

FIRE AUTHORITY POLICY AND RESOURCES COMMITTEE



Date: Wednesday, 26 January 2022

14:00hr

**Fire and Rescue Service Headquarters
Hinchingsbrooke Cottage, Brampton Road, HUNTINGDON,
PE29 2NA**

AGENDA

Open to Public and Press by appointment

1. **Election of Chair**
2. **Election of Vice Chair**
3. **Apologies for absence and declarations of interest**
Guidance on declaring interests is available at
<http://tinyurl.com/ccc-conduct-code>
4. **Minutes of the Policy and Resources Committee held 25 March , 3 - 18**
and notes of the informal meetings held 15 July and 15 December
2021
5. **Action Log 19 - 20**
6. **Draft Fire Authority Budget 2022-23 and Medium term Financial 21 - 56**
Strategy 2022 to 2028

7. **Fire Authority Programme Management - Monitoring Report** 57 - 70
8. **Policy and Resources Committee Work Programme** 71 - 76

The Fire Authority Policy and Resources Committee comprises the following members:

For more information about this meeting, including access arrangements and facilities for people with disabilities, please contact

COVID-19

The legal provision for virtual meetings no longer exists and meetings of the Council therefore take place physically and are open to the public. Public access to meetings is managed in accordance with current COVID-19 regulations and therefore if you wish to attend a meeting of the Council, please contact the Committee Clerk who will be able to advise you further.

Councillor Mohammed Jamil and Councillor David Over Councillor Simon Bywater
Councillor Bryony Goodliffe Councillor Peter McDonald Councillor Edna Murphy Councillor
Kevin Reynolds Councillor Philippa Slatter and Councillor Mandy Smith

Clerk Name:	Dawn Cave
Clerk Telephone:	01223 699178
Clerk Email:	dawn.cave@cambridgeshire.gov.uk

CAMBRIDGESHIRE AND PETERBOROUGH FIRE AUTHORITY POLICY AND RESOURCES COMMITTEE: MINUTES

Date: 25 March 2021
Time: 2.00pm – 2.38pm
Place: Virtual Meeting
Present: Councillors: B Ashwood, S Bywater, D Giles, W Hunt, M Jamil, K Reynolds (Chairman), M Shellens and M Smith
Officers: Jon Anderson, Tamar Oviatt-Ham, Chris Strickland, Deb Thompson, and Matthew Warren.

160. APOLOGIES FOR ABSENCE

Apologies received from Councillor David Over.

161. DECLARATIONS OF INTEREST

No declarations of interest were made.

162. POLICY AND RESOURCES COMMITTEE MINUTES – 17 DECEMBER 2020

The minutes of the meeting held on 17 December 2020 were confirmed as a correct record and would be signed by the Chairman on the return to the office.

163. ACTION LOG

Verbal updates were given to on the following actions;

- Action 156 Fire Authority Programme Management - Monitoring Report:
 - Training Centre review - Shift system review completed and negotiations were taking place around the shift change.
 - Incident Command Unit - Options for an upgrade were still being developed

The Action Log was noted.

164. OVERVIEW AND SCRUTINY COMMITTEE MINUTES – 7 JANUARY 2021

It was resolved to note the minutes of the Overview and Scrutiny Committee meeting held on 17 January 2021.

165. RELOCATION OF HUNTINGDON FIRE STATION AND TRAINING CENTRE

The Committee received a report that provided an update on the relocation of the current fire station and training centre site based in Huntingdon to a new site at St Johns Business Park, also in Huntingdon. The report also sought to gain approval to proceed with specific options for the site that had materialised through the planning process and the development of detailed plans for the training centre.

Introducing the report, the Deputy Chief Executive Officer explained that some revised figures for the project has been circulated and published ahead of the meeting, and that, if approved, they would form the final contract figures. He explained that he did not envisage any further changes to figures, however if there were changes, he would come back to Committee for approval.

Members noted the following points from the report:

- The drainage costs for the site had increased to £350,000 in order that storage drains were added which would give regulation of flow off the site into the main drains in Huntingdon.
- A further cost of £20,000 for noise repression for the standby generator was required.
- A commercial sprinkler system was advised for the site at a cost of £160k.
- Additional functionality in the training centre was advised with additional gas burners to create flash overs in order that scenarios could be as life like as possible.
- An archaeological survey and dig had been undertaken and artefacts of local significance had been recovered. Officers were seeking advice from Huntingdonshire District Council on the next steps but aimed to keep the costs to an absolute minimum.

Arising from the report:

- A Members questioned whether there would be an annual maintenance costs for the drainage tanks. The Deputy Chief Executive Officer explained that in the short term there would be no maintenance costs . A Member commented that the tanks may need to be de-sludged at some point.
- Members agreed that the commercial sprinkler system was a necessity and that it was important to set the standard for such buildings going forwards.
- A Member queried whether the payback of between 5-9 years on the additional solar panels could be more specific. The Deputy Chief Executive Officer explained that the payback was dependant on how much electricity was used at source. He agreed to refer back to the Energy Consultant for further detail. **ACTION – DCE**
- A Member sought assurances that the consultants being used for the project were value for money. The Deputy Chief Executive Officer stated that the authority aimed to keep the use of consultants to a minimum. He explained that he had regular meetings with the consultants, Artisan Developments, and that the project was also being supported internally by the authority's project governance structure. He clarified that the project was open book and all documentation was available to view.
- A Member queried if there was contingency built into the budget. The Deputy Chief Executive Officer clarified that a contingency had been built in and that he would provide the Committee with the figure and make this clear in any future reporting. **ACTION**
- A Member commented that no corners should be cut and that they fully agreed with the figures for the additional functionality and sprinkler system.
- A Member commented that they looked forward to the project coming into fruition but queried why the costs for the sprinkler system and archaeology were being brought at a late stage. The Deputy Chief Executive Officer commented that additional costs were added at a later stage due to recommendations from the surveyor in relation to requiring a commercial grade sprinkler system due to the size of the building.
- The Chairman commented that it was important to future proof the training centre. He stated that if the authority had been able to proceed

with the project four years ago then the cost for the project would have been much less. He commented that the project was well overdue.

In bringing the debate to a close the Chairman requested that an additional recommendation be added to note the late additional costs in relation to the archaeological survey and findings.

It was resolved unanimously to:

- a) approve the proposal to invest in additional training equipment and renewable energy, noting the assumed payback period for both;
- b) approve the additional cost for drainage on the site associated with the planning consent;
- c) approve the investment in a commercial sprinkler system;
- d) approve the revised plans as attached;
- e) approve the revised budget and funding proposal for the additional cost items.
- f) Note the update of historical artefacts on the site with the possible implications in relation to the budget.

166. POLICY & RESOURCES COMMITTEE WORK PROGRAMME

It was unanimously resolved:

To note the Work Programme

The Chairman thanked all Members of the Committee and officers for their input and diligence over the last four years. Members thanked the Chairman for his excellent chairmanship and cross party working.

Cambridgeshire and Peterborough Fire Authority Notes of informal Policy and Resources Committee meeting

Date: 15 July 2021
Time: 2.00pm – 3.30pm
Place: Fire HQ
Present: Councillors: S Bywater, B Goodliffe, M Jamil, E Murphy, D Over, K Reynolds, P Slatter and M Smith
Officers: Jon Anderson, Dawn Cave, Shahin Ismail, Chris Strickland, Deb Thompson and Matthew Warren
Apologies: Councillor P McDonald

1. Appointment of Chair

The Monitoring Officer called for nominations for Chair. Councillor Jamil nominated Councillor Goodliffe, and this was seconded by Councillor Murphy. Councillor Bywater nominated Councillor Reynolds, and this was seconded by Councillor Smith. There were no further nominations. Following a show of hands, there was an equality of votes, four each, for each candidate.

The Monitoring Officer advised that the Standing Orders did not specify what should happen in the event of equality of votes, and outlined options open to the Committee, e.g. coin toss. She added that at the November meeting of the Fire Authority, there would be a full review of Standing Orders so that there would be a remedy in such circumstances in future.

A number of options were put forward e.g. appointing a Chair for the meeting only, and the meeting adjourned for ten minutes to see if a solution could be agreed.

As no way forward was agreed, the formal meeting was suspended, and it was agreed that Members would discuss the reports informally.

2. Election of Vice Chair

Item deferred.

3. Apologies for absence and declarations of interest

Councillor McDonald was not present; there were no declarations of interest.

4. Minutes of the Policy and Resources Committee held 25th March 2021

The minutes of the meeting held on 25 March 2021 were noted.

5. Policy and Resources Committee Action Log

Verbal updates were given to on the following actions:

It was noted that the contingency on the St Johns development was £195K for the building itself, which could be applied if there was anything unexpected expenses. This was not a big percentage of the overall project budget. There would be a full update on the St John's development at the next Fire Authority meeting.

With regard to the PV panels, this work had concluded, with the most economical option giving the biggest return. It was confirmed that the assessment of returns for the solar panels was based on a 25 year period.

The archaeological investigations were being progressed, and artefacts of local interest had been discovered. The archaeological dig was expected to conclude shortly, with work starting on site in August. It was confirmed that the Fire Authority Chair would sit on the Programme Board for St Johns so that she had a strategic overview of the project.

6. Minutes of the Overview and Scrutiny Committee meeting held 7th January 2021

Item deferred.

7. Revenue and Capital Budget Monitoring Report

Members considered a report that provided an update on revenue and Capital spending as at 30 June 2021.

Members noted the £228K overspend on Full Time Firefighters. The Service had been running an over-establishment on firefighters, anticipating retirements of those towards the latter years of their careers. There had been a drawdown on Reserves to ensure this continuity. The £228K overspend also included an element of Covid expenditure: some crews had been unable to work due to cases of Covid, e.g. where the whole crew needed to self-isolate for ten days. The ways in which these absences were being addressed were noted, including bringing in staff on overtime, and using roaming appliances. It had been made clear to staff that they should not come into work if they did not feel well.

A Member asked when this Covid situation may become critical and impact on call outs. It was noted that the Service could meet its statutory obligations by providing one pump, but tried to ensure good coverage of crews and appliances across Cambridgeshire and Peterborough, and senior officers assured Members they would be able to deal with the current situation. In response to a Member question, it was confirmed that there were reciprocal arrangements with neighbouring Fire Services, and constant dialogue was maintained with those Services both at Chief Fire Officer and operational level. It was also noted that self-isolation was less of an issue for on-call firefighters.

With regard to the present situation on Covid testing and vaccination, all staff were encouraged to take up the vaccinations, and Cambridgeshire had been one of first Services in the country to provide testing for all staff, with staff being tested twice a week. As the rules on self-isolation were due to relax in August, this would lead to a reduction in the numbers needing to self-isolate, but could possibly lead to an increase in the numbers infected.

It was noted that the 'Variance' figure showed the actual outturn against the budget to date. It was noted that whilst some areas e.g. Property Maintenance and Insurance, were currently showing an underspend, this was due to expenditure not being evenly spread over the financial year, and they were expected to be on budget towards year end, as often expenditure or invoicing was delayed. The example of IT and Communications was noted, where many contracts were not being renewed until later in the financial year.

It was noted that in terms of Firefighter projections, there were no vacancy rates built in, as there was a very low rate of turnover. The Deputy Chief Executive advised that in summary, he was expecting to come in on budget, with the exception of Full Time Firefighters, for the reasons explained, but there were allocated Reserves for that purpose.

Members noted that a lot had been spent on training this year, including training to use the new boats.

It was noted that Operational fire budget related to On-Call Firefighter expenditure, which was dependent on demand. This expenditure fluctuated according to demand and would be monitored throughout the financial year. On-call firefighters were paid a retaining fee, and were then paid for every call that they attended, at an hourly rate. This could vary, year on year, due to a variety of factors, e.g. in hot summers there were more call outs.

It was noted that 75% of budget was staffing. Staff turnover was minimal, as the Service was regarded as a good place to work, and this situation had

been emphasised by the pandemic, when individuals had re-evaluated their priorities.

