



HEREFORD & WORCESTER Fire Authority

AGENDA

10.30 am Wednesday 19 February 2014

PLEASE NOTE CHANGE OF VENUE

Council Chamber
County Hall
Spetchley Road
Worcester
WR5 2NP

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WELCOME AND GUIDE TO TODAY'S MEETING

These notes are written to assist you to follow the meeting. Decisions at the meeting will be taken by the **Councillors** who are democratically elected representatives and they will be advised by **Officers** who are paid professionals. The Fire and Rescue Authority comprises 25 Councillors and appoints committees to undertake various functions on behalf of the Authority. There are 19 Worcestershire County Councillors on the Authority and 6 Herefordshire Council Councillors.

Agenda Papers

Attached is the Agenda which is a summary of the issues to be discussed and the related reports by Officers.

Chairman

The Chairman, who is responsible for the proper conduct of the meeting, sits at the head of the table.

Officers

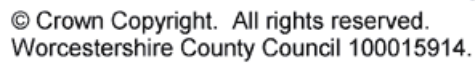
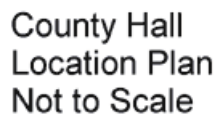
Accompanying the Chairman is the Chief Fire Officer and other Officers of the Fire and Rescue Authority who will advise on legal and procedural matters and record the proceedings. These include the Clerk and the Treasurer to the Authority.

The Business

The Chairman will conduct the business of the meeting. The items listed on the agenda will be discussed.

Decisions

At the end of the discussion on each item the Chairman will put any amendments or motions to the meeting and then ask the Councillors to vote. The Officers do not have a vote.



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Fire Alarm

- The fire alarm is tested every Tuesday at 13:45. Should the alarm sound at any other time you will need to leave the building via the nearest safe exit.)
- You will need to follow Officers to Assembly Point E (Northside) which is located outside the building.

Toilets

- There are male and female toilets with baby change facilities in reception and a disabled toilet within the Register Office at the entrance adjacent to reception.

Parking

- If you have parked in the visitor car park please collect a token from Reception upon leaving.
- Once the token has been inserted please wait for the traffic light to change to green before driving off. The barrier will lower only when the light is green.

Smoking Policy

- Smoking is not permitted anywhere within the building. There is a smoking shelter located by the cascades which are situated between the upper and lower lakes.

OPTIONAL INFORMATION

Cafe

- There is a cafe located on the ground floor, a short distance from Reception which you are welcome to use. It sells a range of hot and cold foodstuffs as well as having a coffee bar.
- The Lakeview Cafe is open for business 08:00 to 15:00 Monday to Friday. The area is available for informal meetings unless specifically booked for an event although we ask that you only do so outside the busy lunchtime period when diners are given priority use.

Shop

- There is a shop adjacent to the cafe and stocks a range of sandwiches, snacks, sweets and newspapers.
- The shop's opening hours are 08:00 to 14:00 Monday to Friday
- There is a snack/cold drink vending machine immediately outside the shop for use during and outside of the shop's hours of business. There is also a KLIX hot drinks machine.

Grounds/Site traffic

- Please note that County Hall and its grounds are public therefore there may be any number of people walking around the site including those walking their dogs or travelling to the nearby schools.
- Due to this we have a site wide 10 mph speed limit

Public Transport

- There are two bus stops within the grounds of County Hall, one adjacent to each of the site entrances. Both have timetables and as a guide there are generally four buses per hour into the city centre.

Agenda

Councillors:

Herefordshire:

Brigadier P Jones CBE (Vice-Chairman), Mrs M Lloyd-Hayes, Mr B Matthews, Mr P Sinclair-Knipe, Mr D C Taylor and Mr P J Watts.

Worcestershire:

Mr R Adams, Ms P Agar, Mr A Amos, Mr M Broomfield, Mr S Cross, Mrs L Duffy, Mr A Fry, Mr P Gretton, Mr P Grove, Mr A Hardman, Mrs A Hingley, Ms R E Jenkins, Mrs F M Oborski, Mr S R Peters, Mr D W Prodger MBE (Chairman), Prof J W Raine, Mr C Taylor, Mr P Tuthill and Mr R Udall.

| | Pages |
|---|--------------|
| 1. Apologies for Absence | |
| To receive any apologies for absence. | |
| 2. Declarations of Interest (if any) | |
| 3. Confirmation of Minutes | 1 - 4 |
| To confirm the minutes of the meeting of the Fire Authority held on 11 December 2013. | |
| 4. Chairman's Announcements | |
| 5. Public Participation | |
| To allow a Member of the public to present a petition, ask a question or make a statement relating to any topic concerning the duties and powers of the Authority. | |
| <i>Members of the public wishing to take part should notify the Head of Legal Services in writing or by email indicating both the nature and content of their proposed participation no later than 2 clear working days before the meeting (in this case Monday 17 February 2014). Enquiries can also be made through the telephone numbers/email listed in the footnote below.</i> | |

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| 6. Budget and Precept 2014/15 and Medium Term Financial Plan | 5 - 36 |
| <p>(1) To determine the Revenue and Capital Budgets and the Council Tax Requirements for 2014/15.</p> <p>(2) To approve the Prudential Indicators and to set a Minimum Revenue Provision (MRP) Policy for 2014/15.</p> <p>(3) To identify potential future resources, their consequential impact on future year budgets and the future Council Tax Requirement.</p> | |
| 7. Community Risk Management Plan 2014-2020 – Consultation Responses | 37 - 86 |
| To seek approval of the draft Community Risk Management Plan (CRMP) and consider recommendations for the implementation of the Fire and Emergency Cover Review taking account of the responses to public consultation. (Appendix 1 – Consultation Report – Separate Enclosure). | |
| 8. Pay Policy Statement | 87 - 96 |
| To bring to the attention of the Authority the requirement for the Service to publish its Annual Pay Policy Statement for the year 2014/15. | |
| 9. Chief Fire Officer’s Service Report | 97 - 101 |
| To inform the Authority of recent key developments and activities. | |
| 10. Report from Audit and Standards Committee | 102 - 105 |
| To advise Members of the proceedings of the Audit and Standards Committee meeting held on 22 January 2014. | |
| 11. Report from Policy and Resources Committee | 106 - 109 |
| To apprise Members of the proceedings of the Policy and Resources Committee meeting held on 28 January 2014. | |

Hereford & Worcester Fire Authority
10.30 am Wednesday 11 December 2013



Minutes

Members present:

Herefordshire:

Brigadier P Jones CBE, (Vice-Chair), Mrs M Lloyd-Hayes, Mr B Matthews, Mr P Sinclair-Knipe and Mr D C Taylor.

Worcestershire:

(Chair) Mr D W Prodger MBE, Mr R Adams, Mr A Amos, Mrs P Agar, Mr S Cross, Mrs L Duffy, Mr A Fry, Mr P Gretton, Mr P Grove, Mr A Hardman, Mrs A Hingley, Mrs R Jenkins, Mrs F M Oborski, Mr S R Peters, Mr C Taylor, Mr P Tuthill and Mr R Udall.

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| No. | Item |
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| 1. | Apologies for Absence |
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Apologies for absence were received from Mr M Broomfield, Professor J Raine and Mr P Watts.

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| 2. | Declarations of Interest |
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No declarations of interest were made.

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| 3. | Confirmation of Minutes |
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RESOLVED that the minutes of the meeting of the Fire Authority held on 3 October 2013 be agreed and signed by the Chairman.

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| 4. | Chairman's Announcements |
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The Chairman made the following announcements:

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| 1. | <u>Deputy Chief Fire Officer Awarded a Prize</u> |
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The Chairman was proud to announce that Richard Lawrence, Deputy Chief Fire Officer had been awarded the G4S prize for the best MBA dissertation in this academic year at the University of Worcester. This dissertation was part of his Executive MBA in Leadership and Management and the Chairman asked Members to join him in congratulating Richard Lawrence on this significant

achievement.

2. Medals and Awards Ceremony, Herefordshire

Herefordshire had held its Medals and Awards Ceremony on Friday 22 November 2013 at the Town Hall in Hereford. A number of awards were presented, including Long Service and Good Conduct Medals, 30 year Awards and an Outstanding Service Medal.

Chief Fire Officer Commendations and Certificates of Congratulations were also presented to both members of the Service and members of the community who had performed brave or meritorious acts.

The event was attended by a range of dignitaries including the Lord Lieutenant, High Sherriff of Herefordshire, the Mayor of Hereford, and representatives from partner agencies.

3. National Arboretum

A small gathering was attended at the National Memorial Arboretum to rededicate this Service's Memorial to those that perished in the terrorist attacks on 11 September 2001. A significant redevelopment and expansion programme by the Arboretum led to the relocation of our Memorial and following 18 months of discussions, a new Memorial was unveiled by former Chief Fire Officer David O'Dwyer. Members were recommended to visit the National Memorial Arboretum.

5 Public Participation

No applications to participate in the meeting had been received from members of the public.

6 Presentation – Senior Human Resources Advisor – Ethical Framework

The Senior Human Resources Advisor, gave a presentation which outlined the role of equality and diversity within the Fire and Rescue Service and the ethical framework.

7 Financial Prospects 2014/15

The Treasurer presented a report that provided Members with a further update on developments on the funding position for 2014/15 and beyond.

Members were advised that there would be no further updates to the figures contained within the report until the Authority was in receipt of the final grant figures which were expected later in December 2013. Other influences to the figures would be the indicative council tax base and business rate yield which was expected in late December. The decisions taken with regard to the Community Risk Management Plan (CRMP) in February 2014 would also affect the budget. Further budgetary restraints

were anticipated on the same scale as in this Comprehensive Spending Review (CSR) period. A further update would be given to Members at the Policy and Resources Committee in February 2014.

RESOLVED that the report be noted.

8 Collaboration with Warwickshire Fire and Rescue Service

The Chief Fire Officer presented a report that sought approval to progress discussions with Warwickshire Fire and Rescue Service regarding future options for collaboration.

Councillor Peter Watts had tabled a motion to the paper and Councillor R Udall suggested a proposal to this as follows:

“The Authority defers the Chief Fire Officer’s recommendations until after the budget process. Authorise Group Leaders to seek a meeting with the political leadership of Warwickshire Fire and Rescue Services to discuss closer collaboration short of combination.”

The motion was moved by Councillor R Udall and seconded by Councillor A Amos.

A lengthy debate ensued and Councillor M Lloyd-Hayes proposed an amendment to Councillor Udall’s motion as follows:

“Within the recent Autumn Budget statement as issued by Central Government there were indications of further cuts to Public services. Whilst the FRA is already dealing with central government imposed cut, we should wait to see what these further cuts are and how they will be imposed on the FRA. Until this position becomes clear this Authority should authorise Group Leaders to seek a meeting with the political leadership of Warwickshire Fire and Rescue Service to discuss closer collaboration short of combination.”

Councillor Udall and his seconder agreed to accept the amendment by Councillor Lloyd-Hayes.

Upon a vote the amended motion was lost.

The recommendations contained within the report were subsequently voted on and were approved.

The following Members wished it to be recorded in the minutes that they had voted against the recommendations contained in the report: Councillors, Udall, Amos, Fry, Agar, Oborski, and Lloyd-Hayes.

RESOLVED:

- (i) A joint officer project team be established with Warwickshire Fire and Rescue Service to examine the feasibility and**

potential benefits of collaboration; and

(ii) The Chief Fire Officer makes recommendations to the Authority based upon the project team's work.

9 Chief Fire Officer's Service Report

The Chief Fire Officer presented his report that contained information regarding recent key developments and activities.

Members were given an update with regard to industrial action by the Fire Brigades Union. Two further strikes would take place on 13 and 14 December 2013 between 6 and 10 pm. Contingency plans were in place to deal with this. Furthermore it was noted that a national ballot had been conducted for action short of a strike and it was not known how this would manifest itself locally but Members were assured that they would be kept fully informed.

Problems associated with the use of Chinese lanterns and the devastating problems they caused were discussed. Members queried the possibility of legislation being introduced to prevent their use and the Chief Fire Officer agreed to investigate the matter further and bring a report back to the Authority.

Members were advised that further information regarding vehicle replacement of officers' cars had been given to Group Leaders and the Chief Fire Officer assured Members that this would be circulated to them shortly.

RESOLVED that the report be noted.

10 FRA and Committee Dates 2014/15

The Head of Legal Services presented a report that informed Authority Members of the meeting dates for 2014/15.

RESOLVED that the attached dates are noted.

11 Report to Policy and Resources Committee

The Chairman of the Policy and Resources Committee presented a report that advised the Fire Authority of the proceedings of the Policy and Resources Committee meeting held on 19 November 2013.

RESOLVED that the contents of the report be noted.

The meeting finished at 12.40 pm.

Signed: _____

Date: _____

Chairman

Report of the Treasurer and the Chief Fire Officer

6. Budget and Precept 2014/15 and Medium Term Financial Plan

Purpose of report

1. To determine the Revenue and Capital Budgets and the Council Tax Requirement for 2014/15.
 2. To approve the Prudential Indicators and to set a Minimum Revenue Provision (MRP) policy for 2014/15.
 3. To identify potential future resources, their consequential impact on future year budgets and the future Council Tax Requirement.
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Recommendations

That the Authority approve the:

- i) Capital Budget and Programme (Appendix 1);***
- ii) Revenue Budget (Appendices 4 and 5);***
- iii) Council Tax Requirement (Appendix 6);***
- iv) Medium Term Financial Plan (MTFP) (Appendix 7);***
- v) Statement of Prudential Indicators (Appendix 8); and***
- vi) the Minimum Revenue Provision (MRP) policy for 2014/15 (Appendix 9).***

Introduction and Background

4. In February 2013 the Authority approved a Medium Term Financial Plan (MTFP), which identified a significant cumulative budget gap of £4.1m by 2016/17. During July 2013 further information was made available by government in respect of grant reductions and Council Tax policy, which increased the cumulative gap to £4.7m.
5. This budget gap formed the financial background to the Community Risk Management Plan (CRMP) Fire Cover consultation that is considered elsewhere on this agenda.
6. Final information is now available on resources:
 - a. Council Tax-bases – from Billing Authorities;
 - b. Band D Council tax level – recommendation from the Policy and Resources (P & R) Committee;
 - c. Council Tax increase referendum threshold – from government;
 - d. Collection Fund surpluses - from Billing Authorities;
 - e. Estimated Retained Business Rates yield - from Billing Authorities;
 - f. Confirmed grant settlement 2014/15 – from government; and
 - g. Indicative grant settlement 2015/16 – from government.

7. Over the same period officers have identified and implemented savings toward the known budget gap, and the Authority is expecting some savings to be made from decisions that it is yet to make on the CRMP.
8. The Policy and Resources Committee considered draft budget proposals on 28 January 2014 based on the provisional information then available. The Committee recommended to the Fire Authority that:
 - a. the 2014/15 precept increase is set at 1.94% (£1.43 per year at Band D);
 - b. the inflation assumptions now laid out in paragraph 36 are accepted; and future years planning should assume a precept increase or freeze grant capped at 1% in 2015/16 and an annual 2% increase thereafter.
9. Since the Policy and Resources Committee considered the draft budget, the Retained Business Rates forecasts have been received from the billing authorities, and are significantly better than the base position. As a consequence this budget paper provides information on both the basis of a council tax increase as recommended and of a council tax freeze.
10. Where relevant, two versions of each appendix are provided, “a” for tax freeze and “b” for a precept increase.

Review of Available Resources

11. The latest projection of future resources can be split between formula grant, business rates and Council Tax precept.

Formula Grant

12. Since the new finance regime was implemented from 2013/14 there will be no re-set of proportionate distribution of grant until 2019/20 and the percentage reduction in grant for all Fire Authorities from 2013/14 is the same.
13. This baseline is set by government, from which an estimate of the Authority’s share of retained business rate (1%) is deducted to arrive at the grant figure payable. In reality the process is slightly more complicated than this as some elements of the grant are reducing at different rates, or are not payable to all Authorities, but the underlying principle applies.
14. The final grant figure is 0.3% lower in 2014/15 and 0.4% lower in 2015/16 than was expected. Although this is well within the reasonable limits of accurate forecasting, it still represents £0.028m less resource in 2014/15.
15. Estimating future reductions is much more speculative. The following year 2016/17 falls after the next General Election, although the three major parties have all acknowledged that “austerity” will continue in some form until at least 2019/20.
16. Government has given no indication of the detail of future grant reductions; therefore, in the absence of anything else, the MTFP has assumed that the percentage cut indicated for 2015/16 will apply to following years as well. It

should be noted, however, that for both 2013/14, & 2014/15 the actual grant cut has been 1% or 2% greater than was indicated 15 months earlier.

Retained Business Rates

17. As stated above, the grant regime makes an assumption about the level of business rates to be retained by each local authority.
18. With no previous history of retained business rates the 2013/14 budget used this base-line position. For 2014/15 estimates of business rate yields have been provided by the billing authorities. Whilst the position varies between authorities the base position is £0.035m (1.5%) worse than expected.
19. However, with the inclusion of £0.180m Section 31 grant being paid by government to compensate for continuing rebates to some Business Ratepayers, the net yield is some £0.145m (6.2%) higher than previously forecast.
20. Future forecasting of this income stream will improve with experience and knowledge.

Precept Assumptions

21. The level of income from precept is determined by the Band D tax and the total tax-base.
22. The actual level of tax-base has risen significantly by 2% in 2014/15 partly through additional properties being built, partly as some of the Billing Authorities amend their local Council Tax support schemes, and partly a release of some of the caution exercised in setting the 2013/14 tax-base in the unknown world of local Council Tax support schemes.
23. This increase provides the Authority with £0.380m more income than was previously forecast, as well as a one off £0.130m surplus on the Collection Funds.
24. It is also considered to be reasonable to reinstate the previous assumption of a 0.5% annual increase in the tax-base which was suspended for the 2013/14 – 2016/17 MTFP as a result of uncertainty over local Council Tax support schemes.
25. Although the annual net Collection Funds out-turn has ranged from a net deficit of £0.002m to a net surplus of £0.130m, there have been significant annual variations, both surplus and deficit, from individual Authorities and it would be imprudent to fund core expenditure from this source. The Collection Fund is therefore assumed to be neutral in future years.

Council Tax Freeze Grant

26. For 2014/15 and 2015/16 the government has again offered an incentive to any Authority which freezes Council Tax. This grant would be payable in 2014/15

and in 2015/16 before being added to the base and then subject to proportionate grant reduction.

27. Although the Authority is free to increase the precept by any level it feels is appropriate, any increase above the threshold set by government (2% for 2014/15), requires the Authority to hold a referendum on the increase. The Authority has previously concluded that a referendum is not viable given the percentage increase necessary merely to fund the cost of the referendum.
28. Following discussion the Policy & Resources(P & R) Committee has recommended that the FRA increase the Band D tax by 1.94% (£1.43 per year at Band D), and that a planning assumption of annual increases of 0% for 2015/16 and 2.0% thereafter be made.
29. For practical purposes, to ensure that the annual increase at each council tax band rounds to 1.9%, the increase has been taken at 1.93% (£1.42). This is less than 3 pence per week at Band D.
30. This figure would be below the level (2.0%) that would require the FRA to conduct a referendum on the level of increase in 2014/15. Members are reminded, however, that the Secretary of State has indicated that he believes Authorities who exercise this power that his Localism Act has given them are “dodging democracy”.

Expenditure Requirement

31. The expenditure requirement has continued to be refined and the key assumptions around pay, inflation and interest rates are outlined in the paragraphs below.
32. An assumption of general inflation at 2.5% has been made for the MTFP period. This should reflect the costs of items purchased by the FRA and not necessarily the level of Consumer Price Index (CPI) or Retail Price Index (RPI) inflation. The sum will be held as a provision to be allocated only when there is clear evidence of price rises. This will make it much easier to remove any over-provision from future year budgets, as has happened with the 2013/14 allocation.
33. In addition it has been thought prudent to include an additional inflation provision for two key areas of expenditure that are projected to individually increase well above the average CPI/RPI level. These areas are utilities (gas and electricity) and diesel fuel.
34. Although the Chancellor has made clear the government's policy on public sector pay increases, i.e. a maximum of 1%, it is not entirely clear how this will translate to the fire sector as:
 - pay awards are negotiated independently of central government; and
 - the local government sector had already had a pay freeze in the year before the Chancellor's two year pay freeze.

35. Whilst the 2013 award was held at 1%, it is considered prudent to provide above this for future years, although clearly if there is no pay award the resultant savings will flow through to reduce future budget gaps.
36. The relevant assumptions are summarised below in tabular form for ease of reference:

| | 2014/15 | 2015/16 | 2016/17 |
|-------------------------|----------------|----------------|----------------|
| General Inflation | 2.50% | 2.50% | 2.50% |
| Utilities - Gas | 10.00% | 5.00% | 5.00% |
| Utilities - Electricity | 7.50% | 5.00% | 5.00% |
| Diesel Fuel | 7.50% | 5.00% | 5.00% |
| Business Rates | 3.50% | 3.00% | 3.00% |
| Pay Awards | 2.00% | 2.00% | 2.00% |
| Long Term Interest | 4.00% | 4.00% | 4.00% |

Capital Programme

37. The Capital Programme, using prudent financing assumptions and based on the agreed Asset Management Plan and Fleet Strategy, and with the usual annual provision of £0.600m for minor buildings and IT schemes etc.; is included as Appendix 1. The revenue consequences of the schemes, including financing costs, are included in the revenue budget projections in Appendices 3, 4, 5 and 7, and the review of Prudential Indicators in Appendix 8.
38. Although budget provision has been given for specific schemes within the proposed Major Buildings block, as individual contracts are still subject to tender etc., individual allocations are not shown in order that the information does not compromise the FRA's negotiation position.
39. It is possible that decisions that the Authority may take later in respect of the CRMP may have an impact on the future capital requirement for fire appliance replacement.

The Budget Gap 2014/15 to 2016/17

40. The MTFP approved in February 2013 identified a cumulative budget gap of £4.1m by 2016/17, which increased to £4.7m following further grant reduction information provided by government in July and an expectation of future Council Tax freezes.
41. The approach to closing this budget gap was to identify savings away from front line response, assess the scale of prudent variables and then seek the remainder of the savings from the only avenue available, front line response. This has resulted in the following split in addressing the budget gap:
 - a. £2.0m away from front-line response;
 - b. £2.0m from front-line response (CRMP-Fire Cover Review); and
 - c. £0.7m variables to be identified from such areas as improved tax-bases, and possible lower pay awards over the period.

42. The slightly lower than expected grant settlement (paragraph 14), has been more than offset by buoyancy in business rates (paragraphs 17-19) and a significant increase in the Council Tax base (as outlined in paragraphs 17-19).
43. In addition there have been a number of amendments to previous estimates, including a reduction of the 2015/16 pay award provision from 3% to 2%, consistent with 2014/15.
44. These changes have the effect of reducing the cumulative gap to £4.0m as detailed in Appendix 3 and summarised below:

| | Fire Cover £m | Other £m | To be Identified £m | TOTAL £m |
|----------------------|---------------------|-------------|---------------------------|---------------------|
| Original Gap | 2.000 | 2.000 | 0.725 | 4.725 |
| Grant changes | | | 0.009 | 0.009 |
| Tax-base growth | (0.194) | | (0.387) | (0.581) |
| Business Rate growth | | | (0.125) | (0.125) |
| Revised Estimates | 0.090 | 0.009 | (0.146) | (0.047) |
| | 1.896 | 2.009 | 0.076 | 3.981 |

45. Officers have continued to undertake reviews of costs and services, away from front line response, to identify the £2.0m required. This process has identified a further £1.6m of reductions to date. This is in addition to the £2.3m already achieved bringing the total to £3.9m since 2010, without any impact on front line response to the public.
46. As a consequence the budget gap before the Authority considers the CRMP, and as detailed in Appendix 3, is now reduced to:
- | | |
|---|----------------|
| a. Fire Cover | £1.896m |
| b. Other | £0.385m |
| c. To be identified (projection variations) | £0.076m |
| d. TOTAL | £2.357m |
47. In order to secure the future budget base, on advice from the Chief Fire Officer and the Treasurer, the P & R Committee are recommending that the Authority increase the Band D precept by £1.43 per year (1.94%).
48. For reasons referred to in paragraph 29 above this has been amended to 1.93%, and reduces the savings that would need to be made from the CRMP Fire Cover review to £1.712m, and the overall gap to £2.173m.

2014/15 Budget and Precept

49. In accordance with previous practice, and to provide a continuous record of year on year budget changes, the details of movements contained in Appendix 3 and relating to 2014/15 are summarised in Appendix 4. This consolidates the variations included in the MTFP approved in February 2013 and subsequent amendments.

