

# Fire Authority

## 5 September 2019



### Membership:

|                                                                                                                                                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Councillors: Galley (Chairman), Lambert (Vice-Chair), Barnes, Dowling, Earl-Williams, Ebel, Evans, Hamilton, Osborne, Peltzer Dunn, Powell, Pragnell, Scott, Sheppard, Smith, Taylor, Theobald and Tutt |
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**You are requested to attend this meeting to be held in the Council Chamber, County Hall, East Sussex County Council, St Anne's Crescent, Lewes at 10.30 am**

### Quorum: 6

|                 |                                                               |
|-----------------|---------------------------------------------------------------|
| <b>Contact:</b> | Abigail Blanshard<br>01323 462069 abigail.blanshard@esfrs.org |
|-----------------|---------------------------------------------------------------|

## Agenda

### 1. **Declarations of Interest**

In relation to matters on the agenda, seek declarations of interest from Members, in accordance with the provisions of the Fire Authority's Code of Conduct for Members.

### 2. **Apologies for Absence**

### 3. **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

### 4. **To consider any public questions**

### 5. **To receive any petitions**

### 6. **Non-confidential Minutes of the Annual Fire Authority Meeting** 5 - 10

To approve the Non-confidential Minutes of the Annual Fire Authority

Meeting held on 13 June 2019

- |            |                                                                                                                                                                                                                                                                                                                                                  |                  |
|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| <b>7.</b>  | <b>Non-confidential Minutes of the Extraordinary Fire Authority Meeting</b>                                                                                                                                                                                                                                                                      | <b>11 - 14</b>   |
|            | To approve the Non-confidential Minutes of the Extraordinary Fire Authority Meeting held on 3 July 2019                                                                                                                                                                                                                                          |                  |
| <b>8.</b>  | <b>Callover</b>                                                                                                                                                                                                                                                                                                                                  |                  |
|            | The Chairman will call the item numbers of the remaining items on the open agenda. Each item which is called by any Member shall be reserved for debate. The Chairman will then ask the Fire Authority to adopt without debate the recommendations and resolutions contained in the relevant reports for these items which have not been called. |                  |
| <b>9.</b>  | <b>2018/19 Annual Performance Outcome Report</b>                                                                                                                                                                                                                                                                                                 | <b>15 - 54</b>   |
|            | Report of the Assistant Director Planning & Improvement                                                                                                                                                                                                                                                                                          |                  |
| <b>10.</b> | <b>Revenue Budget and Capital Programme Monitoring 2019/20</b>                                                                                                                                                                                                                                                                                   | <b>55 - 70</b>   |
|            | Report of the Assistant Director Resources / Treasurer                                                                                                                                                                                                                                                                                           |                  |
| <b>11.</b> | <b>2020/21 Strategic Service Planning and Medium Term Financial Plan</b>                                                                                                                                                                                                                                                                         | <b>71 - 86</b>   |
|            | Report of the Assistant Director Resources / Treasurer                                                                                                                                                                                                                                                                                           |                  |
| <b>12.</b> | <b>Firefighter Pension Schemes Update Report</b>                                                                                                                                                                                                                                                                                                 | <b>87 - 100</b>  |
|            | Report of the Deputy Chief Fire Officer                                                                                                                                                                                                                                                                                                          |                  |
| <b>13.</b> | <b>Exclusion of the Press &amp; Public</b>                                                                                                                                                                                                                                                                                                       |                  |
|            | 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 will state the category under which the information disclosed in the report is confidential and therefore not available to the public.                                                                                                                                    |                  |
| <b>14.</b> | <b>Confidential Minutes of the Previous Meeting</b>                                                                                                                                                                                                                                                                                              | <b>101 - 104</b> |
|            | To approve the Confidential Minutes of the Extraordinary Fire Authority Meeting held on 3 July 2019                                                                                                                                                                                                                                              |                  |

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

Date of Publication: 28 August 2019

## Information for the public

East Sussex Fire and Rescue Service actively welcomes members of the public and the press to attend public sessions of its Fire Authority and Panel meetings.

If you have any particular requirements, for example if you require wheelchair access or an induction loop, please contact [democraticservices@esfrs.org](mailto:democraticservices@esfrs.org) for assistance.

Agendas and minutes of meetings are available on the East Sussex Fire & Service website: [www.esfrs.org](http://www.esfrs.org).

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## FIRE AUTHORITY

**Minutes of the meeting of the FIRE AUTHORITY held at County Hall, East Sussex County Council, St Anne's Crescent, Lewes at 10.30 am on Thursday, 13 June 2019.**

Present: Councillors Galley (Chairman), Lambert (Vice-Chair), Barnes, Earl-Williams, Ebel, Evans, Hamilton, Osborne, Powell, Pragnell, Scott, Smith, Taylor, Theobald, Tutt, Belsey (In place of Dowling), Bowdler (In place of Boorman) and Nemeth (In place of Peltzer Dunn)

Also present: D Whittaker (Chief Fire Officer), M O'Brien (Deputy Chief Fire Officer), A Ghebre-Ghiorghis (Monitoring Officer), D Savage (Assistant Director Resources/Treasurer), L Ridley (Assistant Director Planning & Improvement), L Woodley (Deputy Monitoring Officer), E Curtis (Communications & Marketing Manager), A Blanshard (Senior Democratic Services Officer, Z Downton (Democratic Services Officer) and E Simpkin (Democratic Services Officer)

### **1 Declarations of Interest**

Cllr Powell requested that a Personal, Non-Prejudicial interest be recorded noting her employment with Sussex Police.

### **2 Election of Chairman**

The Fire Authority considered the report of the Monitoring Officer inviting the Fire Authority to elect a Chairman and to request, once elected that they advise on their preferred title. (*Copy in Minute Book*)

The Combination Order for the creation of the East Sussex Fire Authority set down the procedures for the election of the Chairman of the Authority.

The Standing Orders of the Fire Authority required a Chairman to be elected from its Members as the first item of business at the annual meeting.

**RESOLVED** – That the Fire Authority:

- i. appointed Councillor Roy Galley as Chairman of the Authority; and
- ii. the Chairman advised that his preferred title was that of 'Chairman'.

### **3 Election of Vice-Chairman**

The Fire Authority considered the report of the Monitoring Officer inviting them to elect a Vice-Chairman for the forthcoming year and, once elected to ask the Vice-Chairman to advise of their preferred title.

**RESOLVED** – That the Fire Authority:

## **Unconfirmed minutes – to be confirmed at the next meeting of the Fire Authority**

- i. Appointed Councillor Carolyn Lambert as Vice-Chairman of the Authority; and
- ii. The Vice-Chairman advised that her preferred title was that of 'Vice-Chair'.

### **4 Apologies for Absence**

Apologies had been received from Cllrs Boorman, Peltzer Dunn and Dowling.

The Chairman welcomed Cllrs Bowdler, Nemeth and Belsey who were attending as substitutes for those Members who were unable to attend.

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

The Chairman of the Fire Authority introduced all Members and officers in attendance.

Following the Brighton & Hove City Council Elections, the Chairman welcomed the newly appointed Members of the Fire Authority, namely Cllr Marianna Ebel, Cllr Amanda Evans, Cllr Les Hamilton and Cllr Steph Powell.

The Chairman also welcomed back Cllr Garry Peltzer Dunn and Cllr Carol Theobald who had been re-appointed by Brighton & Hove City Council.

The Authority welcomed back Cllr Peter Pragnell who had been recently appointed by East Sussex County Council following a change in their Outside Body appointments.

The Chairman asked that the Fire Authority formally record its thanks to Cllr Lizzie Deane, Cllr Adrian Morris, Cllr Jackie O'Quinn, Cllr Nancy Platts and Cllr Simon Elford. The Fire Authority thanked them all for their dedicated service during their time as Members. The Authority was grateful for their contributions to the Fire Authority's work and wished them well in the future. Each of these departing Members would be written to individually to thank them.

The Chairman thanked Cllr John Barnes for his service to the Fire Authority during his time as Chairman. The Authority had benefitted greatly from his knowledge, kindness and service during his tenure as Chairman. As a token of thanks the Authority presented him with a set of East Sussex Fire & Rescue Service cufflinks.

Thanks were given to Cllr Carol Theobald for her support to the Authority during her time as Vice-Chairman.

### **6 To consider any public questions**

There were none.

## Unconfirmed minutes – to be confirmed at the next meeting of the Fire Authority

### 7 To receive any petitions

There were none.

### 8 Non-confidential Minutes of the last meeting held on 14 February 2019

**RESOLVED** – That the minutes of the meeting held on 14 February 2019 be approved and signed by the Chairman. (*Copy in Minute Book*)

### 9 Callover

Members reserved the following items for debate:

10 Political Representation on the Panels of the Fire Authority

12 Member Attendance 2018/19

**RESOLVED** – That all other reports be approved according to the recommendations set out.

### 10 Political Representation on the Panels of the Fire Authority

The Fire Authority received the report of the Monitoring Officer (MO) seeking to secure political balance on Panels in accordance with the Local Government (Committees and Political Groups) Regulations 1990 and agree the resultant membership to the Panels of the Fire Authority. (*Copy in Minute Book*)

The Fire Authority was required to keep under review the allocations of seats on Committees and other bodies to ensure, so far as practicable, that they reflected the political groups on the Authority. The rules governing this representation were outlined in the report.

Following the elections at Brighton & Hove City Council in May 2019 there were now four political groups on the Fire Authority, namely Conservative, Green, Labour and Liberal Democrat, previously there had been three. There was also one Independent Member of the Fire Authority but single members cannot constitute a political group. As a result of this increase in political groups, the allocations to panel memberships had altered with the proposed political proportionality for 2019/20 shown in Appendix 2 to the report.

The Authority agreed to the proportionality and all political groups were in the position to agree panel memberships at the meeting:

|  |              |        |                   |       |
|--|--------------|--------|-------------------|-------|
|  | Conservative | Labour | Liberal Democrats | Green |
|--|--------------|--------|-------------------|-------|

## Unconfirmed minutes – to be confirmed at the next meeting of the Fire Authority

|                                   |                                                         |                                                                                  |                            |               |
|-----------------------------------|---------------------------------------------------------|----------------------------------------------------------------------------------|----------------------------|---------------|
| <b>SCRUTINY &amp; AUDIT (7)</b>   | <b>Barnes<br/>Smith<br/>Taylor</b>                      | <b>Evans<br/>Hamilton</b>                                                        | <b>Lambert<br/>Osborne</b> |               |
| <b>POLICY &amp; RESOURCES (7)</b> | <b>Peltzer Dunn<br/>Boorman<br/>Galley<br/>Pragnell</b> | <b>Scott</b>                                                                     | <b>Tutt</b>                | <b>Powell</b> |
| <b>HUMAN RESOURCES (7)</b>        | <b>Dowling<br/>Theobald<br/>Smith<br/>Taylor</b>        | <i>(Any Member of Labour Group. To be advised as/when meetings are convened)</i> | <b>Osborne</b>             | <b>Ebel</b>   |
| <b>URGENCY (7)</b>                | <b>Barnes<br/>Dowling<br/>Galley<br/>Theobald</b>       | <b>Scott</b>                                                                     | <b>Lambert</b>             | <b>Powell</b> |
|                                   |                                                         |                                                                                  |                            |               |
| <b>APPOINTMENTS PANEL (5)</b>     | <b>Galley<br/>Barnes</b>                                | <b>Scott</b>                                                                     | <b>Lambert</b>             | <b>Powell</b> |
| <b>PENSIONS BOARD (4)</b>         | <b>Theobald, Hamilton, Tutt, Ebel</b>                   |                                                                                  |                            |               |

It was proposed that there might be merit in the Authority appointing the Chair of both the Policy & Resources and Scrutiny & Audit Panels at this meeting and letting the remaining Panels appoint at their first meetings. A discussion followed and whilst there was not full support for this approach it was agreed that these two appointments be made.

Cllr Peltzer Dunn was nominated as Chairman of the Policy & Resources Panel by Cllr Galley, seconded by Cllr Earl-Williams. The nomination was uncontested and passed by a vote of 8 in favour and 1 against.

The position of Chairman of the Scrutiny & Audit Panel was contested:

Cllr Barnes was nominated by Cllr Galley, seconded by Cllr Taylor.  
Cllr Lambert was nominated by Cllr Tutt, seconded by Cllr Scott.

A vote was held with the following results:

Cllr Barnes – 10 in favour and 6 against  
Cllr Lambert – 8 in favour and 10 against

Cllr Barnes was duly elected as Chairman of the Scrutiny & Audit Panel for the forthcoming year.

The Authority also agreed to the appointment of the following Member Lead roles:

## **Unconfirmed minutes – to be confirmed at the next meeting of the Fire Authority**

Health & Safety – Cllr Lambert  
Assurance & Peer Review – Cllr Barnes  
Inclusion & Diversity – Cllr Osborne  
IT – Cllr Tutt  
Estates – Cllr Peltzer Dunn

**RESOLVED** – That the Fire Authority:

- i. confirmed the Panel arrangements and political representation as set out in the Report;
- ii. agreed (with no Member voting against) that the political balance provisions shall not apply to the membership of the Principal Officer Appointments Panel; and
- iii. appointed Cllr Peltzer Dunn as Chairman of the Policy & Resources Panel and Cllr Barnes as Chairman of the Scrutiny & Audit Panel in accordance with Standing Order 41.13 and agreed that the appointment of the Chairman of the remaining Panels be made by the Panels at their first meeting in accordance with Standing Order 41.14.

### **11 Fire Authority & Panel Meetings 2019/20**

The Authority received the Report of the Senior Democratic Services Officer which informed Members of the dates of meetings of the Fire Authority and Panels for the remainder of 2019 and 2020. (*Copy in Minute Book*)

**RESOLVED** – That the Fire Authority noted the dates of meetings of the Fire Authority and Panels for the next 12 months.

### **12 Member Attendance 2018/19**

The Authority considered the report of the Senior Democratic Services Officer which presented for monitoring purposes the Member attendance at formal East Sussex Fire Authority meetings for 2018-19. (*Copy in Minute Book*)

Overall the report was welcomed by Members, and whilst it was appreciated that at times it is difficult to attend meetings, it was felt that the report was a way of reinforcing the importance of attendance. Members were assured that all apologies were noted and that it was understood and appreciated that there were times when non-attendance was unavoidable, these were recorded but not included in this report as it would have involved sharing personal information which would not have been appropriate.

A discussion followed during which comment was made on the presentation of the data with suggestions for future reports including the inclusion of a column referencing the appointment of substitutes.

The Authority were reminded that this was the first report of its type and the intention was that it would grow to include not only formal meetings of the Authority and its Panels but also attendance at open days, seminars,

## **Unconfirmed minutes – to be confirmed at the next meeting of the Fire Authority**

additional meetings and one off events. This would provide in future a fuller picture as attendance at formal meetings is only partially representative of a Fire Authority Members commitment.

**RESOLVED** – That the Fire Authority:

- i. noted the summary of Members attendance at formal Authority meetings for 2018-2019 as set out at Appendix A to this report;
- ii. agreed that from June 2019 Member attendance at formal meetings will be published on the Fire Authority's website; and
- iii. agreed that Member attendance will be reported annually to the Scrutiny & Audit Panel for monitoring purposes.

### **13 Treasury Management - Stewardship Report 2018/19**

The Fire Authority received the Report of the Assistant Director Resources/Treasurer. The Annual Treasury Management Stewardship Report is a requirement of the Fire Authority's reporting procedures and informed Members of Treasury Management Performance for 2018/19 and compliance with Prudential Indicators. (*Copy in Minute Book*)

**RESOLVED** – That the Fire Authority noted the Treasury Management Performance for 2018/19.

The meeting concluded at 11.28 am

Signed

Chairman

Dated this

day of

2019

## FIRE AUTHORITY

**Minutes of the meeting of the FIRE AUTHORITY held at Council Chamber, County Hall, East Sussex County Council, St Anne's Crescent, Lewes at 10.00 am on Wednesday, 3 July 2019.**

Present: Councillors Galley (Chairman), Lambert (Vice-Chair), Barnes, Boorman, Dowling, Ebel, Evans, Grimshaw, Osborne, Powell, Pragnell, Scott, Smith, Taylor and Theobald

Also present: D Whittaker (Chief Fire Officer), M O'Brien (Deputy Chief Fire Officer), D Savage (Assistant Director Resources/Treasurer), L Woodley (Deputy Monitoring Officer), A Rowlands (Head of Commercial Law, BHCC), H Scott-Youldon (ADHRODTA), E Curtis (Communications & Marketing Manager), A Blanshard (Senior Democratic Services Officer)

### **14        Declarations of Interest**

There were none.

### **15        Apologies for Absence**

Apologies had been received from Cllrs Earl-Williams, Hamilton, Peltzer Dunn and Tutt.

The Chairman welcomed Cllr Grimshaw who was attending as substitute for Cllr Hamilton.

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

There were none.

### **17        To consider any public questions**

There were none.

### **18        To receive any petitions**

There were none.

### **19        Callover**

Members reserved the following items for debate:

- 7        Restricting Exit Payments in the Public Sector – Consultation on Draft Regulations

## Unconfirmed minutes – to be confirmed at the next meeting of the Fire Authority

9 Sussex Control Centre Project & Future Mobilising Options – Progress Update

### 20 Restricting Exit Payments in the Public Sector - Consultation on Draft Regulations

The Fire Authority received the report of the Deputy Chief Fire Officer (DCFO) informing them of the Government's proposal to introduce a cap on exit payments in the public sector. A revised draft response to the current consultation on the regulations to implement the cap was circulated at the meeting. (*Copy in Minute Book*)

The Assistant Director HR, OD, Training & Assurance (ADHRODTA) explained that the consultation on this proposal closed at midnight on 3 July 2019. The Authority were informed that the consultation did not include the level at which the cap would be set as this was already set in legislation. She added that whilst the cap level was not included in the consultation, it was agreed that the consequences of capping too low were recognised. The reasons why the cap was not supported were outlined within the report and additional commentary provided by the Deputy Monitoring Officer would be also included as well as any received from the Authority.

The Authority raised many concerns about the cap, including the potential effect on those who might need to retire early due to ill-health and the impact that the cap might have on both recruitment and retention of staff.

There was some question over whether the proposals now affected too many employees and not just those that were in receipt of the highest salaries, it was the opinion of the Authority that the cap had been set too low and that there were also some things that should not be included in it at all. The Authority felt it essential that the response clearly addressed why the cap was thought inappropriate and that it should be more closely targeted and set at a much higher rate.

The ADHRODTA agreed that the response at Q1 would be expanded further to include more detail. The Authority were informed by the CFO that there were some exemptions which would address those concerns regarding the ill-health and inability to perform duties, but there were concerns for those that were now expected to remain as active firefighters until 60 years old rather than the previous age of 50 and their options for early retirement.

The Authority were informed that this was a nationwide consultation and that responses had been submitted by many organisations including local authorities, the NFCC and Trade Unions.

It was generally felt that the introduction of a pay cap at this level was wrong and that the intention behind the original proposal had been forgotten, initially it was felt the aim had been to address large payments to higher earners. There were concerns that the attempt to make it apply to all was not appropriate.

## **Unconfirmed minutes – to be confirmed at the next meeting of the Fire Authority**

The ADHRODTA thanked Members for their comments and agreed to update the draft response accordingly and to circulate to Members once submitted.

**RESOLVED** – That the Fire Authority:

- i. noted the Government’s proposal to implement a Public Sector Exit Payment Cap; and
- ii. agreed the proposed draft response to the consultation on the regulations to implement the cap and delegate authority to the Assistant Director HR, OD, Training & Assurance to respond to the consultation, reflecting the Authority’s views.

### **21 Exclusion of Press and Public**

**RESOLVED** – That item no. 9 be exempt under paragraph 3 of Schedule 12A to the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006 and accordingly is not open for public inspection on the following grounds: it contains information relating to the financial or business affairs of any particular person (including the authority holding that information).

### **22 Sussex Control Centre Project & Future Mobilising Options - Progress Update**

The meeting concluded at 11.20 am

Signed

Chairman

Dated this

day of

2019

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## EAST SUSSEX FIRE AND RESCUE SERVICE

|                        |                                                                                       |
|------------------------|---------------------------------------------------------------------------------------|
| <b>Meeting</b>         | Fire Authority                                                                        |
| <b>Date</b>            | 5 September 2019                                                                      |
| <b>Title of Report</b> | 2018/19 Annual Performance Outcome Report                                             |
| <b>By</b>              | Liz Ridley, Assistant Director – Planning & Improvement                               |
| <b>Lead Officer</b>    | Sharon Milner, Planning & Intelligence Manager<br>Marcus Whiting, Performance Analyst |
| <b>Lead Member</b>     | Cllr John Barnes                                                                      |

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| <b>Background Papers</b> | Fire and rescue incident statistics, England, year ending March 2019 |
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|-------------------|------------------------------------------------------------------------------------------------------------|
| <b>Appendices</b> | Appendix 1 – Annual performance outcome report 2018/19<br>Appendix 2 – Plain English indicator definitions |
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### Implications

*Any implications affecting this report should be noted within the final paragraphs of the report*

|                            |  |                               |  |
|----------------------------|--|-------------------------------|--|
| <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>             |  |

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|                          |                                                        |
|--------------------------|--------------------------------------------------------|
| <b>PURPOSE OF REPORT</b> | To present the annual performance results for 2018/19. |
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|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>EXECUTIVE SUMMARY</b> | This report provides the Fire Authority with details of East Sussex Fire & Rescue Service's performance for the period April – March 2018/19. Eight top level indicators improved or met the target set in 2018/19 (42%) and 11 indicators declined. |
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|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>RECOMMENDATION</b> | The Fire Authority is asked to:<br><br>1. Consider the performance results and progress towards achieving the Service's purpose and commitments. |
|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|

2. Consider the performance results and remedial actions that have been taken to address areas of underperformance in the Fire Authority's priority areas.
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## **1 INTRODUCTION**

- 1.1 This report summarises the 2018/19 performance outcomes for East Sussex Fire & Rescue Service. The report aims to provide a single view of information which allows Elected Members, Auditors and members of the public to hold the Service's senior managers and staff to account in terms of the provision and performance of their Fire & Rescue Service for 2018/19.
- 1.2 The report provides a comparison against last year's performance, whether or not the target was achieved, where one has been set, and the direction of travel from the previous year for example, improved, stayed the same or declined.
- 1.3 East Sussex Fire & Rescue Service results are compared against the results for Fire and Rescue Services in the rest of England on a scale of best to worst performance based on the 2017/18 national data sets which are the latest available.
- 1.4 The report highlights a decline on last year's performance as 42% of indicators improved or met the target as opposed to 50% the previous year.
- 1.5 The Home Office have recently issued the incident statistics for 2018/19, the overarching report shows that nationally England has attended 2% more incidents over this period than previously in 2017/18. Primary fire attendances decreased by 1% but secondary fires increased by 19%. ESFRS saw a 0.8% increase in the total number of incidents attended in 2018/19 against 2017/18; an increase of 4.5% primary fires and 6.5% increase at secondary fires.

## **2 MAIN ISSUES**

- 2.1 In 2017/18 The Scrutiny and Audit Panel set seven priority areas for the Service to concentrate on. This report provides detailed commentary against those areas. Additional commentary is also provided for other areas of interest.

The Fire Authority priorities areas are:

1. Reducing accidental dwelling fires
2. Confining the fire to the room of origin
3. Reducing attendance at false alarm calls
4. Increasing the number of home safety visits to vulnerable members of our community
5. Reducing sickness
6. Numbers of home safety visits
7. Increasing inspections in high risk premises

## **2.2 Reducing accidental dwelling fires**

2.2.1 Accidental dwelling fires (Section 5.2 in Annual Performance and Outcome report for 2018/19) have been a priority area for the Service for a number of years. Accidental dwelling fires have reduced by 38% from 2000/01 overall, but have plateaued in recent years. In 2018/19 508 accidental dwelling fires were attended which is 6 higher than 2017/18 which was the lowest number of accidental dwelling fires recorded over the last 19 years from 1999/2000. The previous lowest number being 506 in 2010/11. The intervening years since then saw 538, 558, 526, 544, 552 and 538 respectively. 59% of the accidental dwelling fires occurred in the kitchen, with cooking appliances responsible for 244 (81%) of these.