8. Annual Treasury Management Review 2020-21

Members considered the Annual Treasury Management Review for 2020-2021. The Treasury position as at 31 March 2021 was noted, which was effectively a summary of loans, and the CFR (Capital Financing Requirement) represented the Service's credit limit. The CFR was reviewed annually, and was based on an affordability model. Currently the Service was cash rich, but much of that cash was allocated to the project at St Johns.

In terms of investment, this had to be UK based or affiliated. All this investment was highest ratings i.e. AAA rated, and satisfactory returns were being earned on investments.

In response to a Member question, it was noted that debt was taken out against the capital programme. Capital requirements were often funded by income, including sale of assets, and sometimes revenue and underspends from prior years. Any remaining capital requirement was borrowed from the PWLB.

There were no real opportunities for increasing investment returns, as the Service had to invest in the UK. Given the current low rates, it was seen as prudent to use cash to finance capital programme rather than investing the cash and borrowing capital.

9. Strategic Risk and Opportunity Management Register – Monitoring Report

Members considered an updated Strategic Risk report, as at July 2021, highlighting those risks that were considered to be above the risk appetite of the Authority.

The key risk remained the ESMCP Airwave (R164). Members noted that this related to a project ran by the Home Office to move the current telecoms system from 'Airwave' to a system which was run on the mobile phone network. The project was overrunning significantly. From the Fire Service perspective, the risks related to systems resilience, especially when the volume of mobile phone calls was very high, using the same network. There was no alternative option – the existing technology was outdated and most other countries had already moved on to a mobile solution. A Member observed that this had been showing as a major risk on the risk matrix for at least six years. It was noted that by 2025/26 the new system should be operational. It was also noted that Fire Services had been recently notified likely to fund element from within revenue, of around £200K per annum, which would be difficult in the current budget situation. It was confirmed that co-

location of emergency services would not be of any benefit in this regard, as each Service had its own separate mobilising control centres. It was noted that the system would use the EE Mobile network, and in the event of a major incident, emergency services' use of that network would be prioritised.

In response to a Member question, it was confirmed that nationally, the ESMCP project now appeared to be well managed. It was noted that there had been many assurances at the outset that there would not be a cost to Services, but it was now clear that there would be an ongoing cost, despite challenge from the National Fire Chiefs Council. The cost of extending the contract for the current system, Airwave, was also considerable, but Members were reassured that the Airwave system was still fit for purpose.

With regard to cyber-attacks (R094), there were many safeguards in place, and whilst considerable vulnerability and penetration testing was regularly being carried out, there remained vulnerabilities, which was why the risk remained high. Whilst the Service had been successful to date, the potential productivity loss was massive in this area.

Conflicting priorities (R183) remained a priority area, e.g. ridership figures versus development of staff.

With regard to Brexit/EU suppliers (R172), there was a query as to whether there were any particular issues with data sharing. Officers confirmed that data was held within the UK, and this score may be revised down.

A Member queried the changing nature of incident types, e.g. increases in flooding incidents, and whether enough consideration was being given to increasing flood risk resulting from climate change going forward. It was confirmed that there had been investment in improving water rescue capabilities over the last couple of years, and this had been identified as a risk due to changing environment and increasing frequency of extreme weather events. The budget was reviewed annually with regard to the consumables required for flood rescue. The Service also worked with Flood partners through the Local Resilience Forum. The Service was regularly reviewing the types of incidents it attended, and adjusting resources accordingly.

A Member queried risks R178 (on-call staff leaving) and R161 (staff diversity), and asked whether there were any potential linkages between the two, i.e. the potential to access new, more diverse, labour markets. Officers advised that many actions had been taken to appeal to those sections of the community that were currently underrepresented, and increase the attraction of the Service to groups who maybe not considered it as a career option. There were two members of staff focused on reaching out to hard to reach groups, and there had been a gradual increase in applications from both female applicants and applicants from ethnic minority backgrounds. A key point was to increase the awareness of the professional nature of the work actually undertaken by Fire and Rescue Services, so that candidates were fully aware what the job entailed.

There was a discussion around the entry criteria, both academic and physical requirements. It was noted that there were always large number of applicants for Firefighter positions, the issue was often getting a field of applicants who represented the diversity of the communities the Service served, and a sufficient number of applicants who were interested in progressing their career to a senior level.

Cambridgeshire and Peterborough Fire Authority Notes of informal Policy and Resources Committee meeting

Date: 15 December 2021

Time: 2.00pm – 3.10pm

Place: Virtual meeting

Present: Councillors: S Bywater, B Goodliffe, M Jamil, P McDonald, E Murphy,
D Over, K Reynolds, P Slatter and M Smith

Officers: Ursula Bird, Dawn Cave, Shahin Ismail, Chris Strickland, Deb
Thompson and Matthew Warren

Apologies: None

1. Appointment of Chair

Item deferred.

2. Election of Vice Chair

Item deferred.

3. Apologies for absence and declarations of interest

There were no declarations of interest.

4. Minutes of the Policy and Resources Committee held 25th March 2021, and notes of the informal meeting held 15th July 2021

Noted.

5. Policy and Resources Committee Action Log

Noted.

6. Minutes of the Overview and Scrutiny Committee meeting held 21st July and 7th October 2021

Noted.

7. Revenue and Capital Budget Monitoring Report 2021-22

Members considered a report that provided an update on revenue and capital spending as at 30 November 2021.

Officers advised that there had been no significant changes since the position had been presented to the Fire Authority in November. The organisation would be below establishment at the end of the financial year, which was good from a financial management perspective, but posed numerous operational challenges. Whilst a lean shift system was being run, a number of factors in that shift system meant that at times the Service was struggling with optimal crewing. Officers confirmed that there was sufficient flexibility given that there would be a short timescale to make any budget cuts, especially given the pay award would be unknown until the summer.

Generally, the financial position was relatively strong. The supplies and services budget was showing an underspend, owing to the expenditure against specific ICT contracts that tend to be incurred later in the financial year. This budget was expected to be on target by the end of the financial year.

Members noted areas where underspends were expected, including lower energy consumption, as not all buildings were occupied, and uniform. An Environmental Sustainability Strategy and Plan would be brought to the Fire Authority in 2022, and any underspends would be invested in this area, as it was expected that there would be a legislative impetus for the Service to become carbon neutral.

In response to a Member question, it was confirmed that “senior management (Hay)”, referenced in Appendix 1 to the report, related to senior management in support services, including the Chief Officer Group.

It was confirmed that both protective uniforms and workwear for firefighters was leased. Attempts had been made to have a collaborative framework with other fire and rescue services, but none had come to fruition to date.

8. Strategic Risk and Opportunity Management Register – Monitoring Report

Members considered an updated Strategic Risk report, as at July 2021, highlighting those risks that were considered to be above the risk appetite of the Authority.

The following risks were discussed:

- the ongoing issues with the Emergency Services Mobile Communications, as the replacement communications package which was not forecast to go live before 2024;

- Other significant risks including the pandemic, cyber attacks, and balancing competing priorities.

In response to a Member question, it was confirmed that the Service was reasonably resilient, partly due to significant business continuity planning. The Service was viewed very favourably as an organisation, especially in the recent HMICFRS Inspection. Resilience had been demonstrated in recent years when there had been industrial action, and again during the worst of the pandemic. It was also confirmed that the Service was keen to support NHS colleagues as far as possible, and had offered support for the difficulties anticipated due to the Omicron variant, as long as this did not detract from the provision of core services. The Minister had indicated that such assistance would be financially supported by the Home Office. It was confirmed that this would be voluntary for staff and could be either incorporated into the normal working day or in addition to regular hours.

Noting paragraph 5.7 of the report, a Member suggested that it should be made clearer which staff group was reducing when resources were being lost.

9. Pensions Immediate Detriment Update

Members received a verbal update on the Pensions Immediate Detriment. At the Fire Authority meeting in November, Members had been advised that there was an agreement between the Local Government Association (LGA) and the Fire Brigades Union (FBU) that if the Service proceeds to make these payments through the pension administrator, West Yorkshire Fire and Rescue Service, and it transpired that they were incorrect, there would be no challenge to CFRS. Members agreed at that meeting to the proposed approach to immediate detriment, which was to sign up to a Memorandum of Understanding with the LGA and FBU.

This proposed approach had been reliant on advice and guidance given by HM Treasury and the Home Office, which had subsequently been revoked. Urgent legal advice was being sought by fire services collectively, and that advice was expected very shortly. It was confirmed that there were ten relevant cases within CFRS.

One of the potential risks was that because it fell outside the time limit, the Service would be burdened with the tax charge, which was around £100,000, unless a guarantee was offered by government. The intention was therefore to pause on this process, whilst the legal advice was awaited. The legislation was unlikely to come into effect until 2022 or 2023. It was noted that a number of fire services had already made payments.

It was confirmed that this part of the McCloud judgement was specific to the Firefighter Pension Scheme, and did not apply to the Cambridgeshire Pension Fund which covered both Cambridgeshire and Peterborough Councils, as that was a LGPS (funded) pension scheme.

10. Draft Medium Term Financial Strategy 2022 to 2025

Members considered the draft Medium Term Financial Strategy and associated draft financial plan for 2022 to 2025.

Presenting the report, the Deputy Chief Executive advised that the budget had been fundamentally reviewed by the new Finance Manager, and much was dependent on the Comprehensive Spending Review, which was expected on 16 December, and possible scenarios were outlined. It was noted that a 2% increase in Council Tax would just cover inflationary increases, but if inflation or the pay award exceeded 2%, the position would be problematic. The flexibility to raise Council Tax going forward, which was the most significant part of the budget, was being stressed to government. Members were reminded that the Authority's £30M budget was essentially unchanged since 2010, and that there had been significant cuts since that time and the organisation was already as lean as possible.

The Conservative group indicated that they felt they were unable to support the report recommendations for a consultation based on a 2% increase in Council Tax as there was insufficient detail in the report. Examples were given of areas where there was insufficient detail, such as "*...a process to identify savings in professional support service*", suggesting that as nearly 50% of the total budget was spent on staff, a more accurate assessment was required. Officers commented that the report may be misleading in terms of the amount spent on support staff, and that by far the largest spend on pay is for uniformed staff, as set out in the budget monitoring report:

	£'000	%
Full-time Firefighters	12,881	60
Control	1,652	8
Professional Support	6,981	32
	21,514	100

Officers also advised that all functions had undertaken assessments to determine savings which would have a minimal impact on front line services. Over recent years, staffing had been reduced by 30%, and the shift system had been reorganised to facilitate this. There was little scope to further reduce staffing levels without a detrimental impact on services. Given that there were many unknowns e.g. in the financial settlement, the Service awaited further information but was not currently recruiting to give some flexibility in the budget.

It was stressed that the recommendation was to *consult* on the basis of a 2% increase, not to implement the Council Tax increase, which would be a decision for the Fire Authority in February, when further information was

available. Other Members commented that the same situation had been faced in previous years and that the December Policy and Resources Committee meetings had always agreed to consult on the information available. It was noted that the total wages for firefighters was around £12.5M and for support staff was £6M. Officers agreed that the text would be made clearer on this point and could be supported diagrammatically. More information would be available shortly as part of the government's Comprehensive Spending Review, and a range of scenarios for the government settlement were possible.

It was noted that for support staff roles, these included professional roles such as accountancy and ICT, which in the current climate could be done from home. It was noted that despite offering less competitive salaries than some organisations, the Service remained a popular employer.

Members discussed how the Service was seeking to become carbon neutral by 2030. It was noted that there were various approaches to sustainability that were being progressed, including fuel and hybrid vehicles,

In terms of the process for the budget consultation, it was noted that there needed to be enough time for a consultation before the Fire Authority meeting on 10 February 2022. Council Tax could be frozen but this would require cutting services. Any increase above 2% would require a referendum, at considerable cost. It was stressed that consulting on a 2% increase would not commit the Fire Authority to a 2% increase.

It was noted that around 100 responses were usually received to the consultation.

