

Shropshire and Wrekin Fire and Rescue Authority
Strategy and Resources Committee
 held in the Oak Room, Headquarters
 on Wednesday, 27 November 2024 at 2.00 pm

Present

Councillors Cook, Hartin, Minnery, Price and Wynn

Officers

Simon Hardiman	Chief Fire Officer	CFO
Sam Burton	Deputy Chief Fire Officer	DCFO
Jason Kirby	Assistant Chief Fire Officer (Service Delivery)	ACFO (SD)
Karen Gowreesunker	Assistant Chief Fire Officer (Service Support)	ACFO (SS)
Joanne Coadey	Head of Finance	HoF
Germaine Worker	Head of Human Resources and Administration	HHRA
Mark Price	Head of Operations and Risk	HoOR
Aleksandra Zydek	Executive Support Officer	ESO

Vice Chair of the Committee thanked outgoing Councillor Offland for her commitment to Strategy and Resource Committee.

1 Election of Chair

It was proposed by Councillor Minnery and seconded by Councillor Wynn that Councillor Hartin be appointed Chair of the Strategy and Resource Committee to hold office until immediately after the appointment of Chair at the next Annual Fire Authority Meeting.

There being no other nominations, Councillor Hartin was duly appointed as Chair.

2 Apologies for Absence

Councillors Aldcroft and Handley and James Walton (Treasurer)

3 Disclosable Pecuniary Interests

None

4 Public Questions

None

5 Non-Exempt Minutes

Resolved that the non-exempt minutes of the Strategy and Resources Committee, held on 11 September 2024, be agreed and signed by the Chair as a correct record.

6 Financial Performance to September 2024, including Annual Treasury Review 2023/24 and Mid-Year Treasury Review 2024/25

This report provided information on the financial performance of the Service, and sought approval for action, where necessary.

The HoF presented this report and noted change in the way information is presented to give Members a better overview of the budget as a whole. She reported that monitoring has continued on the revenue budget for 2024/25 and brought Members attention to a summary of total position on page two of the report. The HoF noted that Reforecast Budget present more realistic position of the Service.

The HoF moved on to anticipated Variances on page three and highlighted additional costs in Executive and Resources which included training and legal expenses relating to staff investigations, additional cost of Executive Officer Support and furniture cost relating to refurbishment at Telford.

For Service Delivery the HoF reported underspend on in call pay and noted that savings in pay budgets will be used to fund new retaining fee contract bandings, which are due in January 2025.

The HoF explained to Members spend on Overtime exceeded the budget however spend has reduced by 40% in the year to date, compared to 2023/24. This is due to training courses being carried out whilst attendees are on shift.

The HoF noted that additional payments were made as a result of new legislation for Holiday pay on overtime. This will be built into future budgets in future years. She reported additional cost to Group Support Team due to long term sickness and highlighted Training Pay underspend due to secondment cover.

The HoF reported total underspend of £224k and proposed that variances are transferred to/from reserves as listed on the bottom of page three. She brought Members attention to Virements of £11k that have been approved using powers delegated to the Chief fire Officer, Treasurer and Head of Finance. The HoF noted the Authority's reserves position of just under £15m.

Members questioned if additional spending will be needed at Telford site. The CFO responded that additional spend linked to Command & Control Project will be required in the future. This cost is not expected to be large as it is only related to furniture and fittings. The ACFO SD added that this is expected to take place around September 2025. The CFO noted that focus will be put on improving the Training facilities at Telford Central Station. He reported that

that this is one of the outcomes from HMI Inspection Report and will come to Fire Authority for approval.

Resolved that the Committee recommend that the Fire Authority

- a) note the position of the revenue budget;
- b) approve virements to the revenue budget, where requested;
- c) Note the annual review of treasury activities for 2023/24;
- d) note performance against prudential indicators to date in 2024/25, and
- e) Note the mid-year review of treasury activities for 2024/25

7 2025/26 and Later Years Revenue and Capital Budgets

This report brought together the elements of an initial revenue budget, based on current planning assumptions, and sought the Committee's approval for this outline to be recommended to the Fire Authority in December 2024.

The HoF presented this report and noted that at its meeting in February 2024, the Fire Authority approved a revenue budget of £29M for 2024/25, which included a budgeted surplus of £0.2m. Revenue budgets to 2026/27 were also projected, although Members were advised that, due to the uncertainty about future funding, these were purely estimates. The HoF brought Members attention to assumptions upon which the budget was set listed on page 2 of the report.

The HoF reported that the Chancellor of the Exchequer outlined settlements for individual government departments in her Autumn Budget. She noted that a policy statement outlining the Government's intentions is anticipated prior to the provisional settlement which is due to be received prior to Christmas.

The HoF reported that the Budget also outlined that a productivity, efficiency and savings targets of 2% has been issued to all government departments, but as year there is no indication of plans for individual authorities. She noted that work has been ongoing during 2024 to establish a productivity baseline for operational activity. Officers will continue to work with budget holders to identify, record and report efficiencies and improvements in productivity.

