

FIRE AUTHORITY

Minutes of the meeting of the FIRE AUTHORITY held at Council Chamber, Brighton Town Hall, Bartholomew Square, Brighton BN1 1JW at 10.30 am on Thursday, 8 February 2024.

Present: Councillors Galley (Chairman), Lambert (Vice-Chair), Asaduzzaman, Azad, Dowling, Evans, Geary, Goddard, Hollidge, Maples, Meadows, Muten, Redstone, Scott, Tutt, West and Wright

Also present: D Whittaker (Chief Fire Officer & Chief Executive), D Norris (Deputy Chief Fire Officer), M Matthews (Assistant Chief Fire Officer), A Ghebre-Ghiorghis (Monitoring Officer), D Savage (Assistant Director Resources/Treasurer), L Ridley (Assistant Director Planning & Improvement), J King (Assistant Director People Services), M Lloyd (Assistant Director Safer Communities), H Youldon (Assistant Director Operational Support & Resilience), A Avery (Finance Manager), S Milner (Planning & Intelligence Manager), E Curtis (Communications & Engagement Manager), N Barr (HR & OD Manager), H Woollard (Principal Accountant, Orbis) and A Blanshard (Democratic Services Manager)

Press & Public: 8 in attendance

179 Declarations of Interest

There were none.

180 Apologies for Absence

Apologies had been received from Councillors Marlow-Eastwood, Osborne, Shing, Theobald and Ungar. Councillors Hollidge, Meadows, Tutt and Wright had been appointed to attend as substitutes for this meeting.

181 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.

182 To consider any public questions

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

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

Public Question from Leo Cacciatore, Battle resident & Fire Brigades Union Rep. Battle & Bohemia Road:

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“How is the service going to work towards securing the 18 fire engines detailed in the IRMP across the service and secure more resilient fire cover in our rural areas to ensure an effective response and one that meets our overall standard?”

Response:

The agreed Integrated Risk Management Plan, 2020-2025 identified seven areas of change.

Workstream 1, The Operational Resilience Plan, seeks to enhance the 15 appliances provided in the existing Core Station policy to 18 appliances with a further 6 appliances for resilience purposes on a delayed response to support with reliefs. The current IRMP is not due to complete until 2025/26 but it is envisaged we will move to the finalised Operational Resilience Plan during 2024/25.

The IRMP team continues to update a range of policies to enable a more agile approach to crewing and maximising appliance availability.

As part of the Integrated Risk Management Plan Workstream 1 and wider work, the Service has already implemented a number of key work areas including:

- A **Flexible Resource Pool**, which provides the Service with a pool of deployable assets and staff to maximise availability.
- A **logistics management function**, bringing together the centralised management of crewing through the Logistics & Control Support team, which is expected to go live in 2024/25. The function will enable oversight of crewing levels across the Service and move staff to where they can best impact appliance availability.
- An **investment in improving the welfare facilities** at a number of stations to facilitate the posting of firefighters to those stations throughout the 24 hour period. This will now include both Rye and Battle fire stations.
- An **On Call review**, which recently made a number of recommendations designed to enhance availability and ensure a more sustainable model of delivery.
- An **‘Availability’ Strategic Position Statement** that currently requires a minimum of 50% availability from the On-call stations. Any of the On-call stations that drop below the 50% target will have an **improvement plan** coordinated by the designated local Station Manager, that outlines plans to maximise appliance availability.
- An **organisational focus on reducing the current levels of sickness and capability related absence**. Both short and long-term

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sickness absence is having a significant effect on staff availability, resulting in excess overtime costs causing pressure on the remaining staff and delays in the integrated risk management plan implementation. Through the People Services Directorate, the Service is exploring a range of measures to ensure an early return to full operational duties of its highly-trained and professional staff.

Despite the above pressures, we continue to meet our on-call appliance service standards for the first arriving appliance in 15 minutes with a result of 73.2% in 2021/22 and 73.5% in 2022/23, against a target of 70%. The latest result for quarter three 2023/24 is 73.5%.

In response to a supplementary question relating to the On Call Review and the Availability Strategic Position Statement the questioner wanted to know whether improving availability would have a financial impact on the Service and whether money might be made available by Central Government. The Fire Authority had charged SLT to make clear the case for areas where additional funding is required in order to lobby the Treasury, Home Office and Ministers. Officers were also working in liaison with the representative bodies to ensure they are sighted on this. Whilst the 2024/25 settlement has been received, officers would continue identify the case where the funding is insufficient to address risk. Both the Fire Authority and Officers were mindful of the need to continue clear lobbying for appropriate funding.