A number of Members reiterated that they did not wish to commit to a Council Tax increase of 2%, prior to the settlement notice from government being received of the Peterborough City full Council meeting. Other Members pointed out that approval was sought to *consult* on a 2% Council Tax rise, the final decision would be made at the Fire Authority meeting in February, and the proposed Council Tax rise at that meeting would be informed by both the consultation and settlement.

The majority of Members indicated that they were happy for the Fire Authority Chair to use her delegated powers to approve a consultation based on a 2% Council Tax increase.

11. Policy and Resources Committee Work Programme

It was agreed that there would be a seminar prior to the Fire Authority meeting in February.

Members passed on their congratulations to Officers for the tremendous HMICFRS report, which was an excellent achievement.

Fire Authority Policy &
Resources Committee

Minutes - Action Log

This is the updated action log as at 18 January 2022 and captures the actions arising from the most recent Policy and Resources Committee meetings and updates Members on the progress on compliance in delivering the necessary actions.

Minutes from the 15 December 2022 Committee					
Minute No.	Report Title	Action to be taken by	Action	Comments	Status
11	Policy and Resources Committee Work Programme	Democratic Services	Although the meeting on this date was informal, it was agreed that there would be a seminar prior to the Fire Authority meeting in February 2022.	Invite to be sent out as soon as practicable.	

To: Policy and Resources Committee

From: Deputy Chief Executive Officer - Matthew Warren

Presenting officer(s): Deputy Chief Executive Officer - Matthew Warren
Telephone: 01480 444619
matthew.warren@cambsfire.gov.uk

Date: 26 January 2022

Draft Fire Authority Budget 2022/23 and Medium term Financial Strategy 2022 to 2028

1. Purpose

- 1.1 The purpose of this report is to present the draft budget for 2022/23 and the medium term financial strategy for 2022 to 2028.

2. Recommendations

- 2.1 The Policy and Resources Committee is asked to;
- 2.1.1 review the budget book attached at Appendix 1 and endorse the recommendations detailed on Page 22 within it;
 - 2.1.2 review and endorse the medium term financial strategy attached at Appendix 2.

3. Risk Assessment

- 3.1 Economic – the major risk is focussed around pay inflation and the potential to have to make cuts to the Service to balance the budget if this significantly exceeds current assumptions.

4. Background

- 4.1 The Service received its draft settlement for 2022/23 in December 2021. The summarised draft Authority budget was presented to the Policy and Resources Committee in the same month, seeking approval to consult with the public for a precept increase of 2%.
- 4.2 A consultation process on the proposed council tax increase is currently live; feedback from this process will be presented orally to the Authority meeting in February 2022.

5. Budget Considerations

- 5.1 The budget has been built to include an assumed 2% pay award, as well as significant inflationary pressures on fuel and energy.
- 5.2 The detailed budget build, included on pages 25 and 26 of the budget book, provides a line by line breakdown of the proposed budget, showing the current year budget and the proposed 2022/23 budget.
- 5.3 Attached at pages 23 and 24 of the budget book are the detailed capital budgets for 2022/23.

Source Documents

Budget Preparation Papers 2022/23

Location: Fire HQ, Hinchbrook Cottage, Brampton Road, Huntingdon

Contact: Matthew Warren 01480 444619 matthew.warren@cambsfire.gov.uk



CAMBRIDGESHIRE
& PETERBOROUGH
FIRE AUTHORITY

BUDGET BOOK 2022/23



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Budget Overview

Funding for 2022/23

The comprehensive spending review (CSR) was scheduled to be announced in the Autumn of 2021, with an expectation that there would be a clear indication of the amount of government funding that would be received by the Authority for the next 3 financial years.

However, owing to the on-going economic uncertainty, the CSR has again been delayed. An announcement, along with a possible review of the Governments funding formula, is now expected in the Autumn of 2022.

Revenue Support Grant

The Revenue Support Grant has been increased by £0.086million, over that received in 2021/22. This is a one year settlement. Funding has been assumed to stay flat in the medium term.

Localised Business Rates

The Authority continues to participate in a local pooling arrangement with a number of local Authority's within Cambridgeshire, including Peterborough. The purpose of this arrangement means that participants benefit from local increases in business rates income, whilst having baseline protection should it fall. This Authority has seen small financial benefits resulting from this initiative over the last 2 financial years.

Other Grants

In addition to the core grants, the Service receives specific grant income. These include grants for additional Pension liability, on-going Airwave cost and funding for the cost of the Employer's National Insurance increase. These grants are all temporary and are reviewed annually by Government.

What does it mean?

In summary the Authority will receive a total core grant, including Business Rates Contributions, of £9.012m.

The Revenue Support Grant and Business Rate Contributions and grants represent £6.677m of this total.





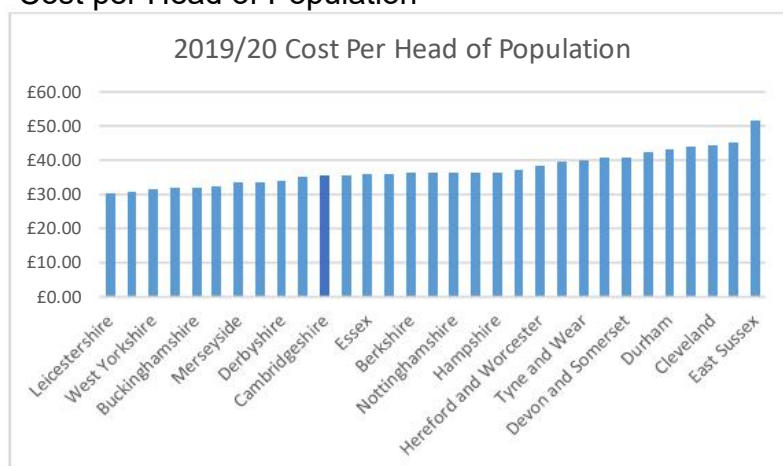
Impact of Covid-19 on Funding

The Pandemic caused significant uncertainty around future funding specifically with regard to Council Tax collection rates and Business Rates. Government sought to mitigate the impact of lost Council Tax revenue on all public bodies by providing a special grant that can be used to reduce the impact over a 3 year period. The 2020/2021 deficit in Council Tax revenue is being spread over 3 years by the Councils with the support of government. Additional COVID support grants received during 2021/22 amount to £902k, this has been used to cover the additional cleaning and staff costs.

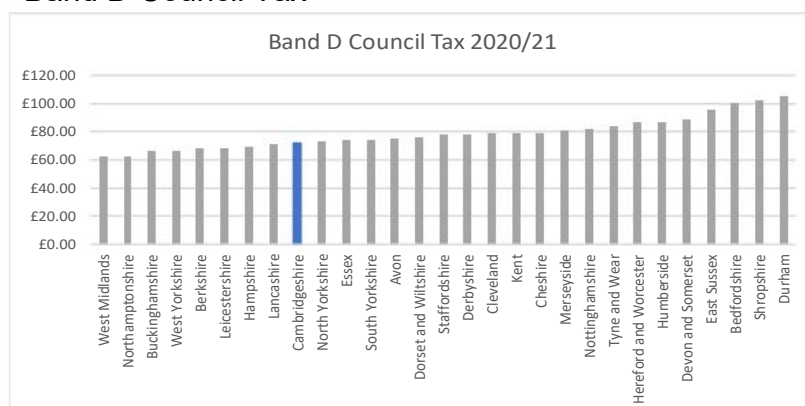
National Context

For context, the following two graphs present how Cambridgeshire compares to other precepting Fire Authorities in England.

Graph 1 - Cost per Head of Population



Graph 2 - Band D Council Tax





The Budget Build-up: Revenue Expenditure

The budget is built using the input of each budget holder; each budget is reviewed and amended at specific budget holder and finance meetings. The information from each group is then consolidated into the final budget.

The budget has been prepared for the medium term after making a number of assumptions, which are:

- A 2% increase in Council Tax for 2022/23;
- Non-pay inflation will be 2%

The detailed medium term estimates for the next three financial years, as shown on page 6, include assumptions on the Comprehensive Spending Review.

Summary of Revenue Expenditure

2021/22 Budget £000		2022/23 Budget £000
	Expenditure	
26,002	Employees	26,721
1,618	Premises	1,508
4,677	Supplies and Services	5,078
489	Transport	519
154	Agency Costs	155
956	Capital Financing	771
33,896	Total Expenditure	34,752
-3,213	Income	-3,526
30,683	Net Expenditure	31,226

Attached at Appendix 2 is a detailed expenditure forecast.





Inflation

The anticipated costs of inflation between 2021/22 and 2022/23 are £563k an average of 1.8%.

A pay award of 1.5% was paid to Fire Fighters in July 2021 and a pay award for Support staff is expected to be 1.75% for 2021/22. This unbudgeted pressure has been financed from reserves and underspends in 2021/22.

Whilst a large part of the budget is like for like with previous years, after inflation has been applied there are a number of budgets where there are cost pressures. A major focus for the next financial year will be inflation. Whilst it has been budgeted at 2%, there is significant inflationary pressures across all sectors of the economy at this time. The budget will become under significant pressure if the current position does not start to reduce through the new financial year.

Financing the Budget

		£000	%
Adjusted budget	2021/22	30,683	
Inflation and Pressures		563	1.8%
Budget Variations		129	0.4%
Service pressure/efficiencies		-148	-0.5%
Budget Requirement 2022/23		31,227	
Less:			
Transfer from Reserves		-	
RSG & NNDR		-9,012	
Recommended Precept 2022/23		22,215	

The following table shows the medium term revenue forecast detailing the anticipated budget requirements and the indicative Authority tax rates for 2022/23 to Forecast 2024/25



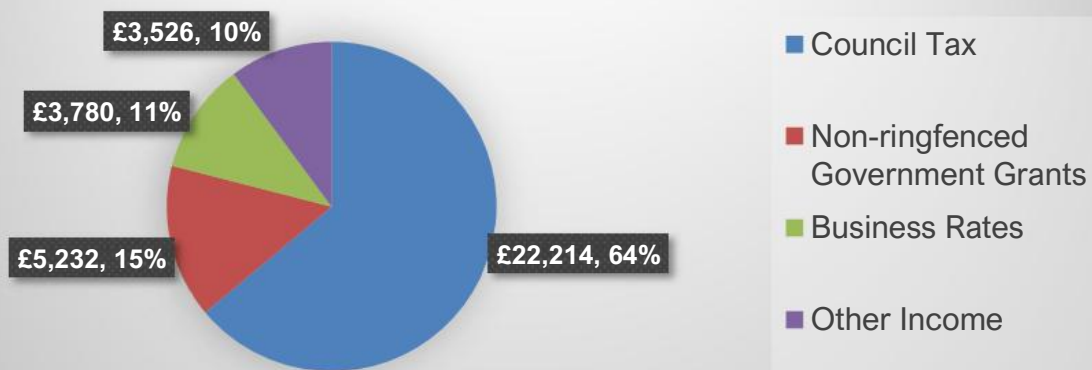


Budget Inflation, Pressures and Savings	Estimate	2022/23	Forecast	Forecast
	£'000	Incr. %	2023/24 £'000	2024/25 £'000
Budget (previous year)	30,682		31,226	32,344
Wholetime Firefighters Pay	198			
Retained Firefighters Pay	44			
Fire Control Pay	25			
Local Government Employees Pay (LGEs)	140			
Other Price inflation	156			
Inflation	563	1.8%	625	647
LGE Staff	154			
Control Room Staff	60			
Firefighters	7			
Operational Activity	5			
Insurances	0			
Capital Charges	95		207	187
Other	-192		115	0
Budget Variations	129	0.4%	322	187
Service Pressures/Efficiency Savings				
Budget Holder Savings	-148	-0.5%	171	169
Budget Requirement	31,226	1.8%	32,344	33,347
Less:				
Settlement Amendments	-		-	-
RSG	-2,897		-2,897	-2,897
Transfer to Special Grant re localisation Reserve	-		-	-
Developer Revenue Grant Contributions	-		-	-
NNDR Related Grant (Top Up Grant)	-2,335		-2,335	-2,335
National Non-domestic Rates	-3,780		-3,780	-3,780
Transfer from reserves	-		-	-
Fire Authority Precept	22,214		23,332	24,335
Tax Base	296,307		301,295	305,686
Band D Tax	£ 74.97		£ 77.44	£ 79.61
Year on Year Increase	2.0%		3.3%	2.8%

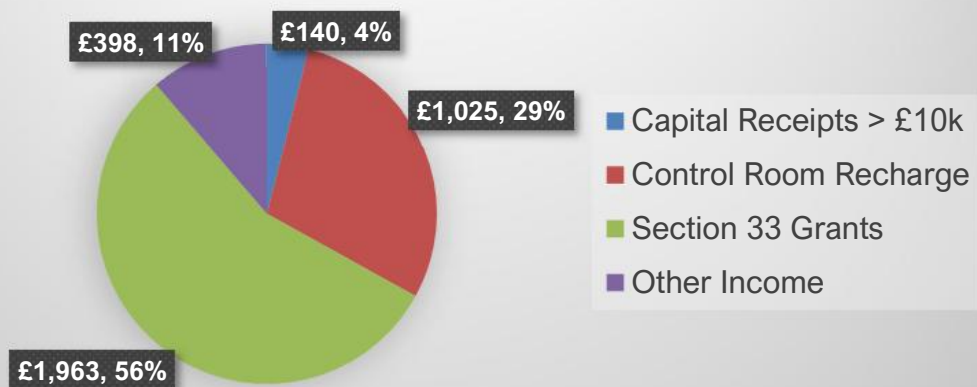




How we are funded (£'000)



Analysis of other income (£'000)





The Budget Build-up: Capital Expenditure

The Prudential Code, introduced as part of the Local Government Act 2003, requires authorities to ensure capital expenditure is both prudent and affordable.

