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Date
14 September 2022

Dear Member

DERBYSHIRE FIRE & RESCUE AUTHORITY MEETING – 22 SEPTEMBER 2022

Please attend the Meeting of Derbyshire Fire & Rescue Authority to be held on **Thursday 22 September at 1000 hours** at the Joint Training Centre, Fire & Rescue Service Headquarters, Butterley Hall, Ripley, Derbyshire, DE5 3RS. Party Political Group pre-meetings will commence from 0930 hours onwards and a room for this will be allocated by the Committee Clerk on the day. The agenda is set out below.

Yours sincerely

Gavin Tomlinson
Chief Fire Officer/Chief Executive

PART 1 – OPEN ITEMS

1. Public Question Time
2. Apologies
3. Declarations of Interest
4. To confirm the Minutes of the Fire & Rescue Authority Meeting held on 28 July 2022
5. To confirm the Minutes of the Governance & Performance Working Group Meeting held on 5 September 2022
6. To confirm the Minutes of the Inclusion & Equality Forum Meeting held on 6 September 2022

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Chief Fire Officer / Chief Executive
Gavin Tomlinson MBA MIFireE



Reports for Decision:

7. Revenue Budget Monitoring 2022/23 (as at July 2022) – Director of Finance/Treasurer, Simon Allsop

Reports for Information:

8. Update from Chief Fire Officer/Chief Executive
9. Members' Allowances 2021/22 - Director of Finance/Treasurer, Simon Allsop

PART 2 – EXEMPT ITEMS

The Authority is asked to consider in respect of the following items whether the public should be excluded from the meeting to avoid disclosure of information that is exempt for the reasons set out in the minutes and reports at items 10 to 12.

10. To confirm the Exempt Minutes of the Fire & Rescue Authority Meeting held on 28 July 2022

Reports for Information:

11. Delegated Powers Actions – Conversion of Houses at Whitfield Park, Glossop to Form Temporary Fire Station
12. Delegated Powers Actions – Acceptance of Tender for Fleet Maintenance Arrangements

MINUTES of the Meeting of the **DERBYSHIRE FIRE & RESCUE AUTHORITY**
Meeting held at the Fire & Rescue Service Joint Training Centre, Butterley Hall,
Ripley commencing at 1000 hours on Thursday 28 July 2022

Present:

Councillors: T Ainsworth, E Williams, G Potter, N Gourlay, S Bull, S Swann,
R Ashton, J Woolley, L Ramsey, J Innes, S Burfoot, R Skelton

Co-opted Member: PCC Foster

Officers in Attendance:

L Taylor	Solicitor/Monitoring Officer
M Nash	Head of Corporate Financial Services
G Tomlinson	Chief Fire Officer/Chief Executive
L Slade	Committee Clerk

24/22

PUBLIC QUESTION TIME

24.1 No public questions had been received.

25/22

APOLOGIES

25.1 Cllrs Iliffe, Taylor, Gillott and Peatfield.

26/22

DECLARATIONS OF INTEREST

26.1 None.

27/22

**TO CONFIRM THE MINUTES OF THE FIRE & RESCUE AUTHORITY MEETING
HELD ON 30 JUNE 2022**

27.1 Members confirmed the minutes as a correct record.

*Recorded votes: Unanimous
Cllr Ainsworth proposed, Cllr Ashton seconded*

28/22

**CAPITAL AND PRUDENTIAL OUTTURN 2021/22 AND REVISED CAPITAL
PROGRAMME 2022/23**

28.1 The Head of Corporate Financial Services presented a report to Members to provide information on the borrowing and lending position as at 31 March 2022 and report on the Prudential Indicators as required under the CIPFA Prudential Code of Practice.

- 28.2 The report also provided information on revisions to the 2022/23 and future Capital Programme following updates since the March 2022 report and to take account of the 2021/22 outturn position, and an update on the 2021/22 Revenue Outturn following receipt of National Non Domestic Rating (NNDR) information from billing authorities.
- 28.3 In respect of the proposed new fire station builds, Members noted that due to significant increases in costs t the deferral of the replacement of New Mills Station is recommended at this current time. Works to address the condition of the station will be prioritised and undertaken in due course.
- 28.4 A Labour Member asked if local councillors and employees had been made aware that the new build will be deferred. In response, the Chief Fire Officer confirmed that following today's meeting, local councillors and employees will be informed.

Resolved:

- 28.5 Members noted the 2021/22 outturn position and the funding of the 2021/22 Capital Programme.
- 28.6 Members noted the updated 2021/22 Revenue Outturn position following receipt of National Non Domestic Rating information from billing authorities.
- 28.7 Members approved the addition of £0.821m slippage to the 2022/23 Programme.
- 28.8 Members noted the Joint Training Centre Breathing Apparatus House scheme, approved under the delegated powers of the Chief Fire Officer and Director of Finance/Treasurer.
- 28.9 Members approved a £0.800m increase in the new Glossop Fire Station scheme and a £0.400m increase to the new Matlock Fire Station scheme.
- 28.10 Members approved a £0.010m increase to the Medium Van scheme.
- 28.11 Members approved the deferral of the replacement of New Mills after considering affordability at this current time.
- 28.12 Members approved the re-profiling of schemes. This moves £4.283m from the 2022/23 programme to the 2023/24 programme with the resulting 2022/23 Capital Programme and funding set out in section 3.34 of the report.
- 28.13 Members agreed to delegate to the Chief Fire Officer and Director of Finance authority to accept the most economically advantageous tender received for the new Glossop Fire Station, subject to it falling within the agreed budget.
- 28.14 Members noted the Treasury Management & Prudential Indicator update and change to the Capital Financing Requirement.