183 To receive any petitions

There were none.

184 Non-confidential Minutes of the Previous Meeting

RESOLVED - That the minutes of the meeting held on 7 December 2023 be approved and signed by the Chairman.

185 Callover

Members reserved the following items for debate:

249 Fire Authority Service Planning processes for 2024/25 and beyond – Revenue Budget 2024/25 and Capital Asset Strategy 2024/25 to 2028/29

250 Treasury Management Strategy 2024/25

251 Annual Pay Policy Statement 2024/25

186 Fire Authority Service Planning processes for 2024/25 and beyond - Revenue Budget 2024/25 and Capital Asset Strategy 2024/25 to 2028/29

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The Fire Authority considered the report of the Chief Fire Officer (CFO) and Assistant Director Resources/Treasurer (ADR/T) presenting the Fire Authority's draft Revenue Budget 2024/25, Capital Strategy 2024/25 – 2028/29 and Medium Term Finance Plan for 2024/25 – 2028/29 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 2024 and since the publication of the agenda for this meeting. Funding in the published budget papers had increased by £0.620m compared with the Policy & Resources Panel papers due primarily to a forecast increase in the Minimum Funding Guarantee Grant of £0.516m and income from Council Tax of £0.104m. Since the Agenda had been published the Final Local Government Finance Settlement had been confirmed, the additional funding guarantee grant was £75,000 lower than anticipated, the new pensions grant was £65,000 less than had been budgeted for, the Protection grant was £63,000 lower than expected, but there had been a one off pensions admin grant of £96,000. This meant that there was a reduction in funding to that in the published papers of close to £0.102m. There were some presentational corrections to figures in the published report that make no impact on the recommendations but for transparency would be amended, under delegated powers, and published after the meeting.

The ADR/T reminded the Authority that they were once again working within a one year settlement, standalone Fire Authorities had received the smallest core spending power (CSP) increases, due to the cash flat roll in of the Fire Pensions Grant and lower council tax flexibilities, East Sussex's increase was 4.9% and it was one of 31 CFAs that needed to receive the Minimum Funding Guarantee grant. Despite extensive lobbying, no additional precept flexibility had been granted to Fire & Rescue Authorities therefore the highest increase permitted without a referendum was 2.99%, this was disappointing when compared to Police Crime Commissioners (including those that were responsible for Fire too) who were permitted to increase by £13.

The ADR/T welcomed the fact that the existing Pensions Grant had been rolled into the settlement but added that a new Pensions grant totalling £83m across the Fire Sector had been awarded to offset the cost of increased employer contributions from 2024/25. However, the allocation meant that the Service had received less than had been budgeted for. In addition, there being a reduction to our allocation for the Protection grant rather than an increase to reflect risk was disappointing and a follow up meeting was being sought with the Home Office.

The ADR/T presented Members with a balanced budget for 2024/25 which included pressures of £3.5m (£2.3m pay and £0.5m price inflation); growth bids of £0.4m; savings of £1.9m and £0.6m drawdown from reserves. Council tax was proposed to increase by 2.99% taking Band D to £107.49.

Following the funding changes it was no longer necessary to take Tranche 4 (East of the County) of the savings proposals as approved by the Fire Authority in February 2023 and it was recommended that these should no longer be pursued. It was also recommended that the decision taken in the last Integrated Risk Management Plan (IRMP) regarding changes in Hastings

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be rescinded as they were not financially sustainable in the current environment.

The Capital Programme set out continued investment in the Service's estate, fleet and IT of £8.9m in 2024/25 and £24.2m in total over the next five years. Given ongoing cost pressures on capital schemes the ADR/T stated that the Capital Programme was unlikely to be affordable in the medium term in its current form and would be subject to further review during 2024/25 alongside planned reviews of the Estates, Fleet & Equipment and IT Strategies.

Reserves would be reducing from £8.7m to £5.8m and General Balances would be below the Fire Authority's agreed policy minimum of 5% until 2026/27. It was anticipated that borrowing would increase from £9.4m to £21.5m over the next five years with associated revenue costs rising from £0.9m to £1.8m. The ADR/T warned the Fire Authority that there remained significant financial uncertainty and that the current modelling for the budget in 2025/26 was showing that savings of between £1.9m and £2.5m to balance the budget for that financial year, work to identify additional savings for the next year must begin as soon as possible. One proposal was to consider options regarding Mayfield on-Call Fire Station, the Authority were not taking a decision on this at the meeting, but were, in line with the recommendation of the Policy & Resources Panel, being asked to approve the Senior Leadership Team (SLT) creating an Options Appraisal including a variety of possibilities to be presented to the meeting of the Fire Authority on 13 June 2024.

