

## Agenda Item no. 7

**TO:** Policy and Resources Committee

**FROM:** Area Commander Operational Support - Callum Faint

**PRESENTING OFFICER(S):** Area Commander Operational Support – Callum Faint

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**DATE:** 26 January 2017

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### COMPREHENSIVE SPENDING REVIEW UPDATE

#### 1. Purpose

- 1.1 To provide the Policy and Resources Committee with an update of activity completed and proposed actions with regard to the Comprehensive Spending Review (CSR) settlement.

#### 2. Recommendation

- 2.1 The Committee is asked to acknowledge the work undertaken and make comment as they deem appropriate.

#### 3. Risk Assessment

- 3.1 **Political** – the Government has now made fire and rescue services aware of the grant funding settlement for the period 2016 to 2020. This will see Cambridgeshire Fire and Rescue Service (CFRS) require a further total reduction of £2.85 million over that period. However known impactors have been considered (such as inflation and pay awards), making the required total saving £3.87 million. These savings will likely require a number of changes that will impact upon the Service, our staff and communities.
- 3.2 **Economic** – the total reduction in grant funding settlement and assumed costs (inflation and pay awards) is £3.87 million. This has now been confirmed by acceptance of the efficiencies plan submitted to the Home Office.
- 3.3 **Legal** – the Fire and Rescue Services Act (2004) and the Civil Contingencies Act (2004) places a number of requirements on the provision of a fire and rescue service, that service should be able to respond to, mitigate its effect, support actions and continue to provide a service should an emergency occur.

#### 4. Background

- 4.1 Table 1 below shows a breakdown of the savings required in each period of the four year CSR.

*Table 1*

Financial year	2016/17	2017/18	2018/19	2019/20	Total
CSR Year	1	2	3	4	
Saving required	£1.2m	£1.44m	£0.755m	£0.475m	£3.87m

#### 5. Update of Activities

- 5.1 The project has been progressing well since the CSR was released by central government in 2015 and this report will provide the Committee with a brief overview of activities conducted to date.
- 5.2 CSR Year 1 (2016/17) saw a project team formed who quickly engaged with staff to inform them of the CSR and the impacts along with engagement to identify areas where staff thought efficiencies could be found. This included five events across all areas of the Service, meeting with over 120 staff members and harvesting 250 separate suggestions. Upon analysis, with duplications removed, this showed 71 areas for investigation.
- 5.3 This information was fed back to staff in another series of five engagement events; all 71 suggested areas were tasked for further investigation.
- 5.4 Table 2 below shows where the savings for CSR Year 1 (2016/17) have been achieved.

*Table 2*

CSR Year 1 – 2016/17	Saving	Running total
Savings already made from previous CSR and previous council tax increase (permitted by central government)	£0.650m	£0.650m
Increase of council tax precept by 1.96%	£0.346m	£0.996m
Increase in number of houses within Cambridgeshire and Peterborough paying council tax (growth)	£0.271m	£1.267m
Total	Target for year = £1.2m	Actual = £1.267m
Deficit still to be found		Complete

- 5.5 Following achievement of Year 1 the project has now focused on CSR Year 2 (2017/18); this is the most significant year for reduction of funding.
- 5.6 Activities have included the following;
- completion of 71 business cases of the staff suggestions,
  - completion of an Operational Command Review, presented to the Authority Overview and Scrutiny Committee,
  - budget analysis, planning and discussions with Heads of Groups,

- completion and submission of efficiency plan, approved by the Home Office,
- Member-led review of the Media and Communications department, presented to the Overview and Scrutiny Committee and Fire Authority,
- forward budget planning,
- staff engagement events, meeting with over 100 staff across the Service in November/December 2016,
- communications via SMT Blogs, email, events and presentations.

5.7 Table 3 below shows where the savings for CSR Year 2 (2017/18) have been achieved/identified. Please note that the draft budget was presented to the Policy and Resources Committee on 8 December 2016 including a precept increase of 1.9%. This will be presented to the Authority on 8 February 2017 and is subject to approval.

Table 3

<b>CSR Year 2 – 2017/18</b>	<b>Saving</b>	<b>Running total</b>
Carry forward from Year 1 (extra savings made)	£0.067m	£0.067m
Reduction in group budgets – Operational Equipment	£0.010m	£0.077m
Reduction in group budgets – Training	£0.030m	£0.107m
Reduction in group budgets – Community Fire Safety	£0.025m	£0.132m
Removal of budget – Area Commander Operational Support	£0.030m	£0.162m
Removal of vacant post (part time) – Health and Safety	£0.015m	£0.177m
Removal of Deputy Chief Fire Officer role and reduction in salaries of Chief Fire Officer and Assistant Chief Fire Officer roles	£0.231m	£0.408m
*Implementation of staff suggestions (pending business case proving viability and agreement for investment)	*£0.027m	*£0.435m
Increase in number of houses within Cambridgeshire and Peterborough paying council tax (growth)	£0.274m (estimated)	£0.709m
Removal of operational contingency budget (previous on-call budget)	£0.301m	£1.001m
Reduction of capital funding from revenue (or short term reserve usage)	£0.100m	£1.101m
Authority request to consider increase of council tax precept by 1.9%	£0.340m (estimated)	£1.441m
Total	Target for year = £1.44m	Actual = £1.441m (estimated)
Deficit still to be found		Complete

*\*Please note: Table 3 includes the potential staff suggestions savings; it is unlikely that they could be fully implemented in 2017/18 and may run into 2018/19.*

5.8 This puts us in a positive position moving into Years 3 (2018/19) and 4 (2019/20). The project team will now start to focus and plan on options moving forward.

## BIBLIOGRAPHY

Source Documents	Location	Contact Officer
Operational Command Review 2016	Hinchingbrooke Cottage Brampton Road Huntingdon	Callum Faint 07780 663764 <a href="mailto:Callum.faint@cambsfire.gov.uk">Callum.faint@cambsfire.gov.uk</a>
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