

FIRE AUTHORITY

Minutes of the meeting of the FIRE AUTHORITY held at Council Chamber, County Hall, East Sussex County Council, St Anne's Crescent, Lewes at 10.30 am on Thursday, 9 February 2023.

Present: Councillors Galley (Chairman), Lambert (Vice-Chair), Azad, Dowling, Evans, Geary, Hamilton, Maples, Marlow-Eastwood, Nemeth, Osborne, Powell, Redstone, Scott, Taylor, Theobald, Ungar and West

Also present: D Whittaker (Chief Fire Officer), D Norris (Deputy Chief Fire Officer), M Matthews (Assistant Chief Fire Officer), D Savage (Assistant Director Resources/Treasurer), L Woodley (Deputy Monitoring Officer), L Ridley (Assistant Director Planning & Improvement), M Lloyd (Assistant Director Safer Communities), H Scott-Youlton (Assistant Director Operational Support & Resilience), Alison Avery (Finance Manager), E Curtis (Communications & Marketing Manager), R Smith (Democratic Services Officer) and A Blanshard (Democratic Services Manager)

131 Declarations of Interest

Councillor Redstone declared a personal, non-prejudicial interest due to his membership of the East Sussex County Council Pensions Committee.

132 Apologies for Absence

There were none.

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

The Fire Authority recorded their congratulations to the Chief Fire Officer on her being awarded the King's Fire Service Medal in the New Year's Honours list. Members thanked the Chief Fire Officer for her dedicated service to East Sussex Fire & Rescue Service as well as her work nationally on water safety.

The Chairman acknowledged that the Fire Authority would be making difficult decisions at the meeting and urged all Members to try to act in a collegiate manner.

134 To consider any public questions

The following questions were received from Members of the Public. The questioner attended the meeting and asked their question in person, they will also receive a written copy of the response to their question.

The question and response are included in these minutes as a matter of public record.

Public Question from Leo Cacciatore, Fire Brigades Union Rep. of Hastings, Bohemia Road:

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

“It is understood that the service has to legally deliver a balanced budget. Therefore, do the proposed changes and re-distribution of resources satisfy our operational, moral and legal obligation in delivering a functioning service that is in accordance with what a public expect and where does it leave us if not?”

Response:

The requirement to deliver a balanced budget falls on the Fire Authority, as the properly constituted body discharging all responsibilities under the Fire and Rescue Services Act 2004, and other relevant legislation. The current Integrated Risk Management Plan (IRMP) 2020-25 is prepared against the Fire and Rescue Services Act 2004, and the current Fire and Rescue National Framework. It sets out clearly our operational model, developed following a comprehensive modelling of risk and vulnerability in 2019. The IRMP was approved by this Fire Authority in September 2020 following extensive public consultation, which was carried out in accordance with government guidelines, but also with advice from an external consultancy specialising in public consultation.

Our moral obligation is set out clearly in our purpose, commitments, and values. Our purpose, which drives our Service, is that ‘We make our communities safer.’ This purpose is enabled by our commitments, to:

- Deliver high performing services
- Engage with our communities
- Have a safe and valued workforce, and
- Make effective use of our resources.

Fundamental to our purpose and commitments, and underpinned by our adoption of the Fire and Rescue Service Code of Ethics, are our values, against which we are all accountable:

We are PROUD of the service we provide, we are ACCOUNTABLE for our actions, we show INTEGRITY in our work, and we RESPECT our colleagues and members of the community.

We provide assurance to the public through our regular financial and performance reporting. Independent assurance is also provided through our internal audit service and the work of EY our external auditors in their audit of our financial statements and our arrangements for value for money. Following an extensive inspection by HMICFRS, during the summer last year, we were judged as ‘good’ for both effectiveness and efficiency.

In summary, the Fire Authority continues to provide a service which keeps our communities safe and we aim to continue to do so.

In response to a supplementary question regarding whether the Fire Authority was concerned with how quickly the financial situation facing all Fire & Rescue Services, especially ESFRS, was changing and developing. On

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

behalf of the Fire Authority, the Chairman confirmed that it continued to provide a good service, compliance with the Authority's attendance standards was good and it had not failed the public. It would, of course, prefer a more secure budget and it had lobbied Government for more sustainable finances. The Authority has a reputation for sound financial management and sought to provide a balanced budget for 2023/24 and a plan for the same in 2024/25.

135 To receive any petitions

There were none.

136 Non-confidential Minutes of the Previous Meeting

RESOLVED – That the minutes of the meeting held on 8 December 2022 be approved and signed by the Chairman.

