

# Fire Authority

11 June 2020



## Membership:

Councillors: Galley (Chairman), Lambert (Vice-Chair), Barnes, Dowling, Evans, Hamilton, Osborne, Peltzer Dunn, Powell, Pragnell, Scott, Sheppard, Smith, Taylor, Theobald and Tutt
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**<https://esfrs.webex.com/esfrs/j.php?MTID=e454e1e869d0834ae0ac8a34bea2c0762> at 10.30 am**

**Quorum: 6**

<b>Contact:</b>	Abigail Blanshard democraticservices@esfrs.org PLEASE EMAIL FOR ADVICE ON HOW TO JOIN THIS VIRTUAL MEETING
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## Agenda

### 63. **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.

### 64. **Election of Chairman**

**5 - 8**

Report of the Monitoring Officer

### 65. **Election of Vice-Chairman**

**9 - 10**

Report of the Monitoring Officer

### 66. **Apologies for Absence**

### 67. **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

- 68. To consider any public questions**
- 69. To receive any petitions**
- 70. Non-confidential Minutes of the Previous Meeting** **11 - 18**  
To approve the Non-confidential Minutes of the last meeting held on 23 April 2020
- 71. Callover**  
The Chairman will call the item numbers of the remaining items on the open agenda. Each item which is called by any Member shall be reserved for debate. The Chairman will then ask the Fire Authority to adopt without debate the recommendations and resolutions contained in the relevant reports for these items which have not been called.
- 72. Political Representation on the Panels of the Fire Authority** **19 - 24**  
Report of the Monitoring Officer
- 73. Fire Authority and Panel Meetings 2020-2021** **25 - 26**  
Report of the Senior Democratic Services Officer
- 74. Treasury Management and Stewardship Report 2019-20** **27 - 40**  
Report of the Assistant Director Resources/Treasurer
- 75. Review of the Constitution of the Fire Authority** **41 - 64**  
Report of the Monitoring Officer
- 76. Review of the Terms of Reference of Human Resources and Principal Officer Appointment Panels** **65 - 70**  
Report of the Monitoring Officer

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

Date of Publication: 3 June 2020

## Information for the public

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## EAST SUSSEX FIRE AUTHORITY

**Date:** 11 June 2020  
**Title:** Election of Chairman  
**By:** Abraham Ghebre-Ghiorghis, Monitoring Officer  
**Lead Officer:** Abigail Blanshard, Senior Democratic Services Officer

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**Background Papers:** Previous Report - 13 June 2019  
East Sussex Fire Services (Combination Scheme) Order 1996  
East Sussex Fire Authority Constitution

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**Appendices:** None

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### 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>			

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**PURPOSE OF REPORT:** To invite the Fire Authority to elect a Chairman and to request the Chairman, once elected, to advise on their preferred title.

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**EXECUTIVE SUMMARY:** The report presented to the Fire Authority on 13 June 2019 set out the background information in relation to the procedures for the election of a Chairman and, if desired, a Vice-Chairman.

The Fire Authority duly elected a Chairman to serve for one year, until 11 June 2020. This report seeks approval to appoint a Chairman to the Fire Authority.

The rules governing the election are contained within the report.

The Fire Authority has previously agreed that it was appropriate to invite the Chairman, once elected, to advise on their preferred choice of title.

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**RECOMMENDATION:**

The Fire Authority is asked to:

- i. appoint a Chairman; and
  - ii. invite the Chairman to advise on his/her preferred title.
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**1 BACKGROUND INFORMATION**

- 1.1 The report presented to the Fire Authority on 13 June 2019 set out the background information in relation to the procedures for the election of a Chairman and, if desired, a Vice-Chairman. The Fire Authority duly elected a Chairman on 13 June 2019 to serve for a period of one year, or until the date of the next AGM, when a new election would need to be considered. This report seeks approval to appoint a Chairman to the Fire Authority.
- 1.2 The provisions of the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020 which allow an appointment which would otherwise have to be made at an annual meeting, to continue until the next annual meeting or until such time as the authority determines, are not relevant, given the holding of the annual meeting.
- 1.3 The Combination Order for the creation of the East Sussex Fire Authority sets down the following procedures:
  - 17 (1) The Authority shall elect a Chairman, and may elect a Vice-Chairman, from amongst its members.
  - 17 (2) The Chairman, and if a Vice-Chairman is elected, the Vice-Chairman, shall, subject to paragraphs 13–16, hold office for a period of one year from the date of their election.
  - 17 (3) Sub-paragraph (2) shall not prevent a person who holds, or has held, office as Chairman, or Vice-Chairman, as the case may be, from being elected or re-elected to either of those offices.
  - 17 (4) On a casual vacancy occurring in the office of Chairman or, if a Vice-Chairman has been elected, the Vice-Chairman, the Authority shall elect from its members a person to replace the Chairman, and may so elect a person to replace the Vice-Chairman, as the case may be.
  - 17 (5) The election to replace the Chairman under sub paragraph (4) above shall take place not later than the next following ordinary meeting of the Authority.
- 1.4 The Standing Orders of the Fire Authority state:
  9. Election of Chairman and Vice-Chairman.

- 9.1 The Authority shall at the annual meeting elect a Chairman and may elect a Vice-Chairman or Vice-Chairmen from among its members as the first item of business.
  - 9.2 On a casual vacancy occurring in the office of Chairman and Vice-Chairman, the Authority shall elect from its members a person to replace the Chairman and may so elect a person to replace the Vice-Chairman as the case may be.
  - 9.3 The Authority, when deciding to elect a Vice-Chairman, should consider an appropriate representative balance between the two constituent authorities such that the Vice-Chairman, unless the Fire Authority specifically determine otherwise, should be a Member from the other constituent authority to that of the newly elected Chairman.
- 1.5 Under Standing Order 23.1, if more than one person is nominated, there is a procedure for voting by roll call which applies unless otherwise agreed. Previously, the Authority has agreed to appoint the Chairman and Vice-Chairman by a show of hands. A third alternative would be to hold a ballot.
  - 1.6 When the Fire Authority was first constituted, it was agreed that its 'Chairman' would be formally called as such, as opposed to the title 'Chair' or alternatively, 'Chairman or Chairwoman.' The Fire Authority has previously agreed that it was appropriate to invite the Chairman, once elected, to advise on their preferred choice of title.

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## EAST SUSSEX FIRE AUTHORITY

**Date:** 11 June 2020  
**Title:** Election of Vice-Chairman  
**By:** Abraham Ghebre-Ghiorghis, Monitoring Officer  
**Lead Officer:** Abigail Blanshard, Senior Democratic Services Officer

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**Background Papers:** Previous Report - 13 June 2019  
East Sussex Fire Services (Combination Scheme) Order 1996  
East Sussex Fire Authority Constitution

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**Appendices:** None

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### 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 invite the Fire Authority to elect a Vice-Chairman and to request the Vice-Chairman, once elected, to advise on their preferred title.

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**EXECUTIVE SUMMARY:** Agenda Item 2 sets out the adopted procedures for the appointment of a Chairman and Vice-Chairman.

Members' attention is drawn specifically to Standing Order 9.3 (see previous agenda item) and, unless the Fire Authority specifically determines otherwise, the Vice-Chairman should be a Member from the other constituent authority to that of the newly elected Chairman.

The Fire Authority is asked to consider whether to elect a Vice-Chairman to assist the Chairman in their role.

The Fire Authority has agreed previously that it was appropriate to invite the Vice-Chairman, once elected, to advise on their preferred choice of title.

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**RECOMMENDATION:**

The Fire Authority is asked to:

- i. consider whether it wishes to elect a Vice-Chairman; and
  - ii. if appointed, to invite the Vice-Chairman to advise on their preferred title.
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## FIRE AUTHORITY

### **Minutes of the meeting of the Virtual FIRE AUTHORITY held at 10.00 am on Thursday, 23 April 2020.**

Present: Councillors Galley (Chairman), Lambert (Vice-Chair), Barnes, Dowling, Ebel, Evans, Hamilton, O'Keeffe, Osborne, Peltzer Dunn, Powell, Pragnell, Scott, Sheppard, Smith, Taylor, Theobald and Tutt

Also present:

D Whittaker (Chief Fire Officer/Chief Executive), M O'Brien (Deputy Chief Fire Officer), M Andrews (Assistant Chief Fire Officer), L Woodley (Deputy Monitoring Officer), D Savage (Assistant Director Resources/Treasurer), L Ridley (Assistant Director Planning & Improvement), H Scott-Youldon (Assistant Director People Services), M Matthews (Assistant Director Safer Communities), R Fowler (Assistant Director Operational Support & Resilience), E Curtis (Communications & Marketing Manager), S Milner, C Fry, C Porter, M Elder, P Evans, M Lloyd, M Todd, S Higgins, E Simpkin and A Blanshard (Senior Democratic Services Officer)

#### **76       Declarations of Interest**

Cllr O'Keeffe declared an interest in Agenda Item 61 Fort Road, Newhaven Disposal Report as a Cabinet Member on Lewes District Council.

#### **77       Apologies for Absence**

There were none.

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

The Chairman welcomed Members, the press and public to the first virtual meeting of the Fire Authority and gave all those in attendance a brief explanation of how the meeting would be conducted.

The Chairman informed the Authority that he had received the resignation of Cllr Scott from his post as Labour Party Group Leader. Cllr Scott was thanked for his service to the Authority in that role over the past years. The Chairman then welcomed Cllr Evans as the new Labour Party Group Leader.

The Chairman took questions on matters that Members wished to follow up after the last meeting of the Authority. A query was raised regarding the additional grant of £136,000 which had been promised to the Service in order to be spent on its response to the Covid-19 pandemic. The Assistant Director Resources/Treasurer (ADR/T) confirmed that all Covid 19 related spend was being tracked and reported via NFCC to the Home Office. Members were informed that the Service was using contracts put in place via NFCC in order to purchase PPE.

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

The ADR/T explained that the Service had received the first tranche of Covid-19 grant money of £136,000, a second tranche had been announced by the government totalling £1.6bn but as yet it was not known how this would be allocated. The sector was working collectively via NFCC to bid for additional funding.

As well as spending on PPE for frontline staff there had been some additional expenditure made on cleaning both additional services from our contractor and consumables, some staffing costs and on IT equipment in order to facilitate and support mobile working.

The longer term financial impacts of the Covid-19 pandemic were clearly not yet known. The Service was less exposed both to increases in costs through service delivery and also to loss of income from fees and charges than other local authorities. The biggest impact was expected to be on Council Tax and Business Rates through the Collection Fund, which would impact on the 2021/22 budget, as collection rates reduced and claims for council tax support increased. There would also be an impact on the taxbase in 2021/22. Members were informed that there had been changes made to the way in which payment was made to suppliers, payment was now being made immediately and not with the usual 10 or 30 days delay before payment. The Service had a healthy cash flow in the immediate short term and government was currently acting quickly and paying grants due promptly.

