

SOUTH YORKSHIRE FIRE AND RESCUE AUTHORITY

21 FEBRUARY 2022

PRESENT: Councillor T Damms (Chair)
Councillor C Hogarth (Vice-Chair)
Councillors: S Sansome, S Ball, J Paszek, D Hutchinson, S Ayris,
R Frost, C Ross and Dr A Billings

CFO A Johnson, ACO T Carlin, T/AM M Gillatt, S Slater, AM Strelczenie
and AMB S Dunker
(South Yorkshire Fire & Rescue Service)

M McCarthy, J Field, S Loach and M Bray
(Barnsley MBC)

Apologies for absence were received from Councillor P Garbutt,
Councillor T Smith, Councillor B Johnson, N Copley, M Potter, L Noble,
S Norman, DCFO C Kirby and M Buttery

1 **APOLOGIES**

Apologies for absence were noted as above.

2 **ANNOUNCEMENTS**

None.

3 **URGENT ITEMS**

None.

4 **ITEMS TO BE CONSIDERED IN THE ABSENCE OF THE PUBLIC AND PRESS**

None.

5 **DECLARATIONS OF INTEREST BY INDIVIDUAL MEMBERS IN RELATION TO ANY ITEM OF BUSINESS ON THE AGENDA**

None.

6 **REPORTS BY MEMBERS**

None.

7 RECEIPT OF PETITIONS

None.

8 TO RECEIVE ANY QUESTIONS OR COMMUNICATIONS FROM THE PUBLIC, OR COMMUNICATIONS SUBMITTED BY THE CHAIR OR THE CLERK AND TO PASS SUCH RESOLUTIONS THEREON AS THE STANDING ORDERS PERMIT AND AS MAY BE DEEMED EXPEDIENT

None.

9 MINUTES OF THE AUTHORITY MEETING HELD ON 10 JANUARY 2022

RESOLVED – That the minutes of the Authority meeting held on 10 January 2022 be signed by the Chair as a correct record.

10 MINUTES OF THE EXTRA ORDINARY AUTHORITY MEETING HELD ON 24 JANUARY 2022

RESOLVED – That the minutes of the Extra Ordinary Authority meeting held on 24 January 2022 be signed by the Chair as a correct record.

11 APPOINTMENT OF THE MONITORING OFFICER TO THE AUTHORITY

A report of the Clerk to the Fire and Rescue Authority was presented regarding the appointment of the Monitoring Officer to the Authority.

Members noted that the Monitoring Officer to the Authority, Garry Kirk, who was the Service Director (Legal) Barnsley MBC, had left the organisation at the end of January 2022. Members were recommended to appoint the new Monitoring Officer, Jason Field, who is the Head of Legal Services at Barnsley MBC, with effect from 1 February 2022.

RESOLVED – That Members agreed to appoint Jason Field, Head of Legal Services, as the Monitoring Officer to the Authority.

12 COVID-19 UPDATE

Members were provided with an update on SYFR's response and recovery to the COVID-19 pandemic.

The Service continued to encounter COVID-19 related sickness absences, however a reduction in the number of sickness absences overall was now starting to be observed.

Following the Government's decision to remove the Plan B restrictions, the Service had continued to keep those restrictions in place i.e. to continue with the recommended social distancing, wearing of face masks at fire stations and when travelling in brigade vehicles. The Service's Senior Leadership Team would continue to review the measures.

An announcement was expected imminently from the Government in relation to self-isolation and other COVID-19 control measures, which would be considered by the Service's COVID-19 Recovery Group.

The Service's office based staff had been requested to return back into the workplace on a rota basis.

The Service continued to support the South Yorkshire Local Resilience Forum.

AM Dunker suggested that the COVID-19 update should no longer be a standing agenda item, but should instead be reported to the Authority by exception.

Councillor Damms agreed to the suggestion.

RESOLVED – That Members:-

- i) Noted the update.
- ii) Agreed that the COVID-19 update should no longer be a standing agenda item, but should instead be reported to the Authority by exception.

13 2022/23 ANNUAL REVENUE BUDGET AND COUNCIL TAX SETTING

A report of the Chief Fire Officer/Chief Executive and Clerk and Treasurer was submitted to approve the 2022/23 revenue budget and to set the council tax and precept by the legislative deadline. The report set out the implications of the Local Government Finance Settlement, the proposed 2022/23 revenue budget and an updated Capital Programme, including new 2022/23 capital investment schemes for approval by Members.