137 Callover

Members reserved the following items for debate:

201 Fire Authority Service Planning processes for 2023/24 and beyond – Revenue Budget 2023/24 and Capital Asset Strategy 2023/24 to 2027/28

202 Treasury Management Strategy for 2023/24

204 Integrated Transport Function – Fort Road site, Newhaven

RESOLVED – The Fire Authority agreed that all other reports on this Agenda be approved in full.

138 Fire Authority Service Planning processes for 2023/24 and beyond - Revenue Budget 2023/24 and Capital Asset Strategy 2023/24 to 2027/28

The Fire Authority considered the report of the Chief Fire Officer (CFO) and Assistant Director Resources/Treasurer (ADR/T) presenting the draft Revenue Budget 2023/24, Capital Strategy 2023/24 – 2027/28 and Medium Term Finance Plan for 2023/24 – 2027/28 for approval. The ADR/T introduced the report to the meeting, outlining the changes since the initial proposals presented to the Policy & Resources Panel at its meeting in January 2023 and since the publication of the agenda for this meeting. These included minimal changes as a result of the publication of the Final Local Government Finance Settlement and additional one-off funding of £65,000 from the distribution of the Business Rate Levy Account surplus (which was not reflected in the papers). The reported Collection Fund position had been revised to a zero balance from the £0.4m deficit previously forecast. Further updates had been made to the Capital Asset Strategy reflecting the latest forecasts for delivery in 2022/23 and inflation impacts on fleet schemes, these together increased the total value of the programme by £1.089m between 2023/24 and 2027/28.

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

Final information on funding from business rates had not yet been analysed and these remained as estimates. Confirmation was still awaited from the Home Office on specific grants, including those relating to Pensions and Protection Uplift.

The funding settlement was still only for 1 year and there was no certainty on funding for 2024/25 and beyond, but the settlement was better than expected, this increase had been helped by comprehensive lobbying across the sector, locally and nationally, to Central Government. This improved position was largely due to the Government's guarantee of a 3% increase in Comprehensive Spending Power (before decisions on increases in council tax) and an increase in the council tax referendum threshold to 3% and, for 2023/24 only, an additional flexibility for all fire authorities of up to £5. This was welcomed, although the Fire Authority would still need to make challenging decisions to balance the budget. The Authority had continued to make progress in identifying and agreeing efficiencies and savings proposals over the last 12 months, the latest Medium Term Financial Plan showed that savings of £1.295m had been identified already in 2023/24.

The report outlined proposals for setting a balanced revenue budget for 2023/24, in line with the Fire Authority's statutory duty, and included commitments, growth bids and new savings. Additional savings proposals, which would, based on current forecasts, be necessary to balance the budget in 2024/25 were also set out as the Fire Authority had requested in order to determine which tranches should be developed further and implemented, subject to appropriate public consultation.

As recommended by the Policy & Resources Panel, the budget proposals had been modelled on a £5 council tax increase. The budget gap for 2023/24 was £0.636m. It was proposed that this be funded using reserves in 2023/24, the amount required to balance the budget for 2024/25 was £0.721m. The use of one-off measures in 2023/24 would allow time for the additional savings proposals, set out in section 7 of the report, to be developed, consulted upon (where required) and implemented by 1 April 2024. Using reserves to balance the budget was legitimate where it assisted in smoothing the impact/delivery of planned savings, but the approach was not financially sustainable and could not form an ongoing part of budget setting. This would be the second year that the Fire Authority had used its reserves to balance its budget.

The ADR/T referred to paragraph 4.8 of the report which set out a range of risks that had the potential to impact on the Authority's ability to deliver its budget plans over the medium term to which Members needed to give consideration. Additionally, there would be the future impact of grey book pay negotiations, but as these were ongoing, they could not be dealt with today. It was estimated that if the latest pay offer was accepted it would result in an additional cost pressure of £0.3m in this year, £0.5m in 23/24 and £0.6m in 24/25. The Fire Authority was also directed to paragraph 11.1, the Chief Finance Officer's Statement, this confirmed that the estimates used for the purposes of calculating the budget, revenue and capital had been produced in

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

a robust and transparent way and the proposed financial reserves were consistent with Fire Authority policy and were both prudent and necessary. Furthermore, it is essential that the Authority focuses on delivering the additional savings proposals that will enable it to balance its revenue budget from 2024/25 onwards without recourse to the use of reserves. In addition, the Authority must implement the proposals made in this report to rebuild its reserves and maintain its financial sustainability over the next five years.