Members requested an update on the impact on staff well-being as a result of Covid-19. Members were informed that the Coronavirus Working Group (CWG) was working very hard to look after all aspects of the health & safety of the entire workforce and was paying great attention to well-being. The Assistant Director People Services (ADPS) informed the Authority that there had been a spike in March 2020 of staff sickness with absences at 8.6% but, at the time of the meeting, the sickness level had stabilised. There had been no tested or confirmed cases of Covid-19 but some staff were now undergoing testing. Staff who were symptomatic, or had household members who were symptomatic, were self-isolating in accordance with government guidance. There were a handful of staff who were on the government list of those who were extremely vulnerable, this equated to 1.4% of the workforce. The ADPS added that there was a focus on the well-being of all staff. Many were now working from home, and some of those were reporting that they felt isolated others were having to juggle working and home schooling. There was a lot of work being undertaken, by both HR and line managers, to try to ensure that those working from home were being supported and a range of ways of staying in touch were being used, phoning, Webex meetings, buddies and a workplace group for more social and fun contact. The CWG was working to create a wellbeing cell to address all these matters.

Members suggested that due to the changes in the work being undertaken consideration be given to revising the targets that are reported to the Scrutiny & Audit Panel, including adjusting or suspending the performance data.

**79 To consider any public questions**

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

There were none.

### **80 To receive any petitions**

There were none.

### **81 Non-confidential Minutes of the Previous Meeting**

**RESOLVED** – That the minutes of the meeting held on 13 February 2020 be approved and signed by the Chairman. *(Copy in Minute Book)*

### **82 Callover**

Members reserved the following items for debate:

59 Integrated Risk Management Plan 2020-2025

60 Integrated Risk Management Plan – Consultation and Communication Plan

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

### **83 Integrated Risk Management Plan 2020-2025**

The Fire Authority considered the Report of the Chief Fire Officer (CFO) seeking approval for the draft 2020/2025 Integrated Risk Management Plan (IRMP) to be published for the purpose of public and stakeholder consultation.

The draft IRMP, detailing the strategic direction for the Fire Authority for the next five years (2020–2025), was ready for the Authority to consider and publish for the purpose of public and stakeholder consultation. The Fire Authority were reminded by the Deputy Chief Fire Officer (DCFO) that no decisions were to be taken at this meeting on the proposals. The Authority were reminded that they had been involved in the drafting process and that there had been 12 months of detailed work undertaken to get to this stage. The draft IRMP was the most comprehensive that ESFRS had ever compiled and it was essential, as had been noted in the HMICFRS inspection, to ensure that ESFRS had the right resources in the right place in order to address risk. Further detailed work would be required in relation to the impact assessments, planning assumptions, policy implications, delivery timeline and implementation options. This work would be completed and presented to the Fire Authority at its meeting on 3 September 2020, alongside the public consultation feedback reports, in order to help inform the Fire Authority's final decisions. Following advice sought, there was a strong legal case for proceeding with the consultation as the requirement for the Fire Authority to have an updated and fit for purpose IRMP was not changed due to COVID-19.

Some Members were very clear that whilst they supported the need for a consultation to be conducted on the proposed IRMP, they believed strongly

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

that now was not the right time to go out to consultation. There was some anxiety that a consultation at this time would not be well responded to as people were, understandably, otherwise concerned with the impact that COVID-19 was having on their lives.

Cllr Scott proposed the following motion, seconded by Cllr Evans:

*“In the midst of this unprecedented crisis, where none of us know what the post COVID world will look like or even when it might arrive, we move that East Sussex Fire & Rescue Service defer the consultation process until the crisis and any Public Inquiry that may follow has passed, to allow both Government and ESFRS to have a better understanding of what resources, people and equipment may be needed in the future to deal with National Incidents such as coronavirus”*

Members debated the motion at length with many stating that they had been sent some emotive emails about this consultation, and expressing concerns that there were many people currently in no position mentally to take part in the proposed consultation. Some Members reminded their colleagues that the report following the Inspection of ESFRS had stated that the existing IRMP, which expired this year, was not fit for purpose. They suggested that they may have been supportive of a short delay if it were deemed to be beneficial and there were dramatic changes to the requirements on fire service, but they could not support freezing the consultation for potentially a minimum of a couple of years particularly as Covid-19 did not immediately change the current risks faced by the Service and the need to improve current cover.

*Cllr Hamilton left the meeting at 11.15am.*

Some stated that they struggled to understand why their fellow Members were requesting a delay as it was them as the Authority, not the Service, who had the responsibility for providing an IRMP which was fundamental to the work of the organisation. There was a strong feeling of sympathy that this was not the ideal time to consult but that the need to do so was unavoidable. Members then took part in a recorded vote on the proposed motion with the results being as follows:

FOR: 5 (Cllrs Ebel, Evans, O’Keeffe, Powell, Scott)  
AGAINST: 12 (Cllrs Barnes, Dowling, Galley, Lambert, Osborne, Peltzer Dunn, Pragnell, Sheppard, Smith, Taylor, Theobald, Tutt)

The motion was not carried.

Members then voted on the recommendations as set out in the report as follows:

FOR: 12 (Cllrs Barnes, Dowling, Galley, Lambert, Osborne, Peltzer Dunn, Pragnell, Sheppard, Smith, Taylor, Theobald, Tutt)

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

AGAINST: 5 (Cllrs Ebel, Evans, O’Keeffe, Powell, Scott)

**RESOLVED** – That the Fire Authority:

- i. approved the draft IRMP (and relevant associated appendices) for public consultation;
- ii. noted the proposed minor wording changes to the Authority’s purpose and commitments and to agree formal adoption subject to public and stakeholder consultation;
- iii. agreed the proposal to recommend an eight-week consultation period, alongside the associated draft consultation, communications and engagement plan; and
- iv. noted the intention to bring back a fully costed project implementation plan, and additional suite of detailed impact assessments, to the Fire Authority meeting in September this year (2020).

*Post Meeting Amendment: After the meeting it was found that there were some data errors within Annexe 4; Appendix A to this Report. A corrected version of this Annexe has been included in the papers for the Meeting.*

### 84 **Integrated Risk Management Plan - Consultation and Communication Plan**

The Fire Authority considered the Report of the Deputy Chief Fire Officer (DCFO) which presented them with the communication and consultation plan for the Integrated Risk Management Plan. The plan had been revised in light of guidance issued by the Consultation Institute in response to the COVID-19 pandemic.

The Assistant Director Planning & Improvement (ADPI) explained to those present that they had sought external advice on conducting a consultation at this time from the Consultation Institute. These consultation providers had given the Service alternative options to the more traditional face to face approach which was not possible under the current national restrictions. The plan included using various types of media channels to reach the public.

The ADPI informed the Authority that the Service would not be reliant on digital media as some members feared, and had a list of over 500 local groups in the county and city including those that were hard to reach. The consultation would also use telephone interviews and 10,000 postcards were being sent out to those residents that the Service know to be adverse to digital contact to encourage their awareness of the consultation and how to take part. Information on the consultation would also be available in e-bulletins and magazines produced by the local authorities in the area

Members queried whether there were stocks of the plan available in other languages. They were informed that this was not a new communication

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

challenge and, in line with other local authorities processes, there would be papers made available in other languages available on request.

The Authority sought reassurance that the sample used for the telephone interviews would be large enough to provide robust data. The ADPI explained that the independent consultancy firm carrying out the interviews would contact enough people to ensure that there were 600 full interviews undertaken.

The Authority were reminded that they would be provided with Member packs, containing all the information that they need to respond to their constituents and make sure that they are giving the right information and directing people to take part in the consultation.

*Cllr O’Keeffe left the meeting at 11.55am*

The Chief Fire Officer (CFO) added that there would also be videos and short films produced to help get the information out, the Service would contact translating organisations to see if translation straplines may be added to these videos. Members also suggested that consideration be given to sign language or pictorial graphics be used and made suggestions of local charities and organisations who may be able to assist.

Those Members who had already expressed their reluctance to support a consultation at this time, reiterated that, whilst they fully supported a consultation on the plan and were not unsupportive of the process, they were unable to support it happening under the current circumstances.

Members then voted on the recommendations:

FOR: 12 (Cllrs Barnes, Dowling, Galley, Lambert, Osborne, Peltzer Dunn, Pragnell, Sheppard, Smith, Taylor, Theobald, Tutt)

AGAINST: 4 (Cllrs Ebel, Evans, Powell, Scott)

**RESOLVED** – That the Fire Authority:

- i. approved the changes to the consultation plan in light of the COVID-19 pandemic, presented as option B;
- ii. approved the proposed 8 week consultation period;
- iii. did not elect to include a further 12 optional in depth surveys presented as option C; and
- iv. noted that the additional costs would be funded from the corporate contingency.

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

The Fire Authority considered the Report of the Assistant Director Resources/Treasurer regarding the proposed disposal of the Fort Road, Newhaven site.

Following the completion of Saxon House in Newhaven, the old Fire Station site in Fort Road was now surplus to Service requirements. In January 2013 the Policy & Resources Panel approved the disposal of the site at the best price reasonably obtainable. Lewes District Council (LDC) have offered £525,000.00 for the site, an offer conditional on securing residential planning approval. The LDC offer to purchase the site demonstrates best price for the Fire Authority. In February 2020 SLT considered the disposal option and the offer made by LDC and the Head of Terms together with consideration of the disposal to the Fire Authority. SLT approved the draft Heads of Terms (Subject to Contract) and recommended that the Fire Authority approve the disposal of Fort Road site to LDC on the basis of the Heads of Terms drafted.

**RESOLVED** – That the Fire Authority:

- i. approved the disposal of the Fort Road site to Lewes District Council at £525,000.00 noting that the disposal is subject to residential planning permission being secured by Lewes District Council;
- ii. approved the draft Heads of Terms (Subject to Contract);and
- iii. delegated authority to the Assistant Director Resources/Treasurer in consultation with the Chief Fire Officer and the Deputy Monitoring Officer to take all necessary steps to complete the disposal

### **86 Exclusion of the Press & Public**

There was no reason for the Meeting to be voted into confidential session, all business was conducted in public.

The meeting concluded at 12.07 pm

Signed

Chairman

Dated this

day of

2019

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**EAST SUSSEX FIRE AUTHORITY**

Date: 11 June 2020  
 Title: Political Representation on the Panels of the Fire Authority  
 By: Abraham Ghebre-Ghiorghis, Monitoring Officer  
 Lead Officer: Abigail Blanshard, Senior Democratic Services Officer

**Background Papers:** Previous Report - Fire Authority 13 June 2019  
 The East Sussex Fire Services (Combination Scheme) Order 1996

**Appendices:** Appendix A – Panel membership 2019-20  
 Appendix B – Proposed Panel membership 2020-21

**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 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.

**EXECUTIVE SUMMARY:** Under the provisions of the Local Government and Housing Act 1989 and the Local Government (Committees and Political Groups) Regulations 1990, the Fire Authority must keep under review the allocation of seats on Committees and other bodies to ensure, so far as practicable, that they reflect the political groups on the Authority.

The rules governing representation on Panels are set out overleaf giving the pattern of membership agreed at the meeting of the Fire Authority on 13 June 2019.

The Fire Authority is invited to agree the membership of its Panels for the forthcoming year.

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**RECOMMENDATION:** The Fire Authority is asked to consider whether it wishes to:

- i) confirm the Panel arrangements and political representation as set out in the Report;
- ii) agree (with no Member voting against) that the political balance provisions shall not apply to the membership of the Principal Officer Appointments Panel; and
- iii) appoint the Chairman and Vice-Chairman of the Panels in accordance with Standing Order 41.13 or, as has been the practice in the past, leave it to the Panels to do this under Standing Order 41.14.