*Recorded votes: Unanimous
Cllr Ainsworth proposed, Cllr Bull seconded*

29/22

APPROVAL OF STATEMENT OF ACCOUNTS 2020/21

- 29.1 The Head of Corporate Financial Services presented a report to Members on the position of the final Statement of Accounts for 2021/22.
- 29.2 The Authority will normally publish the accounts by 31 July in any financial year. Due to the impact of the Covid 19 pandemic on available resources within public sector bodies and external auditors, the government issued Accounts and Audit (Coronavirus) (Amendment) Regulations which deferred the deadline until 30 November. Final accounts audits of this nature are normally completed by the external audit team being on site for a number of weeks, but restrictions have meant this has not been possible. Instead, the audit was completed remotely via use of virtual meetings, communications and the use of the EY Portal for evidence requirements.
- 29.3 Members noted that the papers issued include a final draft set of accounts which includes all amendments as agreed so far with the auditors. The auditors have indicated they expect to issue an unqualified opinion on the Statement of Accounts.
- 29.4 The Chair expressed disappointment in the delay and the extra work that has been required by DFRS staff in completing two separate statement of accounts at the same time. The Chair wished to place on record thanks to all the individuals involved, on behalf of the Fire and Rescue Authority.

Resolved:

- 29.5 Members received the Statement of Accounts for 2021/22 as at Appendix 1 of the report following receipt of the Audit Results report from Ernst and Young (EY) at the June Fire Authority Meeting.
- 29.6 Members delegated the signing of the Authority's financial statements and Management Representations Letter to the Chief Fire Officer, Director of Finance and Chair of the Authority.

*Recorded votes: Unanimous
Cllr Ainsworth proposed, Cllr Woolley seconded*

30/22

INTERNAL AUDIT ANNUAL REPORT 2021/22

- 30.1 Members were presented with the Internal Audit Annual Report and Opinion 2021/22 and noted a total of 10 audits had been completed within 2021/22. Of the 9 completed assignments, 8 attracted a Reasonable assurance rating;

1 a Limited assurance rating and 1 has been substantially completed but has not yet been finalised.

- 30.2 Based on the work undertaken during the year, the overall opinion given was that there is a 'Satisfactory System of Governance, Risk and Internal Control'. Findings indicate that overall, controls are satisfactory, although some enhancements have been recommended.
- 30.3 Members noted the Limited assurance rating was in respect of IT Homeworking Key Controls. Recommendations include the re-introduction of additional controls following changes to allow working from home during the Covid 19 pandemic, and levels of security around agile working.
- 30.4 The Vice Chair confirmed that all audit reports have been scrutinised by the Governance and Performance Working Group and the group will continue to monitor progress made in relation to the recommendations.

Resolved:

- 30.5 Members approved the Internal Audit Annual Report and Opinion 2021/22.

*Recorded votes: Unanimous
Cllr Ainsworth proposed, Cllr Woolley seconded*

REPORTS FOR INFORMATION

31/22

UPDATE FROM CHIEF FIRE OFFICER/CHIEF EXECUTIVE

- 31.1 The Chief Fire Officer provided Members with a summary of the impacts from the heatwave during the period 16 – 20 July. Members noted that calls to the Joint Control increased significantly during this period, particularly on 19 July which saw over 1,200 calls received.
- 31.2 Derbyshire fire appliances, special appliances and officers experienced high levels of activity throughout, peaking on 19 July when 33 out of 40 fire appliances were committed to incidents. Both Nottinghamshire and Leicestershire declared major incidents during this time.
- 31.3 The Service dealt with two large wildfires in Bamford at Win Hill Edge and Crowden Moor which were the result of disposable BBQs and cooking stoves being used. Prevention activity has been ongoing since March in relation to the impact of such fires.
- 31.4 Members were also informed of the conclusion of the latest HMICFRS inspection. The Chief Fire Officer has received a debrief from the HMICFRS and we await the draft report in late October for factual accuracy, with the final report likely to be published by HMICFRS in December.

- 31.5 Members wished to express their sincere thanks to Command and Control employees and crews throughout this difficult period. They also discussed action that needs to be taken with regards sale of disposable BBQs.
- 31.6 The Chair confirmed that a letter will be produced to lobby MPs for support on the banning of disposable BBQs and this will be shared with Members. A letter will also be produced as a thank you to staff on behalf of the Fire and Rescue Authority.

DERBYSHIRE FIRE & RESCUE AUTHORITY
GOVERNANCE AND PERFORMANCE WORKING GROUP
MINUTES OF THE MEETING HELD
5 SEPTEMBER 2022

Present: Cllr Ged Potter (Chair)
Cllr Kevin Gillott
Cllr Jack Woolley
Robert Taylor – Deputy Chief Fire Officer
Judi Beresford – Director of Corporate Services
Louise Taylor – Solicitor/Monitoring Officer
Simon Allsop – Director of Finance/Treasurer
Clive Stanbrook – Area Manager Community Safety & Central Policy
Fiona Cragg - Organisational Governance Officer
Mandy Marples - Derby City Council/CMAP
Hannah McDonald - Derby City Council/CMAP

Guest Speaker: Robert Leverton – Station Manager Protection Policy

Committee Clerk: Leanne Mellors

1. APOLOGIES

Cllr Sue Burfoot, Cllr Nigel Gourlay

2. DECLARATIONS OF INTEREST

None.

3. MINUTES OF THE MEETING HELD ON 23 MAY 2022

The Minutes were reviewed. Members confirmed the minutes as an accurate record.

4. GOVERNANCE & PERFORMANCE WORKING GROUP TERMS OF REFERENCE

L Taylor, Solicitor/Monitoring Officer provided Members with an up-to-date version of the Governance & Performance Working Group Terms of Reference. Members accepted the changes made to the updated document.

5. PROPOSED SCRUTINY PROGRAMME 2022-23

J Beresford, Director of Corporate Services, presented Members with an overview of the proposed scrutiny programme during 2022-23, proposing key subject topics for review:

- Fire Protection and new building regulations
- New Breathing Apparatus & Telemetry
- HMICFRS 2022 Inspection action plan

- Fleet Strategy

J Beresford confirmed that the outcome following the recent HMICFRS inspection will be published in February 2023.

R Leverton, Station Manager Protection Policy gave a presentation on Fire Protection and new building regulations. With several pieces of legislation having been passed, there is a staggered commencement to 2024 with a number of Fire Safety matters falling into DFRS role.

R Leverton explained to Members that we have been managing these changes through training of staff and engagement with the community to inform them of the changes in regulations. We currently exceed the national requirements for qualifications and have updated procedures, processes and ICT systems to introduce a new enforcement framework. We have also worked closely with NFCC and the Home Office in the development of the new legislation.

