)	(328)	(25)	8.3	0
<b>Total Corporate</b>	<b>3,718</b>	<b>4,852</b>	<b>4,696</b>	<b>(156)</b>	<b>(3.2)</b>	<b>(71)</b>
<b>Total Net Expenditure</b>	<b>38,432</b>	<b>38,501</b>	<b>37,953</b>	<b>(548)</b>	<b>(1.4)</b>	<b>(528)</b>
Financed By:						
Council Tax	(24,280)	(24,280)	(24,280)	0	0.0	0
Business Rates	(7,273)	(7,272)	(7,282)	(10)	0.1	0
Revenue Support Grant	(6,196)	(6,196)	(6,196)	0	0.0	0
Transition Grant	(97)	(97)	(97)	0	0.0	0
S31 Grants	(217)	(287)	(287)	0	0.0	0
Collection Fund	(369)	(369)	(369)	0	0.0	0
Surplus/Deficit						
<b>Total Financing</b>	<b>(38,432)</b>	<b>(38,501)</b>	<b>(38,511)</b>	<b>(10)</b>	<b>0.0</b>	<b>0</b>
<b>Total Over / (Under) Spend</b>			<b>(558)</b>	<b>(558)</b>	<b>(1.4)</b>	<b>(528)</b>

**East Sussex Fire Authority  
2016/17 Revenue Budget – Safer Communities Analysis**

**Appendix 2**

	<b>Original Budget</b>	<b>Revised Budget</b>	<b>Projected Outturn</b>	<b>Variance</b>	<b>Variance</b>	<b>Variance last report</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>
AD Safer Communities	109	110	121	11	10.0	2
Hastings and Rother	4,738	4,671	4,638	(33)	(0.7)	(96)
Eastbourne and Wealden	5,110	4,917	4,833	(84)	(1.7)	(105)
The City	5,324	5,374	5,009	(365)	(6.8)	(129)
Lewes	1,953	1,968	2,059	91	4.6	(29)
Business Safety	1,365	1,426	1,416	(10)	(0.7)	(25)
Community Safety	873	823	835	12	1.5	12
<b>Total Safer Communities</b>	<b>19,472</b>	<b>19,289</b>	<b>18,911</b>	<b>(378)</b>	<b>(2.0)</b>	<b>(370)</b>

East Sussex Fire Authority  
2016/17 Capital Budget Monitoring

Appendix 3

Capital Scheme	Original Budget as agreed CFA Feb 2016 £'000	Revised Budget £'000	Projected Outturn £'000	Variance £'000	Variance %	Variance Last P&R Report £'000
<b>Property Major Schemes</b>						
Newhaven Fire Station	49	49	124	75	153.1	
Service HQ Relocation	624	624	388	(236)	(37.8)	
<b>Subtotal</b>	<b>673</b>	<b>673</b>	<b>512</b>	<b>(161)</b>	<b>(23.9)</b>	<b>0</b>
<b>Property General Schemes</b>						
General Schemes	705	461	264	(197)	(42.7)	(272)
Breathing Apparatus Chambers	0	216	13	(203)	(93.8)	
Sustainability	155	55	7	(48)	(87.8)	(142)
<b>Subtotal</b>	<b>860</b>	<b>732</b>	<b>284</b>	<b>(448)</b>	<b>(61.2)</b>	<b>(414)</b>
<b>Information Management</b>						
IMD Strategy SCC	607	121	73	(48)	(39.4)	(250)
<b>Fleet &amp; Equipment</b>						
Fire Appliances	935	793	974	181	22.8	(202)
Ancillary Vehicles	556	0	0	0	n/a	(513)
Cars & Vans	185	296	107	(189)	(63.7)	70
BA & Ancillary Equipment	750	30	0	(30)	(100.0)	(720)
<b>Subtotal</b>	<b>2,426</b>	<b>1,119</b>	<b>1,081</b>	<b>(38)</b>	<b>(3.4)</b>	<b>(1,365)</b>
<b>Total</b>	<b>4,566</b>	<b>2,645</b>	<b>1,951</b>	<b>(694)</b>	<b>(26.2)</b>	<b>(2,029)</b>

Capital Scheme	Original Budget as agreed by CFA Feb 2016 £'000	Revised Budget £'000	Projected Outturn £'000	Variance £'000	Variance %	Variance last Report £'000
<b>Property Major Schemes</b>						
Newhaven Fire Station	3,560	3,560	3,632	72	2.0	
Service HQ Relocation	650	650	545	(105)	(16.2)	
<b>Subtotal</b>	<b>4,210</b>	<b>4,210</b>	<b>4,177</b>	<b>(33)</b>	<b>(0.8)</b>	<b>0</b>
<b>Property General Schemes</b>						
General Schemes	2,976	3,432	3,309	(123)	(3.6)	(123)
Breathing Apparatus Chambers	0	360	360	0	0.1	
Replacement Fuel Tanks	220	220	220	0	0.0	
Sustainability	420	420	434	14	3.3	14
<b>Subtotal</b>	<b>3,616</b>	<b>4,432</b>	<b>4,323</b>	<b>(109)</b>	<b>(2.5)</b>	<b>(109)</b>
<b>Information Management</b>						
IMD Strategy SCC	<b>2,027</b>	<b>1,791</b>	<b>1,791</b>	<b>0</b>	<b>0.0</b>	<b>0</b>
<b>Fleet &amp; Equipment</b>						
Fire Appliances	5,165	6,470	6,510	40	0.6	40
Aerial Appliances	680	680	680	0	0.0	
Ancillary Vehicles	1,457	1,397	1,397	0	0.0	
Cars & Vans	1,321	1,576	1,646	70	4.5	70
BA & Ancillary Equipment	750	750	750	0	0.0	
<b>Subtotal</b>	<b>9,373</b>	<b>10,873</b>	<b>10,983</b>	<b>110</b>	<b>1.0</b>	<b>110</b>
<b>Total</b>	<b>19,226</b>	<b>21,306</b>	<b>21,275</b>	<b>(31)</b>	<b>(0.1)</b>	<b>1</b>