2.2.2 However due to on-going issues in 4i there are still around 10 incidents that are not in the IRS system and a number of these will be accidental dwelling fires so expect the year end figure for 2018/19 to increase slightly. The accidental dwelling fire reduction group continues to proactively engage with our communities and there have been a large number of social media campaigns.

## **2.3 Responding quickly to a fire to stop it spreading from the room it started in**

2.3.1 There was a decrease in performance in comparison to last year, with 92.4% of fires confined to the room of origin in 2017/18 compared to 90.7% in 2018/19 we consistently perform well in this area. In real numbers this means that out of 508 fires attended we contained 461 to the room of origin.

## **2.4 Reducing false alarm calls, especially in properties with a previous history of this**

2.4.1 47.2% (4,429) of our total incidents in 2018/19 were to false alarm calls, of these 32.7% (3,071) were from automatic fire detector systems. An unwanted fire alarm signal is where an automatic fire alarm (AFA) system activates and initiates a response from the fire service and on attendance it is found to be a false alarm. A call challenge policy is in place with responsible premise owners being asked to confirm the need for an attendance. We are undertaking more targeted work to ensure that we continually review and improve efficiencies across the Service. A demand management review is ongoing as part of the Authority's last Integrated Risk Management Plan and will be looking at our attendance at non-life-threatening incidents. By reducing the demand on our Service for calls that are not deemed appropriate to attend, we will free up our resources to undertake meaningful community safety work that will make people safer in our communities.

2.4.2 As detailed in the AFA Service position statement, work is underway to separate out unwanted fire alarm calls from those that are considered near misses as each require a very different response. For example, to treat a near miss as an unwanted fire alarm call would be wholly inappropriate as we would miss an opportunity for engagement with service prevention resources that could prevent a further more serious incident in the future.

## **2.5 Increasing the number of home safety visits that we complete with the more vulnerable members of our community**

2.5.1 We delivered 91.2% of our home safety visits to vulnerable people within our community 2018/19 which is a slight decrease on last year (91.7%). This means that out of 11,049 visits 10,076 were to vulnerable people in the community which compares to 10,102 in the previous year.

## **2.6 Reducing the number of absences of our employees due to sickness.**

2.6.1 Sickness absence (Section 5.5 in Annual Performance and Outcome report for 2018/19) is another priority area for the service and performance has improved from the previous year, with 8.8 shifts lost against 10.8 in 2017/18. Of the 8.8 shifts lost per employee at the end of 2018/19, 5.1 of these are due to long term sickness, 1.2 due to medium term sickness and 2.4 due to short term sickness. By the end of 2018/19 Wholetime had lost 9.5 shifts per employee, Control 9.7 shifts per employee and support staff 6.7

2.6.2 A number of work areas have been progressed throughout the year to support the organisation in managing attendance and this is bearing positive results.

## **2.7 Number of Home Safety Visits**

2.7.1 A concentrated effort to increase the number of home safety visits (Section 5.2 in Annual Performance and Outcome report for 2018/19) during the year with 11,049 visits undertaken against a target of 12,000. The shortfall falls in the Community Safety Advisors target. The teams have been working in pairs, due to lone working concerns and sickness and staff turnover have also impacted on the year end result. An accidental dwelling fire working group made up of staff from stations, community fire safety, communications and planning and intelligence continue to meet and a number of high profile campaigns and events ran throughout the year.

2.7.2 As we become more sophisticated in targeting those most vulnerable, we are finding that more and more visits are requiring two staff to attend and therefore the same level of performance that has been determined would deliver 12,000 visits now results in 10,000; based on a S&W advisor/team delivering 84 visits a month. A number of innovative ideas are being considered to provide the Authority with future options and will be discussed at a future member's seminar as we face the challenge of balancing quality and quantity. Funding for the two specialist Safe and Well advisors has now ceased and although alternative funding is being sought to provide further options in the future the 12,000 visits was also predicated on this resource. Performance of both the crews and the teams continues to be closely monitored and the crews delivered the required target of 7,000 for 18/19 and are set to repeat this stretched target this current year. In summary the 5,000 target set for S&W based on 8.4 staff (hours) and lone working is not realistic with a staff count of 6.4 working in pairs and 3,000 now represents a significant stretched target that will need to attract some innovative practice to ensure the Service delivers 10,000 visits over this forthcoming year, which the team are determined to deliver and have been striving to achieve over recent months.

## **2.8 Inspections of high risk premises completed**

2.8.1 This priority area was introduced in 2017/18 and deemed critically important following the Grenfell Tower fire on 14 June 2017. At the end of 2018/19 581 audits had been completed, this is an increase of 16% on the previous year when 499 were undertaken.

2.8.2 The Service is reviewing the current national Risk Based Inspection program and has introduced Business Safety checks/audits by operational personnel. There are a number of areas that will help improve performance in this area including:

- The upgrade of the Customer Relationship Management database to help staff record audits quickly and effectively and it will be developed to deliver a qualitative risk based inspection program. The project will deliver a mobile digital platform to support efficiencies in the audit process.
- Competency-based Business Safety training will be given to operational staff
- We will continue to identify and inspect premises at higher risk of fire
- We will provide all premises where the Fire Safety Order applies with a qualitative relative risk rating
- There are plans to use the inspection program to collect enhanced firefighter risk information

## **2.9 Other commentary**

### **2.9.1 Number of RIDDOR incidents**

2.9.2 The majority of the RIDDOR (Section 5.6 in Annual Performance and Outcome report for 2018/19) notifications to HSE are for incapacitation over 7 days. There has been a decrease of 33% when compared to the previous year. Seven RIDDORs were due to absences of over 7 days following an injury; two were due to BA failures (indicative of the ageing BA sets), and 1 was a fracture.

### **2.9.3 Compliments and complaints**

2.9.4 The annual outcome report (Section 6) contains a summary of the complaints received against the Service. Effective complaint management is an important element of maintaining the Service's reputation. Complaints are also a valuable tool in helping to understand resident's expectations of service delivery and should be an essential part in identifying improvements across the organisation.

2.9.5 Complaints received are formally recorded by the Service Complaints Officer (SCO) and, as far as possible, dealt with immediately. Where this is not possible, complaints are:

- acknowledged within three working days

- responded to within one month of the complaint being received by ESFRS
- kept under review and the complainant kept informed of progress or any reasons which are causing a delay
- monitored by the SCO to identify problem areas.

2.9.6 There were 30 complaints received in 2018/19, four more than the previous year. Of the complaints, four were considered justified, four partially justified and two unjustified. A further 13 were logged for recording purposes another one was logged as an observation rather than a complaint and the final six were listed as being unsubstantiated.

2.9.7 Upon analysis, poor driving standards of which one was justified and one partially, three more were unsubstantiated and employee conduct were the highest causes for complaints in 2017/18. In order to raise awareness and address issues of poor driving standards any future complaints are now considered by the Operational Assurance Group chaired by the Assistant Director of Operational Support and Resilience.

2.9.8 During the year we received 214 “thank you” letters from various members of the public as opposed to 127 received last year. Compliments are circulated to staff through the service brief on a weekly basis and cover all aspects of our service provision including home safety visits, incidents attended, school visits, education events etc.

|                      | 2016/17 | 2017/18 | 2018/19 |
|----------------------|---------|---------|---------|
| Complaints received  | 20      | 26      | 30      |
| Compliments received | 177     | 127     | 214     |

2.8 The performance outcome summary is set out in Appendix 1 attached as a separate document.

2.9 A list of useful definitions is attached at Appendix 2.



**East Sussex**  
Fire & Rescue Service

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# **Annual Performance Outcome Report for 2018/19**

**SEPTEMBER 2019**

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## 1. Introduction

This report provides details of East Sussex Fire & Rescue Service's performance for the period April – March 2018/19.

It provides a transparent, single view of information which allows Elected Members, Auditors and members of the public to hold the Service's senior managers and staff to account in terms of the provision and performance of their Fire & Rescue Service for 2018/19.

The Fire Authority's purpose is to 'make our communities safer'. We have developed four overarching commitments to the public as follows;

**Our Purpose is:** *We make our communities safer*

**Our Commitments are:** *Delivering high performing services*  
*Educating our communities*  
*Developing a multi-skilled, safe and valued workforce*  
*Making effective use of our resources*

**Our Core Values are:** *Proud*  
*Accountable*  
*Integrity*  
*Respect*

## 2. Operating Environment

East Sussex Fire & Rescue Service provides prevention, protection and response services to 840,500 people living in 367,875 households within the area of East Sussex and the City of Brighton & Hove. We work within a large and diverse area on the south coast of England, covering rural locations as well as a busy city centre and urban seaside towns.

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

### Coastal and other influences

- At least 70% of the population lives along 47 miles of coast
- Our area provides almost every aspect of community risk including multiple harbours, with the inherent risk of ship fires and oil terminals leading into the city of Brighton & Hove
- The influence of the landscape and significant coastal and inland flooding causes risks
- ESFRS service area has an older age profile compared to England and the South East with 21.3% aged 65 or over, compared to 18.0% in England and 19.1% regionally.
- ESFRS service area is below the national average of 22.2% with 20.4% adults classified as physically inactive, however, both Rother and Eastbourne are significantly above this level with 26.5% and 26.4% respectively.
- East Sussex has no motorways and all the main 'A' roads suffer from congestion and traffic problems. However, East Sussex had a 3.4% decrease in recorded road casualties from March 2018 to February 2019: 1,800 down to 1,739 and Brighton and Hove had a 2.8% decrease over the same period: 799 down to 777.
- 11.45 million tourists visit Brighton & Hove in 2014, of which 1.45 million were overnight visitors.

\* Data provided by ONS and CIFPA for mid-year populations 2017 and Dwellings 2018, East Sussex Local Transport Plan 3 2011-2026, Report of Findings for VisitBrighton, Brighton Visitor Survey 2016, Tourism South East Research; SSRPs Data Portal /Crashes monthly data & Public Health 2017/18 - Physical Activity.

### 3. Summary of Achievement

The table below provides a key summary of our achievement against targets, or where no target is set, our achievement against the previous year's result in our priority areas, and non-priority areas for 2018/19.

Our priority areas for 2018/19 were:

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

| Indicator group    |  Indicators where the target has been met or performance exceeded the previous year |  Indicators where target has not been met or performance declined against the previous year |
|--------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Priority Areas     | 4<br>(57%)                                                                                                                                                             | 3<br>(43%)                                                                                                                                                                       |
| Non-priority areas | 4<br>(33%)                                                                                                                                                             | 8<br>(67%)                                                                                                                                                                       |
| All Indicators     | <b>8</b><br><b>(42%)</b>                                                                                                                                               | <b>11</b><br><b>(58%)</b>                                                                                                                                                        |

As can be seen from the above table, in 2018/19, 8 from 11 indicators (42%) met our target or performance exceeded the previous year.

-  Achieved
-  Not achieved

## 4. Performance Results 2018/19

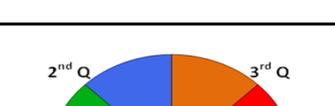
The following section contains the results against our strategic objectives. The tables give a comparison against last year's performance, whether or not the target was achieved and the direction of travel from the previous year.

|                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p>East Sussex Fire &amp; Rescue Service results compared against the results for Fire and Rescue Services in the rest of England. Each of the four quarters represents the scale of best to worst performance based on Home Office results 2017/18*. The arrow represent ESFRS ranking within these quartiles.</p> <p>In this illustrative example it shows ESFRS in the third quartile</p> <p>* 2018/19 results have not yet been published.</p> |
|-----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

# Our Purpose: We make our communities safer

We will do this by:

## 4.1 Commitment 1: Delivering high performing services

| Indicator No.     | How will we measure performance?                                                                     | 2017/18 Q4 result | 2017/18 Year end result | National Quartile Position 2017/18                                                   | 2018/19 Q4 result | 2018/19 Year end result | Direction of travel from 2017/18 result |
|-------------------|------------------------------------------------------------------------------------------------------|-------------------|-------------------------|--------------------------------------------------------------------------------------|-------------------|-------------------------|-----------------------------------------|
| 8                 | Total number of incidents attended                                                                   | 2,131             | 9,460                   |    | 2,223             | 9,381                   | Improved                                |
| 9                 | Number of deaths in primary fires                                                                    | 1                 | 2                       |    | 1                 | 4                       | Declined                                |
| 10                | Number of injuries in primary fires                                                                  | 11                | 38                      |    | 11                | 39                      | Declined                                |
| <b>1 Priority</b> | <b>No of accidental dwelling fires</b>                                                               | <b>136</b>        | <b>502</b>              |   | <b>122</b>        | <b>508</b>              | <b>Declined</b>                         |
| 11                | Number of primary fires                                                                              | 265               | 1,130                   |  | 279               | 1,181                   | Declined                                |
| 12                | Number of deliberate fires                                                                           | 91                | 748                     |  | 170               | 701                     | Improved                                |
| 13                | No of Industrial and Commercial fires                                                                | 44                | 166                     |  | 54                | 189                     | Declined                                |
| 14                | 70% of the first arriving appliances at any incident from an 'On-Station response' within 10 minutes | N/a               | N/a                     | This is an ESFRS indicator only, no National data is available for comparison        | 76.8%             | 74.8%                   | New                                     |
| 15                | 70% of the first arriving appliances at any incident from an 'On-Call response' within 15 minutes    | N/a               | N/a                     | This is an ESFRS indicator only, no National data is available for comparison        | 73.7%             | 74.1%                   | New                                     |

We will do this by:

## 4.2 Commitment 2: Educating our communities

| Indicator No. | How will we measure performance?                         | 2017/18 Q4 result | 2017/18 Year end result | National Quartile Position 2017/18                                            | 2018/19 Q4 result | 2018/19 Year end result | Direction of travel from 2017/18 result |
|---------------|----------------------------------------------------------|-------------------|-------------------------|-------------------------------------------------------------------------------|-------------------|-------------------------|-----------------------------------------|
| 2 Priority    | % of Home Safety Visits to vulnerable people             | 91.8%             | 91.7%                   | This is an ESFRS indicator only, no National data is available for comparison | 90.7%             | 91.2%                   | Declined                                |
| 6 Priority    | Undertake 12,000 Home Safety Visits                      | 2,811             | 11,020                  |                                                                               | 3,446             | 11,049                  | Improved                                |
| 17            | Number of safe and well visits conducted                 | 156               | 540                     | This is an ESFRS indicator only, no National data is available for comparison | 54                | 183                     | Declined                                |
| 7 Priority    | Inspections of high risk premises completed              | 176               | 499                     |                                                                               | 170               | 581                     | Improved                                |
| 18            | Number of business safety engagement events              | 2                 | 24                      | This is an ESFRS indicator only, no National data is available for comparison | 5                 | 18                      | Declined                                |
| 19            | Number of attendees at business safety engagement events | 500               | 1,726                   | This is an ESFRS indicator only, no National data is available for comparison | 220               | 530                     | Declined                                |

We will do this by:

### 4.3 Commitment 3: Developing a multi-skilled, safe and valued workforce

| Indicator No. | How will we measure performance?                                                      | 2017/18 Q4 result | 2017/18 Year end result | National Quartile Position 2017/18                                            | 2018/19 Q4 result | 2018/19 Year end result | Direction of travel from 2017/18 result |
|---------------|---------------------------------------------------------------------------------------|-------------------|-------------------------|-------------------------------------------------------------------------------|-------------------|-------------------------|-----------------------------------------|
| 3<br>Priority | The number of working days/shifts lost due to sickness not to exceed 7.5 per employee | 2.5               | 10.8                    | This is an ESFRS indicator only, no National data is available for comparison | 2.5               | 8.8                     | Improved                                |
| 20            | Number of RIDDOR incidents                                                            | 4                 | 15                      |                                                                               | 3                 | 10                      | Improved                                |
| 21            | Number of workplace reported accidents / injuries                                     | 71                | 221                     |                                                                               | 66                | 248                     | Declined                                |

We will do this by:

#### 4.4 Commitment 4: Making effective use of our resources

| Indicator No. | How will we measure performance?                                                                 | 2017/18 Q4 result | 2017/18 Year end result | National Quartile Position 2017/18                                            | 2018/19 Q4 result | 2018/19 Year end result | Direction of travel from 2017/18 result |
|---------------|--------------------------------------------------------------------------------------------------|-------------------|-------------------------|-------------------------------------------------------------------------------|-------------------|-------------------------|-----------------------------------------|
| 4<br>Priority | A 32% reduction of automatic fire alarms (AFA) from the base year result of 2009/10              | -29.2%            | -33.7%                  | This is an ESFRS indicator only, no National data is available for comparison | -28.9%            | -35.5%                  | Improved                                |
| 22            | % of AFA mobilised calls to properties covered by the RRO that were classified as a primary fire | 1.5%              | 1.8%                    | This is an ESFRS indicator only, no National data is available for comparison | 1.5%              | 1.1%                    | Improved                                |
| 23            | % of AFA calls challenged by SCC                                                                 | 8.1%              | 7.1%                    | This is an ESFRS indicator only, no National data is available for comparison | N/a               | N/a                     | -                                       |
| 5<br>Priority | % of accidental dwelling fires confined to room of origin                                        | 91.2%             | 92.4%                   | This is an ESFRS indicator only, no National data is available for comparison | 92.6%             | 90.7%                   | Declined                                |

## 5. Detailed Performance Analysis

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

These key indicators include:

- Primary Fires
- Accidental Dwelling Fires
- Deliberate Fires
- Primary Fire Fatalities
- Primary Fire Injuries
- Sickness Indicators
- Health and Safety

This analysis has looked at the following:

- Performance against previous year
- Main Types and causes of incidents
- Geographic analysis of the location of incidents.

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

### 5.1 Primary Fires

#### Performance April-March 2018/19: 1,181 Fires

Increased ✖ by 4.5% (51) since 2017/18 from 1,130 to 1,181 fires

Reduced ✔ by 25.3% (400) since the 2009/10 baseline of 1,581.

#### Main Types of Primary Fires

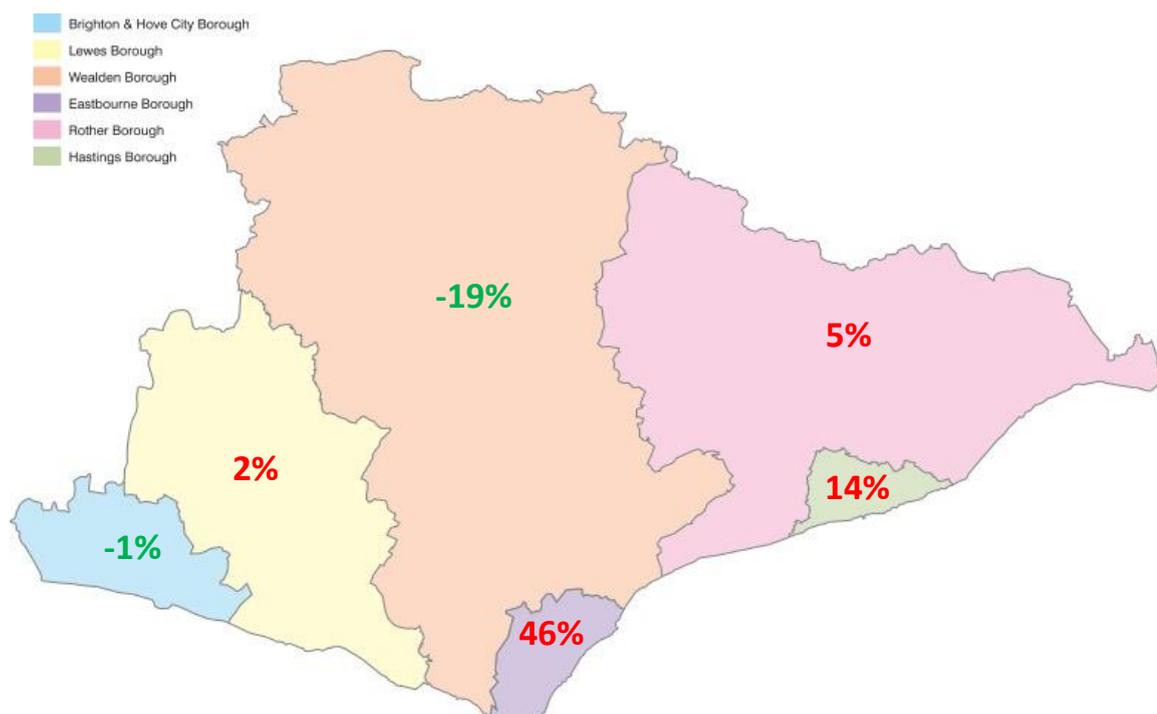
|                                                                                                                                        |                                                                                                                                       |                                                                                                                                                            |                                                                                                                                                   |
|----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>47%</b><br/>(559)<br/>Dwelling<br/>Fires</p>  | <p><b>22%</b><br/>(254)<br/>Vehicle<br/>Fires</p>  | <p><b>16%</b><br/>(189)<br/>Industrial/<br/>Commercial<br/>Fires</p>  | <p><b>15%</b><br/>(179)<br/>Other<br/>Outdoor<br/>Fires</p>  |
|----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|

#### Main Cause of Fires

21.3% (251) were Deliberate

78.7% (930) were Accidental or Not known (main causes: Cooking with 160 incidents; Fault in equipment or appliance, 156; Combustible articles too close to the heat source or fire, 111; Faulty fuel supply - electricity, 101; Careless handling, 90; and Negligent use of equipment or appliance (heat source) 59).

## Primary Fires % change from 2017/18 to 2018/19 by Geographical Area



| Geographical Area | 2017/18 | 2018/19 | % Difference |
|-------------------|---------|---------|--------------|
| B&H               | 390     | 385     | -1%          |
| Eastbourne        | 127     | 185     | 46%          |
| Hastings          | 164     | 187     | 14%          |
| Lewes             | 137     | 140     | 2%           |
| Rother            | 132     | 138     | 5%           |
| Wealden           | 180     | 146     | -19%         |

### Additional information for increases in Primary Fires from 2017/18 to 2018/19

Eastbourne had the largest proportional and actual increase in Primary Fires with 46% and 58 respectively. A breakdown of the total Primary Fires in Eastbourne were as follows: 80 (43%) were in Dwellings, 48 (26%) in Road Vehicles, 33 (18%) were Other/Outdoor Fires and 24 (13%) were in Non-domestic Premises. Since 2017/18, there has been an increase of 8 Dwelling Fires and 32 Road Vehicles Fires.