Members considered the key topics for review during 2022-23 and accepted the recommendations.

6. DRAFT 2021-22 STATEMENT OF ACCOUNTS

S Allsop, Director of Finance/Treasurer presented Members with the draft statement of accounts for 2021-22. Members were informed that the 2021 statement of accounts would be finalised on the 9 September 2022. The 2021-22 statement of accounts will be published end of July 2022.

There have been no changes from the previous statement of accounts and no highlighted risks. S Allsop ensured Members that the raised concerns regarding the cost of living and on-going inflation would be discussed at the next Fire Commissioners' meeting.

Members noted and approved the draft set of unaudited accounts.. Members accepted the recommendations and recommended the report for approval at the full Authority meeting.

7. TRANSPARENCY FINAL REPORT 2022

M Marples from Central Midlands Audit Partnership presented Members with the Transparency final audit report that was prepared for the forthcoming HMICFRS inspection (June 2022), which focused on the relevant requirements of the Service's web presence and documents giving assurance to members that the Service is adhering to the Transparency Code. This has been a significant piece of work, updating the website and ensuring documents are compliant and accessible.

Ten low risk areas were identified, four of which have been implemented, two in progress and four which are working towards the agreed action date.

Members accepted the report and recommended the report for approval at the full Authority meeting.

8. INTERNAL AUDIT REPORT COLLABORATION ARRANGEMENTS

M Marples from Central Midlands Audit Partnership presented Members with the Internal audit report for collaboration arrangements which focused on the governance arrangements set out in the Joint Fire Control and Derbyshire Emergency Services collaboration agreements. Assurance was provided to Members that robust governance arrangements are in place and are working in practice between DFRS and its partners. But action will be taken in relation to six recommendations highlighted, three being categorised as a moderate risk rating and the remaining three being a low risk rating.

Members accepted the report and recommendations.

9. INTERNAL AUDIT PROGRESS REPORT 2022/23

M Marples from Central Midlands Audit Partnership presented Members with the Internal audit progress report for 2022/23, providing evidence of the progress made between 4 May 2022 to 16 August 2022. It was confirmed, there were no changes made to the plan.

Multi factor authentication has been implemented, two factor authentication is going well. There will be a review audit process to allow for a follow-up review.

Members noted the report and recommendations.

10. BUSINESS CONTINUITY ARRANGEMENT (INDUSTRIAL ACTION)

J Beresford, Director of Corporate Services provided Members with a verbal update on the Service's business continuity arrangements regarding the potential for industrial strike action, in view of the cost of living crisis.

The proposal for strike action will affect Control employees as well as operational employees on this occasion.

It is expected that the ballot will be issued within the next five weeks. DFRS awaits the outcome but preparations are in progress and monthly regional meetings with other FRS Chiefs are taking place.

Members noted the verbal update.

11. REPORT OF MONITORING OFFICER

L Taylor, Solicitor/Monitoring Officer provided Members with an update in relation to a complaint made by a member of the public to the Local Government and Social Care Ombudsman. This was not upheld by the Ombudsman.

L Taylor also updated Members on a complaint raised with the Chair and copied to Members. Following an independent investigation their DFRS will develop an action plan to look at key areas for review in how the Service works and deals with employees' concerns. Cllr G Potter proposed that Members monitor the progress on

this action plan.

Members accepted the report and recommendation.

12. QUARTER 1 PERFORMANCE SUMMARY 2022/23

R Taylor, Deputy Chief Fire Officer provided Members with an overview of the quarter 1 performance summary.

Some key areas of performance were highlighted. The average call handling time of 88 seconds for fires in buildings or vehicles is currently at its lowest .

Between April-June 2022, incident levels decreased compared to last year but prevention work continues to be carried out to try to reduce incidents.

There has been an increase in malicious calls this quarter. This is something the Service is monitoring and an additional push on prevention work and education is taking place within schools.

Multi-agency exercises continue to be carried out and this is something that was brought to the Service's attention in the recent HMI inspection. . A continual commitment to multi-agency training exercises is being made.

There has been a decrease in fatalities and hospitalisations as a result of accidental fires. With resources targeted towards those classed as high risk. There has been a focus on prevention activity and educating the community, focusing on those who are vulnerable.

The first pump attendance times are being monitored. But in this quarter the On-Call appliance availability was 80% and Wholetime appliance availability was over 99%.

Following the heatwave and problems with dry ground, there has been an increase in reported deliberate fires. The Service is preparing for expected flooding issues following the dry season.

By the end of June 14% of our operational workforce were from under-represented groups and 11.2% of our operational workforce were female. Members noted the quarter 1 Performance Summary Report.

13. CORPORATE RISK DASHBOARD (FIREVIEW)

F Cragg, Organisational Governance Officer presented the live corporate risk register to Members, highlighting the risks and what the Service do to mitigate them. The strategic level risks include; four corporate risks and 28 departmental risks.

- Recruitment and retention of staff into support function roles, report to be submitted into SLT, this is in progress.
- Major loss of ICT infrastructure.
- Services ability to take and receive calls and mobilise assets, this is being monitored and actions are in place with Systel to mitigate these. Upgrade due in October.

- Operational staff workforce planning, On-Call leave and retention profile. On-Call Station Manager has been working on the On-Call strategy to mitigate this risk. High risk stations have been identified where there are skill gaps.

J Beresford has requested that industrial action is to be included in the corporate risk register.

Members noted the Corporate Risk Dashboard Summary.

DERBYSHIRE FIRE & RESCUE SERVICE**INCLUSION & EQUALITY FORUM****MINUTES OF MEETING HELD ON 6 SEPTEMBER 2022**

Present: Cllr Jack Woolley (Chair)
Cllr Sue Burfoot
Cllr Evonne Williams
Cllr Ludwig Ramsey
Rob Taylor
Clive Stanbrook
Louise Taylor
Mick Wyldbore-Wood
David Diggins
Siobhan Donnelly
Gina Staley

Committee Clerk: Marie Lloyd-Jones

Apologies: Cllr David Taylor
Tania Stevenson
Simon Allsop
Judi Beresford
Lee Smith
Paul Moreland

1. Declarations of Interest

There were no declarations of interest from Members.