**East Sussex Fire Authority  
2016/17 Reserves Projections**

**Appendix 5**

Description	Opening Balance 01/04/16 £'000	2016/17 Planned Transfers In £'000	2016/17 Planned Transfers Out £'000	2016/17 Forecast Transfers In £'000	2016/17 Forecast Transfers Out £'000	Projected Closing Balance 31/03/2017 £'000
<b>Earmarked Reserves</b>						
Improvement and Efficiency	1,804	97	(797)	97	(304)	1,597
Sprinklers	187		(113)			187
Insurance	249					249
Community Fire Safety	145		(145)			145
RPE and communications	750		(750)	310		1,060
Mapping Solution	69					69
ESN Health Check	15		(15)			15
ESMCP ESFRS readiness	0			1,160		1,160
Responding to new risks Revenue	0			19		19
Safer Business Training	140		(52)			140
IMD Transformation	2,000		(600)			2,000
Capital Programme Reserve	4,631	750		750		5,381
<b>Total Earmarked Reserves</b>	<b>9,990</b>	<b>847</b>	<b>(2,472)</b>	<b>2,336</b>	<b>(304)</b>	<b>12,022</b>
<b>General Fund</b>	3,142					3,142
<b>Total Revenue Reserves</b>	<b>13,132</b>	<b>847</b>	<b>(2,472)</b>	<b>2,336</b>	<b>(304)</b>	<b>15,164</b>
Capital Receipts Reserve	6,438	515	(2,564)	440	(944)	5,934
Responding to new risks Capital	0			21		21
<b>Total Capital Reserves</b>	<b>6,438</b>	<b>515</b>	<b>(2,564)</b>	<b>461</b>	<b>(944)</b>	<b>5,955</b>
<b>Total Usable Reserves</b>	<b>19,570</b>	<b>1,362</b>	<b>(5,036)</b>	<b>2,797</b>	<b>(1,248)</b>	<b>21,119</b>

Monitoring of Savings 2016/17 - 2018/19										
Summary showing Changing the Service Phases 1 and 2 and other operational savings										
	Budget				Current Forecast			Variance		
	2016/17	2017/18	2018/19		2016/17	2017/18	2018/19	2016/17	2017/18	2018/19
	£'000	£'000	£'000		£'000	£'000	£'000	£'000	£'000	£'000
<b>Phase 2 Savings</b>										
Removal of a pump from Hove	(932)	0	0		(932)	0	0	0	0	0
Riding at Standard	(280)	(560)	(280)		(280)	(560)	(280)	0	0	0
<b>Total Phase 2 Savings</b>	<b>(1,212)</b>	<b>(560)</b>	<b>(280)</b>		<b>(1,212)</b>	<b>(560)</b>	<b>(280)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Facing the Challenge</b>	<b>(75)</b>	<b>(73)</b>	<b>0</b>		<b>(75)</b>	<b>(73)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total non-operational savings</b>	<b>(439)</b>	<b>(376)</b>	<b>(173)</b>		<b>(439)</b>	<b>(376)</b>	<b>(173)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total additional savings</b>	<b>(138)</b>	<b>0</b>	<b>0</b>		<b>(138)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total all other savings</b>	<b>(652)</b>	<b>(449)</b>	<b>(173)</b>		<b>(652)</b>	<b>(449)</b>	<b>(173)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Savings</b>	<b>(1,864)</b>	<b>(1,009)</b>	<b>(453)</b>		<b>(1,864)</b>	<b>(1,009)</b>	<b>(453)</b>	<b>0</b>	<b>0</b>	<b>0</b>

N.B. Above table shows in-year savings, not cumulative

**East Sussex Fire Authority  
Investment as at 31 March 2017**

**Appendix 7**

Counterparty	Type	Amount	Term	Rate
		£'000		%
Lloyds/HBOS	Fixed	2,000	Fixed term to 18/4/17	0.65
Lloyds/HBOS	Notice	2,000	175 days	0.65
Santander	Notice	4,000	95 days	0.65
Barclays	Notice	4,000	100 days	0.44
Standard Life	MMF	4,000	Instant access	variable
Insight	MMF	4,000	Instant access	variable
Deutsche Bank	MMF	2,449	Instant access	variable
<b>Total Current Investments</b>		<b>22,449</b>		



**EAST SUSSEX FIRE AUTHORITY**

**Panel:** Policy & Resources

**Date:** 27 April 2017

**Title of Report:** East Sussex Fire & Rescue Service IT Strategy

**By:** Assistant Director Resources / Treasurer

**Lead Officer:** Dan Drummond, Interim IT Manager

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**Background Papers:** Urgency Panel, 7 July 2016 – Item 6 IMD Transformation

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**Appendices:** Appendix A – IT Strategy Input  
Appendix B: - Programme / Project Breakdown

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**Implications**

<b>CORPORATE RISK</b>	✓	<b>LEGAL</b>	
<b>ENVIRONMENTAL</b>		<b>POLICY</b>	
<b>FINANCIAL</b>	✓	<b>POLITICAL</b>	✓
<b>HEALTH &amp; SAFETY</b>		<b>OTHER (please specify)</b>	
<b>HUMAN RESOURCES</b>		<b>CORE BRIEF</b>	
<b>EQUALITY IMPACT ASSESSMENT</b>			

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**PURPOSE OF REPORT** This report is the IT Strategy for East Sussex Fire & Rescue Service which builds upon work previously carried out by Spirit Acuity and is a documented form of the power point presentation to CMT at the end of December 2016.