The Capital Budget for 2022/23 amounts to £6.919m and is summarised in the table below, along with a schedule setting out the medium term capital programme for 2022/23 to 2025/26.

The Capital Programme has been prepared after considering the Authority's Asset Management Plan.

The revenue budget accounts for the financing costs of the schemes in 2022/23 and future years.

A summary of how the Capital Programme will be financed is also shown in the table.

MEDIUM TERM CAPITAL PROGRAMME 2022/23 TO 2025/26

(details - Appendix 1)	2022/23	2023/24	2024/25	2025/26
	£'000	£'000	£'000	£'000
CAPITAL EXPENDITURE				
Vehicle Replacement Programme	1,655	1,602	1,715	1,607
Equipment	269	227	201	214
Property Maintenance & Land	4,220	1,220	1,220	50
IT & Communications	775	350	350	350
TOTAL EXPENDITURE	6,919	3,399	3,486	2,221
FINANCED BY:				
Loan	3,019	2,741	2,511	1,341
Capital Receipts	543	406	608	523
Revenue Contribution to Capital Outlay	357	252	367	357
Transfer from Reserves	3,000	0	0	0
Capital Grants	0	0	0	0
TOTAL RESOURCES	6,919	3,399	3,486	2,221





Treasury Management Strategy Statement

The Local Government Act 2003 (The Act), supporting regulations and CLG Guidance require the Authority to 'have regard to' the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code and the CIPFA Treasury Management Code of Practice, to set Prudential and Treasury Indicators for the next three years to ensure that the Authority's capital investment plans are affordable, prudent and sustainable.

The Act therefore requires the Authority to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy (as required by Investment Guidance subsequent to the Act). This sets out the Authority's policies for managing its investments and for giving priority to the security and liquidity of those investments.

CIPFA's Code of Practice on Treasury Management has been adopted by this Authority. This strategy statement has been prepared in accordance with the Code.

The Overview and Scrutiny Committee has responsibility to ensure the effective scrutiny of the Treasury Management Policy (TMP) and strategies and will be provided with update reports during the year. As a minimum a mid-year report will be presented.

The Act therefore requires the Authority to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy; this sets out the Authority's policies for managing its investments and for giving priority to the security and liquidity of those investments.

The suggested strategy for 2022/23 in respect of the following aspects of the treasury management function is based upon the Treasury Officers' views on interest rates, supplemented with leading market forecasts provided by the Authority's treasury advisor. The strategy covers:

- The current treasury position;
- Prospects for interest rates;
- Treasury limits in force which will limit the treasury risk and activities of the Authority including Prudential and Treasury Indicators;
- The borrowing strategy;
- The Minimum Revenue Provision;
- The investment strategy;
- The credit worthiness policy;
- Policy on the use of external service providers.





It is a statutory requirement under Section 33 of the Local Government Finance Act 1992, for the Authority to produce a balanced budget. In particular, Section 32 requires a local authority to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This therefore means that increases in capital expenditure must be limited to a level whereby increases in charges to revenue from:

- increases in interest charges caused by increased borrowing to finance additional capital expenditure and;
- any increases in running costs from new capital projects are limited to a level which is affordable within the projected income of the Authority for the foreseeable future.

It is a statutory duty under Section 3 of the Local Government Act 2003 and supporting regulations, for the Authority to determine and keep under review how much it can afford to borrow. The amount so determined is termed the “Affordable Borrowing Limit”. The Authorised Limit represents the legislative limit specified in the act.

The Authority must have regard to the Prudential Code when setting the Authorised Borrowing Limit, which essentially requires it to ensure that total capital investment remains within sustainable limits and in particular, that the impact upon its future Authority tax levels is ‘acceptable’.

Whilst termed an “Affordable Borrowing Limit”, the capital plans to be considered for inclusion incorporate those planned to be financed by both external borrowing and other forms of liability, such as credit arrangements. The authorised limit is to be set, on a rolling basis, for the forthcoming financial year and two successive financial years.

The following Prudential and Treasury Indicators are relevant for the purposes of setting an integrated treasury management strategy.

	2022/23	2023/24	2024/25
	£m	£m	£m
Affordable borrowing limit			
Total budget excl. capital financing	30.455	31.476	32.180
Total budget inc. capital	31.226	32.344	33.347
Difference	0.771	0.868	1.167
 Band D impact	 £2.60	 £2.88	 £3.82
 Band D authority tax	 £74.97	 £ 77.44	 £ 79.61
Band D increase	£1.44	£ 2.47	£ 2.17





	2022/23	2023/24	2024/25
	£m	£m	£m
Capital financing requirement	11.38	13.78	16.049
Operational boundary	15.156	17.897	20.638
Authorised limit	16.656	19.397	22.138
Upper limit for fixed rate interest exposure	100%	100%	100%
Upper limit for variable rate interest exposure	100%	100%	100%

Maturity Structure of new Fixed Rate borrowing in 2021/22:	Upper Limit	Lower Limit
Under 12 months	100%	0%
12 to 24 months	100%	0%
24 months to within 5 years	100%	0%
5 to 10 years	100%	0%
10 years and above	100%	0%

The Authority's current portfolio position at 31/12/21 comprised:

	Source	Principal £m	Rate
Fixed rate funding	PWLB	1.700	4.25%
Fixed rate funding	PWLB	1.500	4.55%
Fixed rate funding	PWLB	2.500	1.89%
Gross Debt		5.700	
Total Investments		13.775	
Net Investment		8.075	

The anticipated borrowing requirements of the Authority are detailed below:

	2022/23	2023/24	2024/25	2025/26
	£m	£m	£m	£m
Net Borrowing	3,019	2,741	2,511	1,341
Alternative Financing	-	-	-	-
Replacement Borrowing	-	-	-	-
Total	3,019	2,741	2,511	1,341





Prospects for Interest Rates

The Authority has appointed Link Treasury Services Ltd, as treasury adviser to the Authority and part of their service is to assist the Authority to formulate a view on interest rates. The following gives the Sector central view.

Sector Bank Rate Forecasts for financial year ends (March)

- | | |
|-----------|-------|
| - 2021/22 | 0.25% |
| - 2022/23 | 0.75% |
| - 2023/24 | 1.00% |
| - 2024/25 | 1.25% |

PWLB maturity certainty rates year to date to 31st December 2021

Gilt yields and PWLB rates were on a falling trend between May and August. However, they rose sharply towards the end of September before falling again during quarter 3 until rising once more in the last ten days of the year.

The 50 year PWLB target certainty rate for new long-term borrowing started 2021/22 at 1.90%, rose to 2.00% in May, fell to 1.70% in August, returned to 2.00% at the end of September until falling to 1.90% in early November and then falling again to 1.50% in December.

Link Treasury Services Ltd's report quarter ending December 2021 stated that the coronavirus outbreak has done huge economic damage to the UK and to economies around the world. After the Bank of England took emergency action in March 2020 to cut Bank Rate to 0.10%, it left Bank Rate unchanged until it raised it from 0.10% to 0.25% at the MPC meeting of 16th December 2021.





Borrowing Strategy

The Authority is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt, as cash supporting the reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is high.

This Authority's total investments exceed gross debt with net investments of £8.075m. The general aim of this treasury management strategy is to reduce this total over the next three years, in order to reduce the credit risk incurred by holding investments.

Another factor which will be carefully considered is the difference between borrowing rates and investment rates to ensure the Authority obtains value for money, once an appropriate level of risk management has been attained to ensure the security of its investments.

Against this background and the risks within the economic forecast, caution will be adopted with the 2022/23 treasury operations - the aim will be to minimize debt interest costs. The Treasurer, in conjunction with the Authorities treasury advisor, will continually monitor the interest rate market and adopt a pragmatic approach to changing circumstances.

The Authority will not borrow more than or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be considered carefully to ensure value for money can be demonstrated and that the Authority can ensure the security of such funds. Borrowing in advance of need will only be undertaken where there is a clear business case for doing so for the current capital programme or to finance future debt maturities.





Investment Policy

The Authority will have regard to the Department of Levelling Up, Housing and Communities regulation (DLUCH regulation) on Local Government Investments, (“The Guidance”) and the 2011 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes, (“the CIPFA TM Code”). The Authority’s investment priorities are:

- the security of capital;
- the liquidity of its investments.

The Authority will also aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity. The risk appetite of this Authority is low in order to give priority to security of its investments.

The borrowing of monies purely to invest or on-lend and make a return is unlawful and this Authority will not engage in such activity.

Investment instruments used in the financial year will be selected in accordance with the Treasury Management Policy and advice from the Authority’s treasury advisors. Counterparty limits will be as set through the Authority’s Treasury Management Policy.





Creditworthiness Policy

This Authority uses the creditworthiness service provided by Sector Treasury Services. This service uses a sophisticated modelling approach with credit ratings from all three rating agencies - Fitch, Moodys and Standard and Poors, forming the core element. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- credit default swap (CDS) spreads, to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

This modelling approach combines credit ratings, credit watches, credit outlooks and CDS spreads in a weighted scoring system for which the end product is a series of colour code bands, which indicate the relative creditworthiness of counterparties. These colour codes are also used by the Authority to determine the duration for investments and are therefore referred to as durational bands. The Authority is satisfied that this service now gives a much improved level of security for its investments. It is also a service which the Authority would not be able to replicate using in house resources.

Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate.

All credit ratings will be monitored regularly and always before an investment is made. The Authority is alerted to changes to ratings of all three agencies through its use of the Sector creditworthiness service.

- If a downgrade results in the counterparty/investment scheme no longer meeting the Authority's minimum criteria, its further use as a new investment will be withdrawn as soon as is possible.
- In addition to the use of Credit Ratings the Authority will be advised of information in movements in CDS against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Authority's lending list.

The Authority will only use approved counterparties from countries with a minimum sovereign credit rating of AA- from Fitch Ratings, (or equivalent from other agencies if Fitch does not provide).





Investments Strategy

Bank Rate is currently 0.25% with no increase expected until economic recovery happens which is only expected to be gradual.

In the current economic climate it is considered appropriate to keep investments short-term to cover cash flow needs, but also to seek out value available in periods up to 12 months with high credit rated financial institutions.

Owing to the continuing low returns on investments, reserves will be used to finance future capital expenditure, rather than taking out further loans, thereby securing future savings by reducing the requirement for debt financing.