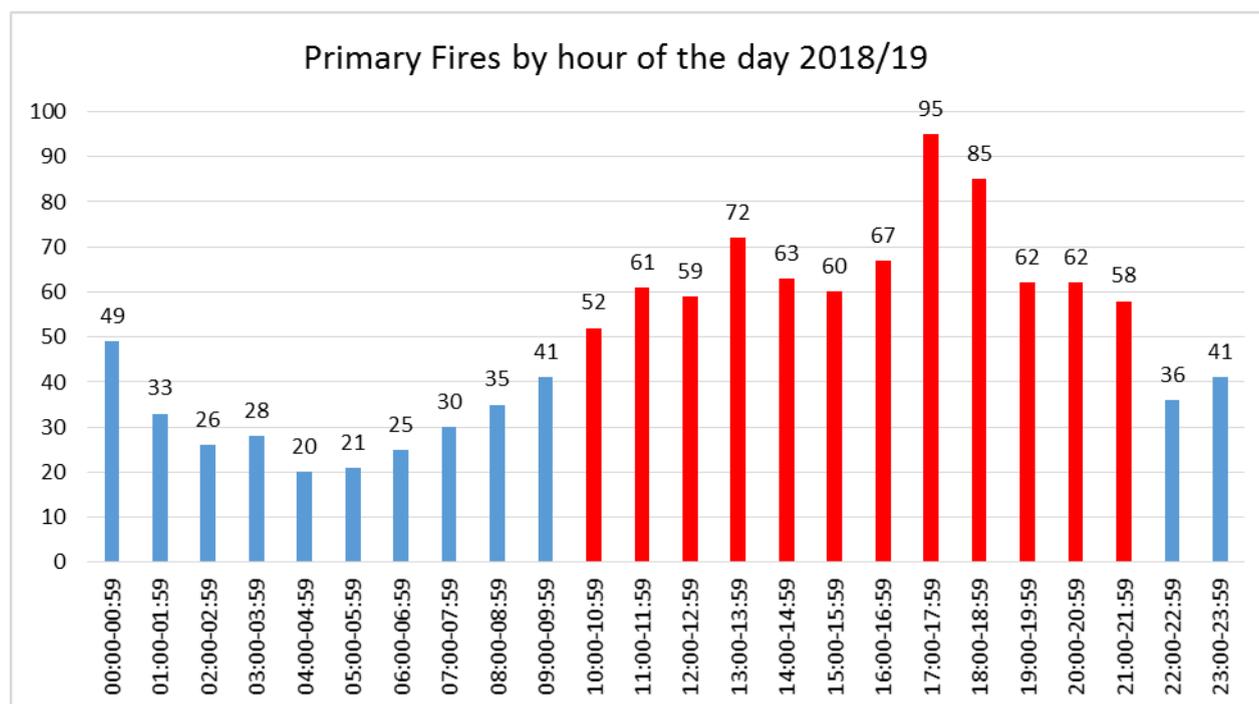
All information relating to trends is shared at the monthly Community Safety Performance meetings for note and action in the Groups.

## Main firefighting action by ESFRS fire crews at Primary Fires

| Main firefighting action at Primary fires 2017/18 | Total        |
|---------------------------------------------------|--------------|
| Hosereel                                          | 409          |
| None - No firefighting                            | 395          |
| Small means                                       | 179          |
| Portable extinguishers                            | 69           |
| Main branch/Jet (J)                               | 50           |
| Foam                                              | 37           |
| Not stated / not known                            | 21           |
| None - Burned out (Allowed to burn under control) | 16           |
| Other methods                                     | 5            |
| <b>Total</b>                                      | <b>1,181</b> |

33% of the Primary Fires attended in 2018/19 required No firefighting by attending crews and a further 22% were dealt with by Small means, Portable extinguishers or were Allowed to burnout under the supervision of the crew. (Small means includes methods such as using a bucket of water, disconnecting a fuel supply or removing an item from a heat source for example.)

## Time of Fires



Between 13:00 and 18:59 there were 442 Primary Fires (37%). The total for this period of 6 hours is 295 fires (25%).

## 5.2 Accidental Dwelling Fires

Performance April - March 2018/19: 508

Increased ✗ by 1.2% (6) since 2017/18 from 502 to 508 fires

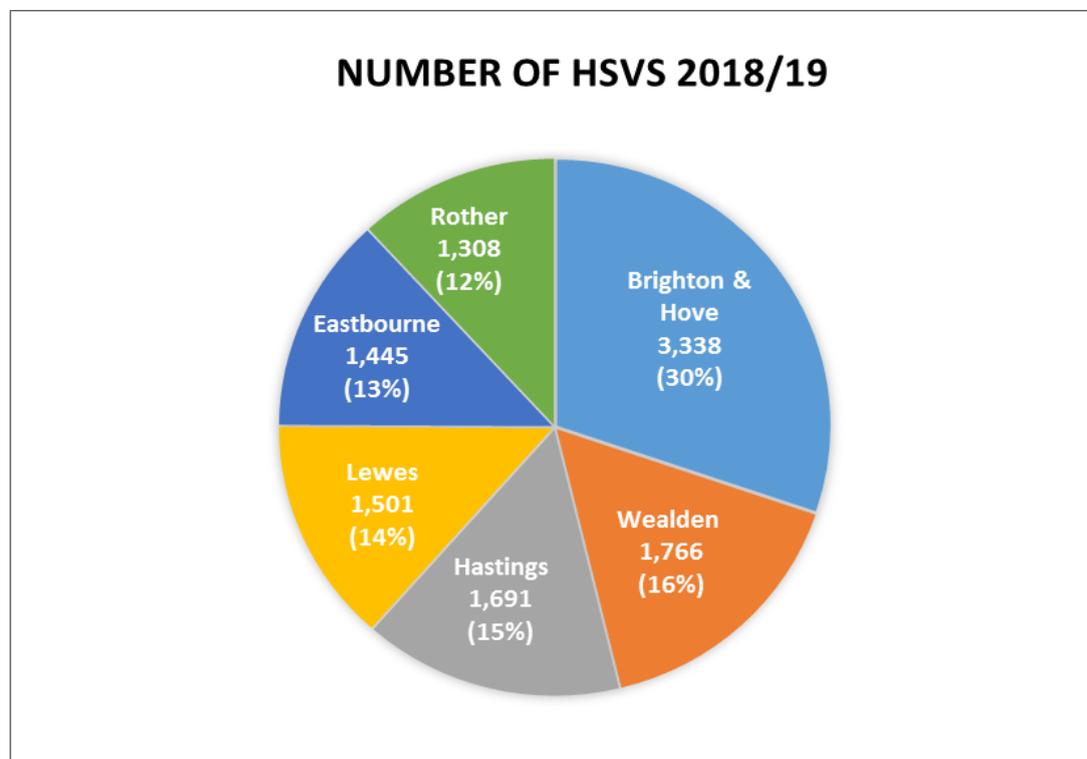
Reduced ✓ by 9.6% (54) since the 2009/10 baseline of 562

### Main Sources and Location of Accidental Dwelling Fires



298 (59%) Accidental Dwelling Fires occurred in the kitchen, with cooking appliances responsible for 244 (82%) of these.

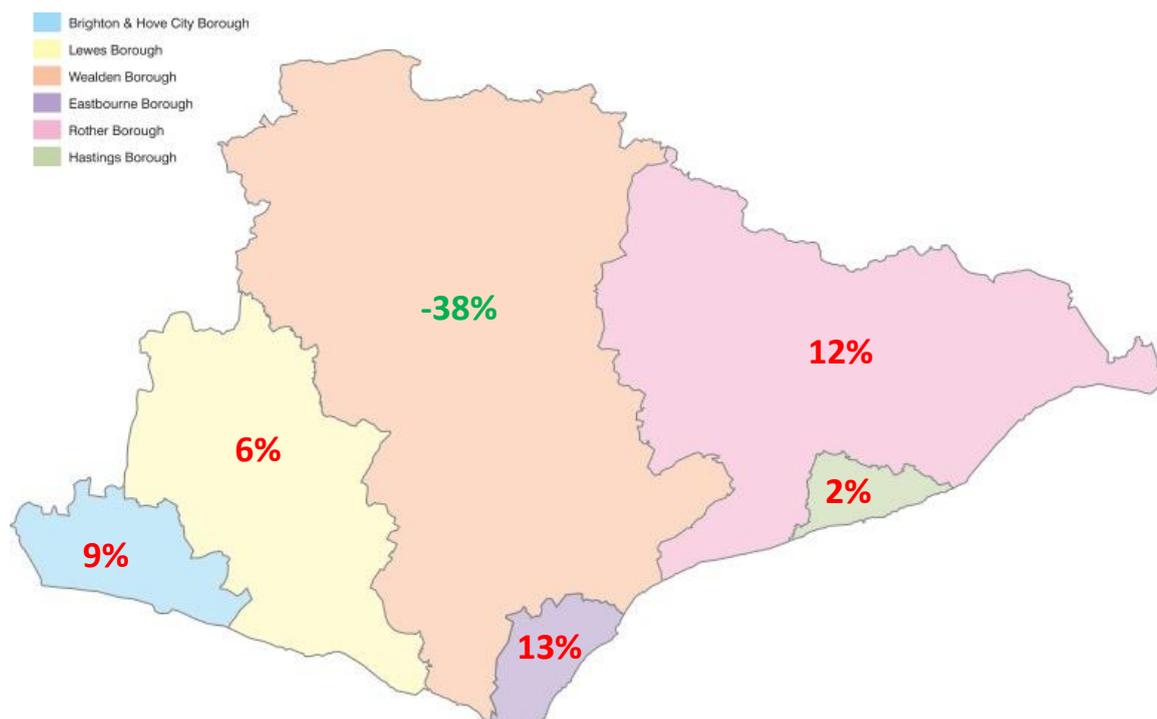
### Home Fire Safety Visits



| Borough         | Population 2017 MYE | No of HSVs 2018/19 | HSVs per 10,000 population |
|-----------------|---------------------|--------------------|----------------------------|
| Hastings        | 92,813              | 1,691              | 182                        |
| Lewes           | 102,257             | 1,501              | 147                        |
| Eastbourne      | 103,251             | 1,445              | 140                        |
| Rother          | 94,997              | 1,308              | 138                        |
| Brighton & Hove | 288,155             | 3,338              | 116                        |
| Wealden         | 158,941             | 1,766              | 111                        |

East Sussex Fire and Rescue Service undertook **11,049 Home Fire Safety Visits** between 1st April and 31st March 2018/19.

## Accidental Dwelling Fires % Change from 2017/18 to 2018/19 by Geographical Area



| Geographical Area | 2017/18 | 2018/19 | % Difference |
|-------------------|---------|---------|--------------|
| B&H               | 185     | 202     | 9%           |
| Eastbourne        | 64      | 72      | 13%          |
| Hastings          | 85      | 87      | 2%           |
| Lewes             | 49      | 52      | 6%           |
| Rother            | 42      | 47      | 12%          |
| Wealden           | 77      | 48      | -38%         |

### Additional information for Accidental Dwelling Fires from 2017/18 to 2018/19

Eastbourne had the largest proportional increase in Accidental Dwelling Fires with 13% (8), whilst Brighton & Hove had highest increase in number, 17 (9%).

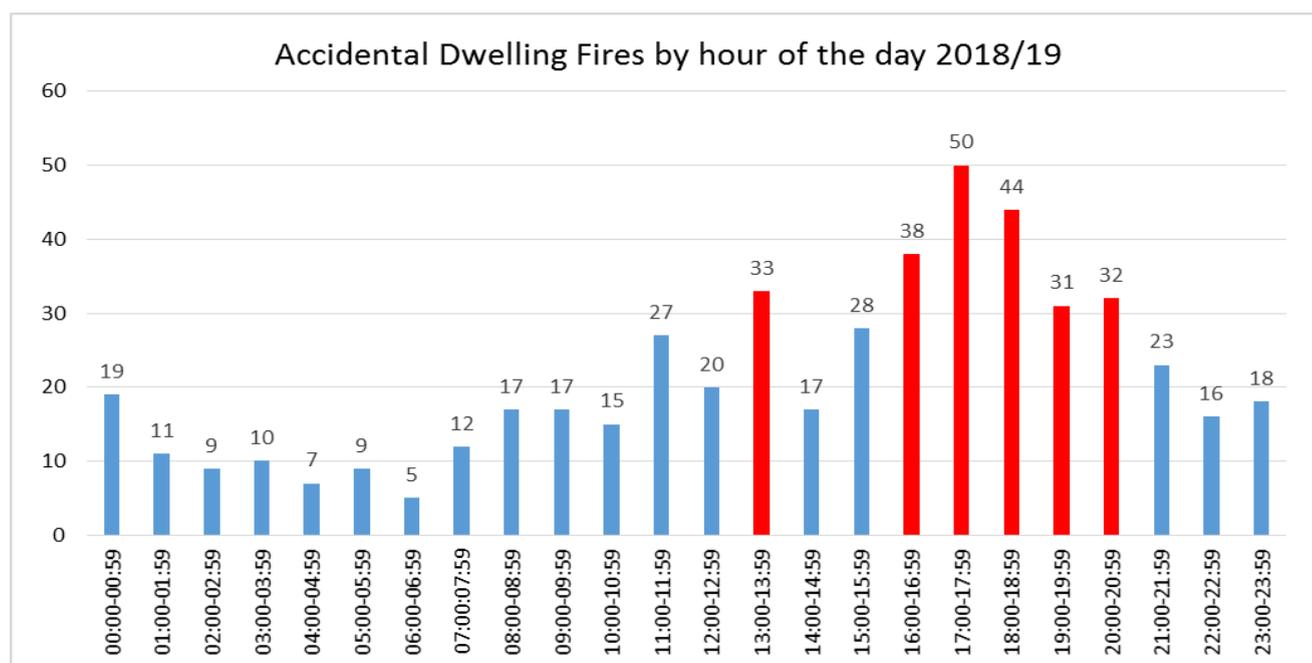
47% of all Accidental Dwelling Fires were either in a Single occupancy house or Bungalow (239). This is a decrease of 1% compared to 2017/18 (241). However, there was an increase in Accidental Dwelling Fires in the following categories: Purpose built flat/Maisonette with multiple occupancy (up to 3 storeys), 65 to 78 (20%); Purpose built flat/Maisonette with multiple occupancy (4 to 9 storeys), 43 to 52 (21%); and Purpose built flat/Maisonette with multiple occupancy (10 or more storeys), 10 to 13 (30%).

## Main firefighting action by ESFRS fire crews at Accidental Dwelling Fires

| Main firefighting action at Accidental Dwelling Fires 2018/19 | Total      |
|---------------------------------------------------------------|------------|
| None - No firefighting                                        | 226        |
| Small means                                                   | 104        |
| Hosereel                                                      | 102        |
| Portable extinguishers                                        | 37         |
| Main branch/Jet (J)                                           | 15         |
| Other methods                                                 | 10         |
| Not stated                                                    | 6          |
| Foam                                                          | 6          |
| None - Burned out (Allowed to burn under control)             | 2          |
| <b>Grand Total</b>                                            | <b>508</b> |

44% of the Accidental Dwelling Fires attended in 2018/19 require No firefighting action by attending crews and a further 28% were dealt with by Small means, Portable extinguishers or were Allowed to burnout under the supervision of the crew. (Small means includes methods such as using a bucket of water, disconnecting a fuel supply or removing an item from a heat source for example.)

## Time of Accidental Dwelling Fires



Between 13:00 and 20:59 there were 273 Accidental Dwelling Fires (54%). The total for this time period of 8 hours is 169 fires (33%).

### 5.3 Deliberate Fires

#### Performance April - March 2018/19: 701

Deliberate Primary Fires excluding Vehicle Fires

Reduced ✓ by 4% (6) since 2017/18 from 165 to 159 fires

Reduced ✓ by 45% (130) since the 2009/10 baseline of 289

Deliberate Primary Fires in Vehicles

Increased ✗ by 14% (11) since 2017/18 from 81 to 92 fires

Reduced ✓ by 60% (138) since the 2009/10 baseline of 230

Deliberate Secondary Fires

Reduced ✓ by 10% (52) since 2017/18 from 502 to 450 fires

Reduced ✓ by 47% (403) since the 2009/10 baseline of 853

#### Main Types of Fire

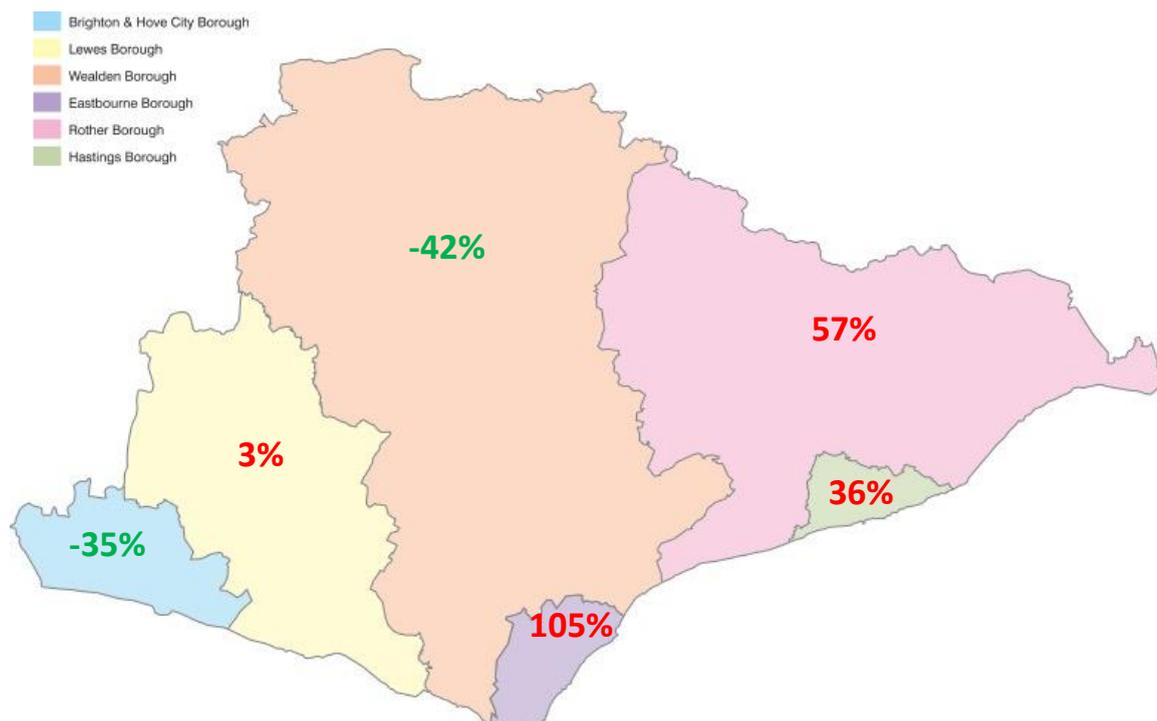
##### Deliberate Primary Fires – 251 fires (36% of all Deliberate Fires)



##### Deliberate Secondary Fires – 450 fires (64% of all Deliberate Fires)



## Deliberate Primary Fires % change from 2017/18 to 2018/19 by Geographical Area

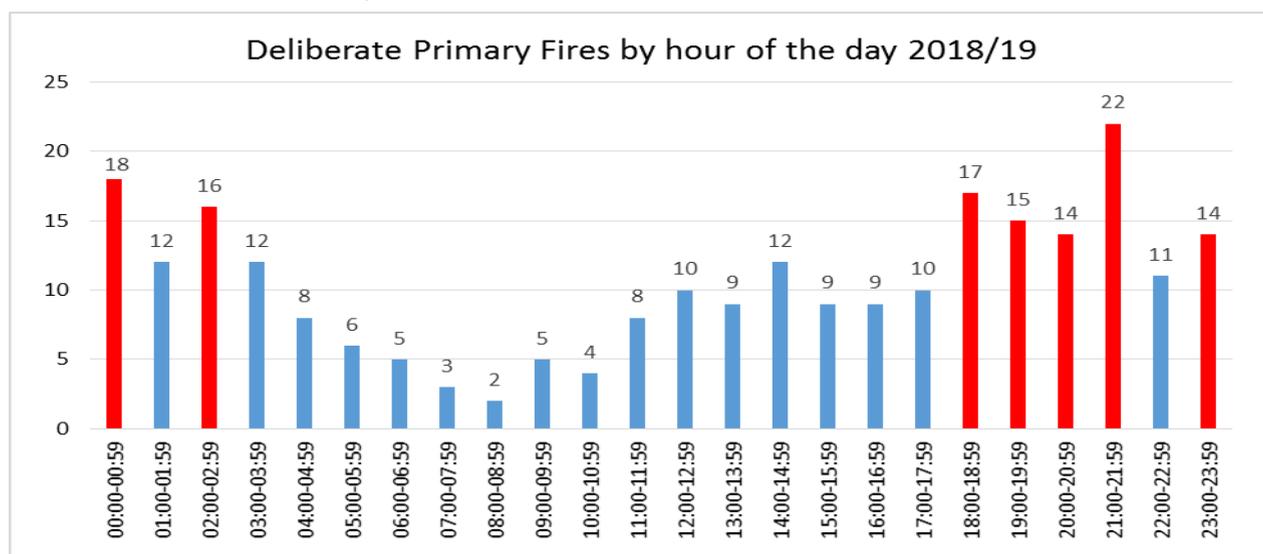


| Borough    | 2017/18 | 2018/19 | % Difference |
|------------|---------|---------|--------------|
| B&H        | 94      | 61      | -35%         |
| Eastbourne | 22      | 45      | 105%         |
| Hastings   | 42      | 57      | 36%          |
| Lewes      | 32      | 33      | 3%           |
| Rother     | 23      | 36      | 57%          |
| Wealden    | 33      | 19      | -42%         |

Eastbourne had the highest proportional and total increase in Deliberate Primary Fires with 105% and 23 fires. Brighton & Hove had the highest decrease in total Deliberate Primary Fires (33), whereas Wealden had the highest proportional decrease with 42%.

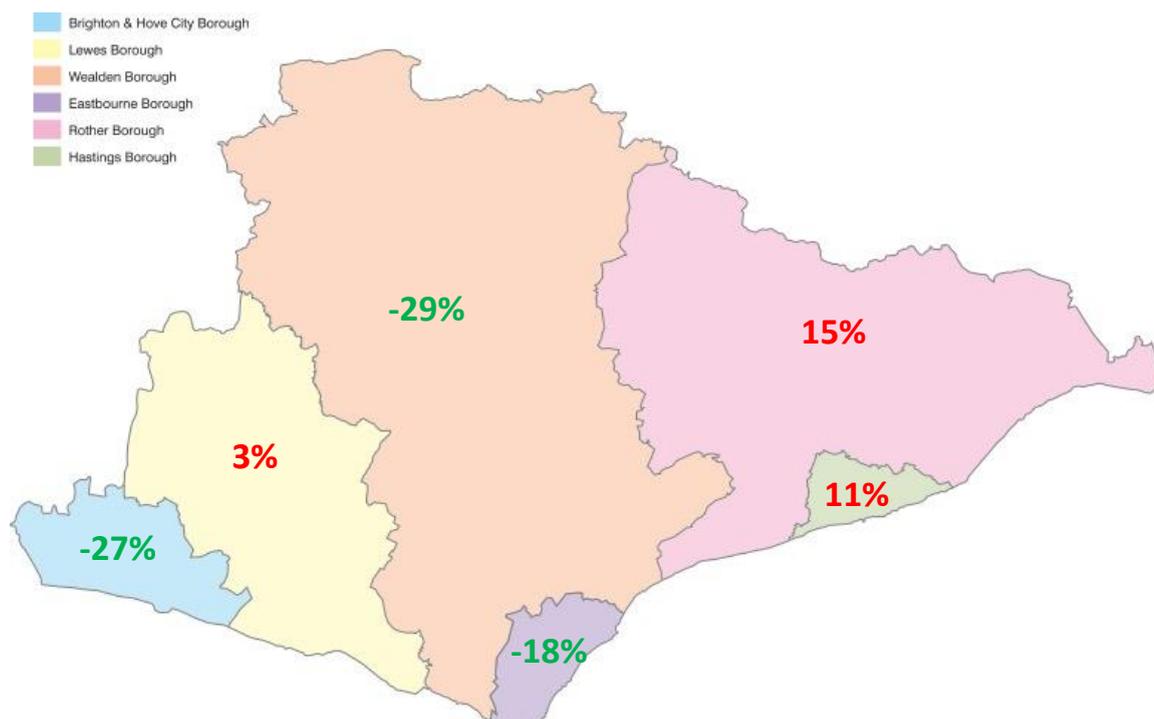
All information relating to trends is shared at the monthly Community Safety Performance meetings for note and action in the Groups.