The budget was in balance for 2022/23, which included a transfer of approximately £1m into reserves that reflected the one-off Services grant to be received in 2022/23. The budget was based on a proposed council tax increase for 2022/23 of 1.99%, which subject to approval by Members, would equate to £77.58, which was an increase of £1.51 per annum.

Councillor Ross queried whether the 2% provision of pay awards and the contractual inflation that was assumed at 3% each year were optimistic projections.

Members noted that most of the other fire and rescue services nationally were looking at a 2% pay rise and around 3% – 4% for contractual inflation; the Service would continue to monitor the position. The National Fire Chiefs Council was discussing the pay issue. The new reserve in terms of the Emerging Risk Reserve, was an area whereby any further increase would seek to be funded from.

In response to a question raised by Councillor Hogarth as to whether there was any scope for the arrears to be paid for the 2021/22 pay award prior to the end of the current tax year, to prevent individuals from being hit by the increase in national insurance contributions, S Slater commented that this was provided for as part of the budget for the year. The outcome of the trade union meetings were awaited.

Councillor Sansome expressed concern at the ask of £1m from the residents of South Yorkshire, and how those individuals on the lowest possible incomes would be able to manage with the increase.

S Loach commented that in the event that the Members did not agree to the 1.99% Council Tax increase, then it would result in an impact of approximately £400-£500k during the year which would reduce the reserve down, and the rise would be annually effective. The Services grant was on a one-off basis, and therefore there was already a deficit for 2022/23.

In response to a query raised by Dr Billings regarding the external borrowing requirement and the assumptions on the percentage interest rates, S Loach stated that the majority of borrowing was fixed rate borrowing. He would provide Members with the information regarding interest rates in terms of what had been built into the Treasury Management Strategy.

Councillor Ball referred to the savings that had been made on transport and hybrid meetings during the COVID-19 pandemic, together with the COVID-19 grant. He therefore suggested that the council tax increase of £1.51 per household should not be made this year, as it would hit the residents of South Yorkshire with a further cost, when the Service would be making savings moving along.

CFO Johnson considered that the Service would face a challenging couple of years, in terms of the awaited Government White Paper, inflation issues and staff salaries. In the event that the council tax was not increased, this would ultimately result in a reduction of the number of firefighter roles within the Service, which would impact upon the number of fire appliances that were made available.

S Loach commented that the majority of the properties within South Yorkshire were Bands A and B, which equated to a council tax increase of £1.00 per household per annum.

In response to a request made by Councillor Damms for Members to be provided with regular updates on the reserves, S Slater commented that the information was provided within the financial quarterly report that was presented to the Authority.

RESOLVED – That Members:-

- i) Approved the Authority's 2022/23 Revenue Budget at Appendix A to the report.
- ii) Noted the Treasurer's Section 25 Statement (Section H) in support of the budget.

- iii) Approved the Capital Investment Strategy (Appendix B) including the updated Capital Programme and new approvals as set out in Section E of the report.
- iv) Endorsed the proposed approach for managing reserves as set out in Section D to the report, noting the increase in reserves as a result of the receipt of the one-off Services grant in 2022/23.
- v) Approved the Treasury Management and Investment Strategy at Section G.
- vi) Approved the fees and charges schedule for 2022/23 at Appendix D.
- vii) Approved a Council Tax Increase of 1.99% for 2022/23 at Section C of the report.

All Members voted in favour of a Council Tax increase of 1.99% for 2022/23, with the exception of Councillor Ball who voted against the decision.

14 SERVICE IMPROVEMENT BOARD UPDATE

A report of the Chief Fire Officer and Chief Executive was submitted which provided an update on progress against the actions on the Service Improvement Plan. The plan was monitored by the Service Improvement Board, which met on a monthly basis, to ensure that the objectives within the plan were being progressed and delivered in good time. The plan included actions relating to the Service, Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) Inspection Report, Grenfell Tower Inquiry, State of Fire and Rescue Reports and published Fire Standards.