At the end of the financial year, the Authority will report on its investment activity as part of its annual Treasury Report.

Treasury Management Consultants

The Authority uses Link Treasury Services Ltd as its external treasury management advisers.

The Authority recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Authority will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed, documented and subjected to regular review.

Scheme of Delegation and Role of Section 151 Officer

This Authority delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Policy and Resources Committee. The execution and administration of treasury management decisions is delegated to its Treasurer, who will act in accordance with the organisation's policy statement and TMPs and if he/she is a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management.

This organisation nominates the Policy and Resources Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.





Minimum Revenue Provision Policy Statement

The Authority is required to pay off an element of its accumulated capital spend each year through a revenue charge. This is called the minimum revenue provision.

The Authority implemented MHCLG's Minimum Revenue Provision, (MRP), guidance in 2008/09 and will assess its MRP for 2022/23 in accordance with the main recommendations contained within the guidance issued by the Secretary of State under section 21(1A) of the Local Government Act 2003.

A substantial proportion of the MRP for 2022/23 relates to pre April 2008 debt liability that will continue to be charged at the rate of 4%, in accordance with option 2 of the guidance. Certain expenditure reflected within the debt liability at 31 March 2022 will under delegated powers be subject to MRP under option 3, which will be charged over a period which is reasonably commensurate with the estimated useful life applicable to the nature of expenditure, using the equal annual instalment method. For example, capital expenditure on a new building, or on the refurbishment or enhancement of a building, will be related to the estimated life of that building.

Estimated life periods will be determined under delegated powers. To the extent that expenditure is not on the creation of an asset and is of a type that is subject to estimated life periods that are referred to in the guidance, these periods will generally be adopted by the Authority. However, the Authority reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate.

As some types of capital expenditure incurred by the Authority are not capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.





Statutory Declarations

Chief Financial Officer's Statement

Section 25 of the Local Government Act 2003 requires that an Authority's Chief Financial Officer reports to the Authority when it is considering its budget and Authority tax. The report must deal with the robustness of the estimates and the adequacy of reserves allowed for in the budget proposals, so that Members will have authoritative advice available to them when they make their decisions.

Section 25 also requires members to have regard to the report in making their decisions.

Robustness of Estimates

The budget process has involved members, the Chief Officer Team and all budget holders within the Service. The finance team has assisted all budget holders in a thorough scrutiny and challenge of the budget recommended to the Authority.

The Budget Book details and explains all Service pressures, as well as identifying areas for savings. These pressures and savings have been incorporated into the Medium Term Financial Plan.

In coming to a decision to include funding for unavoidable service pressures and savings in the budget, specific financial risks were identified. The significant risk to the Authority's budget in the short-term is pay inflation. Whilst it is anticipated that these risks can be managed in the short-term using contingencies and, if necessary, reserves, the Authority will need to monitor this position closely throughout the 2022/23 financial year. This is consistent with the Authority's Medium Term Financial Strategy.

The budget has been subject to consultation. A press release was sent to all media outlets in Cambridgeshire. The news release was also published on the Authority's website with details of how comments on the budget proposals could be made.

In my view, the robustness of the estimates has been ensured by the budget setting process, which has enabled all practical steps to be taken to identify and make provision for the Fire Authority's commitments in 2022/23.





Adequacy of Reserves

CIPFA has published a Guidance Note on Local Authority Reserves and Balances; it is the responsibility of the Treasurer to advise the Authority concerning the level of reserves and the protocols for their establishment and use.

Reserves are required to provide the Authority with financial flexibility when dealing with unexpected circumstances. Specific reserves should also be set aside to provide for known or predicted liabilities.

The Authority maintains a General Reserve to cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing. It acts as a contingency to be used in the event of unexpected emergencies or unforeseen spending.

At 31st March 2021 the Authority's usable General Reserve balance was £2.098m, representing 6% of the revenue budget. The General Reserve will be used in accordance with the Medium Term Financial Strategy.

The Authority also maintains three earmarked reserves to fund known or predicted liabilities. These reserves are a Property Development Reserve to finance the future capital programme relating to properties and avoid borrowing or poor return on investments, a Pension Reserve to fund ill health retirements above that budgeted, and a Wholetime Recruitment Reserve to allow for fluctuations in firefighter establishment figures.

The Property Development Reserve is currently £8.35m. Approximately £5m of this reserve is being used to fund the new Huntingdon Fire Station and Training Centre which should be completed by the end of 2021/22. The cost of borrowing is greater than the return on cash investments, it is therefore more cost effective to use funds currently held.

The Wholetime Recruitment Reserve is £400k. This has dropped from £975k as planned due to the service running at over-establishment. The remaining balance will allow release of revenue but provides for any non-controllable changes in the year, relating to operations and be financed from this reserve.

The level of reserves is important, not only for the budget 2022/23 but also in formulating the Medium Term Financial Strategy. The table on the next page provides a detailed estimate on how reserves will be used over the medium term.

In my view, if the Fire Authority accepts the proposed budget, then the level of reserves currently held will be adequate.





Estimated General / Earmarked Reserve Breakdown 2020/21 to 2024/25

	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
Estimated Reserves at Start of Financial Year	11,535	10,856	4,023	2,123	3,423
Property Development Reserve	8,350	8,350	2,398	898	2,398
The Property Development Reserve is earmarked to fund major property improvement and new capital schemes. A decision on Planning is expected imminently (before end of January 2021) on the proposed Training Centre and Fire Station at St John's in Huntingdon. This reserve will be used to finance the build and then partly re-imbursed through the sale of land at St Ives and Huntingdon.					
Capital Financing Property Improvements		-5,952	-3,000 1,500	1,500	
General Reserve	2,098	1,383	502	502	502
Capital Financing Underspends	-715	-881			
Community Safety Reserve	200	200			
This reserve is held to fund specific projects and programmes. It will be called upon when required but it is not expected to be held for the long-term.					
Operational Firefighter Reserve	400	400	200		
The Service has been over-established for Firefighters during 2021/22 and this reserve will be used to cover any overspend in the short-term.					
Pension Reserve	523	523	523	523	
This reserve is held to fund ill health retirements that are often unexpected and to fund the current funding shortfall owing to the revaluation of the Firefighter Pension Fund.					
Estimated Reserves at Year end	10,856	4,023	2,123	3,423	2,900
General Reserves at Year end	1,383	502	502	502	502
Earmarked Reserves at year end	9,473	3,521	1,621	2,921	2,398





Proposed Recommendations

- 1 That approval is given to a Fire Authority budget requirement of £31,226,300.
- 2 That approval is given to a recommended Fire Authority precept for Authority Tax from District Authorities and Peterborough City Authority of £22,214,110.
- 3 That approval be given to an Authority Tax for each band of property, based on the number of band D equivalent properties notified to the Fire Authority by the District Authorities and Peterborough City Authority (296,307):

Band	Authority Tax	Band	Authority Tax
A	£49.98	E	£91.63
B	£58.31	F	£108.29
C	£66.64	G	£124.95
D	£74.97	H	£149.94

- 4 That approval is given to the Prudential and Treasury Indicators as set out on page 11.
- 5 That approval is given to the Treasury Management Strategy Statement on pages 10 to 17.
- 6 That approval is given to the Capital Programme detailed at page 9.
- 7 That approval is given to the Minimum Revenue Provision Policy Statement detailed at page 18.



DRAFT DETAILED MEDIUM TERM CAPITAL PROGRAMME 2022/23 TO 2025/26

	2022/23		2023/24		2024/25		2025/26	
	No.	£'000	No.	£'000	No.	£'000	No.	£'000
Vehicle Replacement Programme								
Water Tender/Rescue Pumps	3	837	3	837	3	837	3	837
Service Vehicles (Cars)	30	731	12	346	20	515	29	683
Small/Derived Van	3	44	5	73	10	126	3	44
Medium Van's			3	73	5	121		
Large Van	2	43			3	64	2	43
Personnel Carrier/MPV					2	52		
Foam Water Carrier			1	274				
Total vehicle replacement programme	38	1,655	24	1,603	43	1,715	37	1,607
Equipment Replacement Programme								
Holmatro Recue Equip	3	120	3	120	3	120	3	120
BA Compressors (Large)	1	26	1	26				
BA Washing Machine	1	25	1	25	1	25	1	25
New workshop ramp							1	12
PPV Fans	5	10						
Thermal Cameras	8	38	8	38	8	38	8	38
Hot Fire Containers								
LPP's	3	18	3	18	3	18	3	18
Defibrillators	35	32						
Total equipment programme	56	269	16	227	15	201	16	214

Appendix 1

DRAFT DETAILED MEDIUM TERM CAPITAL PROGRAMME 2022/23 TO 2025/26 (cont.)

	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
Property Maintenance and Land				
All sites				
Remaining works from condition surveys				
SHQ Internal update	40		1,170	
SHQ Car park extension		100		
Cambridge				
Appliance bay floor	20			
Station refurbishment & Upgrade	300			
Ely				
Station Refurbishment & Welfare facilities		60		
Linton				
Station Refurbishment & Welfare facilities		60		
Manea				
Station Refurbishment & Welfare facilities		50		
Sutton				
Station modernisation & Welfare facilities		80		
Papworth				
Station Refurbishment & Welfare facilities		70		
Ramsey				
Station modernisation		30		
Thorney				
Station modernisation		300		
On-call replacement roof programme	270			
W/T replacement roof programme	100			
Environmental invest to save	200			
Electrical upgrades	240			
Heating systems				
Community safety functional building		350		
Stanground 1st floor upgrade		70		
Enhancement/Contingency		50		
New Training Centre and Huntingdon Fire Station	50		50	50
	3,000			
Total Property Maintenance and Land	4,220	1,220	1,220	50
IT and Communications				
Essential system enhancements	775	350	350	350
Total IT and Communications	775	350	350	350

Appendix 2

2021/22 £'000		2022/23 £'000
	Expenditure	
18,530	Firefighters and Control Room Staff	18,975
6,979	Support Staff	7,272
435	Training	419
58	Other Staff Costs	55
26,002	Total Employee Costs	26,721
318	Repairs and Maintenance	389
320	Heating and Lighting	352
168	Cleaning Contract	53
812	Rents and Rates	714
1,618	Total Premises Costs	1,508
79	Office Equipment and Furniture and Fitting	81
1,002	IT Equipment	1,054
389	Clothing and Uniform	391
957	Communications	1,076
411	Mutual Protection	411
55	Subscriptions	59
35	Corporate Support	35
61	Community Safety	62
75	Fire Protection Exps	77
144	Health and Safety	171
103	Members Fees	105
0	Fire Service College	0
98	Audit Fees	100
90	Legal Fees	53
212	Consultant Fees	214
48	Printing and Stationery	49
17	Postage	18
71	Travel and Subsistence	71
26	Advertising	26
100	Hydrants/BA Maintenance	102
481	Operational Equipment/Infrastructure	493
88	Project Delivery Costs	90
135	Other Supplies and Services	340
4,677	Total Supplies and Services Costs	5,078



Appendix 2 (cont.)

