



Nottinghamshire & City of Nottingham Fire & Rescue Authority

MINUTES of the meeting held at Joint Fire / Police HQ, Sherwood Lodge, Arnold, Nottingham, NG5 8PP on 23 February 2024 from 10.31 am - 12.45 pm

Membership

Present

Councillor Michael Payne (Chair)
Councillor Patience Uloma Ifediora (Vice Chair)
Councillor Liaqat Ali
Councillor Callum Bailey
Councillor Richard Butler
Councillor John Clarke MBE
Councillor Robert Corden
Councillor Sybil Fielding
Councillor Gul Nawaz Khan
Councillor John Lee
Councillor Devontay Okure
Councillor Nick Raine
Councillor Nigel Turner
Councillor Roger Upton
Councillor Jonathan Wheeler
Councillor Jason Zadrozny

Absent

Councillor Tom Hollis
Commissioner Caroline Henry

Colleagues, partners and others in attendance:

Leila Berry	- Assistant Chief Fire Officer
Mark Kimberley	- Interim Treasurer
Craig Parkin	- Chief Fire Officer
Tracey Stevenson	- Temporary Head of Finance
Mick Sharman	- Assistant Chief Fire Officer
Malcolm Townroe	- Clerk and Monitoring Officer to the Authority
Damien West	- Assistant Chief Fire Officer
Laura Wilson	- Senior Governance Officer, Nottingham City Council

48 Apologies for Absence

Commissioner Caroline Henry
Councillor Tom Hollis

49 Membership

The Authority noted the following changes to the Nottingham City Council membership since the last full Fire Authority meeting:

- (a) Councillor Gul Khan has been reappointed to replace Councillor Jay Hayes
- (b) Councillor Anwar Khan has been reappointed to replace Councillor Michael Edwards.

50 Declarations of Interest

None.

51 Minutes

The minutes of the meeting held on 15 December 2023 were confirmed as a true record and signed by the Chair.

52 Chair's Announcements

The Chair, Councillor Michael Payne, made the following announcements:

- (a) There will be a one minute silence in memory of former County Councillors Barry Cooper and John Hempshall, both of whom served the Fire Authority with distinction.
- (b) Round 3 of His Majesty's Inspectorate of Constabulary and Fire and Rescue Services is taking place in the coming weeks so inspection briefings are taking place regularly and a report is expected in August. The Chair thanked everyone for their hard work in response to the previous inspection report.
- (c) The Related Party Forms need to be completed and returned as soon as possible.
- (d) The Strategic Inclusion Board is taking place straight after the meeting, and all members are invited to attend if they are available.

53 Budget Proposals for 2024/2025 to 2027/2028 and Options for Council Tax 2024/2025

The Chair introduced the item and thanked the Finance and Resources Committee for its work and recommendation on Council Tax.

Mark Kimberley, Interim Treasurer, and Tracy Stevenson, Temporary Head of Finance, presented the report and amendments which had been circulated as a supplement to the agenda. It presents the proposals for Revenue and Capital budgets for 2024/25 to 2027/28 to enable Members to determine the level of Council Tax for 2024/25, sets out fees and charges for 2024/25 for Members' approval. It also seeks Members approval of the Independent Remuneration Panel's recommendation regarding the inflator to be applied to Members Allowances from 1 April 2023, and to continue payment of Members Allowances for 2024/25 in accordance with the approved scheme, and highlighted the following points:

- (a) The budget is robust and meets all requirements. It is being balanced using a small amount of reserves, which is sustainable and, although there is a deficit in the budget over the next 4 years, there is confidence that it can be addressed appropriately.
- (b) The Finance and Resources Committee unanimously voted for the 2.95% Council Tax increase to be put forward to the Fire Authority for approval.
- (c) The 2024/25 Capital Programme totals £8.228m, which does not include slippage from 2023/24 which will be reported in the outturn report. If approved, the slippage from the 2023/24 programme will increase the 2024/25 programme accordingly.
- (d) The £3.117m Transport Capital Programme includes significant investment in the Service's appliances and special appliances in line with the Renewal Programme. There has been a purposeful 2 year delay in the appliances programme to manage minimum revenue provision (MRP) which is the Service's debt costs. This will be reviewed once the Futures 25 efficiency strategy is further developed and the impact on services is known.
- (e) The ICT programme has been developed in line with the Community Risk Management Plan (CRMP) commitments. Alongside the ongoing replacement and updating of equipment and software, the programme includes plans to replace the Tri Service Control and Mobilising system, which is a joint procurement exercise with Derbyshire Fire and Rescue Service. The £1m (2025/26) budget for the replacement system is indicative only at this stage and may require revising once the procurement exercise is finalised.
- (f) The revenue budget requirement for 2023/24 to 2027/28 can be summarised as:

	Revised Budget 2023/24 £'000	Budget 2024/25 £'000	Budget 2025/26 £'000	Budget 2026/27 £'000	Budget 2027/28 £'000
Employees	39,939	43,475	45,142	46,605	47,537
Premises	4,111	4,465	4,592	4,673	4,766
Transport	2,219	2,258	2,286	2,316	2,362
Supplies & Services	4,394	4,598	4,745	4,863	4,960
Payments to other Local Authorities	950	996	1,024	1,043	1,064
Support Services	172	183	188	191	195
Capital Financing Costs	2,692	3,125	3,901	4,256	4,341
Income	(4,512)	(6,413)	(6,537)	(7,291)	(7,436)
Total	49,965	52,688	55,341	56,655	57,788

- (g) The current economic climate remains uncertain with many external influences affecting it. Local Government has received a one-year funding settlement for 2024/25. With a general

election due to be held in 2024 there remains significant uncertainty around Local Government funding beyond 2024/25.

- (h) Inflation has continued to reduce so far during 2023/24, decreasing from 8.7% in April to 4.6% in October, and then again to 3.9% in November. The bank rate has increased from 0.75% in April 2022 to 5.25% in September 2023, which is its highest level since February 2008. Interest rates are expected to peak at either the current rate or possibly at 5.5% in 2024. The increase in base rates has a significant impact on the Authority's ability to borrow to fund the Capital Programme.
- (i) The 2022-2025 CRMP was approved by Fire Authority on 25 February 2022. The delivery of the CRMP is linked closely to the Medium Term Financial Strategy (MTFS) to ensure that resources are matched to key workstreams. The Annual Delivery Plan, which sits behind the CRMP, identifies priority areas where investment is needed. An additional £159k has been included in the 2024/25 proposed revenue budget to support areas such as additional investment in operational training (£124k), and organisational development and inclusion (£21k).
- (j) The Service identified £1.1m of savings that were either reinvested in CRMP projects or contributed towards reducing the deficit. This is well in excess of the 2% target set by the Home Office, although it is noted that these savings include pay related savings, some of which are one-off in nature.
- (a) The firefighter pay award was agreed at 5% for 2023/24. Negotiations for 2024/25 are in their early stages. A 5% planning assumption has been included for 2024/25, followed by 3% for 2025/26 and 2% thereafter. Any increases above these assumptions will create an additional cost pressure, with a 1% increase relating to approximately £320k ongoing costs per year.
- (b) It is expected that the majority of additional pension costs will be met from the pension top up grant, however, the Service has a £200k earmarked reserve to mitigate against any costs that have to be met internally.
- (c) The council tax base is calculated on the estimated full year equivalent number of chargeable dwellings. This is expressed as the equivalent number of Band D dwellings in the council's area, after allowing for adjustments due to dwelling demolitions and completions during the year, council tax exemptions, discounts, disabled reliefs and premiums, and the estimated collection rate. The council tax base has increased in line with that expected in the MTFS.
- (d) The Budget Monitoring report presented to Finance and Resources Committee in January 2024 estimated that the general fund reserve would be £5.1m at 1 April 2024, which is above the minimum level set by the Fire Authority in December 2023 of £4.1m. This leaves potential scope for relying on the use of general fund reserves for balancing the budget in 2024/25.
- (e) Earmarked reserves are expected to be in the region of £5.25m by 31 March 2024. These reserves are earmarked for known projects or items of one-off expenditure. They include a budget pressure support reserve of £1.125m which is available to support the budget in 2024/25 and future years. Earmarked reserves are reviewed annually as part of the MTFS.