A full and lengthy debate followed. Members queried whether the potential pay settlement included the backdating of pay for this year, the ADR/T confirmed it did, to 1 July 2022 as required for grey book staff.

Members, referring to the revised list of Fees and Charges set out at Appendix C, asked whether the increases proposed were sufficient, they did not appear to be as large as they could be. The ADR/T explained that in terms of income derived it was minimal, the Authority were only permitted to recover costs, not to make a profit, therefore the increases had been modelled in line with increases in pay. It was also important to note that some of these were set externally. The CFO added that the most common of these charges were for Fire Investigation Reports, the fee for these would be monitored as the compilation of these reports could be lengthy. It was important to anticipate the impact of these on other work that was required, Fire Investigations were not a Statutory function, but the Service undertook them as it was a good way to learn lessons.

Members asked whether the Service could recover costs from companies if they were found to have caused an incident through proven negligence. The CFO explained that with regards to third party cost recovery it was dependent on who it was. For qualifying major incidents, the Service was supported by the Government's Bellwin Scheme which is payable when costs exceed spending over 0.2% of its budget. The Sector was lobbying Government for a review of this considering wildfires. If the costs arise because of Criminal activity, then the Service could apply for compensation as part of the court process. However, negligence by a 3rd party must be proven and the key consideration in this circumstance would be whether the legal costs would outweigh any compensation. The Service would always consider cost recovery through the appropriate channels if there was a reasonable expectation of success. The Deputy Monitoring Officer (DMO) added that the Service was not allowed to charge for its Statutory functions (Section 18 (b) of the Fire & Rescue Services Act 2004) therefore we would not be permitted to charge for responses, including those relating to severe weather.

A discussion followed with regards to Members' concerns about the success of the lobbying for additional funding from Central Government. The Authority was grateful for the work that was done to draw attention to concerns about the funding of the Fire Sector, both locally and nationally, but some Members felt that this was not as successful as it could have been. They were keen that lobbying should continue but should focus on requiring Government to increase core funding rather than the ability to raise council tax. The ADR/T responded that the lobbying had been broadly successful, but that the future

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

remained extremely difficult, the request to the Fire Minister for the ability to increase Council Tax by the same level next year was because Government had already set its spending limits for 2024/25, so Council Tax was the only avenue available. The Service would continue to lobby for increases to grants, and longer term financial settlements. The CFO added that aside from the funding perspective, there were growing demands for the Service to respond to a wider range of incidents, climate change was increasing and driving our responses. The NFCC was lobbying hard on the issue of flooding, fires in the open and other incidents that should be but are not currently statutory duties of the Fire Sector. There was for example no statutory responsibility for the Service to respond to water rescues, but it is driven by the Civil Contingencies Act, because of this it is entirely unfunded by Government. The Fire & Rescue Services Act is 20 years old and out of date, these issues were all being taken up with the Fire Minister and the Sector was trying to ensure that its argument was clear and supported by good data.

The Fire Authority collectively expressed concern about the difficult decisions that were before them, no Member was taking their responsibilities lightly and felt that the situation the Service and the wider public sector found itself in was concerning. It was agreed that setting a balanced budget was challenging, particularly with the outcome of the pay offer still unknown. There was support for continued lobbying and the need for adequate funding to enable the Authority to do its job properly, rather than being asked to deliver more with less, but Members were adamant that this must be for central funding and not just for increased income from council tax. A lengthy discussion followed with Members expressing their concerns for the future and gratitude to the staff and volunteers for all their work. The general feeling amongst those present was that this budget was necessary and would be supported but not a decision that anyone would be taking lightly.

The Authority asked how tranche 3 would be implemented and for some clarity on the implications of tranche 1 on Newhaven and Uckfield. The Deputy Chief Fire Officer (DCFO) confirmed that for tranche 3 the process of scoping out the structural change had already begun, it would look at all areas and progress would be reported through the Senior Leadership Team and to the Policy & Resources Panel. The Assistant Chief Fire Officer (ACFO) addressed the implementation of tranche 1, the current IRMP would still deliver the 18 appliances. There were no changes to Uckfield and Newhaven relating to the flexible crewing pool and on-call provision.