2021/22 £'000		2022/23 £'000
69	Car Allowances	41
277	Petrol, Oil and Tyres	332
143	Repair and Maintenance of Vehicles	146
489	Total Transport Costs	519
130	Section 2 and 12 Charges	132
22	Service Level Agreements	23
152	Total Agency Charges	155
956	Capital Financing	771
956	Total Capital Charges	771
-280	Capital Receipts > £10k	-140
-960	Control Room Recharge	-1,025
-1,539	Section 33 Grants	-1,963
-433	Other Income	-398
-3,212	Total Income	-3,526
30,682	Net Revenue Expenditure	31,226



CAMBRIDGESHIRE AND PETERBOROUGH FIRE AUTHORITY

DRAFT MEDIUM TERM FINANCIAL STRATEGY 2022 to 2028

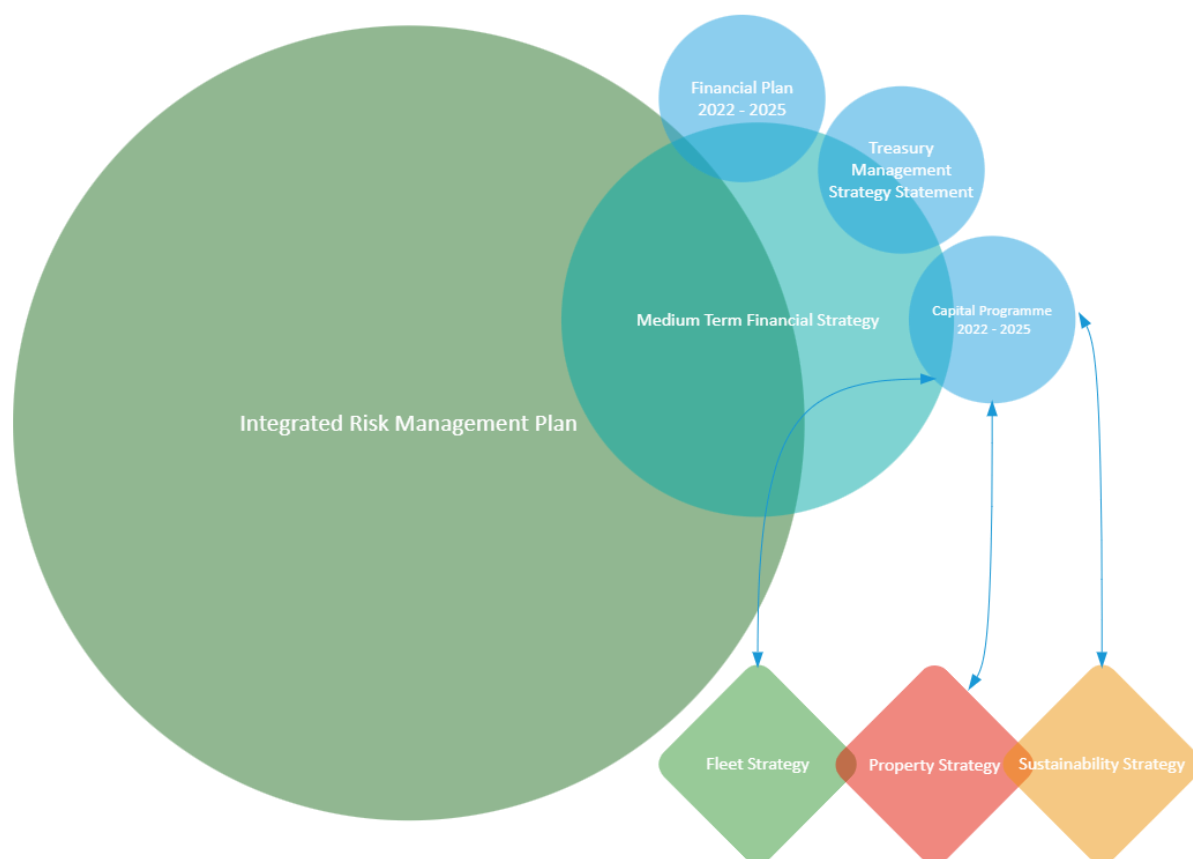
1. Introduction

1.1 The Need for a Financial Strategy

- 1.1.1 The financial environment in which the Authority operates continues to be challenging. The Authority may be faced with some difficult decisions as the impact of the next Comprehensive Spending Review (CSR) is properly understood. The Authority will need to prepare in advance of the next CSR to ensure it can respond if further cuts to budget are required.
- 1.1.2 The uncertainty around future funding arrangements beyond 2022, along with council tax capping limits and potential Authority decisions around referendum, all require the Authority to take proactive steps to control its own destiny to mitigate against the threat of having to react to external events.

1.2 Background

- 1.2.1 In developing a financial strategy the Authority must consider the factors that may influence the future needs and plans of the Service. The diagram below provides a picture of how different plans and strategies influence the financial strategy.



- 1.2.2 Government continues to make assumptions and offer guidance around council tax capping limits where they assume they will be increased in line with inflation. This strategy estimates that increases in council tax will be approved by the Authority. However, it is important to highlight that a 1% increase in council tax will broadly cover a 1% increase in employee costs. If council tax is set below employee inflation, then budget savings will be required to balance the budget.
- 1.2.3 The Integrated Risk Management Plan (IRMP) is the Service's overarching strategic plan that sets out the aims and objectives for the future. The financial strategy must consider and support the delivery of these aims and actions. Any future CSR programme will continue to focus on the most appropriate options for the Service to mitigate against the impact of potential future reductions in Government funding and constraints on council tax.
- 1.2.4 Revenue expenditure has been within budget each year for the last four years; this confirms the ability of the Authority to control expenditure. Considerable time and effort is spent ensuring that budget holders challenge current expenditure levels and project budgets are fully understood before any commitment is made.
- 1.2.5 The Authority holds reserves that are adequate to respond to the risks it currently faces. Part of this strategy is linked to considering the level of reserves the Authority holds in the medium term. However, it should also be noted that these reserves can only be used once and cannot fill an on-going budget gap.

1.3 The Economy

- 1.3.1 This strategy assumes that the economy will continue to grow in the medium term, with inflation in line with the Bank of England target. However, it should be highlighted that there is increasing pressure on pay awards to be greater from the relevant bodies and the Authority will need to be aware of the impact a sudden upward pressure on pay rates will have. Interest rates will remain low in the short term, with increases expected in the medium term.

1.4 External Factors

- 1.4.1 The county population continues to grow and the strategy must recognise and allow for pressures and potential opportunities.

2. Financial Forecast

- 2.1 The five year financial forecast, included at Appendix 1, takes the Authority beyond the end of the current CSR period. The figures contained within the forecast are subject to significant external factors with earlier years being more certain based upon current known net expenditure and timing of specific

events. Estimates beyond the current CSR period are highly speculative and will need to be further refined as we move forward.

- 2.2 The tax base assumes an increase of approximately 1.95% for next financial year, as the economy and taxbase recovers from the pandemic. It is then forecast to grow by 1% per annum thereafter.
- 2.3 The Government continues to be committed to the localism agenda but continue to provide clear guidance around council tax increases. A council tax referendum will be required for authorities where a 'reasonable' increase is not set. The term 'reasonable' is now defined by the Secretary of State who provides council tax capping limits. Currently the limit is suggested as 2% for Fire Authority's unless their Band D equivalent is within the bottom quartile of Authority's, where it can be set at up to £5. Cambridgeshire currently sits just outside of the bottom quartile. The long-term strategy will work within these parameters, unless the Authority specifically approves a revision.
- 2.4 Inflation is an area of significant risk in the short term owing to the on-going economic uncertainty. Inflation is based upon Treasury projections, except for pay inflation which has been set at 2%. It is worth highlighting that pay negotiations between the Fire Brigades Union and the National Joint Council do not commence until after the budget has been set, so there is a risk that an award will not be in line with that budgeted. All fuel and general inflation is monitored and updated annually based upon latest information.
- 2.5 Increase costs of pensions and incremental uplift on professional support staff are the predominant factors for the remaining cost pressures. No turnover allowance for staffing is included within the budget preparation figures to date. If funding varies significantly from that estimated, then an allowance for turnover could be utilised.
- 2.6 Saving figures are also shown in Appendix 1. The saving figures to 31 March 2023 are indicative at this stage and will be confirmed prior to the formal setting of the budget. In addition, should funding be significantly different from that forecast then these figures will need re-visiting.

3. Preparing for the Comprehensive Spending Review

- 3.1 The Service has been preparing for the potential challenges that the CSR may present. The professional support service has been subject to rigorous challenge, with each group providing scenarios for savings, highlighting the impact on service delivery for each scenario.
- 3.2 Operational scenarios are now being robustly analysed so we best understand the impact changes will have on the operational response model of the Service. Similarly to the professional support scenarios, the focus on operational delivery will highlight savings and impact on service delivery.
- 3.3 The CSR work will also focus on where we might use savings from a specific area to improve the Service elsewhere as well as how we would use

additional funding. This significant piece of planning work will feed the IRMP and Financial Strategy and Plan 2023/24 and beyond.

4. The Medium-Term Financial Strategy

4.1 Revenue Provision

- 4.1.1 The priorities of the Authority are laid out in the IRMP and Business Development Programmes. Whilst the Authority will seek to accommodate additional requirements, these will be considered against the backdrop of the CSR. A project will only progress where there is a tangible benefit and funding exists.
- 4.1.2 The Authority's revenue expenditure plans will be published each year in the Authority's budget book, which will be prepared in association with the IRMP and Business Development Programme and will seek to ensure resources are allocated appropriately. Where there is competition for resources, those areas of the Service directly contributing to the vision of the Authority will take priority, unless there are any overriding factors such as a legal imperative.
- 4.1.3 Significant planning has started on potential revenue savings, should the Service be impacted in the short to medium term by funding pressures and restrictions on funding. As detailed in Paragraph 3 above, the Service has already been through a process to identify savings within the professional support service, highlighting the impact on service delivery. In addition, a review of operational resources has commenced with findings and recommendations expected by the end of 2022.

4.2 Capital Programme

- 4.2.1 The Capital Programme will be reviewed annually by the Policy and Resources Committee and published in February alongside projected schemes for a further three years. A summarised programme is attached at Appendix 2.
- 4.2.2 The Authority will seek to identify capital requirements in sufficient time to ensure that its assets are always adequate to support our needs, can be adequately resourced and fully funded.
- 4.2.3 Prior to approving capital schemes, whole life cost details must be considered and how the scheme fits with the Capital Programme and Asset Management Plan.
- 4.2.4 The Service has commenced a piece of work looking at sustainability and how it can achieve a position of net zero. This work will significantly impact on how we use our buildings and fleet in the medium term. It is likely that investment will be required to enable us to fulfil the ultimate aim of achieving net zero. A detailed strategy and action plan will be presented alongside the final budget in February 2022.

4.3 Funding

- 4.3.1 The Authority's projected net expenditure is funded from Government grant and council tax.
- 4.3.2 The Government grant is determined by the allocation of a fixed sum across all local authorities.
- 4.3.3 The Authority will continue to monitor the Government's approach to the spending review and the impact of any future change.
- 4.3.4 The level of council tax will be determined each year after considering the short-term financial position and an assessment of the long term outlook. The Authority will try to ensure that the level of council tax is sufficient to provide an appropriate level of service without causing the local taxpayer any undue hardship.
- 4.3.5 The strategy to keep council tax at or below 2% will incorporate the utilisation of general reserves whilst factoring in current acceptable increases. If funding significantly changes as a result of the formula review or unforeseen events cause the general reserve to dip below a perceived prudent level, then the impact on increasing this fund to local council taxpayers will not be more than 0.1% per annum.

4.4 Financial Contingency Planning

- 4.4.1 The Authority holds a general reserve to provide contingency against unforeseen events such as a higher than usual level of operational activity or period of industrial action. This reserve may also be used to fund short term delays in realising on-going budget cuts.
- 4.4.2 Earmarked reserves are created to provide a contingency against foreseeable events that have a reasonable degree of likelihood but where timing is uncertain. The major reserves held by the Authority relate to operational firefighter recruitment to maintain establishment, ill health pension payments and future property development and enhancements.
- 4.4.3 The Authority will insure against relevant risks, taking into account the size of premiums and previous claims experience.
- 4.4.4 The level of working balances will be maintained at a level that provides the Authority's Treasurer with an adequate safeguard against the risk of cash flow interruptions.
- 4.4.5 The Reserve Schedule is attached at Appendix 3, along with a medium-term projection.