- (f) The final settlement figures were released by the Government on 6 February and the Revenue Support Grant, business rate income and Top Up Grant remain the same as the provisional settlement. The section 31 grant has been reduced by £81k, and there was an increase of £44k in core spending power. In addition, the employer's pension contribution rate has increased from 28.8% to 37.6%, resulting in an overall increase to the budget of £1.8m. £1.6m of this increase is to be funded by a grant from the Home Office, leaving a £200k shortfall. The pension grant is currently confirmed for one year only, so a case will need to be made for the funding to continue into the next spending review. For the purposes of the budget for 2025/26 onwards it is assumed that this funding will continue.
- (g) Funding for 2025/26 and beyond will be determined in the autumn of 2024. A 6.7% inflationary increase has been assumed for 2024/25, 2.81% for 2025/26 and 1.7% for 2026/27. Pay awards have been assumed at 5%, 3% and 2% over the same period. There is a risk that funding will be increased at a lower rate than inflation and pay awards, which would then create additional budget pressures in these years.
- (h) With no increases in council tax levels there will be a deficit of £1.026m in 2024/25. This will rise to £3.764m in 2025/26. It increases further to £4.898m by 2027/28. Even with a 1.95% increase in council tax there would be a deficit of £438k in 2024/25, rising to £2.561m in 2025/26 and to £2.378m in 2027/28. The level of reserves available to support the budget would be sufficient to cover the 2024/25 deficit. A significant level of savings would need to be implemented in order to balance the budget over the coming years with a 1.95% increase in council tax. The estimated deficit position for 2024/25 would reduce to £139k should a 2.95% increase in council tax be approved, rising to £1.938m in 2025/26 and to £2.035m in 2027/28. The 2024/25 deficit can be met from the Budget Pressure Support Earmarked Reserve of £1.125m. However, efforts will be made during the year to identify savings where possible through robust budget monitoring or via the workforce review in order to minimise the use of reserves.
- (i) A council tax increase of 2.95% would generate additional funding of 887k in 2024/25. For Band D and Band A households, a 2.95% increase would see rises in council tax to £92.21 and £61.47 per annum respectively. This equates to approximate weekly increases of 5p for Band D and 3p for Band A. The majority of the homes in the city of Nottingham and county of Nottinghamshire fall into Bands A and B.

During the discussion that followed the following comments were made:

- (j) The work done to balance the budget is greatly appreciated and officers are thanked for their hard work.
- (k) Balancing the budget through only using a small amount of reserves is a good position to be in.
- (l) It is prudent to take a position on the pay award for future years.
- (m) It is always difficult to ask people to pay more Council Tax, but by paying a few pence more a week, means not reducing the service.
- (n) There is still the need to reduce the budget deficit in future years.
- (o) The increase represents excellent value for the service received.

- (z) There needs to be a Council Tax reform as students, etc don't pay Council Tax.
- (aa) More communication needs to be done to highlight to residents where the money goes.

The Chair thanked everyone in the room for their work, engagement and contributions.

Resolved to

- (1) Unanimously agree the recommendation of the Finance and Resources Committee to the Fire Authority that there be a 2.95% Council Tax increase.**
- (2) Unanimously approve the 2024/25 precept level to be notified to the Billing Authorities based on the information set out in Section 2 and Appendix C of the report as required by statute.**
- (3) Approve the fees and charges for 2024/25, as set out in Appendix D of the report.**
- (4) Approve that Members' Basic and Special Responsibility Allowances be increased by 3.88% backdated to 1 April 2023 in line with the recommendation put forward by the Independent Remuneration Panel.**
- (5) Approve the payment of Members Allowances for 2024/25 in accordance with the approved scheme.**

54 Prudential Code for Capital Finance 2024/2025

Mark Kimberley, Interim Treasurer, and Tracy Stevenson, Temporary Head of Finance, presented the report informing Members of the Authority's obligations under the CIPFA Prudential Code for Capital Finance and seeking approval of the proposed capital plans, prudential limits and monitoring processes set out in the report, highlighting the following points:

- (a) The objectives of the Prudential Code are to ensure that:
 - capital plans and investment plans are affordable and proportionate;
 - all borrowing and other long-term liabilities are within prudent and sustainable levels;
 - risks associated with investment are proportionate to financial capacity;
 - treasury management decisions are in accordance with good professional practice.
- (b) Estimates of the Ratio of Financing Costs to Net Revenue Stream are:

	2022/23 Actual £000s	2023/24 Estimate £000s	2024/25 Estimate £000s	2025/26 Estimate £000s	2026/27 Estimate £000s	2027/28 Estimate £000s
Total Revenue Costs	2,321	2,047	2,876	3,652	4,007	4,435
Net Revenue Stream	49,977	52,676	57,850	58,251	61,182	62,466

	Ratio of Financing Costs to Net Revenue Stream					
Ratio	4.6%	3.9%	5.0%	6.3%	6.5%	7.1%

(c) The estimate of total Capital Expenditure and Capital Funding is:

	2022/23 Actual £000s	2023/24 Estimate £000s	2024/25 Estimate £000s	2025/26 Estimate £000s	2026/27 Estimate £000s	2027/28 Estimate £000s
Capital Expenditure	2,265	8,507	8,228	3,518	4,805	4,301
Funded by:						
Borrowing	0	(6,373)	(2,800)	(1,242)	(2,160)	(1,592)
Revenue / Reserves	(298)	(595)	(617)	0	0	0
MRP Re-investment	(1,397)	(1,525)	(1,801)	(2,266)	(2,435)	(2,599)
Capital Grant	(57)	(12)	0	0	0	0
Capital Receipts	(513)	(2)	(3,010)	(10)	(210)	(110)
Total	0	0	0	0	0	0

- (d) MRP re-investment refers to the use of the minimum revenue provision which is used to reduce the borrowing need rather than for the repayment of debt due to the Authority's loans being payable on maturity. Borrowing refers to the shortfall in funding after other funding sources have been applied. This borrowing may not necessarily take place externally. The Authority may judge it prudent to make use of the cash that it has already invested for long-term purposes. In doing this, the Authority does not reduce the magnitude of the funds it is holding for these long-term purposes but simply adopts an efficient and effective treasury management strategy. This practice, known as "internal borrowing", is common in local authorities and means there is no immediate link between the need to borrow for capital spending and the level of external borrowing.
- (e) The Capital Financing Requirement is the amount required from external sources to fund capital expenditure and represents the Authority's underlying need to borrow for capital purposes. It will therefore be the aggregate of all capital expenditure, less any revenue or reserve contributions, capital grants or capital receipts. The above table shows that the Capital Financing Requirement (CFR) steadily increases during the period from 2022/23 to 2027/28. The CFR increases when annual capital expenditure exceeds the funding available from capital receipts, government grants and revenue sources, and decreases when the funding exceeds the expenditure. The movement in the estimated CFR figures is mainly driven by the varying levels of estimated capital expenditure for each year, with the most significant increase taking place in 2023/24 when capital expenditure is expected to peak at £8.5m.

- (f) The operational boundary is the Authority's estimate of its total external debt, including other long-term liabilities (such as finance leases) which are separately identified. This is to reflect the most likely scenario and not the worst case. It is possible for the operational boundary to be temporarily breached to take account of unusual movements in cash flow but this should not be a regular occurrence. A variation from the operational boundary is permissible but will be reported to Fire Authority.
- (g) The authorised limit is essentially the same as the operational boundary but allows headroom over and above it to take account of unusual movements in cash flow, and therefore should be the maximum amount of external debt that the Authority is exposed to at any given time. Any proposed variation from the authorised limit must be authorised by the Fire Authority.
- (h) The liability benchmark is a projection of the amount of loan debt outstanding that the Authority needs each year to fund its existing debt liabilities, planned prudential borrowing for capital expenditure and other cash flows. This is shown by the gap between the Authority's existing loans that are still outstanding at a given future date and the Authority's future need for borrowing. It therefore shows how closely the existing loans book fits the future need of the Authority based on its current plans. Any shortfall will have to be met by future borrowing and any excess will have to be invested unless borrowing is prematurely repaid. However, the Treasury Management Code of Practice does not require authorities to always minimise risks by closely matching their loan debt to the liability benchmark. Factors such as interest rate expectations may lead an authority to prudently conclude that it is appropriate to have a maturity profile that does not exactly match the benchmark, or to borrow in advance of need to secure affordable interest costs. The liability benchmark is simply a tool to help the authority manage risk.

Resolved to approve the Prudential Limits for 2024/25.

55 Treasury Management Strategy 2024/2025

Mark Kimberley, Interim Treasurer, and Tracy Stevenson, Temporary Head of Finance, presented the report seeking approval for the proposed Treasury Management Strategy for 2024/25 and the Authority's Minimum Revenue Provision Policy for 2024/25, and highlighted the following points:

- (a) The Local Government Act 2003 requires the Authority to set out its treasury strategy for borrowing and to prepare an annual investment strategy which sets out the Authority's policies for borrowing, for managing its investments and for giving priority to the security and liquidity of those investments.
- (b) The Authority is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Authority's low risk appetite, ensuring adequate security and liquidity before considering investment return.
- (c) The second main function of the treasury management operation is the funding of the Authority's capital plans. These capital plans provide a guide to

the borrowing need of the Authority, essentially the longer-term cash flow planning, to ensure that the Authority can meet its capital spending obligations. The management of longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses.