## Time of Deliberate Primary Fires



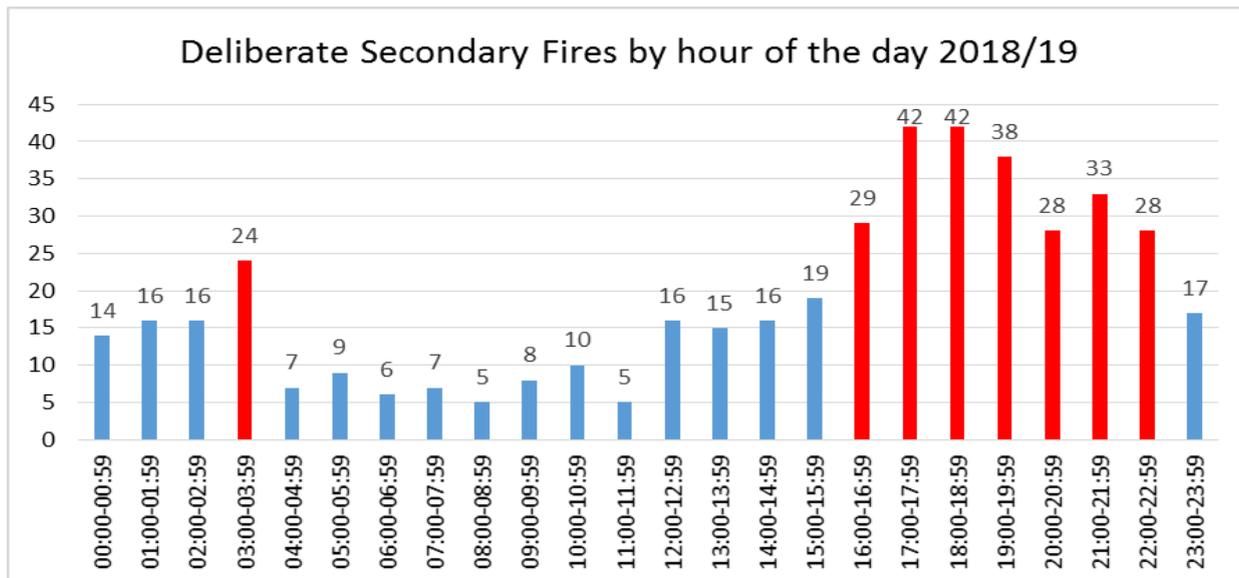
Between 18:00 and 02:59 there were 139 Deliberate Primary Fires (55%). Therefore, the majority of Deliberate Primary Fires were committed during the evening and early morning period. The total for this time period of 9 hours is 94 (37%).

## Deliberate Secondary Fires % change from 2017/18 to 2018/19 by Geographical Area



| Borough    | 2017/18 | 2018/19 | % Difference |
|------------|---------|---------|--------------|
| B&H        | 179     | 131     | -27%         |
| Eastbourne | 72      | 59      | -18%         |
| Hastings   | 105     | 117     | 11%          |
| Lewes      | 58      | 60      | 3%           |
| Rother     | 46      | 53      | 15%          |
| Wealden    | 42      | 30      | -29%         |

### Time of Deliberate Secondary Fires



Between 16:00 and 22:59 there were 240 Deliberate Secondary Fires (53%), with a further peak at 03:00. The total for this time period of 7 hours is 131 (29%).

## 5.4 Primary Fire Fatalities & Injuries

### Primary Fire Fatalities

#### Performance April - March 2018/19: 4

There were 4 Fire Fatalities at 3 incidents in 2018/19 which is a 100% (2) increase ✖ since 2017/18.

Three casualties were female the other male.

#### Age Ranges

The victims' ages were 4, 36, 62 and 87.

Two fatalities were the result of a Deliberate Dwelling Fire (Others property) and two were the consequence of Accidental Dwelling Fires.

### Primary Fire Injuries

#### Current Performance (April- March 2018/19): 39

There were 39 injuries in 2018/19 which is a 3% (1) ✖ increase since 2017/18.

#### Main Injury Types

- 43.6% (17) Burns
- 38.4% (15) Overcome by Gas/Smoke
- 18.0% (7) Breathing difficulties

#### Age Ranges

- 10.3% (4) between 14 and 24
- 23.0% (9) between 25 and 35
- 12.8% (5) between 36 and 45
- 10.3% (4) between 46 and 55
- 15.4% (6) between 56 and 65
- 7.7% (3) are 66 and over
- 20.5% (8) were not known

#### Gender

- 74.4% (29) were male
- 23.0% (9) were female
- 2.6% (1) unknown

**26 (66.6%) of these injuries were in Accidental Dwelling Fires.**

## 5.5 Sickness Indicators

### Performance April - March 2018/19 8.8 Shifts lost per person

**All Staff Sickness** is 17% over the target (7.5) ✗ by 1.3 shifts and has: decreased ✓ by 18.5% (2 shifts) since 2017/18 from 10.8 shifts lost per person to 8.8.

- **Wholetime Staff Sickness** decreased ✓ by 4.0% (0.4 shifts) since 2017/18 from 9.9 to 9.5 shifts per person.
- **Control Room Staff Sickness** decreased ✓ by 40.1% (6.5 shifts) since 2017/18 from 16.2 to 9.7 per person.
- **Green Book (Non Uniformed) Staff Sickness** decreased ✓ by 41.2% (4.7 shifts) since 2017/18 from 11.4 to 6.7 per person.

There have been 4,540.5 shifts lost in 2018/19 compared to 5,646.5 shifts lost in 2017/18.

### Long Term vs Short Term Sickness

- 58% of sickness is classed as Long Term (more than 28 days)
- 14% of sickness is classed as Medium Term (8 to 27 days)
- 28% of sickness is classed as Short Term.

## 5.6 Health and Safety

### Performance April - March 2018/19: 248 Accidents

- Increased ✗ by 12.2% (27) since 2017/18 from 221 accidents to 248, and
- Increased ✗ by 105.0% (127) since 2010/11 from 121 accidents to 248. This is due to more detailed and accurate reporting.

The overall number of safety events has risen to 248 in 2018/19 compared with 234 in 2017/18. The figures over the previous five years have remained fairly constant which indicates that our reporting is now consistent.

For manual handling injuries, there is a small increase in 2018/19 from 21 to 23 in the number of incidents reported but still a notable reduction since 2015/16 (30). This may be reflective of the training and the introduction of new equipment such as the plus size evacuation kit.

There has been a significant decrease in the number of slip, trips and falls reported. These occur for a variety of reasons from operational environments, poor housekeeping and environmental conditions. Last year's exceptional dry weather may have had an influence in the decrease of slips.

There has been a 15% increase in the number of vehicle incidents with a significant increase in the number of events reported in quarter 4 of 2018/19.

Lost time incidents decreased by 27% since 2017/18 from 26 to 19 but this figure is still higher than the 16 in 2014-15.

Incidences of work related violence and stress remain consistently low but it is likely that these are under reported and so are not indicative of the extent of the occurrences of these types of safety events.

There has been a 23% increase in the number of near hits reported and this can be taken as a positive indicator of better reporting. The reporting of near hits gives the Service greater opportunity to investigate and introduce control measures before an injury results.

## **5.7 Level 3 & 4 Incidents attended in 2018/19**

A level 3 incident is one that is attended by between 7 and 9 appliances at one time.

A level 4 incident is one that is attended by 10 or more appliances at one time.

During 2018/19 ESFRS attended three level 3 incidents; below is bit of detail relating to the one at Ripley's:

At 20:19 on 13<sup>th</sup> June 2018, ESFRS were mobilised to Apex Enterprise Park in Hailsham where a fire was reported at H. Ripley & Co Ltd, a scrap metal dealer. This resulted in the closure of Diplocks Way to through-traffic, though access was given to people who work at nearby businesses.

Initially 6 pumps were sent out but this was soon upgraded and at the height of the fire there were eight Pumps, two ALP's, one Water Bowser and a High Volume Pump in use. Approximately 6,500 tonnes of scrap metal was affected by the fire and cylinders removed from the area as a precaution.

A total of 25 pumping appliances were used throughout the incident to stop the fire from spreading to nearby buildings. At around 18:00 on 14<sup>th</sup> June the last appliances left the incident, however, an Officer reinspected the site the following day and the incident was closed at 18:14 on 15<sup>th</sup> June.

Although people were evacuated during the incident there were no reports of injuries.

This was an accidental fire with the most likely cause a discarded Lithium Ion Battery.

## 6. Compliments and Complaints received 2018/19

We received 30 complaints from members of the public this year as opposed to 26 last year and 214 compliments.

### Complaints Received against the Service 2018 - 2019

| No. | Nature of Complaint                     | Substantiated?                | Action Resulting / Comments                                                                               |
|-----|-----------------------------------------|-------------------------------|-----------------------------------------------------------------------------------------------------------|
| 1   | Advice given during a Fire Safety Visit | Justified                     | Resolved and response issued. Apology sent. File passed to HR Department                                  |
| 2   | Dangerous driving                       | Partially and fully justified | Resolved and response issued. Apology sent and staff reminded of Service standards                        |
| 3   | Conduct of ESFRS employee               | Unsubstantiated               | Resolved and response issued. Reminder issued of the standards expected by ESFRS                          |
| 4   | Actions of SCC                          | Logged for record purposes    | No evidence or records to support the complaint                                                           |
| 5   | Service provided during an incident     | Justified                     | Resolved and response issued. Crews reminded of the of the standards expected by ESFRS                    |
| 6   | Actions of the Service                  | Unsubstantiated               | Resolved and response issued                                                                              |
| 7   | Leaflets left re parking                | Logged for record purposes    | Complaint considered withdrawn as complainant did not respond to telephone calls or letters               |
| 8   | Verbal abuse to our staff               | Logged for record purposes    | No evidence or records to support the complaint                                                           |
| 9   | Speed of appliance                      | Unsubstantiated               | Resolved and response issued                                                                              |
| 10  | Inconsiderate parking                   | Unjustified                   | Resolved and response issued. Reminder sent to all staff in respect of parking sensibly and considerately |

| <b>No.</b> | <b>Nature of Complaint</b>                    | <b>Substantiated?</b>                  | <b>Action Resulting / Comments</b>                                                          |
|------------|-----------------------------------------------|----------------------------------------|---------------------------------------------------------------------------------------------|
| 11         | Parking on zig zags                           | Justified                              | Resolved and response issued. Driver reminded of expected standards                         |
| 12         | Call Guardian Service                         | An observation rather than a complaint | Resolved and response issued. Guidance sent to all ESFRS employees                          |
| 13         | Speed and behaviour of driver of an appliance | Unsubstantiated                        | Resolved and response issued. Reminder issued of the standards expected by ESFRS            |
| 14         | Dangerous driving                             | Partially justified                    | Resolved and response issued. Reminder issued of the standards expected by ESFRS            |
| 15         | Observation re misuse of ESFRS budget         | Logged for record purposes             | Logged for record purposes for future reference                                             |
| 16         | Possible mis-use of Service vehicle           | Logged for record purposes             | Complaint considered withdrawn as complainant did not respond to telephone calls or letters |
| 17         | Conduct of ESFRS employee                     | Logged for record purposes             | Logged for record purposes for future reference                                             |
| 18         | Speed of an appliance                         | Unsubstantiated                        | Resolved and response issued. Example to be used in training                                |
| 19         | Live Fire Training                            | Partially justified                    | Resolved and response issued. Process put in place to alleviate the situation in the future |
| 20         | Actions of Service                            | Partially justified                    | Resolved and response issued.                                                               |
| 21         | After incident assistance request             | Logged for record purposes             | Resolved and response issued. Not deemed to be a complaint.                                 |
| 22         | Communications policy                         | Logged for record purposes             | Resolved not deemed to be a complaint but an observation                                    |

| <b>No.</b> | <b>Nature of Complaint</b>                   | <b>Substantiated?</b>      | <b>Action Resulting / Comments</b>                                                      |
|------------|----------------------------------------------|----------------------------|-----------------------------------------------------------------------------------------|
| <b>23</b>  | Conduct of Firefighters                      | Unjustified                | Resolved and response issued.<br><br>Standard operating procedures applied              |
| <b>24</b>  | Erratic driving                              | Logged for record purposes | Resolved not deemed to be a complaint but an observation                                |
| <b>25</b>  | Incident Attendance Time                     | Logged for record purposes | Complainant did not leave any contact details unable to substantiate                    |
| <b>26</b>  | Whistle Blowing                              | Logged for record purposes | Complainant did not leave any contact details unable to substantiate                    |
| <b>27</b>  | Conduct of ESFRS employee                    | Unsubstantiated            | Resolved and response issued.<br><br>Reminder issued of the standards expected by ESFRS |
| <b>28</b>  | Parking of appliance                         | Logged for record purposes | Resolved not deemed to be a complaint but an observation                                |
| <b>29</b>  | Damage caused during Home Safety Visit       | Logged for record purposes | Not deemed to be a complaint passed to relevant Department for resolution               |
| <b>30</b>  | Siting of Firefighters Charity recycling bin | Justified                  | Resolved recycle bin recited                                                            |

## Appendix B - Plain English descriptions of indicators

| Indicator                                                                  | Plain English description                                                                                                                                                                                                                          | Rationale                                                                                                                                                                                 | Good Performance                                                                                           |               |
|----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|---------------|
| Number of Primary Fires attended                                           | The number of major fires involving property, casualties or involving 5 or more appliances                                                                                                                                                         | This indicator measures the incidence of fire and related casualties, and is therefore a means by which individuals and communities can assess the fire safety support provided by ESFRS. | Lower numbers                                                                                              |               |
| Number of deaths arising from Primary Fires                                | The number of people whose death was caused by fire in a major fire which involves property, casualties or 5 or more appliances<br><br>The death may occur weeks or months later.                                                                  |                                                                                                                                                                                           | Lower numbers                                                                                              |               |
| Number of injuries (excl. Precautionary checks) arising from Primary Fires | The number of people who required medical treatment beyond first aid given at the scene of the fire per<br><br>Precautionary checks are persons sent to hospital or advised to see a doctor as a precaution, having no obvious injury or distress. |                                                                                                                                                                                           | Lower numbers                                                                                              |               |
| Number of Deliberate Primary Fires (excl. Primary Fires in Vehicles)       | The number of fires where the cause of fire is suspected not to be an accident, involving property, casualties or involving 5 or more fire appliances                                                                                              |                                                                                                                                                                                           | Deliberate fires are a key component of Anti-Social Behaviour which is a national priority for Government. | Lower numbers |
| Number of Deliberate Primary Fires in Vehicles                             | The number of fires in vehicles that are not derelict where the cause of fire is suspected as not to be an accident                                                                                                                                |                                                                                                                                                                                           |                                                                                                            | Lower numbers |
| Number of Deliberate Secondary Fires (excl. in Vehicles)                   | The number of small fires where the cause of fire is suspected not to be an accident<br><br>These include fires to: Derelict Buildings, Grass/Heath/Railway, Straw/Stubble, Refuse/Container, Tree/Fence/Lamp.                                     |                                                                                                                                                                                           |                                                                                                            | Lower numbers |

| <b>Indicator</b>                                        | <b>Plain English description</b>                                                                                                                                                                                                                                                  | <b>Rationale</b>                                                                                                                                                                                                                                                                                                                                                       | <b>Good Performance</b> |
|---------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| Number of Deliberate Secondary Fires in Vehicles        | The number of fires where the cause of fire was not an accidental in derelict vehicles.                                                                                                                                                                                           | Deliberate fires are a key component of Anti-Social Behaviour which is a national priority for Government.                                                                                                                                                                                                                                                             | Lower numbers           |
| Number of Home Safety Visits (HSVs)                     | The number of home fire safety visits where the householder was given fire safety advice and or had a fire alarm installed.                                                                                                                                                       | To raise awareness of the potential fire risks within the home in order to make them safer.                                                                                                                                                                                                                                                                            | Higher numbers          |
| Percentage of HSVs to be delivered to vulnerable people | The number of home safety visits delivered to vulnerable people within our community.<br><br>Vulnerability is defined as lone pensioners, people over 65, people in rented accommodation, single parent families, hearing /sight impaired and those with a limiting long elderly. | In Rising to the Challenge, The Audit Commission reiterates that Home Fire Safety Checks should not be conducted indiscriminately, but targeted to those most at risk.                                                                                                                                                                                                 | Higher percentage       |
| Number of Accidental Dwelling Fires attended            | The numbers of fires in houses where the cause was accidental                                                                                                                                                                                                                     | To ascertain the effectiveness of certain aspects of FRS activity including community safety education, where the public is prepared to cope with a fire event if it happens by closing doors and fitting smoke detection. And the rapid and effective response to the incident can confine the fire within the first compartment and reduce the damage and suffering. | Lower numbers           |
| Number of Fires in Non-domestic Properties              | The number of fires in buildings such as agricultural, Industrial properties, Trade, hotels, catering etc. per                                                                                                                                                                    | To monitor the effectiveness of fire safety under the Regulatory Reform (Fire Safety) Order (RRO).                                                                                                                                                                                                                                                                     | Lower number            |

| <b>Indicator</b>                                                                             | <b>Plain English description</b>                                                                                                                         | <b>Rationale</b>                                                                                                                                                                                                                                                                                       | <b>Good Performance</b> |
|----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| Number of Inspections of High Risk Premises to support compliance with the Fire Safety Order | The number of inspections undertaken in high risk premises                                                                                               | Inspections within those premises covered by the fire safety order should reduce the perceived risk. Consequently, over time FRSS should see a positive reduction in inspection compliance outcomes within premise groups.                                                                             | Higher number           |
| Percentage of Accidental Dwelling Fires confined to room of origin                           | The percentage of fires that did not spread past the room they started in.                                                                               | To assess response effectiveness.                                                                                                                                                                                                                                                                      | Higher percentage       |
| Number of Working Days/Shifts lost due to sickness absence for all staff                     | The number of days/ shifts lost to sickness divided by the number of staff in post                                                                       | Sickness absence reduces the effectiveness of an organisation                                                                                                                                                                                                                                          | Lower number            |
| Number of Workplace Reported Accidents / Injuries                                            | The number of accidents/ injuries reported                                                                                                               | Staff safety is paramount, and it is important that the service measures whether health and safety procedures and initiatives to reduce physical attacks on firefighters are working. This is particularly important in light of any changes to types of station, appliances and crewing arrangements. | Lower number            |
| Number of RIDDOR incidents                                                                   | The number of injuries, deaths and dangerous occurrences reportable under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 |                                                                                                                                                                                                                                                                                                        | Lower number            |

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## Plain English descriptions of indicators

| Indicator                                                              | Plain English description                                                                                                                                                                                                                      | Rationale                                                                                                                                                                                 | Good Performance |
|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| No of primary fires attended                                           | The number of major fires involving property, casualties or involving 5 or more appliances                                                                                                                                                     | This indicator measures the incidence of fire and related casualties, and is therefore a means by which individuals and communities can assess the fire safety support provided by ESFRS. | Lower numbers    |
| No of deaths arising from primary fires                                | The number of people who's death was caused by fire in a major fire which involves property, casualties or 5 or more appliances<br><br>The death may occur weeks or months later.                                                              |                                                                                                                                                                                           | Lower numbers    |
| No of injuries (excl. precautionary checks) arising from primary fires | The number of people who required medical treatment beyond first aid given at the scene of the fire<br><br>Precautionary checks are persons sent to hospital or advised to see a doctor as a precaution, having no obvious injury or distress. |                                                                                                                                                                                           | Lower numbers    |
| No of deliberate primary fires (excl. primary fires in vehicles)       | The number of fires where the cause of fire is suspected not to be an accident, involving property, casualties or involving 5 or more fire appliances                                                                                          | Deliberate fires are a key component of Anti-Social Behaviour which is a national priority for Government.                                                                                | Lower numbers    |
| No of deliberate primary fires in vehicles                             | The number of fires in vehicles that are not derelict where the cause of fire is suspected as not to be an accident                                                                                                                            |                                                                                                                                                                                           | Lower numbers    |
| No of deliberate secondary fires (excl. in vehicles)                   | The number of small fires where the cause of fire is suspected not to be an accident<br><br>These include fires to: Derelict Buildings,<br>Grass/Heath/Railway,<br>Straw/Stubble,<br>Refuse/Container,<br>Tree/Fence/Lamp.                     |                                                                                                                                                                                           | Lower numbers    |

| <b>Indicator</b>                                                                   | <b>Plain English description</b>                                                                                                                                                                                                                                                  | <b>Rationale</b>                                                                                                                                                                                                                                                                                                                                                       | <b>Good Performance</b> |
|------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| No of deliberate secondary fires in vehicles                                       | The number of fires where the cause of fire was not an accidental in derelict vehicles.                                                                                                                                                                                           | Deliberate fires are a key component of Anti-Social Behaviour which is a national priority for Government.                                                                                                                                                                                                                                                             | Lower numbers           |
| No of home safety visits                                                           | The number of home fire safety visits where the householder was given fire safety advice and or had a fire alarm installed.                                                                                                                                                       | To raise awareness of the potential fire risks within the home in order to make them safer.                                                                                                                                                                                                                                                                            | Higher numbers          |
| Percentage of HSV to be delivered to vulnerable people                             | The number of home safety visits delivered to vulnerable people within our community.<br><br>Vulnerability is defined as lone pensioners, people over 65, people in rented accommodation, single parent families, hearing /sight impaired and those with a limiting long elderly. | In Rising to the Challenge, The Audit Commission reiterates that Home Fire Safety Checks should not be conducted indiscriminately, but targeted to those most at risk.                                                                                                                                                                                                 | Higher percentage       |
| No of accidental fires in dwellings attended                                       | The numbers of fires in houses where the cause was accidental                                                                                                                                                                                                                     | To ascertain the effectiveness of certain aspects of FRS activity including community safety education, where the public is prepared to cope with a fire event if it happens by closing doors and fitting smoke detection. And the rapid and effective response to the incident can confine the fire within the first compartment and reduce the damage and suffering. | Lower numbers           |
| Number of fires in non-domestic properties                                         | The number of fires in buildings such as agricultural, Industrial properties, Trade, hotels, catering etc                                                                                                                                                                         | To monitor the effectiveness of fire safety under the Regulatory Reform (Fire Safety) Order (RRO).                                                                                                                                                                                                                                                                     | Lower number            |
| Inspections of high risk premises to support compliance with the Fire Safety Order | The number of inspections undertaken in high risk premises                                                                                                                                                                                                                        | Inspections within those premises covered by the fire safety order should reduce the perceived risk. Consequently, over time FRSs should see a positive reduction in inspection compliance outcomes within premise groups.                                                                                                                                             | Higher number           |
| Percentage of accidental dwelling fire confined to room of origin                  | The percentage of fires that did not spread past the room they started in.                                                                                                                                                                                                        | To assess response effectiveness.                                                                                                                                                                                                                                                                                                                                      | Higher percentage       |
| No of working days/shifts lost due to sickness absence for all staff               | The number of days/ shifts lost to sickness divided by the number of staff in post                                                                                                                                                                                                | Sickness absence reduces the effectiveness of an organisation                                                                                                                                                                                                                                                                                                          | Lower number            |

| <b>Indicator</b>                                  | <b>Plain English description</b>                                                                                                                         | <b>Rationale</b>                                                                                                                                                                                                                                                                                       | <b>Good Performance</b> |
|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| Number of Workplace Reported Accidents / Injuries | The number of accidents/ injuries reported                                                                                                               | Staff safety is paramount, and it is important that the service measures whether health and safety procedures and initiatives to reduce physical attacks on firefighters are working. This is particularly important in light of any changes to types of station, appliances and crewing arrangements. | Lower number            |
| Number of RIDDOR incidents                        | The number of injuries, deaths and dangerous occurrences reportable under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 |                                                                                                                                                                                                                                                                                                        | Lower number            |

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**EAST SUSSEX FIRE AND RESCUE SERVICE**

**Meeting** Fire Authority

**Date** 5 September 2019

**Title of Report** Revenue Budget and Capital Programme Monitoring 2019/20

**By** Duncan Savage, Assistant Director Resources/Treasurer

**Lead Officer** Warren Tricker, Finance Manager

**Background Papers** None

**Appendices**

Appendix 1: 2019/20 Revenue Budget – Functional Analysis  
 Appendix 2: 2019/20 Capital Budget Monitoring  
 Appendix 3: All Years Capital Budget Monitoring (to 2023/24)  
 Appendix 4: 2019/20 Reserves Projections  
 Appendix 5: Monitoring of Savings 2019/20 - 2019/20  
 Appendix 6: Investment as at 31 July 2019

**Implications**

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

**PURPOSE OF REPORT** To report on issues arising from the monitoring of the 2019/20 Revenue Budget and Capital Programme as at 31 July 2019.