	Estimate 2022/23		Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28
Inflation	563	1.8%	625	647	667	689	710
LGE Staff	154						
Control Room Staff	60						
Firefighters	7		0				
Operational Activity	5		0				
Insurances	0						
Capital Charges	95		207	187	261	0	0
Other	-192		115	0	0	0	0
Budget Variations	129	0.4%	322	187	261	0	0
Service Pressures/Efficiency Savings							
Budget Holder Savings	-148	-0.5%	171	169	144	400	427
Service Pressures/Efficiency Savings	-148	-0.5%	171	169	144	400	427
Budget Requirement	31,226	1.8%	32,344	33,347	34,419	35,508	36,645
Less:							
Settlement Amendments							
RSG	-2,897		-2,897	-2,897	-2,897	-2,897	-2,897
Transfer to Special Grant re localisation Reserve							
Developer Revenue Grant Contributions							
NNDR Related Grant (Top Up Grant)	-2,335		-2,335	-2,335	-2,335	-2,335	-2,335
National Non-domestic Rates	-3,780		-3,780	-3,780	-3,780	-3,780	-3,780
Transfer from reserves	0		0	0	0	0	0
Fire Authority Precept	22,214		23,332	24,335	25,407	26,496	27,633
Tax Base	296,307		301,295	305,686	310,331	313,434	316,568
Band D Tax	£74.97		£77.44	£79.61	£81.87	£84.53	£87.29
Year on Year Increase	2.0%		3.3%	2.8%	2.8%	3.2%	3.3%

MEDIUM TERM CAPITAL PROGRAMME 2022/23 TO 2025/26

	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
CAPITAL EXPENDITURE				
Vehicle Replacement Programme	1,655	1,602	1,715	1,607
Equipment	269	227	201	214
Property Maintenance & Land	4,220	1,220	1,220	50
IT & Communications	775	350	350	350
TOTAL EXPENDITURE	6,919	3,399	3,486	2,221
FINANCED BY:				
Loan	3,019	2,741	2,511	1,341
Capital Receipts	543	406	608	523
Revenue Contribution to Capital Outlay (RCCO)	357	252	367	357
Transfer from Reserves	3,000	0	0	0
Capital Grants	0	0	0	0
TOTAL RESOURCES	6,919	3,399	3,486	2,221

	2020/21	2021/22	2022/23	2023/24	2024/25	Narrative
	£'000	£'000	£'000	£'000	£'000	
Estimated Reserves at Start of Financial Year	11,535	10,856	4,023	2,123	3,423	
Property Development Reserve	8,350	8,350	2,398	898	2,398	The Property Development Reserve is earmarked to fund major property improvement and new capital schemes. A decision on Planning is expected imminently (before end of January 2021) on the proposed Training Centre and Fire Station at St John's in Huntingdon. This reserve will be used to finance the build and then partly re-imbursed through the sale of land at St Ives and Huntingdon.
Capital Financing Property Improvements	-	5,952	3,000	1,500		
General Reserve	2,098	1,383	502	502	502	
Capital Financing	- 715	- 881				
Underspends						
Community Safety Reserve	200	200	-	-		This reserve is held to fund specific projects and programmes. It will be called upon when required but it is not expected to be held for the long-term.
Operational Firefighter Reserve	400	400	200	-		The Service has been over-established for Firefighters during 2021/22 and this reserve will be used to cover any overspend in the short-term.
Pension Reserve	523	523	523	523		This reserve is held to fund ill health retirements that are often unexpected and to fund the current funding shortfall owing to the revaluation of the Firefighter Pension Fund.
Estimated Reserves at Year end	10,856	4,023	2,123	3,423	2,900	
General Reserves at Year end	1,383	502	502	502	502	
Earmarked Reserves at year end	9,473	3,521	1,621	2,921	2,398	

To: Policy and Resources Committee

From: Deputy Chief Executive Officer - Matthew Warren

Presenting officer(s): Deputy Chief Executive Officer - Matthew Warren

Tel: 07768 023436

matthew.warren@cambsfire.gov.uk

Date: 26 January 2022

Fire Authority Programme Management – Monitoring Report

1. Purpose

- 1.1 The purpose of this report is to provide the Policy and Resources Committee with an update against the projects for 2021/22.

2. Recommendation

- 2.1 The Committee is asked to note the Programme Status Report, as at December 2021, attached at Appendix 1.

3. Risk Assessment

- 3.1 Political/Economic/Legal – successful achievement of agreed corporate priorities is at risk if the Authority does not have a robust and structured programme and project management governance framework to support the effective prioritising of investment decisions and the allocation, management and control of resources required to achieve them.

4. Background

- 4.1 To support the Service in its strategic planning process, action plans for the financial year 2021/22 have been drafted to mitigate the risks posed to the Service achieving its vision and the opportunities that could be pursued to ensure the vision is realised.
- 4.2 The planning process for this considers the Services key stakeholders who have been identified as;
- citizens of Cambridgeshire and Peterborough,
 - firefighters and staff,
 - senior leadership team,
 - Fire Authority,
 - regional fire and rescue services,

- partners,
 - Home Office and other government stakeholders.
- 4.3 Each year the action plan for the forthcoming financial year is reviewed to take account of changing risks and opportunities posed to the Service and a number of external factors.
- 4.4 Having identified the desired outcomes, potential projects and activities required to achieve these are evaluated and prioritised, taking into account any projects from the current financial year that will need to continue into the next in order to be completed.
- 4.5 The evaluation criteria focus on the following areas;
- benefits realisation – outlining the key benefit areas and how they can be achieved,
 - technical complexity – focusing on the complexity of the technical solution,
 - financial implications – including the estimated time and costs for project implementation and post project operational support,
 - business impact – covering the impact on key stakeholders and the organisation,
 - risks – the extent of risk exposure facing the organisation,
 - opportunities – potential opportunities for business development.
- 4.6 This identifies the Type 3 and Type 2 projects that will be given priority in the Business Development Programme for the coming financial year. This will be kept under review and consideration will be given by the Programme Board to suspending existing projects and bringing forward the start of other projects, dependent on the prevailing business and strategic priorities. The primary focus of the Programme Board is to ensure resources across the Service are balanced appropriately.
5. Progress Report on Corporate Projects 2021/22
- 5.1 The current status of projects directly linked to delivery of corporate priorities is shown at Appendix 1.

Source Documents

Programme Status Report

Location: Fire Service HQ, Hinchbrook Cottage, Huntingdon

Contact: Matthew Warren 01480 444619 matthew.warren@cambsfire.gov.uk

Type 3 (High) Projects

Project	Issues	Successes	Project Performance	Project
P124 SharePoint and Microsoft 365 Migration Project Sponsor: Matthew Warren Project Manager: Dave Reeson Completion Date: Initial Migration June 2021 All Migration - TBD Closure of DMS - July 2022 Overall status: Amber	<p>Manual work still required by users to migrate documents from Document Management System (DMS) to SharePoint.</p> <p>Current Citrix Office 2016 image causing issues with 365 for Xen users. Consideration to be given to using 365 image and removing all DMS integration.</p>	<p>A lot of documents migrated into bulk area – DMS read only. All supplier work now completed with all automatic bulk migrations completed.</p> <p>See-Unity app, used to view DMS documents remotely on mobiles and iPads retired. Server switched off.</p> <p>This project to close – End Project Report being drafted and project to be initiated for next phase (digital systems and internal communications) Brief being written by JF/TM/HD.</p> <p>End project and lessons learnt is being prepared ready for submission to Programme Board in January 2022.</p>	Board	
			Team	
			Budget	
			Risk	
			Controls	
			Timescales	

Business Development Programme Status Report

December 2021

Project	Issues	Successes	Project Performance	
P137 Review of Operations Project Sponsor: Simon Newton Project Manager: Simon Thompson Completion Date: Options Appraisal May 2022 Overall status: In planning		<p>Project brief currently being re-scoped – will be presented to Programme Board 15 December 2021 for approval.</p> <p>Scope amended to include all levels of operational response.</p> <p>Initial data review taking place in December 2021. Initial data discussions ongoing.</p> <p>Kick off meeting mid-January 2022. Project will have significant interdependencies.</p>	Board	
			Team	
			Budget	
			Risk	
			Controls	
			Timescales	
P108 Replacement ICCS and Mobilising Solution Project Sponsor: Matthew Warren PM: Jodie Houseago/Nicky Hoad Completion Date: Contract Award October 2019 Go Live Q1 2022 TBC Overall status: Amber Replacement of ICCS and Mobilising cont.	<p>Still awaiting specifications and completion dates for outstanding work. Escalated within Systel. This is a pre-requisite for the completion of training and User Acceptance Testing.</p> <p>All training now on hold until configuration takes place around crewing within the system.</p>	<p>Majority of Site Acceptance Testing now completed. Due to complete on 13 December 2021.</p> <p>Good progress made on User Acceptance Testing scripts and ongoing weekly/fortnightly review in progress.</p> <p>Review of latest data upload completed. Awaiting rectification of issues with Systel.</p>	Board	
			Team	
			Budget	
			Risk	

Library:CFRS

Document Name: Programme_Board_-_Business_Development_Status_Report. REFERENCE ONLY

Document #: 85817 – Moved to Sharepoint May 2021.

Author: JACKIE.WATSON

Business Development Programme Status Report

December 2021

	Project dates need to be reviewed and confirmed once specification dates available.	Dispatch Communication Server site surveys and initial technical meetings completed.	Controls	
	Outstanding issues on network between CFRS/SFRS. Liaison with external supplier to resolve but has caused some testing to be deferred.		Timescales	Timescales tight
P089 ESMCP (Emergency Services Mobile Communications Programme) PM: John Barlow Project Sponsor: Jon Anderson CFRS migration to Emergency Services Network (ESN) 2026 Status: Amber	Revised schedule for transition not expected to be released until Quarter 2 2022.	CFRS secure support from Home Office and Airwave to become first Systel customer to integrate Dispatch Communication Server (DCS) to maintain existing solution until transition to ESN.	Board	
	Control Room Upgrades to Emergency Services Network (ESN) not anticipated to be completed until between June – December 2023; on this basis it is apparent that transition will not commence earlier than Quarter 1 2024.		Team	
			Budget	
			Risk	Potential high costs if services remain on existing supplier
				Delays continue with coverage testing.
			Timescales	Awaiting official revised timeline

Business Development Programme Status Report

December 2021

P111 Day Crewed Shift System Project Project Sponsor: Jon Anderson PM: Danny Kelly Completion date: Negotiations/Sign collective agreement July 2019 Implementation – Start of end date for agreement Status: Amber	There has still been no further progress from the FBU, the agreement sits at National Level.		Board	
			Team	
	The local FBU have been proactive and helpful in pushing the issue.		Budget	
	Area Commander Newton is due to write to the local FBU for agreement before end of year.		Risk	Agreement in CFRS, but delay regionally with FBU
			Controls	
			Timescales	Proposed Agreement was by June 2021
P126 Huntingdon Relocation Project Sponsor: Matthew Warren Project Manager: Jodie Houseago Completion date:		Build programme is currently one week ahead of schedule (as of 28 November 2021 which was the last on-site progress meeting).	Board	
			Team	
			Budget	£10.4m £10.8m
			Risk	
			Controls	

Business Development Programme Status Report

December 2021

Planning phase – August 2021 Build completion - September 2022 Move – December 2022 Status: Green		<p>The steel main frame is up, with work now started on the foundations for the training yard.</p> <p>Regular monthly onsite progress meetings scheduled along with fortnightly catch up calls.</p> <p>Requests for information/queries being worked through as received.</p>	Timescales	Build completion now September 2022 but still on track to complete overall as originally planned project end date of December 2022.
	P122 Training Centre Review Project Sponsor: Wayne Swales Project Manager: Vicky Best Completion date: 1-year trial to commence 1 January 2022 Project Closure: 31 January 2023 Review of Trial - TBC Status: Green	<p>Negotiations have been completed and the new shift proposal has been rejected.</p> <p>Initial discussions have taken place regarding the non-mandatory course booking system being transferred from STEP to learning and organisational development. We will look to explore this further early in the new year.</p>	Board	
			Team	
			Budget	
			Risk	Remaining on the current shift system – weekends are not guaranteed
			Controls	
			Timescales	
			Board	

Library:CFRS

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Document #: 85817 – Moved to Sharepoint May 2021.