**EXECUTIVE SUMMARY** This IT strategy aims to provide a long term view of how the underlying IT of the Fire Service can be adapted and flexed to satisfy the business needs as communicated via the IRMP and through discussions with senior management.

In formulating the IT Strategy the emphasis has been on establishing a direction of travel across key technology areas mapped to a solid framework of activity that will over time incrementally unlock desired business outcomes.

Funding in support of the ambition will undoubtedly always pose a challenge though the strategy has aimed to put in realistic funding requirements whilst not overly hedging ambition. Existing sources of funding at £7m will not be sufficient to fully support the forecast cost of £8.8m and the Fire Authority will need to identify the balance of funding required through the budget setting process for 2018/19.

The IT Strategy does not stand on its own, but will need to be woven into business planning and programme planning cycles – business cases, prioritisation and the organisations ability to consume change will all influence the pace at which the supporting IT change can occur.

The recent activity of moving to telent as an IT delivery partner, combined with a robust and agreed IT Strategy, will help to ensure that IT becomes a key enabler to support change at the business pace required and as funding availability dictates.

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**RECOMMENDATION**

That the Panel:

- a) recommends that the Fire Authority approves the IT Strategy 2017-22 including the use of existing funding of £7m for its delivery; and
  - b) notes that further funding will need to be identified through the budget setting process and review of the Capital Asset Strategy for 2018/19.
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**EAST SUSSEX FIRE AUTHORITY**

**Panel:** Policy and Resources

**Date:** 27 April 2017

**Title of Report:** Fire Reform and Adrian Thomas Review

**By:** Dawn Whittaker, Chief Fire Officer

**Lead Officer:** Liz Ridley, Assistant Director Planning & Improvement

**Background Papers**

Independent review of conditions of service for fire and rescue staff in England February 2015, By Adrian Thomas  
<https://www.gov.uk/government/publications/conditions-of-service-for-fire-and-rescue-staff-independent-review>  
 Home Secretary Theresa May at Reform event in London. May 24 2016  
<https://www.gov.uk/government/speeches/home-secretary-speech-on-fire-reform>  
 Minister for Policing and the Fire Service, Brandon Lewis at Reform event in London 7 February 2017.  
<https://www.gov.uk/government/speeches/fire-ministers-speech-to-reform>

**Appendices**

Appendix A - Copy of the Police effectiveness, efficiency and legitimacy (PEEL) questions used by Her Majesty's Inspectorate of Constabulary.  
 Appendix B- Gap Analysis of Adrian Thomas report

**Implications**

<b>CORPORATE RISK</b>		<b>LEGAL</b>	✓
<b>ENVIRONMENTAL</b>		<b>POLICY</b>	
<b>FINANCIAL</b>		<b>POLITICAL</b>	
<b>HEALTH &amp; SAFETY</b>		<b>OTHER (please specify)</b>	
<b>HUMAN RESOURCES</b>		<b>CORE BRIEF</b>	
<b>EQUALITY IMPACT ASSESSMENT</b>			

**PURPOSE OF REPORT** To provide Members with an update on the Government's reform agenda for Fire and Rescue Services and outline the progress made by ESFRS in relation to the expectations.

**EXECUTIVE SUMMARY** The Government has set out three pillars of reform for the fire and rescue service which include, accountability and transparency, efficiency and collaboration and workforce reform. Combined with the release of the Thomas Review and its 45 recommendations for the Local Government Association (LGA), National Joint Council (NJC) and fire rescue services, the pace of reform over the next year will be considerable. This report aims to summarise the areas of reform required over the medium term.

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**RECOMMENDATION**      **The Panel is asked to note the report.**

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1.      **INTRODUCTION**

- 1.1      In May 2016 Theresa May set out her plans for a radical and ambitious reform of the Fire and Rescue service focusing on diversity, efficiency and transparency. Brandon Lewis was appointed as Minister of State in July 2016 with a portfolio including Police and Fire. His first step was to publish a basket of procurement data as part of the transparency agenda in August 2016, detailing spend by fire service on 25 common items. Brandon Lewis addressed the Fire Sector Summit in October 2016 laying out the three pillars of reform in more detail. The Adrian Thomas review followed and was finally published in November 2016. In the meantime the Police and Crime Bill was making its way through parliament and received Royal Assent on the 31<sup>st</sup> January 2017. The Act places a duty on police, fire and ambulance services to work together and enables police and crime commissioners to take on responsibility for fire and rescue services where a local case is made.
- 1.2      Provisions commencing on 3rd April 2017 from the Act include Sections 1-5: Collaboration agreements, which introduce new duties on police, fire and rescue and emergency ambulance services to keep opportunities to collaborate under review, and to enter into collaboration agreements where it is in the interests of their efficiency or effectiveness. Sections 6 and 7 and Schedule 1 relate to the governance of Fire and Rescue Services with regard to Police and Crime Commissioners were also enacted on the 3<sup>rd</sup> April.
- 1.3      Part 1, Chapter 4 of the Act relates to the Inspection of Fire and Rescue Services. The Fire and Rescue Services Act 2004 is amended to enable Her Majesty to appoint a Fire and Rescue Inspector who must inspect and report on the efficiency, and effectiveness of Fire and Rescue Authorities in England as determined by the Secretary of State.
- 1.4      The Fire and Rescue Inspector must from time to time publish an inspection programme and framework setting out what they propose to inspect. Where an inspection takes place a report must be compiled and published.
- 1.5      This report aims to provide Members with an overview of the reform agenda and outlines the progress made by ESFRS in relation to the expectations.