Members noted that the percentage of completion for each action was now recorded onto the plan, as per the request of the Authority. Members were referred to Appendix A of the report, which detailed the 17 Areas for Improvement (AFI) which had been identified within the HMICFRS inspection report for SYFR. The HMICFRS fieldwork inspection of SYFR was scheduled for w/c 11 April 2022. The Service's document request and self-assessment had recently been returned to the HMICFRS.

In response to a question raised by Councillor Ross regarding how those items that were behind schedule would impact upon the upcoming HMICFRS inspection, AM Strelczenie commented that the matter would be discussed further at the Service Improvement Board meeting scheduled for 28 February 2022. A great deal of work had been undertaken to complete the outstanding areas for improvement. There were now only 2 – 3 outstanding areas for improvement, which AM Strelczenie anticipated would be completed when the matter was next reported to the Authority.

In relation to the actions that were behind schedule and the shortage of staff within the Fire Safety Team, Members noted the recent advertisement for recruitment. Recruitment had been successful to appoint an E-learning co-ordinator and an ICT software developer to commence work on the 'Hazard Alert' software.

The Service liaised with the residents and the responsible persons in relation to the evacuation of high-rise buildings. However, the evacuation strategy of those buildings was the responsibility of the respective local authority or responsible persons and not the Service.

In response to a series of questions raised by Dr Billings, AM Strelczenie commented that the pilot on the provision of out of hours work had been successful. The trial would conclude at the end of March 2022, at which point it was anticipated that it would become embedded within the Service.

The timeline for the work to adopt a national operational guidance and for a plan to be put in place had been extended by around 8 months due to the COVID-19 pandemic, as a number of staff had been redeployed to provide assistance. AM Strelczenie would provide Members with an update on the new timeframes for the implementation of the new national operational guidance to the next Authority Meeting scheduled to be held in April 2011.

With regard to the AFI to ensure that the Service's operational staff had good access to relevant and up-to-date risk information, which should include cross-border risk information, Members noted that the Service did have access to over the boarder risk information. The AFI had been left open, as it had not yet been determined how far a radius outside of the Service's boarder that it would travel. Consideration was being given to a radius scheme based upon inherent risk. The Service would always attend those incidents with the cohort fire and rescue service, who would have access to the risk information.

Nationally, the fire and rescue sector continued to experience issues in the recruitment and retention of women and BAME individuals. The matter had been raised following the recent HMICFRS inspections that had been carried out at 13 fire and rescue services. Members were referred to the work that continued to be undertaken by the Service to address the issue. During 2022, the number of female recruits onto the current course had increased to 14% with 5 female members of staff and 3% from BAME. Two female middle managers had been appointed over the last 6 month period. The Service continued to encourage individuals from the under-represented groups to join the establishment through a variety of means. DCFO Kirby would attend an upcoming meeting with the Somalia community, to discuss employment opportunities within the Service.

RESOLVED – That Members noted the contents of the report and provided further scrutiny and support to enable continual service improvement.

15 STATE OF FIRE AND RESCUE REPORT 2021

A report of the Chief Fire Officer and Chief Executive was presented which provided an overview of the publication of the State of Fire and Rescue 2021, by Her Majesty's Chief Inspector of Fire and Rescue Services, Sir Thomas Winsor, which had been released on 15 December 2021.

RESOLVED – That Members noted the contents of the report and provided further scrutiny and support to enable continual service improvement.

16 FINANCIAL PERFORMANCE REPORT QUARTER 3 2021/22

A report of the Chief Fire Officer/Chief Executive and Clerk and Treasurer was presented as the third in a series of reports that Members would receive throughout the financial year, to inform them as to the likely financial performance for the year ended 31 March 2022.

The report detailed the estimated revenue outturn position in comparison to the annual budget that had been set on 22 February 2021, it also provided an updated reserves position statement together with an update on the Capital Programme.

The approved operating budget for 2021/22 totalled £55.400m, and funding totalled £55.872m which resulted in a planned contribution to reserves of £0.472m. The Authority projected a net operating spend of £54.761m, with funding of £55.872m resulting in an overall forecast operating underspend of £1.111m or 2% of the budget.

The approved Capital Programme for 2021/22 totalled £7.704m, and the programme had been adjusted to £9.487m following approval of the 2020/21 Outturn Report on 21 June 2021.

Councillor Sansome queried where the money would go, in the event that the Service did not recruit the planned number of fire officers within the budget that had recently been set.