50. Appendix 5 allocates these amendments to the relevant approved budget heads.
51. The proposed budget is dependent on the level of council tax increase the Authority wishes to approve:
- a. If a council tax freeze is determined, the net budget of £32.482m still requires the identification of £0.191m of additional savings. With the other expected resources this gives rise to a gross Council Tax requirement of £19.089m, reducing to £18.959m after Collection Fund surpluses. This gives a Band D precept of £73.64. Full details of this calculation are laid out in Appendix 6a.
 - b. If a precept increase is approved then the net budget of £32.637 requires the identification of only £0.036m of additional savings. With the other expected resources this gives rise to a gross Council Tax requirement of £19.455m, reducing to £19.325m after Collection Fund surpluses. This gives a Band D precept of £75.06, an increase of £1.42 per year, or less than 3 pence per week. Full details of this calculation are laid out in Appendix 6b.

Budget Risks

52. Setting a net budget at **£32.482m** or **£32.627m** still presents risks, for example:
- Pay Award – A provision of 2% has been made in 2014/15, a variance of +/- 0.5% adds or saves £0.090m.
 - General Inflation – Each additional 1% costs/saves £0.100m.
 - Each 1% increase in grant cuts to around £0.090m.
 - Future Council Tax Policy is also unknown, although a 2.0% increase is included in the MTFP after 2015/16 a reduction by 1.0% would reduce resources by around £0.195m.
53. In addition, following the changes in local government finance, the FRA now bears an income risk in relation to the level of income from Business Rates and the costs of Council Tax support. As yet there is insufficient experience of the new regime to quantify this risk with any accuracy.

Future Years

54. The budget gap to 2016/17, as outlined in Appendix 3, is reset to show movements from the proposed 2014/15 budget and is laid out in Appendix 7.
55. Future resources are much harder to predict as the next three year period is beyond the next General Election, although all major political parties have indicated an expectation that “austerity” will continue until at least 2020.
56. Taking forward the current budget parameters:
- a. Annual 8% grant cuts
 - b. Annual 0.5% increase in the council tax base

- c. Annual 2% precept increase
- d. Annual 2% pay awards

would require further indicative savings of £3.3m - £3.4m by 2019/20.

Investment of Surplus Funds

- 57. In accordance with the FRA Treasury Management Strategy, surplus funds are invested by Worcestershire County Council alongside their own funds.
- 58. Given the continuing uncertainty in financial markets, the Treasurer advises that investment should continue to be focussed on security. As a consequence surplus funds continue to generate low returns which are factored into the budget.
- 59. Since October 2008 the FRA has adopted a policy of avoiding new long term borrowing, where working capital balances permit. The FRA will only extend long term borrowing when cash-flow requirements dictate that it is necessary, and only to finance long term assets

Revenue Reserves Strategy

- 60. The table below shows the projected position in relation to balances compared to the budget requirement over the MTFP period. The budget requirement figure is based on the projection of future resources (see Appendix 7) available rather than the budget need as this will be the determinant of future budget requirements. As the level of funding is determined by the decision on council tax increase, both sets of details are shown, although there is no material difference between levels.

with frozen council tax

| | 2013/14 | 2014/15 | 2015/16 | 2016/17 |
|----------------------|---------|---------|---------|---------|
| | £m | £m | £m | £m |
| At 31st March | 1.485 | 1.485 | 1.485 | 1.485 |
| Net Budget (Funding) | 32.549 | 31.709 | 31.294 | 30.963 |
| % of Budget | 4.6% | 4.7% | 4.7% | 4.8% |

with increased council tax

| | 2013/14 | 2014/15 | 2015/16 | 2016/17 |
|----------------------|---------|---------|---------|---------|
| | £m | £m | £m | £m |
| At 31st March | 1.485 | 1.485 | 1.485 | 1.485 |
| Net Budget (Funding) | 32.549 | 31.867 | 31.478 | 31.171 |
| % of Budget | 4.6% | 4.7% | 4.7% | 4.8% |

- 61. No addition to balances in 2013/14 is shown, as it will be recommended that the projected and managed in-year underspending of £0.5m is transferred to the Budget Reduction Reserve established in 2013/14, specifically to meet any short term phasing costs necessary to achieve the cost reductions implied from the future budget gaps outlined in Appendix 7.

62. The average level of balances now projected at around 4.6%-4.8% is marginally higher than the 4.4% - 4.6% in the previous MTFP and reflects further reductions in the level of future funding rather than a gain in balances. The underlying risk environment remains unchanged.
63. Whilst this level of balances is desirable, there is an opportunity cost of holding balances. They could be used to finance one off expenditure or temporarily reduce the Council Tax precept. The risk is, however, that any unforeseen expenditure could not be met.

Prudential Code Indicators

64. Since 1 April 2004, the Local Authority capital finance system has been one of self-regulation based on a Prudential Code drawn up by the Chartered Institute of Public Finance and Accountancy (CIPFA).
65. The key objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of Local Authorities are affordable, prudent and sustainable or, in exceptional cases, to demonstrate that there is a danger of not ensuring this, so that the Local Authority concerned can take timely remedial action.
66. A further key objective is to ensure that treasury management decisions are taken in accordance with good professional practice and in a manner that supports prudence, affordability and sustainability. The Prudential Code also has the objective of being consistent with and supporting, local strategic planning, local asset management planning and proper option appraisal.
67. To demonstrate that Authorities have fulfilled these objectives, the Prudential Code sets out indicators that must be used and the factors that must be taken into account. The Code does not include suggested indicative limits or ratios. These are for a Local Authority to set itself, subject only to any controls under Section 4 of the Local Government Act 2003 (Government Reserve Powers).
68. The prudential indicators required by the Code are designed to support and record local decision making. They are not designed to be comparative performance indicators and use of them in this way would be likely to be misleading and counter-productive. In particular, Local Authorities had widely differing debt positions at the start of the prudential system and the differences are likely to increase over time as a result of the exercise of local choices. The system is specifically designed to support such local decision making in a manner that is publicly accountable.
69. In setting or revising the prudential indicators, the FRA is required to have regard to the following matters:
 - Affordability, e.g. implications for Council Tax;
 - Prudence and sustainability, e.g. implications for external borrowing;
 - Value for money, e.g. options appraisal;
 - Stewardship of assets, e.g. asset management planning;
 - Service Objectives, e.g. strategic planning for the Authority; and
 - Practicality, e.g. achievability of the forward plan.

70. The Treasurer has prepared the prudential indicators having considered the matters above and these are set out at Appendix 8.
71. The indicator of capital financing costs as a proportion of revenue streams (i.e. future budget levels) is dependent on the decision on council tax. For this indicator, both sets of data are shown, but it can be seen that the differences are minimal and not significant.

Minimum Revenue Provision (MRP)

72. Minimum Revenue Provision is the amount set aside in the revenue budget to meet the future repayment of borrowing incurred to pay for capital investment.
73. The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 require that an Authority sets its own prudent level of MRP, by adopting a policy in advance of the year to which it relates.
74. Appendix 9 sets out the proposed position, which is a continuation of the previously approved policy.

Business Consultation

75. In accordance with established practice, statutory consultation with business rate-payers has been initiated by correspondence with appropriate representatives of business. (The Chamber of Commerce, the local branches of the Confederation of Small Businesses and the National Farmers' Union). To date no responses have been received.
76. In addition these groups were also consulted in relation to the CRMP Fire and Emergency Cover Review which included information on the financial background as part of the contextual setting.

Budget Calculations: Personal Assurance Statement by the Treasurer

77. Section 25 of the Local Government Act 2003 requires the Treasurer to report to the Authority when it is setting the budget and precept (Council Tax). The Authority is required to take this report into account when making its budget and precept (Council Tax) decision. The report of the Treasurer must deal with the robustness of the estimates included in the budget and the adequacy of the reserves for which the budget provides.
78. The Treasurer states that to the best of his knowledge and belief these budget calculations are robust and have full regard to:
 - the Fire and Rescue Authority budget policy;
 - the need to protect the Fire and Rescue Authority's financial standing and to manage risk;
 - the current year's financial performance;
 - the financial policies of the Government;
 - the Fire and Rescue Authority's Medium Term Financial Plan and Planning framework;

- capital programme obligations;
- Treasury Management best practice;
- the strengths of the Fire and Rescue Authority's financial control procedures including audit consideration;
- the extent of the Fire and Rescue Authority's balances and reserves; and
- the prevailing economic climate and future prospects.

Equality and Diversity Impact

79. The immediate impact on recruitment activities means that progress against equality and diversity targets for the recruitment of wholetime female and Black Minority Ethnic (BME) firefighters will not be achievable. However, retained recruitment will continue to be based on need and in this area the Service will continue to do all it can to address our diversity targets.
80. It is no longer a requirement to report such targets at government level, but employment levels continue to be monitored to ensure that although limited positive progress can be made in this period, any recruitment that does take place happens in an environment of good equalities practice.

Corporate Considerations

| | |
|--|---|
| Resource Implications (identify any financial, legal, property or human resources issues) | Yes – whole report |
| Strategic Policy Links (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications). | Yes – Resourcing for the Future |
| Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores). | No |
| Consultation (identify any public or other consultation that has been carried out on this matter) | Yes – consultation with Business Rate-Payers as required by legislation |
| Equalities (has an Equalities Impact Assessment been completed? If not, why not?) | No |

Supporting Information

| | |
|------------------|---|
| Appendix 1 | Capital Programme |
| Appendix 2 | Personnel Budget |
| Appendix 3 | Previous MTFP Progress |
| Appendices 4a/4b | Revenue Budget 2014/15 |
| Appendices 5a/5b | Initial Revenue Budget Allocation 2014/15 |
| Appendices 6a/6b | Council Tax Requirement Calculation 2014/15 |
| Appendices 7a/7b | Medium Term Financial Forecasts |
| Appendix 8 | Statement of Prudential Code Indicators |
| Appendix 9 | Minimum Revenue Provision policy 2014/15 |

Background Papers

Fire Authority 11-Dec-13 : Report - Financial Prospects 2014/15
Policy and Resources Committee 28-Jan-14 : Report - Budget 2014/15 and Review of
Medium Term Financial Plan

Contact Officer

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Treasurer

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Hereford & Worcester Fire Authority

Budget 2014/15 : Capital Programme

| | | | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
|----|---|--------|---------------------------|---------------------------|-------------------------|---------------|---------------|---------------|-------------|
| | | | PRIOR YRS ACTUAL £m | REV.BUD, 2013/14 £m | BUDGET 2014/15 £m | PROGRAMME | | | TOTAL £m |
| | | | | | | 2015/16 £m | 2016/17 £m | 2017/18 £m | |
| | Vehicle Programme | | | | | | | | |
| 1 | Routine Replacements (Pumps) | | | 1.012 | 0.253 | 1.011 | 1.011 | 1.011 | 4.298 |
| 2 | Routine Replacements (4WD) | | | 0.048 | | | | | 0.048 |
| 3 | Routine Replacements (Off-Road) | | | 0.027 | | | | | 0.027 |
| 4 | Rope Rescue Vehicle | | | 0.006 | | | | | 0.006 |
| 5 | Command Unit | | | 0.350 | | | | | 0.350 |
| 6 | Routine Replacements - Water Carrier | | | | | 0.120 | 0.120 | | 0.240 |
| 7 | Routine Replacements - RAVs | | | | | 0.190 | | | 0.190 |
| 8 | Response Cars | | | | 0.108 | 0.310 | | 0.120 | 0.538 |
| 9 | Response Cars | note 1 | | | 0.230 | 0.125 | | | 0.355 |
| 10 | | | | 1.443 | 0.591 | 1.756 | 1.131 | 1.131 | 6.052 |
| | Major Building Schemes | | | | | | | | |
| 11 | Strategic Training Facilities | | 1.053 | 1.223 | | | | | 2.276 |
| 12 | Malvern Fire Station | | 0.145 | 2.364 | (0.509) | | | | 2.000 |
| 13 | Worcester Fire Station | | 0.050 | 2.997 | 1.353 | | | | 4.400 |
| 14 | Pebworth (retentions) | | | 0.037 | | | | | 0.037 |
| 15 | Other Schemes | note 2 | 0.005 | 0.552 | 4.965 | 3.109 | 1.046 | | 9.677 |
| 16 | | | 1.253 | 7.173 | 5.809 | 3.109 | 1.046 | 0.000 | 18.390 |
| | Other Schemes | | | | | | | | |
| 17 | Control Resilience Project | | 1.663 | 0.624 | | | | | 2.287 |
| 18 | Minor Property, Info. Tech. Comms, Equip etc. | | | 1.499 | 0.600 | 0.600 | 0.600 | 0.600 | 3.899 |
| | | | | 2.123 | 0.600 | 0.600 | 0.600 | 0.600 | 6.186 |
| 19 | Annual Total | | | 10.739 | 7.000 | 5.465 | 2.777 | 1.731 | 30.628 |

Note 1 : previously assumed to be financed from leasing

Note 2 : Individual scheme sums approved by FRA, but not currently disclosed as contracts subject to tender etc.

Note 3 : Excludes impact of any slippage from 2013/14

Hereford & Worcester Fire Authority**Budget 2014/15 : Personnel Budget**

| | Wholetime Firefighters FTE | On-Call Retained Firefighters H/C | Control Room Staff FTE | Non- Uniformed Support FTE | TOTAL |
|--|----------------------------------|--|---------------------------------|-------------------------------------|---------------|
| Core Budget 2013/14 | 291.0 | 369.0 | 25.0 | 126.3 | 811.3 |
| USAR - Section 31 Grant Funded | 17.0 | 14.0 | | | 31.0 |
| Capitalised against major building schemes | | | | 4.0 | 4.0 |
| | 308.0 | 383.0 | 25.0 | 130.3 | 846.3 |
| Training Centre Review | (1.0) | | | 0.5 | (0.5) |
| Training Centre Review - one year post | | | | 1.0 | 1.0 |
| Property Review | | | | (4.5) | (4.5) |
| Media & Design Review | | | | (1.1) | (1.1) |
| Catering Review | | | | (7.9) | (7.9) |
| Finance Review | | | | (1.0) | (1.0) |
| Secretariat Review | | | | (1.0) | (1.0) |
| P&I Review | | | | (2.0) | (2.0) |
| Bromsgrove - Day Crew Plus | (14.0) | | | | (14.0) |
| USAR/Droitwich Combination | (10.0) | | | | (10.0) |
| | (25.0) | 0.0 | 0.0 | (16.0) | (41.0) |
| | | | | | |
| Included in Budget 2014/15 | 283.0 | 383.0 | 25.0 | 114.3 | 805.3 |

% change

-8.1%

-12.3%

-4.8%

Hereford & Worcester Fire Authority

Previous Medium Term Financial Plan Progress

| Col Row | | 2 2014/15 Forecast £m | 3 2015/16 Forecast £m | 4 2016/17 Forecast £m |
|------------|---|--------------------------------|--------------------------------|--------------------------------|
| 1 | CRMP GAP | 1.375 | 3.226 | 4.725 |
| 2 | Resource Changes | | | |
| 3 | Core Grant Changes | 0.014 | 0.019 | 0.003 |
| | New Dimensions/Firelink Grant Changes | 0.015 | 0.006 | 0.006 |
| 4 | Business Rate Yield (net of S31 Grant) | (0.146) | (0.134) | (0.125) |
| 5 | 14/15 Tax-base growth | (0.380) | (0.380) | (0.387) |
| 6 | Future tax-base growth | | (0.094) | (0.194) |
| 7 | Collection Fund | (0.130) | | |
| 8 | | (0.627) | (0.583) | (0.697) |
| | Re-Calculated Estimates | | | |
| 9 | LGPS Revaluation | 0.088 | 0.077 | 0.067 |
| 10 | Change to DCP transitional cost phasing | 0.023 | (0.011) | (0.011) |
| 11 | Changes to Pay Award Estimate | (0.014) | (0.257) | (0.213) |
| 12 | Changes to Capital Financing Estimate | (0.054) | (0.065) | (0.080) |
| 13 | | 0.043 | (0.256) | (0.237) |
| | Additional Cost Pressures | | | |
| 14 | RDS Training (reduced operational activity) | 0.100 | 0.100 | 0.100 |
| 15 | RDS P/T working National Settlement | 0.090 | 0.090 | 0.090 |
| 16 | | 0.190 | 0.190 | 0.190 |
| 17 | REVISED GAP | 0.981 | 2.577 | 3.981 |
| | Savings Identified | | | |
| 18 | Catering Review | (0.144) | (0.144) | (0.144) |
| 19 | Media & Design Review | (0.034) | (0.034) | (0.034) |
| 20 | Secretariat Restructure | (0.027) | (0.027) | (0.027) |
| 21 | Finance Restructure | (0.016) | (0.016) | (0.016) |
| 22 | P&I posts removed (KT/GB) | (0.055) | (0.055) | (0.055) |
| 23 | Inflation provision saving | (0.232) | (0.232) | (0.232) |
| 24 | Budget-holder saving in 13/14 alloc | (0.047) | (0.047) | (0.047) |
| 25 | CFS/TFS rationalisation | | (0.200) | (0.200) |
| 26 | Targeted budget reductions | (0.150) | (0.300) | (0.300) |
| 27 | Droitwich/USAR | 0.015 | (0.179) | (0.300) |
| 28 | FDS Review | | (0.050) | (0.169) |
| 29 | Fire Control | (0.100) | (0.100) | (0.100) |
| 30 | | (0.790) | (1.384) | (1.624) |
| 31 | GAP BEFORE FIRE COVER REVIEW | 0.191 | 1.193 | 2.357 |
| 32 | Precept Increase: | | | |
| 33 | 14/15 at 1.93% | (0.365) | (0.368) | (0.377) |
| 34 | lost freeze grant | 0.210 | 0.210 | 0.193 |
| 35 | | (0.155) | (0.158) | (0.184) |
| 36 | GAP BEFORE FIRE COVER REVIEW | 0.036 | 1.035 | 2.173 |

| | | | | |
|----|---------------------------------------|-------|-------|-------|
| 37 | Impact when 2014/15 Budget gap closed | 0.000 | 1.002 | 2.166 |
| 38 | Impact when 2014/15 Budget gap closed | 0.000 | 0.999 | 2.137 |

| 5 Fire Cover £m | 6 Other £m | 7 To be Identified £m | 8 TOTAL £m |
|--------------------------|------------------|--------------------------------|------------------|
| 2.000 | 2.000 | 0.725 | 4.725 |
| (0.194) | | 0.003 | 0.003 |
| | | 0.006 | 0.006 |
| | | (0.125) | (0.125) |
| | | (0.387) | (0.387) |
| | | | (0.194) |
| | | 0.067 | 0.067 |
| | (0.011) | | (0.011) |
| | | (0.213) | (0.213) |
| | (0.080) | | (0.080) |
| 0.090 | 0.100 | | 0.100 |
| | | | 0.090 |
| 1.896 | 2.009 | 0.076 | 3.981 |
| | (0.144) | | (0.144) |
| | (0.034) | | (0.034) |
| | (0.027) | | (0.027) |
| | (0.016) | | (0.016) |
| | (0.055) | | (0.055) |
| | (0.232) | | (0.232) |
| | (0.047) | | (0.047) |
| | (0.200) | | (0.200) |
| | (0.300) | | (0.300) |
| | (0.300) | | (0.300) |
| | (0.169) | | (0.169) |
| | (0.100) | | (0.100) |
| 1.896 | 0.385 | 0.076 | 2.357 |
| (0.377) | | | (0.377) |
| 0.193 | | | 0.193 |
| 1.712 | 0.385 | 0.076 | 2.173 |

Hereford & Worcester Fire Authority**Budget 2014/15 : Revenue Budget**

Precept Increase at 0%

| Col. Line | 1 | 2 £m |
|--------------|---|----------------|
| 1 | 2013/14 Core Budget | 32.549 |
| | <u>Cost Pressures</u> | |
| 2 | Pay Awards | 0.386 |
| 3 | General Inflation Contingency | 0.300 |
| 4 | LGPS Revaluation | 0.108 |
| 5 | Capital Programme | 0.396 |
| 6 | RDS Training (reduced operational activity) | 0.100 |
| 7 | RDS P/T working National Settlement | 0.090 |
| 8 | | 1.380 |
| | <u>non-Front Line Savings</u> | |
| 9 | 12/13 Redundancy Pay Protection | (0.007) |
| 10 | 12/13 Watch size reduction | (0.077) |
| 11 | 14/15 Day Crew Plus | (0.367) |
| 12 | Catering Review | (0.144) |
| 13 | Media & Design Review | (0.034) |
| 14 | Secretariat Restructure | (0.027) |
| 15 | Finance Restructure | (0.016) |
| 16 | P&I posts removed | (0.055) |
| 17 | Fire Control | (0.100) |
| 18 | Inflation provision saving | (0.232) |
| 19 | Budget-holder saving in 13/14 alloc | (0.047) |
| 20 | Target budget reductions | (0.150) |
| 21 | | (1.256) |
| 22 | 2014/15 Projected Expenditure Need | 32.673 |
| 23 | Savings to be identified | (0.191) |
| 24 | 2014/15 Core Budget | 32.482 |

32.482

Hereford & Worcester Fire Authority

Budget 2014/15 : Revenue Budget

Precept Increase at 1.93%

| Col. Line | 1 | 2 £m |
|--------------|---|----------------|
| 1 | 2013/14 Core Budget | 32.549 |
| | <u>Cost Pressures</u> | |
| 2 | Pay Awards | 0.386 |
| 3 | General Inflation Contingency | 0.300 |
| 4 | LGPS Revaluation | 0.108 |
| 5 | Capital Programme | 0.396 |
| 6 | RDS Training (reduced operational activity) | 0.100 |
| 7 | RDS P/T working National Settlement | 0.090 |
| 8 | | 1.380 |
| | <u>non-Front Line Savings</u> | |
| 9 | 12/13 Redundancy Pay Protection | (0.007) |
| 10 | 12/13 Watch size reduction | (0.077) |
| 11 | 14/15 Day Crew Plus | (0.367) |
| 12 | Catering Review | (0.144) |
| 13 | Media & Design Review | (0.034) |
| 14 | Secretariat Restructure | (0.027) |
| 15 | Finance Restructure | (0.016) |
| 16 | P&I posts removed | (0.055) |
| 17 | Fire Control | (0.100) |
| 18 | Inflation provision saving | (0.232) |
| 19 | Budget-holder saving in 13/14 alloc | (0.047) |
| 20 | Target budget reductions | (0.150) |
| 21 | | (1.256) |
| 22 | 2014/15 Projected Expenditure Need | 32.673 |
| 23 | Savings to be identified | (0.036) |
| 24 | 2014/15 Core Budget | 32.637 |