2. Minutes of the Inclusion & Equality Board Meeting held on 26 April 2022

The minutes were agreed as an accurate record.

3. Minutes of the Independent Community Inclusion Board (ICIB) Meeting held on 8 June 2022

The minutes were noted.

4. Public Sector Equality Duty Report

Action - Public Sector Equality Duty will become an agenda item at each meeting.

Members noted that a new version of the Public Sector Equality Duty Report has been launched on the website and will be reviewed in May 2023. Following a request from the ICIB, DFRS are producing a new Community Risk Management Plan with equality objectives and considerations to link into decision-making. Each department will produce their own strategy, and the

Inclusion and Equality Team will advise and assist. Training will be undertaken by senior managers to support them .

Members were assured that departments will be offered advice and resources where required.

Members were assured that the Equality Impact Assessment (EQIA) on-line process is working well It is critical that decisions are informed by an EQIA which pays due regard to protected characteristics.

Members thanked the Inclusion and Equality Team for the work they have undertaken.

5. Positive Action

Members noted the following positive action activities:

- DFRS were well represented at various community events throughout the Summer, building relationships within the community. **Action - I&E Team to make a commitment to finding a solution to having a larger visual representation at events. Approach to be made to the Multi-cultural Network/regional colleagues/AFSA.**
- Mailchimp has been signed off which will monitor equality data and allow emails to include links/videos etc. which can signpost people to additional advice and support. The Inclusion and Equality Team are looking at the possibility of anonymised reports to inform future decision-making. Members agreed that this is a good tool to use within DFRS.
- The Inclusion and Equality Team are meeting with the Data Management Team to look into how to look at reporting options to assist decision-making.
- More Positive Action sessions are booked in for September and November 2022. Although DFRS are not recruiting for Wholetime the Team will be asking if people are interested in On-call opportunities. Online awareness sessions have been made available for people who have showed interest in joining DFRS and there has been a lot of interest in the On-call Firefighting role.
- Members noted that the Cadet Schemes continue to be well received. A unique joint Police and Fire Cadet Scheme has been run in Buxton.
- Members noted that DFRS is considering running a Duke of Edinburgh Scheme instead of a BTEC.
- Members noted that the photographs used on recruitment adverts are aimed at appealing to a diverse audience.

6. Report on Inclusion Activities

Members noted the following inclusion activities:

- The Inclusion and Equality Team have been involved in the recent HMICFRS inspection of DFRS.
- The Inclusive Companies application has been submitted.

A Pay Gap review has taken place which included those from underrepresented groups. . **Action - nationally the pay gap will impact on people who identify as disabled and DFRS will look into this area in further detail as a priority.** A Disability Network Group will be introduced to support that group in the workforce.

- There is a knowledge gap around neuro diversity And Members noted that training has been given to the HR department to help support the workforce in this aspect.
- A new process has been negotiated with regard to IFE examinations and Neuro diverse needs are being considered with regard to this.
- Approval has been given for a joint Police/Fire Multi Faith room at HQ which aims to create an environment where everyone can be comfortable at work. Members noted this as a positive step forward and commitment from DFRS. DFRS will include Multi Faith rooms in all new builds in the future.
- The Inclusion and Equality Team are working with the Black Police Association to look at areas of learning for future projects.
- The EQIA process is now on the new SharePoint web page and is becoming increasingly embedded within DFRS.
- Training packages across the organisation are tied in with the EDI hub with one place to go for information.
- An Open Day for BSL users only, working with Police and partner agencies was very well received. Members noted that this was a unique event that had not been held before with people travelling from all over the County to attend. A new service is now available where BSL users can make direct contact with Control. Derby has the second highest deaf community outside of London in the UK and DFRS are building relationships within the Deaf community.
- Members noted a new Terms of Reference will be produced across all networks, aligning with NFCC aims and objectives.

OPEN	DECISION	ITEM 7
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DERBYSHIRE FIRE & RESCUE AUTHORITY

22 SEPTEMBER 2022

REPORT OF CHIEF FIRE OFFICER/CHIEF EXECUTIVE AND DIRECTOR OF FINANCE/TREASURER

REVENUE BUDGET MONITORING 2022/23 (AS AT JULY 2022)

1. Purpose of Report

- 1.1 To present to Fire Authority the Revenue Budget Monitoring 2022/23 (as at July 2022), to outline progress on the IRMP 'Our Plan' target savings, and to report on the forecast level of Reserves.

2. Recommendations

- 2.1 That Members note the unfavourable Revenue Budget Monitoring and Forecast Outturn for 2022/23 being an overspend of £595,500. A contribution of £322,665 from the **Local Funding Risk Reserve** was required to balance the Original Revenue Budget 2022/23, which brings the budget shortfall to over £0.9m.
- 2.2 That Members note the overall position on Reserves, and the projected 2022/23 Closing Balance of £10.7m, after taking account of estimated transfers to and from Earmarked Reserves in year. This is illustrated in Appendix 3.
- 2.3 That Members note budget virements as outlined in paras 3.2 to 3.3, which represent budget updates for Member approved Carry Forwards, and a transfer of £628,040 to the **Capital Development Reserve**, being additional Section 31 funding (approved under the Delegated Powers of the Sct 151 Officer).

Information and Analysis

- 3.1 Appendix 1 summarises the Revenue Budget Forecast Outturn, being an overspend of £595,500.

Budget Virements 2022/23

- 3.2 In arriving at a final 2021/22 Outturn position, provision was made for Carry Forward requests of £349,000, comprising of **Communications and Computing** (£299,000) and **Smoke Alarms** (£50,000), through the **Strategic Risk Reserve**. The Updated Budget 2022/23 has been adjusted for these Member approved Carry Forwards, which is also reflected in the **Contribution from Earmarked Reserve** budget heading.
- 3.3 A **National Non Domestic Rates** budget increase of £628,040, and a corresponding **Contribution to Earmarked Reserve**, reflects the final 2022/23 Top Up Adjustment as advised by the Department for Levelling Up, Housing and Communities in May 2022.