## 2. **FIRE REFORM BRANDON LEWIS**

2.1 Brandon Lewis, Minister for Policing and the Fire Service, set out his vision for the fire sector in 2017 at an event hosted by Reform. He stated that he was pleased to see that reform was happening across the service, but it had to go further and faster. He set out clear messages under each of the three reform pillars, accountability and transparency, efficiency and effectiveness and workforce reform.

### 2.2 **Accountability and transparency**

2.2.1 Under this pillar is the creation of a new inspectorate for the fire service. This is anticipated to be modelled on the Her Majesty's Inspectorate of Constabulary's (HMIC) PEEL inspection programme (police effectiveness, efficiency and legitimacy with leadership added in 2016). PEEL is used by the HMIC with core key questions and a number of diagnostic questions under each theme. Forces are assessed as being in one of four categories: 'outstanding, good, requires improvement and inadequate' against the core questions. The new inspectorate for fire will determine;

- how effective each service is to prevent and respond to incidents;
- whether the service provides value for money;
- whether the service understands its current demands and where the future risks lie; and its
- leadership, training, diversity, values and culture.

2.2.2 Coupled with this, will be an ability to commission thematic inspections on individual issues with the first being a focus on diversity, collaboration and flexible deployment. A copy of the core and diagnostic questions currently in place for the police have been included as Appendix A to give Members a flavour of the depth of inspection.

2.2.3 The inspection regime appears to be similar to the previous inspections undertaken under Comprehensive Area Assessment and latterly, the Operational Assurance peer review. We will be considering our approach to facilitating the inspection process this year.

2.2.4 Secondly under this pillar, Brandon Lewis set out his plans to create a national website similar to the one available for the police this year to support greater transparency and to encourage greater accountability within the service. The website will include data to help the public assess the performance of their local service as well as information about chief officer pay, expenditure, accounts, efficiency plans and workforce composition. Data from the Incident Recording System, on a national level will be available to allow comparisons across fire and rescue services. We already provide all this information on our website under the data transparency agenda and publication scheme. However, the Home Office want it all in one place, allowing 'armchair auditors to scrutinise and do their work on how their service is operating'.

- 2.2.5 Finally, under the accountability and transparency pillar, Brandon Lewis set out his expectations of Police, Fire and Crime Commissioners in the belief that they will increase accountability, drive the pace of reform, maximize the benefits of collaboration and ensure best practice is shared. He believes it is an ideal opportunity for fire and rescue services to develop closer and stronger partnerships with policing and he urges fire authorities to work constructively with the Police and Crime Commissioner (PCC) to get the best outcome for local communities.
- 2.2.6 Members will be aware that ESFRS have been actively contributing to the PCC business case which has been delayed.

### **2.3 Efficiency and collaboration**

- 2.3.1 Part of this pillar of reform includes looking at procurement practices across the service. In previous addresses Brandon Lewis has commented on the differences paid across the country for seemingly the same items. In August a basket of goods exercise was undertaken and contained information of how much fire and rescue authorities spend on 25 common pieces of equipment. The Chief Fire Officers Association (CFOA) responded to this at the time and a new commercial strategy is in place. Categories of high expenditure which offer the greatest opportunities for savings from collaboration have been identified and include: vehicle maintenance, operational equipment, ICT, clothing and training. A second basket of goods exercise is underway which will cover wider services like the costs of facilities management and training procurement. The results will be published on the future website. We are currently reviewing several items to reassess the specification and contracts associated with them.
- 2.3.2 Collaboration is the second area under this pillar. The Policing and Crime Act introduces a new statutory duty on the emergency services to keep collaboration opportunities under review and to enter into collaboration where it would be in the interests of their efficiency or effectiveness to do so. This new duty came into force in April 2017 and Brandon Lewis expects the pace and ambition of collaboration to increase and for it to become the norm.
- 2.3.3 The expectation is that better joint working will strengthen emergency services and deliver significant savings to the tax payer, whilst better protecting the public. Best practice examples were cited. For example, the sharing of headquarters between fire and police in Hampshire and in London, collaboration between the Ambulance Service's First Responder Scheme and the London Fire Brigade. Durham and Cornwall's tri-service Community Safety Responders who work as Police Community Support Officers, retained fire-fighters and emergency medical responders.
- 2.3.4 Collaboration features as a priority in our integrated risk management plan. We are currently collaborating with Sussex Police in several areas, for example, the emergency services communication programme (ESMCP), recruitment, road safety and the Immediate Emergency Care Response pilot is underway with the ambulance service. Further opportunities to collaborate with the police will emerge after the relocation to the joint headquarters.

