

POLICY & RESOURCES PANEL

Minutes of the meeting of the POLICY & RESOURCES PANEL held at Council Chamber, County Hall, East Sussex County Council, St Anne's Crescent, Lewes BN7 1UE at 11.30 am on Thursday, 21 July 2022.

Present: Councillors Peltzer Dunn (Chairman), Galley, Lambert, Powell (In place of Maples) and Taylor

Also present: D Whittaker (Chief Fire Officer & Chief Executive), 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), J King (Assistant Director People Services), E Simpkin (Democratic Services Officer) and Abigail Blanshard (Senior Democratic Services Officer)

41 Declarations of Interest

It was noted that, in relation to matters on the agenda, no participating Member had any interest to declare under the Fire Authority's Code of Conduct for Members.

42 Apologies for Absence/Substitutions

Apologies had been received from Councillors Evans and Maples. Cllr Powell had been appointed to attend as substitute for Councillor Maples.

43 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.

44 Minutes of the last Policy & Resources meeting held on 12 May 2022

RESOLVED: That the minutes of the meeting of the Policy & Resources Panel held on 12 May 2022 be approved as a correct record and signed by the Chairman.

45 Callover

Members reserved the following items for debate:

- 6 Provisional Revenue Budget & Capital Programme Outturn 2021/22
- 7 Revenue Budget & Capital Programme Monitoring 2022/23
- 8 Fire Authority Response – Home Office White Paper “Reforming our Fire & Rescue Service”
- 9 Provision of Occupational Health Service

Unconfirmed minutes – to be confirmed at the next meeting of the Policy & Resources Panel

46 Provisional Revenue Budget & Capital Programme Outturn 2021/22

The Policy & Resources Panel considered the report of the Assistant Director Resources/Treasurer (ADR/T). This was the sixth report to Members for the 2021/22 financial year and highlighted the Provisional Outturn on the Revenue Budget 2021/22 and the 5 year Capital Programme, approved by the Fire Authority in February 2021 and the revised Capital Budget approved in February 2022. It was noted that the provisional outturn was based on currently available information and was subject to External Audit. The restructuring of the Finance team was almost complete, new members had started and there was already a noticeable improvement.

The provisional outturn was a net revenue underspend of £20,000 which was a reduction in underspend of £244,000 from the position identified in the last report to this Panel of £264,000 underspend. The ADR/T explained that of the variances listed the major ones would be picked up in terms of the 2022/23 monitoring. The movement of £322,000 from the position reported at P11 could largely be attributed to an increase in overtime and on-call costs, an increase in funding and a reduction in forecast Occupational Health recharges.

The ADR/T commented that the level of savings achieved would be very important for the coming year. The performance against grants and spending plans was summarised in the report, £3million was carried forward in earmarked reserves and spending plans were being developed for future years. The Capital Budget included further slippage from figures agreed at the February Fire Authority meeting. Worldwide supply chain disruption had particularly impacted Estates and Fleet/Engineering projects.

Members asked how these compared to other Fire Authorities. The ADR/T responded that there were no readily available comparative figures. However East Sussex was viewed as a financially well-managed Authority including by the HMICFRS. There were several smaller Authorities where the NFCC/Home Office had concerns about their financial sustainability.

Internally there was more work to do financially, the Senior Leadership Team would have to have some difficult conversations over the coming months, however, it was important to remember that the Authority was in a relatively good position in terms of its financial standing and stability. The Panel could rely on and draw assurance from both the Internal and External Audit processes and the HMICFRS Inspection.

Members stated that there were likely to be difficult times ahead in terms of Government funding and asked where more savings could be found. The ADR/T agreed that the lack of long-term funding would inevitably have impacts on the Authority. A report would be taken to September Fire Authority setting out the latest assessment of future funding and the impact of pay and price inflation on expenditure

RESOLVED – The Policy & Resources Panel agreed to note:

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- i. the provisional 2021/22 Revenue Budget outturn;
 - ii. the provisional Capital Programme outturn, including the slippage amount and spending incurred in advance;
 - iii. the net drawdown from reserves during the year;
 - iv. the savings delivered in 2021/22; and
 - v. cash balances invested at year end and borrowing repaid.
- vi. The Policy & Resources Panel agreed to approve that the outturn underspend of £20,000 be transferred to the improvement & Efficiency reserve.

47 Revenue Budget & Capital Programme Monitoring 2022/23

The Panel considered the report of the Assistant Director Resources/Treasurer (ADR/T) on the 2022/23 Revenue Budget and the Capital Programme 2022/23 to 2026/27. This was the first report to Members for the 2022/23 financial year. Whilst a full forecast had not been undertaken at P2 this report identified emerging risks and pressures in relation to the 2022/23 revenue and capital budgets. At this early stage it was difficult to give a definitive forecast but based on current information the Authority could face net unfunded pressures of between £1.005m and £2.473m. Pressures on both pay and prices were outside of the Authority's control and the former might not crystallise until later in the year once pay settlements were agreed. The situation would be regularly monitored and reported to both SLT and the Fire Authority throughout the year.

The ADR/T explained that there were both risks and opportunities. The potential impacts of pay awards were being assessed along with the pressures from last year's budget and inflation. This assessment also involved considering contingency and unallocated reserves.