**EXECUTIVE SUMMARY** At this early stage in the financial year with the delayed completion of the audit of the 2018/19 accounts this report focuses principally on the risks to the revenue and capital budgets.

The Revenue Budget is forecast to be £36,000 underspent reflecting where forecasts can be made with some certainty.

The overall Capital Programme is projected to be £90,000 underspent, the current year's Capital Programme is

projected to be underspent by £952,000 (comprising of slippage of £862,000 and £90,000 underspend).

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 with the latest operational position, can be found at Appendix 4.

A summary of the savings, £0.413m, already taken from the 2019/20 budget, is set out in Appendix 5.

**RECOMMENDATION**

**The Authority is asked to:**

- 1 Note:
  - (i) the risks to and the projected Revenue Budget underspend;
  - (ii) the risks to and the projected underspend in the Capital Programme;
  - (iii) the use of reserves;
  - (iv) the monitoring of savings taken in 2019/20; and
  - (v) the current year investments.
- 2 Agree to vary the Capital Programme to reintroduce the purchase of an Animal Rescue Vehicle.

**1 INTRODUCTION**

1.1 This report is based upon enquiries as at 31 July 2019. The Report discloses the main risks and issues.

|                                   | <b>This report<br/>£'000</b> | <b>Last report<br/>£'000</b> | <b>Difference</b> |
|-----------------------------------|------------------------------|------------------------------|-------------------|
| Revenue (see paragraph 2)         | (36)                         | (36)                         | 0                 |
| Capital in year (see paragraph 4) | (952)                        | (70)                         | (882)             |

1.2 This is the second report to members for 2019/20 financial year and at this early stage it is difficult to accurately forecast outturn and there may be elements both internal and external that will influence the final position, but early indications show a projected revenue underspend of £36,000.

1.3 At £7.6m the 2019/20 Capital Programme is the largest for many years. Since the last report to members the delivery of key schemes has been reviewed in the light of factors such as the availability of project management resource and as a result the in-year spend is now forecast to be £952,000 underspent.

1.4 This Report highlights risks to the 2019/20 Revenue Budget that may result in significant change to the projections. While certainty increases as the year progresses circumstances change and new risks arise and this Report considers the risks faced.

## **2 REVENUE BUDGET COMMENTARY**

2.1 **Training & Assurance:** On target.

2.2 **Resources/Treasurer:** On target.

2.3 **Planning & Improvement:** On target.

2.4 **Human Resources & OD:** There is a one off pressure, estimated at £30,000 to provide specialist capacity to support the payroll function which may not be containable within the existing budget.

2.5 **Safer Communities:** On target.

2.6 **Operational Support & Resilience:** There are pressures on the Engineering budget where necessary alterations to vehicles is putting pressure on the revenue budget. Officers are confident options to contain this pressure within the existing budget can be found, including funding the improvements to the aerial rescue pump from capital and the forecast remains on target.

2.7 **CFO Staff:** On target.

2.8 **Treasury Management:** Early indications show that if investment income in 2019/20 is matching the performance achieved in 2018/19 a forecast £60,000 underspend can be prudently projected.

2.9 **Non Delegated Costs:** There is a projected overspend on Injury Awards and Ill Health retirement costs of £24,000. Officers will be pursuing mitigating actions including the regular review of existing awards in line with statutory guidance, as agreed as part of the budget setting process.

2.10 **Corporate Contingency:** This budget is intended to provide some flexibility for Senior Leadership Team (SLT) to manage in year budget pressures and was set at £563,700 for 2018/19. For the purposes of this report the budget is assumed to be spent in full. The table below shows how the contingency has been allocated, to date, with £21,300 remaining.

|                                      |                |
|--------------------------------------|----------------|
| <b>Corporate Contingency 2019/20</b> | <b>£'000</b>   |
| <b>Original Budget</b>               | <b>563,700</b> |
| Carry forward funding                | 150,000        |
| <b>Total budget</b>                  | <b>713,700</b> |
| <b>Committed</b>                     |                |
| Ops P&P SM 42 secondment 4 months    | 17,700         |

|                                                     |                |
|-----------------------------------------------------|----------------|
| Hep B vaccinations                                  | 25,000         |
| Fire cadet Scheme - Year 1 set up only              | 13,200         |
| Additional internal audit costs 19/20               | 6,600          |
| SCC                                                 | 250,000        |
| Web-ex Implementation - one off                     | 32,900         |
| Ship alongside training 19/20 only                  | 20,000         |
| Talent Link, estimated part year revenue impact     | 12,000         |
| Corporate Wi-Fi, estimated part year revenue effect | 18,000         |
| <b>Carry forwards:</b>                              |                |
| Operational Review Team                             | 90,000         |
| Programme Management Office                         | 42,000         |
| Malling Large Refurbishment                         | 20,000         |
| Engineering Equipment                               | 138,000        |
| Uniform and PPE                                     | 7,000          |
| <b>Total committed</b>                              | <b>692,400</b> |
| <b>Total Remaining</b>                              | <b>21,300</b>  |

### **3 MONITORING OF SAVINGS**

- 3.1 Appendix 5 shows the savings to be achieved in 2019/20. The relevant budgets have already been reduced in preparing the 2019/20 budget and as at 31 July 2019 the savings have been achieved.

### **4 CAPITAL PROGRAMME COMMENTARY**

- 4.1 The Authority is reminded that at £7.6m this is the largest Capital Programme for some years and that the average annual spend in recent years has been £1.6m so delivering to plan will be challenging.
- 4.2 In order to address this risk a temporary Fleet Projects Manager post has been created, funded from anticipated underspends as described in the table below. Capitalisation of the project management costs of capital schemes is allowable and similar arrangements are in place for property capital schemes:

|                                    | <b>£'000</b> | <b>%</b> |
|------------------------------------|--------------|----------|
| Project Manager Post plus on costs | 50,000       | 100      |
| Funded from                        |              |          |
| Extended Rescue Pumping Appliances | (25,000)     | 50       |
| ALP                                | (7,500)      | 15       |
| OSU                                | (7,500)      | 15       |
| GP Truck                           | (5,000)      | 10       |
| Wildfire sprinter                  | (5,000)      | 10       |

- 4.3 **Variation:** Originally included in the 2018/19 Capital Programme the replacement of the Animal Rescue Vehicle was slipped in-year into 2019/20 to allow further design considerations. Unfortunately its inclusion in the Capital Programme for 2019/20 was overlooked when the Programme was set by Fire Authority in February 2019. The

replacement is necessary and so the Authority is asked to approve a variation to the 2019/20 Capital Programme of £200,000.

- 4.4 **Design Schemes:** Problems putting in place resource to deliver the Estates Strategy have resulted in the Estates Manager forecasting this scheme will underspend by £200,000, to be slipped into 2020/21
- 4.5 **Replacement Fuel Tanks:** A revised business case is due to be submitted to SLT in August. It is anticipated that the total scheme cost will be £400,000 which is offset by ITF / FTF grant funding of £270,000. Subject to Member approval, this will mean that only £130,000 is required from the existing ESFRS scheme meaning the scheme will underspend by £90,000.
- 4.6 **Security:** The project manager has advised that this scheme will underspend by £42,000, this amount will need to be slipped into 2020/21.
- 4.7 **Fire Appliances:** Policy and Resources Panel agreed to fund the Telemetry variation to the Capital Programme from the £70,000, previously reported underspend on the Appliances, the scheme is now projected to be on target.
- 4.8 **Ancillary Vehicles 2019/20:** The Strategic Engineering Manager has reported an underspend of £375,000 on the Land Rover replacements, this will need to be slipped into 2020/21. Officers are considering the specification of the new vehicle to determine the appropriate replacement for the discontinued Land Rover vehicles.
- 4.9 **Cars & Vans:** There is a previously identified requirement for four Retained Support Officer vehicles. Work is continuing to develop a specification for the vehicles and will be the subject of a business case for SLT to consider. Initial estimates indicate a cost in the region of £35,000 per vehicle.

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

- 5.1 **Safer Communities:** The Safer Communities budget makes up 53% of the Service's overall revenue budget and overspent in 2018/19. It remains a risk in the current year but a number of factors should improve its management:
- the implementation of the Service Delivery Review with clarity of structure, fewer temporary posts and clearer expectations including on budget management
  - additional funding in the budget (£0.370m base and £0.240m one off for resilience crewing)
  - use of Safer Business Training Reserve to fund a number of related activities (£0.105m), (subject to detailed plans)
  - regular Resource Planning meetings involving Safer Communities, HR and Finance to manage the operational (Grey Book strength compared to establishment)

Monitoring through the Resource Planning meeting is still developing but currently indicates that actual strength is close to or marginally above the level allowed for by the budget allocated. However it is early in the year and we know that the mitigating underspend in Business Safety is unlikely to re-occur as all posts are filled. In addition

the funding for the Health Co-ordinator post in Community Safety is dependent on securing grant or other external income.

- 5.2 **Safer Communities Wholetime overtime:** Although it is at an early stage of the financial year the overtime bill to the end of July 2019 stands at £81,100. While noting that with overtime paid in arrears this represents three months of claims if spend continues at its current rate the year end position is projected to be a £167,300 overspend, see the table below:

**Wholetime Overtime Projected Variance**

| <b>Area</b>          | <b>Annual Budget</b> | <b>Actual to date</b> | <b>Projected spend</b> | <b>Projected Variance</b> |
|----------------------|----------------------|-----------------------|------------------------|---------------------------|
|                      | <b>£'000</b>         | <b>£'000</b>          | <b>£'000</b>           | <b>£'000</b>              |
| AD Safer Communities | 0.0                  | 0.0                   | 0.0                    | 0.0                       |
| East                 | 45.1                 | 20.3                  | 81.2                   | 36.1                      |
| Central              | 36.8                 | 22.3                  | 89.4                   | 52.6                      |
| West                 | 70.8                 | 33.8                  | 135.4                  | 64.6                      |
| Business Safety      | 1.5                  | 0.0                   | 0.0                    | (1.5)                     |
| Community Safety     | 3.4                  | 4.7                   | 18.9                   | 15.5                      |
| <b>Total</b>         | <b>157.6</b>         | <b>81.1</b>           | <b>324.9</b>           | <b>167.3</b>              |

It is expected that the resilience crewing arrangements (fixed term contracts) put in place for 2019/20 will mature and reduce overtime spend.

- 5.3 **Swift Water Rescue:** The FBU has registered a local dispute claiming that an Additional Responsibility Allowance (ARA) should be paid in relation to Swift Water Rescue. This could have potential financial impacts both one off (for back pay) and ongoing and these are now being estimated. The matter has now progressed to binding arbitration and at this stage no provision is being made in the Authority's accounts.

- 5.4 **Sussex Control Centre:** a report was presented to the Fire Authority on 3 July 2019 setting out a way forward for the four work streams of the SCC project:

- Phase 2
- Exits Strategy
- Project 21
- SCC Operations

The cost, has been forecast as £1.8m (excluding the cost of implementing the Project 21 solution which will be the subject of a full business case to a Fire Authority meeting in the autumn). Funding will come from existing sources (£0.425m) and the balance of £1.375m from the Authority's reserves (see paragraph 6.2).

- 5.5 There are a number of risks and consequences resulting from this:

- General Balances will be reduced below the minimum set out in the
- Authority's Reserves Policy
- Capacity for investment in improvement and efficiency projects will be
- reduced significantly

- The Authority's financial flexibility and ability to manage risks will be reduced
- Revenue income from short term investments will reduce (£1m invested at 1% would provide £10,000pa) and the need for external borrowing to fund other programmes will be brought forward increasing revenue costs.
- The Business Rates Pilot Reserve is vulnerable to volatility in business rates income

The Authority will need to consider the extent to which it intends to replace the amounts drawn down from its Reserves as part of its future financial planning, potentially, by generating additional / earlier revenue savings.

5.6 **Information Technology Group:** The ITG budget overspent by almost £0.300m in 2018/19. The pressures that drove this have been addressed through the budget setting process, but there remains that risk that as new IT services are brought on stream as part of the transformation programme this will introduce new pressures to the IT budget. Monitoring processes have been strengthened for the current year and an internal audit will be carried out in the second quarter of 2019/20.

5.7 **Apprenticeship Levy:** From May 2019 any unutilised apprenticeship levy funding will be lost on a month by month basis. Significant effort has been made and there has been an increase the number of apprenticeships but there is a risk that part of the £8,000 per month available will be lost until the scheme is fully embedded.

5.8 **Capital Programme Property Schemes forward slippage:** While the delivery of the Capital Programme is at risk of slippage into 2020/21 as schemes slip there are schemes that have been identified as possible to bring forward from 2020/21 into 2019/20. These include smaller projects such as sustainability and replacement of bay doors with a value of circa £110,000.

## 6 Reserves

6.1 The table in Appendix 4 shows the planned use of reserves for 2019/20.

6.2 The planned transfers are as recorded in the Fire Authority meeting in February 2019 and reflect the following funding agreed for the SCC Project in July 2019:

|                                  | 2019/20        | 2020/21      | 2021/22    | Total          |
|----------------------------------|----------------|--------------|------------|----------------|
|                                  | £'000          | £'000        | £'000      | £'000          |
| SCC Reserve                      | 175.0          |              |            | 175.0          |
| Revenue Contingency              | 250.0          |              |            | 250.0          |
| Improvement & Efficiency Reserve | 500.0          |              |            | 500.0          |
| General Balances                 | 298.0          | 97.0         |            | 395.0          |
|                                  |                |              |            |                |
| BR Pilot Reserve                 |                | 480.0        |            | 480.0          |
| <b>Total funding</b>             | <b>1,223.0</b> | <b>577.0</b> | <b>0.0</b> | <b>1,800.0</b> |

## **7 BORROWING AND INVESTMENT**

- 7.1 As at the 31 July 2019, the Authority held cash balances of £28.5m which were invested as set out in Appendix 6 in accordance with the Treasury Management Strategy.

## 2019/20 Revenue Budget – Objective Analysis

|                                           | Original Budget<br>£'000 | Revised Budget<br>£'000 | Projected Outturn<br>£'000 | Variance<br>£'000 | Variance<br>% | Variance last report<br>£'000 |
|-------------------------------------------|--------------------------|-------------------------|----------------------------|-------------------|---------------|-------------------------------|
| Training and Assurance                    | 2,333                    | 2,338                   | 2,338                      | 0                 | 0             |                               |
| Resources/Treasurer                       | 7,101                    | 7,191                   | 7,191                      | 0                 | 0             |                               |
| Planning and Improvement                  | 1,331                    | 1,454                   | 1,454                      | 0                 | 0             |                               |
| <b>Total Deputy Chief Fire Officer</b>    | <b>10,765</b>            | <b>10,983</b>           | <b>10,983</b>              | <b>0</b>          | <b>0</b>      | <b>0</b>                      |
| Human Resources and OD                    | 1,147                    | 1,168                   | 1,168                      | 0                 | 0             |                               |
| Safer Communities                         | 20,562                   | 20,825                  | 20,825                     | 0                 | 0             |                               |
| Operational Support                       | 3,689                    | 4,129                   | 4,129                      | 0                 | 0             |                               |
| <b>Total Assistant Chief Fire Officer</b> | <b>25,398</b>            | <b>26,122</b>           | <b>26,122</b>              | <b>0</b>          | <b>0</b>      | <b>0</b>                      |
| CFO Staff                                 | 657                      | 664                     | 664                        | 0                 | 0             |                               |
| Treasury Management                       | 856                      | 856                     | 796                        | (60)              | (7.0)         | (60)                          |
| Non Delegated costs                       | (828)                    | (1,096)                 | (1,072)                    | 24                | 2.2           | 24                            |
| Corporate Contingency                     | 506                      | 96                      | 96                         | 0                 | 0             |                               |
| Transfer from Reserves                    |                          | (271)                   | (271)                      | 0                 | 0             |                               |
| Transfer to Reserves                      | 1,683                    | 1,683                   | 1,683                      | 0                 | 0             |                               |
| <b>Total Corporate</b>                    | <b>2,874</b>             | <b>1,932</b>            | <b>1,896</b>               | <b>(36)</b>       | <b>(1.9)</b>  | <b>(36)</b>                   |
| <b>Total Net Expenditure</b>              | <b>39,037</b>            | <b>39,037</b>           | <b>39,001</b>              | <b>(36)</b>       | <b>(0.1)</b>  | <b>(36)</b>                   |

|                        |                 |                 |                 |          |          |          |
|------------------------|-----------------|-----------------|-----------------|----------|----------|----------|
| Financed By:           |                 |                 |                 |          |          |          |
| Council Tax            | (27,215)        | (27,215)        | (27,215)        | 0        | 0        |          |
| Business Rates         | (11,346)        | (11,346)        | (11,346)        | 0        | 0        |          |
| S31 Grants             | (375)           | (375)           | (375)           | 0        | 0        |          |
| Collection Fund        | (101)           | (101)           | (101)           | 0        | 0        |          |
| Surplus/Deficit        |                 |                 |                 |          |          |          |
| <b>Total Financing</b> | <b>(39,037)</b> | <b>(39,037)</b> | <b>(39,037)</b> | <b>0</b> | <b>0</b> | <b>0</b> |

## 2019/20 Capital Budget Monitoring

| <b>Capital Programme Expenditure</b>         |                     |                       |                        |                 |                 |
|----------------------------------------------|---------------------|-----------------------|------------------------|-----------------|-----------------|
|                                              | <b>Total Budget</b> | <b>Revised Budget</b> | <b>Projected spend</b> | <b>Variance</b> | <b>Variance</b> |
|                                              | <b>£'000</b>        | <b>£'000</b>          | <b>£'000</b>           | <b>£'000</b>    | <b>%</b>        |
| <b>Property</b>                              |                     |                       |                        |                 |                 |
| <b>Shared Investment Schemes</b>             |                     |                       |                        |                 |                 |
| Integrated Transport Project                 | 100                 | 100                   | 100                    | 0               | 0.0             |
| - Partner contribution                       |                     |                       |                        |                 |                 |
| <b>Integrated Transport Project net cost</b> | <b>100</b>          | <b>100</b>            | <b>100</b>             | <b>0</b>        | <b>0.0</b>      |
| <b>One Public Estate</b>                     |                     |                       |                        |                 |                 |
| - Heathfield                                 | 50                  | 50                    | 50                     | 0               | 0.0             |
| - Partner contribution                       |                     |                       |                        |                 |                 |
| <b>- Heathfield net cost</b>                 | <b>50</b>           | <b>50</b>             | <b>50</b>              | <b>0</b>        | <b>0.0</b>      |
| - Lewes                                      | 200                 | 250                   | 250                    | 0               | 0.0             |
| - Partner contribution                       |                     |                       |                        |                 |                 |
| <b>- Lewes net cost</b>                      | <b>200</b>          | <b>250</b>            | <b>250</b>             | <b>0</b>        | <b>0.0</b>      |
| - Preston Circus                             | 1,000               | 1,031                 | 1,031                  | 0               | 0.0             |
| - Partner contribution                       |                     |                       |                        |                 |                 |
| <b>- Preston Circus net cost</b>             | <b>1,000</b>        | <b>1,031</b>          | <b>1,031</b>           | <b>0</b>        | <b>0.0</b>      |
| - Uckfield                                   | 70                  | 80                    | 80                     | 0               | 0.0             |
| - Partner contribution                       |                     |                       |                        |                 |                 |
| <b>- Uckfield net cost</b>                   | <b>70</b>           | <b>80</b>             | <b>80</b>              | <b>0</b>        | <b>0.0</b>      |
| <b>Total Shared Investment Schemes</b>       | <b>1,420</b>        | <b>1,511</b>          | <b>1,511</b>           | <b>0</b>        | <b>0.0</b>      |
| <b>Strategic Schemes</b>                     |                     |                       |                        |                 |                 |
| Design Guide Schemes                         | 727                 | 707                   | 507                    | (200)           | (28.3)          |
| BA Chambers works                            | 0                   | 6                     | 6                      | 0               | 0.0             |
| Replacement Fuel Tanks                       | 220                 | 220                   | 130                    | (90)            | (40.9)          |
| Sustainability                               | 180                 | 180                   | 180                    |                 | 0.0             |
| Security                                     | 42                  | 42                    | 0                      | (42)            | (100.0)         |
| <b>Total Strategic Schemes</b>               | <b>1,169</b>        | <b>1,155</b>          | <b>823</b>             | <b>(332)</b>    | <b>(28.7)</b>   |
| <b>General Schemes</b>                       | <b>786</b>          | <b>786</b>            | <b>541</b>             | <b>(245)</b>    | <b>(31.2)</b>   |

| <b>Capital Programme Expenditure</b> |                         |                           |                            |                 |                 |
|--------------------------------------|-------------------------|---------------------------|----------------------------|-----------------|-----------------|
|                                      | <b>Total<br/>Budget</b> | <b>Revised<br/>Budget</b> | <b>Projected<br/>spend</b> | <b>Variance</b> | <b>Variance</b> |
|                                      | <b>£'000</b>            | <b>£'000</b>              | <b>£'000</b>               | <b>£'000</b>    | <b>%</b>        |
| <b>Total Property</b>                | <b>3,375</b>            | <b>3,452</b>              | <b>2,875</b>               | <b>(577)</b>    | <b>(16.7)</b>   |
| <b>Information Management</b>        |                         |                           |                            |                 |                 |
| <b>Sussex Control Centre</b>         | <b>0</b>                | <b>37</b>                 | <b>37</b>                  | <b>0</b>        | <b>0.0</b>      |
| <b>Fleet and Equipment</b>           |                         |                           |                            |                 |                 |
| Aerial Appliances                    | 700                     | 700                       | 700                        | 0               | 0.0             |
| Fire Appliances                      | 1,600                   | 1,800                     | 1,800                      | 0               | 0.0             |
| Ancillary Vehicles                   | 828                     | 888                       | 513                        | (375)           | (42.2)          |
| Cars                                 | 84                      | 84                        | 84                         | 0               | 0.0             |
| Vans                                 | 141                     | 141                       | 141                        | 0               | 0.0             |
| BA & Ancillary Equipment             |                         | 322                       | 322                        | 0               | 0.0             |
| Telemetry                            |                         | 70                        | 70                         | 0               | 0.0             |
| Vehicle Cameras                      |                         | 118                       | 118                        | 0               | 0.0             |
| <b>Total Fleet and Equipment</b>     | <b>3,353</b>            | <b>4,123</b>              | <b>3,748</b>               | <b>(375)</b>    | <b>(9.1)</b>    |
| <b>Total Expenditure</b>             | <b>6,728</b>            | <b>7,612</b>              | <b>6,660</b>               | <b>(952)</b>    | <b>(12.5)</b>   |