32.637

Hereford & Worcester Fire Authority

Budget 2014/15 : Revenue Budget Allocation

Precept Increase at 0%

| Column | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
|-----------------------------------|-------------------------------------|------------------------------------|----------------------------------|-------------------------|---------------------------|----------------|---|
| Line | 2013/14 Original Budget £m | In Year Reallot -ation £m | 2013/14 Revised Base £m | Cost Increases £m | Staffing Changes £m | Other £m | 2014/15 Proposed Allocation £m |
| 1 WT FF Pay | 13.313 | 0.839 | 14.152 | | (0.444) | | 13.708 |
| 2 RDS FF Pay | 3.215 | 0.024 | 3.239 | 0.190 | | | 3.429 |
| 3 USAR Pay | 0.733 | (0.733) | 0.000 | | | | 0.000 |
| 4 Control Pay | 0.809 | 0.006 | 0.815 | (0.019) | (0.100) | | 0.696 |
| 5 Support Pay | 3.789 | 0.038 | 3.827 | (0.095) | (0.283) | | 3.449 |
| 6 Other Employee Costs | 0.038 | | 0.038 | | | | 0.038 |
| 7 Unfunded Pensions | 0.753 | (0.009) | 0.744 | 0.222 | | | 0.966 |
| 8 | 22.650 | 0.165 | 22.815 | 0.298 | (0.827) | 0.000 | 22.286 |
| 9 Strategic Management | 0.058 | 0.013 | 0.071 | | | | 0.071 |
| 12 | 0.058 | 0.013 | 0.071 | 0.000 | 0.000 | 0.000 | 0.071 |
| 13 New Dimensions | 0.114 | | 0.114 | | | | 0.114 |
| 14 TFS | 0.010 | | 0.010 | | | | 0.010 |
| 15 CFS | 0.094 | (0.016) | 0.078 | | | | 0.078 |
| 16 Training Dept. | 0.724 | (0.096) | 0.628 | | | | 0.628 |
| 17 | 0.942 | (0.112) | 0.830 | 0.000 | 0.000 | 0.000 | 0.830 |
| 18 Fleet | 0.658 | (0.050) | 0.608 | | | | 0.608 |
| 19 Ops Logistics | 1.456 | 0.040 | 1.496 | | | | 1.496 |
| 20 Ops Policy | 0.075 | (0.006) | 0.069 | | | | 0.069 |
| 21 Personnel | 0.274 | | 0.274 | | | | 0.274 |
| 22 P&I | 0.237 | (0.025) | 0.212 | | | | 0.212 |
| 23 FRA Costs | 0.091 | (0.024) | 0.067 | | | | 0.067 |
| 24 | 2.791 | (0.065) | 2.726 | 0.000 | 0.000 | 0.000 | 2.726 |
| 25 ICT | 0.969 | | 0.969 | | | | 0.969 |
| 26 Facilities Mngt | 1.689 | 0.059 | 1.748 | | | | 1.748 |
| 27 Insurances | 0.301 | | 0.301 | | | | 0.301 |
| 28 Finance (FRS) | 0.124 | | 0.124 | | | | 0.124 |
| 29 Finance SLA | 0.151 | (0.045) | 0.106 | | | | 0.106 |
| 30 Capital Financing | 2.569 | | 2.569 | 0.396 | | (0.150) | 2.815 |
| 31 | 5.803 | 0.014 | 5.817 | 0.396 | 0.000 | (0.150) | 6.063 |
| 32 Legal Services | 0.023 | | 0.023 | | | | 0.023 |
| 33 | 0.023 | 0.000 | 0.023 | 0.000 | 0.000 | 0.000 | 0.023 |
| 34 Core Budget | 32.267 | 0.015 | 32.282 | 0.694 | (0.827) | (0.150) | 31.999 |
| 35 Pay Award Provision 13/14 | 0.175 | (0.174) | 0.001 | | | (0.001) | 0.000 |
| 36 Pay Award Provision 14/15 | | | 0.000 | 0.386 | | | 0.386 |
| 37 Inflation Contingency 13/14 | 0.300 | (0.068) | 0.232 | | | (0.232) | 0.000 |
| 38 Inflation Contingency 14/15 | | | 0.000 | 0.300 | | | 0.300 |
| 39 | 0.475 | (0.242) | 0.233 | 0.686 | 0.000 | (0.233) | 0.686 |
| 40 Final Savings to be identified | (0.181) | 0.227 | 0.046 | | | (0.237) | (0.191) |
| 41 | (0.181) | 0.227 | 0.046 | 0.000 | 0.000 | (0.237) | (0.191) |
| 42 Gross Budget | 32.561 | 0.000 | 32.561 | 1.380 | (0.827) | (0.620) | 32.494 |
| 43 Use of Dept. Contingency | (0.012) | | (0.012) | | | | (0.012) |
| 44 | (0.012) | 0.000 | (0.012) | 0.000 | 0.000 | 0.000 | (0.012) |
| 45 Net Budget | 32.549 | 0.000 | 32.549 | 1.380 | (0.827) | (0.620) | 32.482 |
| Appendix 1 reference | | | 1 | 2-7 | 9-17 | 18-20, 23 | 24 |

Hereford & Worcester Fire Authority

Budget 2014/15 : Revenue Budget Allocation

Precept Increase at 1.93%

| Column | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
|-----------------------------------|-------------------------------------|------------------------------------|----------------------------------|-------------------------|---------------------------|----------------|---|
| Line | 2013/14 Original Budget £m | In Year Realloc -ation £m | 2013/14 Revised Base £m | Cost Increases £m | Staffing Changes £m | Other £m | 2014/15 Proposed Allocation £m |
| 1 WT FF Pay | 13.313 | 0.839 | 14.152 | | (0.444) | | 13.708 |
| 2 RDS FF Pay | 3.215 | 0.024 | 3.239 | 0.190 | | | 3.429 |
| 3 USAR Pay | 0.733 | (0.733) | 0.000 | | | | 0.000 |
| 4 Control Pay | 0.809 | 0.006 | 0.815 | (0.019) | (0.100) | | 0.696 |
| 5 Support Pay | 3.789 | 0.038 | 3.827 | (0.095) | (0.283) | | 3.449 |
| 6 Other Employee Costs | 0.038 | | 0.038 | | | | 0.038 |
| 7 Unfunded Pensions | 0.753 | (0.009) | 0.744 | 0.222 | | | 0.966 |
| 8 | 22.650 | 0.165 | 22.815 | 0.298 | (0.827) | 0.000 | 22.286 |
| 9 Strategic Management | 0.058 | 0.013 | 0.071 | | | | 0.071 |
| 12 | 0.058 | 0.013 | 0.071 | 0.000 | 0.000 | 0.000 | 0.071 |
| 13 New Dimensions | 0.114 | | 0.114 | | | | 0.114 |
| 14 TFS | 0.010 | | 0.010 | | | | 0.010 |
| 15 CFS | 0.094 | (0.016) | 0.078 | | | | 0.078 |
| 16 Training Dept. | 0.724 | (0.096) | 0.628 | | | | 0.628 |
| 17 | 0.942 | (0.112) | 0.830 | 0.000 | 0.000 | 0.000 | 0.830 |
| 18 Fleet | 0.658 | (0.050) | 0.608 | | | | 0.608 |
| 19 Ops Logistics | 1.456 | 0.040 | 1.496 | | | | 1.496 |
| 20 Ops Policy | 0.075 | (0.006) | 0.069 | | | | 0.069 |
| 21 Personnel | 0.274 | | 0.274 | | | | 0.274 |
| 22 P&I | 0.237 | (0.025) | 0.212 | | | | 0.212 |
| 23 FRA Costs | 0.091 | (0.024) | 0.067 | | | | 0.067 |
| 24 | 2.791 | (0.065) | 2.726 | 0.000 | 0.000 | 0.000 | 2.726 |
| 25 ICT | 0.969 | | 0.969 | | | | 0.969 |
| 26 Facilities Mngt | 1.689 | 0.059 | 1.748 | | | | 1.748 |
| 27 Insurances | 0.301 | | 0.301 | | | | 0.301 |
| 28 Finance (FRS) | 0.124 | | 0.124 | | | | 0.124 |
| 29 Finance SLA | 0.151 | (0.045) | 0.106 | | | | 0.106 |
| 30 Capital Financing | 2.569 | | 2.569 | 0.396 | | (0.150) | 2.815 |
| 31 | 5.803 | 0.014 | 5.817 | 0.396 | 0.000 | (0.150) | 6.063 |
| 32 Legal Services | 0.023 | | 0.023 | | | | 0.023 |
| 33 | 0.023 | 0.000 | 0.023 | 0.000 | 0.000 | 0.000 | 0.023 |
| 34 Core Budget | 32.267 | 0.015 | 32.282 | 0.694 | (0.827) | (0.150) | 31.999 |
| 35 Pay Award Provision 13/14 | 0.175 | (0.174) | 0.001 | | | (0.001) | 0.000 |
| 36 Pay Award Provision 14/15 | | | 0.000 | 0.386 | | | 0.386 |
| 37 Inflation Contingency 13/14 | 0.300 | (0.068) | 0.232 | | | (0.232) | 0.000 |
| 38 Inflation Contingency 14/15 | | | 0.000 | 0.300 | | | 0.300 |
| 39 | 0.475 | (0.242) | 0.233 | 0.686 | 0.000 | (0.233) | 0.686 |
| 40 Final Savings to be identified | (0.181) | 0.227 | 0.046 | | | (0.082) | (0.036) |
| 41 | (0.181) | 0.227 | 0.046 | 0.000 | 0.000 | (0.082) | (0.036) |
| 42 Gross Budget | 32.561 | 0.000 | 32.561 | 1.380 | (0.827) | (0.465) | 32.649 |
| 43 Use of Dept. Contingency | (0.012) | | (0.012) | | | | (0.012) |
| 44 | (0.012) | 0.000 | (0.012) | 0.000 | 0.000 | 0.000 | (0.012) |
| 45 Net Budget | 32.549 | 0.000 | 32.549 | 1.380 | (0.827) | (0.465) | 32.637 |
| Appendix 1 reference | | | 1 | 2-7 | 9-17 | 18-20, 23 | 24 |

Hereford & Worcester Fire Authority**Budget 2014/15 : Council Tax Requirement Calculation**

Precept Increase at 0%

| | 2013/14 | 2014/15 |
|---|------------------------|-----------------------|
| NET BUDGET | 32,549,000.00 | 32,482,024.00 |
| Less: New Dimensions/Firelink etc Grants | | |
| S31: Fire Revenue Grant (Firelink/New Dimensions) | (1,263,000.00) | (1,271,257.00) |
| S31: 2013/14 Council Tax Support Transitional Grant | (61,000.00) | n/a |
| | (1,324,000.00) | (1,271,257.00) |
| | 31,225,000.00 | 31,210,767.00 |
| Less: Formula/Support Grants: | | |
| Revenue Support Grant | (7,468,843.00) | (6,675,226.00) |
| Business Rate Top Up Grant | (2,715,463.00) | (2,768,221.00) |
| 2013/14 Council Tax Freeze Grant (in base from 2014/15) | (210,000.00) | n/a |
| 2014/15 Council Tax Freeze Grant | n/a | (210,942.00) |
| | (10,394,306.00) | (9,654,389.00) |
| Retained Share of Business Rates (1%) | | |
| Baseline | (2,253,356.00) | (2,297,253.00) |
| Local Forecasts | | 10,393.00 |
| S31: Business Rate Initiatives | | (180,552.00) |
| | (2,253,356.00) | (2,467,412.00) |
| GROSS PRECEPT | 18,577,338.00 | 19,088,966.00 |
| Less: Collection Fund Deficits/(Surpluses) | | |
| Bromsgrove | (10,065.00) | (33,443.00) |
| Herefordshire | 45,136.00 | 0.00 |
| Malvern Hills | 0.00 | (14,902.26) |
| Redditch | (12,539.00) | (12,993.00) |
| Worcester | 0.00 | (15,199.00) |
| Wychavon | (20,443.00) | (35,777.00) |
| Wyre Forest | 0.00 | (17,357.00) |
| | 2,089.00 | (129,671.26) |
| COUNCIL TAX REQUIREMENT | 18,579,427.00 | 18,959,294.74 |
| | (18,579,427.00) | (18,959,294.74) |
| COUNCIL TAX REQUIREMENT | 0.00 | 0.00 |
| Tax-base : Band D Equivalent | | |
| Bromsgrove | 33,784.51 | 34,117.95 |
| Herefordshire | 64,260.18 | 64,942.09 |
| Malvern Hills | 27,828.16 | 28,234.62 |
| Redditch | 23,787.62 | 24,656.96 |
| Worcester | 28,982.00 | 29,633.00 |
| Wychavon | 43,542.96 | 44,948.34 |
| Wyre Forest | 30,119.00 | 30,930.00 |
| | 252,304.43 | 257,462.96 |
| Precept - Band D Equivalent | £ 73.6389 | £ 73.6389 |
| | £ 73.64 | £ 73.64 |

0.00%

| Total Precept on Billing Authorities | £ | £ |
|---|----------------------|----------------------|
| Bromsgrove | 2,487,854.99 | 2,512,409.03 |
| Herefordshire | 4,732,050.58 | 4,782,265.48 |
| Malvern Hills | 2,049,235.79 | 2,079,166.97 |
| Redditch | 1,751,694.77 | 1,815,711.95 |
| Worcester | 2,134,203.32 | 2,182,142.17 |
| Wychavon | 3,206,456.77 | 3,309,947.29 |
| Wyre Forest | 2,217,930.78 | 2,277,651.85 |
| | 18,579,427.00 | 18,959,294.74 |
| | 0.00 | 0.00 |

| Equivalent to Tax at Band | Ratio to Band D | £ | £ |
|----------------------------------|------------------------|------------------|------------------|
| A | 6/9 | £ 49.1000 | £ 49.1000 |
| B | 7/9 | £ 57.2700 | £ 57.2700 |
| C | 8/9 | £ 65.4600 | £ 65.4600 |
| D | 9/9 | £ 73.6400 | £ 73.6400 |
| E | 11/9 | £ 90.0000 | £ 90.0000 |
| F | 13/9 | £ 106.3800 | £ 106.3800 |
| G | 15/9 | £ 122.7300 | £ 122.7300 |
| H | 18/9 | £ 147.2800 | £ 147.2800 |

0.00%

0.00%

0.00%

0.00%

0.00%

0.00%

0.00%

0.00%

Hereford & Worcester Fire Authority**Budget 2014/15 : Council Tax Requirement Calculation**

Precept Increase at 1.93%

| | 2013/14 | 2014/15 |
|---|------------------------|-----------------------|
| NET BUDGET | 32,549,000.00 | 32,636,997.00 |
| Less: New Dimensions/Firelink etc. Grants | | |
| S31: Fire Revenue Grant (Firelink/New Dimensions) | (1,263,000.00) | (1,271,257.00) |
| S31: 2013/14 Council Tax Support Transitional Grant | (61,000.00) | n/a |
| | (1,324,000.00) | (1,271,257.00) |
| | 31,225,000.00 | 31,365,740.00 |
| Less: Formula/Support Grants: | | |
| Revenue Support Grant | (7,468,843.00) | (6,675,226.00) |
| Business Rate Top Up Grant | (2,715,463.00) | (2,768,221.00) |
| 2013/14 Council Tax Freeze Grant (in base from 2014/15) | (210,000.00) | n/a |
| 2014/15 Council Tax Freeze Grant | n/a | n/a |
| | (10,394,306.00) | (9,443,447.00) |
| Retained Share of Business Rates (1%) | | |
| Baseline | (2,253,356.00) | (2,297,253.00) |
| Local Forecasts | | 10,393.00 |
| S31: Business Rate Initiatives | | (180,552.00) |
| | (2,253,356.00) | (2,467,412.00) |
| GROSS PRECEPT | 18,577,338.00 | 19,454,881.00 |
| Less: Collection Fund Deficits/(Surpluses) | | |
| Bromsgrove | (10,065.00) | (33,443.00) |
| Herefordshire | 45,136.00 | 0.00 |
| Malvern Hills | 0.00 | (14,902.26) |
| Redditch | (12,539.00) | (12,993.00) |
| Worcester | 0.00 | (15,199.00) |
| Wychavon | (20,443.00) | (35,777.00) |
| Wyre Forest | 0.00 | (17,357.00) |
| | 2,089.00 | (129,671.26) |
| COUNCIL TAX REQUIREMENT | 18,579,427.00 | 19,325,209.74 |
| | (18,579,427.00) | (19,325,209.74) |
| COUNCIL TAX REQUIREMENT | 0.00 | 0.00 |
| Tax-base : Band D Equivalent | | |
| Bromsgrove | 33,784.51 | 34,117.95 |
| Herefordshire | 64,260.18 | 64,942.09 |
| Malvern Hills | 27,828.16 | 28,234.62 |
| Redditch | 23,787.62 | 24,656.96 |
| Worcester | 28,982.00 | 29,633.00 |
| Wychavon | 43,542.96 | 44,948.34 |
| Wyre Forest | 30,119.00 | 30,930.00 |
| | 252,304.43 | 257,462.96 |
| Precept - Band D Equivalent | £ 73.6389 | £ 75.0602 |
| | £ 73.64 | £ 75.06 |

1.93%

| Total Precept on Billing Authorities | £ | £ |
|---|----------------------|----------------------|
| Bromsgrove | 2,487,854.99 | 2,560,898.62 |
| Herefordshire | 4,732,050.58 | 4,874,563.36 |
| Malvern Hills | 2,049,235.79 | 2,119,294.96 |
| Redditch | 1,751,694.77 | 1,850,755.24 |
| Worcester | 2,134,203.32 | 2,224,257.58 |
| Wychavon | 3,206,456.77 | 3,373,829.38 |
| Wyre Forest | 2,217,930.78 | 2,321,610.60 |
| | 18,579,427.00 | 19,325,209.74 |
| | 0.00 | 0.00 |

| Equivalent to Tax at Band | Ratio to Band D | £ | £ |
|----------------------------------|------------------------|------------------|------------------|
| A | 6/9 | £ 49.1000 | £ 50.0500 |
| B | 7/9 | £ 57.2700 | £ 58.3800 |
| C | 8/9 | £ 65.4600 | £ 66.7200 |
| D | 9/9 | £ 73.6400 | £ 75.0600 |
| E | 11/9 | £ 90.0000 | £ 91.7400 |
| F | 13/9 | £ 106.3800 | £ 108.4300 |
| G | 15/9 | £ 122.7300 | £ 125.1000 |
| H | 18/9 | £ 147.2800 | £ 150.1200 |

1.93%

1.94%

1.92%

1.93%

1.93%

1.93%

1.93%

1.93%

Hereford & Worcester Fire Authority**Budget 2014/15 : Medium Term Financial Forecasts**

Precept Increase at 0%

| Col Row | 1 | 2 2015/16 Prov £m | 3 2016/17 Forecast £m | 4 2017/18 Forecast £m | 5 2018/19 Forecast £m | 6 2019/20 Forecast £m |
|------------|--|--------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| 1 | 2014/15 CORE BUDGET | 32.482 | 32.482 | 32.482 | 32.482 | 32.482 |
| | <u>Cost Pressures</u> | | | | | |
| 2 | Pay Awards | 0.436 | 0.880 | 1.334 | 1.788 | 2.242 |
| 3 | General Inflation Contingency | 0.260 | 0.560 | 0.860 | 1.160 | 1.460 |
| 4 | LGPS Revaluation | 0.009 | 0.019 | 0.039 | 0.059 | 0.079 |
| 5 | Capital Programme | 0.159 | 0.394 | 0.430 | 0.363 | 0.374 |
| 6 | Ending of Pensions NI Contracting Out | | | 0.360 | 0.360 | 0.360 |
| 7 | | 0.864 | 1.853 | 3.023 | 3.730 | 4.515 |
| | <u>Savings</u> | | | | | |
| 8 | 12/13 Redundancy Pay Protection | (0.007) | (0.007) | (0.007) | (0.007) | (0.007) |
| 9 | 14/15 Day Crew Plus | (0.034) | (0.034) | (0.034) | (0.034) | (0.034) |
| 10 | CFS/TFS rationalisation | (0.200) | (0.200) | (0.200) | (0.200) | (0.200) |
| 11 | Target budget reductions | (0.150) | (0.150) | (0.150) | (0.150) | (0.150) |
| 12 | Droitwich/USAR | (0.194) | (0.315) | (0.315) | (0.315) | (0.315) |
| 13 | FDS Review | (0.050) | (0.169) | (0.200) | (0.200) | (0.200) |
| 14 | | (0.635) | (0.875) | (0.906) | (0.906) | (0.906) |
| 15 | NET PRESSURE/(SAVING) | 0.229 | 0.978 | 2.117 | 2.824 | 3.609 |
| 16 | BEFORE FIRE COVER REVIEW | 32.711 | 33.460 | 34.599 | 35.306 | 36.091 |
| | | | | | | |
| | | 2015/16 Prov £m | 2016/17 Forecast £m | 2017/18 Forecast £m | 2018/19 Forecast £m | 2019/20 Forecast £m |
| 17 | Business Rate increase | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| 18 | Base-line Funding Reductions | -8.14% | -8.00% | -8.00% | -8.00% | -8.00% |
| 19 | Tax-base Increase | 0.50% | 0.50% | 0.50% | 0.50% | 0.50% |
| 20 | Band D Tax Increase | 0.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| 21 | Consolidated Revenue Support Grant | (8.424) | (7.514) | (6.672) | (5.893) | (5.171) |
| 22 | Future Council Tax Freeze Grants | (0.420) | (0.386) | (0.356) | (0.328) | (0.302) |
| 23 | Fire Revenue Grant | (1.280) | (1.280) | (1.280) | (1.280) | (1.280) |
| 24 | Retained Business Rates & S31 Grant | (2.531) | (2.582) | (2.633) | (2.687) | (2.741) |
| 25 | Council Tax Precept | (19.054) | (19.532) | (20.022) | (20.524) | (21.038) |
| 26 | Council Tax Collection Fund | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| 27 | PROJECTED RESOURCES | (31.709) | (31.294) | (30.963) | (30.712) | (30.532) |
| 28 | GAP BEFORE FIRE COVER REVIEW | 1.002 | 2.166 | 3.636 | 4.594 | 5.559 |
| 29 | Savings required from 2015/16 and on-going | 1.002 | 1.002 | 1.002 | 1.002 | 1.002 |
| 30 | Savings required from 2016/17 and on-going | | 1.164 | 1.164 | 1.164 | 1.164 |
| 31 | | 1.002 | 2.166 | 2.166 | 2.166 | 2.166 |
| 32 | Savings required from 2017/18 and on-going | | | 1.448 | 1.448 | 1.448 |
| 33 | Savings required from 2018/19 and on-going | | | | 0.980 | 0.980 |
| 34 | Savings required from 2019/20 and on-going | | | | | 0.965 |
| 35 | | | | 1.448 | 2.428 | 3.393 |
| 36 | | 1.002 | 2.166 | 3.614 | 4.594 | 5.559 |

Hereford & Worcester Fire Authority

Budget 2014/15 : Medium Term Financial Forecasts

Precept Increase at 1.93%

| Col Row | 1 | 2 2015/16 Prov £m | 3 2016/17 Forecast £m | 4 2017/18 Forecast £m | 5 2018/19 Forecast £m | 6 2019/20 Forecast £m |
|------------|--|--------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| 1 | 2014/15 CORE BUDGET | 32.637 | 32.637 | 32.637 | 32.637 | 32.637 |
| | <u>Cost Pressures</u> | | | | | |
| 2 | Pay Awards | 0.436 | 0.880 | 1.334 | 1.788 | 2.242 |
| 3 | General Inflation Contingency | 0.260 | 0.560 | 0.860 | 1.160 | 1.460 |
| 4 | LGPS Revaluation | 0.009 | 0.019 | 0.039 | 0.059 | 0.079 |
| 5 | Capital Programme | 0.159 | 0.394 | 0.430 | 0.363 | 0.374 |
| 6 | Ending of Pensions NI Contracting Out | | | 0.360 | 0.360 | 0.360 |
| 7 | | 0.864 | 1.853 | 3.023 | 3.730 | 4.515 |
| | <u>Savings</u> | | | | | |
| 8 | 12/13 Redundancy Pay Protection | (0.007) | (0.007) | (0.007) | (0.007) | (0.007) |
| 9 | 14/15 Day Crew Plus | (0.034) | (0.034) | (0.034) | (0.034) | (0.034) |
| 10 | CFS/TFS rationalisation | (0.200) | (0.200) | (0.200) | (0.200) | (0.200) |
| 11 | Target budget reductions | (0.150) | (0.150) | (0.150) | (0.150) | (0.150) |
| 12 | Droitwich/USAR | (0.194) | (0.315) | (0.315) | (0.315) | (0.315) |
| 13 | FDS Review | (0.050) | (0.169) | (0.200) | (0.200) | (0.200) |
| 14 | | (0.635) | (0.875) | (0.906) | (0.906) | (0.906) |
| 15 | NET PRESSURE/(SAVING) | 0.229 | 0.978 | 2.117 | 2.824 | 3.609 |
| 16 | BEFORE FIRE COVER REVIEW | 32.866 | 33.615 | 34.754 | 35.461 | 36.246 |
| | | | | | | |
| | | 2015/16 Prov £m | 2016/17 Forecast £m | 2017/18 Forecast £m | 2018/19 Forecast £m | 2019/20 Forecast £m |
| 17 | Business Rate increase | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| 18 | Base-line Funding Reductions | -8.14% | -8.00% | -8.00% | -8.00% | -8.00% |
| 19 | Tax-base Increase | 0.50% | 0.50% | 0.50% | 0.50% | 0.50% |
| 20 | Band D Tax Increase | 0.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| 21 | Consolidated Revenue Support Grant | (8.424) | (7.514) | (6.672) | (5.893) | (5.171) |
| 22 | Future Council Tax Freeze Grants | (0.210) | (0.193) | (0.178) | (0.164) | (0.151) |
| 23 | Fire Revenue Grant | (1.280) | (1.280) | (1.280) | (1.280) | (1.280) |
| 24 | Retained Business Rates | (2.531) | (2.582) | (2.633) | (2.687) | (2.741) |
| 25 | Council Tax Precept | (19.422) | (19.909) | (20.408) | (20.920) | (21.444) |
| 26 | Council Tax Collection Fund | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| 27 | PROJECTED RESOURCES | (31.867) | (31.478) | (31.171) | (30.944) | (30.787) |
| 28 | GAP BEFORE FIRE COVER REVIEW | 0.999 | 2.137 | 3.583 | 4.517 | 5.459 |
| 29 | Savings required from 2015/16 and on-going | 0.999 | 0.999 | 0.999 | 0.999 | 0.999 |
| 30 | Savings required from 2016/17 and on-going | | 1.138 | 1.138 | 1.138 | 1.138 |
| 31 | | 0.999 | 2.137 | 2.137 | 2.137 | 2.137 |
| 32 | Savings required from 2017/18 and on-going | | | 1.448 | 1.448 | 1.448 |
| 33 | Savings required from 2018/19 and on-going | | | | 0.932 | 0.932 |
| 34 | Savings required from 2019/20 and on-going | | | | | 0.942 |
| 35 | | | | 1.448 | 2.380 | 3.322 |
| 36 | | 0.999 | 2.137 | 3.585 | 4.517 | 5.459 |

Statement of Prudential Indicators

Introduction

The Prudential Code for Capital Finance in Local Authorities (Prudential Code) has been developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) to provide a code of practice to underpin the new system of capital finance embodied in Part 1 of the Local Government Act 2003. Since 1 April 2004, Local Authorities are no longer subject to government controlled borrowing approvals and are free to determine their own level of capital investment controlled by self-regulation.