Members queried whether there was money being set aside to deal with the likely future increase in wildfires. The Chief Fire Officer (CFO) responded that the country had had the hottest and the wettest extremes of weather over the last decade and that this was a matter of national resilience. Locally the Service had coped with the recent wildfires in its area and had enough additional capacity to offer assistance to neighbouring Services. The CFO added that there was some concern that this matter had not been referenced at all within the White Paper on Fire Reforms and that the NFCC had suggested that there was a need for early dialogue with the fire minister on this.

Members queried whether the savings figures set out in the report, or the Capital Programme plans could still be met as planned. The ADR/T responded that the delivery of savings was being closely monitored, but as the Service had been delivering savings since 2010 it was becoming increasingly challenging. Savings may have been reprofiled, SLT would manage and monitor these through the Medium Term Financial Plan (MTFP), they would also look for alternative savings. The Capital Strategy had

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experienced further delays to Fleet and Estates projects due to the worldwide supply chain issues, and tenders were coming in significantly higher than had been budgeted for. Future procurement would be adjusted using the lessons learned so far. There would be delays, but officers were working hard on the delivery timeline.

The Members queried the impacts on the Service of being over establishment with Firefighters. The ADR/T explained that there were a number of ways in which this was impacting the Service. It was over-establishment due to a recruitment campaign based on the age profile of the workforce and the anticipated high number of retirements. These individuals had not retired as expected due to national pension issues. The Service was working hard to manage this in a positive way, including less overtime etc. There was a risk that when the national pension issues were resolved all these retirees would leave at the same time, but the situation was constantly under review and being managed as best as possible.

RESOLVED – The Policy & Resources Panel agreed to:

- i. note the current assessment of risk facing the Authority in 2022/23; and
- ii. approve the proposed changes to the Engineering capital programme

48 Fire Authority Response - Home Office White Paper "Reforming Our Fire & Rescue Service"

The Policy & Resources Panel considered the report of the Senior Democratic Services Officer (SDSO) which provided an opportunity for Members to consider and approve the proposed response of East Sussex Fire Authority, collectively drafted by the four Group leaders. On 18 May 2022, the Home Office launched its consultation for the long anticipated White Paper setting out proposed reforms to the Fire and Rescue sector in England. There were three principal areas covered by the proposals People, Professionalism and Governance and views were being sought on the specific proposals and the wider package of reforms presented. The response that would be agreed by the Panel was the Member led response, a separate response would be submitted by the Service.

The White Paper had been circulated on its publication to all Fire Authority (FA) Members to allow for detailed scrutiny. The Group Leaders then submitted comments and responses on behalf of their Groups. A combined document was drawn up setting out the consultation questions and collated responses to allow the Group Leaders to consider each in depth at their Working Group meeting on 23 June 2022. The Working Group created a draft collective response for the FA, further consultation followed, and the Group Leaders met again to update the response which they felt represented a collaborative and collective response.

The Panel appreciated the thorough work that had gone into the creation of the draft response, it was clear that all Groups had been closely involved and

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that this was a good, cross-party response. Members were disappointed that the White Paper made no mention of Firefighter Pensions and only small mention made to pay. Members were surprised that there was so much apparently missing from the White Paper, such as business safety and the recruitment of appropriate staff, no mention of sprinklers or the new core code of ethics fire standard.

There was a discussion amongst the panel regarding proposed small amendments to the “scoring element” and small textual amendments

RESOLVED: The Policy & Resources Panel agreed to:

- i. amendments to the scoring element on questions twenty-two and twenty-three to become “disagree” additions and the addition of a reference to equality, diversity and inclusion at question seven on the draft response at Appendix 1;
- ii. Approved the draft response at Appendix 1 as modified as pursuant to recommendation i) above; and
- iii. Authorised the Senior Democratic Services Officer to submit the final response by the deadline of 26 July 2022.

49 Provision of Occupation Health Service

The Panel considered the report of the Assistant Director People Services (ADPS) presenting the proposed future arrangements for the provision of Occupational Health and Wellbeing Services within East Sussex Fire & Rescue Service (ESFRS). The Service had entered an in-house collaborated Occupational Health, Fitness and Wellbeing Service in 2018. The main aims were to improve the quality of service, clinical governance and self resilience. The agreement was for an initial 3 years with a one-year extension agreed to by the Service expiring on 8 August 2022.

The ADPS explained that a new collaboration agreement and service specification had been developed that clearly set out how the partnership would operate in the future. Alternative options for the provision of these services had been considered but none were assessed to provide the same scope and quality of service as that which was provided through the current collaboration.

RESOLVED – The Panel agreed to:

- i. extend the collaboration for a further 5 years from 8 August 2022, with an option for a one-year extension, with the option to utilise the 6-months’ notice period if the standard of service is not found to be adequate;
- ii. note the performance improvement measures for the collaboration;

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- iii. note the granting of a waiver under the Authority's Procurement Standing Orders; and
- iv. delegate authority to the Assistant Director People Services to take all actions necessary to put in place the new Collaboration Agreement.

The meeting concluded at 12.35 pm

Signed

Chairman

Dated this

day of

2022