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## **1 BACKGROUND – CURRENT POSITION**

- 1.1 Under the provisions of the Local Government and Housing Act 1989 and the Local Government (Committees and Political Groups) Regulations 1990, authorities must keep under review the allocation of seats to political groups on their Committees/Panels to ensure, so far as practicable, that they reflect the numbers in the political groups on their authority. The guiding principles which can be drawn from the 1989 Act and which need to be borne in mind when conducting any review are that:
- (a) The majority party should have a majority on each committee/panel;
  - (b) The overall number of committee/panel places allocated to each group should be proportionate to the numbers of each group on the authority;
  - (c) Subject to (a) and (b), the number of seats on each committee/panel should be proportionate to the numbers of each group on the authority.
- 1.2 Currently, there are four political groups on the Fire Authority: Conservative, Green, Labour and Liberal Democrat. There is also one Independent Member of the Fire Authority, but single Members do not constitute a political group.
- 1.3 The Panels are the Authority's committees set up in accordance with Standing Order 41 and their terms of reference are shown in the Constitution. The Panels and their related membership which were approved in June 2019 are shown in Appendix 1, and the proposed political proportionality for 2020/21 is shown in Appendix 2.
- 1.4 Political proportionality rules need not apply to Panels of Authorities provided that due notice to adopt alternative arrangements is given to all Members and no Member votes against the proposals when they are considered and approved. Members are therefore asked to agree that the political balance provisions should not apply to the Principal Officer Appointments Panel.
- 1.5 Group Leaders are requested to let the Senior Democratic Services Officer have the names of their Panel Members by Friday, 19 June 2020.

- 1.6 The Fire Authority assigns Member Leads on matters being managed by the Policy & Resources and the Scrutiny & Audit Panels. There are currently Lead Member roles in the areas of Health & Safety, Assurance & Peer Review, Inclusion & Diversity, IT and Estates. The current allocation of these roles is also set out in Appendix 1. Expressions of interest for the Lead Member positions should be directed to the Senior Democratic Services Officer.

## Panel Membership 2019-20

	Conservative	Labour	Liberal Democrats	Green
SCRUTINY & AUDIT (7)	3 Barnes (C) Smith Taylor	2 Hamilton Evans	2 Lambert Osborne	---
POLICY & RESOURCES (7)	4 Galley Peltzer Dunn (C) Pragnell Sheppard	1 Scott	1 Tutt	1 Powell
HUMAN RESOURCES (7)	4 Dowling Smith Taylor Theobald	1 (Any Member of Labour Group. To be advised as/when meetings are convened)	1 Osborne	1 Vacancy
URGENCY (7)	4 Barnes Dowling Galley Theobald	1 Scott	1 Lambert	1 Powell
PRINCIPAL OFFICERS APPOINTMENT S PANEL (4) (Group Leaders + 1 additional Conservative)	2 Galley Barnes (additional Conservative)	1 Evans	1 Lambert	1 Powell
PENSIONS BOARD (4)	Theobald, Hamilton, Tutt, Vacancy			

Member Leads	
Health & Safety	Lambert
Assurance & Peer Review	Galley
Inclusion & Diversity	Osborne
IT	Tutt
Estates	Peltzer Dunn

## Panel Allocations based upon Political Proportions 2020-21

PANEL	TOTAL	
Scrutiny & Audit	7	3 Cons 2 Lab 2 Lib Dem
Policy & Resources	7	4 Cons 1 Lab 1 Lib Dem 1 Green
Human Resources	7	4 Cons 1 Lab 1 Lib Dem 1 Green
Urgency	7	4 Cons 1 Lab 1 Lib Dem 1 Green
<b>Total requiring political proportionality</b>	<b>28</b>	
(The total number of seats = 28, divided 15:5:5:3 on the basis of the 2020-21 political balance)		
Principal Officer Appointments Panel	<b>4 (5)</b>	Group Leaders + 1 additional Conservative [+ Chairman of the Fire Authority, if not a Group Leader]
Pensions Board	<b>4</b>	4 (Volunteers required from any Group)
<i>The Pensions Board is not subject to the political balance rules.</i>		

Member Lead Roles	
Health & Safety	Lambert
Assurance & Peer Review	Galley
Inclusion & Diversity	Osborne
IT	Tutt
Estates	Peltzer Dunn

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**EAST SUSSEX FIRE AUTHORITY**

**Date:** 11 June 2020

**Title:** Fire Authority & Panel meetings 2020/21

**By:** Abigail Blanshard, Senior Democratic Services Officer

**Lead Officer:** Abigail Blanshard, Senior Democratic Services Officer

**Background Papers:** None

**Appendices:** None

**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 inform Members of the dates of meetings of the Fire Authority and Panels for the remainder of 2020 and 2021.

**EXECUTIVE SUMMARY:** Paragraph 3.1 of Part 1(a) of East Sussex Fire Authority’s Standing Orders requires meetings of the Fire Authority to be notified annually in advance. Dates of meetings of the Fire Authority and Panels for the remainder of 2020 and 2021 are, therefore, detailed below.

Constituent authorities are consulted when arranging meetings of the Fire Authority in order to avoid clashes wherever possible. Details of meetings are also published via Modern.Gov on the ESFRS web-site on a continual rolling basis.

The May 2021 Panel meetings have been brought forward to 29 April 2021 to accommodate the scheduled East Sussex County Council elections.

**RECOMMENDATION:** The Fire Authority is asked to note the dates of meetings of the Fire Authority and Panels for the next 12 months.

<b>Date:</b>	<b>Meeting:</b>
23 July 2020	Scrutiny & Audit and Policy & Resources Panels
3 September 2020	Fire Authority and Pension Board
<del>12 September 2020</del>	<del>Scrutiny &amp; Audit Panel</del> <i>no longer required</i>
12 November 2020	Scrutiny & Audit and Policy & Resources Panels <i>Please note change in previously agreed date.</i>
3 December 2020	Fire Authority

*Dates for 2020, above, have been previously agreed by the Fire Authority at its meeting on 13 June 2019 except for the November Panel meetings which have been moved by a week.*

21 January 2021	Policy & Resources and Scrutiny & Audit Panels
11 February 2021	Fire Authority & Pension Board
29 April 2021*	Scrutiny & Audit and Policy & Resources Panels
15 June 2021	Annual Fire Authority
22 July 2021	Scrutiny & Audit and Policy & Resources Panels
2 September 2021	Fire Authority & Pension Board
11 November 2021	Scrutiny & Audit and Policy & Resources Panels
9 December 2021	Fire Authority

All Fire Authority meetings to commence at 10:30 hours

All Panel meetings to commence at 10:00 hours (or 11:30 hours if on the same day)

\* The May 2021 Panel meeting dates have been brought forward to April 2021 due to the ESCC elections.

**Notable dates in 2020/21:**

Good Friday - 2 April 2021

Easter Monday - 5 April 2021

ESCC Annual Meeting - Tuesday 25 May 2021

B&HCC Annual Meeting - Thursday 20 May 2021

## EAST SUSSEX FIRE AUTHORITY

**Date** 11 June 2020

**Title of Report** Treasury Management – Stewardship Report for 2019/20

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

**Lead Officer** Richard Carcas. Principal Finance Officer (Treasury Management)

**Background Papers** East Sussex Fire Authority - 14 February 2019 – Agenda Item 85 Treasury Management Strategy for 2019/20

13 February 2020 – Agenda Item 45 Treasury Management Strategy for 2020/21

Policy and Resources Panel - 31 October 2019 – Agenda Item No 15: Half yearly report for 2019/20

CIPFA Treasury Management in the Public Services code of practice and cross sector guidance notes

Local Government Act 2003

CIPFA Prudential Code

**Appendices** None

### Implications

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

**PURPOSE OF REPORT** The Annual Treasury Management Stewardship Report is a requirement of the Fire Authority's reporting procedures and informs Members of Treasury Management performance for 2019/20 and compliance with Prudential Indicators.

**EXECUTIVE SUMMARY** The Fire Authority has complied with its approved Treasury Management Strategy and Prudential Indicators for the year.

The Bank of England (BoE) Base Rate was reduced from 0.75% to 0.25% on 10 March 2020 and again to 0.10% on 19 March 2020 as a Measure to support the economy.

The average rate of interest received in 2019/20 through Treasury Management Activity was 0.89%. This reflected the Fire Authority's continuing prioritisation of security and liquidity over yield.

No new borrowing was undertaken with total loan debt outstanding of £10.773m at 31<sup>st</sup> March 2020, the average interest rate was 4.60%. The next loan repayment is due on the 31<sup>st</sup> March 2021 (£75k) with the PWLB. There have been no beneficial opportunities to reschedule debt so far during the year. The projected outturn of the Fire Authority's Capital Financing Requirement (CFR), a measure of the underlying need to borrow is £10.773m.

The Fire Authority reviewed options to invest a portion of core balances in longer duration funds during the setting of the 2020/21 Strategy. Decisions on future investment will be taken in the context of the current economic climate, the current approved capital programme and the requirement to fund it over the medium term.

The current economic climate is evolving rapidly, summarised in the commentary from Link Asset Services. At this time a cautious approach to investments is being taken. However, opportunities are being explored to secure investment returns within acceptable risk parameters.

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**RECOMMENDATIONS** The Fire Authority is asked to note the Treasury Management Performance for 2019/20.

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## **TREASURY MANAGEMENT-STEWARDSHIP REPORT FOR 2019/20**

### **1 Introduction**

1.1 The Fire Authority's treasury management activities are regulated by a variety of professional codes and statutes and guidance:

- a) The Local Government Act 2003 (the Act), which provides the powers to borrow and invest as well as providing controls and limits on this activity;
- b) Statutory Instrument (SI) 3146 2003 develops the controls and powers within the Act;
- c) The SI requires the Fire Authority to undertake any borrowing activity with regard to the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code for Capital Finance in Local Authorities;
- d) Under the Act the Ministry of Housing, Communities & Local Government (MHCLG) has issued Investment Guidance to structure and regulate the Authority's investment activities.

1.2 The Fire Authority has adopted the CIPFA Code of Practice for Treasury Management in the Public Sector and operates its treasury management service in compliance with this Code and the above requirements. These require that the prime objective of the treasury management activity is the effective management of

risk, and that its borrowing activities are undertaken on a prudent, affordable and sustainable basis and its treasury management practices demonstrate a low risk approach.

- 1.3 The Code requires the regular reporting of treasury management activities to:
- a) Forecast the likely activity for the forthcoming year (in the Annual Treasury Strategy Report);
  - b) Review actual activity for the preceding year (this report),
  - c) A mid year review and
  - d) A change in the Strategy (if and when required).
- 1.4 This report sets out:
- a) A summary of the strategy agreed for 2019/20 and the economic factors affecting the strategy in the year;
  - b) The Fire Authority's treasury activity during the year on borrowing and short term investments;
  - c) The Prudential Indicators which relate to the Treasury function and compliance with limits

## **2 2019/20**

### **2.1 Strategy for 2019/20**

- 2.1.1 At its meeting on 14 February 2019, the Fire Authority agreed its Treasury Management Strategy for 2019/20, taking into account the economic scene including forecast levels of interest rates. At the same time, the Treasury Management Policy Statement was agreed for 2019/20 as set out below.
- 2.1.2 East Sussex Fire Authority defines its treasury management activities as:  
"The management of the organisation's cash flows, its banking, money market and capital market transactions, the effective management of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

The Fire Authority regards the successful identification, monitoring and management of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation.