## 2019/20 - 2023/24 Capital Budget Monitoring

| <b>Capital Programme Expenditure</b>         |                     |                       |                        |                 |                 |
|----------------------------------------------|---------------------|-----------------------|------------------------|-----------------|-----------------|
|                                              | <b>Total Budget</b> | <b>Revised Budget</b> | <b>Projected spend</b> | <b>Variance</b> | <b>Variance</b> |
|                                              | <b>£'000</b>        | <b>£'000</b>          | <b>£'000</b>           | <b>£'000</b>    | <b>%</b>        |
| <b>Property</b>                              |                     |                       |                        |                 |                 |
| <b>Shared Investment Schemes</b>             |                     |                       |                        |                 |                 |
| Integrated Transport Project                 | 1,000               | 1,000                 | 1,000                  | 0               | 0.0             |
| - Partner contribution                       |                     |                       |                        |                 |                 |
| <b>Integrated Transport Project net cost</b> | <b>1,000</b>        | <b>1,000</b>          | <b>1,000</b>           | <b>0</b>        | <b>0.0</b>      |
| <b>One Public Estate</b>                     |                     |                       |                        |                 |                 |
| - Heathfield                                 | 50                  | 50                    | 50                     | 0               | 0.0             |
| - Partner contribution                       |                     |                       |                        |                 |                 |
| <b>- Heathfield net cost</b>                 | <b>50</b>           | <b>50</b>             | <b>50</b>              | <b>0</b>        | <b>0.0</b>      |
| - Lewes                                      | 250                 | 300                   | 300                    | 0               | 0.0             |
| - Partner contribution                       |                     |                       |                        |                 |                 |
| <b>- Lewes net cost</b>                      | <b>250</b>          | <b>300</b>            | <b>300</b>             | <b>0</b>        | <b>0.0</b>      |
| - Preston Circus                             | 3,138               | 3,169                 | 3,169                  | 0               | 0.0             |
| - Partner contribution                       |                     |                       |                        |                 |                 |
| <b>- Preston Circus net cost</b>             | <b>3,138</b>        | <b>3,169</b>          | <b>3,169</b>           | <b>0</b>        | <b>0.0</b>      |
| - Uckfield                                   | 100                 | 110                   | 110                    | 0               | 0.0             |
| - Partner contribution                       |                     |                       |                        |                 |                 |
| <b>- Uckfield net cost</b>                   | <b>100</b>          | <b>110</b>            | <b>110</b>             | <b>0</b>        | <b>0.0</b>      |
| <b>Total Shared Investment Schemes</b>       | <b>4,538</b>        | <b>4,629</b>          | <b>4,629</b>           | <b>0</b>        | <b>0.0</b>      |
| <b>Strategic Schemes</b>                     |                     |                       |                        |                 |                 |
| Design Guide Schemes                         | 4,021               | 4,001                 | 4,001                  | 0               | 0.0             |
| BA Chambers works                            | 405                 | 411                   | 411                    | 0               | 0.0             |
| Replacement Fuel Tanks                       | 220                 | 220                   | 130                    | (90)            | (40.9)          |
| Sustainability                               | 445                 | 445                   | 445                    | 0               | 0.0             |
| Security                                     | 160                 | 160                   | 160                    | 0               | 0.0             |
| <b>Total Strategic Schemes</b>               | <b>5,251</b>        | <b>5,237</b>          | <b>5,147</b>           | <b>(90)</b>     | <b>(1.7)</b>    |
| <b>General Schemes</b>                       | <b>3,925</b>        | <b>3,925</b>          | <b>3,925</b>           | <b>0</b>        | <b>0.0</b>      |

| <b>Capital Programme Expenditure</b> |                         |                           |                            |                 |                 |
|--------------------------------------|-------------------------|---------------------------|----------------------------|-----------------|-----------------|
|                                      | <b>Total<br/>Budget</b> | <b>Revised<br/>Budget</b> | <b>Projected<br/>spend</b> | <b>Variance</b> | <b>Variance</b> |
|                                      | <b>£'000</b>            | <b>£'000</b>              | <b>£'000</b>               | <b>£'000</b>    | <b>%</b>        |
| <b>Total Property</b>                | <b>13,714</b>           | <b>13,791</b>             | <b>13,701</b>              | <b>(90)</b>     | <b>(0.7)</b>    |
| <b>Information Management</b>        |                         |                           |                            |                 |                 |
| <b>Sussex Control Centre</b>         | <b>1,643</b>            | <b>1,680</b>              | <b>1,680</b>               | <b>0</b>        | <b>0.0</b>      |
| <b>Fleet and Equipment</b>           |                         |                           |                            |                 |                 |
| Aerial Appliances                    | 1,400                   | 1,400                     | 1,400                      | 0               | 0.0             |
| Fire Appliances                      | 7,320                   | 7,520                     | 7,520                      | 0               | 0.0             |
| Ancillary Vehicles                   | 3,451                   | 3,511                     | 3,511                      | 0               | 0.0             |
| Cars                                 | 1,646                   | 1,646                     | 1,646                      | 0               | 0.0             |
| Vans                                 | 546                     | 546                       | 546                        | 0               | 0.0             |
| BA & Ancillary Equipment             | 1,003                   | 1,325                     | 1,325                      | 0               | 0.0             |
| Telemetry                            |                         | 70                        | 70                         | 0               | 0.0             |
| Vehicle Cameras                      |                         | 118                       | 118                        | 0               | 0.0             |
| <b>Total Fleet and Equipment</b>     | <b>15,366</b>           | <b>16,136</b>             | <b>16,136</b>              | <b>0</b>        | <b>0.0</b>      |
| <b>Total Expenditure</b>             | <b>30,723</b>           | <b>31,607</b>             | <b>31,517</b>              | <b>(90)</b>     | <b>(0.3)</b>    |

## Appendix 4

### 2019/20 Reserves Projections

| Description                           | Opening Balance<br>01/04/19 | 2019/20<br>Planned<br>Transfers<br>In | 2019/20<br>Planned<br>Transfers<br>Out | 2019/20<br>Actual<br>Transfers<br>In | 2019/20<br>Actual<br>Transfers<br>Out | Projected<br>Closing<br>Balance<br>31/03/20 |
|---------------------------------------|-----------------------------|---------------------------------------|----------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------------|
|                                       | £'000                       | £'000                                 | £'000                                  | £'000                                | £'000                                 | £'000                                       |
| <b>Earmarked Reserves</b>             |                             |                                       |                                        |                                      |                                       |                                             |
| Improvement and Efficiency Sprinklers | 1,303                       |                                       | (675)                                  |                                      | (1,165)                               | 138                                         |
| Insurance                             | 490                         | 150                                   | (250)                                  | 150                                  | (347)                                 | 293                                         |
| RPE and communications                | 249                         |                                       |                                        |                                      |                                       | 249                                         |
| ESMCP ESFRS readiness                 | 192                         |                                       |                                        |                                      | (192)                                 | 0                                           |
| ESMCP Regional Programme reserve      | 1,425                       |                                       | (765)                                  |                                      | (1,425)                               | 0                                           |
| Responding to new risks Revenue       | 799                         | 249                                   | (485)                                  | 249                                  | (485)                                 | 563                                         |
| Safer Business Training               | 18                          |                                       |                                        |                                      | (18)                                  | 0                                           |
| IT Strategy                           | 476                         |                                       | (164)                                  |                                      | (105)                                 | 371                                         |
| Wholetime Firefighter recruitment     | 3,370                       | 483                                   | (1,200)                                | 483                                  | (1,239)                               | 2,614                                       |
| SCC                                   | 308                         |                                       | (308)                                  |                                      | (308)                                 | 0                                           |
| Business Rates Retention Pilot        | 175                         |                                       | (455)                                  | 1,048                                | (1,223)                               | 0                                           |
| Carry Forwards                        | 0                           | 550                                   |                                        | 550                                  |                                       | 550                                         |
| Capital Programme Reserve             | 193                         |                                       |                                        |                                      | (150)                                 | 43                                          |
|                                       | 4,761                       | 500                                   |                                        | 500                                  |                                       | 5,261                                       |
| <b>Total Earmarked Reserves</b>       | <b>13,759</b>               | <b>1,932</b>                          | <b>(4,302)</b>                         | <b>2,980</b>                         | <b>(6,657)</b>                        | <b>10,082</b>                               |
| <b>General Fund</b>                   | 2,417                       |                                       |                                        |                                      | (298)                                 | 2,119                                       |
| <b>Total Revenue Reserves</b>         | <b>16,176</b>               | <b>1,932</b>                          | <b>(4,302)</b>                         | <b>2,980</b>                         | <b>(6,955)</b>                        | <b>12,201</b>                               |
| Capital Receipts Reserve              | 9,477                       | 515                                   | (6,296)                                | 515                                  | (5,869)                               | 4,123                                       |
| <b>Total Capital Reserves</b>         | <b>9,477</b>                | <b>515</b>                            | <b>(6,296)</b>                         | <b>515</b>                           | <b>(5,869)</b>                        | <b>4,123</b>                                |
| <b>Total Usable Reserves</b>          | <b>25,653</b>               | <b>2,447</b>                          | <b>(10,598)</b>                        | <b>3,495</b>                         | <b>(12,824)</b>                       | <b>16,324</b>                               |

| <b>CUMULATIVE CURRENT SAVINGS</b> |                                            | <b>Budget</b>  | <b>Forecast</b> | <b>Variance</b> |
|-----------------------------------|--------------------------------------------|----------------|-----------------|-----------------|
| <b>Category</b>                   | <b>Description</b>                         | <b>2019/20</b> | <b>2019/20</b>  | <b>2019/20</b>  |
|                                   |                                            | <b>£'000</b>   | <b>£'000</b>    | <b>£'000</b>    |
| Operational                       | Unachievable 0.5% on Grey Book Pay 2018/19 | 95             | 95              | 0               |
| 2017/18 budget setting            | Management Restructure                     | (30)           | (30)            | 0               |
| 2019/20 budget setting            | Green Book 1% Vacancy Factor.              | (57)           | (57)            | 0               |
| 2019/20 budget setting            | Relocation expenses                        | (8)            | (8)             | 0               |
| 2019/20 budget setting            | NHS charges                                | (5)            | (5)             | 0               |
| 2019/20 budget setting            | Advertising                                | (5)            | (5)             | 0               |
| Efficiency Strategy               | Telemetry                                  | (5)            | (5)             | 0               |
| Efficiency Strategy               | Insurance costs (FRIC)                     | (188)          | (188)           | 0               |
| 2019/20 budget setting            | Finance - Orbis costs                      | (18)           | (18)            | 0               |
| 2019/20 budget setting            | Estates - Planned Maintenance              | (5)            | (5)             | 0               |
| 2019/20 budget setting            | Estates - Reactive Maintenance             | (4)            | (4)             | 0               |
| 2019/20 budget setting            | Procurement - consultants fees             | (3)            | (3)             | 0               |
| 2019/20 budget setting            | Estates - Improvement Works                | (1)            | (1)             | 0               |
| 2019/20 budget setting            | RDS Pay                                    | (50)           | (50)            | 0               |
| 2019/20 budget setting            | Group Prevention Budgets                   | (40)           | (40)            | 0               |
| 2019/20 budget setting            | Other operational savings                  | (49)           | (49)            | 0               |
| 2019/20 budget setting            | Safer Communities - Projects               | (13)           | (13)            | 0               |
| 2019/20 budget setting            | Petroleum Licensing                        | (9)            | (9)             | 0               |
| 2019/20 budget setting            | Training Budget                            | (13)           | (13)            | 0               |
| 2019/20 budget setting            | Health, Safety and Wellbeing               | (5)            | (5)             | 0               |
| <b>TOTAL</b>                      |                                            | <b>(413)</b>   | <b>(413)</b>    | <b>0</b>        |

## Investment as at 31 July 2019

| Counterparty                     | Type              | Amount<br>£'m | Rate<br>% |
|----------------------------------|-------------------|---------------|-----------|
| Barclays                         | 95 day notice     | 4.0           | 0.95      |
| Santander                        | 95 day notice     | 4.0           | 1.00      |
| Lloyds / HBOS                    | 175 day notice    | 4.0           | 1.13      |
| Aberdeen                         | Money Market Fund | 4.0           | 0.76 (V)  |
| Insight                          | Money Market Fund | 4.0           | 0.73 (V)  |
| Deutsche                         | Money Market Fund | 4.0           | 0.74 (V)  |
| Blackrock                        | Money Market Fund | 4.0           | 0.70 (V)  |
| JP Morgan                        | Money Market Fund | 0.5           | 0.69 (V)  |
| <b>Total current investments</b> |                   | <b>28.5</b>   |           |

(V) = variable rate

## EAST SUSSEX FIRE AND RESCUE SERVICE

|                        |                                                                   |
|------------------------|-------------------------------------------------------------------|
| <b>Meeting</b>         | Fire Authority                                                    |
| <b>Date</b>            | 5 September 2019                                                  |
| <b>Title of Report</b> | 2020/21 Strategic Service Planning and Medium Term Financial Plan |
| <b>By</b>              | Duncan Savage, Assistant Director Resources/Treasurer             |
| <b>Lead Officer</b>    | Warren Tricker, Finance Manager                                   |

|                          |                                                                                                                                                                              |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Background Papers</b> | Office for Budget Responsibility: Economic and fiscal outlook, March 2019.<br><br>Fire Authority 14 February 2019 Item 84 Service Planning Processes for 2019/20 and beyond. |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                   |                                                                                                                                                                                               |
|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Appendices</b> | <ol style="list-style-type: none"> <li>1. Medium Term Financial Plan 2020/21 to 2024/25</li> <li>2. 2020/21 Revenue Budget Commitments.</li> <li>3. Council Tax increase scenarios</li> </ol> |
|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

### 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>PURPOSE OF REPORT</b> | To roll forward the Fire Authority's medium term service planning strategy and medium term financial plan for 2020/21 to 2024/25. |
|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------|

|                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>EXECUTIVE SUMMARY</b> | <p>Whilst the main purpose of this report is to set the financial context for the service planning process, through an update of the Medium Term Finance Plan (MTFP), the fundamental aim of the review process is to determine how best to deliver the Authority's Purpose and Commitments, the IRMP and the targets and priorities that underpin them, within the context of the current estimate of available financial resources for the period 2020/21 to 2024/25.</p> |
|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Closer alignment of business and resource (including finance) planning is necessary to ensure that the Authority

can continue to deliver its corporate strategy and Integrated Risk Management Plan (IRMP) outcomes more effectively. This will continue for the 2020/21 budget setting process.

There remains uncertainty about the future of local government funding. There are consultations on the future funding arrangements but at this stage it appears likely that they will not be concluded in time for the 2020/21 Local Government Finance Settlement. The likelihood is that we will face a one year spending round with the three year comprehensive spending review along with changes to the funding formula and business rates taking effect from 2021/22. This will limit the Authority's ability to plan effectively over the medium term.

At the time of writing there is no date set for the provision of much of the detailed information that is required from Government to set the budget for 2020/21 and prepare the Authority's MTFP.

The updated MTFP models, two scenarios, a probable and a worst case and the savings required under each are:

- Probable – savings required in 2020/21 of £0.763m increasing to £3.669m by 2024/25
- Worse case – savings required in 2020/21 of £1.033m increasing to £4.712m by 2024/25

The Authority will need to continue to drive through the service and budget planning process identification of pressures and savings, and cashable efficiencies sufficient to provide the Authority with options to balance the budget in 2020/21 and beyond. This will enable the Authority to make informed choices about both balancing its budget over the medium term and delivering efficient and effective services once the position for 2020/21 and beyond is clearer.

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**RECOMMENDATION**

The Fire Authority is asked to:

- (i) Approve the updated Medium Term Financial Plan for 2020/21 to 2024/25 and its underlying assumptions;
  - (ii) Consider and comment upon the risks set out in section 3; and
  - (iii) Consider their modelling preferences for Council Tax, should the Government set the referendum threshold higher than the 2% currently included in the MTFP
-

## **1 MEDIUM TERM SERVICE PLANNING**

- 1.1 Whilst the main purpose of this report is to set the financial context for the service planning process, through an update of the MTFP, the fundamental aim of the process is to determine how best to deliver the Authority's Purpose "to make our communities safer", its supporting commitments, its Integrated Risk Management Plan (IRMP), and the targets and priorities that underpin them, within the available resources. This process has become even more important in recent years in the light of the sustained reduction in public sector funding and the consequent need to deliver significant savings over the period of the MTFP.
- 1.2 Members and officers will need to ensure that the service planning process, which is driven through our purpose and commitments and the IRMP, delivers sustainability in the medium term for both the revenue and capital budgets, and the Service as a whole. Officers continue to develop the service planning process to ensure that strategic planning and resource allocation processes (including financial planning / budget setting) are better aligned, ensuring that agreed policy priorities and key outcomes are properly resourced and can be delivered more efficiently and effectively. As a result of this any proposed new pressures, savings and investments will be included in future reports for Member approval.
- 1.3 In recent years the delivery of multi-year settlements has provided certainty in the planning process however the previous four year plan has now come to an end. It appears likely that major changes to local government funding being planned by central government for 2020/21 will be delayed and a one year spending round put in place instead. This will limit our ability to plan effectively for the future.

## **2 NATIONAL CONTEXT**

- 2.1 On the domestic front the ongoing negotiations with the EU following the UK's decision to leave and escalating trade disputes between major economies continues to add to financial uncertainty in the short to medium term. Consensus on interest rates was for very slow increases into 2022/23, however the increased potential for a disorderly exit from the EU means that we may see reductions in rates in the shorter term. Interest rates remain historically low. Forecasts for economic growth have proven to be broadly in line with results and the forecasts for future periods remain generally unchanged. The Office of Budget Responsibility (OBR) measured GDP in 2017 at 1.8% (last year's forecast 1.7%) and expected it to grow by 1.4% in 2018 (up from 1.3% previously forecast). Further ahead, GDP is expected to grow by 1.2% in 2019 (down from 1.6%), 1.4% in 2020 (no change) and 1.6% in 2021 and beyond.
- 2.2 The Government's stated fiscal objective is to balance the budget by 2025/26 and the OBR suggest that there is a 40% chance of achieving this by 2023/24 (where the OBR forecasts end). However they do highlight pressures of the ageing population and impacts of different Brexit outcomes making the outlook more uncertain than usual.

## **3 LOCAL POSITION**

### **Medium Term Finance Plan**

- 3.1 The rolled forward MTFP is included at Appendix 1. The MTFP was previously updated when the 2019/20 Budget was set in February 2019. At that stage there was forecast to be a balanced budget for 2019/20 but while there was acknowledgement that central funding was uncertain further savings of £2.837m by 2023/24 would be required. A range of savings of £0.589m had been identified across the Service. Reflecting this uncertainty a scenario of 7.5% reductions in central support identified a savings target of £3.727m by 2023/24. In preparing the new MTFP the main issues considered are set out in the following paragraphs. The risks set out in paragraph 3.2 below and the likely further reductions in public spending and impact of the UK's exit from the EU makes preparing a MTFP with any degree of certainty more difficult than usual.
- 3.2 There are a range of risks that has the potential to impact on the Authority's ability to deliver its budget plans over the medium term to which Members must give consideration, primarily:
- Our ability to identify and deliver the savings required to balance the budget over the medium term through the Efficiency Strategy and the Integrated Risk Management Plan (IRMP)
  - The impact of additional budget pressures for example, the need to maintain resilience funding for the operational establishment until the outcomes from the Operational Response Review are consulted upon and agreed, and the revenue impact of continued investment in IT
  - Uncertainty over the impact of the successful legal challenge to the transitional protections in place for local government and firefighters pension schemes
  - The impact of funding for the SCC Programme on the Authority's reserves and the likely requirement for significant further investment in our Mobilising Strategy in the short to medium term
  - Lack of clarity about the financial impact of the national Emergency Service's Mobile Communication Programme
  - Uncertainty about future governance and funding including:
    - The likely delay in three major Government funding reviews all now expected to take effect from 2021/22:
      - the three year Comprehensive Spending Review
      - the impact of the Fairer Funding Review
      - proposals for further (75%) localisation of business rates
    - the risk of a one year Spending Round to one-off funding particularly the grant provided in 2019/20 to mitigate the impact of increases in employer's pension contributions in the fire sector
    - The potential impact of the UK's decision to leave the EU including the impact of currency movements on the cost of goods and services purchased from the EU and more widely on the economy and the Governments fiscal objectives

- The impact of local growth and additional housing, road and commercial risks
  - Any further development of local devolution proposals
  - Any further proposals by the Police & Crime Commissioner for changes to fire service governance in Sussex
  - Outcomes for the fire service nationally and locally from the HMICFRS inspection process
  - Potential changes to the role of the Authority resulting from the Hackitt and Moore-Bick inquiries.
- 3.3 In overall terms the updated assumptions and service changes mean that the revised MTFP shows savings required in every year, from £0.763m in 2020/21 and then a need to deliver savings of £3.669m by 2024/25. This is based on a probable scenario of 5% year on year reductions in Settlement Funding Assessment (SFA). However we have also modelled a worse case scenario where SFA is cut by 7.5% per year and in this case savings required in 2020/21 are of £1.033m increasing to £4.712m by 2024/25. In both cases it is assumed that the Authority will increase Council Tax by 1.94% each year.

### **Expenditure**

- 3.4 Existing expenditure plans, based on the agreed 2019/20 Revenue Budget and MTFP have been rolled forward to financial year 2024/25 following initial consultation with budget managers and known commitments, and reflect the following assumptions and pressures:
- The level of pay award for the fire & rescue service will be determined nationally through the National Joint Council (NJC). The rolled forward MTFP has a provision for pay inflation of 2.0% for the duration of the MTFP. The Government have relaxed the public sector pay cap but have made it clear that higher awards will be funded from efficiencies. Each 1% increase in pay is equivalent to £293,500.
  - The OBR forecasts for CPI inflation are broadly 2.0% or just below for the duration of the MTFP however there has been speculation that one Brexit scenario will increase this as high as 4%. The MTFP currently provides 2.5% p.a. for price inflation on goods and services which has been rolled forward to 2023/24. Each 1% increase in prices is equivalent to £103,000
  - Budget adjustments reflecting year-on-year changes in revenue funding to support current strategies for example the end of additional funding for the Programme Management Office
  - Removal of the one year only business rates retention pilot and resilience crewing
  - Increases in employer's contributions of 0.5% p.a. for the Local Government Pension Scheme (LGPS). The next triennial revaluation of the LGPS is due

for 2020/21 and some commentators are optimistic about the outcome. Based on recent experience the MTFP assumes increase in the contribution rate of 1.0% p.a. will continue until 2024/25.

- 3.5 The Authority has been conducting a review of its Fleet & Equipment and its IT Strategies and this is expected to be concluded within 2019/20. The Authority will need consider the funding implications that result in its budget proposals and MTFP.
- 3.6 To provide Senior Leadership Team (SLT) with flexibility in managing budget in-year there is a Corporate Contingency included in the Revenue Budget and MTFP. This is set at £435,000 for 2020/21, falling to £206,800 in 2021/22 before rising slowly to £213,500 by 2024/25.

### **Grant Funding**

- 3.7 Between 2015/16 and 2018/19 Revenue Support Grant reduced from £7.514m to £3.660m or 51% and with our participation in the BRR pilot fell to nil in 2019/20. In the same period, 2015/16 to 2019/20 overall Settlement Funding Assessment (SFA) fell by 23.5% or £5.92m. The rolled forward MTFP continues to make the assumption on overall funding of a year on year reduction of 5% SFA (probable scenario). This “roll forward” of the assumption reflects the delay and uncertainty around a future CSR and the Fairer Funding Review which is now not expected until 2021/22. A worst case scenario is also modelled which reflects a 7.5% year on year reduction in SFA in case the average of a 5% annual reduction across the fire sector is not evenly distributed.
- 3.8 In the 2019/20 settlement the fire and rescue sector benefitted from a Home Office grant funding 90% of the cost of increased employers’ contributions to the Firefighter pension scheme. This Authority received £1.7m in support. The suggested one-year roll forward settlement is based on baseline funding of which this grant is not part. The MTFP assumes that the funding will continue in some form however should it be withdrawn or reduced there would be a major impact on the finances of the Authority and the sector nationally.
- 3.9 The Authority currently receives a small number of on-going specific revenue grants from Central Government for FireLink and New Dimensions. There is uncertainty over the future of these grants despite previous Government assurances so it is assumed they will reduce by 10% per annum.
- 3.10 The replacement for FireLink was planned to be deployed locally in 2018/19 however the programme has slipped and following a review by the Secretary of State a revised deployment is being planned. It remains the Home Office’s stated policy that the FireLink grant (a New Burden grant) will be phased out reflecting expected lower costs to blue light end users. The MTFP assumes the Authority will be no worse off with ongoing costs. No provision is made for one off implementation costs or grant income however there is an overall funding envelope from the Home Office for the South-East region of circa £2.2m over the next three years.