Author: JACKIE.WATSON

Business Development Programme Status Report

December 2021

P133 Review the Ways of Working Project Sponsor: Matthew Warren Project Manager: Clare Hesselwood Phase 1 Completion – 31 March 2022 Survey Returns 17 January 2022 Evaluation period 31 January 2022 Briefing 31 March 2022 Status: Green	Initial feedback following circulation of Manager's Packs indicates current workloads very high across all groups for completion by 31 December 2021. Contingency built in for two extra weeks in the New Year.	Managers Pack's sent to Head of Groups 29 November 2021. Looking to evaluate the responses by end of January 2022 with a report going to the Board of the findings by end of Feb/Mar 2022. IRMP feedback form – looking to put feedback into themes. Continued support being offered to help Manager/Team Leader with staff survey completions.	Team	Held on Bi-weekly basis
			Budget	£1k approved for ongoing project spend
			Risk	
			Controls	
			Timescales	
P132 NFCC Fire Protection Grant Project Project Sponsor: Stuart Smith Project Manager: Sean Hedger Market Research: (extended) Business Case for each recommendation Completion: April 2022 Status: Green	Costs are currently unknown for CFRMIS to mobilising system integration. Waiting for database requirements from inter-dependant departments.	Timescales reviewed and adjusted for all work packages. Home Office content with proposal of spend/timescales iPad trial completed, iPad business case agreed by Board and currently being ordered. CFRMIS to Mobile Data Terminal and CFRMIS mapping solutions confirmed, agreed by Board and being prepared for implementation.	Board	
			Team	
			Budget	£114,618 grant
			Risk	
			Controls	

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Document Name: Programme_Board_-_Business_Development_Status_Report. REFERENCE ONLY

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		<p>Level 3, Level 4 and Level 5 training courses identified and booked.</p> <p>CFRMIS to mobilising system options progressing</p> <p>Data cleansing exercise ongoing with Combined Fire Control.</p>	<p>Timescales</p>	<p>Q3 returns to PPRU January 2022</p>
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Type 2 Projects

Project	Issues	Successes	Project Performance	
P093 Co-Responding Project Sponsor: Simon Newton Project Manager: Nev Burgess Overall status: Go Live: TBC Project closure / Handover to BAU: TBC Co-Responding cont.		<p>Assigned a Regional Lead resulted in more engagement from EEAST and mutual understanding of issues</p> <p>Relaunch - Currently visiting the six potential co-responding stations alongside EEAST and Crew Commander Dan Thacker. These visits are designed to deliver information on co-responding through an open two-way forum.</p> <p>Visits are scheduled to be completed by the end of December 2021 (two visits remaining) at which point we will request people to indicate if they wish to volunteer. We will then send recruitment links and arrange training dates with EEAST.</p>	Board	
			Team	
			Budget	
			Risk	Will be dependent on sufficient volunteers
			Control	

Business Development Programme Status Report

December 2021

		<p>The framework to support co-responding within CFRS remains in place and we will look to reconvene project team meetings when appropriate.</p> <p>Will look to align to regional model for governance/training etc. which is far more streamlined. Being launched in Bedfordshire and will be a good platform for learning.</p>	Timescales	Re-visiting stations, before re-planning and producing a Deviation Report
P131 GIS Project Sponsor: Tamsin Mirfin PM: Nicola Smith Completion Date: 31 January 2022 Status: Green		<p>Patch successfully installed. Additional detail around roaming pump locations now being added to the model so that it can be re-run. Discussing validation criteria with the supplier, as COAG has requested this initial model be externally validated. Data input complete and hoping to re-run by the 10 December 2021 which will enable supplier to start validation prior to Christmas.</p>	Board Budget Team Risk Controls Timescales	

Type 1 Project

P073 Asset Management Software Project Sponsor: Matthew Warren PM: Ryan Forman (Type 1) Stage 2 Fleet and Equipment Implementation: December 2017 ESR March 2018 Stage 3 and 4 ICT/Miquest software Data ESR December 2019 Complete Stage 5 ICT/Health and Safety December 2019 Complete Property September Overall Status: Project closed. Property element continuing.	Type 1 project update A strategic decision not to upgrade to the new product has been made; Property will therefore continue to use Supportworks and research alternative solutions.	Planned property tasks have been added to Miquest and engineers have had training. This gave an opportunity to review and update these activities to improve efficiency. This went live 31 August 2021 and feedback on any issues is being sent to Miquest Administrator. Type 1 project to be closed down. End Project Report on Agenda.	Board	
			Team	
			Budget	
			Risk	
			Controls	

Glossary

Cambridgeshire Fire & Rescue Service (CFRS)
Chief Officers Advisory Group (COAG)
Combined Fire Control (CFC)
Community Fire Risk Management Information System (CFRMIS)
Community Fire Safety (CFS)
Comprehensive Spending Review (CSR)
Content Management System (CMS)
Digital Network Service Provider (DSNP)
East of England Ambulance Service Trust (EEAST)
Emergency Services Mobile Communications Programme (ESMCP)
Emergency Services Network (ESN)
Fire Protection (FP)
Fire & Rescue Service (FRS)
Incident Command Unit (ICU)
Integrated Risk Management Plan (IRMP)
Mobile Data Terminals (MDT)
National Fire Chiefs Council (NFCC)
Project Manager (PM)
To be determined/confirmed (TBD/TBC)
Whole-time (W/T)

Policy and Resources Committee Work Programme

Meetings 2022/23

Date	Time	Venue
2022		
Wednesday 26 January	1400 hours	SHQ
Thursday 28 April	1400 hours	SHQ
Thursday 23 June	1400 hours	SHQ
Tuesday 12 July	1400 hours	SHQ
Friday 21 October	1400 hours	SHQ
Tuesday 20 December	1400 hours	SHQ
2023		
Tuesday 31 January	1400 hours	SHQ
Wednesday 26 April	1400 hours	SHQ
Thursday 22 June	1400 hours	SHQ

Work Programme 2022/23

Wednesday 26 January 2022			
Time	Agenda Item	Member/Officer	
1400	Minutes of Policy and Resources Committee Meeting 15 December 2021	Dawn Cave	
	Minutes of Overview and Scrutiny Committee Meeting 12 January 2022	Dawn Cave	
	Action Log	Dawn Cave	
	<u>Decision</u> Appointment of Chair		
	Election of Vice-Chair		
	Draft Fire Authority Budget 2022/23 and Medium Term Financial Strategy 2022 to 2028	Deputy Chief Executive Officer	
	<u>Information and Monitoring</u> Fire Authority Programme Management – Monitoring Report	Head of Service Transformation	
	Work Programme 2021/22		
Thursday 28 April 2022			

Time	Agenda Item	Member/Officer	
1400	Minutes of Policy and Resources Committee Meeting 26 January 2022	Dawn Cave	
	Minutes of Overview and Scrutiny Committee Meeting 21 April 2022	Dawn Cave	If available
	Action Log	Dawn Cave	
	<u>Decision</u> TBC		
	<u>Audit Reports</u> TBC		
	<u>Information and Monitoring</u> Revenue and Capital Budget Monitoring Report 2022/23	Deputy Chief Executive Officer	
	Annual Review of the Operation of the ICT Shared Service Agreement	Head of ICT and OHU	
	Strategic Risk and Opportunity Management Register – Monitoring Report	Head of Service Transformation	
	Work Programme 2022/23		
Thursday 23 June 2022			
Time	Agenda Item	Member/Officer	
1400	Minutes of Policy and Resources Committee Meeting 28 April 2022	Dawn Cave	
	Minutes of Overview and Scrutiny Committee Meeting 21 April 2022	Dawn Cave	If not available at 28 April 2022 meeting
	Action Log	Dawn Cave	
	<u>Decision</u> Appointment of Chair		
	Election of Vice-Chair		
	Annual Treasury Management Review	Deputy Chief Executive Officer	
	<u>Audit Reports</u> TBC		
	<u>Information and Monitoring</u> Revenue and Capital Budget Monitoring Report 2022/23	Deputy Chief Executive Officer	
	Fire Authority Programme Management - Monitoring Report	Head of Service Transformation	
	Work Programme 2022/23		
Tuesday 12 July			
Time	Agenda Item	Member/Officer	
1400	Minutes of Policy and Resources Committee Meeting 23 June 2022	Dawn Cave	
	Minutes of Overview and Scrutiny Committee Meeting 6 July 2022	Dawn Cave	If available
	Action Log	Dawn Cave	
	<u>Decision</u> TBC		
	<u>Audit Reports</u> TBC		

	<u>Information and Monitoring</u> Revenue and Capital Budget Monitoring Report 2022/23	Deputy Chief Executive Officer	
	Strategic Risk and Opportunity Management Register – Monitoring Report	Head of Service Transformation	
	Work Programme 2022/23		
Friday 21 October			
Time	Agenda Item	Member/Officer	
1400	Minutes of Policy and Resources Committee Meeting 12 July 2022	Dawn Cave	
	Minutes of Overview and Scrutiny Committee Meeting 6 July* and 6 October 2022	Dawn Cave	*If not available at 12 July 2022 meeting
	Action Log	Dawn Cave	
	<u>Decision</u> TBC		
	<u>Audit Reports</u> TBC		
	<u>Information and Monitoring</u> Revenue and Capital Budget Monitoring Report 2022/23	Deputy Chief Executive Officer	
	Fire Authority Programme Management - Monitoring Report	Head of Service Transformation	
	Work Programme 2022/23		
Tuesday 20 December			
Time	Agenda Item	Member/Officer	
1400	Minutes of Policy and Resources Committee Meeting 21 October 2022	Dawn Cave	
	Minutes of Overview and Scrutiny Committee Meeting	Dawn Cave	If any outstanding
	Action Log	Dawn Cave	
	<u>Decision</u> TBC		
	<u>Audit Reports</u> TBC		
	<u>Information and Monitoring</u> Revenue and Capital Budget Monitoring Report 2022/23	Deputy Chief Executive Officer	
	Strategic Risk and Opportunity Management Register – Monitoring Report	Head of Service Transformation	
	Work Programme 2022/23		
2023			
Tuesday 31 January			
Time	Agenda Item	Member/Officer	
1400	Minutes of Policy and Resources Committee Meeting 20 December 2022	Dawn Cave	

	Minutes of Overview and Scrutiny Committee Meeting 19 January 2023	Dawn Cave	
	Action Log	Dawn Cave	
	<u>Decision</u> TBC		
	<u>Audit Reports</u> TBC		
	<u>Information and Monitoring</u> Revenue and Capital Budget Monitoring Report 2022/23	Deputy Chief Executive Officer	
	Fire Authority Programme Management - Monitoring Report	Head of Service Transformation	
	Work Programme 2022/23		
Wednesday 26 April			
Time	Agenda Item	Member/Officer	
1400	Minutes of Policy and Resources Committee Meeting 31 January 2023	Dawn Cave	
	Minutes of Overview and Scrutiny Committee Meeting 20 April 2023	Dawn Cave	If available
	Action Log	Dawn Cave	
	<u>Decision</u> TBC		
	<u>Audit Reports</u> TBC		
	<u>Information and Monitoring</u> Revenue and Capital Budget Monitoring Report 2023/24	Deputy Chief Executive Officer	
	Annual Review of the Operation of the ICT Shared Service Agreement	Head of ICT and OHU	
	Strategic Risk and Opportunity Management Register – Monitoring Report	Head of Service Transformation	
	Work Programme 2023/24		
Thursday 22 June			
Time	Agenda Item	Member/Officer	
1400	Minutes of Policy and Resources Committee Meeting 26 April 2023	Dawn Cave	
	Minutes of Overview and Scrutiny Committee Meeting 20 April 2023	Dawn Cave	If not available at 26 April 2023 meeting
	Action Log	Dawn Cave	
	<u>Decision</u> Appointment of Chair		
	Election of Vice-Chair		
	Annual Treasury Management Review	Deputy Chief Executive Officer	
	<u>Audit Reports</u> TBC		
	<u>Information and Monitoring</u> Revenue and Capital Budget Monitoring Report 2023/24	Deputy Chief Executive Officer	

	Fire Authority Programme Management - Monitoring Report	Head of Service Transformation	
	Work Programme 2023/24		