The ADR/T drew the Authority's attention to the range of risks that they needed to consider in taking their decision, as set out in para. 4.9 of the report, and to the Treasurer's Statement at Section 9 of the report.

Members thanked the ADR/T and his team for all their work to produce the report before them and for being able to present a balanced budget for their approval particularly at such a challenging time financially for local authorities, especially following a prolonged period of real terms reductions in funding. Members expressed their own disappointment at the financial settlement, the fact that it continued to be for one-year and the disappointing decision to limit the Authority's precepting flexibility in spite of robust lobbying.

Members asked why, as at para. 3.4, the additional funding for ESFRS had been allocated to the contingency fund, the ADR/T explained that due to the short turnaround time for being granted the money and finalising the budget it was pragmatic to put the funds there allowing SLT time to decide more judiciously how it would be best utilised, this would be determined over the next couple of months, alongside final information on income from Business Rates and an updated position reported to Policy & Resources Panel in July as part of Month 2 budget monitoring.

Members discussed the need to recommence borrowing and concerns over interest rates, the Authority's Treasury Management Advisors were clear that this was the least propitious time to commence borrowing, the ADR/T was well aware of this and in discussions in order to achieve the best value

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through short-term borrowing from other local authorities before locking in to longer-term PWLB borrowing when interest rates were improved.

Members were content that there was no longer a need to pursue the savings relating to the Tranche 4 and the last IRMP but were concerned by the outlook for the budget in future years, particularly the predicted gap in 2025/26 and welcomed Officers commencing work on identifying savings early. There was a lengthy discussion on the potential savings and the impact of any decisions regarding Mayfield On-Call Fire Station. A variety of options would be looked at using all the information and data available, considering societal and environmental changes and challenges and station risk profiles. Although there were no answers available at this early stage the purpose of the Authority commissioning the options analysis was to enable a greater level of detail to be provided so that an informed decision could be taken, furthermore, if a decision were taken that impacted the public then a full consultation process would be undertaken.

The CFO thanked Members for their comments, agreeing that this budget setting process had been particularly challenging amid some disappointing funding decisions. Officers and Members committed to continuing to lobby central government for fairer funding provision for Fire & Rescue Services.

RESOLVED – The Fire Authority agreed to:

1. Note that:
 - (a) the one year settlement as set out in the Local Government Finance Settlement is only provisional at this stage and may be subject to change;
 - (b) the East Sussex Business Rate Pool, of which the Authority is a member, has been approved as part of the LGFS, and that any income will be transferred into the Business Rates Pool Reserve;
 - (c) that the Home Office has still to announce the amount and allocation of fire specific grants for 2024/25; and
 - (d) the final business rate bases and the collection fund positions are still awaited and that any changes will be reflected through budget monitoring for 2024/25
2. Approve an increase in council tax of 2.99% and thus approve:
 - (i) the budget proposals set out in this Report and the net budget requirement of £49.992m for 2024/25
 - (ii) the council tax requirement of £32.483m; and
 - (iii) the council tax and precepts as set out in Appendix F;
3. Approve the capital programme for the next five years and the capital budget of £8.949m for 2024/25 including the plan to use Community

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Infrastructure Levy (CIL), capital receipts, revenue contributions and new borrowing to finance capital expenditure;

4. Approve that the general balance remains below the Authority's policy minimum of 5% of the net revenue budget until 2026/27;
5. Approve the fees and charges set out in Appendix C;
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. Approve that the Authority:
 - (a) Does not progress placing a third pumping appliance into Bohemia Road (Hastings) as this option is no longer financially viable
 - (b) Does not progress changing the Ridge Fire Station to Day Crewed from the current shift system which will maintain the current provision of two immediately available fire appliances in Hastings;
8. Approve that the Authority does not progress the East of the County options previously set out as part of tranche 4;
9. Approve that, further to the recommendation agreed by Policy & Resources Panel, the Senior Leadership Team present options for achieving permanent savings to balance the 2025/26 budget at the earliest opportunity, it is recommended that the Fire Authority request that Officers develop an options appraisal for Mayfield On-Call Fire Station. This would cover options to redistribute resources based on risk and the closure and sale of the Fire Station. An indicative timeline for any associated public consultation and implications would also be required.