## 2.4 Workforce reform

- 2.4.1 This pillar includes the establishment of a new professional standards body which will set standards on a range of issues including leadership, workforce development, equality and diversity and classify effective practice. The new inspectorate will inspect against the standards and the standards body will have to consider the inspectorate's findings when setting any new standards. A working group has been established with representatives from CFOA and the Home Office to consider 2 options – a new fire standards body affiliated to the College of Policing or the creation of a fully combined College of Policing and Fire. This work is expected to finish by September and the new body will become operational later this year. Standards are expected to cover;
- **Individual standards** – career progression and pathways, leadership, management, individual operational assessments, Fire Professional Framework, code of ethics, complaints, recruitment, discipline, whistleblowing and fitness.
  - **Organisational standards** – IRMP, assurance statements, governance statements, transparency, benchmarking/performance data, inclusion, diversity, data protection, fraud and corruption, financial probity.
- 2.4.2 Under this pillar the outcomes of the Thomas Review and the culture shift required to create a diverse working environment are set out. Brandon Lewis expects to see movement in this area with strong leadership, more flexible working conditions across the service, citing that action is needed on career progression and inclusive working practices and recruitment. The Thomas Review is discussed in more detail in section 3 of this report.
- 2.4.3 The Local Government Association and fire and rescue services have been tasked to learn from the good progress made by the police in creating a more diverse workforce. The use of targeted attraction strategies and redesigned recruitment practices, and the use of lawful positive action has provided case studies from forces showing what can be achieved in relation to increasing diversity within the service. The expectation is that the new inspectorate will identify barriers to diversity across services as part of the inspection.
- 2.4.4 In ESFRS we are about to consider a revised Inclusion and Diversity strategy at the June Fire Authority meeting which sets out our direction of travel in this area. Also plans are currently underway for firefighter recruitment and positive action are planned.
- 2.4.5 Finally under this pillar, Brandon Lewis will be consulting on his plans to revise the national framework to discourage senior fire officers retiring from their posts and subsequently being re-employed in the same or very similar roles. Following this a full review of the national framework will be completed this year.

### 3. **THE THOMAS REVIEW**

- 3.1 In August 2014 the then Fire Minister, Penny Mordaunt, appointed Adrian Thomas to undertake an independent review of the terms and conditions for operational staff in the fire and rescue service. This was following the previous Sir Ken Knight review 'Facing the Future' which found that the conditions of service for firefighters could be a perceived barrier to change.
- 3.2 The Thomas Review makes 45 recommendations, some aimed at the Government but the majority aimed at the Local Government Association, the National Joint Council and Fire and Rescue Authorities.
- 3.3 In the executive summary, Adrian Thomas identifies what he believes should be the initial priorities, these are as follows:
1. **Culture and trust** - addressing concerns around bullying and harassment, implementation of a sector wide engagement survey focusing on culture, equality and trust conducted annually.
  2. **Retained Duty System** - development of a national recruitment and communication programme. The report states that Government should bring forward legislation that extends employment protection (as enjoyed by military reservists) to firefighters engaged on retained duty systems and part time contracts.
  3. **Conditions of service** – Discontinue the Gold Book and review the Grey Book with a view to slimming it down or replacing altogether with a contract of employment at the local level and an employee handbook. The report states that base pay should remain national but all other conditions of service should have a more regional/local flavour.
  4. **Role maps and duty systems** – the review found that current terms and conditions of employment create inflexibility in the deployment of firefighters in support of local Integrated Risk Management Plans. The report states that role maps and pre-determined duty systems should be removed from the Grey Book by the employers, in consultation with the representative bodies.
- 3.4 The review then goes on to make 45 recommendations, these are broken down into 5 main themes:
1. The working environment;
  2. Documented conditions of service;
  3. Industrial relations;
  4. Retained Duty System;
  5. Management of fire and rescue services.
- 3.5 Work is now underway to develop the gap analysis into a more formal action plan, which will identify responsibilities within the Service and provide timescales for completion and will be submitted to the Fire Authority in June. Appendix B contains the 45 actions from the Thomas review and identifies where the responsibility lies, for example Government, Local Government, National Fire Chiefs Council (NFCC) and ESFRS. Commentary has been added to detail the current position in light of each recommendation.



#### 4. **LEGAL IMPLICATIONS**

- 4.1 As described in section 1 of the report it is now a statutory duty for Police bodies, Fire bodies and Ambulance trusts in England to consider if entering into collaboration agreements could be in the interests of efficiency or effectiveness of that and those other services.

#### 5. **CONCLUSION**

- 5.1 The themes in the reform agenda identified in the report will be used in the development of the new inspection regime and fire and rescue services will be judged as to whether services have [plans in place to address the core questions.

#### 6. **RECOMENDATION**

- 6.1 The Panel is asked to note the report.



## **Appendix A - PEEL Inspection questions (Policing, Effectiveness, Efficiency, and Legitimacy)**

### **Effectiveness**

**Definition:** an effective force is one that keeps people safe and reduces crime.

### **Headline question**

How effective is the force at keeping people safe and reducing crime?

#### **Core question**

How effective is the force at preventing crime, tackling anti-social behaviour and keeping people safe?

How effective is the force at investigating crime and reducing re-offending?

How effective is the force at protecting those who are vulnerable from harm, and supporting victims?

How effective is the force at tackling serious and organised crime?

How effective are the force's specialist capabilities?

#### **Diagnostic**

How effectively does the force understand the threat or risk of harm within the communities it serves?

How effectively do force actions and activities prevent crime and anti-social behaviour?

How effective is the force's initial investigative response?

How effective is the force's subsequent investigation?

How effectively does the force reduce re-offending?

How effectively does the force identify those who are vulnerable and assess their level of risk and need?

How effectively does the force initially respond to vulnerable victims?