The Fire Authority agreed to vote on all the recommendations as one. The Chairman read each recommendation in full, and the Authority voted as follows:

For: 15

Abstain: 3

No Member voted against the recommendations

RESOLVED – The Fire Authority agreed to:

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

1. Approve an increase in council tax of £5 and thus approve:
 - (i) The budget proposals set out in the report and the net budget requirements of £45.058m for 2023/24
 - (ii) The council tax requirement of £31.093m; and
 - (iii) The council tax and precepts as set out in Appendix F to the report;
2. Approve the capital programme for the next five years and the capital budget of £8.421m for 2023/24 including the plan to use Community Infrastructure Levy (CIL), capital receipts, revenue contributions and new borrowing to finance capital expenditure;
3. Approve that the general balance remains below the Authority's policy minimum of 5% of the net revenue budget until 2025/26;
4. Approve the fees and charges set out in Appendix C to the report;
5. Approve the use of reserves as follows to balance the revenue budget in 2023/24;
 - £0.116m from Carry Forward reserve
 - £0.440m from Sprinkler reserve
 - £0.080m from Financial Stability reserve;
6. Approve that the Assistant Director Resources/Treasurer, in consultation with the Chief Fire Officer and the Chairman, be authorised to make any adjustments to the presentation of the budget to reflect the Final Local Government Settlement;
7. Note that a revised set of proposals had been presented in section 7 of the report from those considered previously by the Fire Authority at its December 2022 meeting and those considered by the Policy & resources Panel in January 2023;
8. Note that as a result of the proposals being considered that two decisions made in the Integrated Risk Management Plan 2020/25 would change:
 - (i) the original decision to:

'introduce a one-watch duty system at Bexhill, Crowborough, Lewes, Newhaven and Uckfield to work over 7 days with an establishment of 9'

was changed to the proposal in tranche 2 within section 7 of the report to:

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

‘to be to remove On-call at Lewes and Crowborough and increase Wholetime crewing from 9 to 10’ noting that this change provides the same level of service provision to the community’

- (ii) that the tranche 4 proposal had been further amended from:

‘Defer the introduction of the additional pump in Hastings and continue to move to a Day crewed duty system at The Ridge fire station from a shift duty system and: Defer moving Bexhill to a 1 pump resilience station, maintaining the second appliance as a dedicated appliance, and in doing so provide additional cover in the Hastings area’

to

‘Reconsider the delivery model in the East of the Service area, ensuring 2 immediately available appliances in Hastings, 24-hour period, 7 days a week.’;

9. Approve pausing the implementation of the IRMP decisions taken in 2020 ***to introduce a second full-time fire appliance at Bohemia Road Fire Station, increasing the staffing levels at that station, and pause the Ridge Fire Station changing to a 7 day a week “day crews” system with a 1 watch staffing level of 9.*** Noting that this pause presents no additional risk to the communities in Hastings. Service provision will remain as it currently is until new options are developed under tranche 4;
10. Approve the implementation of the changes detailed in tranches 1-3 noting that public consultation is not required;
11. Note that Officers would continue to develop options under tranche 4 and that once developed may require public consultation as described in section 8 of the report, to be agreed at the Fire Authority meeting in June 2023 if necessary; and
12. Note that if savings can be achieved, without the need to revisit tranche 4, the decision to pause the implementation plan will be considered again as part of the Fire Authority’s next Community Risk Management Plan (CRMP), to be consulted on during 2024.

139 Treasury Management Strategy for 2023/24

The Fire Authority considered the report of the Assistant Director Resources/Treasurer (ADR/T) presenting for approval the Treasury Management Strategy, policy statement and the Minimum Revenue Provision (MRP) Statement 2023/24. The report contained recommendations regarding the borrowing limits, prudential indicators and limits, the investment strategy and policy as required by Section 3 (1) of the Local Government Act 2003 and the Prudential Code for Capital Finance 2017.

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

The ADR/T explained that the emphasis continued to be on security (protection of the capital sum invested) and liquidity (keeping money readily available for expenditure when needed). The Strategy and limits were consistent with the proposed capital programme and revenue budget previously approved at this meeting.

The Fire Authority were recommended to approve borrowing limits to give flexibility for any future consideration in undertaking new external long-term/replacement borrowing should the need arise, or market conditions prove favourable. The Fire Authority had always adopted a prudent approach on its investment strategy and no changes were proposed for 2023/24.

The Fire Authority was recommended to approve the 2023/24 investment strategy, it should be noted that any introduction of longer term investments would result in an increased, but appropriate, level of risk to the investment portfolio. The Authority to the 31 December 2022 had earned £276,000 in investment interest at an average rate of 1.79%. This level of return was broadly consistent with recent available Investment benchmarking.