S Slater highlighted that any underspends that were generated through the revenue budget would go into general reserves for the Authority to then choose where this would go. In such an event, it was anticipated that the Treasurer would suggest that the money should go into emerging risk due to the issues with the comprehensive spending review, future inflationary price increases, pay awards etc. It was envisaged that the Service would reach its full establishment by the end of the next financial year.

Dr Billings queried whether the potential support staff pay award of 1.75% that had yet to be agreed and implemented was for the current financial year.

S Slater referred to a statement made by the Chancellor, at the time when the Service's budget had been set for the current financial year, that there would be no pay awards across the public sector due to the COVID-19 pandemic. The Service had received a pay award during the year for operational staff.

A negotiated pay award was ongoing for the Service's support staff. In the event that this was paid from April 2022 onwards, there would be an impact on the pay award, which included the national insurance levy to which the Service and staff would observe an extra 1.25% deduction.

In response to a query raised by Councillor Ball regarding the £1.1m savings that had been achieved last year and the public to be asked to provide a further £600k, S Loach referred to the budget which had been approved by Members at today's meeting of a 1.99% increase which generated approximately £450k that was already built into the budget. This was a one-off underspend, which was mainly attributable to recruitment and was a national ongoing issue.

As a result of the COVID-19 pandemic and social distancing measures, the Service had cut the number of attendees on the recruits courses by half. This had prevented the Service from reaching full establishment at an earlier point. The Service had re-established the 2-2-4 system across the establishment and had removed Close Proximity Crewing. In November 2021, the last fire station had been moved back onto the 2-2-4 system. The Service aimed to reach the full establishment of 608 by the end of the financial year, together with the recruitment of a more diverse workforce.

Members noted that within the current financial year, that some of the underspend related to non-pay. The changes in the expenditure and the reduction due to agile working had been reviewed into the Medium Term Financial Plan. The reduction was a one-off underspend and adjustments had been made to the budget for 2022/2023 with further savings to be made in 2023/2024.

RESOLVED – That Members:-

- i) Noted the emerging underlying estimated revenue performance which was showing a potential operating underspend of £1.111m for the financial year ended 31 March 2022.
- ii) Noted the underlying and significant financial risks and uncertainties facing the Service and Sector during the remainder of this financial year and into 2022/2023 and beyond.
- iii) Noted the latest estimated change in General and Earmarked Reserves as set out in Section C of the report.
- iv) Noted the current position of the capital programme for the financial year ending 2021/22, which was in line with expectations.

17 SYFR COLLABORATION STRATEGY REVIEW

A report of the Chief Fire Officer and Chief Executive was presented which provided Members with an updated Collaboration Strategy and accompanying Equality Impact Assessment for approval. The refreshed strategy had been taken through two consultation processes, with key collaboration colleagues in late 2021

and via the normal Corporate Management Board consultation process in January 2022.

RESOLVED – That Members approved the refreshed Collaboration Strategy.

18 REVIEW OF FRA MEMBERS' ALLOWANCES SCHEME

A report of the Clerk to the Authority was submitted in relation to a review of the Authority's Members' allowances scheme. It was recommended that a review of the scheme should be undertaken every four years, and that the element that allows indexation to only run for four years after approval. The scheme had last been reviewed in 2018, where the Members allowances had not been increased, but the indexation had been approved.

RESOLVED – That Members:-

- i) Considered whether a full review of the FRA Members' Allowances Scheme was necessary.
- ii) Approved an independent review of the indexation, which was required after a term of four years.

19 UPDATE OF THE LOCAL PENSION BOARD KEY ISSUES AND DRAFT MINUTES OF 20 JANUARY 2022

M McCarthy referred to the excellent work that was undertaken by the Local Pension Board on behalf of the Authority. The Local Pension Board was deemed exemplar within the fire sector, in terms of the work undertaken and how it interacted with the Authority. This was attributable to A Bosmans, Chair of the Board, Members of the Board and L Noble's interaction with the Board.

RESOLVED – That Members noted the draft minutes and the key issues arising from the Local Pension Board Meeting held on 20 January 2022.

20 DRAFT MINUTES OF THE YORKSHIRE AND HUMBER EMPLOYERS' ASSOCIATION HELD ON 13 JANUARY 2022

RESOLVED – That Members noted the draft minutes of the Yorkshire and Humber Employers' Association held on 13 January 2022.