How effectively does the force investigate offences involving vulnerable victims and work with external partners to keep victims safe?

How effectively does the force understand the threat and risk posed by serious and organised crime?

How effectively does the force respond to serious and organised crime?

How effectively does the force prevent serious and organised crime?

How effective are the force's arrangements to ensure that it can fulfil its national policing responsibilities?

How effective is the force's firearms capability?

## Efficiency

**Definition:** an efficient force maximises the outcomes from its available resources.

### Headline question

How efficient is the force at keeping people safe and reducing crime?

#### Core question

How well does the force understand the current, and likely future, demand?

How well does the force use its resources to manage current demand?

How well is the force planning for demand in the future?

#### Diagnostic

How well does the force understand the current demand for its services?

How well does the force understand potential future demand for its services?

How well does the force's current allocation of resources match demand, organisational and financial requirements?

How well does the force improve the productivity of its workforce?

How well does the force work with others to improve how it manages demand for its services?

How well does the force understand how any changes made to improve efficiency have affected its ability to manage demand?

How well does the force identify and prioritise areas to invest in for the future?

How well does the force plan its investments?

To what extent does the force fund its investments sustainably?

## Legitimacy

**Definition:** a police force is legitimate if it has the consent of the public, and those working in the force consistently behave in a way that is fair, reasonable, effective and lawful, which generates the trust and cooperation of the public.

### Headline question

How legitimate is the force at keeping people safe and reducing crime?

#### Core question

To what extent does the force treat all of the people it serves with fairness and respect?

#### Diagnostic

To what extent does the force understand the importance of treating the people it serves with fairness and respect?

How well does the force seek feedback and identify those issues and areas that have the greatest impact on people's perceptions of fair and respectful treatment?

How well does the force act on feedback and learning to improve the way it treats all the people it serves, and

**Core question**

How well does the force ensure that its workforce behaves ethically and lawfully?

To what extent does the force treat its workforce with fairness and respect?

**Diagnostic**

demonstrate that it is doing so?

How well does the force develop and maintain an ethical culture?

How well does the force identify, understand and manage risks to the integrity of the organisation?

How well does the force engage with the public and its workforce about the outcomes of misconduct and corruption cases?

How well does the force identify and act to improve the workforce's perceptions of fair and respectful treatment?

How well does the force support the wellbeing of its workforce?

How fairly and effectively does the force manage the individual performance of its officers and staff?

**Leadership theme**

**Leadership was added as a specific theme in the 2016 process and the questions have been added here**

**Headline question**

How well led is the force?

**Leadership questions**

How well does the force understand leadership?

How well does the force develop leadership?

How well does the force display leadership?

**Diagnostic**

To what extent is there a clear understanding in the force of what is expected of effective leaders?

How well does the force understand the relative strengths and effects of its current leadership?

How well does the force develop its leadership capability?

How well does the force identify and develop potential senior leaders?

To what extent is the force encouraging innovation and swiftly implementing new ideas, approaches and working practices?

To what extent is the force developing diverse leadership teams in terms of experience, background and skills?



## Appendix B – Gap analysis ESFRS Thomas Review

No	Key Finding	Action taken/required	By Whom	Completed
The Working environment (Section 4)				
1	Culture and trust are at the centre of many of the changes required to create a high performing service aligned to the needs of the people it serves. A consistent employee engagement survey should be developed and deployed across the sector (allowing inter authority comparisons) and 'hard wired' into management objectives.		National Fire Chiefs Council	
2	Early engagement with employee representatives at the earliest opportunity should be a feature of all change programmes.	<ol style="list-style-type: none"> <li>1. East Sussex Fire &amp; Rescue Service (ESFRS) has examples of early engagement becoming part of the way we operate. We have established working groups involving end users along with managerial staff for many processes including, savings implementation programme, Operations committee and firefighter recruitment as examples.</li> <li>2. The formation of the Committee structure involves colleagues at all levels and the Fire Brigades union (FBU) is invited to all committee meetings. Regular consultation meetings take place with the FBU, with the Fire Officers Association (FOA) and the Retained Fire fighters Unions (RFU) and Unison.</li> <li>3. Consultation manual note in place</li> <li>4. Workplace safety reps involved in committee</li> </ol>	Assistant Director Human Resources & Organisational Development	

No	Key Finding	Action taken/required	By Whom	Completed
		<p>structure ensures trade union safety reps are embedded in decisions and direction setting.</p> <p>5. Pre consultation of IRMP with Staff provides an example</p>		
3	Fire and rescue services should deploy training in effective change management, leadership and employee engagement in addition to Industrial Relations.	<p><b>CHANGE</b></p> <ol style="list-style-type: none"> <li>1. It is proposed that this will be covered in the People Strategy when developed by Organisational development and it will sit within the workforce development section</li> <li>2. ESFRS provided change management training for the headquarters move.</li> <li>3. ESFRS have provided response training for Sussex Control Centre (SCC) staff which incorporates the changes of incoming systems</li> <li>4. Safer Communities have established a Station Manager forum which is engaging middle managers to influence change</li> </ol> <p><b>LEADERSHIP</b></p> <ol style="list-style-type: none"> <li>1. Executive Leadership Programme for service managers is in place</li> <li>2. Institute of leadership and Management for all supervisory and middle managers at appropriate levels.</li> <li>3. Competence Framework</li> <li>4. Corporate Management Team (CMT) review into effective leadership will map to the Institute of Directors competency framework</li> </ol>	<p>Assistant Director (AD) Human Resources &amp; Organisational Development / AD Training &amp; Assurance</p> <p>AD Training &amp; Assurance</p> <p>AD Training &amp; Assurance</p>	