- 3.11 There has been no provision for capital or transformation grants within the fire sector since 2015/16. In the context of a one year spending round there is unlikely to be any change to this position in the short term.

### **Business Rates**

- 3.12 The current MTFP is modelled on the basis of further Business Rates reform commencing in 2020/21. Whilst there has been no official announcement it seems increasingly likely that the move the 75% local retention will be delayed to 2021/22. The Government proposals as they stand continue to limit the fire service's exposure to both the risks and opportunities of the Business Rates system. The BR base is assumed to remain static – locally the business rates base remains exposed to any economic downturn especially in the retail sector. CPI multiplier assumptions are based on the latest projections from the OBR which indicate that current levels will be maintained to the Bank of England target of 2.0% for the period 2020/21 to 2024/25. The risk of fire authorities being removed from the Business Rates regime and compensated with a Home Office grant appears to have receded as it requires primary legislation and there is no plan for this currently.
- 3.13 The Government has continued to extend rate reliefs for small businesses. The MTFP assumes that the payment by Government to compensate for this loss of income will stop after 2020/21 when the existing multi-year settlement ends and is shown separately in the funding section of the MTFP.

### **Business Rate Retention Pilot**

- 3.14 East Sussex successfully bid to establish a 75% Business Rates Retention for 2019/20. At the time this was expected to be a one year pilot in advance of national changes in 2020/21. It is not clear whether the Government will allow pilots to continue for a further year. The MTFP assumes the pilot will cease after the current year.

### **Council Tax**

- 3.15 The underlying assumption in the MTFP is for a Council Tax base increase of 1.1% for the duration of the MTFP across the whole of Brighton & Hove and East Sussex. This is the same as previously assumed. Over the last five years growth has averaged 1.68% per year however 2019/20 at 1.02% was the lowest of those five years and the factors that influence this growth are complex (including house building, Council Tax Support Caseload, changes to Local Council Tax Reduction Schemes (LCTRS) etc.) so an overall rate of 1.1% has been retained. LCTRS's can be reviewed annually but we understand that only Hastings BC is considering changes to its scheme for 2020/21. The Authority is a statutory consultee.
- 3.16 The MTFP assumes that the threshold for triggering a referendum on Council Tax which was increased to 3% in 2018/19 and 2019/20 will reduce back to 2.0% and so the MTFP assumes the Authority will increase council tax by 1.94% for the duration of the MTFP. In 2018/19 and 2019/20 the Government increased the threshold to 3% but there has been no confirmation that this will be continued. Each 1% increase in Council Tax, with the assumed 1.1% council tax base growth, generates approximately £273,000 in additional income. Appendix 3 illustrates

the impact should the Government extend the 3% Council Tax threshold in 2020/21.

### Collection Fund Surplus and Deficit

3.17 Based on past performances across the Authority's region the average net Collection Fund position for both council tax and business rates is an overall surplus of £233,000. This is a one-off amount that is difficult to forecast and with no other information and with other uncertainties no amount is included in the MTFP.

### Savings Plans and Efficiency Strategy

3.18 Since the 2010/11 the Authority has made, and has planned to make, savings totalling £9.274m of which £9.158m will have been delivered by 2019/20. The savings included in the revised MTFP, planned to be achieved in 2020/21 and 2021/22 are the result of the 2017/18 management restructure, the Efficiency Strategy (PPE and work wear) and other savings from the 2019/20 budget setting process.

**TABLE 1: SUMMARY OF NEW SAVINGS BUILT INTO THE MTFP**

| <b>CUMULATIVE CURRENT SAVINGS</b> |                                                  | <b>2020/21</b> | <b>2021/22</b> |
|-----------------------------------|--------------------------------------------------|----------------|----------------|
| <b>Category</b>                   | <b>Description</b>                               | <b>£,000</b>   | <b>£,000</b>   |
| 2017/18 budget setting            | Management Restructure                           | (5)            | (5)            |
| 2019/20 budget setting            | Engineering; cutting equipment funded in 2018/19 | (60)           | 0              |
| Efficiency Strategy               | PPE & Workwear                                   | (91)           | (91)           |
| 2019/20 budget setting            | Other operational savings                        | (20)           | (20)           |
| <b>TOTAL</b>                      |                                                  | <b>(176)</b>   | <b>(116)</b>   |

3.19 In September 2017 the Authority agreed to adopt a more strategic approach to delivering efficiencies that moved beyond previous approaches that had focussed on delivering savings necessary to balance the revenue budget. An update was provided to Policy and Resources Panel in November 2018 and concluded that:

- Good progress is being made but the work is still at a relatively early stage and this is reflected in the level of efficiencies identified so far
- Further work is required to identify and deliver a greater return on investment, and specifically an increase in the level of cashable efficiencies delivered. SLT is committed to doing this as the Efficiency Strategy, and the activities within it are further developed and matured
- As the MTFP indicates, we need to be in a position to react to the new funding position for 2020/21 and have in place as a minimum sufficient cashable savings to balance the budget that year i.e. £1.033m

- Work on a new IRMP has commenced in 2019/20 and that this includes an operational response review. This will assess the level of resource required to meet changing risk in the communities we serve, and provides a key opportunity to identify efficiencies from operational services that form the majority of the Authority's Revenue Budget.

3.20 We have already mapped efficiency opportunities over the next four years (see table below). This indicates that for timing reasons balancing the 2020/21 budget through efficiencies alone will be challenging. We have already started work with SLT and Group Managers to identify other savings that could bridge this gap. There remains the potential to use reserves to smooth any timing issues but the Authority has fully committed its Earmarked Reserves and its General Balances are currently below its agreed Policy minimum.

**TABLE 2: TIMING OF CASHABLE EFFICIENCY OPPORTUNITIES**

**Potential Cashable Efficiencies**

|                                               | 2020/21    | 2021/22    | 2022/23    | 2023/24    | 2024/25    |
|-----------------------------------------------|------------|------------|------------|------------|------------|
| Operational Response Review                   |            |            |            |            |            |
| Estates Strategy                              |            | 81         | 162        | 324        | 485        |
| Strategic review of Training                  |            |            |            |            |            |
| Admin review                                  |            |            |            |            |            |
| CRM                                           | 23         | 23         | 23         | 23         | 23         |
| BI                                            |            |            |            |            |            |
| FW                                            | 25         | 25         | 25         | 25         | 25         |
| ITF - Shared Service                          |            |            |            |            |            |
| Primary Authority                             |            |            |            |            |            |
| EDRMS / Office365                             |            |            |            |            |            |
| HR BPR                                        |            |            |            |            |            |
| Demand Management                             |            |            |            |            |            |
| Fleet & Equipment Strategy                    |            |            |            |            |            |
| Procurement Category Plans                    |            |            |            |            |            |
| FPS Administration                            | 23         | 23         | 23         | 23         | 23         |
| CCTV - Insurance                              | 20         | 20         | 20         | 20         | 20         |
| Mobilising Strategy                           |            |            |            |            |            |
| Hydrant Management                            | 5          | 5          | 5          | 5          | 5          |
| New Dimensions / CERA 20/21 only)             | 452        |            |            |            |            |
| Income Generation / Charity                   |            |            |            |            |            |
| <b>Total cashable efficiencies identified</b> | <b>548</b> | <b>177</b> | <b>258</b> | <b>420</b> | <b>581</b> |

**Reserves and Balances**

3.21 Reserves and balances are held in accordance with the Authority's agreed policy, and table 3 below summarises their current values and planned use over the period. The planned use of reserves and balances will be reviewed as part of the service planning process in the light of the savings requirement, any changes to the Capital Strategy,

the outcome of grant funding bids to Government, and the need to fund the costs of up-front investment to support the delivery of savings proposals.

3.22 The level of reserves held is expected to reduce over the next five years and by 2024/25 is forecast to comprise primarily an unallocated risk provision (General Balance 71.2% of total reserves and 5.2% of the total General Fund Revenue Budget in 2019/20) and no resources to fund the Capital Strategy without recourse to borrowing.

3.23 **Sussex Control Centre:** a report was presented to the Fire Authority on 3 July 2019 setting out a way forward for the four work streams of the SCC project:

- Phase 2
- Exits Strategy
- Project 21
- SCC Operations

The cost, was forecast as £1.8m (excluding the cost of implementing the Project 21 solution which will be the subject of a full business case to a Fire Authority meeting in the autumn). Funding was agreed from existing sources (£0.425m) and the balance of £1.375m from the Authority's reserves.

3.24 There are a number of risks and consequences resulting from this:

- General Balances will be reduced below the minimum set out in the Authority's Reserves Policy
- Capacity for investment in improvement and efficiency projects will be reduced significantly
- The Authority's financial flexibility and ability to manage risks will be reduced
- Revenue income from short term investments will reduce (£1m invested at 1% would provide £10,000pa) and the need for external borrowing to fund other programmes will be brought forward increasing revenue costs.
- The Business Rates Pilot Reserve is vulnerable to volatility in business rates income

The Authority will need to consider the extent to which it intends to replace the amounts drawdown from its Reserves as part of its future financial planning, potentially, by generating additional / earlier revenue savings.

**TABLE 3: FORECAST OF USEABLE RESERVES BASED ON EXISTING PLANS**

|                                 | 31/03/2020    | 31/03/2021   | 31/03/2022   | 31/03/2023   | 31/03/2024   | 31/03/2025   |
|---------------------------------|---------------|--------------|--------------|--------------|--------------|--------------|
|                                 | £'000         | £'000        | £'000        | £'000        | £'000        | £'000        |
| Capital Programme Reserve       | 5,261         | 2,865        | 0            | 0            | 0            | 0            |
| Other Earmarked Reserves        | 4,821         | 2,344        | 1,288        | 1,069        | 292          | 292          |
| <b>Total Earmarked Reserves</b> | <b>10,082</b> | <b>5,209</b> | <b>1,288</b> | <b>1,069</b> | <b>292</b>   | <b>292</b>   |
| General Fund                    | 2,119         | 2,022        | 2,022        | 2,022        | 2,022        | 2,022        |
| Capital Reserves                | 4,123         | 0            | 0            | 0            | 0            | 0            |
| <b>Total Useable Reserves</b>   | <b>16,324</b> | <b>7,231</b> | <b>3,310</b> | <b>3,091</b> | <b>2,314</b> | <b>2,314</b> |

**Capital Strategy**

- 3.25 The Authority has been conducting a review of its Fleet & Equipment and its IT Strategies and this is expected to be concluded within 2019/20. The Authority will need consider the funding implications, including capital investment requirements that result in its budget proposals and MTFP.

**MEDIUM TERM FINANCIAL PLAN 2020/21 – 2024/25**  
**Increase Council Tax by 1.94%**

|                                                  | 2020/21        | 2021/22        | 2022/23        | 2023/24        | 2024/25        |
|--------------------------------------------------|----------------|----------------|----------------|----------------|----------------|
|                                                  | £'000          | £'000          | £'000          | £'000          | £'000          |
| <b>Gross Revenue Service Budget</b>              | <b>40,395</b>  | <b>41,542</b>  | <b>42,436</b>  | <b>43,330</b>  | <b>44,255</b>  |
| <b>Less</b>                                      |                |                |                |                |                |
| Specific grants                                  | (1,669)        | (1,649)        | (1,631)        | (1,614)        | (1,600)        |
| Other income                                     | (2,011)        | (2,061)        | (2,112)        | (2,165)        | (2,218)        |
| <b>Total income</b>                              | <b>(3,680)</b> | <b>(3,710)</b> | <b>(3,743)</b> | <b>(3,779)</b> | <b>(3,818)</b> |
| <b>Net Service Budget</b>                        | <b>36,715</b>  | <b>37,832</b>  | <b>38,693</b>  | <b>39,551</b>  | <b>40,437</b>  |
| Capital financing costs less interest receivable | 852            | 874            | 1,049          | 1,386          | 1,686          |
| Capital expenditure from the Revenue Account     | 452            | 452            | 452            | 452            | 452            |
| Transferred to Balances                          | 1,049          | 1,065          | 1,092          | 1,092          | 1,092          |
| <b>Total Net Expenditure</b>                     | <b>39,068</b>  | <b>40,223</b>  | <b>41,286</b>  | <b>42,481</b>  | <b>43,667</b>  |

|                                   |               |               |               |               |               |
|-----------------------------------|---------------|---------------|---------------|---------------|---------------|
| <b>Net Budget brought forward</b> | <b>39,037</b> | <b>39,068</b> | <b>40,223</b> | <b>41,286</b> | <b>42,481</b> |
| Unavoidable cost pressures        |               |               |               |               |               |
| Pay inflation                     | 587           | 594           | 612           | 623           | 636           |
| Price inflation                   | 206           | 202           | 207           | 212           | 217           |
| <b>Total inflation</b>            | <b>793</b>    | <b>796</b>    | <b>819</b>    | <b>835</b>    | <b>853</b>    |
| Changes in Capital Financing      | 0             | (16)          | (44)          | (182)         | (519)         |
| Budget commitments                | (586)         | 315           | 288           | 542           | 852           |
| Savings approved                  | (176)         | 60            | 0             | 0             | 0             |
| <b>Total Net Expenditure</b>      | <b>39,068</b> | <b>40,223</b> | <b>41,286</b> | <b>42,481</b> | <b>43,667</b> |

APPENDIX 1 (cont.)

| Sources of Funding                                                                        | 2020/21<br>£'000 | 2021/22<br>£'000 | 2022/23<br>£'000 | 2023/24<br>£'000 | 2023/24<br>£'000 |
|-------------------------------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Locally Retained Business Rates<br>Business Rate Top Up<br><b>Business Rates Baseline</b> |                  |                  |                  |                  |                  |
| Revenue Support Grant                                                                     |                  |                  |                  |                  |                  |
| <b>Settlement Funding Assessment</b>                                                      | <b>10,256</b>    | <b>9,743</b>     | <b>9,256</b>     | <b>8,793</b>     | <b>8,353</b>     |
| Section 31 Grant Business Rates<br>adjustment                                             | 0                | 0                | 0                | 0                | 0                |
| Council Tax Collection Fund (Deficit) /<br>Surplus                                        | 0                | 0                | 0                | 0                | 0                |
| Business Rates Collection Fund<br>(Deficit) / Surplus                                     | 0                | 0                | 0                | 0                | 0                |
| Council Tax Requirement                                                                   | 28,049           | 28,907           | 29,792           | 30,706           | 31,645           |
| <b>Total Resources Available</b>                                                          | <b>38,305</b>    | <b>38,650</b>    | <b>39,048</b>    | <b>39,499</b>    | <b>39,998</b>    |
| <b>Additional Savings Required /<br/>(surplus)</b>                                        | <b>763</b>       | <b>1,573</b>     | <b>2,238</b>     | <b>2,982</b>     | <b>3,669</b>     |

Impact of using 7.5% annual Settlement Funding Assessment reduction

|                                                    |               |               |               |               |               |
|----------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| <b>Total Resources Available</b>                   | <b>38,035</b> | <b>38,144</b> | <b>38,336</b> | <b>38,609</b> | <b>38,955</b> |
| <b>Additional Savings Required /<br/>(surplus)</b> | <b>1,033</b>  | <b>2,079</b>  | <b>2,950</b>  | <b>3,872</b>  | <b>4,712</b>  |

## Commitments already included in the 2020/21 Revenue Budget

|                                                                                | <b>£'000</b> |
|--------------------------------------------------------------------------------|--------------|
| <b>Removal of temporary increases</b>                                          |              |
| Cessation of the Business Rates Pool income plans to spend in Business Safety. | (550)        |
| Reduction in contribution to Sprinklers earmarked reserve.                     | (150)        |
| Removal of the 2019/20 resilience crewing in Safer Communities.                | (240)        |
| Removal of Programme Management Office (PMO).                                  | (130)        |
| Net adjustment to the Engineering Strategy spending plans.                     | (1)          |
| <b>Service pressures</b>                                                       |              |
| Reduce FireLink Grant by 10%                                                   | 22           |
| Reduce New Dimensions Grant by 10%                                             | 1            |
| Increase in LGPS employers' contribution rate of 0.5%.                         | 25           |
| Support Staff Pay and Grading Review.                                          | 128          |
| Estimate of the need to borrow.                                                | 0            |
| <b>Other adjustments</b>                                                       |              |
| Capital expenditure funded from the revenue account.                           | 452          |
| Changes to Corporate Contingency                                               | (143)        |
| <b>TOTAL</b>                                                                   | <b>(586)</b> |

**Council Tax 2020/21**

The table below illustrates the impact of a 2.94% increase in Council Tax in 2020/21 on the probable 5.0% scenario.

|                                            | <b>2020/21</b> | <b>2021/22</b> | <b>2022/23</b> | <b>2023/24</b> | <b>2024/25</b> |
|--------------------------------------------|----------------|----------------|----------------|----------------|----------------|
|                                            | <b>£'000</b>   | <b>£'000</b>   | <b>£'000</b>   | <b>£'000</b>   | <b>£'000</b>   |
| Additional savings required                | 763            | 1,573          | 2,238          | 2,982          | 3,669          |
| Additional council tax income              | 273            | 282            | 291            | 297            | 307            |
| <b>Revised additional savings required</b> | <b>490</b>     | <b>1,291</b>   | <b>1,947</b>   | <b>2,685</b>   | <b>3,362</b>   |

The table below illustrates the impact of a 2.94% increase in Council Tax in 2020/21 on the worse case 7.5% scenario.

|                                            | <b>2020/21</b> | <b>2021/22</b> | <b>2022/23</b> | <b>2023/24</b> | <b>2024/25</b> |
|--------------------------------------------|----------------|----------------|----------------|----------------|----------------|
|                                            | <b>£'000</b>   | <b>£'000</b>   | <b>£'000</b>   | <b>£'000</b>   | <b>£'000</b>   |
| Additional savings required                | 1,033          | 2,079          | 2,950          | 3,872          | 4,712          |
| Additional council tax income              | 273            | 282            | 291            | 297            | 307            |
| <b>Revised additional savings required</b> | <b>760</b>     | <b>1,797</b>   | <b>2,659</b>   | <b>3,575</b>   | <b>4,405</b>   |

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**EAST SUSSEX FIRE AND RESCUE SERVICE**

**Meeting** East Sussex Fire Authority

**Date** 5 September 2019

**Title of Report** Firefighter Pension Schemes update

**By** Mark O'Brien, Deputy Chief Fire Officer

**Lead Officer** Hannah Scott-Youlton, Assistant Director – HR, OD, Training & Assurance  
Duncan Savage, Assistant Director Resources / Treasurer

**Background Papers** Policy & Resources Panel – 25 July 2019 – Item 8 – GMP Reconciliation – Stalemate Cases

**Appendices** 1 – Log of Pensions Issues and actions to resolve

**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>             |   |

**PURPOSE OF REPORT** To inform the Fire Authority of the pensions issues identified within the Firefighter Pension Schemes and to set out the action being taken / proposed to resolve. To confirm whether there have been any reportable breaches of law or regulation.

**RECOMMENDATION** That the Fire Authority:

- i) note the current pension issues and activities identified in Appendix 1; and
- ii) confirm that they are content with the action proposed to resolve the issues

## **1 OVERVIEW**

- 1.1 Pensions are a technical and specialist area and the HR and Payroll team have experienced significant and an unprecedented volume of work over the last few years.
- 1.2 In January 2019 the Service employed a Pensions Advisor to provide both specialist pensions advice and a 'health check' on a number of significant and complex changes that had occurred nationally that have had a knock-on impact on all of the Firefighter Pension Schemes as well as providing assurance on a number of requirements placed on us as the employer and the administrator of the pension schemes.
- 1.3 From this 'health-check' it has become clear that there are a number of significant issues that need to be worked through to ensure compliance with national regulations and local policy. These issues are both policy and process changes as well as highlighting the need to consider how our pensions are administered.
- 1.4 The Firefighter Pension Scheme (FPS) is currently administered by East Sussex County Council / Orbis under a long standing agreement in place since the Authority was established as an independent body to provide a range of finance support services. However, over recent years ESCC / Orbis has not been able to meet the required performance standards in this area and has acknowledged that it no longer has the capacity to administer the Scheme on our behalf. For this reason the Senior Leadership Team commissioned a review of alternative options and has recently accepted the recommendation of a business case to transition service provision to another public sector provider, West Yorkshire Pension Fund (WYPF) by April 2020.
- 1.5 The WYPF will provide both greater resilience and greater expertise around the Firefighter Pension Scheme as they already administer the FPS for fourteen Fire & Rescue Services.
- 1.6 This report highlights the main pension related issues and impact for the Authority, whilst also identifying solutions to resolve the identified and outstanding issues (Appendix 1).

## **2 LEGAL IMPLICATIONS**

- 2.1 The Pensions Advisor has considered whether each issue identified constitutes a reportable breach of law or regulation and at this stage it is officers' view that there are no reportable breaches.

## **3 FINANCIAL IMPLICATIONS**

- 3.1 The financial implications of each issue are summarised below:
  - (i) Additional Pension Benefits (APBs) – where employers' and employees' pension contributions have been paid then the only implication is the potential underpayment of benefits to affected pensioners. Under the current arrangements for FPS funding any additional pension due is a

liability to the Pension Account and therefore the cost is covered by the Top-Up Grant paid by the Home Office.

- (ii) Part-Time Working Directive (PTWD) – the Authority has made provision within its accounts to cover the cost of PTWD settlements based on the amounts notified by LGA / Popularis. If further payments are required in respect of non-respondent cases then this provision may not be sufficient to cover all PTWD costs. At this stage we are not able to estimate the potential cost of resolving any cases arising regarding pension entitlement and sick pay.
- (iii) Norman v. Cheshire – an initial assessment indicates that there is potentially up to £44,000 of unpaid employees' contribution arrears affecting 28 employees and pensioners. If these amounts cannot be recovered through repayment plans or other means then our current view is that the impact would be on the Pension Account, not the Authority directly, but this may require further consultation with the Scheme Adviser.
- (iv) GMP Reconciliation – this national exercise will not be completed until autumn 2019 and at this stage the level of over and underpayments is not known. The Authority's liability is limited to interest if corrective action to payments is not taken within reasonable timescales. A specific report on Stalemate Cases (P&R Panel July 2019) concluded that no financial provision was necessary for these specific cases.
- (v) Data Quality Review – at this stage the cost of resolving the issues identified is expected to be met within existing internal / ESCC / Orbis resources or as part of the on-boarding process with WYPF.
- (vi) Modified Arrears Scheme – Orbis are currently unable to update the profiles of about 18 retained FPS members who opted to join the 2006 Modified Arrears Scheme because the software providers (Heywood) have removed the functionality from the pension system Altair. ESFRS and Orbis are currently in contact with Heywood to fix the system.