Pay Inflation

- 3.4 The 2022/23 base budget provided for pay inflation of 2% (pro rata 1.5% for operational pay inflation, as it is effective 1 July of each year). This amounted to circa £500,000, being Operation and Control pay £355,000, and £145,000 for Support pay. The salary budget forecast in Appendix 2 includes estimated pay inflation of £746,000 for Operational and Control personnel at 4%. This is around £400,000 above the DFRS budgeted provision. Estimated pay inflation of £410,000 for Support pay around £265,000 above budgeted provision.
- 3.5 The effect of an additional inflationary pay burden is hidden to some extent by the significant number of vacancies currently being experienced throughout the Service (34.91 FTEs as at 31 July), however the significant effect of inflationary increases, on pay budgets in particular, will compound budget deficits in all years of the MTFP, as outlined to Members in June 2022.

General inflation

- 3.6 The UK's annual inflation could go as high as 15% by the start of 2023, experts have forecast, as further sharp increases in energy prices compound the economic crisis. The Bank of England recently increased interest rates to 1.75% - the highest in 27 years – whilst warning that Britain will enter recession this autumn. Regular reports to Members will continue to monitor the effect of this and other pressures on the DFRS Revenue and Capital budgets, and on our level of Reserves.
- 3.7 To this end, General Inflation of 4% has been applied to all other service expenditure budget forecasts in 2022/23 (the effect of which is most apparent on the Communication and Computing budget, being our largest service expenditure budget after pay budgets, where it results in a forecast overspend of some £80,000). Overall, this additional burden amounts to some £213,000 (excluding energy budgets and fuel). This is in addition to the 4% applied when Members formally approved the 2022/23 budget, and comprises of an 8% increase, reduced by 50% to take account of existing fixed contracts.
- 3.8 Equally as pertinent, inflationary estimates of 54% on utility costs and 35% on fuel add an additional £300,000 pressure on service budgets. The financial enormity of escalating inflation will likely have a greater impact on the DFRS 2022/23 Revenue Budget position than outlined in this report, particularly if the UK falls into recession and if inflationary increases continue to be higher than forecast by experts. The economy is forecast to shrink in the last three months of this year and to keep shrinking until the end of 2023. The position will continue to be closely monitored and reported to Members at every opportunity.

Revenue

Principal variances arising are outlined below:

- 3.9 **Employees - Overall Employee Expenses** – an overspend of £267,580 is anticipated after taking account of pay award estimates, current vacancies, known starters and leavers, agency, and overtime costs. Protection Grant funding and Covid 19 Emergency Grant funding will be applied as appropriate as the financial year progresses.

- 3.10 **Direct Employee Expenses - Support** – a forecast underspend of £240,200 takes account of the latest NJC for Local Government Services (Green Book) Final Pay Offer, which is yet to be agreed. National Employers have agreed to offer an increase of £1,925 on all pay scales with effect from 1 April 2022. After taking account of the additional effect this has on NI & Superannuation payments, this amounts to a cost of circa £2,530 per support FTE. The additional cost this represents amounts to some £265,000, however this additional burden can be met through the significant number of support vacancies currently being experienced. This underspend highlights the Service's continuing difficulty in recruiting to support posts and retaining key support personnel, which is not sustainable in the long term. There were 16.12 Support FTE vacancies as at July 2022 (a 9% vacancy rate). Agency costs of £37,600 have been incurred to date against a nil budget.
- 3.11 **Operational Pay** – overspends of £156,410 take account of a potential 4% pay award effective July 2022, with pay negotiations ongoing. Protection Grant funding (of circa £68,000, *estimated*) will be applied at Outturn.
- 3.12 An overall vacancy factor of £500,000 is applied to support and operational pay budgets to reflect the position when we set the budget around recruitment and retention of operational and support staff roles.
- 3.13 Members will be aware of the very real threat of disruption arising through the potential for **Industrial Action** by our operational personnel. Any related costs incurred, particularly around set up costs such as Clothing, Uniforms and PPE, and Training, will be funded through the **Strategic Risk Reserve** as required. Costs arising will be monitored and reported to Members as the position unfolds.
- 3.14 A recent decision to defer the wholetime recruitment for a period of 4 months will result in significant savings for the Service, particularly when taking account of PPE and training. Had this decision not been taken then the Operational Pay budget overspend, and the overall 2022/23 budget shortfall would be considerably higher than currently forecast.
- 3.15 **Control Staff Pay** – a marginal budget overspend allows for a 4% increase in pay and includes year to date overtime costs of 23,920. Secondment income will be applied at outturn.
- 3.16 **On Call Firefighter Pay** – an overspend of £244,475 correlates with an elevated number of incidents attended during the extended period of hot weather, heightened levels of expenditure which continue to be due to Tripartite EMAS Assistance (ambulance driving), and our assistance with the vaccination programme, increasing safe and well work, alongside higher than budgeted pay inflation.
- 3.17 **Indirect Employee Expenses - Pensions** – the net effect of DFRS III Health and Injury Allowance pension costs, which are not funded through Home Office grant, results in an adverse budget variance of £39,600. This is based on 2021/22 actuals, as the number of ill health retirements in year is difficult to estimate with any certainty
- 3.18 **Premises Related – Energy Costs** – prices have risen sharply because demand for gas increased when Covid restrictions eased, and because the war

in Ukraine has threatened supplies from Russia. Recent changes to the price cap provide that it be revised every three months, instead of every six. There is no price cap on business energy. Estimated overspends at this time are in the region of £190,000. DFRS will make every effort to reduce the considerable pressure on the Service's energy budgets, and the changing financial position will be closely monitored and reported to Members as it unfolds.

