

## EAST SUSSEX FIRE AUTHORITY

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**Report of a meeting of the East Sussex Fire Authority held at County Hall, St. Anne's Crescent, Lewes BN7 1UE at 10:30 hours on Thursday, 5 September 2019.**

Present: Councillors Galley (Chairman), Lambert (Vice-Chair), Boorman, Earl-Williams, Ebel, Evans, Hamilton, Osborne, Peltzer Dunn, Powell, Pragnell, Sheppard, Smith, Taylor, Theobald and Tutt

N.B. Apologies were received from Councillors Barnes, Dowling and Scott.

The agenda and non-confidential reports can be read on the East Sussex Fire & Rescue Service's website at <http://www.esfrs.org/about-us/east-sussex-fire-authority/fire-authority-meetings/> A brief synopsis and the decisions relating to key items is set out below.

### **1 URGENT ITEMS AND CHAIRMAN'S BUSINESS**

- 1.1 The Chairman reminded Members that the East Sussex Fire & Rescue Service Awards were being held in October. He thanked those Members that were attending, and urged more to take up the invitation in future. The Chairman informed the Authority that he was keen to encourage improved Member attendance at Service events, including Station Open Days and reminded Members that all such dates were included in the weekly email update.

### **2 2018/19 ANNUAL PERFORMANCE OUTCOME REPORT**

- 2.1 The Fire Authority considered the report presenting details of East Sussex Fire & Rescue Service's performance for the period April – March 2018/19. The report summarised the 2018/19 performance outcomes for East Sussex Fire & Rescue Service, providing a single view of information and allowing the Service to be held to account. The report provided comparison against last year's performance, and illustrated the Service's direction of travel and whether or not performance had improved, stayed the same or declined. There was a lengthy discussion around the content of the report.
- 2.2 Members queried if it was anticipated that grass fires would increase due to the impact of climate change. In the UK in 2017/18 there had been 76 open grass fires consuming more than 24 hectares, rising to 96 by July 2019. The trajectory of these fires showed that there were more of them and that they were bigger. The NFCC has stated that Climate Change is an issue for Fire & Rescue Services nationally and it is an issue now. Whilst data does not show there a significant local issue, ESFRS ensured any operational learning was gathered from other services and was are confident that it had appropriate levels of resource to match the risk.

- 2.3 The report showed that sickness absence was a priority for the Service and performance had improved on last year, ESFRS had a sickness policy that was adhered to, and that was implemented in line with a strong case management approach. Each case of long-term sickness was approached in an empathetic and caring way on its own merits. The culture at ESFRS was not one of presenteeism with each situation dealt with sensitively, patiently and jointly with the employee.
- 2.4 The Authority noted almost half the total ESFRS incidents were false alarms and sought confirmation that property owners were given guidance to stop them happening and whether consideration had been given to introducing fines to repeat offenders. Although there were still a high proportion of Automatic Fire Alarms (AFA) there had been a reduction through the year and the experience at ESFRS mirrored the national challenge. Whilst consideration was being given to charging repeat offenders, observing trials by other services suggested this approach yielded limited success and presented its own challenges. Every AFA callout was used as an opportunity, if false, to conduct a robust education piece as part of the wider business safety discussion and work was undertaken with repeat offenders.
- 2.5 The Fire Authority approved the performance results and progress towards achieving the Service's purpose and commitments. They also approved the performance results and remedial actions that had been taken to address areas of underperformance in priority areas.

### **3 REVENUE BUDGET AND CAPITAL PROGRAMME MONITORING 2019/20**

- 3.1 The Fire Authority consider issues arising from the monitoring of the 2019/20 Revenue Budget and Capital Programme as at 31 July 2019. At this early stage in the financial year with the delayed completion of the audit of the 2018/19 accounts this report focused principally on the risks to the revenue and capital budgets.
- 3.2 The Revenue Budget was forecast to be £36,000 underspent, reflecting where forecasts could be made with some certainty. The overall Capital Programme was projected to be £90,000 underspent, the current year's Capital Programme was projected to be underspent by £952,000 (comprising of slippage of £862,000 and £90,000 underspend). The Authority maintained Earmarked Reserves and General Reserves in order to assist in managing its spending plans across the financial year, a summary of current planned use of Reserves was presented at Appendix 4 to the report.

- 3.3 It was queried whether suppliers of vehicles were compared with other Fire & Rescue Services. ESFRS is a participant in national work on vehicle provision and a member of a national purchasing framework, the vehicle purchase programme had been paused to ensure all new purchases were locally appropriate. Members had some queries regarding the projected overtime bill. It was important to consider this spend of approximately £300,000 in the context of the overall budget for that department of £20.6m. The projected cost was not of immediate concern, the use of overtime provided flexibility but would continue to be monitored closely. The use of overtime was an operational matter, and Members were reassured it was managed correctly. Members were informed that the Preston Circus project was progressing well following extensive consultation with the employee representatives. All stages of each project would be undertaken with the appropriate level of stakeholder engagement.
- 3.4 Members asked why the average return on investments remained at 1%, it was confirmed that ESFRS had commissioned ORBIS to research alternative investment options and the findings would be presented to Members at a future meeting. The Fire Authority noted the risks to and the projected Revenue Budget underspend, the risks to and the projected underspend in the Capital Programme, the use of reserves, the monitoring of savings taken in 2019/20 and the current year investments. They agreed to vary the Capital Programme to reintroduce the purchase of an Animal Rescue Vehicle.