21 DRAFT MINUTES OF THE AUDIT AND GOVERNANCE COMMITTEE HELD ON 10 JANUARY 2022

RESOLVED – That Members noted the draft minutes of the Audit and Governance Committee held on 10 January 2022.

22 DRAFT MINUTES OF THE APPEALS AND STANDARDS COMMITTEE HELD ON 24 JANUARY 2022

RESOLVED – That Members noted the draft minutes of the Appeals and Standards Committee held on 24 January 2022.

23 DRAFT MINUTES OF THE APPOINTMENTS COMMITTEE HELD ON
28 JANUARY 2022

RESOLVED – That Members noted the draft minutes of the Appointments Committee held on 28 January 2022.

Actions Table

No.	Action	Timescale	Officer(s)	Status/ Update
1	To provide Members with the information regarding interest rates, in terms of what had been built into the Treasury Management Strategy.	ASAP	S Loach	Update 07.03.22 Please see the information appended to the minutes. ACTION DISCHARGED
2	To provide Members with an update on the new timeframes for the implementation of the new national operational guidance.	Fire Authority Meeting on 11.04.21	AM Strelczenie	

CHAIR

Please follow the link below for further information on the updates of the actions arising from the Fire and Rescue Authority meetings:-

<https://meetings.southyorks.gov.uk/ecSDDisplayClassic.aspx?NAME=SD1250&ID=1250&RPID=402996&sch=doc&cat=13039&path=13039&zTS=D>

Action 1 - To provide Members with the information regarding interest rates, in terms of what had been built into the Treasury Management Strategy

The forecast for interest rates at the time of writing the 22/23 TMSS was:

	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
7.2.22	0.75	1.00	1.00	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
20.12.21	0.25	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.25
change	0.50	0.50	0.50	0.75	0.50	0.50	0.50	0.50	0.25	0.25	0.25	0.25	0.00

Since the 2022/23 Treasury Management Strategy was prepared, the Monetary Policy Committee decided to raise the Bank Rate from 0.25% to 0.50% at the February 2022 BoE meeting.

The Authority's treasury advisors have updated their interest rate forecast, which now has bank rate climbing to 1.25% by December 2023 (previously 0.50% per the strategy). It should be noted that since the revised forecasts were issued there is further uncertainty in financial markets due to the situation with the Russian invasion of Ukraine, and there is likely to be further revisions to the forecasts depending on how the crisis unfolds.

In order to limit the impact of interest rate rises in a volatile financial environment, the strategy is to maintain a minimum proportion of fixed rate borrowing of 70% of the Authority's total requirement. To achieve this target the Authority is likely to require around **£15.9M** of **fixed** rate borrowing over the period to 2024/25. The remaining 30% could be funded through a combination of temporary borrowing or utilising internal cash resources to minimise financing costs. The breakdown of the total borrowing requirement is shown below:

	2021/22 (£M)	2022/23 (£M)	2023/24 (£M)	2024/25 (£M)
Closing CFR	31.592	39.188	47.533	54.451
Gross Borrowing	(23.248)	(23.168)	(23.168)	(22.168)
Under-Borrowed Position	8.344	16.020	24.365	32.283
Support from Usable Reserves	(8.344)	(14.398)	(14.065)	(13.623)
External Borrowing Requirement	-	1.622	10.300	18.660

	2021/22 (£M)	2022/23 (£M)	2023/24 (£M)	2024/25 (£M)
Fixed Rate Borrowing	-	4.264	10.105	15.948
Temporary / Variable Rate Borrowing	-	-	0.195	2.712
Total Requirement (Cumulative)	-	4.264	10.300	18.660

Officers continue to closely monitor interest rates and consider the options available for borrowing which represent the best value for the Authority. Note that the above indicative borrowing figures may be subject to change in line with fluctuations in the financial markets or should there be revisions to the Authority's Capital spending plans.

As highlighted in the 2022/23 Strategy, there are a number of potential borrowing options available, including deferred loans, PWLB borrowing at the Certainty Rate and borrowing from other local authorities. Officers will continue to assess the rates and terms available within the market and ensure that the Authority's level of debt is prudent, affordable and sustainable over the longer term.