- 3.19 **Rates** – significant underspends of £418,018 achieved in year 2021/22 reflect our successful challenge of the rateable value of DFRS sites which fall below a 1500m² floor area threshold. Further reductions of circa £54,500 are anticipated in the current financial year (after taking account of a budget saving of £50,000 applied upon setting the current MTFP). FHP Property Consultants have acted for DFRS undertaking rates challenges on our behalf, with the fee being based on 15% of any savings made. As such their fees for undertaking the appeals work in 2022/23 is £15,675 (shown under **Services** in Appendix 1).
- 3.20 **Direct Transport Costs – Fuel** - overspends of £110,000 reflect inflationary assumptions applied to this budget heading, being 35% at this time. Recent price changes have shown a small decrease and we continue to monitor this pressure.
- 3.21 **Public Transport and Car Allowances** – underspends of £20,000 are anticipated as travel continues to be lower than prior to the outbreak of the pandemic.
- 3.22 **Transport Insurance** – underspends of £88,940 reflect the favourable outcome of the DFRS Insurance Budget contract retender undertaken during 2021/22. Other Insurance Budget underspends comprise of **Premises Insurance** £8,920, and Employers Liability and Public Liability underspends of circa £68,000 (shown under the **Services** budget heading).
- 3.23 **Supplies and Services – Equipment, Furniture and Materials** – a small **Smoke Alarm** budget underspend of £20,000 is anticipated in 2022/23, which is camouflaged by inflationary assumptions on other budget headings within this category. A budget increase of £50,000 has been applied to finance a new mobile prevention unit, following a 2021/22 Member approved Carry Forward. The new unit will use Virtual Reality technology to highlight risks of different scenarios to members of the public, and will facilitate partnership working, to include cost sharing. The VR technology also has additional uses within training and can be used by firefighters when not in use.
- 3.24 **Clothing, Uniforms and Laundry** – budget pressures include the purchase of flash hoods, grip gloves, fire gloves and moorland day boots which will likely fall in the 2022/23 financial year. Also, changes to working rig, and the timing of this project, could mean that funding may need to be accelerated or additional funds may need to be identified. An overspend of £40,000 is anticipated at the current time, due primarily to unforeseen pressures to include the purchase of high volume pump and bariatric kit, whilst it is noted that the postponement of planned recruitment will ease pressures in the short term. Pressures in this area will be kept under close scrutiny by the Fleet, Equipment and Protective Equipment group.

- 3.25 **Printing, Stationery and General Office Expenses** – includes **Printing, Copy Charges** and **Stationery Budget**, underspends of £20,000 are expected in year, arising through the DFRS agile approach to office and home working for support employees.
- 3.26 **Services** – variances within this budget category comprise of **Insurance Budget** underspends of £68,105 (specific to Employers Liability and Public Liability Insurance), and an adverse budget variance of £15,675 which provides for the payment to FHP Property Consultants with regards to business rates and our success upon appeal.
- 3.27 **Contribution to / from Earmarked Reserve** – no variance is anticipated at this time, although the developing position regarding the application of Covid-19 Emergency grant funding, Protecting the Most Vulnerable Reserve expenditure, and similar will be advised to Members when firmer.

OUR PLAN' (IRMP) 2020/23 - Planned Budget Savings 2022/23 - Year 3

- 3.28 The latest 'Our Plan' (IRMP) can be found on the DFRS website (Development themes for our Plan are shown below):



- 3.29 The 2022/23 budget includes ongoing savings of £0.3m and one off savings of £0.35m, as outlined below.
- 3.30 **Premises Related – Rates** – Members will be aware of savings (refunds) in the order of £420,000 in the 2021/22 financial year, achieved by the successful challenge of the rateable values applied to fire stations. The amount of £50,000 is ongoing and the budget has been reduced accordingly.
- 3.31 **Transport Related – Contract Hire and Operating Leases** – the 2021/22 Capital Programme provided for the replacement of two red fleet vehicles, three appliances, and seven appliances on the expiry of their lease agreements. This generated savings of £124,000 in 2021/22. Further savings of £89,400 will be achieved in 2022/23, and £33,500 in 2023/24 as the lease payments, which are charged to the Revenue Budget, come to an end.

- 3.32 **Other Government Grants and Other Income - Partnership Income** - savings of £74,740 include the recovery of £42,000 from Nottinghamshire Fire and Rescue Service and Leicestershire Fire and Rescue Service, being their contribution towards the Pensions Remedy Project Team.
- 3.33 Other smaller savings include **Breathing Apparatus** £40,000 which is offset by an increase in **Equipment Maintenance**; and an increase in **Secondment Income** of £32,580 due to a contract extension.

One off Budget Saving

- 3.34 **Workforce Planning** - a budget saving of £354,000 reflects the removal of a 2021/22 growth item which provided for the 'up skilling' of employees in the context of the potential skill loss associated with the McCloud Sargent judgement. This funding has been transferred to earmarked reserves and will be applied to the training and investment in our workforce. This saving is one off in nature and as such does not continue into years 2023/24 onwards.

Reserves

- 3.35 A Forecast Closing Balance of £10.7m reflects the favourable 2021/22 Outturn position, and that of previous years. A detailed analysis of Earmarked Reserves is included in Appendix 3.
- 3.36 The requirement for financial Reserves is acknowledged in statute. Sections 31A, 32, 42A and 43 of the Local Government Finance Act 1992 require authorities in England and Wales to have regard to the level of Reserves needed to meet estimated future expenditure. The Authority has a **General Fund Reserve** of £1.9m.
- 3.37 The estimated closing position takes account of a transfer of £628,040 to the **Capital Development Reserve** following the final Section 31 Grant Determination received from the DLUHC. It also provides for a transfer of £595,500 required to fund the estimated Revenue Budget overspend, and Members should consider this alongside a transfer of £322,665 from the **Local Funding Risk Reserve** required to balance the Original Revenue Budget. In addition, a transfer of £1,338,080 is required to finance the 2022/23 Capital Programme.
- 3.38 **Section 31 Grant Reserve** – the balance of £851,402 will applied to bridge business rates income shortfalls anticipated in year. The use of this grant is matched to the statutory period in which the deficits must be recognised, with the Service due to receive an updated position from the billing authorities later in the year.
- 3.39 Estimates around the use of the **Covid-19 Emergency Funding Reserve** and **Protection Grant Reserves** have not been reflected in the Revenue Position at the current time (over and above budgeted levels), due to uncertainty over the level of associated activity which will be undertaken during the remainder of the financial year.

