

POLICY & RESOURCES PANEL

Minutes of the meeting of the POLICY & RESOURCES PANEL held Via Webex at 11.30 am on Thursday, 12 November 2020.

Present: Councillors Peltzer Dunn (Chairman), Galley, Lambert (In place of Cllr Tutt), Pragnell, Powell and Evans (In place of Cllr Scott)

Also present: D Whittaker (Chief Fire Officer), M Andrews (Assistant Chief Fire Officer), M O'Brien (Deputy Chief Fire Officer), M Matthews (Acting Assistant Chief Fire Officer), J King (Assistant Director Safer Communities), N Cusack (Assistant Director Operational Support & Resilience), L Ridley (Assistant Director Planning & Improvement), D Savage (Assistant Director Resources/Treasurer), H Scott-Youlton (Assistant Director Peoples Services), L Woodley (Deputy Monitoring Officer) and E Simpkin (Democratic Services Officer)

8 Declarations of Interest

It was noted that, in relation to matters on the agenda, no participating Member had any interest to declare under the Fire Authority's Code of Conduct for Members.

9 Apologies for Absence/Substitutions

Apologies had been received from Councillor Tutt. Councillor Lambert was attending as his substitute. Apologies had also been received from Councillor Scott. Councillor Evans was attending as his substitute.

10 Minutes of the last Policy & Resources meeting held on 23 July 2020

RESOLVED: That the minutes of the meeting of the Policy & Resources Panel held on 23 July 2020 be approved as a correct record and signed by the Chairman.

11 Notification of items which the Chairman considers urgent and proposes to take at the end of the agenda/Chairman's business items

The Panel recorded their thanks and congratulations to Assistant Chief Fire Officer Mark Andrews on his departure from East Sussex Fire & Rescue to take up his position as Deputy Chief Fire Officer at West Sussex Fire & Rescue Service.

12 Callover

Members reserved the following items for debate:

13. Revenue Capital Budget 2020/21 and Capital Programme 20/21 to 2024/25 Monitoring
14. Treasury Management Half Year Review 2020/21

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13 Revenue and Capital Budget 2020/21 and Capital Programme 2020/21 to 2024/25 Monitoring

The Panel received a report from the Assistant Director Resources/Treasurer (ADR/T) on the findings from the Month 6 monitoring of the Revenue and Capital Budget 2020/21 and Capital Programme 2020/21 to 2024/25.

Commenting on the unique and challenging circumstances, the ADR/T explained that there was currently a net Revenue overspend of £105,000, a favourable variation of £44,000 from the position identified in the last report to the Panel. With regard to the Capital Programme, a net £1,231,000 was currently projected to slip into 2021/22. This was largely due to the impact of Covid-19 on the areas of fleet and estates. Officers were working hard to manage and mitigate risks. Further details on the risks to the Revenue budget and Capital programme were set out in the report.

The ADR/T drew the Panel's attention to the fact that the current year's budget was reliant on one-off grants in terms of pension costs and support for the immediate impact of Covid. It was expected that the additional costs incurred and income lost as a result of the pandemic would be covered by the government grant and a bid against the income loss compensation scheme, however, this would depend on the impact of the second wave. There was currently no need to draw on reserves. The ADR/T added that the Authority was facing a period of financial uncertainty with the impact of Covid-19 expected to be seen in the following financial year and a 1 year government settlement, an announcement on which was expected at the end of the month.

The Panel asked for further information on the impact of the pandemic on the people services side of the organisation, such as training, apprenticeships and the use of consultants and agency staff. The Assistant Director People Services (ADPS) gave assurances that key training had continued during the pandemic through alternative ways of delivery and although this had been a quick cultural shift, it had been very positive. There had been a 3 month period when some training had been missed, however, a training recovery plan had been developed by the Covid-19 Working Group. Apprenticeships for staff had continued, depending on providers adapting delivery methods. The ADR/T added that he was not aware of any upturn in the use of consultants or agency staff.

The Panel asked for clarification on the overall net reduction in the drawdown from reserves of £2,553,000 as set out in paragraph 8.5 of the report. The ADR/T explained that this was partly due to the slippage on the capital programme which reduced the drawdown from capital reserves. The Service had also received a higher level of S31 grant in relation to business rates relief some of which has been transferred into reserves to be released in 2021/22 to cover the corresponding collection fund loss. There had also been the contribution of the £136k Covid government grant which would be used during year. The ADR/T added that there had been a review of the

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improvement and efficiency fund which had resulted in a drawdown of less than planned. With regard to the ESMCP Readiness Reserve, this was a ring-fenced grant awarded by the government some years ago in order to fund changes to the control centre in readiness for the replacement of the national Airwave system. This project had been delayed a number of times and the Service would need to look at the use of the grant in conjunction with Surrey Fire & Rescue Service and the Home Office once Project 21 had been completed. With regard to the Business Rate retention funds, it had been agreed as part of the pilot that a proportion of the fund would be used towards economic development and it was likely that this part of reserves would be released during the budget planning next financial year to support capital programme spend in the relevant districts and boroughs. Reserves also included funds set aside to match fund the retrofit of sprinklers in high rise; this project had been protracted and it was not anticipated that funds would be spent during the current financial year.

RESOLVED: That the Panel noted:

- (i) the risks to Revenue Budget and the projected overspend,
- (ii) the risks to the Capital Programme and the projected in year underspends,
- (iii) the reduced net drawdown from reserves,
- (iv) the monitoring of savings taken in 2020/25 including those savings at risk,
- (v) the current year investments and borrowing; and
- (vi) the transfer of fuel savings of £20,000 (April to September) to contingency.

14 Treasury Management Half Year Review 2020/21

The Panel received a report from the ADR/T which provided an update on the treasury activity for the first six months of 2020/21, a requirement of the Fire Authority's reporting procedures. The ADR/T confirmed that despite a challenging period, the Fire Authority had complied with its approved Treasury Management Strategy and Prudential Indicators during the first 6 months of the year. The Panel noted that there had not been any opportunities to repay or restructure debt and that there had been no new borrowing. The Authority continued to work with Link Asset Services via Orbis for treasury management advice.

The Panel was pleased to note that there were no material issues to report.

RESOLVED: That the Panel notes the treasury management performance for the first half year of 2020/21.

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The meeting concluded at 12.10 pm

Signed

Chairman

Dated this

day of

2020