

POLICY & RESOURCES PANEL

Minutes of the meeting of the POLICY & RESOURCES PANEL held Via Webex at 11.30 am on Thursday, 29 April 2021.

Present: Councillors Peltzer Dunn (Chairman), Evans, Galley, Tutt, Pragnell and Powell

Also present: D Whittaker (Chief Fire Officer), M O'Brien (Deputy Chief Fire Officer), M Matthews (Assistant Chief Fire Officer), L Ridley (Assistant Director Planning & Improvement), D Savage (Assistant Director Resources/Treasurer), L Woodley (Deputy Monitoring Officer), A Blanshard (Senior Democratic Services Officer) and E Simpkin (Democratic Services Officer)

22 Declarations of Interest

There were none.

23 Apologies for Absence/Substitutions

There were none.

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

There were none.

25 Minutes of the last Policy & Resources Panel meeting held on 21 January 2021

It was noted that there was an omission of the word 'to' on page 10 of the minutes which should have read:

'Councillor Pragnell moved an amendment to recommendation 2 to change the wording from 'consider whether' to 'instructs officers.'

RESOLVED: That the minutes of the meeting of the Policy & Resources Panel held on 21 January 2021 be approved as a correct record, subject to the amendment as outlined above, and signed by the Chairman.

26 Callover

Members reserved the following items for debate:

27. Revenue and Capital Budget 2020/21 and Capital Programme 2020/21 to 2024/25 Monitoring at Month 11 (end February).

27 Revenue and Capital Budget 2020/21 and Capital Programme 2020/21 to 2024/25 Monitoring at Month 11

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The Panel received a report from the Assistant Director Resources/Treasurer (ADR/T) which provided the findings of the month 11 monitoring undertaken on the Revenue and Capital Budget 2020/21 and Capital Programme 2020/21 to 2024/25. It was noted that a net Revenue underspend of £290,000 had been identified; an adverse variation of £206,000 from the position identified in the last report to Policy and Resources Panel of £496,000 underspend. The ADR/T explained that this was primarily due to the impact of the additional investment in the Customer Relationship Management (CRM) project as agreed by the Authority. It was noted that this additional spend had been offset in part by the identification of additional underspends and the successful bid for an additional £129,000 Covid Support grant funding.

The Capital Programme had been monitored against the revised programme which was agreed by the Authority in February. A review of Capital projects had resulted in a forecasted expenditure of £2,032,000 resulting in a net variation of £263,000 of which £338,000 was slippage and a net £76,000 in year overspend mainly on estates design guide schemes. Further details on the current risks associated with both the Revenue and Capital budgets were provided in the report.

The Chief Fire Officer (CFO) provided a brief update on matters discussed at the previous Panel meeting and informed Members that the staff seconded to South East Coast Ambulance Service (SECAMb) to provide additional support during the pandemic had now returned ESFRS. The possible need for funding for Covid testing had been addressed as the Service had been given access to rapid testing directly from the Department of Health.

The Panel queried whether the level of underspend and the increase in the contingency budget indicated that there was too much 'slack' in budget and asked for a further explanation of the movement in reserves. Members also asked whether there was merit in providing the budget monitoring on a quarterly basis. The ADR/T responded that budget monitoring was provided to the Senior Leadership Team on a monthly basis with the latest available report being presented to the Panel. With regard to the revenue underspend, this was due to delays in project activity, staffing vacancies, delays in recruiting and in-year issues due to the impact of the pandemic. The ADR/T reminded Members that recurring underspends were considered for taking as savings as part of the budget setting process. Turning to reserves, the drawn down had been less than anticipated due to a number of factors including: re-phasing of IT and P21 project spend; delays (partly due to the impact of Covid-19) and re-phasing of capital projects (as set out in the February 2021 budget papers); delays in the national ESMCP project; and the receipt of new one-off Government grants, the balance of which had been carried forward to fund spend in 2021/22. The Authority still planned a significant reduction in reserves to below £3m over the next 3 years as they were used to finance planned investments.

Members asked about work being undertaken to ensure equality and diversity in recruitment and the progress with developing a carbon reduction strategy. The ADR/T informed the Panel that there was investment in renewables

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planned as part of the Estates Strategy and a task and finish group which would report to Members in December 2021 with costed and prioritised actions to reduce the Authority's carbon footprint. There would be some costs initially in engaging a third party to help support the task and finish group. With regard to recruitment, the CFO also informed the Panel that the Service was launching the 'Yes You Can' campaign which included a series of online sessions to provide further information on becoming a firefighter and would feature positive role modelling.

The Panel also asked the budget needed in order to realise full functionality of IT systems and whether there was concerns over the level of investment income, especially given the amount of funds in short term investment. The ADR/T confirmed that the Authority had agreed to fully fund the IT Strategy 2020-25, including its revenue implications, and also had agreed additional investment in the CRM project. Each project was required to submit a business case including its approach to benefits realisation to the Strategic Change Board before funding was released. Each Project Board was responsible for ensuring that projects delivered those benefits and maximised the return on investment. With regard to treasury management, the ADR/T explained that there was a relatively high amount of funds held in overnight access accounts, however this was to enable access to funds for the planned the investment in projects and capital schemes. Interest rates were currently poor and officers continued to work closely with the Authority's Treasury Management advisers to identify short term investment opportunities which fitted the investment profile.

The Panel thanked the ADR/T for the report.

RESOLVED: That the Panel noted:

- (i) the risks to Revenue Budget and the projected underspend;
- (ii) the risks to the Capital Programme and the projected in year slippage and overspend;
- (iii) the reduced net forecast drawdown from reserves;
- (iv) the monitoring of savings taken in 2020/21 including those savings at risk,
- (v) the current year investments and borrowing; and
- (vi) that following the Authority's decision to allocate additional funding of £1,094,000 to CRM project, £946,000 (£496,000 underspend, £450,000 reserves) is reflected in this report.

The meeting concluded at 12.07 pm

Signed

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Chairman

Dated this

day of

2021