The key objectives of the Prudential Code are to ensure that capital investment plans are affordable, prudent and sustainable.

The Prudential Code supports a system of self-regulation that is achieved by the setting and monitoring of a suite of Prudential Indicators that directly relate to each other. The indicators establish parameters within which the FRA should operate to ensure the objectives of the Prudential Code are met.

Prudential Indicators

The Prudential Indicators for which the Fire Authority is required to set limits are as follows:

1. Net Borrowing and the Capital Financing Requirement

This Prudential Indicator provides an overarching requirement that all the indicators operate within and is described in the Prudential Code as follows:

“In order to ensure that over the medium term net borrowing will only be for a capital purpose, the local authority should ensure that net external borrowing does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years”.

The Treasurer reports that the Fire Authority had no difficulty meeting this requirement since 2002/03, nor are any difficulties envisaged for the

current or future years. This view takes into account all plans and commitments included in the 2014-15 Budget and MTFP.

2 **Capital Expenditure**

The actual amount of capital expenditure that was incurred since 2012/13, and the estimates of capital expenditure to be incurred for the current and future years that are proposed in the 2014/15 Budget and MTFP are as follows:

| | 2012/13 Actual £000 | 2013/14 Estimate £000 | 2014/15 Estimate £000 | 2015/16 Estimate £000 | 2016/17 Estimate £000 | 2017/18 Estimate £000 |
|---------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Capital Expenditure | 3,415 | 10,739 | 7,000 | 5,465 | 2,777 | 1,731 |
| Leased Assets | - | 325 | - | 27 | 70 | 30 |
| | 3,415 | 11,064 | 7,000 | 5,492 | 2,847 | 1,761 |

2. **Ratio of Financing Costs to Net Revenue Stream**

Financing Costs include the amount of interest payable in respect of borrowing or other long term liabilities and the amount the Fire Authority is required to set aside to repay debt, less interest and investments income.

The actual Net Revenue Stream is the 'amount to be met from government grants and local taxation' taken from the annual Statement of Accounts, and the estimated figure is the Fire Authority's budget net of any transfers to or from the balances.

The prediction of the Net Revenue Stream in this Prudential Indicator for future years assumes increases in the Fire Authority's funding from government and the local taxpayer consistent with expectations in the Medium Term Financial Strategy. This is indicative only and in no way meant to influence the actual future years funding or in particular the funding from Precepts.

The indicator only requires that the costs associated with capital expenditure are measured in this way. However the Fire Authority has used, and may continue to use Operational Leasing as a cost effective method of acquiring vehicles. In the spirit of the Prudential Code these costs are included for comparative purposes.

The rise in this ratio is partially due to the fact that capital expenditure prior to the formation of the FRA is not charged to the Fire Authority. In other words, the Fire Authority inherited all its assets without any cost. Thus, as investment is made in

vehicles, for example the increased costs are in the Fire Authority accounts but the savings are elsewhere.

The estimates of the ratio of financing costs to net revenue stream are dependent on decisions taken by the Authority in respect of Council Tax increases for 2014/15. However, the tables below show that the difference is marginal.

If precept is frozen:

| | 2012/13 Actual £000 | 2013/14 Estimate £000 | 2014/15 Estimate £000 | 2015/16 Estimate £000 | 2016/17 Estimate £000 | 2017/18 Estimate £000 |
|--------------------|------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Financing Costs | 1,984 | 2,506 | 2,715 | 2,874 | 3,109 | 3,145 |
| Net Revenue Stream | 32,652 | 31,285 | 31,210 | 30,429 | 30,014 | 29,683 |
| Ratio | 6.08% | 8.01% | 8.70% | 9.44% | 10.36% | 10.60% |

If precept is increased by 1.93%:

| | 2012/13 Actual £000 | 2013/14 Estimate £000 | 2014/15 Estimate £000 | 2015/16 Estimate £000 | 2016/17 Estimate £000 | 2017/18 Estimate £000 |
|--------------------|------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Financing Costs | 1,984 | 2,506 | 2,715 | 2,874 | 3,109 | 3,145 |
| Net Revenue Stream | 32,652 | 31,285 | 31,366 | 30,587 | 30,198 | 29,891 |
| Ratio | 6.08% | 8.01% | 8.66% | 9.40% | 10.30% | 10.52% |

3. Capital Financing Requirement

The capital financing requirement (CFR) is a measure of the extent to which the Fire Authority needs to borrow to support capital expenditure. It does not necessarily relate to the actual amount of borrowing at any one point in time. The Fire Authority arranges its treasury management activity via a Service Level Agreement (SLA) with Worcestershire County Council (WCC) which has an integrated treasury management strategy where there is no distinction between revenue and capital cash flows and the day to day position of external borrowing and investments can change constantly.

The capital financing requirement concerns only those transactions arising from capital spending, whereas the amount of external borrowing is a consequence of all revenue and capital cash transactions combined together following recommended treasury management practice.

Estimates of the end of year capital financing requirement are shown overleaf

| | 2012/13 Actual £000 | 2013/14 Estimate £000 | 2014/15 Estimate £000 | 2015/16 Estimate £000 | 2016/17 Estimate £000 | 2017/18 Estimate £000 |
|-------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| CFR at 31st March | 15,958 | 17,064 | 20,685 | 23,276 | 26,411 | 26,788 |

4. **Authorised Limit**

The Authorised Limit represents an upper limit of borrowing that could be afforded in the short term but may not be sustainable. This limit includes a risk assessment of exceptional events taking into account the demands of revenue and capital cash flows. The Authorised Limit gauges events that may occur over and above those transactions which have been included in the Operational Boundary.

These limits are higher than set in previous years to reflect the decisions taken by the Fire Authority to switch from leasing to more cost effective borrowing for the acquisition of operational vehicles.

The Fire Authority should note that the Authorised Limit represents the limit specified in section 3 (1) of the Local Government Act 2003 (Duty to determine affordable borrowing limit).

The following Authorised Limits for external debt, excluding temporary investments are recommended:

| | 2014/15 £000 | 2015/16 £000 | 2016/17 £000 | 2017/18 £000 |
|-------------------------|-----------------|-----------------|-----------------|-----------------|
| Authorized Limit | £000 | £000 | £000 | £000 |
| External Borrowing | 28,000 | 31,000 | 32,000 | 30,000 |

5. **Operational Boundary**

The Operational Boundary represents an estimate of the most likely, prudent, but not worst case scenario and provides a parameter against which day to day treasury management activity can be monitored.

The Treasurer reports that procedures are in place to monitor the Operational Boundary on a daily basis, via the SLA with WCC and that sufficient authorisation is in place to take whatever action is necessary to ensure that, in line with the Treasury Management Strategy, the cash flows of the Fire Authority are managed prudently.

Occasionally, the Operational Boundary may be exceeded (but still not breach the Authorised Limit) following variations in cash flow. Such an occurrence would follow controlled treasury management action and may not have a significant impact on the prudential indicators when viewed all together.

Both the Authorised Limit and the Operational Boundary include an element relating to debt restructuring where, for the short term only, external borrowing may be made in advance of the repayment of loans. In this circumstance External Borrowing is increased temporarily until the replaced loans are repaid. The converse can also apply where loans are repaid in advance of borrowings.

The following limits (shown overleaf) for each year's Operational Boundary, excluding temporary investments are recommended:

| | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
|-----------------------------|-------------|-------------|-------------|-------------|
| Operational Boundary | £000 | £000 | £000 | £000 |
| External Borrowing | 26,000 | 29,000 | 29,000 | 28,000 |

6. **Actual External Debt**

The Fire Authority's actual external debt as at 31 March 2013 was £14.971 million; comprising £14.971 million External Borrowing and £0 (zero) Other Long Term Liabilities.

7. **The Incremental Impact of Capital Investment Decisions on the Council Tax**

This indicator identifies specifically the additional cost to the taxpayer of the **new** capital investment proposed in the 2014/15 – 2017/18 Capital Programme. As the indicator deals only with new investment the impact of the previously approved programme was included in the equivalent report provided to the FRA in Feb 2013.

The incremental impact identifies transactions that will occur **over and above** what has already been provided for in the 2013/14 revenue budget and projected in the MTFP and assumes the funding available in 2013/14 will be carried forward in the future year's base budgets.

The incremental impact has been calculated using forward estimates of funding consistent with expectations in the Medium Term Financial Plan.

The impact on the revenue budget, and therefore the Council Tax, is felt by a combination of the following: debt costs of the new borrowing, the amount set

aside from revenue to repay the principal element of external borrowing (Minimum Revenue Provision) and the revenue impact of a capital project

It should be noted that borrowing itself does not fund capital expenditure since the loans have to be repaid eventually. The actual funding comes from the Minimum Revenue Provision which is statutorily charged to revenue each year.

The estimate of the incremental impact of the capital investment detailed in the 2013/14 Budget on the Council Tax is as follows:

| | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
|------------------------------|---------|---------|---------|----------|
| Incremental Impact on Band D | -£ 0.13 | -£ 0.16 | -£ 0.20 | + £ 0.09 |

PRUDENTIAL INDICATORS FOR TREASURY MANAGEMENT

8. Treasury Management Code of Practice

The Fire Authority has adopted the Chartered Institute of Public Finance and Accountancy (CIPFA): Code of Practice for Treasury Management in the Public Services.

The Treasury Management function is carried out on behalf of the Authority by Worcestershire County Council, who have also adopted the Treasury Management Code of Practice.

9. Fixed Interest Rate Exposures

It is recommended that the Fire Authority sets an upper limit on its fixed interest rate exposures as follows.

Upper limits for net principal sums outstanding at fixed rates

| | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
|-------------------------------------|-------------|-------------|-------------|-------------|
| Fixed Interest Rate Exposure | £000 | £000 | £000 | £000 |
| Upper Limit | 28,000 | 31,000 | 32,000 | 30,000 |

This represents the position that all of the Fire Authority's authorised external borrowing may be at a fixed rate at any one time.

10. Variable Interest Rate Exposures

It is recommended that the Fire Authority sets an upper limit on its variable interest rate exposures as follows.

Upper limits for net principal sums outstanding at variable rates

| | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
|--|-------------|-------------|-------------|-------------|
| Variable Interest Rate Exposure | £000 | £000 | £000 | £000 |
| Upper Limit | 7,000 | 8,000 | 8,000 | 8,000 |

This is the maximum external borrowing judged prudent by the Treasurer that the Fire Authority should expose to variable rates.

11. Maturity Structure of Borrowing

It is recommended that the upper and lower limits for the maturity structure of borrowings are as follows:

Amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate.

| Period of Maturity | Upper Limit | Lower Limit |
|--------------------------------|--------------------|--------------------|
| | % | % |
| Under 12 months | 25 | 0 |
| 12 months and within 24 months | 25 | 0 |
| 24 months and within 5 years | 50 | 0 |
| 5 years and within 10 years | 75 | 0 |
| 10 years and above | 95 | 25 |

12. Investments for longer than 364 days

It is recommended that the upper limits of total principal sums invested for periods longer than 364 days are £5 million for each year.

Hereford & Worcester Fire Authority **Minimum Revenue Provision (MRP) Policy**

Background

This is the amount charged every year to provide for the repayment of long term loans used to finance capital assets.

Under provisions of the Local Authorities (Capital Finance and Accounting) (England) Amendment) Regulations 2008, the FRA is required to “determine an amount of MRP which is considered to be prudent”.

The FRA has a statutory requirement to determine an MRP policy prior to the start of the financial year.

Guidance

In considering a prudent MRP policy the FRA needs to take into account the statutory guidance provided by CLG, and the issue of affordability. The guidance states that “provision for the borrowing which financed the acquisition of an asset should be made over a period bearing some relation to that over which the asset continues to provide a service” – the “Asset Life” method.

Recommendation

To continue the policy already i.e.:

1. All expenditure from 2008/09 onwards - MRP using an Asset life basis:-
 - Buildings over 50 years – per depreciation policy;
 - IT equipment over 5 years - reflecting average life
 - Other Equipment over 7 years – reflecting actual average usage within the FRS;
 - Vehicles – on actual estimated life of each vehicle type
2. Vehicle Expenditure before 2008/09 – MRP on a proxy Asset Life basis using original cost, less cumulative MRP, over the remaining useful life of the individual vehicle.

3. Expenditure before 2008/09, (other than vehicles) - MRP on a proxy Asset Life basis using original cost, less cumulative MRP over average asset life as above

This means that after a specified time (depending on the life expectancy of the individual asset) there will be no further charge to the Revenue Account for MRP in relation to these assets. For some of the assets under (2) and (3) above this point was reached in 2013/14.

Report of the Chief Fire Officer

7. Community Risk Management Plan 2014-2020 – Consultation Responses

Purpose of report

1. To seek approval of the draft Community Risk Management Plan (CRMP) and consider recommendations for the implementation of the Fire and Emergency Cover Review taking account of the responses to public consultation.

Recommendations

It is RECOMMENDED that:

- (i) following detailed consideration of the responses to the consultation on the draft Community Risk Management Plan, there is no reason in principle why the proposals in options 1, 2 and 3 of the Fire and Emergency Cover Review could not be implemented in full if considered necessary;*
- (ii) in light of the Authority's updated financial position, the following arrangements in respect of fire and emergency cover be implemented:-*

In relation to Option 1:

- (a) the second whole-time crewed fire engines at both Worcester and Hereford be removed from the Service's fleet of operational vehicles;*
- (b) the second on-call crewed fire engine at Redditch be removed from the Service's fleet of operational vehicles;*

In relation to Option 2:

- (c) the second on-call crewed fire engines at both Tenbury Wells and Ledbury be removed from the Service's fleet of operational vehicles;*
- (d) the second on-call crewed fire engine at Bromyard be retained;*

In relation to Option 3

- (e) the existing fire engines at Bewdley, Broadway, Whitchurch and Kingsland be retained; and*
- (f) the second appliances at Kidderminster, Evesham, Leominster and Ross-on-Wye each be retained;*

- (iii) the arrangements detailed at (ii) above be implemented in a timescale and manner at the discretion of the Chief Fire Officer in consultation with the Chairman of the Fire Authority;**
- (iv) the arrangements for the reduction of the number of staff to be employed as a result of recommendations in (ii) above be considered by the Chief Fire Officer and a report be brought back to the Authority as necessary;**
- (v) the Community Risk Management Plan be amended to reflect the changes at (ii) above and the Chief Fire Officer be authorised to publish the document with any further minor amendments as may be necessary.**

Introduction and Background

2. All Fire and Rescue Authorities are required to publish an Integrated Risk Management Plan setting out how they identify, assess and mitigate fire and rescue related risks. This follows guidance set out in the Fire and Rescue National Framework for England 2012.
3. The Authority's previous plan covered 2009-2012. On 3 October 2013 the Authority gave approval for a new draft plan (the Community Risk Management Plan 2014-2020) to be published for consultation. The draft CRMP incorporated a review of fire and emergency cover arrangements and also included an overview of the financial issues facing the Authority.
4. The review was designed to assist the Authority to make decisions about how future savings can be achieved, whilst minimising the impact on frontline services and on local communities as far as reasonably possible.
5. The financial background to the Fire and Emergency Cover Review consultation was the Medium Term Financial Plan which was updated in July/August 2013. Based on the best information then available this identified a cumulative year-on-year budget gap of £4.7m by 2016/17.
6. The approach to closing this budget gap was to identify savings away from front line response, assess the scale of prudent variables and then seek the remainder of the savings from the only avenue available, front line response. This resulted in the following split in addressing the budget gap:
 - a. £2.0m away from front-line response (support services and management roles).
 - b. £2.0m from front-line response (CRMP- Fire and Emergency Cover Review).
 - c. £0.7m variables to be identified from such areas as improved tax-bases, and possible lower pay awards over the period
7. As the basis of local government grant funding had changed from April 2013, there was a certain amount of caution in some of the estimates in the draft

CRMP as the financial climate was uncertain at the time. There is now more certainty about some of these figures, most notably a significant increase in the council tax-base and a recommendation of the Policy & Resources Committee for a marginal increase in the Band D council tax.

8. The effect of these changes is to reduce the budget gap to £4.0m, and therefore reducing the split to:
 - a. £2.0m away from front-line response (support services and management roles).
 - b. £1.7m from front-line response (CRMP-Fire and Emergency Cover Review).
 - c. £0.3m variables to be identified from such areas as improved tax-bases, and possible lower pay awards over the period
9. The total savings identified between 2010/11 and 2016/17 will be £6.4m of which £4.7m (73%) is away from front-line response. These £4.7m of savings have already, and will continue to have, a significant impact on the “back-office” functions and infrastructure of the organisation. Members have previously received information regarding these areas of cuts which include senior managers, middle managers and all support services and departments. There is obviously a level of infrastructure and support that is required to keep the frontline operationally effective and efficient and it should be noted that the continuing removal of support and infrastructure does have a significant impact.

The Consultation Process

10. The consultation period ran for 14 weeks from 3 October 2013 until 10 January 2014. Throughout this period many different methods of consultation were used to encourage individuals and organisations to complete and submit a consultation questionnaire in order to obtain a wide representation of views. Copies of the draft CRMP and questionnaire were circulated widely, including individual communications to all other Fire Authorities in the country, strategic partners and other stakeholders, and they were also placed in libraries across the two counties. Notice of the Fire Authority meeting and this item specifically was also reported widely in the broadcasting media, including television and radio news reports, newspaper articles and through the Service website and its associated social media, Facebook and Twitter. The draft CRMP and consultation was also widely publicised within the Service itself, through internal Bulletin articles and links on the Service’s Intranet site.
11. The consultation generated considerable interest. Many people completed the questionnaire, whilst others took the opportunity to use other ways of communicating their views, including letters and emails, comments on social media and through submitted petitions.
12. An extensive programme of briefing meetings with Fire and Rescue Service staff ensured that every employee had the opportunity to listen to

presentations about the draft CRMP and Fire and Emergency Cover proposals and to provide feedback at the meetings.

13. Meetings and briefings have also been held with the eight Members of Parliament representing Herefordshire and Worcestershire as well as two visits to the Fire Minister to discuss the Fire Authority's funding situation and the potential implications of historic and predicted poor settlements.
14. The Chief Fire Officer and other members of the Service's Senior Management Board have attended a number of Overview and Scrutiny Committee meetings at local councils, as well as several public meetings. Members will also recall that the draft CRMP was considered in scrutiny mode by the Policy and Resources Committee on 19 November 2013. All Town and Parish Councils were invited through the County Association of Local Councils (Worcestershire) and the Parish Liaison and Rural Service Officer (Herefordshire). Only representatives from Bewdley, Evesham, Ledbury, Ross-on-Wye and Tenbury Wells Town Councils attended and their representations were included for consideration in the consultation process.
15. A full report of the consultation programme is included at Appendix 1 to this report (included as a spate enclosure).

Response to the Consultation

16. Written responses to the consultation were received through completed questionnaires, individual letters and emails. There were also seven petitions; one objecting to any cuts to the Service's budget and six objecting to one or more of the three sets of proposals to change existing fire and emergency cover in local areas. Added together, the received responses give a figure of 927, and a summary breakdown is shown in the table below.

| Consultation responses received | Number of responses |
|---|---------------------|
| Questionnaires | 603 |
| Letters and emails | 317 |
| Petitions (no. of petitions/no. of signatories) | 7/9656 |
| Total | 927/10,576 |

Consultation with Trade Unions

17. Immediately following the briefing session for all Service managers held on 23 September 2013, local officials of firefighter and non-uniformed trade unions were invited to meet directly with the Assistant Chief Fire Officer which ensured that the consultation was formally opened with trade unions. Officials from trade unions were also present at several of the briefing sessions for personnel at the Service's fire stations. The Service has since

received formal consultation responses from the Fire Brigades' Union (FBU) and the Retained Firefighters' Union (RFU). Copies of these and the Service's response are attached at Appendix 2.

Themes Emerging from the Responses

18. While the responses are many and varied, there are several themes which stand out. As might be expected with the numbers of signatures to the petitions, the majority of respondents objected to budget cuts and one or more of the Fire and Emergency Cover Review proposals. Those respondents who replied by using the questionnaire, or by letter and email, also presented objections to budget cuts, fire station closures and the removal of fire engines and firefighters. Many expressed strong concerns that risks in the community would rise as a result of the proposed changes. Many responses were well thought through, often arguing passionately against one or more aspect of the draft CRMP and the Fire and Emergency Cover Review proposals. Some responses were of an emotional nature, usually objecting on the basis of increasing risk or challenging how the draft CRMP had assessed risk or the consequential impact of the proposed changes. Some responses offered alternative courses of action to achieve the savings required away from the frontline; most, if not all of which have either been implemented or will be part of the "other" required savings.
19. A number of responses questioned the accuracy of the data used to prepare the Fire and Emergency Cover Review proposals. However, as Members are aware data was taken from a range of sources to ensure the most comprehensive picture possible of the Service's activity and the processes used to analyse this data were independently audited. All analysis was reviewed internally, using uniformed staff with data processing knowledge; and validated externally, using independent consultants who specialise in working with emergency services world-wide.
20. A broad summary of the main concerns from the responses is set out in paragraph 21 to give an indication of the views and concerns raised. With such a wide range of comments received, it should not be seen as a definitive list of responses, and Members are reminded that full details of all responses are publicly available on the Service's website and there is a more detailed analysis in Appendix 1.
21. While some respondents accepted the need to implement one or more of the proposals, the great majority of responses presented objections to one or more of the proposed changes to fire and emergency cover. There were several concerns common to most of the responses, including:
 - that there would be an adverse and increased risk to the community;
 - that response times to incidents would be longer meaning that people, property and commercial premises would be in more danger;
 - that the impact would be greatest in the more remote and hard to reach areas of the two counties;

- that there would be an increased demand on remaining firefighters, potentially compromising their safety;
 - that there would be an increased demand on on-call firefighters, who are not always available, and a further impact on their main employers;
 - concern that fire and emergency cover is being reduced at the same time as the population is increasing and ageing, housing numbers are rising, traffic is increasing and there is more flooding;
 - concerns about the loss of local knowledge and skills as well as the loss of the valuable additional benefits that local firefighters bring to local communities; and
 - that the savings achieved by the proposals were out of proportion to the level of increased risk, and that other ways of making savings should be sought away from frontline services.
22. The Service's responses to these points and others are set out in Section 5 of the consultation report (Appendix 1).

Analysis and Proposals

23. As emphasised in the draft CRMP document, the reality of the situation is that savings have to be made across the whole of the Fire and Rescue Service. This is not the Authority's doing but is due to continued reductions in government grant and restrictions placed on the raising of council tax locally. Some 73% of the overall required cuts between 2010/11 and 2016/17 have, and are likely to have, to come from further reductions in back office and management roles and through a range of internal service improvements. Having taken as much as is reasonably possible from non-frontline response services it still means that to achieve a balanced budget frontline services, firefighters and fire engines, have to also bear a proportion of the savings required.
24. The draft CRMP accepted, and was quite clear, that in making savings from frontline services it may take longer to reach a very small number of incidents when considered against the total number of incidents attended. The proposals to achieve the required savings are designed to ensure that the impact will be as little as possible, but accepted that there may be an impact in some areas. Though some have questioned the data and the risk analysis that underlies the proposals, officers are confident that these stand up to scrutiny, and have indeed already stood up to independent expert scrutiny.
25. It is important to recognise and welcome the fact that many respondents highlighted other areas in which savings could be made away from the frontline response services and many of these savings have happened or will do so in the future. Members can be assured that officers continue to

seek to make efficiency improvements throughout the Service and continue to strive to protect frontline services.

26. The proposals in the draft CRMP (Fire and Emergency Cover Review), were based on a need to save approximately £2m and were :-
- i) Option 1 – Removal of the third fire engine from Hereford, Worcester and Redditch (whole time crewed at Hereford and Worcester and on-call crewed at Redditch).
 - ii) Option 2 - Removal of second on-call crewed fire engine at Ledbury, Tenbury Wells and Bromyard.
 - iii) Option 3 - Removal of :-
 - a. Bewdley's only fire engine or second fire engine at Kidderminster (on-call crewed).
 - b. Broadway's only fire engine or second fire engine at Evesham (on-call crewed).
 - c. Whitchurch's only fire engine or second fire engine at Ross-on-Wye (on-call crewed).
 - d. Kingsland's only fire engine or second fire engine from Leominster (on-call crewed).
27. As has been stated very clearly previously in this report, there was no evidence found or presented during the consultation period that should prevent any or all of the options being agreed and implemented. However, what has changed is the available resources. The most up to date information indicates the savings levels required from frontline response have reduced by approximately £0.3m which allows the Authority greater consideration in any changes it decides to make.
28. The draft CRMP was clear that ten fire engines could be removed from the Service's frontline fleet but it is also true that for every fire engine that is removed, the Service's overall resilience is reduced. The improved financial situation allows the Authority to retain more resilience in the operational fleet than would be the case if the original level of savings was required. Taking this fact into consideration the original three options need examination.