- (d) The strategy covers:
- prudential and treasury indicators;
 - the borrowing requirement;
 - prospects for interest rates;
 - the borrowing strategy;
 - policy on borrowing in advance of need;
 - debt rescheduling;
 - the investment strategy;
 - creditworthiness policy;
 - policy on use of external service providers;
 - the Minimum Revenue Provision policy;
 - training of Officers and Members.
- (e) It is a statutory requirement under Section 32 of the Local Government Finance Act 1992 for the Authority to produce a balanced budget. A local authority must calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This includes a statutory requirement to make a prudent provision for an annual contribution from its revenue budget towards the reduction in its overall borrowing requirement. This charge is known as the Minimum Revenue Provision (MRP). This means that increases in capital expenditure must be limited to a level whereby increases in the following charges to revenue remain affordable within the projected income of the Authority for the foreseeable future:
- increases in interest charges caused by increased borrowing to finance additional capital expenditure;
 - any increases in running costs from new capital projects, and any increases in the Minimum Revenue Provision.
- (f) The Authority uses a main current account, an investment account and a petty cash account. All of these accounts are held with Barclays Bank PLC and are managed online. This system allows the Authority to make transfers to and from accounts in real time and thus allows the current account balance to be maintained at a minimum level. All surplus funds are held either in the investment account for short periods or are lent to institutional borrowers over longer periods.
- (g) The Authority will have regard to the Department of Levelling Up, Housing and Communities (DLUHC) Guidance on Local Government Investments, the CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021, and the CIPFA Treasury Management Guidance Notes 2021. The Authority's investment priorities are the security of capital and the liquidity of its investments.
- (h) One of the requirements of the revised Treasury Management Code of Practice is that the Authority adopts a policy relating to Environmental, Social and Governance (ESG) considerations, which has been completed.
- (i) The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 came into force on 31 March 2008. These regulations were an

amendment to the 2003 regulations and introduced several changes to the capital finance regime for local authorities (including fire authorities) in England. The most significant of these were provisions dealing with the calculation of Minimum Revenue Provision (MRP), which is the amount an authority charges to its revenue account in respect of the financing of capital expenditure.

- (j) A change introduced by the revised MRP Guidance was the allowance that any charges made over the statutory minimum revenue provision (MRP), voluntary revenue provision or overpayments, can, if needed, be reclaimed in later years if deemed necessary or prudent. In order for these sums to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year. Up until the 31 March 23 the total VRP overpayments were £1.312m.

During the discussion that followed the following comments were made:

- (k) There are a limited number of countries that the Authority consider safe for investment due to their ratings to ensure security in the investments, which are reviewed frequently.
- (l) The Authority engage specialist investment advisors who supply daily updates.

Resolved to approve

- (1) The Treasury Management Strategy for 2024/25.**
- (2) The Minimum Revenue Provision Policy for 2024/25.**

As this is the last Full Authority meeting of the municipal year, the Chair thanked Tracey and Mark for all of their hard work during their interim positions with the Authority.

56 His Majesty's Inspectorate of Constabulary and Fire and Rescue Services - Areas For Improvement Closure Report

Leila Berry, Assistant Chief Fire Officer, presented the report updating Members on the progress of the four areas for improvement identified in His Majesty's Inspectorate of Constabulary and Fire & Rescue Services' (HMICFRS) 2021/22 report for Nottinghamshire Fire and Rescue Service, and highlighted the following points:

- (a) HMICFRS is the inspectorate body for fire service inspections in England. Nottinghamshire Fire and Rescue Service (NFRS) was inspected during September 2021. On 27 July 2022, HMICFRS published its findings from the NFRS inspection. NFRS's inspection report identified four 'areas for improvement' (AFI) for the Service. The AFI relating to understanding of well-being provision by staff was closed by the Policy and Strategy Committee at its meeting on 2 February 2024, and the purpose of today's meeting is to close the remaining three open AFIs.
- (b) The three AFIs are as follows:
 - (i) The Service should assure itself that its risk-based inspection programme (RBIP) prioritises the highest risks and included proportionate activity to reduce risk.
 - (ii) The Service should ensure that when responding to a 999 call, mobile data terminals (MDT) are reliable to allow staff to access risk information.