The HoF highlighted to Members that at stage one of budget setting process it is important to review where efficiencies can be identified. She noted that work on base budget is ongoing adjustment will be made throughout the budget setting process and reported to Members.

The HoF reported movements in the budget are listed in a table on page 4 of the report and highlighted change in external audit fees, holiday pay on overtime, software licence costs and system contracts charges.

Members questioned increase in system contract charges and why move to cloud-based systems has extra cost. The HoF and the ACFO (SD) explained that the Service contracts those services from Telford and Wrekin Council and this cost is due to an increase in support costs.

For Efficiencies and Productivity, the HoF noted that work in this area is ongoing, and progress and outcomes will be reported to the home Office and the Authority.

For Pay and Price Contingency the HoF reported that pay award for Grey book staff was agreed at 4% and Green book staff at just over 3%. Current contingencies for pay award are set at 4% in 2025/56, reducing to 3% from 2026/27. However, the Budget stated that "over the medium-term, above the inflation pay awards are only affordable if they can be funded from improved productivity". It is therefore proposed that pay awards are provided at 2% per year for all staff, with any awards over and above this level being found from efficiencies found within current budgets.

Members commented that 2% is a relatively low number for pay awards given what can be expected in the future. They questioned if the Service made productivity savings will there be sufficient money in reserves to keep 4% pay award in place.

The HoF explained that it is Committee decision and CFO explained that 2% is a national position and if Committee decides to go with 4% this could interfere with national negotiations.

Members stated that although uncomfortable they note the national position and were happy to proceed with 2% pay award.

The HoF reported that the proposed capital programme will be brought to Committee in January 2025 for consideration. She added that forward capital programme is being thoroughly reviewed by officers and future requests for schemes will be considered a part of ongoing strategic planning process.

The HoF had brought to Members attention to table in section 8 of the report and noted budget summary report will be for decision at the December Fire Authority meeting. She noted that forecasts for the longer term are provided within the table as an indication of financial position, based on a number of uncertain assumptions.

Members questioned if £606k Pay and Price equated to around the 2% precept increase. The HoF confirmed that Members understanding is correct.

Resolved that the Committee recommend that the Fire Authority

- a) Notes the revisions and the committed changes to the base budget, as shown in section 4;
- b) Notes the ongoing work on efficiencies and productivity improvements in section 5;
- c) Bases its pay and price contingency in the revenue budget on the calculations set out in section 6;
- d) Notes the process for the approval of the capital programme, and
- e) Approves the expenditure figures associated with those approved assumptions as a basis for developing the budget at the meeting of the Fire Authority on 5 December 2024.

At this point in the meeting Councillor Minnery has left due to other commitments.

8 Reserves and Funds

This report sets out the issues, which the Fire Authority will need to consider as part of its annual review of reserves and funds.

The HoF presented this report and advised the Committee that the Authority's reserve position. She brought to Members attention to changes in Pension liabilities and Other Staff Issues Reserve and Major Projects Reserves. She also noted the balance in the General Fund on 1 April 2024 was £2.5m and the Fire Authority agreed to hold £57k back for protection and prevention activates. The balance of the General Fund has been allocated to reserves stated on page 6 of the report. This allocation was approved by the Fire authority at its June meeting, subject to audit completion.

Resolved that the Committee agree to propose to the Fire Authority that it confirms the current position of its reserves and funds.

9 Equality and Diversity Steering Group Annual Report

This report provided an update on the work of the Equality, Diversity and Inclusion (EDI) Steering Group from January 2024 to October 2024.

The DCFO presented this report and stated that there has been big amount of positive activity in all areas. She highlighted the Equality Diversity and Inclusion Training the Service has attended or undertaken as well as number of staff trained Mental Health Aid and Suicide Prevention.

The DCFO noted that the Service continues to work on improving monitoring and report on gaps in equality data. This area was raised by HMI Inspection Report that is due to be released later this month.

She highlighted Taster Sessions for On-Call Firefighters and really positive feedback received for those who attended.

The DCFO praised the work of Voices group who organised many events for staff for example Health and Wellbeing Day. She noted that it can be challenging to measure impact of the initiatives like this but feedback from staff has been very positive.

She noted that work in underway to review the membership and Terms of Reference of the group to ensure it is fit for purpose and although does not have decision making power that it steers the Service work in all areas including Community Risk Managment Plan and Post HMI Inspection Report work.

Members noted the report and stated that it is a very positive direction. They requested to be notified of any future activities, so they can participate. The DCFO stated the Members will be kept informed going forward.

Resolved that the Committee note the report.

10 Exclusion of Press and Public

Resolved that having been satisfied in all the circumstances of the case that the public interest in maintaining the exemption outweighs the public interest in disclosing this information, that Members formally resolve that the press and public be excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

11 Exempt Minutes (Paragraph 3)

Resolved that the-exempt minutes of the Strategy and Resources Committee, held on 11 September 2024 be agreed and signed by the Chair as a correct record.

12 Occupational Health Provision Annual Update (Paragraph 3)

This report provided the annual update on the Occupational Health Provision for the Service.

Resolved that the Committee note the report.

The meeting closed at 2.50 pm.

Chair _____

Date _____