Option 1

29. It is still considered appropriate to remove one of the three fire engines that are stationed at each of Worcester, Hereford and Redditch. This means that these three stations will retain two fire engines (one wholetime and one on-call) . **Savings £1.575m.**

Option 2

30. A number of the Service's on-call stations have two fire engines and this option proposes the removal of the second on-call fire engines at each of Tenbury Wells, Ledbury and Bromyard. In seeking the required additional savings it is still considered appropriate to remove the second fire engines at Tenbury Wells and Ledbury but retain the second fire engine at Bromyard. The proposal to retain Bromyard's fire engine, now that a choice can be made, is based on two main reasons: Bromyard Fire Station is geographically the most remote from any other station, and secondly Bromyard has one of two specialist animal rescue crews in the Service. The remote nature of Bromyard lends itself to hosting a fire engine that can be considered as additional resilience to the fleet as it sits in the centre of North Herefordshire which is the most remote and sparse area of the Service. Should a large incident or multiple simultaneous incidents happen in this area it is the most difficult to reach and therefore an additional resource would be beneficial. In addition Bromyard's crew respond across the whole of Herefordshire and large parts of Worcestershire as one of only two animal rescue crews (Pershore hosts the other) which with the one fire engine mobilised would leave a geographically large area without a fire engine unless cover moves are made. The retention of the second fire engine at Bromyard therefore increases resilience and retains fire cover in a large part of North Herefordshire. **Savings £0.090m.**
31. Should the Authority accept the removal of the second fire engine at Ledbury the Chief Fire Officer will investigate the relocation of the water carrier (bulk water supply) from Ross-on-Wye to Ledbury. This is an operational decision which, if implemented, will continue to spread specialist skills across the Service to ensure the impacts of training are spread as widely as possible across operational staff.

Option 3

32. The additional resources that are now available means that there is not currently a financial need to implement any of the proposals in option 3. This will mean that even though the call levels and potential impact were considered low for these proposals, the fire engines can remain within the fleet. Therefore the stations at Bewdley, Broadway, Whitchurch and Kingsland can now retain their fire stations and the second appliances at Kidderminster, Evesham, Leominster and Ross-on-Wye can also be retained.
33. When taking into consideration the above three amended options it is now proposed to remove five fire engines from the operational fleet rather than the ten originally proposed; this retains additional resilience within the fleet than would have otherwise been the case.
34. Therefore, when considering the changes to the funding, the responses to the consultation, the contents of the draft CRMP and the explanation in paragraphs 29-33 the following proposals are recommended:

- a. the second whole-time crewed fire engine at Worcester be removed from the Service's fleet of operational vehicles;
 - b. the second whole-time crewed fire engine at Hereford be removed from the Service's fleet of operational vehicles;
 - c. the second on-call crewed fire engine at Redditch be removed from the Service's fleet of operational vehicles;
 - d. the second on-call crewed fire engine at Tenbury Wells be removed from the Service's fleet of operational vehicles; and
 - e. the second on-call crewed fire engine at Ledbury be removed from the Services fleet of operational vehicles.
35. Subject to Fire Authority changes as a result of this report, the draft CRMP will be revised to reflect the decisions made. It is proposed that the Chief Fire Officer be authorised to make the required drafting changes in readiness for publication of the final CRMP 2014-2020 in April 2014.
36. It is recognised that this report proposes the reduction of operational posts within the Service but does not deal with the consequential removal of people from the structure. The reduction of employees within the relevant posts will be considered by the Chief Fire Officer and any necessary reports brought back to the Authority in due course.

Conclusion

37. This report gives the background to the draft CRMP, the proposals made and the subsequent consultation responses received. It also recognises the change in resources that are now available to the Authority and makes recommendations to change fire and emergency cover within the counties of Herefordshire and Worcestershire. The draft CRMP document and this report recognise the potential impact of changes to fire and emergency cover arrangements, both real and perceived, but suggests a way forward that has the least impact on the communities we serve whilst giving the necessary savings to ensure the Authority can set balanced budgets in the medium term. Whilst this is not ideal, officers believe that, having considered the objections and fears of an increased risk in the community, the proposals still represent the most effective way to address the financial situation we face whilst ensuring the least impact on the communities of Herefordshire and Worcestershire.

Corporate Considerations

| Resource (identify any financial, legal, property or human resources issues) | Implications |
|--|---|
| | The financial information available in July/August 2013 identified a cumulative year-on-year budget gap of £4.7m by 2016/17. The approach to closing this budget gap included savings of £2.0m from frontline response services. The most up to date information indicates the savings levels |

| | |
|--|--|
| | required from frontline response have reduced by approximately £0.3m. This change in resources allows recommended changes to fire and emergency cover that have less of an impact on communities across Herefordshire and Worcestershire. |
| Strategic Policy Links (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications). | The CRMP will represent the Authority's overall strategic plan for delivering its core purpose, priorities and policies up to 2020, and will guide all service functions. |
| Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores). | The CRMP sets out the Authority's overall approach to risk management. |
| Consultation (identify any public or other consultation that has been carried out on this matter) | Preparation of the draft CRMP included a workshop and presentation to Members. An extensive programme of meetings with staff, key groups, including local councils and representatives bodies was undertaken over the fourteen week consultation period. Responses to the consultation were submitted via completed questionnaires, letters, emails, verbally at meetings and through submitted petitions. |
| Equalities (has an Equalities Impact Assessment been completed? If not, why not?) | An Equalities Impact Assessment form has been completed and is attached at Appendix 3. |

Supporting Information

Appendix 1 – Community Risk Management Plan 2014-2020 Consultation Report (separate enclosure).

Appendix 2 - FBU and RFU Formal Consultation Responses.

Appendix 3 – Full Business Impact Assessment (incorporating Equality Impact Assessment).

Background Papers

Community Risk Management Plan 2014-2020 consultation document – DRAFT, 1 October 2013, plus Addendum to Community Risk Management Plan.

Fire and Emergency Cover 2007-12 dataset.

Financial Analysis – costing methodology and spreadsheets.

Fire Station Profiles for all 27 fire stations.

[Fire and Rescue National Framework for England](#) DCLG © Crown copyright 2012.

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11th February 2014

Private & Confidential

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Mr Steve Gould
 FBU Secretary
 Hereford & Worcester Fire and Rescue Service
 Evesham Fire Station
 Merstow Green
 Evesham
 Worcs WR11 4BD

Dear Steve

Consultation on the Draft Community Risk Management Plan 2014-2020

I advised in my letter of 10th January 2014 that we would provide you with further comments on the main points raised in your consultation submission. Using your report as a template, we have addressed the points raised in order and referenced the appropriate sections of your report. Where any points were raised on more than one occasion, we have made a cross-reference in this response.

For ease of reading in the following sections, we have highlighted the main points in your submission in blue, while our responses are in black. We have summarised as far as possible.

| 1.0 | Introduction – main points | HWFRS response |
|-----|---|--|
| 1.1 | Strong concern that continuing funding reductions are reaching “dangerously low” levels, such that the level of fire and emergency cover is “not safe for the community or staff.” | Funding is set by central government. The Service has made, and will continue to make, representations to Ministers. |
| 1.2 | Suggestion that the Fire Authority and Service will try to say that services “will be more efficient and effective following the CRMP.” | We have never pretended that the need for changes in fire cover is anything other than finance driven and have not stated that the Service will be more efficient. |
| 1.3 | Concern about setting own rather than national attendance standards, and that if the current standards cannot be met, they will be “changed in order for the Service to meet its set criteria.” | There are no nationally set attendance standards. |
| 1.4 | Strong concern about the use of two different time periods (10 years for CRMP | 10 years’ data has been used to show long term trends. 5 years’ data has been used to |



PREVENTION PROTECTION INTERVENTION
 To make Herefordshire and Worcestershire safer from fire and other hazards and to improve community well-being.



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| | and 5 years for fire cover review), and a view that this “gives a false reading as to how many incidents are attended by stations,” and that “data needs to be compared like-for-like otherwise it creates spurious results. This could lead the reader to question the validity and reliability of the results...” | help identify current call levels. This is entirely appropriate and statistically robust. These two sets of data are not compared and therefore there is no confusion. |
| 1.5 | Concern that with insufficient data being presented, the reader will not have “all the facts” to enable them to provide robust response to the consultation questions. | There has been no attempt to conceal data. We have shared all the data with the FBU from the earliest stages of the review work in May 2013. |
| 1.6 | Suggestion that the CRMP “is solely about balancing a budget deficit” but is being “dressed up as efficiencies.” | We have never and nor does the CRMP pretended that the need for changes in fire cover is anything other than finance driven. The CRMP aims to ensure that part of the required savings are achieved in the manner which has the least detrimental impact on the service to the public. |
| 1.7 | Suggestion that the consultation process is not open and transparent, and is therefore “flawed.” | Disagree. In what ways could it have been more open and transparent? All data and evidence is readily available and any other information asked for has been supplied. All responses have been placed on line and full detailed report prepared for the FRA. The FBU were engaged before any other organisation and all raw data supplied. |

| 2.0 | Executive Summary – main points | HWFRS response |
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| 2.1 | Concern that HWFRS service delivery is “already below what it ought to be,” and that by the end of the CRMP process, it will be “at its skeletal thinnest with vastly reduced resilience affecting operational performance in our communities.” | A very subjective un-evidenced statement and we disagree. Quarterly performance monitoring by SMB and Authority Members shows that the standard of service delivery is already high and continues to improve. The level of fire cover proposed in the CRMP is consistent with the risk across the two counties. |
| 2.2 | Concern that many of the identified cuts “cannot be viewed in isolation”, and that consideration should be given to assessing | This has already been taken into account when formulating the CRMP proposals. |



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| | "how each cut impacts on the entire service." | |
| 2.3 | Concern that while "recent and continuing investment into stations equipment is to be applauded" there is also a need for "continued investment in personnel numbers." | Staffing levels will reflect the needs of the Service. |
| 2.4 | View that "it is imperative ... to secure additional funding to prevent further erosion of the service." | We continue to lobby Government for better funding |

| 3.0 | Effect of Emergencies on Society – main points | HWFRS response |
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| 3.1 | Concern that the concentration on "life risk" in the CRMP misses the "far wider reaching implications on the broader society, when a fire or other emergency occurs" and that unless every aspect of risk is considered, "the whole process will be flawed." | The CRMP takes account of these broader risks and the process is very robust and not flawed. |
| 3.2 | Suggestion that the CRMP should be put together following the steps set out in the FBU document "The Framework Document: How to Construct an IRMP." | Disagree. |
| 3.3 | View that the consultation stage of the CRMP process should highlight the difference between "true efficiency savings" and "cuts in service that are forced on the FRS, as a result of budgetary constraints," that is: "if providing value for money means providing a lower level of service because fewer finances are available, the IRMP consultation has to say so." | Disagree. See answer to 1.6 (above) |

| 4.0 | Emergency Cover "Intervention" – main points | HWFRS response |
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| 4.1 | Concern that in terms of emergency cover the CRMP should take account of the Civil Contingencies Act 2004 Risk Register as a Category 1 responder, and also "plan and provide for conceivable emergencies, | The Service will continue to meet its duties within the Civil Contingencies Act and is fully aware of all statutory responsibilities. |



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| | across the whole range of possibilities.” Otherwise, the CRMP will not be comprehensive. | |
| 4.2 | Suggestion that planning for emergency cover provision should follow the Critical Attendance Standards (CAST) scenario planning tool as set out in the FBU’s document “It’s About Time.” | Disagree. We have used the Phoenix modelling software which is a recognised and proven approach across the fire services industry |

| 5.0 | Q1 – Issues facing our two communities – main points | HWFRS response |
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| 5.1 | Contention that “the economic situation is the main reason for the content of this CRMP, this is what makes it a purely budget cutting exercise rather than a true CRMP which matches resources to risk.” | See answer to 1.6 (above) |
| 5.2 | Strong concern that the level of funding per head for HWFRS is “well below average” and “coupled with the massive budget cut will make this Service less effective and will leave the public and its staff less safe in emergency situations.” The question is asked: “why is a hard working, efficient and forward-thinking Service such as ours punished in this way?” | See answer to 2.4 (above) |
| 5.3 | View that the FRA “need to lobby government to get these devastating cuts reversed and the budget issue in Hereford and Worcester needs to be addressed.” | See answer to 2.4 (above) |
| 5.4 | View that “the (massive) growth in population will certainly cause an increase in incidents just at the time when this Service is slashing fire cover” and that this will “place a huge strain on an already lean Fire Service...” | Projected population growth has been taken into consideration including growth in Council tax base. |
| 5.5 | View that a growing population will also “yield an ever growing council tax pot which will increase Fire Service funding from local councils.” | Projected increases in the Council tax base are already factored in to the required budget reductions. |
| 5.6 | View that the changing environment is very challenging, with “yearly flooding of ever increasing severity,” and a view that the 2007 floods stretched the Service “to | Disagree. The Service is better equipped to deal with flooding incidents than it was in 2007. This will not change as a result of the CRMP. |



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| | its absolute limit; this Service will not cope with floods of that magnitude if these cuts are forced through." | |
| 5.7 | Concern that the FRS is not funded for water rescue/flooding incidents, and that funding for this will have to come from "their ever dwindling pot of finances." | There is a clear expectation that the fire service will respond to these types of incidents |
| 5.8 | View that HWFRS needs to lobby ministers to make water rescues "one of our primary functions and responsibilities in order to gain funding for these activities..." | This is an on-going national debate which HWFRS is engaged in through CFOA. |

| 6.0 | Q2 – Financial issues facing the Fire and Rescue Authority – main points | HWFRS response |
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| 6.1 | Strong concern that while the CRMP says that cuts "will be done in a way that has least impact on the Service and the community" the cuts "will not be minimal" and will "have a devastating effect on the Service and the community." | Disagree. The level of fire cover proposed in the CRMP is consistent with the risk across the two counties and the overall impact is low when considering the total number of incidents attended. |
| 6.2 | Concern that following the cuts Herefordshire will be left with only one full-time fire engine, and that "it is a vast area to be covered by just one full-time fire engine" leaving the people of Herefordshire "waiting for the next full-time fire engine to come from Malvern..." | Ignoring the available response from retained stations is insulting to colleagues at those stations and misleading to the public. Malvern station provides primary cover to a small proportion of Herefordshire along the county border with the vast majority of Herefordshire's cover coming from on call stations. |
| 6.3 | Concern that taking away a wholetime fire engine from Worcester the busiest fire station "will have a massive impact on the people of Worcester with the next full-time fire engine coming from Droitwich or Malvern." | See answer to 6.1 (above) |
| 6.4 | View that "any serious house fire needs two fire appliances immediately to deal with such a fire" but concern that HWFRS has not carried out "its own task analysis for incidents such as this" and that "this work must be carried out before contemplating the removal of fire engines from the front line." | Disagree. The proposed reductions from 3 to 2 fire engines and from 2 to 1 fire engines do not create a provision or system that is not already in place elsewhere in the Service area. All property fires will continue to receive an attendance from two fire engines. |
| 6.5 | View that "the CRMP has gone for an easy | See answers to 1.6 and 6.1 (above) |



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| | option – removing both Hereford and Worcester 2 nd full-time fire engine” and that “the savings equate to approximately £1.5m, meaning this option is purely a financial consideration and nothing to do with safety and impact on our communities.” | |
| 6.6 | View that “relying on Retained (on-call) fire appliances carries a degree of risk as these fire engines are rarely crewed all of the time, in comparison to their wholetime counterparts.” | The crewing patterns at each station are consistent with the fire and emergency risk in that area. It is accepted that on call fire engines are sometimes unavailable and this is monitored closely. |
| 6.7 | View that wholetime members of staff at Hereford and Worcester fire stations “are increasingly being used to bolster cover at Retained fire stations struggling to provide cover of their own,” and that “stripping wholetime staff will mean there will be no one to assist these rural stations when they are short of staff, resulting in a damaging loss of fire cover.” | Disagree. Overall resilience has been taken into consideration. |
| 6.8 | View that [removing on-call firefighter posts] will “place a huge amount of stress on the RDS firefighter’s primary employers, who face their staff being away from their primary workplace for ever increasing periods.” | We are conscious of this and will monitor the situation but do not believe the changes will have a significant impact at this time. Some changes to mobilising will take place to address this issue with more use being made of wholetime staff crewed appliances. |
| 6.9 | Concern that employers may give their RDS employees “an ultimatum of their primary employment or the Fire Service” and that “it is highly unlikely that the RDS staff will choose the Fire Service...” | See above. |
| 6.10 | Concern that while senior managers often say that “we have the right amount of fire engines in the right place,” so “how can the CRMP justify removing these fire engines and fire stations?” | The CRMP reflects future resources and addresses how best to utilise these to meet the future fire and emergency risk across the two counties. |
| 6.11 | Concern that the use of Land Rover Freelander and Discovery vehicles for responding officers and senior members of staff is “an extremely costly and unnecessary expense at this time of austerity” and that there are “cheaper alternatives” that “this Service should be | Full details of the rationale for purchasing Land Rovers have been published and has demonstrated how these vehicles are cost effective, provide value for money and are the best and safest manner to provide the capability needed. |



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| | duty bound to explore.” | |
| 6.12 | View that while the Service has made “cuts in civilian staff, senior staff and operational crews on fire stations,” there have been “very little cuts to the middle management ” and that with fewer firefighters “you need less managers to manage them.” Suggestion that the Service compares its middle management structure with that of similar FRSs and identifies best practice to make savings. | Disagree. Many middle managers posts have already been cut from HQ and the officer core. We already have plans to review the number of uniformed officers again which it is anticipated will reduce middle managers further. |
| 6.13 | View that the “excellent piece of work” carried out into achieving management savings should have been included “within the remit of the CRMP and should not have been left to employees to identify such substantial savings.” | This piece of work carried out by a watch is very much valued and representatives from that watch were invited to present their findings to the Senior Management Board. However, this work appeared to mirror the work already on-going in the Service and didn’t provide additional savings over and above those already identified. |
| 6.14 | View that restructuring management within the Service would achieve the ‘minimum impact on the communities we serve’ as stated in the CRMP. | 73% of the budget reductions made during 2010-2017 will have come from areas away from front line service delivery. These are in addition to, not instead of, changes proposed in the CRMP. Management is continually restructured and many posts have been removed. |

| 7.0 | Q3 – Understanding Risk – main points | HWFRS response |
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| 7.1 | FBU “extremely concerned over the figures used to produce the review, “ and has raised a “formal complaint” into how data has been presented in the CRMP. View that the use of two different time periods “gives a false understanding as to how many incidents are attended by stations” and may “create spurious results” that question the “validity and reliability of the results.” | See answer to 1.4 (above) Response given to complaint which couldn’t be upheld. |
| 7.2 | Strong concern that cuts to front line service cannot be justified when there has been an increase in both fires and road traffic collisions in recent years. | The long term data, both local and national, indicates otherwise |



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| 7.3 | Concern that the CRMP does not take into account the use of call-challenging for Automatic Fire Alarms, which has reduced our attendance “drastically.” View that to be open and transparent the CRMP should have made “all information in regard to operational activity” available, so that “all stakeholders have the opportunity to make an informed decision on these proposed cuts to the front line.” | More effective deployment of resources through effective call challenging is not a reduction in front line service. Our false alarm call levels have reduced moderately in comparison to other services but more can be done in this area. |
| 7.4 | View that the recent rise in fires and road traffic collisions “shows that the public are at greater risk than in previous years” and concern that adding in the “rise in flooding and water-based incidents” at the same time as “these devastating cuts” “will make our communities a much less safe place to live.” | Disagree. See answer to 6.1 (above) |

| 8.0 | Q4 – Tacking Risk – main points | HWFRS response |
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| 8.1 | <u>Prevention</u> : concern that the CRMP “says nothing about the impact the loss of firefighter posts will have on the effectiveness of its stated aims.” View that the majority of HFSCs are carried out by operational crews, and the loss of firefighters to carry out such checks “will inhibit the Service’s ability to carry out effective fire safety campaigns.” | The reduction in resources will be recognised by a more targeted approach to community safety work. |
| 8.2 | <u>Prevention</u> : concern that the use of software and good practice “are no good without the trained personnel to continue the good work we have been doing in this field ...” | See above |
| 8.3 | <u>Protection</u> : concern that the recent re-introduction of fire safety inspections of business properties “will also be severely hampered by a lack of personnel to carry them out.” | Remaining crews will have adequate capacity to carry out this work |
| 8.4 | <u>Protection</u> : concern that while training will be extended to more officers “if there are less officers to train then that can only increase the burden on those that are left” | See answer to 8.1 (above) |



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| | in addition to undertaking their normal duties ..." | |
| 8.5 | <u>Response</u> : concern that the CRMP states that while there is an increased pressure on finances the Service can 'reduce the number of fire engines and firefighters we need, and still maintain an effective response service' but FBU considers that the removal of "10 fire engines from a force of 43 can only have a hugely detrimental effect on the service given to the public." | See answer to 6.1 (above) |
| 8.6 | <u>Response</u> : view that the CRMP should balance risk in the community to the resources required "not just those we can afford." | The Service has to work within the funding available. Also, see answer to 6.1 (above) |
| 8.7 | <u>Response</u> : strong concern that the CRMP states that there has been a fall in the number of incidents we need to attend, but the FBU dispute this "in the strongest terms." | The data is irrefutable. |
| 8.8 | <u>Resilience</u> : view that the reduction of "around a quarter of the resources currently available" will have "a devastating affect on our ability to cope with any significant incident or natural disaster and still allow the service to function effectively during them." | See answers to 6.1 and 6.7 (above) |
| 8.9 | <u>Resilience</u> : view that while "we may 'cope' on a day-to-day basis" the incident at Smethwick "showed that paring fire services to the bare minimum is a dangerous gamble." View that relying on assistance from neighbouring FRS will not be possible as they are also "subject to the same arbitrary 'austerity measures,' stripping fire cover and making communities less safe than they have ever been since the formation of the modern fire service." | See answers to 6.1 and 6.7 (above) There will always be some incidents that require assistance to/from neighbouring services but the fire cover model proposed does not rely on neighbouring |

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| 9.0 | Q5 – Delivering Our Service – main points | HWFRS response |
| 9.1 | FBU reiterates the point about the validity | See previous answers to 1.4 and 7.2 (above) |



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| | of the data used and is concerned by the recent increase in fires and road traffic collisions, and in terms of the increase in fire this should be regarded as “a significant increase in fires not a slight one.” | |
| 9.2 | FBU makes the point again that the call challenging policy in regard to Automatic Fire Alarms and other incidents (see point 7.3 above) and that now a single officer may be sent to assess the incident instead of a fire engine. | Call challenging has been successful in reducing unnecessary mobilisations |
| 9.3 | Strong concern that “despite requests” the Service has refused to use a 10 year period to measure mobilisation data instead of 5 years, again calling into question “the validity of the CRMP – we do not believe the claim that this is an open and transparent document.” | See answer to 1.4 (above). Advice from the independent expert is that 5 years’ data is optimum for assessing future call levels. |
| 9.4 | View that the removal of a wholetime fire engine from both Hereford and Worcester fire stations will not “minimise the impact to the public as suggested in Proposal 1.” | See answer to 6.1 (above) |
| 9.5 | Repeated concern that Herefordshire will only have one wholetime fire engine in “a large, mainly rural county with a very limited road network.”(see point 6.2 above) | See answer to 6.1 (above) |
| 9.6 | Concern that removing the second fire engine at Hereford fire station will leave the city “devoid of fire cover” and are “removing a key factor in enabling resilience for fire cover across Herefordshire.” This is seen as both unacceptable to the county’s council tax payers and “potentially dangerous to the community.” (see also point 6.2 above) | See answers to 6.1 and 6.7 (above) |
| 9.7 | Concern that removing the second fire engine at Worcester fire station will be “removing a fire engine that attends 490 incidents per year” questioning “how is this minimal impact to the people of yet another Cathedral City ...?” and repeats a view that “such a resource cannot be removed with minimal impact.” | The current retained appliance will fill the existing second fire engines position and the calls, dependant on location, will be answered by either this appliance or one of the others that surround the Worcester city area (Droitwich, Pershore, Upton, Malvern), all of which are unaffected by this CRMP. |