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PENSION AND PAYROLL ASSOCIATED ISSUES LOG

| Issue No. | Issue to resolve                                                                                                   | System changes required in | Date Identified | Finding                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Action Required                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Accountability                                                                                                                                                | Status | RAG Rating | Completion date | Comments                                                                                                                                                                                                                                                                                                                                                                                                                | Process to be impacted and considered with                                                                              |
|-----------|--------------------------------------------------------------------------------------------------------------------|----------------------------|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|------------|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| 1         | <b>Additional Pension Benefits (APB):</b><br>- Continuous Professional Development (CPD)<br>- Temporary Promotions | SAP and Altair             | 23-Jan-19       | <p>APBs were introduced to cater for non-regular pensionable pay. It ensured that Firefighters received a pension benefit for a payment determined as pensionable but that might not be in payment within the final three years, and therefore not treated as final pensionable pay.</p> <p>The 2008 amendment orders originally only applied to payments received for CPD (Continued Professional Development). This was extended by the amendment orders in 2013 to apply to certain payments (where the Fire Authority have exercised their discretion to make pensionable). This was highlighted in ESFRS' Temporary Promotions and Pensionable Pay - Dec 2017 CFA Report.</p> <p>The rules mean that APB should be calculated annually for the period 1 July to 30 June, and increased each year by Pension Increase Orders. And in order to ensure the APB is calculated annually, ESFA needed to ensure that their current FPS Administrator (Orbis) was provided with the details of any payments made for the respective benefits. However this has not been happening and now needs to be implemented and considered from 01/07/2013.</p> | <ul style="list-style-type: none"> <li>Update SAP to reflect the pay for Temporary Promotions separately to the Substantive pay for members in the 1992 and 2006 scheme so that the correct pensionable status (for APB) can be derived</li> <li>Update SAP to allow a members in the 2015 scheme to have their temporary promotions recorded accurately as non-pensionable and separate to the substantive pay which is pensionable</li> <li>Change SAP process for 'claimed pay' (e.g., overtime)</li> <li>Update Altair to reflect APBs for Temporary Promotions and CPD</li> <li>Manually update pension records with unpaid APBs for 1992 &amp; 2006 scheme members who had Temporary Promotions from 01/02/2013 to date</li> </ul> | <ul style="list-style-type: none"> <li>Steve Wickham</li> <li>Judith Sarpong</li> <li>Orbis Payroll</li> <li>Orbis Pensions</li> <li>ESFRS Payroll</li> </ul> | Open   | High       |                 | <p>Implementing the Temporary Promotions Wage Type within SAP will lead to a change in the way payroll process 'claimed pay' such as overtime. Payroll has been taught how to now process claimed pay by Steve Wickham (ESCC's Payroll Governance Manager) and have been asked to inform Steve if they find it impossible to apply the process or notice any more issues that arise as a result to the new changes.</p> | <ul style="list-style-type: none"> <li>Annual Pension Benefit Statements</li> <li>Claimed Pay Process in SAP</li> </ul> |

|   |                                                                                       |     |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                         |      |        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                            |
|---|---------------------------------------------------------------------------------------|-----|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|------|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| 2 | <b>Part Time Workers Directive (Employment Tribunal):</b><br>- Payments<br>- Sick Pay | SAP | 11-Feb-19 | <p>The claims lodged in 2001 were in two parts;</p> <ul style="list-style-type: none"> <li>- the first part dealt with Terms and Conditions of Employment; and</li> <li>- the second part dealt with Pension Entitlement.</li> </ul> <p>First Part: In relation to the first part of the claim, each FRA was required to make a payment (without deduction of tax or National Insurance Contributions) to their Eligible Employees by way of compensation for the Terms and Conditions Claims</p> <p>ESFA has found numerous current and ex Eligible Employees who never responded to the letters or sent back their acceptances. In such instances and dependent on whether or not those non-respondents were union or non-union members, the employment tribunal was to be notified to have their cases struck out.</p> <p>However, it has now come to light that this part of the process may not have occurred and therefore would need to be investigated and resolved. ESFA has also found that there are certain current and ex Eligible Employees who were never paid their compensation.</p> <p>Second Part: The second part of the claims relating to pension entitlement has been stayed for some time pending the decision of the O'Brien litigation. This means that in the mean-time, there is no further action required from ESFA in relation to the pensions element of this claim.</p> | <ul style="list-style-type: none"> <li>• Make outstanding gross payments to retained firefighters in relation to the first part of the claim (i.e., terms and conditions of employment)</li> <li>• Review sick pay for Retained Firefighters who went off sick from 08 March 2011 to date to ensure that it was paid in accordance with the circular released following an amendment to the directive</li> </ul> | <ul style="list-style-type: none"> <li>• Steve Wickham</li> <li>• Judith Sarpong</li> <li>• Finance</li> <li>• ESFRS Payroll</li> </ul> | Open | Medium | <p>As the second part of the claims relating to pension entitlement has been stayed for some time pending the decision of the O'Brien litigation, there is no further action required from ESFRS in relation to the pensions element of this claim. However, ESFRS should ensure they keep on top of this judgement so that they can implement any required changes once the 'stay' is lifted.</p> <p>Although the Court of Justice of the European Union (CJEU) has now delivered judgment there will be a further delay as the matter will now need to return to the House of Lords which made the preliminary ruling.</p> | <ul style="list-style-type: none"> <li>• Second Part of the employment tribunal</li> </ul> |
|---|---------------------------------------------------------------------------------------|-----|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|------|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|

|   |                                                       |                |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                          |      |               |  |                                                                                                                                                               |                                                                                                                                                     |
|---|-------------------------------------------------------|----------------|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|------|---------------|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| 3 | <b>Norman v Cheshire:</b><br>- Employee Contributions | SAP and Altair | 25-Apr-19 | <p><b>Court Case:</b> In December 2011, a Judge found in favour of Firefighter Norman and therefore ordered Cheshire FRA to recalculate his pension on the basis of the additional payments being pensionable. The success of this case had a significant impact on many FRAs across the country.</p> <p>An in-house assessment was undertaken within the Authority to determine the implications</p> <p><b>Outcome of Internal Assessment:</b><br/>         All Day Crewed allowances affected by the case were made pensionable from 1 July 2014 and pension contributions were deducted from that date. *The ESFRS Rent Allowance was made pensionable from the same date but changes were not made in the payroll system until the April 2015 pay run.</p> <p><b>Issues recovering Employee Norman v Cheshire Employee Contributions:</b><br/>         It has come to light that there are a number of ex-employees whose employment ended prior to the three years but did not make any arrangements with ESFA to pay the arrears. It has also come to light that there are a number of current and/or ex-employees whose payment history and arrangements need to be investigated and verified as fully paid or not.</p> | <ul style="list-style-type: none"> <li>• Verify the numbers of staff with outstanding balances and not currently making payments</li> <li>• Determine the status (i.e., active, leaver, pensioner, deferred, deceased, etc) of staff with verified arrears so that appropriate contact can be planned and made with them</li> <li>• Collect outstanding employee contributions from staff who have left the service or retired with Norman v Cheshire arrears</li> <li>• Update Pension records in Altair to reflect the arrears and any payments made and ensure they match with amounts showing in SAP</li> </ul> | <ul style="list-style-type: none"> <li>• Judith Sarpong</li> <li>• Finance</li> <li>• ESFRS Payroll</li> <li>• Orbis Pensions</li> </ul> | Open | <b>Medium</b> |  | <p>A tracing service may be required to trace any members who cannot be contacted at their last known addresses. This will come at a cost to the Service.</p> | <ul style="list-style-type: none"> <li>• Budgets (may be affected if ESFRS is unable to claim some of the unpaid employee contributions)</li> </ul> |
|---|-------------------------------------------------------|----------------|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|------|---------------|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|

|   |                                                                              |        |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                    |      |             |                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                    |
|---|------------------------------------------------------------------------------|--------|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|------|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| 4 | <b>Data Issues:</b><br>- GMP Reconciliations<br>- Data Quality Review Scores | Altair | 15-Jan-19 | <p><b>GMP:</b> There is currently Guaranteed Minimum Pension (GMP) reconciliation work being carried out on behalf of ESFA. This is currently outsourced to JLT/Mercer by Orbis and is on-going. JLT/Mercer has been liaising with HMRC, Orbis and ESFRS to get all queries resolved accurately and in a timely manner. An urgent paper went to the Policy &amp; Resources Panel in July 2019 to seek approval on decisions to be made for the treatment of stalemate cases that arise during this reconciliation.</p> <p><b>Data Quality:</b> In December 2018, Aquila Heywood completed a review of ESFRS' Firefighters Pension Scheme (FPS) data in line with The Pension Regulator's (TPR) guidance notes. The data was retrieved from the Altair system which currently holds FPS member and pension details and is used by Orbis to administer the scheme. ESFRS did not meet TPR data quality expectations (i.e., 100% or 95%) as only 89.7% of member records did not have a single common data failure and only 59.3% of member records did not have a single scheme-specific data failure. These figures will be reported on the next scheme return under the record keeping section.</p> <p>Since the data correction work has not been completed, transferring ESFRS' inaccurate and/or incomplete pension data to a new provider during the FPS administrator and pensioner payroll services provider transition will cause serious pension related risks to ESFRS and their FPS members.</p> | <ul style="list-style-type: none"> <li>• Work with JLT/Mercer to complete GMP reconciliation work</li> <li>• Ask SLT to decide on a reserve amount from £0 to £208,534.56 and complete a Stalemate Decision Log</li> <li>• Rectify data errors identified from the Data Quality Review in December 2018 before the next annual review</li> </ul> | <ul style="list-style-type: none"> <li>• Judith Sarpong</li> <li>• JLT/Mercer</li> <li>• Orbis Pensions</li> </ul> | Open | <b>High</b> | <ul style="list-style-type: none"> <li>o The scheme specific data errors can cause incorrect information to be relayed to scheme members in their Annual Benefit Statements (ABS) and other pension related documentation</li> <li>o The Fire Authority may get complaints from members whose records contain errors that have caused a detriment to their pensions</li> </ul> | <ul style="list-style-type: none"> <li>• Annual Pension Benefit Statements (affected by incorrect data)</li> </ul> |
|---|------------------------------------------------------------------------------|--------|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|------|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|

|   |                                                                                                  |                                                 |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                          |        |        |           |                                                                                                                                                                                                                                                                                                               |                                   |
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| 5 | <b>Modified Arrears Scheme:</b><br>- Incomplete profiles                                         | Altair                                          | 06-Feb-19 | <p>There was an employment tribunal which resulted in the Part-Time Workers Directive.</p> <p>The scheme was modified to allow a new type of member called the 'special members' to join the 2006 scheme under terms similar to what they would have been on if they had joined the 1992 scheme. Fire Authorities had to contact all eligible retained firefighters to give them the choice to join the scheme and there was a legislative deadline in which to do so, 30 September 2015. There are:</p> <ul style="list-style-type: none"> <li>- 12 deferred FPS members who are yet to have their records updated;</li> <li>- 6 active FPS members who are yet to have their records updated.</li> </ul> <p>Orbis has currently been unable to update the above member records because the owners of the pension software Altair (i.e., Heywood) made changes to the software which removed the functionality that allows the records to be updated. Once the functionality is re-instated, Orbis has agreed to assign this task to a member of their staff to get this work completed urgently.</p> | <ul style="list-style-type: none"> <li>• Chase Orbis and Heywood to re-instate the system function within Altair which would have allowed Orbis to update the retained member records</li> <li>• Update the pension software (Altair) for the 18 retained firefighters who opted to join the Modified Arrears scheme once the system function has been re-instated</li> </ul> | <ul style="list-style-type: none"> <li>• Judith Sarpong</li> <li>• Heywood</li> <li>• Orbis Pensions (David Spencer)</li> </ul>          | Open   | Medium |           |                                                                                                                                                                                                                                                                                                               |                                   |
|   |                                                                                                  |                                                 |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                          |        |        |           |                                                                                                                                                                                                                                                                                                               |                                   |
| 6 | <b>HMRC Administrator Processes</b><br>- AFT<br>- Event Reports<br>- Pension Scheme Return (PSR) | Altair and HMRC online portal for practitioners | 16-May-19 | <p>Scheme Administrators must complete and send the following to HMRC:</p> <ul style="list-style-type: none"> <li>- Accounting for Tax (AFT) Returns;</li> <li>- Pension Scheme Returns (PSR); and</li> <li>- Event Reports (ER).</li> </ul> <p>What Orbis is doing in relation to these submissions since the departure of the member of staff who used to be responsible for these submissions:</p> <ul style="list-style-type: none"> <li>- <b>AFT:</b> This submission is currently up to date and is completed in line with the deadlines on 8.2.</li> <li>- <b>PSR:</b> According to HMRC Government Gateway Records, there has been no PSR request sent to Orbis by HMRC in the last six years on behalf of ESFA.</li> <li>- <b>ER:</b> According to HMRC Government Gateway Records, there has been no ERs recorded in the last six years by Orbis on behalf of ESFA.</li> </ul>                                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>• Ask Orbis to provide the name of the new staff member now responsible for submitting these reports</li> <li>• Keep an eye on this function to ensure deadlines are not missed</li> </ul>                                                                                                                                             | <ul style="list-style-type: none"> <li>• Judith Sarpong</li> <li>• Orbis Pensions (liaise with Clare Chambers and Colin Bibb)</li> </ul> | Closed | Medium | 01-Aug-19 | Although closed, ESFRS need to occasionally check in with Orbis to ensure that submissions are being made on time by responsible individual. Orbis has now assigned a new member of staff (Clare Chambers) to these tasks. The Pensions Regulator may impose fines on ESFRS for missing submission deadlines. | o Tax Reporting/Payment deadlines |

Whilst these are all Administrator tasks, ESFA remain responsible for making sure they are all accurate and complete.

|   |                                                                                                                                                                                                                |                |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                         |      |     |  |  |
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|   |                                                                                                                                                                                                                |                |           | Whilst these are all Administrator tasks, ESFA remain responsible for making sure they are all accurate and complete.                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                         |      |     |  |  |
| 7 | <b>Pensionable Pay and incorrect Wage Types used in the payroll software SAP</b><br>- Additional Responsibility Allowance (ARA)<br>- Training Centre Allowance (TCA) for Temporary roles<br>- Other allowances | SAP and Altair | 17-Jun-19 | ESFRS' Payroll department have been using incorrect wage types to represent allowances in the payroll system SAP for a number of years without considering if the staff member is support or firefighter, and whether those allowances should be pensionable or not. It has also come to light that new wage types have to be created in SAP to correctly capture allowances relating to additional responsibility and training centre allowance (if attached to a temporary role). | <p><b>Additional Responsibility Allowance (ARA)</b></p> <ul style="list-style-type: none"> <li>• Ensure that ESFRS' payroll use the correct wage types (WT) in the payroll software (SAP) to account for Additional Responsibility Allowance for both support staff and firefighters</li> </ul> <p><b>Training Centre Allowance (TCA)</b></p> <ul style="list-style-type: none"> <li>• Ask ESCC's payroll governance manager to create an alternative wage type for temporary TCA so that the associated APB can be accounted for correctly</li> <li>• Inform ESFRS' payroll staff once new wage type is live and explain how and when they should be using it</li> </ul> <p><b>Other allowances</b></p> <ul style="list-style-type: none"> <li>• Ask ESCC's payroll governance manager to investigate why some wage types created to be used for certain allowances are not generating the correct figures in SAP</li> <li>• Inform ESFRS' payroll staff of what wage types to use and explain the pensionable/non-pensionable status implications if used incorrectly</li> </ul> | <ul style="list-style-type: none"> <li>• Steve Wickham</li> <li>• Judith Sarpong</li> <li>• Orbis Payroll</li> <li>• Orbis Pensions</li> <li>• ESFRS Payroll</li> </ul> | Open | Low |  |  |

|   |                                                                                                          |                |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                         |        |      |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                           |
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| 8 | <b>Transitional Arrangements (Tapered &amp; Unprotected Members):</b><br>- FPS (1992/2006) to FPS (2015) | SAP and Altair | 11-Jul-19 | <p>A tapered member of the 1992 FPS who was supposed to move to the 2015 FPS on 27 February 2018 had not been moved in the payroll system (SAP) even though he had moved in the pension system (Altair). As a result, both the member and ESFRS have been paying the wrong employee and employer contributions spanning three tax years (17/18, 18/19 and 19/20) over a period of 17 months.</p> <ul style="list-style-type: none"> <li>• Upon investigation of the 1992 FPS records by the ESCC Payroll Governance Manager (Steve Wickham), it was found out that this one 1992 member record is the only one identified as not having a transition date entered in SAP to enable a move across to the 2015 FPS/CARE Scheme.</li> <li>• Upon investigation of the 2006 FPS records by the ESCC Payroll Governance Manager (Steve Wickham), it was found out that a member of the scheme also had anomalies in his record.</li> <li>• Upon Investigation, it was also found out that some tapered members had their CARE 2015 transitional dates recorded a day earlier in the Payroll system (SAP). The Payroll Governance Manager in ESCC (Steve Wickham) has advised that we should not change the tapered dates in SAP for those tapered members who have already transferred into the CARE 2015 as the one day discrepancy will cause minimal impact and would create a payroll nightmare if we were to change those dates. However, he has advised that we change the tapered dates for those tapered members who have not yet moved into the CARE 2015 scheme.</li> </ul> | <ul style="list-style-type: none"> <li>• Ask ESCC Payroll Manager (Natalie) to correct the 1992 FPS member record affected by this error</li> <li>• Ask ESFRS Payroll to correct the 2006 FPS member record with the anomaly and consider any issues with ABS</li> <li>• Ask ESFRS Payroll to go through the records of all tapered members who have not yet transferred into the CARE 2015 scheme and amend the records with the one-day discrepancy accordingly</li> </ul> | <ul style="list-style-type: none"> <li>• Steve Wickham</li> <li>• Judith Sarpong</li> <li>• Orbis Payroll</li> <li>• Orbis Pensions</li> <li>• ESFRS Payroll</li> </ul> | Closed | High | 30-Jul-19 | <p>The Payroll Governance Manager in ESCC (Steve Wickham) has advised that we should not change the tapered dates in SAP for those tapered members who have already transferred into the CARE 2015 as the one day discrepancy will cause minimal impact and would create a payroll nightmare if we were to change those dates. If following this advice creates problems in the future, then this matter would have to be re-visited and the dates would have to be amended in SAP regardless how much administrative work would be involved.</p> | Annual Benefit Statements |
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| 9 | <b>Auto-enrolment:</b><br>- Notification and Status letters to staff | N/A | 25-Feb-19 | <p>Auto enrolment letters are set out every month following a report issued by ESCC's payroll. It was noticed that:</p> <ul style="list-style-type: none"> <li>• ESFRS' payroll team had a three month backlog of letters which had not been sent out to staff</li> <li>• the criteria being used by HR to decide on who to send letters to was incorrect</li> <li>• the letters that were being sent out did not have the correct wording</li> <li>• letters were being sent out to staff who did not require letters as the content was already addressed by HR in their contracts and introductory letters</li> <li>• staff who required letters and postponement notification were not being written to</li> </ul> | <ul style="list-style-type: none"> <li>• Seek advice on auto-enrolment procedure from ESCC's Payroll Manager (Natalie Kurz)</li> <li>• Ask Natalie for the right criteria in assessing which staff to send letters to</li> <li>• Ask Natalie for any template letters they have and tailor it to ESFRS</li> <li>• Train ESFRS' payroll team on the criteria</li> <li>• Show ESFRS' payroll team what letters to send out and the location of the amended templates</li> <li>• Ask HR to help in clearing the three month backlog of auto-enrolment letters that had not been sent out by payroll</li> <li>• Check a month after to ensure that ESFRS' payroll team is applying the new rules and keeping on top of the letters to avoid any more backlogs going forward</li> </ul> | <ul style="list-style-type: none"> <li>• Judith Sarpong</li> <li>• Orbis Payroll Manager</li> <li>• ESFRS Payroll</li> <li>• ESFRS HR</li> </ul> | Closed | Low | 21-May-19 | <p>ESCC and ESFRS payroll have to work together to ensure that the three-year re-enrolment process happens on time.</p> <p>There are four steps to the re-enrolment process - three (i.e., steps 1, 2 and 4) to be carried out by ESCC payroll and one (i.e., step 3) to be carried out by ESFRS payroll. At the time of writing this log, ESCC payroll were in the process of refining the re-enrolment procedure and informed ESFRS that step 4 in this round of re-enrolment will be due around October 2019 and they will send ESFRS notification accordingly.</p> <p>Once re-enrolment has been processed for the first time, the next re-enrolment window will be calculated from the previous re-enrolment date.</p> <p>For example:<br/>At the time of last updating this document on 15 April 2019, the key dates for ESFRS were:</p> <ul style="list-style-type: none"> <li>• <b>Previous re-enrolment date:</b> 1 October 2016</li> <li>• <b>Next re-enrolment window opens:</b> 1 July 2019</li> <li>• <b>Next re-enrolment window closes:</b> 31 December 2019</li> <li>• <b>Next re-declaration deadline:</b> 2 March 2020</li> </ul> <p>Your duties will depend on whether you have staff to put back into your pension scheme or not. Either way, you or your payroll provider will need to complete a re-declaration of compliance to tell The Pensions Regulator how you have met your duties. Re-enrolment and re-declaration are legal employer duties and hence employers who don't act could be fined.</p> | Re-enrolment |
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| 10 | <b>Pensions Page/Portal:</b><br>- LGPS<br>- FPS<br>- Pensions Board | ESFRS website | 15-Jan-19 | Staff members with pension queries were contacting HR and payroll teams and majority did not know that they should be directing their queries towards the pension administrators Orbis or East Sussex Pension Fund (ESPF). Majority of ESFRS' support staff did not also know that they had access to existing member and scheme portals where they could find information on their Local Government Pension Scheme (LGPS). On the other hand, ESFRS' firefighters did not have a member or scheme portal. Enquiries sent to HR and payroll by Firefighters highlighted that ESFRS' Firefighters felt unsure about their pensions and where to go for information.                                                                                                                                                                                                                                     | <ul style="list-style-type: none"> <li>• Create a new pensions page that can be accessed via the internet and intranet</li> <li>• Create a scheme portal for firefighter pensions</li> <li>• Inform all staff and the pension administrators (Orbis) about the newly created pensions page and highlight the new FPS portal to firefighters so they know where to go for information</li> <li>• Update the FPS portal whenever there are changes in regulation or new judgements that affect how certain pension related issues are dealt with</li> </ul>                                                                                                                                                                                                                                                 | Judith Sarpong | Closed | Low    | 08-Apr-19 | As rules and regulations change and new pension related judgements arise, it is important to ensure that the new FPS portal is updated accordingly. This will ensure that Firefighters have the most up-to-date and accurate source of information.                                                                                                                  | New Pension Regulations and Judgements |
| 11 | <b>Privacy Notice:</b><br>- DPA<br>- GDPR                           | ESFRS website | 18-Jan-19 | <p>From 25 May 2018 the EU General Data Protection Regulation (GDPR) introduces new legislation governing the collection, use, and processing of personal data. While many of the provisions remain the same as the existing Data Protection Act, "new elements and significant enhancements" will impose new responsibilities on schemes by granting a number of additional rights to data subjects. Each Fire Authority is considered to be a Data Controller for pension scheme data and as such determines how, and for what purposes, data is to be processed. As Data Controllers, Fire Authorities are responsible for ensuring compliance with GDPR.</p> <p>East Sussex Fire and Rescue Service (ESFRS) needed to generate the pension privacy notices and send them to Orbis to issue to scheme members. However, this did not happen for almost eight months after GDPR came into force.</p> | <ul style="list-style-type: none"> <li>• Draft and send to Orbis a Privacy Notice Letter - to be sent out to Pensioners and Widows/Dependents only. This is because Active and Deferred members will be sent the Privacy notice or link to it in their 2019 Annual Benefit statement on 31 August 2019</li> <li>• Draft and send to Orbis a Cover Letter and Full Privacy Notice - to be sent out by Orbis only if any Pensioner or Widow/Dependent wants an email or paper copy of the Full Privacy notice – if they do not wish to access the online link/version</li> <li>• Liaise with Daryll Luxford (Data Protection Officer) and Mark Todd (ESFRS Website Administrator) to insert a link to the Pension Privacy Notice within the current general privacy notice on the ESFRS website.</li> </ul> | Judith Sarpong | Closed | Medium | 31/01/19  | <p>If ESFRS change pension administrator, the privacy notice will need to be updated to reflect the new administrator's details. The section on 'Organisations that we may share your personal data with' will also need to be amended.</p> <p>Additionally, if DPA or GDPR rules change, the privacy notice will need to be amended to comply with the changes.</p> | DPA and GDPR                           |

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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