

EAST SUSSEX FIRE AUTHORITY

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, 8 December 2022.

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

Apologies: Councillors Dowling, Scott and Taylor. Councillors Hollidge and Kirby-Green had been appointed to attend as substitutes for this meeting.

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 MEDIUM TERM FINANCIAL PLAN UPDATE - DRAFT SAVINGS PROPOSALS

- 1.1 The Fire Authority considered a report briefing Members on current draft savings proposals designed to address the funding gap identified in the Medium Term Financial Plan (MTFP) for 2023/24. This was the first report to the Authority and was the result of an urgent review of all budget areas that had been conducted to identify savings opportunities, Members would not be deciding at this stage, but a refreshed list of draft proposals would be included in the budget papers at the Fire Authority meeting on 9 February 2023.
- 1.2 Members were informed that, in line with the report to the September Fire Authority meeting, the Service continued to forecast a reasonable worst case scenario of a budget gap of £3million, acknowledging the actual figure would not be known until the local government funding settlement was announced in late December. There had been no mention of Fire at all within the Government's Autumn Statement. It appeared that the general level Council Tax that could be set had been increased to 3%, this equated to approximately £300,000 additional income which was of course helpful but would not be sufficient. The possibility of a £5 increase for all Fire Authorities was still being discussed. The impact of inflation on the Service was being assessed, utilities were procured through a Crown Commercial contract and so far, had added £350,000 to costs. The national revaluation of Business Rates burden had added £100,000 to costs. There would be no funding certainty until the Settlement was announced on a provisional basis in late December, however it was expected that this would only be for one year again, Finance Officers had modelled this as cash + 2% but there was some suggestion that this may be higher. Even if the settlement improved and the £5 Council Tax flexibility was approved, there was still the risk of a gap in the finances. The Chairman reminded the meeting that, as requested by the Fire Authority, there had been intensive lobbying of MPs and Ministers with regards to Council Tax flexibility.

- 1.3 Members queried whether the salary shortfall noted in the report was based on the 5% offer that had been rejected, they heard that a 2% increase had been modelled for each year, the figures in the report considered the £1925 flat rate offer that had been accepted by Green Book staff and the rejected 5% offer, if the increase was greater then the £3million funding gap would also increase. Members also asked whether the in year overspend/underspend had been included, it was confirmed that it had. The in year overspends were mainly due to the Wholetime firefighter numbers being over establishment and training costs. This was partly due to anticipated retirements not being as high as expected due to the national issues surrounding Firefighter Pensions remedy, the impact of long term absence and the delay in implementing changes to the Day Crew Duty System as part of the IRMP. There was work underway to manage down the overspends relating to training and on the wider training provision model.
- 1.4 Regarding the impact of the increased cost of utilities, Members asked whether the worst case scenario could in fact be even worse. It was explained that the Service currently brought services in a “6 month basket” but was looking to move to a “12 month Basket” to provide more security against the price fluctuations, but there were no guarantees.
- 1.5 Members asked what the impact of Industrial Action would be on the Budget. The impact was unclear and would depend entirely on the type and length of action that was taken. The spend would potentially be balanced by pay not being made during strikes, following the last strike it took two years to balance out the training costs. There was also a potential impact on pensions costs, those who went out on strike would lose their pension contributions and some may not have the means to buy back their contributions and the decision about employer contributions is at the discretion of each employer.
- 1.6 The Fire Authority had a lengthy, discussion regarding the Council Tax precept and the potential savings options that were presented to them and agreed that there was a need to model the budget around both a 3% and £5 Council Tax increase option. Members requested further development of the savings proposals and that a suite of developed savings options be returned to the Fire Authority at its meeting on 9 February 2023 for approval as part of the final budget proposals for 2023/24 and that these proposals should identify where formal public consultation was required.

COUNCILLOR ROY GALLEY
CHAIRMAN OF EAST SUSSEX FIRE AUTHORITY

8 December 2022