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| 9.8 | Repeated concern about the expectation on Retained firefighters “to fill the void left by the removal of full-time posts” and the impact on themselves, their home lives and their employers. (see points 6.8 and 6.9 above) | See answer to 6.8 (above) |
| 9.9 | Concern that retained firefighters “could end up attending the 490 incidents ... the second fire engine at Worcester attends” and that “it is simply not feasible to have a Retained fire engine that is that busy.” | See answer to 9.7 above |
| 9.10 | Repeated strong concern that the people and businesses of the two counties should understand that the CRMP “is about balancing the Service’s financial books and not about providing the right level of fire cover.” (see points 1.6 and 5.1 above) | It is about doing both |

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| 10.0 | Q6 – Emergency Cover Proposals – main points | HWFRS response |
| 10.1 | Repeated concern that the Service has continued to state over the last ten years that it has the right number of fire engines in the right place (see point 6.10 above), and asks “what has changed in that time?” except house-building and population numbers are increasing, again arguing that “these cuts will not be minimal but have a devastating affect on the Service and the community.” | See answer to 6.10 (above) |
| 10.2 | Concern that the cuts to fire engines and firefighters “will be hugely detrimental to the Service’s ability to respond to anything but day-to-day minor incidents.” (see points 8.5 and 8.9 above) | Disagree. See answers to 6.1 and 6.7 (above) |
| 10.3 | Repeated concern that the Service will not have the resilience to deal with a number of incidents at the same time, such as “a period of unfavourable/inclement weather or a period of illness/sickness affecting a large number of staff.” (see point 8.9 above) | Disagree. See answers to 5.6, 6.1 and 6.7 (above) |
| 10.4 | Concern that the proposals “strips on-call | See answer to 6.1 above |



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| | fire engines from rural areas, inevitably leading to greater response times, seconds and minutes that may mean the difference between life and death for those trapped in fire, car accidents and floods.” | |
| 10.5 | Repeated concern about the removal of Worcester’s second fire engine leaving “part-time firefighters to deal with the inevitable strain on their time and primary jobs.” (see points 6.8 and 6.9 above) | Disagree. See answers to 9.7 and 9.8 (above) |
| 10.6 | Strong concern that following the implementation of the proposals “people needing the help of the Service will have to wait longer and get less firefighters arriving to help” and that “this is an unacceptable position.” | Some fire engines may take slightly longer to attend a small number of incidents in some areas, however the number of firefighters requested and delivered to the incident will remain unchanged. |
| 10.7 | Repeated strong concern that “this review of fire cover is based on the financial situation faced by the Service rather than a true reflection of the assessment of the risks to the residents of the two counties and to the firefighters who have to deal with those risks.” (see points 1.6, 5.1 and 9.10 above) | It is based on both. |

| 11.0 | Q7 – What will we see by 2020 – main points | HWFRS response |
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| 11.1 | Concern that the growth in house-building and consequent increase in council-tax revenue has not been taken into account in the CRMP (see point 5.5 above) | Yes it has – see answer to 5.5 above. |
| 11.2 | View that the three key principles of firefighter safety, community safety and quality services “cannot be achieved with the cut in the Fire and Rescue budget on which this CRMP is based.” | Disagree. |
| 11.3 | Repeated strong concern that fewer firefighters, fire engines and fire stations “cannot do anything other than put the public and firefighters at greater risk of death and injury from emergency incidents if these devastating cuts are forced through.” (see in particular points 1.1, 6.1, | Disagree. Whilst we would prefer not to make cuts to front line services, the level of fire cover proposed in the CRMP is consistent with the risk across the two counties |



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| <p>11.4 8.5, 10.1 and 10.6 above) Repeated concern that “the Service will be reduced to a bare minimum” with “no resilience” to respond to such as major flooding events or long, hot summers. (see points 8.8, 8.9 and 10.3 above)</p> | <p>Disagree. See answers to 5.6, 6.1 and 6.7 (above)</p> |
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| 12.0 Conclusion – main points | HWFRS response |
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| <p>12.1 Repeated strong concern that the CRMP is “a review not of the risks faced by our counties, but of what we can afford with the monies we are allocated.” (see points 1.6, 5.1, 9.10 and 10.7 above)</p> | <p>See 11.3 above</p> |
| <p>12.2 Repeated strong concern that “these proposals mean ... an increase in the threat to lives.” (see in particular points 1.1, 6.1, 8.5, 10.1, 10.6 and 11.3 above)</p> | <p>See previous responses.</p> |
| <p>12.3 Repeated view that the Service continues to be underfunded, welcoming the counties’ MPs recent intervention in lobbying for the rise in grant. (see points 5.2 and 5.3 above)</p> | <p>Agreed. See 1.1 above.</p> |
| <p>12.4 Strong view that FRA should “look at the back-room staff, 174 members of staff are employed by the Service who do not ride fire engines.”</p> | <p>The Service has already made significant reductions in ‘back room’ staff and further reductions are planned. However, without those support staff there would not be the equipment and systems that keep firefighters safe nor the fire engines for them to ride on.</p> |
| <p>12.5 View that “a fair grant coupled with changes to the way the service is managed can mean that we can afford to keep fire cover at its present level, save our fire engines and keep firefighters in their communities.” (see points 6.12, 6.13 and 6.14)</p> | <p>As to grant funding – see 1.1, 2.4 and 8.6 above. As to management structure – see 6.12 and 6.14 above</p> |
| <p>12.6 Repeated view that “proper funding for water-related incidents should also be sought from Central Government” as “this Fire Authority bears the burden of providing funding for our flood rescue assets, so often called upon to rescue life.” (see points 5.7 and 5.8 above)</p> | <p>See answer to 5.8 (above)</p> |



HEREFORD & WORCESTER
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12.7

Strong view that “the people of our two counties deserve a Fire and Rescue Service which is up to a standard, not down to a price.”

The Service will continue to provide a high quality service, despite reduced funding and resources.

I would like to take this opportunity to thank you for your detailed consultation response. Your comments have been most useful in helping to shape the Service’s final recommendations to the FRA.

I appreciate that there are a number of difficult issues contained within the CRMP but hope that we can continue to work closely together in order to deliver the outcomes.

Yours sincerely

John Hodges
Assistant Chief Fire Officer



PREVENTION PROTECTION INTERVENTION
To make Herefordshire and Worcestershire safer from fire and other hazards and to improve community well-being.



11th February 2014

Private & Confidential

Telephone: 01905 368248

Mr Keith Wildig
RFU Chair
Hereford & Worcester Fire and Rescue Service
Ledbury Fire Station
Bye Street
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Dear Keith

Consultation on the Draft Community Risk Management Plan 2014-2020

I advised in my letter of 10th January 2014 that we would provide you with further comments on the main points raised in your consultation submission. Using your report as a template, we have addressed the points raised in order and referenced the appropriate sections of your report. Where any points were raised on more than one occasion, we have made a cross-reference in this response.

For ease of reading in the following sections, we have highlighted the main points in your submission in blue, while our responses are in black. We have summarised as far as possible.

| 1.0 | Introductory paragraphs – main points | HWFRS response |
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| 1.1 | Concern that the RFU has not been formally consulted on the draft CRMP document, with a further concern that “this oversight, intentional or otherwise, has led the RFU having to obtain data and background information through its own efforts without the benefit of what should be provided through formal consultation given the established relationship with the service.” | The RFU were consulted on the proposals – representatives were briefed by senior managers on 23 rd September 2013 when it was made clear that the Service welcomes and very much values the RFU involvement in these matters. All information has been publically available on our website and we immediately responded to all other requests for additional information. |

| 2.0 | Shared Resources – main points | HWFRS response |
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| 2.1 | Concern that while the consultation document refers to sharing resources with the local authorities, it provides “no evidence that the service has seriously researched the possibility of working more closely with neighbouring FRS.” The RFU is aware of the | The Service has been working in collaboration with neighbouring authorities for some time (eg. Fire Control project with Shropshire FRS) and is continuing to explore a variety of collaborative options with both Shropshire & Warks FRS and across the West Midlands generally. These are |





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| | potential to open talks with Warwickshire FRS on future collaboration/amalgamation, "but we question why a business case hasn't already been formulated before proposing to close frontline fire stations." | unlikely to yield significant savings within the timescale necessary to address the Authority's immediate financial pressures but will hopefully contribute towards any savings required to meet future public sector spending reviews. |
| 2.2 | View that "collaboration with other services on procurement might also significantly reduce expenditure" and that "we are convinced that more can be done to achieve economies of scale by closer working." | See above, these opportunities are already being explored and will be taken to address future potential cuts if efficiencies can be realised alongside those needed through the CRMP |
| 2.3 | Concern that "local taxpayers will never be convinced that their station has to close because the service chose not to explore all possible means of reducing cost and they have lost a valued resource in the process." | See above, the CRMP forms less than £2m of efficiencies from what is likely to be over £7m within the anticipated and recent period. All other options are being examined to meet the overall gap and are not instead of the CRMP proposals. |
| 2.4 | View that "the proposals have an affect on the wholetime establishment levels in order to attain savings to the budget, and given the large sums involved, this is the only realistic way of achieving it." | The wholetime establishment has already been reduced significantly and the CRMP alongside other reviews (uniformed staff not on fire stations) will see further significant efficiencies within the wholetime compliment of staff. The CRMP also appropriately highlights efficiencies within the retained sector. |

| 3.0 | Top-heavy management? – main points | HWFRS response |
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| 3.1 | View that while the Service has reduced the number of Station Managers, not all Station Managers are responsible for a fire station, when "notably the normal practice in HWFRS is that a Station Manager will be responsible for three fire stations." With a cost of "approximately £39,000 per year plus on costs", the RFU questions whether there is "actually a need for so many managerial posts" and that this is in addition to "three Brigade Managers, three Area Managers and nine Group Managers." Added concern that "some of these posts incur an additional 20% allowance for their 'flexibility'" which questions "whether there is an alternative way to ensure the availability of its managerial employees other than incurring an additional 20% wage increase to what is already a healthy salary." | <p>There are only 8 substantive Group Managers, not nine funded by the Service directly.</p> <p>The Service has already reduced the number of Brigade Managers and flexi-duty officers over recent years. A further reduction in the number of flexi-officer posts is anticipated as part of the non-front line savings identified in the Authority's medium term financial plan. This will be in addition to, not instead of savings proposed in the CRMP. .</p> <p>The flexible duty allowance for those posts offer extremely good value and provides resilient 24/7 command and specialist support for operational incidents. Specialist command is foremost in ensuring firefighter safety.</p> |
| 3.2 | Concern that "as some of these 'managers'" | All uniformed managers carry out operational |



are used for non-operational activities such as training, fire safety, operational logistics, etc., raising a question “as to whether these roles could be undertaken by civilian staff at a much lower, more realistic salary?”

duties as part of the Service’s command structure and are essential for operational resilience and firefighter safety, regardless of their other roles within the organisation. Wherever appropriate, the Service already employs non-uniform staff where operational knowledge or experience is not required. There are many examples of this across all departments within the Service

| 4.0 | Reserves? – main points | HWFRS response |
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| 4.1 | View that while a Self-Rostering System, as being introduced at Bromsgrove, the consultation does not reveal “whether consideration has been given to applying this alternative duty system in a phased approach to the stations at Hereford, Redditch and Worcester.” The RFU suggest that “significant savings in excess of £450k per station could be achieved with no loss of effective response when calls are clearly reducing year on year.” | Following the introduction of such a system at Bromsgrove, these options will be further explored as part of future funding gaps beyond 2016/17. It must also be noted that the Bromsgrove type systems rely on staff voluntarily signing out of the working time directive and existing staff cannot be forced to work this system due to the overall hours spent at work (on site). |
| 4.2 | View that “two-pump RDS stations provide service wide resilience and the majority of costs are mainly incurred when alerted incidents” and concern that by reducing the number of second pumps “introduces risk to such resilience because it then places an obligation on nearby single pump stations to provide support – assuming they are available.” | The service does not dispute that this reduction would affect resilience in the future, however this must be considered alongside available resources to fund such resilience. |
| 4.3 | RFU suggests that other FRS have replaced second pumps on two-pump RDS stations with smaller vehicles “utilising new technology and having off-highway capability” and adds that they have “a lower initial capital cost and reduce future investment in standard water tender ladder replacements.” | This option would not achieve any significant revenue benefits as the number of staff would be unlikely to reduce. The Service has a fully costed smaller ‘rural’ appliance option for procurement once fire cover decisions have been taken by the FRA. |
| 4.4 | Concern that “single pump stations earmarked for closure run the greatest risk especially those on the service’s boundaries with other brigades.” | This is acknowledged (although it doesn’t prevent closure when looking at the evidence and overall impact) and the better than expected financial position has enabled this to be reflected in the recommendations to the Authority. |
| 4.5 | Concern that the “current financial pressures apply equally to bordering services, who may in turn have to make their own decisions to close | Cross-border support to and from neighbouring Services will continue to be provided where available but the proposals in the CRMP do not |



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| stations which will then remove or reduce over the border support.” RFU adds that “a different type of appliance could be tailored to the local risk and would reduce costs and pressures on future capital expenditure.” | <p>rely on neighbouring services in order to provide adequate cover within Herefordshire and Worcestershire.</p> <p>This Authority must have regard to its own resources and the needs of its own area. Neighbouring services will do likewise. All neighbouring services have been consulted and we are consulted about any changes they may propose.</p> <p>As previously indicated, we do not agree that a different type of appliance would generate significant revenue savings.</p> |
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| 5.0 | Call Management – main points | HWFRS response |
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| 5.1 | Concern that while “it is noted that at a number of stations, the rate of false alarm calls being attended is quite high, yet nothing in the document points to any measures being taken to reduce this figure.” | A separate IRMP in the previous year has addressed this and been published. As a result of actions already taken, the number of false alarm mobilisations has been reduced significantly. The Service will continue to seek efficiencies in its mobilising procedures. |
| 5.2 | Concern that it appears that “a higher, yet unmanaged level of false alarm calls can be used to justify the status of a station ie wholtime v RDS,” with Evesham fire station highlighted as an example “with almost 50% of calls received being false alarms.” The RFU argues that “if these were to be managed down from the current number ... it would be a number that is manageable for a fully On-Call response.” | Overall current and historic call volume, regardless of type and risk has been a primary consideration in this review. It is acknowledged that further reductions in false alarms calls would be beneficial to resource allocation. |
| 5.3 | With regard to Evesham fire station, the RFU questions whether “the current day crewed status can be justified and if not the station should revert to On-Call thereby reducing costs further.” | All the day crewed stations also provide significant support for technical and complex specialist skills (which are part of the Service IRMP) which have historically been impossible for retained staff to maintain. This consideration in the overall costs of any day crewed station must also be considered. Our current three stations on this system are considered appropriate. However the position will be kept under review. |



| 6.0 | Knight report – main points | HWFRS response |
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| 6.1 | The RFU appreciates Sir Ken Knight’s report acknowledges the significant reduction over time in calls particularly fire deaths, and that “the On-Call element of fire cover is something that requires investment and expansion.” | Sir Ken Knight’s report has to be read in the context of the UK fire service as a whole. Unlike some services, This Service is fully committed to the retained on call model and currently 77% of appliances are crewed by retained on call staff. This year’s budget contains additional resources for RDS training. |
| 6.2 | The RFU notes that the On-Call system does need investment, but “not necessarily financial.” It asks how the Service is addressing the issue of recruitment and retention in the On-Call system, questions if the Service is arguing against the evidence that fire deaths are reducing, and notes that the time spent on operational activity “is now less than 7%.” | The Service is fully committed to investing in the retained and currently leads the country in this development and contributions to the retained sector. We have previously implemented a 3 year improvement plan for RDS, including having a dedicated Recruitment Officer who continues to work with the RDS Officer-in-Charge Working Group to develop new ways of improving RDS recruitment. It should also be noted that many of the innovative support roles in place for RDS staff are currently not under threat of reduction as they Service recognises the importance of supporting the retained sector. |
| 6.3 | The RFU questions whether the prevention and educating work on the dangers of fire and other risks carried out by the Service over the years “are somehow worthless, and of no benefit at all and not a driver for change in the way response is provided, especially in the smaller towns in the service area.” | Prevention and protection work in HWFRS has now been significantly rationalised and is dedicated to targeting the most vulnerable only. The retained staff in HWFRS do not undertake any community safety work as this is not cost effective as the hourly rate is more than a non-uniformed specialist. The community safety resource allocation has been reduced and will most likely be rationalised further in the future. The Service does not however agree with your statement and believes that targeted community safety work is paramount in preventing injuries and deaths amongst those most vulnerable in our communities. |
| 6.4 | The RFU notes that there is one reference to the Knight report in the CRMP and that it claims to have “explored all possibilities of making the necessary savings Sir Ken refers to” but argues that “this is clearly not the case as there is no reference to how the service plans to increase and better utilise its On-Call employees.” Nor, it argues, does the CRMP make “reference to more modern | See previous answer above. The Service is committed to investing in our retained sector and currently 77% of existing appliances are crewed by retained staff and retained staff often make up resilience duties to crew <i>wholetime</i> appliances. Sir Ken’s report is also directed at the majority of service’s that have less (by %) on call staff than H&W. |



methods of crewing front-line appliances.”

A new day crewing plus system is to be introduced at Bromsgrove and consideration will be given to extending this to other locations.

| 7.0 | Alternative duty systems – main points | HWFRS response |
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| 7.1 | Concern that while the CRMP claims that the Service has explored the use locally of alternative duty systems, questioning “how valid this statement is as it is clear to us that focusing on local risk and current call levels there are better, more cost-effective duty systems that can be used within HWFRS than are being proposed.” | <p>The Service believes that the current duty systems reflect the pattern of risk across the two counties and provide appropriate levels of resilience. It is noted that the RFU disagrees but no specific examples or proposals have been made.</p> <p>In drawing up the CRMP proposals a number of alternative options were considered including creating crewing hubs, extension of day crewing plus or self rostering arrangements. However, many of these approaches are unproven and some would potentially reduce overall resilience across the Service. This could in turn have a detrimental impact on RDS crews.</p> <p>We continue to monitor innovative arrangements that may be introduced elsewhere will to keep the position under review.</p> |
| 7.2 | Repeated query as to why self-rostering is being proposed at Bromsgrove and not elsewhere. (see point 4.1 above) | Consideration will be given to this once the full impact of its introduction at Bromsgrove has been assessed and evaluated. Please note the ‘voluntary’ nature of this system. |
| 7.3 | View that the ‘224 duty system’ is dated, and that statistics from the busiest fire stations show that “call levels do not justify the current costs using the 224 duty system, and could be responded in a more cost-effective manner.” | See comments above. |
| 7.4 | RFU considers that “call management also needs reviewing as the number of false alarm calls is far too high.” | This is due to undergo further measures at source (Control) to filter to a greater degree. This was postponed due to the implementation of a new fire control system in 2012/13. The Service agrees with this point and will review the matter again in the future to target further reductions of false alarm calls. |



| 8.0 Retained Recruitment and Resilience – main points | HWFRS response |
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| <p>8.1 View that if the availability of On-Call appliances is “a shortcoming in the overall provision of emergency response,” if it could be improved this would help to address issues elsewhere in the Service. RFU suggest that the relationship between the Service, the On-Call employee and their primary employer “becomes a cornerstone of service provision.” It argues further that the Service “should not be allowed to get away lightly without challenge” on this issue until it can “demonstrate that all possible avenues for improvement have been explored and implemented.”</p> | <p>The Service agrees and already considers the retained appliances to be the “cornerstone” of the Services availability with a retained unit at every fire station. The Service also considers its overall retained availability to be very good and will continue to invest in improving this at all remaining retained units, in fact this is a bedrock of service delivery strategy.</p> |
| <p>8.2 View that the FRS should publish details annually of the length of time frontline appliances are off the run and the reasons for the unavailability, plus the number of staff at each station. RFU argues that this would “provide transparency to the local taxpayers as to how well their FRS is being run (on not as the case may be), raise awareness of vacancies at On-Call stations and provide a major incentive to become more pro-active in terms of the recruitment and retention of On-Call staff.”</p> | <p>This data is already published for retained appliances as part of the quarterly performance monitoring reports to the Authority, which are available to the public via the website. There is no corresponding report for wholetime stations as the figures are negligible with appliances being continually available.</p> <p>The Service has several on-going innovative strategies as well as engagement at the national CFOA level to develop retained recruitment.</p> |
| <p>8.3 In relation to point 8.2 above, the RFU consider that “the input and scrutiny by members of Fire Authorities is crucial.” It argues that “if RDS pumps are off the run on a regular basis, elected members should be made fully aware” and they should “challenge senior management on what action is being taken” to address this. RFU adds that members should also be involved in identifying solutions.</p> | <p>See above – Fire Authority members are already aware of this information and take a keen interest in it.</p> |
| <p>8.4 View that the Fire Authority should have a “lead member as an ‘RDS Champion’ who would raise awareness and the status of this duty system at all levels.”</p> | <p>Authority Members already take a keen interest in matters affecting the retained stations and are regularly updated on issues affecting them. Officers of the Service and FRA Members value all employees regardless on conditions of service or duty system and wouldn’t wish to have a champion for one set of employees but not others.</p> |



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| 8.5 | View that data should be used more to help to increase efficiency. Suggestion that the Service should interrogate the data held and create comprehensive station profiles for all On-Call stations including those appliances attached to shift or day crewed stations. | This is already done. |
| 8.6 | Concern that “stations have funded establishment levels” but vacancies remain unfilled, and “do they remain unfilled because the funding is being diverted elsewhere for some other purpose?” | This is an incorrect perception, retained stations in HWFRS do not have funded fixed establishment levels, we will recruit the necessary staff giving the appropriate cover to meet the needs of the station but within an overall Service budget. |
| 8.7 | View that the Service should be aware of local businesses that already release RDS staff and that it should “make every effort to identify and engage with other sources of primary employment, including reaching out to those who work from home.” | The Service has invested considerable resource into improving RDS recruitment through a 3 year improvement plan and now has a dedicated Recruitment Officer in HR who, among other things, has been working with the local Chambers of Commerce to raise awareness and develop opportunities for retained firefighters. The Service also has an award category to recognise RDS primary employers at its Service awards evening. |
| 8.8 | View that the Service should make sure that potential employers are made fully aware of the many benefits of releasing staff to RDS. RFU is not aware of any FRS that has adopted this approach, and suggests that HWFRS may like to be the first. | The Service is actively doing this |
| 8.9 | View that the Service needs to make sure that the absence of RDS staff from primary employers is “as brief as operationally possible,” and there should be a clear “main point of contact” who can liaise with the employer should any difficulties arise. | The Service understands this well with its predominant retained workforce and retained history, and tries to accommodate this when possible. One of the reasons for the cautious approach towards introducing possible new duty systems (above) has been concern about this very point. |
| 8.10 | View that a further incentive to local businesses could be the use of a “tax break proportionate to the number of occasions their staff are alerted and respond.” | The Service has already begun exploring this with local authorities. |

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| 9.0 | Question 1 issues facing our two counties – main points | HWFRS response |
| 9.1 | View that changes to population and environment need to be monitored on a | The Service does this. |



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| | regular basis. | |
| 9.2 | Concern about the economic situation and the need for the Service “to identify appropriate, costed, cost-effective solutions on how to provide an emergency service that is fit for purpose.” Further concern that the CRMP proposals are not “to the benefit of the local communities under best-value.” | The Service already believes it does this and further believes it is offering the appropriate response based upon risk and against available resources. |

| 10.0 | Question 2 Financial issues facing the Fire and Rescue Authority – main points | HWFRS response |
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| 10.1 | Concern that “the proposals do not provide the tax-payers with value for money” and that “there are more cost-effective methods of providing an emergency service that the Service fails to evidence that it has explored or why it is not appropriate.” | The proposals are not only about cost as this also has to be balanced against risk and the overall resilience of the Service. |
| 10.2 | Concern that “while call levels have decreased dramatically the proposals include removing the most cost-effective resources whilst at the same time maintaining a ‘gold-plated’ service in some areas (Evesham, etc.). Why?” | The ‘least expensive’ is not necessarily the most ‘cost effective’ once overall resilience and other factors are taken into account. Evesham Station provides a more immediate response during the daytime and guaranteed response at night as well as providing specialist water rescue capabilities. |

| 11.0 | Question 3 Understanding risk – main points | HWFRS response |
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| 11.1 | View that calls have decreased over the last ten years is due to “the improved prevention initiatives that have been undertaken and improved technology in house building and car design.” | No comment, the Service agrees to some extent with this statement |
| 11.2 | Concern that “if the prevention initiatives are removed we expect call levels and fatalities to increase.” | We will not be removing prevention activities, but will be dedicated to targeted activities only, based upon sound data and professional judgement. |

| 12.0 | Question 4 Tackling risk – main points | HWFRS response |
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| 12.1 | <u>Prevention</u> : concern that the Service “doesn’t explain how it undertakes prevention activities cost-effectively” and that “we would welcome further explanation on this point.” | As explained above, we target those most at risk and vulnerable in our communities, alongside robust and effective partnership work. We always welcome comments from the RFU and there are regular opportunities for this |