This Authority acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving best value in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.

### **Borrowing**

- 2.1.3 The Fire Authority at the beginning of 2019/20 did not expect to undertake any additional external borrowing in the next 12 months.

2.1.4 Opportunities to reschedule debt have been monitored but have not arisen as yet. The PWLB increased all of its lending rates in October 2010 by 1% on all rates. However, it did not increase the rate of interest used for repaying debt so that not only had the cost of our future borrowing increased but the opportunity to restructure our debt when market conditions allow has been significantly reduced.

### **Investment**

2.1.5 When the strategy was agreed in February 2019, it emphasised the continued importance of taking account of the current and predicted future state of the financial sector. The Treasury Management advisors (Link Asset Services) commented on short term interest rates, the UK economy, inflation, the outlook for long term interest rates and these factors were taken into account when setting the strategy.

2.1.6 Additionally, the Authority makes use of the creditworthiness service provided by Link Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moodys and Standard and Poors. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- credit default swap (CDS) spreads to give early warning of likely changes in credit ratings; and
- sovereign ratings to select counterparties from only the most creditworthy countries.

2.1.7 The strategy going forward was to continue with the policy of ensuring minimum risk but was also intended to deliver secure investment income of at least bank rate on the Fire Authority's cash balances.

2.1.8 As was clear from the events globally and nationally since 2008, it is impossible in practical terms to eliminate all credit risk. The Fire Authority seeks to be as prudent as possible.

2.1.9 The strategy aimed to ensure that in the economic climate that a prudent approach was maintained. This would be achieved through investing with selected banks and funds which met the Authority's rating criteria. The emphasis would continue on security (protection of the capital sum invested) and liquidity (keeping money readily available for expenditure when needed) rather than yield. The strategy continued with this prudent approach.

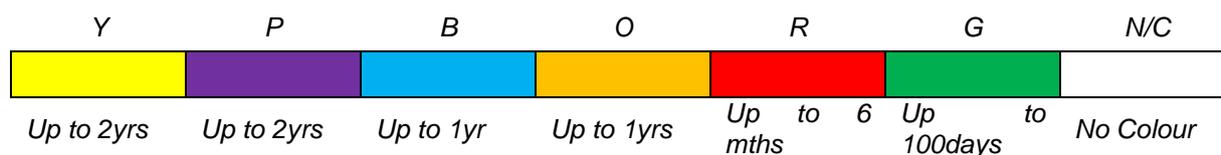
2.1.10 It was also recognised that movements within the money markets happen with no notice and the Treasurer may have to amend this strategy in order to safeguard Fire Authority funds. As in the past any such actions would be reported to the next Fire Authority meeting.

2.1.11 The Fire Authority balances were to be invested in line with the following specific methodology:-

The modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate

the relative credit worthiness of counterparties. These colour codes are used by the Authority to determine the duration for investments. The strategy provides scope to invest in AAA rated foreign banks. However the Authority proposes to only use counterparties noted in the table below and within the following durational bands that are domiciled in the UK.

- Yellow 2 years
- Purple 2 years
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 3 months
- No Colour, not to be used



The Link Asset Services credit worthiness service uses a wider array of information than just primary ratings and by using a risk weighted scoring system, does not give undue influence to just one agency's ratings.

Typically the minimum credit ratings criteria the Authority use, will be a short term rating (Fitch or equivalent) of short term rating F1, long term rating A-, viability rating of A-, and a support rating of 1. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

All credit ratings will be monitored daily. The Authority is alerted to changes to ratings of all three agencies through its use of the Link Asset Services credit worthiness service.

- if a downgrade results in the counterparty or investment scheme no longer meeting the Authority's minimum criteria, its further use as a new investment will be withdrawn immediately.
- in addition to the use of credit ratings the Authority will be advised of information in movements in Credit Default Swap against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Authority's lending list.

The Link Asset Services methodology was revised in October 2013 and determines the maximum investment duration under the credit rating criteria. Key features of Link Asset Services credit rating policy are:

- a mathematical based scoring system is used taking ratings from all three credit rating agencies;
- negative and positive watches and outlooks used by the credit rating agencies form part of the input to determine a counterparty's time band (i.e. 3, 6, 9, 12 months etc.).

- CDS spreads are used in Link Asset Services creditworthiness service as it is accepted that credit rating agencies lag market events and thus do not provide investors with the most instantaneous and “up to date” picture of the credit quality of a particular institution. CDS spreads provide perceived market sentiment regarding the credit quality of an institution.
- After a score is generated from the inputs a maximum time limit (duration) is assigned and this is known as the Link Asset Services colour which is associated with a maximum suggested time boundary.

### **Counterparty List:**

<b>Counterparty</b>	<b>Country/ Domicile</b>	<b>Instrument</b>	<b>Maximum investments</b>	<b>Max. maturity period</b>
<b>Counterparties in UK</b>				
Debt Management and Deposit Facilities (DMADF)	UK	Term Deposits	unlimited	1 yr
Government Treasury bills	UK	Term Deposits	unlimited	1 yr
Local Authorities	UK	Term Deposits	unlimited	1 yr
<i>RBS/NatWest Group</i> • <i>Royal Bank of Scotland</i> • <i>NatWest</i>	UK	Term Deposits (including callable deposits), Certificate of Deposits	£4m	1 yr
<i>Lloyds Banking Group</i> • <i>Lloyds Bank</i> • <i>Bank of Scotland</i>	UK		£4m	1 yr
<i>Barclays</i>	UK		£4m	1 yr
<i>Santander UK</i>	UK		£4m	1 yr
<i>HSBC</i>	UK		£4m	1 yr
Goldman Sachs IB	UK	Term Deposits	£4m	1 yr
Standard Chartered	UK	Term Deposits	£4m	1 yr
Individual Money Market Funds (MMF) CNAV and LVNAV	UK/Ireland/ domiciled	AAA rated Money Market Funds	£4m	Liquidity/ instant access
Enhanced Money Market / Cash Funds (EMMFs) VNAV	UK/Ireland/ EU domiciled	AAA Bond Fund Rating	£4m	Liquidity

2.1.12 All Money Market Funds used will be monitored and chosen by the size of the fund, rating agency recommendation, exposure to other Countries (Sovereign debt), weighted average maturity and weighted average life of fund investment and counterparty quality.

2.1.13 All of the investments held with the above counterparties will be classified as Specified Investments. These investments are sterling investments of not more than one-year maturity with institutions we deem to be high credit quality or with the UK Government (Debt Management Account Deposit Facility). These are

considered low risk assets where the possibility of loss of principal or investment income is small.

2.1.14 Non Specified Investments are any other types of investment that are not defined as specified. The identification and rationale supporting the selection of these other investments are set out below:

<b>Table 4</b>	<b>Minimum credit criteria</b>	<b>Period</b>
Local Authorities	Government Backed	2 years
Mixed Asset Fund(s)	Appropriate rating	2 - 5 years
Pooled Property Fund(s)	N/A	5+ years

The maximum amount that can be invested will be monitored in relation to the Authority's surplus monies and the level of reserves, the limit will be £2.5m across all non specified investments. The approved counterparty list will be maintained by referring to an up-to-date credit rating agency reports, and the Authority will liaise regularly with brokers for updates. Counterparties may be added to or removed from the list only with the approval of the Treasurer.

## **2.2 The economy in 2019/20 – Commentary from Link Asset Services (Treasury Management Advisors) in April 2020.**

2.2.1 Economic growth in 2019 has been very volatile with quarter 1 unexpectedly strong at 0.5%, quarter 2 dire at -0.2%, quarter 3 bouncing back up to +0.5% and quarter 4 flat at 0.0%, +1.1% y/y. 2020 started with optimistic business surveys pointing to an upswing in growth after the ending of political uncertainty as a result of the decisive result of the general election in December settled the Brexit issue. However, the three monthly GDP statistics in January were disappointing, being stuck at 0.0% growth.

2.2.2 Since then, the whole world has changed as a result of the coronavirus outbreak. It now looks likely that the closedown of whole sections of the economy will result in a fall in GDP of at least 15% in quarter two. What is uncertain, however, is the extent of the damage that will be done to businesses by the end of the lock down period, when the end of the lock down will occur, whether there could be a second wave of the outbreak, how soon a vaccine will be created and then how quickly it can be administered to the population. This leaves huge uncertainties as to how quickly the economy will recover.

2.2.3 The Monetary Policy Committee raised Bank Rate from 0.5% to 0.75% in August 2018, Brexit uncertainty caused the MPC to sit on its hands and to do nothing until March 2020; at this point it was abundantly clear that the coronavirus outbreak posed a huge threat to the economy of the UK. Two emergency cuts in Bank Rate from 0.75% occurred in March, first to 0.25% and then to 0.10%. These cuts were accompanied by an increase in quantitative easing (QE), essentially the purchases of gilts (mainly) by the Bank of England of £200bn.

2.2.4 The Government and the Bank were also very concerned to stop people losing their jobs during this lock down period. Accordingly, the Government introduced various schemes to subsidise both employed and self-employed jobs for three months while the country is locked down. It also put in place a raft of other measures to help

businesses access loans from their banks, (with the Government providing guarantees to the banks against losses), to tide them over the lock down period when some firms may have little or no income.

2.2.5 Inflation has posed little concern for the MPC during the last year, being mainly between 1.5 – 2.0%. It is also not going to be an issue for the near future as the world economy will be heading into a recession which is already causing a glut in the supply of oil which has fallen sharply in price. Other prices will also be under downward pressure while wage inflation has also been on a downward path over the last half year and is likely to continue that trend in the current environment. While inflation could even turn negative in the Eurozone, this is currently not likely in the UK.

2.2.6 Employment had been growing healthily through the last year but it is obviously heading for a big hit in March – April 2020. The good news over the last year is that wage inflation has been significantly higher than CPI inflation which means that consumer real spending power had been increasing and so will have provided support to GDP growth. However, while people cannot leave their homes to do non-food shopping, retail sales will also take a big hit.

2.2.7 The main issue in 2019 was the repeated battles in the House of Commons to agree on one way forward for the UK over the issue of Brexit. This resulted in the resignation of Theresa May as the leader of the Conservative minority Government and the election of Boris Johnson as the new leader, on a platform of taking the UK out of the EU on 31 October 2019. The House of Commons duly frustrated that renewed effort and so a general election in December settled the matter once and for all by a decisive victory for the Conservative Party: that then enabled the UK to leave the EU on 31 January 2020. However, this still leaves much uncertainty as to whether there will be a reasonable trade deal achieved by the target deadline of the end of 2020. It is also unclear as to whether the coronavirus outbreak may yet impact on this deadline; however, the second and third rounds of negotiations have already had to be cancelled due to the virus.

## **2.3 Interest on short term balances**

2.3.1 The total amount received in short term interest for the 2019/20 was £236,677 at an average rate of 0.89%, the average base rate for the year was 0.72%.

2.3.2 Full detail of the interest received has been set out in paragraph 3.7.4

## **2.4 Long term borrowing**

2.4.1 No borrowing was undertaken in 2019/20. The total outstanding loan debt at 31 March 2020 was £10,773,000. There were no Loan Maturities in year and the average interest rate on external debt for the year was 4.60%.