#### **4 2020/21 STRATEGIC SERVICE PLANNING AND MEDIUM TERM FINANCIAL PLAN**

- 4.1 The Authority received a report presenting plans to roll forward the medium term service planning strategy and medium term financial plan (MTFP) for 2020/21. The ADR/T explained to Members that this year the MTFP was essentially a roll forward of that agreed by the Authority in February 2019 with an additional year included. Closer alignment of business and resource planning was necessary to ensure that the Authority could continue to deliver its corporate strategy and Integrated Risk Management Plan (IRMP) outcomes more effectively, this would continue for the 2020/21 budget setting process.
- 4.2 There was continued uncertainty about the future of local government funding. Despite this the Authority would need to continue to drive through the service and budget planning process, identification of pressures and savings and cashable efficiencies. It was important that consideration was given to the replenishment of reserves. The Government's Spending Round announcement that had been made the day prior to the meeting. This was for one year only and contained no specific reference to fire services.

- 4.3 The Spending Round indicated baseline funding for local authorities would be protected in real terms for 2020/21 but would not know what this meant until the draft Local Government Finance Settlement was announced possibly in December. It was unclear at this stage whether the one off grant to fire services to cover additional pension costs in 2019/20 (worth £1.7m to this Authority) would be rolled forward into 2020/21. Government intended to consult on a 2% Council Tax referendum threshold, in line with current modelling. The Fairer Funding Review and changes to Business Rates Retention were to be delayed, it was hoped a Comprehensive Spending Review would be announced next year. The MTFP had been modelled for a reduction in funding, but could yet be mitigated by the Government proposals in 2020/21. ESFRS would continue to push for savings to ensure flexibility. There remained significant concerns about funding and financial sustainability in the medium term.
- 4.4 The reduction in sprinkler contributions was queried, Members were reminded that we were approaching the end of 2 years additional funding that the Fire Authority had agreed to budget for, this would cease as planned in 2021. There was still significant funding available, but it was important to be clear the offer had been to promote fitting of sprinklers and to encourage behavioural change, it was never the intention that ESFRS would fund this for Local Authorities.
- 4.5 Members requested that the difference in revenue of a 1.99% Council Tax increase compared to the currently intended 1.94% be calculated, and what the potential difference an additional 0.05% might be. The Fire Authority approved the updated MTFP for 2020/21 to 2024/25 and its underlying assumptions, considered the risks set out in the report and considered their modelling preferences for Council Tax, should the Government set the referendum threshold higher than the 2% currently included.

## **5 FIREFIGHTER PENSION SCHEMES UPDATE REPORT**

- 5.1 The Authority received a report informing them of pensions issues identified within the Firefighter Pension Schemes and setting out action being taken or proposed to resolve them. The Authority received a recap on the findings of the Norman v. Cheshire case. There was no national guidance to deal with the judgement of this case, therefore a local exercise had been undertaken. Early assessment indicated there was potentially up to £44,000 of unpaid employees' contributions, if these amounts could not be recovered through repayment plans or other means the current view was that the impact would be on the Pension Account. The Pension Advisor was working to put in place payment plans where possible.
- 5.2 The report demonstrated there was a large amount of work in the area of Pensions and Members sought reassurance that there was enough capacity to undertake it. It was agreed that this was an intensive process and the Pensions Advisor had performed a 'healthcheck' in order to identify issues. This work had uncovered issues resulting from the actions of both ESFRS, the Scheme Manager, and ORBIS, the Scheme Administrator. The Service was changing Firefighter Pension provider from ORBIS to the West Yorkshire Pension Fund (WYPF) due to Firefighter Pensions becoming increasingly complex. The WYPF would provide ESFRS greater resilience and expertise and were already supporting and administering Firefighter Pension Schemes on behalf of fourteen Fire & Rescue Services.

- 5.3 There was some suggestion that ESFRS should seek some recompense from ORBIS but the key focus was on ORBIS providing immediate resources in order to rectify the issues and not on seeking a rebate. It was added that this was not purely a local issue and there had been difficulties encountered by Pension Administrators across the Fire sector, some were historic but some were annual issues dealt with by all services. There had been a separate regulatory assessment which established that none of the issues presented were reportable breaches. Audits had been conducted on the Firefighter Pension Scheme by ESFRS' internal auditors and Members would be kept informed of the findings.
- 5.4 The Fire Authority noted the current pension issues and activities as identified in Appendix 1 to the report and confirmed that they were content with the action proposed to resolve them. They requested that a further report be presented to a future meeting of the Fire Authority once the Pensions Board had discussed and considered the issues and actions.

**COUNCILLOR ROY GALLEY**  
**CHAIRMAN OF EAST SUSSEX FIRE AUTHORITY**  
5 September 2019