187 Treasury Management Strategy 2024/25

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 2024/25. The report contained recommendations about 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. The emphasis continued to be on security and liquidity and the strategy and limits were consistent with the proposed capital programme and revenue budget. It was impossible in practical terms to eliminate all credit risk and the Fire Authority continued to seek to be prudent in its investments.

The Fire Authority was recommended to approve borrowing limits to give flexibility for any future consideration in undertaking new external long-

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term/replacement borrowing should the need arise or market conditions prove favourable. The Fire Authority was recommended to approve the Investment Strategy, noting that there were no changes proposed for 2024/25, any introduction of longer term instruments would result in an increased, but appropriate, level of risk to the investment portfolio. To the 31 December 2023 the Fire Authority had earned £671,988 in investment interest at an average rate of 4.89%, a level of return broadly consistent with recent available Investment benchmarking.

Members were grateful for the report. There was some dissatisfaction with the choice of wording by the Service's Treasury Advisors in Appendix 4 and it would perhaps have been more accurate to describe the cost of living crisis as "continuing" rather than "fading", but it was understood that this was the professional economic overview of another organisation and therefore not subject to amendment.

The Fire Authority referred to the anticipated need to borrow in the short to medium-term, para. 4.1, in particular regarding borrowing in advance of need and asked how much borrowing had been undertaken so far. The ADR/T reminded the meeting that the Fire Authority had not taken out any new external borrowing since January 2008, all spending had been financed internally. This had included use of capital receipts from the disposal of Service housing and the sale of the old Headquarters, which had between them generated c. £10m. The ADR/T explained that an advantage of borrowing in advance of need was that if the opportunity presented itself the Treasurer could borrow early if the terms were favourable, at this stage, based on the current rates any borrowing was likely to be inter-authority rather than external.

RESOLVED – The Fire Authority agreed to:

- i. approve the Treasury Management Strategy and policy statement for 2024/25;
- ii. determine that for 2024/25 the Authorised Limit for borrowing shall be £21.6m;
- iii. adopt the prudential indicators as set out in Appendix 2;
- iv. approve the Minimum Revenue Provision (MRP) Statement for 2024/25 as set out in Appendix 3; and
- v. approve the Annual Investment Strategy for 2024/25 as set out in Section 5.

188 Annual Pay Policy Statement 2024/25

The Fire Authority considered the report of the Assistant Director People Services (ADPS) seeking approval for the Fire Authority's Annual Pay Policy Statement for the period 1 April 2024 to 31 March 2025, in line with the requirements of the Localism Act 2011. The Act imposed a duty on relevant

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local authorities to prepare pay policy statements for each financial year, the statement must be approved by 31 March 2024. There were no changes proposed to the Fire Authority's existing policies on pay or its pay scales. It reflected the previous Pay Policy updated to include the outcomes of national pay settlements, decisions of the Principal Officer Appointments Panel (in relation to Principal Officer's pay) and changes to the Firefighters and Local Government pension Schemes.

Members thanked officers for a comprehensive report. Members asked how many individuals were employed by the Service on the lowest salary scale of Job Family (JF) 1, the ADPS confirmed that although they did not have the numbers available, they would follow this up outside of the meeting. It was then asked how the representative lowest salary shown in the statement was set and why this was a mean salary and not JF1 and whether there was any plan to reduce the ratio between highest and lowest earners. The ADPS explained that the Authority was required to publish its own definition of 'lowest paid' employees based on how it applied to the Authority's workforce, the definition used and the statement template had been in place for many years and was felt to be representative. The Chief Fire Officer (CFO) added that whilst the Pay Policy Statement was very clearly specified as to the information it could contain, the Service also published a separate pay report which included more detail and allowed for more flexibility in what could be included. The CFO reminded the Authority that the policy was driven by the National Joint Council (NJC) and that the pay scales for the three terms and conditions books (Gold, Grey and Green) represented at the Service were negotiated and agreed at a national level. Whilst there was some small flexibility in regard to local bonuses and allowances the Authority were beholden to the NJC Pay levels.

RESOLVED – The Fire Authority agreed to approve the Annual Pay Policy Statement as set out in Appendix 1 to the Report.

The meeting concluded at 11.47 am

Signed

Chairman

Dated this

day of

2024