- (iii) The Service should make sure it effectively monitors, reviews, and evaluates the benefits and outcomes of any collaboration activity.
- (c) The RBIP is used by the Service's Fire Protection Department to ensure that fire safety inspections undertaken as part of the Service's statutory duties under the Regulatory Reform (Fire Safety) Order are targeted at the highest risk non-residential buildings.
- (d) Work has been ongoing throughout 2023 to rectify issues with technology and data systems which support the generation of the RBIP. This work has now been successfully completed and the improved RBIP has been in use by the Protection Team throughout Quarter 4 of 2023/24.
- (e) The Service is assured that the RBIP technology is now supporting the allocation of inspection resources to those premises of higher risk, and that internal monitoring and assurance processes are embedded into business as usual to monitor this going forward.
- (f) MDT are the technological solution which enables operational crews to access a variety of risk information during operational incidents. A primary MDT is available on all fire appliances, hosting risk information including mapping, operational guidance documents, premise information and plans and hydrant location data.
- (g) For additional resilience, the Service has implemented a 'back-up' secondary MDT for the Officer-in-Charge (OiC), or other crew members to access, as required. This takes the form of a handheld tablet which has the benefit of being demountable from the cab and can be carried on the incident ground.
- (h) Since the time of the previous inspection, both Nottinghamshire and Derbyshire Fire and Rescue Services have upgraded the primary MDTs in appliances as part of hardware and software upgrades from the mobilising system provider Systel.
- (i) The Service has been working closely with Systel to ensure that software issues associated with the original rollout of the MDT operating system have been resolved. The MDTs are now operating on Version 15 of the software and have seen significantly improved performance and stability as a result. Due to the safety critical role MDTs play for operational response colleagues, close monitoring of system stability and fault reporting remains in place to ensure any issues are identified and addressed as a priority.
- (j) In relation to the Services' monitoring, reviewing, and evaluating of the benefits and outcomes of any collaboration activity being seen to be limited in scope and not used to learn or change decisions, the Service has resourced a Corporate Programme Office which has reviewed the Service's evaluation framework and developed a two-fold evaluation strategy for future projects. This will ensure that formal evaluation and benefit realisation are included within the initial scope for all projects and programmes governed through the Programme Office with reporting through established internal governance structures.
- (k) In addition, the Service is continuing to work with Nottingham Trent University to review a range of projects and workstreams as part of an ongoing PhD student placement. This work will continue into 2024/25.

During the discussion that followed the following comments were made:

- (l) As the contract for the MDTs comes to an end, the risks will increase, so work needs to be done to ensure that the risks are mitigated.
- (m) The AFIs relate to statutory duties, so it is important to ensure that they are closed before entering into the next inspection.

Resolved to

- (1) Note the progress made by the Service in the areas for improvement identified by HMICFRS from the previous inspection.**
- (2) Authorise the closure of the three outstanding areas for improvement**

57 Futures 25 Update

Leila Berry, Assistant Chief Fire Officer, presented the report providing an update to Members on the Futures 25 efficiency and improvement programme including planned activity for the financial year 2024/25, and highlighted the following points:

- (a) Futures 25 is the Service's efficiency and improvement programme, and also aims to deliver service improvement workstreams including those relating to culture and equality, diversity and inclusion (EDI) associated with the updated People Strategy.
- (b) Phase 1 of the Futures 25 programme commenced in May 2022 and encompassed activities designed to present a range of options for consideration by the Strategic Leadership Team and the Authority to set a balanced budget for the financial year 2023/24.
- (c) The broad aims of Phase 2 of the Futures 25 programme are to deliver service improvement in the context of a challenging financial operating environment. The programme continues to identify opportunities for both pay and non-pay efficiencies, as well as supporting increased productivity through investment in systems and process improvements. The workstreams which form part of Phase 2 have been grouped under four key areas:
 - Governance Review
 - Revenue Budget Management
 - Service Redesign
 - Culture, EDI and Leadership.
- (d) Governance workstreams are designed to support the efficiency and effectiveness of meeting structures and decision making within the Service. Efficiencies achieved through a reduction in the number of strategic leadership posts means that money can be reinvested into functional delivery roles elsewhere in the organisation, enhancing skills and delivery capacity where it is most needed.
- (e) The National Fire Chiefs Council (NFCC) and the Local Government Association (LGA) have proposed that across fire and rescue services in England, the sector create 2% of non-pay efficiencies and to increase productivity by 3% in the spending review period 2021/22 – 2024/25.