- 3.40 The Service maintains a **Joint PPE Reserve** of £175,000. The application of this Reserve will be considered at Outturn and will be subject to the timing of projects and decisions, primarily around changes to our working rig.
- 3.41 A **Strategic Risk Reserve** closing balance of £2.1m is considered to be of an appropriate level to safeguard the Service against the cost of unforeseeable events in the medium term, which extends to the funding of future budget deficits if the agreed savings programme needs time to deliver the expected savings.
- 3.42 The balance of the **Capital Grant Unapplied Reserve** of £1.232m is required to finance the 2022/23 Capital Programme alongside funding of £0.768m from the **Capital Receipts Reserve**. The Closing Balance of £1.326m will be required to finance the Capital Programme in future.
- 3.43 The Reserves position is subject to regular reviews. CIPFA guidance sets out the legal requirement that a revenue budget deficit is not permissible when it cannot be covered by revenue reserves, this applies to any future financial year and not just the current year. The Reserves Strategy forms part of the Authority's Medium Term Financial Strategy which was last presented to Members for approval in September 2021.

This report has been consulted upon and approved by the following officers:

Strategic Leadership Team – 31.8.22

Contact Officer: Simon Allsop

Contact No: 01773 305410

Background Papers:

Revenue Budget Outturn 2021/22

Capital and Prudential Outturn 2021/22 and Revised Capital Programme 2022/23

Capital Programme 2022/23 to 2025/26, Prudential Code and Treasury Management Strategy

Medium Term Financial Plan 2022/23 to 2025/26

Medium Term Financial Strategy 2022/23 to 2025/26

Derbyshire Fire and Rescue Authority

Revenue Budget Monitoring to July 2022

APPENDIX 1

		Original Budget 2022/2023	Updated Budget 2022/2023	Actual Apr -Jul 2022	Forecast	Variance
		£	£	£	£	£
EMPLOYEES	DIRECT EMPLOYEE EXPENSES	32,693,800	32,693,800	10,330,251	32,961,380	267,580
	INDIRECT EMPLOYEE EXPENSES	590,890	590,890	226,504	590,890	0
	PENSION	816,400	816,400	0	856,000	39,600
PREMISES RELATED	REPAIRS, ALTERATIONS AND MAINTENANCE OF BUILDINGS	825,900	825,900	150,328	858,935	33,035
	ENERGY COSTS	395,400	395,400	118,903	585,400	190,000
	RENTS	1,075,260	1,075,260	258,265	1,096,765	21,505
	RATES	1,245,030	1,245,030	1,064,043	1,190,530	(54,500)
	WATER	88,900	88,900	25,551	92,455	3,555
	CLEANING AND DOMESTIC SUPPLIES	93,620	93,620	23,376	97,365	3,745
	GROUNDNS MAINTENANCE COSTS	30,900	30,900	10,913	32,135	1,235
	PREMISES INSURANCE	46,190	46,190	37,271	37,270	(8,920)
	REFUSE COLLECTION	21,100	21,100	13,085	21,945	845
TRANSPORT RELATED	DIRECT TRANSPORT COST	1,049,500	1,049,500	338,489	1,159,500	110,000
	CONTRACT HIRE AND OPERATING LEASES	37,500	37,500	29,157	39,000	1,500
	PUBLIC TRANSPORT	20,700	20,700	2,203	11,530	(9,170)
	CAR ALLOWANCES	44,850	44,850	8,558	36,645	(8,205)
	TRANSPORT INSURANCE	306,720	306,720	217,781	217,780	(88,940)
SUPPLIES AND SERVICES	EQUIPMENT, FURNITURE AND MATERIALS	814,590	864,590	198,082	864,590	0
	CATERING	16,200	16,200	4,316	16,850	650
	CLOTHES, UNIFORMS AND LAUNDRY	314,580	314,580	160,614	367,160	52,580
	PRINTING, STATIONERY AND GENERAL OFFICE EXPENSES	94,600	94,600	19,479	78,385	(16,215)
	SERVICES (Includes Occ Health, Insurance, External Auditor Fees)	799,720	799,720	324,351	747,290	(52,430)
	COMMUNICATIONS AND COMPUTING EXPENSES	2,362,260	2,661,260	1,323,594	2,741,750	80,490
	GRANTS AND SUBSCRIPTIONS	53,200	53,200	9,518	55,330	2,130
	GRANTS AND SUBSCRIPTIONS	101,900	101,900	91,378	105,975	4,075
	MISCELLANEOUS EXPENSES	445,000	445,000	110,178	462,800	17,800
THIRD PARTY PAYMENTS	OTHER LOCAL AUTHORITIES	88,900	88,900	13,967	92,455	3,555
CAPITAL FINANCING COSTS	INTEREST PAYMENTS	460,710	460,710	78,746	460,710	0
OTHER	MINIMUM REVENUE PROVISION	526,000	526,000	0	526,000	0
	WRITE DOWN OF DEFERRED CHARGES	0	0	0	0	0
	REVENUE CONTRIBUTIONS TO CAPITAL	0	0	0	0	0
	TRADING COMPANY DIVIDEND	(378,310)	(378,310)	395,237	(378,310)	0
	CONTRIBUTION TO / FROM EARMARKED RESERVE	(423,265)	(144,225)	0	(144,225)	0
	SUBTOTAL EXPENDITURE	44,658,745	45,286,785	15,584,136	45,882,285	595,500
INCOME	PRECEPT INCOME AND SURPLUS ON COLLECTION FUND	(26,542,130)	(26,542,130)	(7,962,638)	(26,542,130)	0
	REVENUE SUPPORT GRANT	(4,393,265)	(4,393,265)	(1,996,871)	(4,393,265)	0
	NATIONAL NON DOMESTIC RATES	(9,289,370)	(9,917,410)	(2,226,197)	(9,917,410)	0
	OTHER GOVERNMENT GRANTS AND OTHER INCOME	(4,433,980)	(4,433,980)	(2,804,876)	(4,433,980)	0
	SUBTOTAL INCOME	(44,658,745)	(45,286,785)	(14,990,582)	(45,286,785)	0
	OVERALL TOTAL	0	0	593,553	595,500	595,500