2.4.2. No rescheduling was done during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

### **2.5.1 Short term borrowing**

2.5.1 No borrowing was undertaken on a short-term basis during 2019/20 to date to cover temporary overdraft situations.

### **3 Prudential Indicators and limits relating to Treasury Management activities**

#### **3.1 The limits set for 2019/20**

The Strategy Report for 2019/20 set self-imposed prudential indicators and limits. There are on an annual basis and monitored. They comprise:

- Authorised limit for borrowing (see 3.2 below)
- Interest rate exposure (see 3.3 below)
- Maturity structure of debt (see 3.4 below)
- Maturity structure of investments (see 3.5 below)
- Compliance with the treasury management code of practice (see 3.6 below)
- Interest on our investments (see 3.7 below)
- Capital Financing Requirement and Minimum Revenue Provision Statement (see 3.8 below)

None of the limits were exceeded in 2019/20.

#### **3.2 Authorised limit for borrowing**

3.2.1 The table below sets out the actual 2018/19, original estimate and actual in 2019/20 for borrowing.

	<b>2018/19 Actual</b>	<b>2019/20 Original Estimate</b>	<b>2019/20 Actual</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Opening CFR</b>	<b>10,773</b>	<b>10,773</b>	<b>10,773</b>
Capital Investment	1,010	6,727	2,756
Sources of Finance	(579)	(6,296)	(2,325)
MRP	(431)	(431)	(431)
<b>Movement in year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Closing CFR</b>	<b>10,773</b>	<b>10,773</b>	<b>10,773</b>
less Finance Lease Liability	-	-	-
<b>Underlying Borrowing Requirement</b>	<b>10,773</b>	<b>10,773</b>	<b>10,773</b>
<b>Actual Long Term Borrowing</b>	<b>10,773</b>	<b>10,773</b>	<b>10,773</b>
Over / (Under) Borrowing	-	-	-
<b>Operational Boundary</b>	<b>11,441</b>	<b>11,241</b>	<b>10,810</b>
<b>Authorised Limit</b>	<b>13,831</b>	<b>13,630</b>	<b>13,199</b>

3.2.2 The outturn for 2019/20 shows no under or over borrowing.

3.2.3 The borrowing limits set in each year include capacity to borrow in advance of need.

- 3.2.4 The Operational boundary for borrowing was based on the same estimates as the Authorised limit. It reflected directly the authorised borrowing limit estimate without the additional amount for short term borrowing included to allow, for example, for unusual cash movements. The Operational boundary represents a key management tool for in year monitoring and long term borrowing control.
- 3.2.5 The Authorised limit was consistent with the Fire Authority’s current commitments, existing plans and the proposals for capital expenditure and financing, and with its approved treasury management policy statement and practices. It was based on the estimate of most likely, prudent but not worst case scenario, with in addition sufficient headroom (short term borrowing) over and above this to allow for day to day operational management, for example unusual cash movements or late receipt of income. Risk analysis and risk management strategies were taken into account as were plans for capital expenditure, estimates of the capital financing requirement and estimates of cash flow requirements for all purposes.
- 3.2.6. The Authorised limit is the “Affordable Borrowing Limit” required by S3 of the Local Government Act 2003 and must not be breached. The estimated long term borrowing at 31 March 2020 of £10,773,000 is under the Authorised limit set for 2019/20 of £13,199,000.

### 3.3 Interest rate exposure

- 3.3.1 The Fire Authority’s Prudential Indicator continued the practice of seeking competitive fixed interest rate exposure for borrowing and lending.

	2019/20	2020/21	2021/22
<b>Interest rate exposures</b>	<b>Upper</b>	<b>Upper</b>	<b>Upper</b>
Limits on fixed interest rates based on net debt*	100%	100%	100%
Limits on variable interest rates based on net debt*	0%	0%	0%

\*Net debt is borrowings less investments

### 3.4 Maturity structure of debt

- 3.4.1 The Fire Authority set upper and lower limits for the maturity structure of its borrowings as follows.

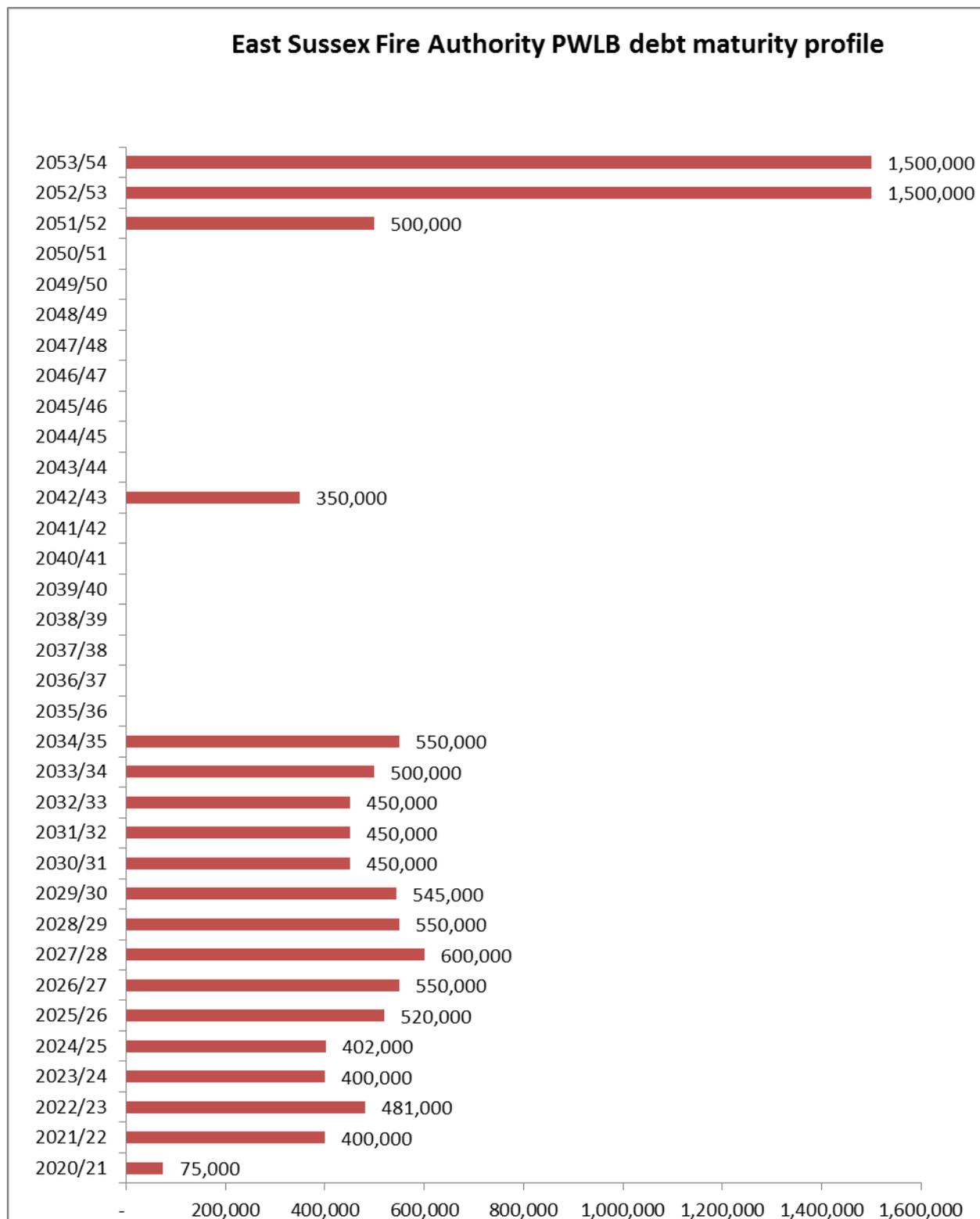
	<u>Lower Limit</u>	<u>Upper Limit</u>	<u>At 31 March 2020</u>
Under 12 months	0%	25%	1%
12 months and within 24 months	0%	40%	4%
24 months and within 5 years	0%	60%	12%
5 years and within 10 years	0%	80%	21%
10 years and within 20 years	0%	80%	27%
20 years and within 30 years	0%	80%	3%
30 years and within 40 years	0%	80%	32%
Over 40 years	0%	80%	0%

- 3.4.2 Any new borrowing undertaken would give due consideration to the debt maturity profile, ensuring that an acceptable amount of debt is due to mature in any one

financial year. This helps to minimise the authority's exposure to the risk of having to replace a large amount of debt in any future years when interest rates may be unfavourable.

3.4.3 No new borrowing was undertaken in 2019/20. The following graph shows the majority of debt matures in the next 10 to 20 years with some longer dated maturities out to 2053/54. The next loan to be repaid will be on the 31 March 2021 (£75,000).

#### 3.4.4 PWLB Debt Maturity Profile



### 3.5 Maturity Structure of Investments

3.5.1 The limits below are deemed prudent and will be reviewed in future years.

<b>Principle sums invested for periods longer than 365 days</b>			
	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Limit	2.50	2.50	2.50

### 3.6 Compliance with the Treasury Management Code of Practice

East Sussex Fire Authority has adopted the CIPFA Code of Practice for Treasury Management in the Public Services.

### 3.7 Interest on Investments

3.7.1 Base interest rates were reduced on the 10 March from 0.75% to 0.25% and again on the 19 March to 0.10%.

3.7.2 There have been continued uncertainties in the markets during the year to date as set out in the previous paragraphs of this report.

3.7.3 The strategy for 2019/20 continued the prudent approach and ensured that all investments were only to the highest quality rated banks and only up to a period of one year.

3.7.4 The table below sets out the average monthly rate received on our investments and compares it to the Bank of England Base rate to reflect the interest rates available in the market.

Month	Amount £	Monthly rate	Margin against Average Base rate %	Average balance in month £m
April	19,438	0.96%	+0.21%	24.7
May	19,253	0.97%	+0.22%	23.4
June	18,774	0.95%	+0.20%	24.0
July	19,288	0.90%	+0.15%	25.1
August	22,459	0.87%	+0.12%	30.5
September	22,278	0.87%	+0.12%	29.7
October	21,245	0.91%	+0.16%	28.4
November	20,352	0.88%	+0.13%	28.0
December	20,212	0.89%	+0.14%	26.6
January	19,887	0.89%	+0.14%	26.2
February	18,300	0.90%	+0.15%	25.7
March	15,189	0.78%	+0.43%	25.2
<b>Total in 2019/20</b>	<b>236,675</b>	<b>0.89%</b>	<b>+0.17%</b>	<b>26.5</b>

3.7.5 The total amount received in short term interest for the year was £236,675 at an average rate of 0.89%. This was above the average base rates in the same period

(0.72%) and reflects the Fire Authority's risk appetite ensuring, so far as possible in the financial climate, the security of principal and the minimisation of risk.

3.7.6 Throughout the year bank notice accounts and fixed term deposits with banks and other Local Authorities were used to invest core balances up to duration of 6 months. Instant access cash money market funds were used to hold liquidity balances to meet day to day creditor requirements. Interest earned by the main liquidity buckets are detailed below.