The Authority were informed that CIPFA had published revised Treasury and Prudential codes in December 2021, full adoption of the new codes was incorporated into this Strategy and were set out in the report.

Members were grateful for the timetabling of Treasury Management Training to be held in Spring 2023. There was a query as to whether the projected borrowing for 2027/28 took into account the potential increase in need for specialist vehicles. The ADR/T confirmed that the Revenue Budget and Capital programme reflected the Fire Authority's decisions regarding the current IRMP and Fleet assets, the Community Risk Management Plan (CRMP) would revisit issues including the impact of climate change. The Chief Fire Officer (CFO) added that the Statute had been changed in Wales and Scotland and now included Water Rescue and therefore attracted additional and specific funding. It was hoped that lobbying by the National Fire Chiefs Council (NFCC) on this matter would be successful and that the statute in England would be changed accordingly.

RESOLVED – The Fire Authority agreed to:

1. approve the Treasury Management Strategy and policy statement for 2023/24 (and adopt for the remainder of (2022/23));
2. determine that for 2023/24 the Authorised Limit for borrowing shall be £15.0m;
3. adopt the prudential indicators as set out in Appendix 2 to the report;
4. approve the Minimum Revenue Provision (MRP) Statement for 2023/24 as set out in Appendix 3 to the report; and

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

5. approve the Annual Investment strategy for 2023/24 as set out in Section 5 of the report.

140 Pay Policy Statement 2023/24

The Fire Authority considered the report of the Assistant Director People Services (ADPS) which presented the Fire Authority's Pay Policy Statement for the period 1 April 2023 to 31 March 2024, in line with the requirements of the Localism Act 2011.

The Localism Act 2011 imposed a duty on relevant local authorities to prepare pay policy statements for each financial year, this years must be approved by 31 March 2023. The report did not propose any changes to the Authority's existing policies on pay or its pay scales. It reflected the previous Pay Policy updated with the outcomes of national pay settlements, decisions of the Principal Officer Appointments Panel in relation to Principal Officer pay and changes to the Firefighters and Local Government Pension Schemes.

RESOLVED – The Fire Authority agreed to approve the Pay Policy Statement for 2023/24.

141 Integrated Transport Function - Fort Road, Newhaven

The Fire Authority considered the report of the Assistant Director Operational Support & Resilience (ADOSR) which provided an updated timeline for a full business case regarding Fort Road, Newhaven to be returned to the Authority and sought delegated authority to cease the sale of the property.

In December 2022, the Fire Authority's Urgency Panel approved a pause in the sale of the East Sussex Fire & Rescue Service (ESFRS) owned site in Fort Road, Newhaven to Lewes District Council (LDC) in order to build a business case to develop the South East Engineering spoke of the broader Integrated Transport Function, involving ESFRS, West and Surrey Fire & Rescue Services, Surrey Police and Sussex Police.

It was anticipated that the full business case would be presented to the Senior Leadership Team's February meeting and progressed to the Policy & Resources Panel at its meeting in April 2023 to seek approval for adjustments to be made to the capital programme. In view of this timeline, it was necessary for the Fire Authority to give its approval to delegate authority to the Chief Fire Officer, in consultation with the Monitoring Officer and Treasurer, to formally stop the sale of the Fort Road, Newhaven site and to formally notify LDC of this. Members queried when this would take place. The ADOSR confirmed that an initial conversation had been held with LDC, they were aware of the proposal, the timeline and that it was being explored. The Chairman confirmed that he would be speaking directly with the Leader of LDC to explain the position and the process that would be taken.

RESOLVED – The Fire Authority agreed to:

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

1. the timeline of the full business case for the redevelopment of the Fort Road site, Newhaven as articulated in paragraph 2.5 of the report;
2. note that no changes would be made to the Capital Programme until the business case, including the revenue and capital budget impacts was approved by the Fire Authority; and
3. approve the delegation of the decision to cease the sale of Fort Road, Newhaven to the Chief Fire Officer in consultation with the Monitoring Officer and Treasurer.

142 Exclusion of the Press & Public

RESOLVED – That agenda item no. 206 be exempt under paragraph 3 of Part 11 Schedule 12A to the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006 and accordingly are not open for public inspection on the following grounds: they contain information relating to the financial or business affairs of any particular person (including the authority holding that information).

143 Confidential Minutes of the Previous Meeting

RESOLVED – That the confidential minutes of the meeting on 8 December 2022 be approved and signed by the Chairman.

The meeting concluded at 12.29 pm

Signed

Chairman

Dated this

day of

2023