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| | engagement. |
| 12.2 <u>Protection:</u> view that while the CRMP refers to legislation already in place, it “could have expanded on this point much further to demonstrate how its activities have proven to protect businesses in the past.” | No comment |
| 12.3 <u>Response:</u> concern that while the CRMP “claims that it has carried out an extensive review of its emergency response arrangements” and that “the proposals are the best it has come up with” “there is no evidence to support this.” RFU adds that “this is a bold claim and we dispute it” and that the proposals “are not in the best interests of the public and do not provide best-value.” | The purpose of this consultation was to challenge our assumptions and proposals and offer all stakeholders a chance to not only dispute the CRMP, but offer alternative /better options. Whilst the RFU does not agree with the proposals in the CRMP, it has not offered any tangible alternatives. The CRMP contains significant evidence for the proposals and therefore refutes that there is no evidence to support. |
| 12.4 <u>Resilience:</u> concern that if the proposals are implemented they “will have a detrimental affect on the service’s resilience. RFU add that On-Call appliances “provide the most cost-effective means of resilience” and asks why the Service “proposes to remove these vehicles.” | The Service fully accepts that a reduction in frontline resources will affect resilience and response to a small degree, it is believed that the CRMP proposals mitigate this to the lowest possible level and have supplied data to support this. |

| 13.0 Question 5 Delivering Our Services – main points | HWFRS response |
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| 13.1 View that the Service “does have other options but sees the removal of On-Call posts and resources as the easy option” adding that “we do not see any other reason as to why it is choosing to do so when there are more innovative ways of providing the necessary savings.” | <p>The proposed closure of fire stations or the removal of appliances, whether whole time or retained, is never an easy option; nor is it one that is made lightly. It gives senior managers no pleasure to be making these proposals but they are seen as the best way of reducing costs with the least detrimental impact upon the service to the public.</p> <p>Of the total £7m savings that will have been made between 2010 and 2017, 73% will have been achieved in areas away from front line service delivery but given the scale of savings required, it is inevitable that all areas of the Service will be affected.</p> <p>Retained stations cannot be exempt from sharing a proportion of the cuts but of the approximately £2m savings proposed from</p> |



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| | front line services, over £1.5m is proposed to come from changes at whole time stations. |
| | The CRMP addresses the anticipated funding gap to 2016/17. However it is likely that further savings will be required as part of the public sector spending review in subsequent years. Innovative service delivery options will undoubtedly be required to address those savings, not instead of but in addition to those in the CRMP. |
| 13.2 RFU accepts that “in some situations it is necessary to remove front-line appliances and even close fire stations” but it is concerned that “all other more modern options have [not] been explored.” RFU suggests that while the proposed removal of front-line appliances at Ledbury, Bromyard and Tenbury Wells saves £135k per year, “it could save double that amount without losing any appliances by just crewing an appliance differently.” Repeated view that self-rostering be looked at. (see points 4.1 and 7.2 above) | As previously indicated, these options will be considered in the light of experience at Bromsgrove but the effect on overall resilience and the potential knock on impact this could have on retained staff are major considerations |

| 14.0 Question 6 Fire and Emergency Cover proposals – main points | HWFRS response |
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| 14.1 <u>Proposal 1</u> : view that wholetime appliances need to be crewed in a different way and that “this would provide the necessary savings and might also lead to the appliances still being available.” | See above |
| 14.2 <u>Proposal 2</u> : view that “there is no need to remove any appliance from these stations.” (see points raised at 13.1 and 13.2 above) | The CRMP provides data that demonstrates these savings can be implemented whilst still achieving our attendance standard for the first appliance in most instances. Given that significant savings have to be achieved, the proposals under Option 2 are a means of contributing to those savings with least impact upon the service that is delivered. |
| 14.3 <u>Proposal 3</u> : view that crewing both appliances at Evesham fire station with On-Call staff “would provide all the necessary savings and remove the need to close any station or remove any appliance” adding that | The removal of day crewing from Evesham, Malvern and Droitwich would have a significant impact upon the level of cover available and upon overall resilience across the service. This is not something which the Chief Fire Officer |



“the public would also not be put at any increased risk.” Further view that “the type and number of calls responded to by Evesham, Malvern and Droitwich does not warrant a day-crewed duty system.”

could recommend.

| 15.0 | Question 7 What will we see by 2020? - main points | HWFRS response |
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| 15.1 | Concern that the Service needs to “demonstrate why it is currently using the current crewing models at each of its locations.” | As above and included in the data provided in the CRMP. |
| 15.2 | View that the Service needs to “demonstrate what its current and long-term plans are regarding the recruitment and retention of its On-Call employees and thus proving better value for money for its local communities.” (see also points at 8.1 – 8.10 above) | This is not part of the CRMP and the Service would welcome the RFU views and support, however the Head of Operations in HWFRS is on the national CFA Committee with John Barton and regularly discusses this issue with the RFU through this forum. |
| 16.0 | Closing paragraph – main points | HWFRS response |
| 16.1 | RFU comments that it is “happy to discuss our alternative proposals with the service.” | The Service welcomes the RFU’s comments and is committed to on-going dialogue with each of the Representative Bodies. |

I would like to take this opportunity to thank you for your detailed consultation response. Your comments have been most useful in helping to shape the Service’s final recommendations to the FRA.

I appreciate that there are a number of difficult issues contained within the CRMP but hope that we can continue to work closely together in order to deliver the outcomes.

Yours sincerely

John Hodges
Assistant Chief Fire Officer

HEREFORD & WORCESTER FIRE AND RESCUE SERVICE

RISK MANAGEMENT – FULL BUSINESS IMPACT ASSESSMENT

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| Policy, Project, Activity: (e.g. SPI, SMB or FRA Paper, etc). | Community Risk Management Plan 2014-2020 | New/Existing? (If existing, please state which document it will replace) | New – replaces the IRMP 2009-12 |
| | | Date: | 7 February 2014 |
| Directorate: | Service Support | Department: | Corporate Services |
| Author: | Jean Cole | Head of Department: | Jean Cole |
| Title: | Community Risk Management Plan 2014-2020 | | |
| Purpose: | <p><i>Please use the Executive Summary information from the SPI to complete this section, members of the public as well as staff will read this form.</i></p> <p>The draft Community Risk Management Plan 2014-2020 (“the CRMP”) is compiled in line with the requirements of the Fire and Rescue National Framework for England 2012, to which the Authority must have regard in accordance with the Fire and Rescue Services Act 2004. The Plan presents the Fire Authority’s short and medium term aims in relation to managing and reducing risk in Herefordshire and Worcestershire.</p> <p>It is the Fire Authority’s overarching strategy for risk management over the next six years. Along with its fire and emergency cover proposals, the CRMP determines how best to continue tackling risks over a period of significant reductions budget.</p> <p>The draft CRMP has been developed to address the key risks and challenges facing local communities and the Service itself. It sets out the overall approach to ensure that the Service continues to deliver the most effective fire and rescue service for the local communities of Herefordshire and Worcestershire. It combines objective, evidenced consideration about public safety, risk management, resources and value for money in order to present a balanced and proportionate approach to managing risk. It is based on extensive risk analysis and informed professional judgement, taking into account the wider public views expressed through consultation.</p> <p>It has also been developed in the context of the outcomes of the 2010 Public Spending Review, with the Fire Authority needing to find total savings of £6.4 million between 2010/11 and 2016/17. Some £4.7 million of these savings (73%) has been identified away from frontline response services.</p> | | |
| Strategic Policy Implications | | | Yes / No |
| Does this policy/activity help us to deliver our CRMP and Corporate Objectives? | | | Yes |
| <p><i>If yes, please state how, if No please state why the document should be put in place.</i></p> <p>As stated under <i>Purpose</i> above, the draft CRMP is the Fire Authority’s strategic plan for managing and reducing risk. Within this, it sets out how the Service will deliver its prevention, protection, response and resilience services over the next six years in line with the Authority’s <i>Core Purpose</i>: ‘We will provide our communities with sustainable, high quality firefighting, rescue and preventative services.’</p> | | | |

HEREFORD & WORCESTER FIRE AND RESCUE SERVICE

| Equality and Diversity Outcomes | Yes / No |
|--|----------|
| Are there any equality and diversity outcomes for this policy/activity? | Yes |
| <p><i>If Yes, please outline i.e. Home Fire Safety Check Policy will have objectives for the targeting of vulnerable groups which link to the Equality strands becoming objectives.</i></p> <p>By its overarching and comprehensive nature, the draft CRMP has outcomes for everyone in the two counties of Herefordshire and Worcestershire. While not directed towards any specific group with protected characteristics, the Service does target its prevention and protection activities towards those people known to be at more risk than others of fire and other life-risk emergencies. Among these targeted groups are elderly people and disabled people. While this does not necessarily put them at more risk than others, they are more likely to share some of the characteristics of those at greatest risk of fire and other emergencies. This is discussed in more detail under <i>Equality and Diversity</i> in the <i>Risk Management</i> section below.</p> <p>There is no evidence that the services carried out within the remit of the draft CRMP would have any disproportionately adverse impacts on any groups with protected characteristics.</p> | |
| Equality Monitoring | Yes / No |
| Does the Service currently collate data specific to this activity for equality monitoring? | Yes |
| <p>Individual aspects of the draft CRMP are currently monitored especially with regard to injuries and fatalities, as well as prevention activities carried out through the Community Safety team.</p> | |
| Partnership Working | Yes / No |
| Does this policy/ activity involve working or interaction with other organisations? | Yes |
| <p><i>If yes, please ensure that the Partnership Working SPI has been completed and advice sought from the Partnership Officer</i></p> <p>The draft CRMP identifies the need to continue working closely with partner organisations to improve the sharing of information and data to better target those people and areas most at risk of fire and other emergencies, and to explore ways of sharing services and other collaborative opportunities. It includes multi-agency work for emergency response, active participation in Community Safety Partnerships and mutual aid and other collaborative arrangements with neighbouring Fire and Rescue Services.</p> | |

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HEREFORD & WORCESTER FIRE AND RESCUE SERVICE

Risk Management

Please complete all fields identifying the risk/ impact of your subject area.

The Risk Score is derived from the level of Impact and the Likelihood, calculated from the Strategic Risk Matrix – please see below. The risk matrix provides a score based upon the impact (low, medium or high effect) that this risk could have upon the Authority and the likelihood (low, medium or high) that this risk could actually happen during the application of the policy, decision or project.

Completion of this form ensures that all relevant corporate considerations have been addressed that may impact upon the Authority. Any residual risk scores of 7, 8 and 9 (the red areas) must be escalated to the Risk Management for consideration into appropriate Risk Registers. Where the answer is no, the inherent and residual risk score will be **N/A**.

| Risk Areas Identified <small>(Risk impact or concerns arising from the subject area being adopted)</small> | Inherent Risk Score <small>(before any control measures applied)</small> | Control Measures/Solution <small>(What action has or will be taken to reduce the inherent risk score and who is responsible?)</small> | Residual Risk Score <small>(after control measures/solutions are applied)</small> |
|---|--|--|---|
| 1. Does this activity/policy involve or have an impact on these groups? If yes, please indicate: with a (✓) and state which group(s) Public✓ Staff ✓ Partners Contractors Consultants Community Groups Local Government Local Resilience Forum | | | |
| <i>From the groups identified above, state here what the actual risk is to the Authority</i> | | | |
| <u>Public</u> With the removal of fire engines in some areas, it may take longer for fire engines to arrive at a small number of incidents in those areas. | 4 | The Service has undertaken extensive risk analysis to inform its professional judgement in identifying where fire engines could be removed with the least impact on communities. It accepts that if the draft CRMP proposals are implemented in full then in some cases an appliance may not arrive as quickly as it did before. However, in all areas the first fire engine sent to an incident will always be the nearest and most appropriate appliance given the circumstances of the incident. It will always get there as quickly as possible, and will be crewed by highly skilled firefighters. The Chief Fire Officer's final recommendation is that none of the Fire Stations identified under 'Proposal 3' should be | 2 |

HEREFORD & WORCESTER FIRE AND RESCUE SERVICE

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| | | <p>closed. If this recommendation is accepted there will be no delay in the attendance time for the first appliances at an incident although a second appliance may in some instances be slower in arriving.</p> <p>The draft CRMP has stressed the importance of prevention and protection work to help to ensure that fires and other emergencies do not happen in the first place. Continuing to deliver fire safety education and other prevention work, such as seasonal community safety campaigns, will help to reinforce the importance of this work in reassuring members of the public and local communities that their safety concerns are being taken seriously.</p> | |
| <p><u>Staff</u></p> <p>The proposed changes to fire and emergency cover arrangements will entail the removal of some wholetime and on-call firefighter posts.</p> <p>The changes may also affect remaining firefighters, some of whom will have an increased workload.</p> | 5 | <p>Existing policies and procedures will be reviewed to help to manage redundancy processes (should these be needed) as effectively and as sympathetically as possible. There are also established frameworks in place to manage industrial relations, including the Joint Consultative Committee (JCC).</p> <p>If the recommended proposals are implemented, the remaining fire engines and crews are likely to be busier. While this will have some impact on the demand placed on some on-call firefighters, the additional workload following the removal of a fire engine is likely to be spread across a number of fire stations reducing the overall impact. For those locations with a low call volume at present, the Service's experience is that a slight increase in the number of calls will, for many, have a positive influence on morale for that location.</p> | 2 |

HEREFORD & WORCESTER FIRE AND RESCUE SERVICE

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| | | <p>The Service continues to work closely with local businesses and potential employers for on-call staff to ensure that their needs continue to be addressed. The amount of time that on-call firefighters may need to be away from their employers following the implementation of the proposals has been considered, and the impact is unlikely to be severe. Should it become an issue, additional on-call staff may be recruited to cover these periods. While recruiting additional on-call staff may incur a cost, it is considerably more cost-effective than salaried full-time staff.</p> <p>The greatest impact is likely to be on the on-call crews at Worcester fire station and, in recognition of this, the mobilising of on-call crews, especially during the working day, will be reviewed, and it is anticipated that the wholetime crews from Droitwich and Malvern fire stations will have a greater role to play.</p> <p>The Service continues to make all staff aware of the funding situation and will continue to be open and transparent about the potential implications for all areas of the Service.</p> | |
| Equality & Diversity | | | |
| 1. Does this subject area impact upon the 9 protected characteristics? If yes, please indicate: Race Gender Reassignment Disability Age Sexual Orientation Religion & Belief Pregnancy & Maternity Marriage & Civil Partnership Sex | | | |
| <p><i>From the groups identified above, state here what the actual risk is to the Authority.</i></p> <p>As noted in the <i>Equality and Diversity Outcomes'</i> section above, there is no evidence that the services carried out within the remit of the draft CRMP would have any disproportionately adverse impacts on any groups with protected characteristics. However, it is known through local and national research that some people are more</p> | 2 | <p>The Service continues to develop its approach to targeting the most vulnerable and at risk members of the community. There are many factors considered when determining how best to target community safety work and it is the combination of factors that increases risk, not least of which is the level of deprivation experienced by different groups of</p> | 2 |

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| likely than others to be at greater risk of fire and other life-risk emergencies, and the Service targets its community safety activities towards these groups. Among these targeted groups are elderly people and disabled people. | | <p>people.</p> <p>The simple fact of being elderly or disabled does not make the person more vulnerable to fire. However, being elderly <i>and</i> disabled <i>and</i> living alone <i>and</i> smoking <i>and</i> being poor may increase the likelihood of that person being more vulnerable to fire.</p> <p>The risk analysis within the draft CRMP took into account the population and household numbers within very small areas, called Lower-layer Super Output Areas, across every neighbourhood of the two counties and combined this with the overall deprivation score taken from the national Index of Multiple Deprivation 2010. This was married against the incidence of fire and road traffic collisions (and any associated injuries and fatalities) within those areas. This data informed the risk maps set out in the draft CRMP, which identify the relative levels of risk across the two counties, and shows that the great majority of the area is at low risk.</p> | |
| 2. Could this activity prevent us promoting equality for any diverse group? No | | | |
| <i>If yes, please identify how and what the risk is here.</i> | 1 | | 1 |
| 3. Could this activity potentially discourage the participation of any equality groups? Yes | | | |
| <i>If yes, please identify how and what the risk is here.</i> | | | |
| The proposals to reduce wholetime staff numbers will serve to extend the present wholetime recruitment freeze, therefore making it more difficult for the Service to improve representation of diverse communities within this group of employees. | 2 | Recruitment of on-call employees will continue due to the transient nature of this group. This will enable the Service to continue to progress on-going innovative campaigns to recruit a workforce that is representative of the local community profile, including representation of minority groups. | 2 |

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| 4. Could this activity promote negative attitudes towards any equality groups? No | | | |
| <i>If yes, please identify how and what the risk is here.</i> | 1 | | 1 |
| 5. Could this activity help to promote equality of opportunity between diverse groups? No | | | |
| <i>If no, please identify why and what the risk is here.</i> | 1 | | 1 |
| 6. Is there any public concern that the function or policy is being carried out in a discriminatory way? No | | | |
| <i>If yes, please identify how and what the risk is here.</i> | 1 | The consultation exercise has not identified this as an issue. | 1 |
| 7. Has consultation internally/externally been completed with all groups affected? Yes | | | |
| <i>If yes, please provide details and risk score appropriately. If no, please provide details and risk score appropriately.</i> | | | |
| The draft CRMP consultation period ran for 14 weeks from 3 October 2013 until 10 January 2014. | 2 | <p>The Service is confident that its consultation methods have been proportionate and as thorough and inclusive as possible.</p> <p>Throughout the consultation period many different methods of consultation were used to encourage individuals and organisations to complete and submit a consultation questionnaire in order to obtain a wide representation of views. Copies of the draft CRMP and questionnaire were circulated widely, including individual communications to all other Fire Authorities in the country, strategic partners and other stakeholders, and they were also placed in libraries across the two counties. It was also reported widely in the broadcasting media, including television and radio news reports, newspaper articles and through the Service website and its associated social media websites, Facebook and Twitter. The draft CRMP and consultation was also widely publicised within the Service itself, through internal Bulletin articles and links on the Service's Intranet site.</p> <p>The proposals generated considerable public interest.</p> | 1 |

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| | | <p>Within a few days of the consultation launching on 3 October 2013, several Facebook pages were created by members of the public with the aim of raising awareness of the draft CRMP proposals and how they may affect particular areas in Herefordshire and Worcestershire.</p> <p>Senior members of the Service have also held meetings open to all Service personnel and have attended several local authority meetings to discuss the local implications of the proposals directly with those most affected.</p> | |
| <p>8. Can the Service be sure that the policy/ activity is meeting all of the needs of all of these groups? Yes</p> <p><i>If no, please identify what needs are not being met.</i></p> | | | |
| | 1 | <p>The draft CRMP sets out how risk is being tackled and the importance of prevention and protection activities in helping to meet the needs of those at greatest risk of fire and other emergencies. The proposals follow agreed principles, as listed in the draft CRMP, which aim to help minimise the impacts of any changes to fire and emergency cover in any area.</p> | 1 |
| Strategic Policy/Governance Implications – e.g. Political impact, Leadership, or senior management change | | | |
| <p>The draft CRMP is one of the principal strategy documents setting out how the Authority will deliver services over the plan period, and is intrinsically linked to future resources (Government grant funding and council tax income). The draft CRMP therefore reflects the Authority's Medium Term Financial Plan (MTFP), as well as being a key driver in how the MTFP will be delivered.</p> <p>The draft CRMP also reflects the Fire and Rescue National Framework for England, which sets out the Government's</p> | 7 | <p>The CRMP timetable includes a mid-point review, which will help to ensure that the draft Plan remains relevant and appropriate. The draft CRMP also acknowledges that further change may be required as circumstances change over time.</p> | 5 |

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| expectations for the operation of the Service. | | | |
| Changes to either the National Framework or the MTFP as a result of matters beyond the Authority's control may impact upon delivery of the draft CRMP. | | | |
| Operational – e.g. how we carry out our duties | | | |
| <p>The Chief Fire Officer's final recommendations, if implemented may result in an increased delay in the second appliance reaching some incidents in some areas. This will be no different to the existing situation in some parts of the Authority's area. Existing practices and procedures already take account of this.</p> <p>There will be an increased reliance upon some on-call crews – see above.</p> | 2 | <p>The draft CRMP document sets out in detail the likely impact on response times of each of the proposals.</p> <p>Any impact of the availability of on-call crews will continue to be monitored through the Authority's existing performance monitoring and reporting mechanisms.</p> | 2 |
| Legal – e.g. change or failure to comply with legislation including specialist advice | | | |
| None. | 1 | <p>The nature of the Fire Authority's statutory obligations is to 'make provision' for fighting fires and rescuing people. Fire Authority Members decide the level of provision that is appropriate and this has to be within the context of the resources available. Unfortunately, no fire service is able to guarantee that everyone will be successfully rescued every time and there is no liability upon the Authority if it fails to achieve that aim on a particular occasion.</p> | 1 |
| Financial – e.g. monetary or resource implications | | | |
| The Authority's Medium Term Financial Plan (MTFP) is dependent upon achieving the savings in frontline service | 9 | The draft CRMP acknowledged that the need to make savings cannot be ignored, and that the design of proposals | 5 |

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| <p>delivery identified in the draft CRMP. Any failure to implement those savings would jeopardise the MTFP and could lead to more drastic cuts in services at a later date.</p> <p>Conversely, the Authority's ability to maintain the level of services proposed in the draft CRMP is dependent upon the level of resources envisaged in the MTFP. Any alteration to future resources may require a reappraisal of service levels.</p> | | <p>has had to take this into account.</p> <p>The Medium Term Financial Plan (MTFP) makes a prudent and sensible assessment of future resources based on the best information currently available. By planning ahead, both in terms of available resources and service provision, the Authority is able to implement changes in a careful and considered manner, thereby maximising successful outcomes and minimising the impact upon communities and staff.</p> <p>The Chief Fire Officer's final recommendations take account changes to the MTFP since the draft CRMP was prepared.</p> <p>The Authority continues to raise the issues of delivering a fire and rescue service across a largely rural and sparsely populated area with government, and will continue to make representation regarding future funding.</p> | |
| Reputational – e.g. Will the reputation of the service be put at risk by the adoption of this policy/ activity? | | | |
| <p>There is a risk to the Authority's reputation if members of the public feel they are receiving a lesser service from the Authority and are therefore being put at greater risk.</p> | <p style="text-align: center;">2</p> | <p>The draft CRMP appreciated that any plans to reduce fire and emergency cover will be of utmost concern to everyone, as it is to members of the Service and the Fire Authority. However, the public perception of risk is often greater than the actual risk and may be overly influenced by the belief that safety depends primarily on the proximity of a fire station.</p> <p>The draft CRMP proposals reflected extensive risk analysis to identify where fire engines could be removed. The Authority conducted a proportionate and thorough consultation exercise, which provided an opportunity for</p> | <p style="text-align: center;">2</p> |

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| | | <p>individuals to read understand and provide comments on the draft Plan. It was also an opportunity to ensure that the facts and analysis in the document were accurate and stood up to public scrutiny.</p> <p>There was no evidence found or presented during the consultation period that should prevent any or all of the options being agreed and implemented. However, the Chief Fire Officer's final recommendations will hopefully allay many of the public concerns expressed during the consultation process.</p> <p>The Service will continue to promote its fire safety education and other prevention work, and will target this towards the most vulnerable members of the community.</p> | |
| Environmental – Is there any impact including Sustainability - e.g. Energy saving, waste disposal, decontamination and containment of fire-fighting media. | | | |
| <i>Please ensure that the Sustainability Impact Appraisal form has been completed and advice sought from the Head of Asset Management</i> | 1 | Not applicable | 1 |
| Assets – Procurement/ ICT/Property/Fleet/Equipment – e.g. Purchasing, New builds, Maintenance/Alterations | | | |
| There will be a saving in capital expenditure from the removal of five appliances when those vehicles would otherwise have been due for replacement. The Authority's new build programme of fire stations is not affected. | 1 | Not applicable. | 1 |
| Human Resources – e.g. Recruitment, Policy changes, Monitoring information Establishment changes, Employee Relations, Employee Development | | | |
| The proposed reduction in both wholetime and on-call firefighters may require the Service to implement new | 8 | The Service continues to work jointly with other Services, through the Chief Fire Officers' Association, to develop | 6 |

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| policies and procedures with regard to redundancy and severance arrangements. | | <p>robust solutions to workforce reduction which can be delivered by this Service as well as the wider fire sector. The Service will also continue to work closely with staff representative bodies through the Joint Consultative Committee.</p> <p>Despite the potential reductions in on-call staff proposed within the draft CRMP, recruitment of on-call employees will continue, due to the transient nature of this group of employees. This situation will enable the Service to continue to progress on-going innovative campaigns to recruit a workforce which is representative of the local community profile.</p> <p>Where possible, the Service will endeavour to utilise voluntary early retirement, voluntary redundancies and other mutually agreed arrangements to implement reductions in personnel costs. Where further reduction is necessary, the Service will endeavour to work closely with representative bodies in implementing any further compulsory change management, in order to make every effort to minimise damage to employee relations. The Human Resources Department have received additional coaching and training to ensure that it is fully equipped to provide an effective service in this respect.</p> | |
| Training – e.g. Is training required in this area? Will Training & Development need to be notified in order for them to assist in the delivery training in this area? | | | |
| None. | 1 | | 1 |

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| Health and Safety e.g. Will this enhance or undermine Health, Safety and wellbeing | | | |
|--|-----------|-----------------------------|-----------|
| None. Safe systems of working are already in place for when only one appliance is in attendance. | 1 | | 1 |
| Partnership – e.g. Working or interaction with other organisations | | | |
| Not applicable. | 1 | | 1 |
| Information Management – e.g. Data Quality, Privacy Impact Assessment, Data Protection and Freedom of Information, Environmental Regulation | | | |
| Does this policy/activity conform to the Data Protection Act, Freedom of Information Act, Environmental Information Regulations and Data Quality principles? | 1 | Fully compliant. | 1 |
| Total Inherent Score | 55 | Total Residual Score | 41 |
| Outcome: | | | Yes / No |
| Does this Policy/Project/Activity reduce the overall risk for the service? <i>If no, please state why there is not a reduction in risk</i> | | | Yes |

| | | | | |
|--------|--------|---|---|--|
| Impact | High | Important risks - may potentially affect provision of key services or duties 6 | Key risk- may potentially affect provision of key services or duties 8 | Immediate action needed - serious threat to provision and/or achievement of key services or duties 9 |
| | Medium | Monitor as necessary - less important but still could have a serious effect on the provision of key services or duties 3 | Monitor as necessary - less important but still could have a serious effect on the provision of key services or duties 5 | Key risks - may potentially affect provision of key services or duties 7 |
| | Low | No action necessary 1 | Monitor as necessary - ensure being properly managed 2 | Monitor as necessary- less important but still could have a serious effect on the provision of key services or duties 4 |
| | | Low | Likelihood | High |

Log No.