Investment Type	Liquidity Bucket	Interest Earned 2019/20 (£)
Money Market Fund	Instant Access	73,011
Notice Account	95 Day Notice	101,708
Fixed Term Deposits	175 Day Notice / Fixed Term	61,957
<b>Total in 2019/20</b>		<b>236,675</b>

3.7.7 An options appraisal was submitted with the 2020/21 investment strategy to explore alternative investments such as pooled property funds and mixed asset funds. The approach is to balance investment decisions in the medium to long term with the planned reduction in reserves and balances. In the current economic climate as noted in 2.2 the security of investment will be a key consideration.

#### **4 Treasury Management Advisors**

4.1 The Strategy for 2019/20 explained that the Fire Authority uses Link Asset Services as its treasury management consultant through the contract that exists with East Sussex County Council. A range of services have been provided including:

- a) Technical support on treasury matters, capital finance issues and advice on reporting;
- b) Economic and interest rate analysis;
- c) Debt services which includes advice on the timing of borrowing;
- d) Debt rescheduling advice surrounding the existing portfolio;
- e) Generic investment advice on interest rates, timing and investment instruments;
- f) Credit ratings from the three main credit rating agencies and other market information;
- g) Assistance with training on treasury matters.

4.2 Whilst the advisers provide support to the internal treasury function, under current market rules and the CIPFA Code of Practice the final decision on treasury matters remained with the Authority. This service remains subject to regular review.

4.3 Link Asset Services is the largest provider of Treasury Management advice services to local authorities in the UK and they claim to be the market-leading treasury management service to their clients and better those offered by competitors. The advice will continue to be monitored regularly to ensure an excellent level of service provided to our authority.

#### **5 Conclusion**

5.1 The prime objective of Treasury Management is the effective management of risk and that its activities are undertaken in a prudent affordable and sustainable basis. This report confirms the Authority has continued to follow an extremely prudent

approach with the main criteria of security and liquidity before yield. The current emphasis must be to continue to be able to react quickly if market conditions worsen.

**EAST SUSSEX FIRE AUTHORITY**

**Date** 11 June 2020

**Title of Report** Review of the Constitution of the Fire Authority

**By** Abraham Ghebre-Ghiorghis, Monitoring Officer

**Lead Officer** Mark O'Brien, Deputy Chief Fire Officer & Director of Service Planning & Assurance

**Background Papers** The Constitution of the East Sussex Fire Authority

**Appendices** Appendix 1: Section A – incorporating tracked changes  
 Appendix 2: (new) Section E – incorporating tracked changes  
 Appendix 3: Section A – Index – incorporating tracked changes

**Implications**

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

**PURPOSE OF REPORT** To report on the first stage of a review of the Fire Authority's constitutional arrangements and to propose some minor amendments to the Constitution of the Authority

**EXECUTIVE SUMMARY** A project to review and update the Authority's constitutional arrangements has been initiated. This report seeks approval for a series of minor amendments to the Authority's Constitution as part of stage 1 of the review. It is proposed that additional amendments to the Constitution be put to the Authority in due course, as part of stage 2 of the review.

**RECOMMENDATION** The Fire Authority is asked to:

- 1) approve with immediate effect the changes to the East Sussex Fire Authority's Constitution outlined in paragraph 2.1(I to V inclusive) and in Appendices 1 to 3 inclusive;

- 2) authorise the Authority's Chief Fire Officer to take all steps necessary or incidental to the implementation of the changes agreed by the Authority, and to amend and re-publish the constitutional documents to reflect those amendments; and
  - 3) note the intention to bring a further Report to the Authority proposing additional updates to the Constitution.
- 

## **1 INTRODUCTION**

- 1.1 The East Sussex Fire Authority must ensure that its business is conducted in accordance with the law and that public money is properly accounted for and used economically, efficiently and effectively. However while all fire authorities are required to make effective arrangements for the governance of their affairs, including for the delegation of their powers, combined fire authorities differ from local authorities in that they are not required by law to publish a written Constitution.
- 1.2 It has been noted that the arrangements which different fire authorities have put in place for the lawful exercise of their functions differ. Some fire authorities have made arrangements which in their complexity and/or their structure resemble those of their constituent authorities. Others have adopted lighter-touch arrangements, and/or have chosen not to describe their arrangements as 'a Constitution'. While some authorities publish all of their arrangements in full, other fire authorities publish only parts of the rules and procedures they have put in place to regulate the discharge of their functions.
- 1.3 The ambition of the East Sussex Fire Authority is to ensure that the arrangements it puts in place to carry out its functions are as detailed and as comprehensive as they need to be, while being as clear and accessible as possible. To this end, the Authority is committed to reviewing its arrangements regularly to make sure that they are up to date and that they accurately reflect custom and practice as well as any specific legal requirements. The Authority also has a clear commitment to publishing its Constitution in full as a means of promoting accountability and engagement.
- 1.4 The Authority's constitutional arrangements have developed over time. A need to review the Authority's Constitution has been identified and an officer project group has been set up to initiate that review process. This report seeks to apprise members of the outcome of the first stage of the review, and to propose some changes which aim to update existing arrangements largely by re-ordering them and adding explanatory text. It is proposed that Stage 2 of this review involve Members, who will be invited to consider whether more substantive changes might be made to further update and streamline arrangements going forward.
- 1.5 For the avoidance of doubt: the Fire Authority alone has responsibility for approving substantial changes to the Constitution, and/or for making changes to its arrangements, including its standing orders, the Scheme of Delegations to Officers and/or the Code of Conduct for Members (Section B page 3).

## **2 2020-2021: A REVIEW IN TWO STAGES**

2.1 The first stage of the review has involved considering the Fire Authority's constitutional arrangements against those at selected other fire authorities as well as those at its two constituent authorities. This Stage 1 was a light touch review which aimed to identify in the first instance any simple changes which might be recommended in order to simplify user access to the Constitution and to encourage engagement with the Fire Authority's decision-making.

As a result of this first stage, some key proposals have been identified. Those are as follows:

- I. Improving access to the Authority's Constitution via the public facing website by dint of some relatively minor changes to the landing pages and to how access is obtained.
- II. Including in the first section of the Constitution some additional explanatory text about the Constitution's purpose and context. It is considered that this would assist in clarifying that the Authority has chosen to publish its arrangements in order to ensure as much transparency as possible, and that it updates its arrangements with a view to streamlining and modernising as/when appropriate. Some draft text has been inserted into Part A where indicated in [Appendix 1](#) (attached). It will be noted that the text includes embedded links to different parts of other relevant sections: an approach which will be adopted throughout the Constitution, as and when updates are made.
- III. It is considered that additional information about the role of the members who make up the Authority would be appropriate. That ambition informs other proposed amends to Part A ([Appendix 1](#)), while the proposed text also fleshes out the distinction between the operational and governance functions of the organisation so as to provide greater clarity.
- IV. It is further considered that the Constitution as a whole would benefit from some structural changes to improve the logic of a set of arrangements which have effectively grown organically over time. The objective here was to identify ways of re-structuring the doc which do not involve amending the text substantively at this stage. The proposal is for a new Section E, an extract from which is at [Appendix 2](#), which would form part of a revised structure as indicated in the proposed Index at [Appendix 3](#). The proposal would separate out parts (for instance Section C Parts A & B) which do not have an obvious relationship and instead to re-organise the whole in a way which has a clear logic.
- V. It is further proposed that minor amends which are not considered to be substantial may be made at this stage in order to give effect to the above changes or to otherwise update the Constitution.

2.2 As indicated above, the initial review of the Constitution has been officer-led. The Authority is asked to note at this stage the proposal for a second stage which involves a working group of Members inputting into a more root and branch review of the Authority's arrangements. While the working group will wish to consider which parts of the Constitution to place in scope, it will be asked to consider discrete areas which

are considered likely to benefit from being updated, such as the rules which govern the meetings of the Authority and those which regulate the conduct of its members.

**3 Review - Stage 1: Recommendations**

3.1 The Authority is asked to consider approving the recommendations of in this Report.



**Section A**  
**A Guide to East Sussex Fire Authority**

**SECTION A**

**A GUIDE TO EAST SUSSEX FIRE AUTHORITY**

<a href="#">Introduction</a>	2
The Members of <a href="#">East Sussex Fire Authority</a>	5
Organizational <a href="#">Structure</a>	6
<a href="#">Fire Authority Purpose and Commitments</a>	9
<a href="#">Fire &amp; Rescue Service Contact</a>	10

Responsible Officer	First Section Issue Date	Section Amended/Updated	Review Date
DCFO	October 2005	December 2016 April 2017 July 2019	

## **INTRODUCTION**

### **Establishment of the East Sussex Fire Authority**

The East Sussex Fire Authority was established on 1 April 1997 by the East Sussex Fire Services (Combination Scheme) Order 1996. It is a stand-alone fire authority made up of Members of The Fire Authority's two constituent authorities: East Sussex County Council and Brighton & Hove City Council.

### **Membership of the East Sussex Fire Authority**

East Sussex Fire Authority comprises 18 Members: 12 Members appointed by East Sussex County Council from amongst its elected councillors and 6 Members appointed by Brighton & Hove City Council. The ratio is proportionate to the number of electors in the constituent authorities. The two constituent authorities determine which of their elected councillors to appoint to the Fire Authority, subject to the legal requirement (in the Local Government and Housing Act 1989) that they achieve a political balance. Details of the Fire Authority's current membership are available on our website [www.esfrs.org](http://www.esfrs.org) or from Democratic Services ([democraticservices@esfrs.org](mailto:democraticservices@esfrs.org)).

The overriding duty of Members of the Fire Authority is to the whole community of the county of East Sussex and the City of Brighton & Hove. The Members of the Fire Authority ensure that the Authority fulfils its duties and functions under the Fire and Rescue Services Act 2004 and other relevant statutes. At meetings of the Fire Authority, Members approve strategic policies and budgetary plans, as well as appointing Chief Officers and monitoring performance. Further information is available at XX

### **Legislation and core responsibilities**

The Fire and Rescue Services Act 2004, (and the supporting national framework), sets out the functions of the Authority, which include fire safety, firefighting, road traffic collision rescues, and other emergency activities.

The Authority is a Category 1 responder under the Civil Contingencies Act 2004 and has a duty to assess, plan and give advice in connection with the risk of an emergency occurring.



## Section A A Guide to East Sussex Fire Authority

The Authority covers an area of 179,000 hectares and serves a population of approximately 845,000. The area provides almost every aspect of firefighting risk, and includes ports, mines and quarries, cities, universities and colleges, coastal areas and resorts, heathlands, forest areas, historic sites, listed buildings and areas of special scientific interest. There are also areas of social deprivation, there are poor transport links, and one in four residents is over pensionable age.

### **The Fire Authority and the Fire & Rescue Service: governance & strategy, and operational control.**

The Fire Authority sets the strategic direction of the Fire & Rescue Service. It has a key governance role and has the ultimate responsibility, as a corporate body, for decision-making. It retains responsibility for the oversight of the organization, although it delegates certain types of decisions to its Panels, and others to its officers. The arrangements which it has put in place to carry out its functions are outlined in Section C of this Constitution.

The Fire & Rescue Service has responsibility for the operational delivery of the functions of the Authority, and for delivering the Fire Authority's strategic aims and objectives. It comprises the staff employed by the Fire Authority, including both its uniformed and support personnel.

The Service operates within the statutory framework mentioned above. It does this within the purpose and commitments which underpin service delivery. These are regularly reviewed to ensure that service provision continues to meet the needs of the population.