- (f) Non-cashable savings continue to be identified. Investment in system and process improvement as part of Service redesign workstreams aims to continue to support benefits realisation in these areas.
- (g) The Service redesign workstreams form the most significant portion of the improvement programme. The overarching aim is to ensure that the Service has appropriate resources deployed in the correct place to support its ambition to be an outstanding fire and rescue service.
- (h) Work is continuing to improve the Community Fire Risk Management Information System database, which supports prevention and protection activities. Improvements, including the introduction of the NFCC Online Home Fire Safety Check Tool (Safelincs), supports members of the public to reduce risks in their home, and at the same time improves the efficiency of referrals for those at higher risk of fire to receive specialist safe and well services.
- (i) Work scheduled for the financial year 2024/25 includes a review of the business processes and mobile devices used by crews to complete safe and well checks with improvements aimed at enhancing the efficiency and quality of this high-volume process.
- (j) A review of the prevention function is underway, with an updated structure due to be implemented in the financial year 2024/25. The structure has been co-designed with the workforce to support ambitions to deliver an enhanced community engagement and specific youth engagement offer as well as responding to predicted increases in the numbers of vulnerable people at high and very high risk of fire in their homes through the identification of additional dedicated resources.
- (k) Key areas of focus for workforce redesign for the financial year 2024/25 are People and ICT functions as the Service responds to risks in these areas and continues to drive service improvements.
- (l) People are key to the successful delivery of outstanding service to communities. National reports, including the HMICFRS spotlight report on values and culture in fire and rescue services, and the London Fire Brigade independent culture review, have rightly focussed public attention and expectation on improving the culture, behaviour and leadership within fire and rescue services. Priority must be given to ensure everyone is treated with dignity and respect, and that fire and rescue services are inclusive, both for employees and those the Service works with and delivers services to.
- (m) The Service has committed additional resources to this area, including specialist organisational development and leadership posts. In addition, firefighters are supporting positive action, workforce diversification and community engagement activities. These specialist posts will support the Service's ambitions around cultural improvement through enhanced workforce engagement, team coaching and broadening leadership competencies at all levels. The posts will also provide additional capacity to support the ongoing embedding of the National Core Code of Ethics and service values across the workforce.
- (n) In December 2023, the Strategic Inclusion Board supported the concept of longer-term planning for workforce diversification, and a paper on the 10-year workforce diversity plan is due to be presented to Policy and Strategy Committee in May 2024. This aims to

improve and co-ordinate positive action activities over the longer term with the aim of improving the pace of change of workforce diversity.

- (o) Strategic collaboration is one of the identified priorities of the Futures 25 programme. Derbyshire Fire and Rescue Service is a valued collaboration partner with several high profile collaborations already in place, most notably the Joint Fire Control and joint procurement of the new mobilising system.

During the discussion that followed the following comments were made:

- (p) The Futures 25 programme is aligned to the CRMP planning cycle, but it is recognised that it needs to be embedded as a business as usual activity going forward.
- (q) The timescales for the workstreams are contained within the detailed plans and can be circulated if required.
- (r) The Strategic Inclusion Board is currently looking at the workforce diversification plans and its report will be available ahead of the Policy and Strategy meeting in May. Once the plan is agreed there will be regular reports to the HR Committee.
- (s) The budget for the financial year 2024/25 forecasts a deficit of circa £255K with £200K of efficiency savings being built into the base budget. The forecasted deficit for the financial year 2025/26 increases to circa £1.9 million, which is a major concern, and a report needs to be provided on how it will be managed.

Resolved to

- (1) Note the current and future activities planned as part of the Futures 25 programme.**
- (2) Endorse that work should commence to align CRMP and Fire Cover Review planning cycles of Nottinghamshire and Derbyshire with the aim of fully aligning planning cycles and community risk analysis methodologies by 2028 to enhance shared understanding of risk for both Services and support the future identification of potential further opportunities for joint working.**
- (3) Receive further updates on the Futures 25 programme.**

58 Sector Reform Update

Damien West, Assistant Chief Fire Officer, presented the report updating Members on the Government consultation response to the 'Reforming Our Fire and Rescue Service', and highlighted the following points:

- (a) In response to findings from His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) and learning from the Grenfell Tower Inquiry, in May 2022, the Government launched a White Paper consulting on reform to fire and rescue services (FRSs). The consultation ran from 18 May to 26 July 2022 and outlined three areas of people, professionalism and governance. The consultation received 290 responses in total.