No	Key Finding	Action taken/required	By Whom	Completed
		<b>INDUSTRIAL RELATIONS</b> 1 No formal planning or training in this area, however, this has been identified as a gap and will be developed.		
4	Increased importance should be placed by fire and rescue services on employee communication - appropriate management training and processes (direct to employee) should be implemented	Channels of communication include core brief, CMT visits, service brief, communication releases, officer training days, fire authority updates, access to meeting minutes, and a comprehensive meeting structure. A Communication Strategy is in place and tools for engagement exist. More focus groups are being used to steer reviews and projects e.g. savings implementation etc.	AD Planning & Improvement	
5	Fire and rescue services should instigate audits of the flow of management information reaching the workforce with the aim of improving the flow of information to the frontline firefighter	There are a number of communication methods employed at the Service. Staff Intranet pages, communications through emails, a weekly service brief and a core brief which staff have to sign to say they have received. Now that the Service is located across a number of sites staff communication will be an important priority going forward and will be reviewed.	AD Planning & Improvement	
6	Management performance objectives should be hard wired to the results of an annual employee engagement and communication survey.	No annual staff survey in place. To be developed.	AD Human Resources & Organisational Development	
7	Unconscious bias training should be rolled out across the fire and rescue service.	Unconscious bias training forms part of the inclusion and diversity strategy	AD Human Resources & Organisational Development	

No	Key Finding	Action taken/required	By Whom	Completed
8	The leadership of the Fire and Rescue Service (represented by the Local Government Association and Chief Fire Officers Association) and the employee representatives together with special interest groups representing woman and black and minority ethnic firefighters should publish a memorandum of understanding as to how people will be treated.		National Joint Council	
9	Research should be directed at how the cadet scheme could be utilised to widen the diversity of the service and how the interest in supporting the fire service can be maintained when the cadets leave the scheme (impacting both equality and potentially the retained duty system).		National Fire Chiefs Council	
10	Each fire and rescue service should maintain an active register of firefighters with second jobs. A refusal or failure to declare a second job should be treated as a serious disciplinary matter.	Refresh secondary employment policy and create up to date register does the policy reflect disciplinary measures and does the disciplinary manual support this statement	AD Human Resources & Organisational Development	
11	Implement a single technological/equipment evaluation facility.		National Fire Chiefs Council	
	<b>Documented conditions of service (section 5)</b>			
12	The fire and rescue services in conjunction with the Government should create a national communication programme highlighting the range of activities and skills beyond fighting fires currently undertaken by firefighters. The aim of this would be to raise public awareness that creating a		GOVERNMENT / National Fire Chiefs Council	

No	Key Finding	Action taken/required	By Whom	Completed
	flexible fire and rescue service aligned to prevention is key to increasing safety in the local community.			
13	Slim down and modernise the Grey Book, removing duty systems and reference to role maps and national occupational standards and replace with contracts of employment.		National Joint Council	
14	Minimum night time shift hours should be removed from the Grey Book		National Joint Council	
15	Disagreements regarding additional payments, collaborations or implementation of new technologies and working practices should be resolved locally without resort to the national advisory panels.		National Joint Council	
16	The national employers, government and employee representatives should, in support of establishing a changed culture (as detailed earlier), meet and agree a re-defined national joint protocol on industrial relations.		National Joint Council	
17	The ability to compulsorily move an individual from the flexible duty system should be introduced.		National Joint Council	
	<b>Section 6 Industrial relations</b>			

No	Key Finding	Action taken/required	By Whom	Completed
18	The National Joint Council should be retained for the purposes of national pay bargaining for basic pay whilst reforming itself to represent employers and employees on a more local basis for all other conditions of service including incremental pay for acquiring competences beyond 'safe to ride'.		National Joint Council	
19	The National Joint Council should consider operating regionally to reflect the requirements of the different fire authorities whilst retaining a national umbrella with respect to basic pay		National Joint Council	
20	Remove Technical Advisory Panels and Resolution Advisory Panel and replace with a direct to ACAS approach. Fire and Rescue Authorities are undertaking a significant amount of local negotiation as they agree positions out with the Grey Book locally and this will not significantly increase workload or cost – in fact the Knight review suggested that local negotiations save money.		National Joint Council	
21	The Government should recognise the increasing view that the current right to withdraw labour (take strike action) is incompatible with the expectations that the public has of an emergency service. As such Government should bring forward appropriate legislation to remove the protection afforded under the Act to unions when their		Government	

No	Key Finding	Action taken/required	By Whom	Completed
	collective strike action, or action short of strike, impedes the fire and rescue service from making an emergency response. The right to strike being retained for non-emergency activities.			
22	If the Government determines not to bring forward legislation to restrict the right to strike then Government should instigate consultation with a view to agreeing with employees impacted a no strike agreement in emergency situations. The right to strike being retained for non-emergency activities.		Government	
23	The chair of the National Joint Council should instigate an independent review of the structure and representative make-up of the National Joint Council to enable it to perform effectively at both a local and national level – noting that a number of contributors, from both the employers and the representatives, felt that they were excluded from the council.		National Joint Council	
	<b>Retained Duty System (section 7)</b>			