Derbyshire Fire and Rescue Authority Revenue Budget Monitoring to July 2022

APPENDIX 2

	Updated Budget 2022/2023 £	Actual Apr -Jul 2022 £	Forecast £	Variance £
DIRECT EMPLOYEE EXPENSES				
ADMIN, PROFESSIONAL, TECHNICAL AND CLERICAL	7,859,700	2,416,201	7,619,500	(240,200)
OPERATIONAL PAY	18,916,700	6,179,383	19,173,110	256,410
CONTROL STAFF PAY	1,665,700	562,374	1,672,595	6,895
RETAINED FIREFIGHTER PAY	4,251,700	1,172,293	4,496,175	244,475
INDIRECT EMPLOYEE EXPENSES				
TRAINING	462,030	176,514	462,030	0
ALLOWANCES	31,650	4,995	31,650	0
PENSION	816,400	0	856,000	39,600
OTHER	97,210	44,996	97,210	0
	34,101,090	10,556,755	34,408,270	307,180

**Derbyshire Fire and Rescue Authority
Forecast Outturn 2022/23**

'A'		'B'	'C'	'D'	'E'	F=B+C+D+E	'G'	'H'	A+F+G+H
Opening Balance 01/04/2021	<u>Reserves</u>	Original Budget	Approved Budget Virements	Transfer to Reserve	Transfer from Reserve	Total Revenue Movements	Outturn Position	Capital Movements	Estimated Closing Balance 31/03/2022
	EARMARKED RESERVES								
2,900,849	Capital Development Reserve			628,044		628,040	(595,500)	(1,338,080)	1,595,309
83,891	Protection Uplift Grant				(83,891)	(83,891)			0
33,651	Protection Grant - Accreditation				0	0			33,651
200,000	Covid-19 Emergency Funding				(50,000)	(50,000)			150,000
851,402	Section 31 Grant				(851,402)	(851,402)			0
354,000	Workforce Planning - Upskilling				0	0			354,000
350,000	Water Rescue Equipment				0	0			350,000
509,153	Local Funding Risk				(322,665)	(322,665)			186,488
380,000	Pensions Risk Reserve					0			380,000
109,235	Pension Admin Grant					0			109,235
98,860	BA Training House R&M Fund			20,000		20,000			118,860
123,835	Protecting the Most Vulnerable					0			123,835
175,000	Joint PPE Review					0			175,000
94,590	ESN Revenue Grant					0			94,590
						0			
6,264,466	SUBTOTAL - EARMARKED RESERVES	0	0	648,044	(1,307,958)	(659,914)	(595,500)	(1,338,080)	3,670,968
1,900,000	General Reserves					0			1,900,000
2,478,416	Strategic Risk Reserve *				(349,000)	(349,000)			2,129,416
395,691	Invest To Save Reserve					0			395,691
1,289,560	TriControl / ESN					0			1,289,560
1,231,761	Capital Grant Unapplied					0		(1,231,761)	0
2,094,319	Capital Receipts Reserve					0		(768,124)	1,326,195
						0			
15,654,213	TOTAL RESERVES	0	0	648,044	(1,656,958)	(1,008,914)	(595,500)	(3,337,965)	10,711,830

OPEN	ITEM 9 INFORMATION
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DERBYSHIRE FIRE & RESCUE AUTHORITY

22 SEPTEMBER 2022

REPORT OF DIRECTOR OF FINANCE/TREASURER

MEMBERS' ALLOWANCES 2021/22

1. Purpose of Report

- 1.1 To put before Members details of the amounts paid during 2021/2022 in respect of Basic, Special Responsibility, Travel and Subsistence Allowances.

2. Recommendation

- 2.1 That Members note the contents of the report and Appendix 1.

3. Information and Analysis

- 3.1 The Authority has a duty under Statutory Instrument 1021/2003 to publish each year details of amounts paid to members under the provisions of Section 18 of the Local Government and Housing Act 1989.

4. Financial Considerations

- 4.1 All payments have been met within the appropriate budgets.

This report has been consulted upon and approved by the following officers:

Strategic Leadership Team – 31.8.22

Contact Officer: S Allsop, Director of Finance/Treasurer

Contact No: 01773 305410

Background Papers: Members' claim forms.

**Derbyshire Fire and Rescue Authority
Summary of Members Allowances 2021/22**

	Basic Allowance	Special Responsibility Allowance	Independent Person Allowance	Travel & Subsistence Allowance	Total
Clive Moesby	317.03	-	-	-	317.03
David Taylor	2,210.64	-	-	-	2,210.64
Evonne Williams	3,187.44	3,000.00	-	-	6,187.44
Gerald Potter	3,187.44	8,400.00	-	-	11,587.44
Jack Woolley	2,210.64	-	-	98.15	2,308.79
James Perkins	317.03	-	-	-	317.03
Jean Innes	3,187.44	-	-	-	3,187.44
Julie Patten	985.36	-	-	-	985.36
Kevin Buttery	317.03	1,392.48	-	-	1,709.51
Kevin Gillott	2,210.64	2,080.65	-	-	4,291.29
Linda Chilton	317.03	-	-	-	317.03
Ludwig Ramsey	2,210.64	-	-	406.06	2,616.70
Nadine Peatfield	3,187.44	-	-	-	3,187.44
Peter Wilkinson	-	-	67.92	-	67.92
Richard Iliffe	2,210.64	-	-	-	2,210.64
Ronald Ashton	3,187.44	-	-	-	3,187.44
Ruth Skelton	3,187.44	-	-	302.03	3,489.47
Stephen Bull	3,187.44	800.04	-	234.00	4,221.48
Stephen Marshall-Clarke	317.03	298.39	-	-	615.42
Stuart Brittain	317.03	-	-	-	317.03
Stuart Swann	2,210.64	-	-	200.20	2,410.84
Sue Burfoot	3,187.44	-	-	40.30	3,227.74
Trevor Ainsworth	2,210.64	9,709.71	-	371.61	12,291.96
Wayne Major	3,187.44	-	-	-	3,187.44
Grand Total	47,048.98	25,681.27	67.92	1,652.35	74,450.52