### **The Officers of the East Sussex Fire Authority**

The Chief Fire Officer and the Senior Leadership Team manage the Fire & Rescue Service on a day to day basis. They advise the Fire Authority on operational matters in order to ensure that the Service is delivered both in accordance with legal obligations and in such a way as to meet corporate objectives. Further information is available at XX

The posts of Monitoring Officer and Treasurer are statutory posts which are required by law.



**Section A**  
**A Guide to East Sussex Fire Authority**

This Constitution sets out in a single place how the Authority works and how it makes decisions. It includes amongst other things the scheme of delegations to officers which provide officers with delegated authority to act on behalf of the Fire Authority. This Constitution is published on the Fire Authority's website to ensure maximum transparency, and is regularly reviewed.



## **East Sussex Fire Authority Members**

An up to date list of the elected councillors of East Sussex County Council and of Brighton & Hove City Council who have been appointed to the East Sussex Fire Authority is available [here](#). The role of a Member of the Fire Authority is described in greater detail in Section B of this Constitution.

All postal correspondence to Members of the Fire Authority may be sent via Democratic Services, East Sussex Fire & Rescue Service Headquarters, Church Lane, Lewes, East Sussex, BN7 2DZ, and all email correspondence to [demservices@esfrs.org](mailto:demservices@esfrs.org)

## **East Sussex Fire & Rescue Service: the organizational structure**

The Fire Authority oversees the Fire & Rescue Service, which carries out all operational functions.

The Chief Fire Officer, the Treasurer and the Monitoring Officer all carry out key roles in the organization. Together with the Senior Leadership Team, they are responsible for the implementation of policy and for the day to day management of the organization.

There are three uniformed Principal Officers, namely the Chief Fire Officer, Deputy Chief Fire Officer and Assistant Chief Fire Officer.

The Deputy Chief Fire Officer (DCFO) and the Assistant Chief Fire Officer (ACFO) head up two directorates. There are five Assistant Directorates working to the DCFO and ACFO responsible for the following areas:

### **Deputy Chief Fire Officer leading:**

Assistant Director **People Services** with responsibility for:

- Command and Operational Training
- Workforce Development
- Operational Improvement and Assurance
- Health, Safety & Well-being
- Payroll and Pensions
- Human Resources
- Organizational Development
- Inclusion and Diversity
- Administrative Support for Assistant Directors

Assistant Director **Resources/Treasurer** with responsibility for:

- Finance
- Procurement, Contracts and Insurance
- Information and Technology Governance



- Estates

Assistant Director **Planning and Improvement** with responsibility for:

- Performance Management and Business Planning
- Project Co-ordination
- Integrated Risk Management Planning
- Marketing, Communications and Business Services
- Democratic Services

**Assistant Chief Fire Officer leading:**

Assistant Director **Safer Communities** with responsibility for:

- Groups and Stations
- Community Safety
- Business Safety

Assistant Director **Operational Support and Resilience** with responsibility for:

- Engineering Services
- Operational Planning and Policy
- Sussex Control Centre
- Special Projects
- Emergency Services Network

## **Borough Command Structure**

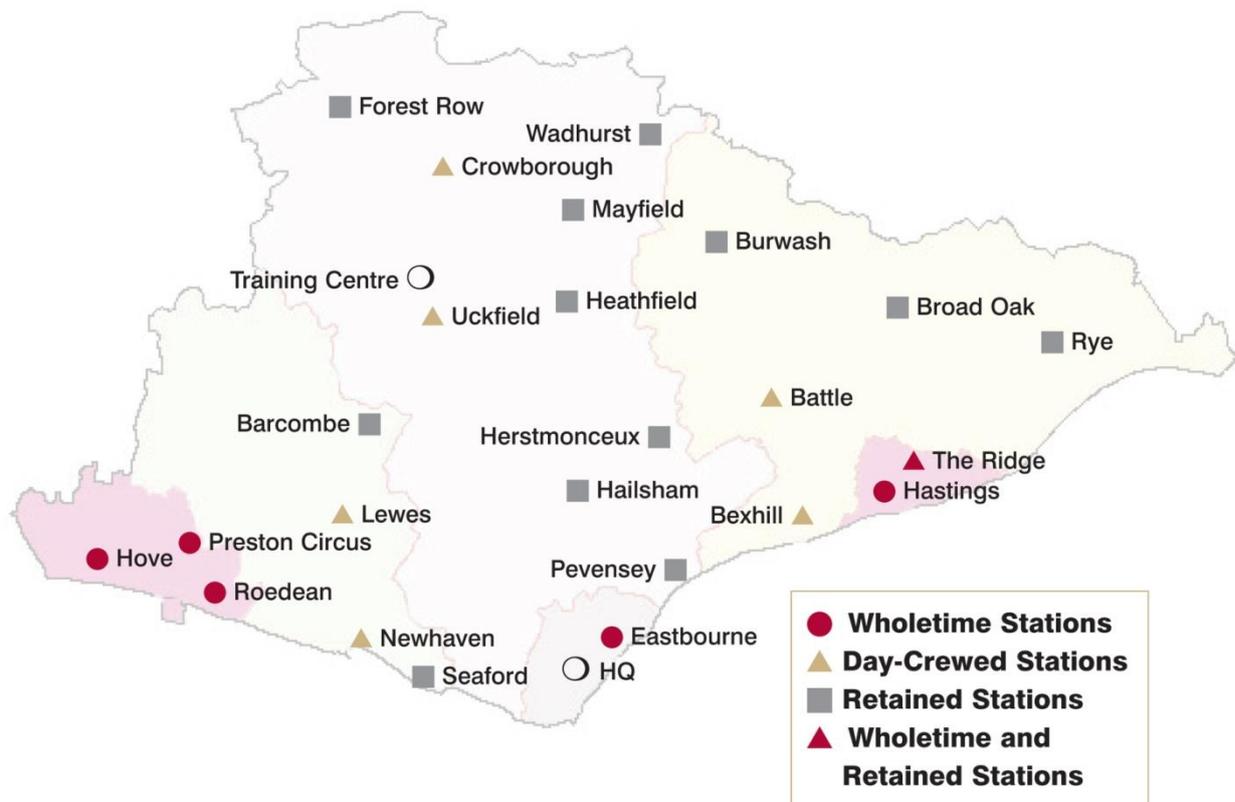
The Service was restructured in 2019 to divide the area covered by the Service into three Groups: Central, East and West.

Each Group is managed by a Group Manager, who is based within the Group area. The Group Manager has responsibility for all aspects of service delivery within the Group, including prevention, protection and response services. This structure enables the service to work productively with our partners in the local authorities, Police and ambulance services and other public services and community groups.

## Community Fire Stations

The Fire & Rescue Service provides its operational service from:

- 6 shift fire stations - crewed 24 hours a day by wholetime firefighters plus one retained appliance at The Ridge Fire Station.
- 6 day-crewed stations - crewed 24 hours a day by wholetime firefighters who are on station from 0900 – 1800 and are on call from home outside of these hours. The stations are supported by firefighters, on the retained duty system, who are on call 24 hours a day and respond when called via alerters (pagers).
- 12 retained stations – crewed by firefighters, on the retained duty system, who provide 24 hour cover on call using alerters (pagers).



## **Fire Authority Purpose and Commitments**

**Our Purpose and Commitments are at the centre of everything we do.**

Whether responding to emergencies, working to prevent them happening in the first place or providing support, our firefighters, officers, control room operators, Business and Community Safety Teams, support staff and volunteers all play their part.

We are proud to serve East Sussex and Brighton and Hove City.

### **Our Purpose**

**We make our communities safer**

### **Our Commitments**

**We will do this by:**

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

### **Our Values**

#### **Proud**

We are proud of our Service and enjoy working in a positive environment – by continually improving our services and our organization

#### **Accountable**

Serving our whole community – by providing a good, cost-effective service

#### **Integrity**

Trust, integrity, initiative and innovation – by being open, honest and encouraging creativity

#### **Respect**

Respect and dignity for all – by treating members of our community and each other in a way that values their individuality and by challenging discrimination and unsuitable behaviour



## **Fire & Rescue Service Contact**

For general queries, operational policies or the Fire & Rescue Service Complaints Officer, write to:

Senior Democratic Services Officer  
East Sussex Fire & Rescue Service Headquarters  
Church Lane  
Lewes  
East Sussex  
BN7 2DZ

Telephone: 0303 999 1000

Fax: 01323 725574

Email: [enquiries@esfrs.org](mailto:enquiries@esfrs.org)

Web: [www.esfrs.org](http://www.esfrs.org)

For all operational issues

In the event of an emergency please dial 999.

For all non-emergency enquiries please contact:

### **Fire & Rescue Service Headquarters**

Email: [enquiries@esfrs.org](mailto:enquiries@esfrs.org)

Tel: 0303 999 1000

(minicom: 01323 462 003)



**Section E – Part 1  
Guidance for Councillors and for  
continuing Member development**

**SECTION E – Part 1 (extract)**

**GUIDANCE FOR COUNCILLORS AND FOR CONTINUING MEMBER  
DEVELOPMENT**

	Page No.
1. <a href="#">Introduction</a>	2
2. <a href="#">Induction</a>	2
3. <a href="#">Member Learning &amp; Development Strategy</a>	4
4. <a href="#">Mentoring Scheme</a>	5
5. <a href="#">Members' Seminars</a>	6

Responsible Officer	Section Issued	Section amended/ updated	Review Date
ACO	December 2014	December 2016 July 2019	



## **GUIDANCE FOR COUNCILLORS AND FOR CONTINUING MEMBER DEVELOPMENT**

### **1. Introduction**

- 1.1 Members appointed to the Fire Authority from the constituent authorities of East Sussex County Council and Brighton & Hove City Council may have some experience of being a local councillor, may be entirely new to local government, or may have previous experience of serving in a Fire Authority.
- 1.2 The Members of the Fire Authority have a key role in the governance and strategic leadership of the organisation. They serve the communities they represent by ensuring that the Authority fulfils its statutory duties and functions under the Fire and Rescue Services Act 2004 and other legislation in a way which is compliant and which meets the budgetary and strategic plans which the Authority sets. Members do this through the decisions they make at meetings of the Fire Authority and its Panels.
- 1.3 Further general information regarding the role of Members is outlined in Section A of this Constitution. In Sections B and E, information may be found on Member leads in the different areas of the Authority's operation as well as information about allowances and the Codes and Protocols which govern the conduct of Members and outline the expectations made of them. Information regarding the Fire Authority's meetings and those of its Panels may be found in Sections C and D.
- 1.4 As well as providing new Members of the Fire Authority with a handbook which outlines expectations, the Fire Authority has an ongoing commitment to ensuring its Members are supported in continuously developing the range of skills needed to be outstanding community leaders.



## 2. Induction

2.1 A comprehensive induction programme is given to all Members of East Sussex Fire Authority to give them a foundation and knowledge to enable them to contribute effectively to the work of the Fire Authority in a short space of time.