- (b) The Government's response has also been influenced by more recent investigations into culture and leadership in FRSs, including the London Fire Brigade Independent Culture Review, the Spotlight review and subsequent inspections by HMICFRS.
- (c) Several pieces of work have been ongoing in the area of 'people' prior to the publication of Government's response. New legislation was introduced to enable FRSs to undertake enhanced disclosure and barring checks, new leadership programmes have been launched, and April 2023 saw the launch of the Direct Entry Scheme pilot for Station Managers. The Government's response provides little additional information beyond monitoring these pieces of work and ensuring they are embedded consistently across FRSs.
- (d) The response confirms the Government's position that they believe the role of FRSs is clear in relation to firefighting, community safety, and national resilience / civil contingencies. It also restates the Government's commitment to FRSs collaborating with other partner agencies, particularly in health and policing.
- (e) The Government states they will support employers to work with representative bodies to review the National Joint Council and pay negotiation mechanisms through an inclusive process which the Home Office aim to be completed by early 2024.
- (f) The Government response also states that if the review does not result in meaningful change, the Home Office will explore other routes to ensure a modern, fair pay system that constructively enables role reform in England. In particular, the Government would like to see consideration of scope for variation and self-determination including by types of services and by location.
- (g) There are brief mentions of issues in relation to improving workforce diversity and addressing the recruitment and retention of on-call firefighters, with the Government committing to continuing to work with partners on these issues.
- (h) The White Paper proposed establishing a separate, independent, professional body which would build on the existing work of both the NFCC and the Fire Standards Board in setting and maintaining professional standards for FRSs. This proposal took the form of a College of Fire and Rescue (CoFR) and suggested that this new body could mirror the existing College of Policing.
- (i) The NFCC has been working with the Home Office to develop these proposals since the consultation was launched. The White Paper response confirms Government's commitment to establish a CoFR and states that they will work with partners to develop the most appropriate delivery model. The Government also states that data and research are also expected to be key pillars of the CoFR.
- (j) Following the establishment of a CoFR, the Government states that they will legislate to create powers which will allow certain aspects of professional standards, including the Fire Service Core Code of Ethics, to be placed on a statutory footing and applied by Chief Fire Officers in their FRSs.
- (k) In relation to Governance, the White Paper focused on the perceived benefits of single point accountability and agreed with HMICFRS's recommendation that Chief Fire Officers

should be afforded operational independence similar to Police Chief Constables, however details on the specifics of this are still to be established.

- (l) The Government states they will not, at this stage, be mandating transfers of Fire and Rescue Authority functions to Police, Fire and Crime Commissioners where they are not already in place, the Home Office will make changes to streamline the process of voluntary transfers.
- (m) The Government will also support elected Mayors and Police and Crime Commissioners to take on fire governance functions where they cover the same area as the FRS. This could include the Combined County Mayors being established in the Levelling Up and Regeneration Act.
- (n) The response also states that steps will be taken to improve the transparency of how FRS budgets are allocated where they are governed by county councils and unitary authorities, through changes to the National Framework Document which is highlighted as being reviewed to implement many of the changes from this consultation.
- (o) Many of the consultation responses require further detail for the implications to be clearly understood and, whilst the Government highlights that they aim to implement changes at the earliest opportunity, it is considered unlikely that any of the required legislative change, or changes to the National Framework Document, will take place prior the next General Election due to the timescales and existing Parliamentary commitments.

During the discussion that followed the following comments were made:

- (p) It is not clear what the Home Office would like to replace the National Joint Council with, but there has been pushback on the Home Office as it is felt that this is not something they have responsibility for. The Government is providing the funding for the review of the National Joint Council and there is hope that the Home Office will comply with the findings of the review.
- (q) The NFCC is working with the Home Office on the development of a CoFR as it has a very clear view on the minimum service level provisions that are required, so they have concerns which have been raised with the Home Office.

Resolved to

- (1) Note the report.**
- (2) Agree to receive further updates on sector reform at future meetings.**

59 Committee Outcomes

The revised report circulated with the supplement to the agenda detailing the business and actions of the Fire Authority committee meetings which took place in October/November 2023 and January/February 2024 was considered.

Resolved to note the report.

60 Exclusion of the Public

Resolved to exclude the public from the meeting during consideration of the remaining items in accordance with Section 100A of the Local Government Act 1972, under Schedule 12A, Part 1, Paragraph 3, on the basis that, having regard to all the circumstances, the public interest in maintaining an exemption outweighs the public interest in disclosing the information.

61 Replacement Mobilisation System Station End Equipment, On-Call Paging Solution and Officer Alerting App Contracts Award

Michael Sharman, Assistant Chief Fire Officer, presented the report detailing the proposals for the replacement mobilisation system end equipment, on-call paging solution, and Officer alerting app contracts award.

Resolved to approve the recommendations as detailed in the report.