No	Key Finding	Action taken/required	By Whom	Completed
24	Fire and Rescue Authorities should adopt duty systems and staffing which align fire fighter availability to the planned work load (e.g. community safety) whilst providing response cover appropriate to the Integrated Risk Management plan should be encouraged.	The Integrated Risk Management Plan (IRMP) provides the services response model and a range of duty systems based on risk. The IRMP continually reviews the role that is needed by the local communities and in doing so has widened the role and use of Retained firefighters. For example the Immediate Emergency Care Responder project (IECR), water safety and supporting ambulance service gain entry to perform lifesaving actions.	AD Operational Support and Resilience/ Operational Planning & Policy	
25	Fire and rescue authorities should be required to provide an annual statement on the use of retained firefighters. Any decision not to use or to cease to use retained firefighters should be communicated in this statement and underpinned with operational evidence provided by the fire and rescue service.	Annual Statement of Operational Assurance will need to include a statement on the use of retained firefighters.	AD Operational Support and Resilience/ Operational Planning & Policy	
26	As part of the annual statement fire and rescue services should be required to provide an annual commentary on the number and use of retained firefighters. And in particular to report on the level of mixed crewing or co-working with whole-time personnel.	As part of the Annual Statement of Operational Assurance we need to include our approach to the use of retained personnel. Mixed crewing policy is in place, and retained personnel have filled fixed term contracts. RDS undertake community fire safety projects including home safety visits and they support wider specialist roles such as maritime operations, animal rescue, water rescue etc. About to run migration process to allow part time staff to apply for whole-time posts.	AD Safer Communities	
27	Legislation should be brought forward to provide employment protection to fire fighters employed on the Retained Duty System.		Government	

No	Key Finding	Action taken/required	By Whom	Completed
	This legislation is already in place for other groups (military reservists, magistrates and so on).			
28	A national awareness programme for retained duty system personnel should be produced.		Government/ National Fire Chiefs Council	
29	Trial and evaluate, in a limited number of fire and rescue services, the use of an annual bounty payment for employers of retained firefighters.		Government/ Local Government Association	
	<b>Management of the Fire and Rescue Service (section 8)</b>			
30	Fire authorities should keep the number and level of commitment of fire authority elected members under review. The right number may differ by authority but should be large enough to allow scrutiny without becoming burdensome on operational delivery.	To be carried out in 2017	Fire Authority	
31	Recruitment and selection academic standards should be immediately raised.		National Fire Chiefs Council	
32	Fire and rescue services should create critical mass by collaborating in recruitment including lateral recruitment into 'fast track' management programmes.	This is focussed on recruitment and not training. In 2019 we are exploring joint recruitment with West Sussex Fire & Rescue Service. Electronic recruitment shows intent to use others to assist in processes. We have no fast track managerial programme. The apprenticeship's plan might again support intent and direction of travel.	AD Human Resources & Organisational Development	
33	Fire and rescue services should explore a collaborative approach to the creation of succession plans and senior leader programmes with more		National Fire Chiefs Council	

No	Key Finding	Action taken/required	By Whom	Completed
	cross authority developmental moves			
34	Where collaboration could lead to more formal mergers, Government should find transformational funding to support the creation of larger fire and rescue services that offer critical mass in areas of technology introduction, recruitment, succession and development.		Government	
35	Fire and rescue services should maintain an up-to-date strategic workforce plan.	No evidence of a strategic workforce plan. Will be covered in the People strategy	AD Human Resources & Organisational Development	
36	Fire and rescue services that cannot offer promotional opportunities away from the original place of work/watch then preparatory management training should be available as part of a strategic workforce development plan.	People strategy will move the process from providing development after being given a post to being given development to allow them to move into a post - Talent pipeline	AD Human Resources & Organisational Development/ AD training & Assurance	
37	The expectation that all fire fighters attain the same, maximum, level of competency should be removed. The wide and increasing range of roles and activities undertaken by fire fighters calls for a more sophisticated alignment of capability with the activity required in support of the local Integrated Risk Management Plan than can be provided by the view that 'a fire fighter is a fire fighter'.		National Joint Council	



No	Key Finding	Action taken/required	By Whom	Completed
38	Training and pay should reflect a 'safe to ride' measure – basic core skills and core pay followed by competency based increments as required (which in the event of losing that competency means that the fire fighter retains their job albeit without that competency).		National Joint Council	
39	To create and maintain (in the face of decreasing numbers) a cadre of managers capable of becoming future fire and rescue service leaders, a standardised industry wide approach to leadership development should be adopted.		National Fire Chiefs Council	
40	Fire and rescue services not using the Executive Leadership Programme should reconsider doing so.	ESFRS are doing this for strategic leaders - Area Manager and above	AD Training & Assurance	YES
41	A lateral, industry wide, recruitment scheme should be created. This will fast track managers through the experiential requirements and into senior roles.		National Fire Chiefs Council	
42	The Gold Book (conditions of service for principal officers) should be removed along with that for Brigade Managers. With pay and conditions of service agreed locally subject to the introduction of a more sophisticated job evaluation programme that better reflects job size, role complexity and other duties in a way which allows inter authority comparison.		Fire Authority/ National Joint Council	
43	All fire and rescue services and fire authorities should review the accessibility of their pay policy statements.	Pay policy is signed off annually by the Fire Authority. Goes to February Main Fire Authority meeting	AD Human Resources & Organisational Development	

No	Key Finding	Action taken/required	By Whom	Completed
44	The Chief Fire Officers Association should consider increasing the term of office for the role of president from 1 year to 2 or 3 years – to provide increased stability of leadership.		National Fire Chiefs Council	
45	Finally all participants in the fire industry should adopt the principle of: - “Where change is common sense it should become common practice”		ALL	