2.2 Members' initial induction will usually include information on:

The Authority's key plans and documents such as:

- The Fire Authority's duties
- Annual Plan
- Medium Term Financial Plan
- Integrated Risk Management Plan
- How the Fire & Rescue Service is structured and the range of services provided
- Standing Orders and Scheme of Delegations
- Timetable of programmed meetings

Familiarisation with the Fire & Rescue Service's facilities, including:

- FRS Headquarters, including meeting rooms
- FRS Training Centre at Maresfield
- ESFRS fire stations
- East Sussex Fire Control

Resources available to Members such as:

- Guidance from ESFRS staff, e.g. Senior Leadership Team, Monitoring Officer, Treasurer and Democratic Services
- Local Government Association (for Councillor development and guides) at:  
<http://www.local.gov.uk/councillor-development;jsessionid=616D1921284B12C85FB05F517461DFB8>
- National Fire Chiefs Council
- Fire Service College at Moreton-in-Marsh

General Housekeeping arrangements:

- Code of Conduct for Members



**Section E – Part 1**  
**Guidance for Councillors and for**  
**continuing Member development**

- Declarations of Interests
- Political Group forms and election of Group Leaders
- How to claim allowances and the supporting documentation required from Members such as motor vehicle insurance, MOTs and driving licences.



### **3. Member Learning & Development Strategy**

3.1 A robust Member Learning & Development Strategy has been formulated to support Members in achieving the skills needed to meet the broad range of responsibilities that come with being a community leader.

3.2 The aims of the strategy are to:

- create a clear Member Development Framework, based upon individual needs and the needs of the Fire Authority as a whole
- ensure all Members have the skills and knowledge necessary to lead the delivery of high quality public services through the Community Leadership way of working
- ensure all Members are fully aware of their responsibilities, accountabilities, legal requirements and matters of probity
- support continuous learning and skill-building, through Personal Development Planning

3.3 From these key aims, an action plan has been developed to help drive the work being undertaken by the Fire Authority, by identifying key milestones and goals.

3.4 A mixture of online courses, in-house workshops, external courses and events all help to give a balanced approach and maintain flexibility.

### **4. Mentoring Scheme**

4.1 The purpose of the ESFA mentoring scheme is to provide elected members with the personal support they require to enable them to fully contribute to the strategic leadership of the authority whilst also supporting their personal development.



**Section E – Part 1  
Guidance for Councillors and for  
continuing Member development**

- 4.2 Mentoring is an invaluable personal development opportunity for anyone who wants to draw on their knowledge and experiences to encourage, shape and challenge personal and professional self-awareness and learning in others.
  - 4.3 An elected member mentor is able to give independent confidential help, support, guidance and advice to a mentee in an unbiased way, to enable them to learn and develop.
  - 4.4 A successful mentor will draw upon and develop a range of skills including analysis, problem-solving, listening and questioning and is likely to gain invaluable perspectives from their own self-reflection and that of their mentee.
- 5 Members' Seminars**
- 5.1 A series of Members' Seminars are held during the year at intervals between Fire Authority meetings. These give the opportunity for Members to be briefed informally about current issues and to take part in interactive sessions in a more relaxed atmosphere.

# Constitution

## 11 June 2020



The Constitution of the East Sussex Fire Authority includes the rules within which the Authority operates and the arrangements which the Authority has put in place to enable it to perform its duties and functions lawfully and transparently. This Constitution has been divided into sections which group together the rules, procedures and policies which the Authority is bound by in the performance of its functions.

This Constitution was first approved and published in its current form in 2015. It is regularly updated to ensure that the Authority's arrangements represent current practice as well as legal requirements, and is published online as part of the Fire Authority's commitment to transparency in the delivery of its functions.

# Index

## Section A – Introduction and Background:

### A Guide to East Sussex Fire Authority

1. The Members
2. Organisational Structure
3. Fire Authority Purpose and Commitments
4. Fire & Rescue Service Contact

## Section B – The Members of the East Sussex Fire Authority

1. The current Members
2. Member Leads

## Section C – Arrangements to perform functions

1. The Fire Authority and its Panels
2. The Scheme of Delegations to Officers

## Section D – Rules of Procedure

1. General Standing Orders (for Meetings)
2. Contract Standing Orders
3. Financial Regulations

## Section E – Codes, Protocols and Guidance

1. Members' Information
2. Guidance
3. Strategies and Equality Impact Assessments
4. Safer Communities Strategy
5. Estates Strategy
6. Fleet & Equipment Strategy - under development
7. Communications & Consultation Strategy
8. Inclusion, Equality and Diversity Strategy

- 9. Health, Safety & Wellbeing Strategy**
- 10. People & Organisational Development Strategy**
- 11. Response & Resilience Strategy - under review**  
[Read more about our response & resilience work](#)
- 12. Corporate Governance**
- 13. Information Technology Strategy**
- 14. Procurement Strategy**

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**EAST SUSSEX FIRE AUTHORITY**

**Date** 11 June 2020

**Title of Report** Review of Terms of Reference of Human Resources and Principal Officer Appointment Panels

**By** Abraham Ghebre-Ghiorgis, Monitoring Officer

**Lead Officer** Liz Woodley, Deputy Monitoring Officer

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**Background Papers** Section B - Fire Authority Constitution

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**Appendices** Appendix 1 – Revised Terms of Reference for Human Resources and Principal Officer Appointments Panel

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**Implications**

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

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**PURPOSE OF REPORT** To propose changes to the Terms of Reference of the Human Resources and Principal Officer Appointments Panel

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**EXECUTIVE SUMMARY** The Service’s Disciplinary Procedures are incompatible with the Gold Book Terms and Conditions of Service, under which the Principal Officers are employed. Minor changes to the Terms of Reference of both the Human Resources and Principal Officer Appointments Panel will address the issue.

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**RECOMMENDATIONS** That the Fire Authority:

- i) approve with immediate effect the amended Terms of Reference for the Human Resources and Principal Officer Appointments Panels as set out in Appendix 1
- ii) authorise Assistant Director Planning and Improvement to amend and re-publish Section B of the Constitution to reflect those amendments

## **1 INTRODUCTION**

- 1.1 The Fire Authority's constitution provides that substantial changes to the constitution including changes to the terms of reference of any Panel require full Fire Authority approval.
- 1.2 Whilst the Service's Disciplinary Procedure is appropriate for staff on Grey and Green Book Conditions, it is not entirely compatible with Gold Book Terms and Conditions of Service for Brigade Managers. The Service's Principal Officers are Brigade Managers for the purposes of the Gold Book. Consideration is being given to the introduction of a separate Disciplinary Procedure for Principal Officers, but as an interim measure, it is proposed to amend the terms of reference of the Human Resources and Principal Officer Appointment Panels to clarify their roles and add a right of appeal.

## **2 PANEL TERMS OF REFERENCE**

- 2.1 In relation to disciplinary matters, the Human Resources Panel is entitled to hear and determine appeals in relation to dismissal and disciplinary action taken against any officer or employee and any other matter referred to the panel under the disciplinary procedure of the Fire Authority.
- 2.2 The Principal Officer Appointments Panel deals with the appointment of Principal Officers and their terms and conditions of service, including remuneration.

## **3 DISCIPLINARY PROCEDURE**

- 3.1 The Service has a detailed Disciplinary Procedure running to 39 pages. It is compliant with the ACAS Code of Practice on Disciplinary and Grievance Procedures, and reflects the agreement on Disciplinary Procedures outlined in the National Joint Council for Local Authority Fire and Rescue Services Scheme of Conditions of Service (Grey Book) and the National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service (the Green Book). It applies to all ESFRS employees. The ultimate sanction under the procedure is dismissal. There is a right of appeal to the Authority against an officer decision to dismiss to the Authority. Such appeals are heard by the Human Resources Panel. There is no further right of appeal.
- 3.2 For Principal Officers, the Disciplinary Procedure provides that "Where a Principal Officer is subject to investigation, Gold Book Terms and Conditions will apply. The investigation will be undertaken by an external investigator and heard by the Fire Authority". That hearing is a function of the Human Resources (HR) Panel. In its capacity as a Disciplinary Panel, the HR Panel will hear cases and where appropriate consider a suitable sanction such as oral/written warnings, final written warning through to dismissal with or without notice.
- 3.3 The Gold Book further provides, "Where a Brigade Manager is dissatisfied in respect of matters concerning disciplinary proceedings and /or the outcome of proceedings they should exercise their right of appeal under the Disciplinary Procedure." There is no right of appeal in the current procedure for Principal Officers, and to address this incompatibility with the Gold Book, it is proposed that an appeal to the Principal

Officer Appointments Panel be introduced for Brigade Managers/Principal Officers dissatisfied at the decision of the Human Resources Panel acting as a Disciplinary Panel.

- 3.4 Only minor changes to the Panels' Terms of Reference are required to introduce the proposed change. They are shown in bold in Appendix 1. Given that they are limited in scope, it is recommended that they should take immediate effect, and that the Assistant Director Performance and Improvement/Democratic Services be authorised to arrange publication of the amended terms on the Service's website. The changes will provide the Authority with a fair disciplinary process for Principal Officers, compatible with their contractual terms and conditions.

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## HUMAN RESOURCES PANEL

### (Number of Members 7: Quorum 3 voting Members)

The Terms of Reference of the Human Resources Panel are as follows:

1. To hear and determine:
  - (a) appeals in relation to dismissal and disciplinary action taken against any officer **contracted to the National Joint Council Conditions of Service (Grey Book)** or any employee **contracted to the National Joint Council for Local Government Services ( Green Book)**
  - (b) any other matter referred to the Panel under the disciplinary procedures of the Fire Authority.
2. **As the Disciplinary Panel for staff contracted to the National Joint Council for Brigade Managers of the Fire and Rescue Services (Gold Book) to hear and determine Discipline matters where the independent investigation has determined that there is a case to answer.**
3. To hear and determine collective disputes in accordance with:
  - (a) The NJC for Local Authority Fire & Rescue Services Scheme of Conditions of Service (Grey Book).
  - (b) The NJC Scheme of Conditions of Service for Local Government Services (Green Book).
4. To hear and determine individual grievance appeals under the agreed Grievance Procedures of the Fire Authority.
5. To hear and determine any matters which are required to be dealt with by Members of the Authority under the Firefighters' Pension Scheme, the Local Government Pension Scheme and any predecessors to these schemes or any procedures adopted by the Authority in relation to pensions.
6. To decide appeals on the reduction of sick pay for operational and control staff contracted to the National Joint Council Conditions of Service (Grey Book) and the National Joint Council for Brigade Managers of the Fire and Rescue Services (Gold Book) in the event of a member of staff being dissatisfied with the outcome of the appeal to the Chief Fire Officer & Chief Executive

## **PRINCIPAL OFFICER APPOINTMENTS PANEL**

**Sections 15 and 16 of the Local Government and Housing Act 1989 shall not apply in respect of this Panel, which shall comprise the Chairman of the Authority and the Leader of each political group (excluding the political group of which the chairman is a member), and one additional seat allocated to the Conservative Group.**

**The Act requires the Authority to agree this without any member of the Authority voting against.**

### **Quorum: 3 voting Members**

1. To determine the appointment procedures for the post of Chief Fire Officer & Chief Executive.
2. To carry out the shortlisting of candidates for the post of Chief Fire Officer & Chief Executive.
3. To conduct final interviews and make appointments to Principal Officer posts.
4. To consider and approve terms and conditions of service, including remuneration, for Principal Officers.
5. **To hear and determine appeals from the Human Resources Panel acting as the Disciplinary Panel for staff contracted to the National Joint Council for Brigade Managers of the Fire and Rescue Services (Gold Book)**