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| Opportunities: | Responsible: |
|--|--|
| What further Opportunities can be identified from this activity/policy matter? Not applicable | Who is responsible for delivery? Not applicable |

| Publishing the Document: | | | |
|--|----------------------------|--------------|----------|
| Is there any reason why this policy, SMB paper or FRA report and accompanying Business Impact Analysis should not be published? | | | |
| Please consider Data Protection, Privacy Impact Assessment and Freedom Of Information concerns. If there is a reason why this information can not be published, please state why. None | | | |
| Policy Author Signature: | Signature on original copy | Date: | 10-02-14 |
| Head of Department/Mgr: | Jean Cole | Date: | 10-02-14 |

| TO BE COMPLETED BY SERVICE SUPPORT DIRECTORATE ONLY: | | |
|---|-----------------|--------------|
| Escalation of Risk: | Yes / No | |
| Please identify the escalation of risk e.g. Departmental or Strategic Risk Register, Equality and Diversity Advisory Group or relevant Corporate Risk Consideration Lead e.g. Training, Partnership | | |
| Authorisation: | Outcome: | Date: |

| | | |
|---|--|--|
| Senior HR Advisor - Equality & Diversity Lead | | |
| Group Commander | | |

| SMB AND FRA PAPERS ONLY: | |
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| SMB: | |
| FRA: | |
| Programme Support: | |
| Procurement: | |
| Sustainability impact appraisal completed | |

Report of Assistant Chief Fire Officer (Service Support)

8. Pay Policy Statement

Purpose of report

1. To bring to the attention of the Authority the requirement for the Service to publish its annual Pay Policy Statement for year 2014/15.
-

Recommendation

It is recommended that the Pay Policy Statement and supporting information be approved for publication.

Introduction and Background

2. The Fire Authority is required by section 38(1) of the Localism Act 2011 (openness and accountability in local pay) to prepare and publish annual pay policy statements. These statements articulate an Authority's own policies towards a range of issues relating to the pay of its workforce, particularly its senior staff, Chief Officers and its lowest paid employees. They are required to be approved by the Fire Authority and published on the Authority's website on an annual basis.

Pay Policy

3. The Act requires that authorities include in their pay policy statements, their approach to the publication of and access to information relating to the remuneration of Chief Officers. Remuneration includes salary, expenses, bonuses, performance related pay as well as severance payments.
4. The definition of Chief Officers (as set out in section 43(2)) is not limited to Heads of Paid Service or statutory Chief Officers. It also includes those who report directly to them (non-statutory Chief Officers), and the people who report directly to them. The Act sets out the information that authorities are required to include in their pay policy statements as a minimum.

Conclusion/Summary

5. It is a requirement that the Authority's approach to pay, as set out in the attached Pay Policy Statement, is accessible for citizens and enables local taxpayers to take an informed view of whether local decisions on all aspects of remuneration are fair and make best use of public funds. The Pay Policy Statement is accessible on the Authority's website.

Corporate Considerations

| | |
|---|---|
| Resource Implications (identify any financial, legal, property or human resources issues) | There are legal issues referenced in paragraph numbers 2, 3, 4 and 5 in the report. |
| Strategic Policy Links (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications). | N/A |
| Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores). | N/A |
| Consultation (identify any public or other consultation that has been carried out on this matter) | N/A |
| Equalities (has an Equalities Impact Assessment been completed? If not, why not?) | N/A |

Supporting Information

Appendix 1 - Pay Policy Statement

Appendix 2 – Pay Grades 2014/15

Appendix 3 – Other Main Pay Grades

Appendix 4 – Grades and Staff in Post

Contact Officer

Jackie Conway, Head of Human Resources
(01905 368339)
Email: jconway@hwfire.org.uk

Hereford & Worcester Fire Authority

Pay Policy Statement

Introduction

Pay for all Hereford & Worcester Fire Authority staff is determined by the Local Government Employers with the Employers' Sides of the National Joint Council for Local Authority Fire and Rescue Services, the Middle Managers' Negotiating Body, the NJC for Brigade Managers of Local Authority Fire and Rescue Services, the Fire and Rescue Authority locally and representative bodies nationally. Pay awards are considered annually for all staff.

Pay Framework

Terms and conditions of employment for staff within the Fire Authority pay framework are set nationally with any variations negotiated and agreed locally.

Pay grades and progression

For uniformed staff, new firefighters will be appointed to the trainee rate of pay. Once their initial training has been completed, the employee will move to development rate of pay and once they have successfully completed their development programme, they will move to competent rate of pay. Existing employees who are promoted will commence on development rate of pay and will move to competent rate of pay upon completion of the workplace assessment.

For non-uniformed support staff, new employees will usually be appointed to the bottom of the scale point / pay grade for the relevant grade. There are occasions when a higher scale point is offered where the employee comes from a role that is paid at a higher level **and** they have additional skills and experience required of the post.

Grades contain between 3 and 6 increments. Progression through each scale point is on an annual basis. The date of progression is normally 1st April each year until the top of the grade is reached. However where an employee commences in post after 1 October they will receive an increment six months later and then annually on 1st April.

Market forces

Where necessary the Service may apply market supplements for specific roles in order to ensure that it can recruit the best staff. This approach will only be adopted where there is clear evidence of recruitment difficulty and any such payments will be time limited and reviewed annually. We do not currently pay any market supplements.

Pay allowances

There are a number of allowances paid to employees where specific circumstances require this and where it can be justified. Such allowances are negotiated nationally or locally through collective bargaining arrangements and/or as determined by Service policy.

Non Uniformed Support Staff

The HWFRS pay framework for non-operational support staff was implemented in 2003 in line with national guidance, with the grade for each role being determined by the national Greater London Provincial Council (GLPC) Job Evaluation scheme. The Scheme was developed to support Local Authorities in carrying out their obligations under the national agreement on single status. The national agreement required all Local Authorities, and a number of other public sector employers, to review their pay

and grading frameworks to ensure fair and consistent practice for different groups of workers with the same employer.

The grading structure was reviewed in 2012 for non-uniformed senior management posts, PO3 and above.

For non-uniformed support staff any outcome of national consultations by the Local Government Employers in negotiation with the Trade Unions is applied in April each year.

Uniformed Staff

The HWFRS pay framework for operational staff was implemented in December 2003 following a rank-to-role exercise in line with National guidance, with the grade for each role being determined by a consistent job evaluation process.

For operational staff any outcome of national consultations by the Local Government Employers in negotiation with the Trade Unions is applied in July each year.

Chief Fire Officer /Chief Executive's Pay

The Chief Fire Officer/Chief Executive's pay is considered by the Fire and Rescue Authority. Account is taken of relevant available information, including the salaries of Chief Officers in other comparable Fire and Rescue Services nationally. To support the pay review, information may be provided on inflation, earnings growth and any significant considerations from elsewhere in the public sector. The last review of the Chief Fire Officer's pay was in September 2007.

The Authority has adopted the following pay levels for the Principal Officer team:

- Deputy Chief Fire Officer (DCFO) – 80% of CFO
- Assistant Chief Fire Officer (ACFO) – 75% of CFO
- Director of Finance and Assets – 80% of ACFO

The Treasurer is part of the Director of Finance and Assets' role for which a specific honorarium is paid and this is reviewed periodically.

Latest National Pay Award

Annual pay awards take place as follows:

- Chief Officers - January
- Non-uniformed support staff - April
- Uniformed staff - July

The last annual pay award for these groups were as follows:

- Chief Officers - January 2009
- Non-uniformed support staff - April 2013
- Uniformed staff - July 2013

Appendix 1 and 2 details the remuneration relating to the above groups.

Other employment-related arrangements

Local Government Pension Scheme

Subject to qualifying conditions, non-uniformed employees are entitled to join the Local Government Pension Scheme (LGPS). The employee contribution rates, which are defined by statute, currently range between 5.5 per cent and 7.5 per cent of pensionable pay depending on full time equivalent salary levels.

Firefighter pension schemes.

The 1992 Firefighter pension scheme closed to new members in 2006. The employee contribution rates for the 1992 Firefighter pension scheme, which are defined by statute, currently range between 11.0 per cent and 15.0 per cent of pensionable pay depending on full time equivalent salary levels.

Subject to qualifying conditions, uniformed staff are entitled to join the New Firefighters Pension Scheme 2006 (NFPS). The employee contribution rates for the NFPS, which are defined by statute, currently range between 8.5 per cent and 11.1 per cent of pensionable pay depending on full time equivalent salary levels.

Employment arrangements

Due to the nature and responsibilities of their role, senior managers are normally employed on full time permanent employment contracts. The Service's policy and procedures with regards to recruitment of Chief Officers is set out within the Officer Employment Procedure Rules as set out in Part 4 of the Fire Authority Constitution. When recruiting to all posts the Service will take full and proper account of its own Equal Opportunities, Recruitment and Redeployment Policies. The determination of the remuneration to be offered to any newly appointed chief officer will be in accordance with the pay structure and the relevant policies in place at the time of recruitment.

Payments on termination of employment

The Services' approach to statutory and discretionary payments on termination of employment for all staff prior to reaching normal retirement age are in accordance with the Service's redundancy policy and relevant terms and conditions as follows:

- Arrangements for non-uniformed staff are set out within the Service's LGPS Discretions Policy Statement in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 [and if adopted] Regulations 12 and 13 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007.
- Arrangements for uniformed staff are set out within the relevant conditions of service i.e. NJC for Brigade Managers of Local Authority Fire and Rescue Services and the NJC for Local Authority Fire and Rescue Services.

Where the employee's salary or the cost of the termination of employment is below £45,000 this decision is delegated to the CFO in consultation with the Chair of the Fire Authority. Where it is above £45,000 the decision will be taken by the Policy & Resources Committee.

The Service operates a flexible retirement policy which was agreed by the Policy and Resources Committee of the FRA at its meeting on 25 January 2012. This policy applies to all staff in the Local Government Pension Scheme (LGPS), the Firefighters Pension Scheme (FPS) and the New Firefighters Pension Scheme (NFPS). The Fire Authority offers re-engagement as an option to fill specific post(s) where there is a shortage of skills/experience within the remaining workforce.

Where the Authority has defined a specific need a business case must be produced by the relevant Head of Department showing that there are clear benefits for the Authority to offer a re-employment opportunity. Part of the business case will include whether to offer the post out to open competition.

Appendix 2 Pay Grades 2014/15

| Job | Remuneration | Pay Relationship to CFO | Salary Range | |
|--|--------------|-------------------------------|--------------|---------|
| | | | Min | Max |
| 1. Head of Paid Service | | | | |
| Chief Fire Officer / Chief Executive | £121,254 | Set by Appointments Committee | | |
| 2. Statutory Chief Officer | | | | |
| Treasurer (Part of Director of Finance and Assets role) receives an additional £3,000 honorarium for the extra responsibility of Treasurer | | | | |
| Monitoring Officer (Part of Head of Legal Services role) | | | | |
| 3. Non Statutory Chief Officer | | | | |
| Deputy Chief Fire Officer (DCFO) | £97,003 | 0.80 | | |
| Assistant Chief Fire Officer (ACFO) | £90,940 | 0.75 | | |
| Director of Finance & Assets (excluding Treasurer role) | £72,752 | 0.60 | | |
| Head of Legal Services | £53,789 | 0.44 | £50,765 | £53,789 |
| 4. Deputy Chief Officer | | | | |
| Area Commander Community Safety & Training | £71,946 * | 0.59 | £65,002 | £71,946 |
| Area Commander Operations | £71,946 * | 0.59 | £65,002 | £71,946 |
| Area Commander Operations Support | £71,946 * | 0.59 | £65,002 | £71,946 |
| Head of Assets | £51,769 | 0.43 | £50,765 | £53,789 |
| Head of Corporate Services | £51,769 | 0.43 | £50,765 | £53,789 |
| Head of Human Resources | £49,350 ** | 0.41 | £45,506 | £48,385 |
| Finance Manager | £42,930 | 0.35 | £42,032 | £45,647 |
| 5. Lowest Paid Employees *** | | | | |
| Uniformed | | | | |
| Firefighter (Control) | £21,357 | 0.18 | £20,504 | £27,328 |
| Non Uniformed | | | | |
| Receptionist | £14,880 | 0.12 | £14,013 | £15,598 |

Notes:

*** includes 20% allowance to provide out of hours fire cover on a continuous rota system**

Includes an additional 8% enhancement to provide a higher level of fire cover responsibility

**** Pay protected**

***** The lowest paid workers are paid in accordance with their job evaluation score which matches across to Scale 2 of the Service's Pay and Grading structure which is the lowest grade**

The Head of Paid Service, Director of Finance, Deputy Chief Fire Officer, Assistant Chief Fire Officer, Area Commanders and Head of Asset Management are provided with a motor vehicle for work purposes. Any private use is chargeable.

The Head of Paid Service, all statutory and non-statutory Chief Officers and all Deputy Officers are provided with a mobile phone and iPad for work purposes. Any private use is chargeable.

Appendix 3 - Other Main Pay Grades

| Grade | Pay Range Minimum | Pay Range Maximum | No. of Staff in Post |
|-------|----------------------|----------------------|-------------------------|
|-------|----------------------|----------------------|-------------------------|

Non Uniformed Pay Grades

| | | | |
|---------|---------|---------|------------|
| PO7 | £56,377 | £59,829 | 0 |
| PO6 | £50,765 | £53,789 | 3 |
| PO5 * | £45,506 | £48,385 | 2 |
| PO4 * | £40,923 | £44,133 | 3 |
| PO3 * | £35,784 | £38,422 | 2 |
| PO2 | £32,072 | £34,894 | 2 |
| PO1 | £28,922 | £31,160 | 11 |
| SO2 | £27,323 | £28,922 | 5 |
| SO1 | £24,892 | £26,539 | 17 |
| Scale 6 | £22,443 | £23,945 | 19 |
| Scale 5 | £19,817 | £21,734 | 12 |
| Scale 4 | £17,333 | £19,317 | 9 |
| Scale 3 | £15,882 | £16,998 | 29 |
| Scale 2 | £14,013 | £15,598 | 2 |
| Scale 1 | £12,266 | £13,725 | 0 |
| | | | 116 |

Uniformed Pay Grades **

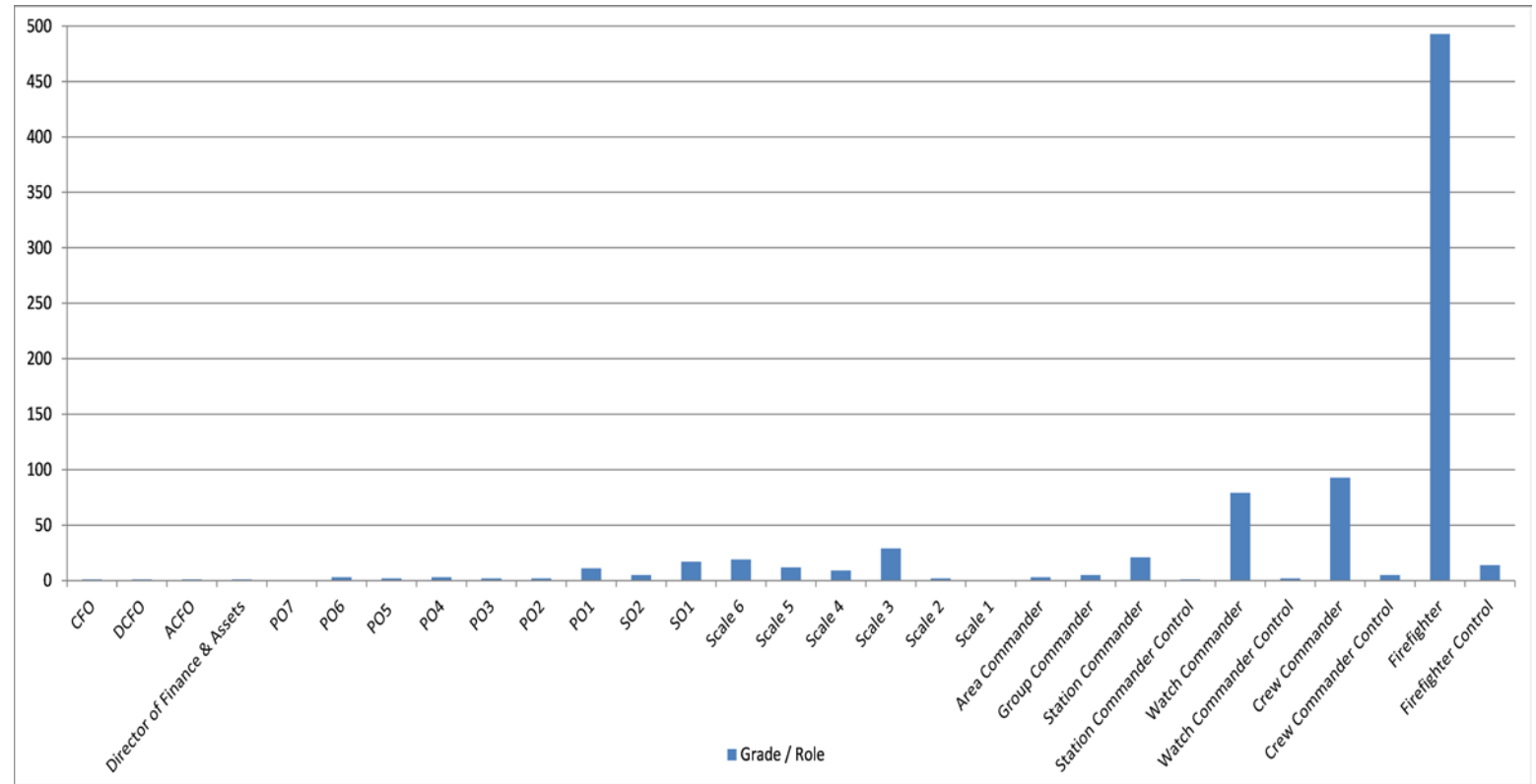
| | | | WT | RDS | Total |
|---------------------------|---------|---------|------------|------------|------------|
| Area Commander | £50,156 | £55,018 | 3 | | 3 |
| Group Commander | £42,723 | £47,361 | 5 | | 5 |
| Station Commander | £37,096 | £40,915 | 21 | | 21 |
| Station Commander Control | £35,241 | £38,869 | 1 | | 1 |
| Watch Commander | £32,582 | £35,664 | 52 | 27 | 79 |
| Watch Commander Control | £30,953 | £33,881 | 2 | | 2 |
| Crew Commander | £30,574 | £31,892 | 37 | 56 | 93 |
| Crew Commander Control | £29,045 | £30,297 | 5 | | 5 |
| Firefighter | £21,583 | £28,766 | 181 | 312 | 493 |
| Firefighter Control | £20,504 | £27,328 | 14 | | 14 |
| | | | 321 | 395 | 716 |

* 5 employees are protected on the old salary levels

** Pay based on wholetime equivalents. Includes retained duty staff

Appendix 4 - Grades and Staff in Post

| | |
|------------------------------|-----|
| CFO | 1 |
| DCFO | 1 |
| ACFO | 1 |
| Director of Finance & Assets | 1 |
| PO7 | 0 |
| PO6 | 3 |
| PO5 | 2 |
| PO4 | 3 |
| PO3 | 2 |
| PO2 | 2 |
| PO1 | 11 |
| SO2 | 5 |
| SO1 | 17 |
| Scale 6 | 19 |
| Scale 5 | 12 |
| Scale 4 | 9 |
| Scale 3 | 29 |
| Scale 2 | 2 |
| Scale 1 | 0 |
| Area Commander | 3 |
| Group Commander | 5 |
| Station Commander | 21 |
| Station Commander Control | 1 |
| Watch Commander | 79 |
| Watch Commander Control | 2 |
| Crew Commander | 93 |
| Crew Commander Control | 5 |
| Firefighter | 493 |
| Firefighter Control | 14 |



Report of the Chief Fire Officer

9. Chief Fire Officer's Service Report

Purpose of Report

1. To inform the Authority of recent key developments and activities.
-

Recommendation

The Chief Fire Officer recommends that the report be noted.

Fire Safety Prosecution

2. The Service has recently been successful in taking a prosecution under the Regulatory Reform (Fire Safety) Order 2005. This prosecution against the owner of Abbey College, an independent school in Malvern, was heard at Worcester Crown Court on 15 January 2014. The owner was found guilty of serious breaches in fire safety law and was fined £24,000 and agreed to pay prosecution costs of a further £25,000.
3. The Service brought the prosecution against Mr Hekmet Kaveh after our Technical Fire Safety inspectors visited Abbey College, Malvern and identified a number of serious fire safety concerns. These included defective smoke alarms and fire doors which were not working in student sleeping areas.
4. This was an extremely serious case where those living and sleeping inside the premises were being put at risk. In such serious cases, the Service will undertake enforcement action under the Regulatory Reform (Fire Safety) Orders 2005. The successful outcome of this prosecution and fine imposed sends out a clear message that in severe cases where fire safety responsibilities are ignored, the Service will prosecute in order to highlight serious infringements of fire safety.
5. The court decision concludes a lengthy, difficult and complex case that various members of the Technical Fire Safety team have been involved with since 2011. The conviction, and fine imposed reflect the seriousness of this case.

Merger of Droitwich and USAR

6. Following approval by the Authority in 2013 to merge the Urban Search and Rescue (USAR) team into Droitwich fire station I am pleased to report that this has progressed well. The station now operates as a single unit and in early February 2014 re-aligned their working practices, dis-establishing the USAR unit and USAR station as a stand-alone entity.

7. The final agreements for additional voluntary duties by the remaining staff to cover both fire service and USAR incidents is also nearing completion and is due to go live by April 2014. Alongside this realignment of the two sets of staff is a program of minor capital building works at Droitwich to provide appropriate facilities for these new working arrangements. Management and staff have worked hard to agree a series of new and innovative working practices to meet the operational needs of the Service and station. Staff have also agreed to new flexible working practices that will provide for the additional delivery of technical rescue support and training around the Service and support operational resilience within existing budgets.
8. There will now begin a program of technical training and support that will endeavour to up-skill the staff over the next year and aims to build further resilience into the USAR provision, as well as adding value and supporting the main stream activities within the Service. This will include not only operational response, incident support, and USAR response capabilities, but also an additional specialist rescue boat team and rope rescue team that will add resilience into the existing arrangements across the Service.
9. The staffing has been proportionately reduced through natural wastage and voluntary changes and it is anticipated that the savings identified of circa £300k will begin to be realised in 2014/15.
10. As was also agreed by the Authority in 2013 the transfer of the National Resilience asset, "Incident Response Unit" (IRU), which was located on Droitwich fire station, is also nearing completion. The transfer has been agreed by DCLG and is due to be formally handed over to Gloucestershire Fire and Rescue Service in the near future. The unit is currently deployed at the Fire Service College as part of the contingency arrangements for National Resilience during the on-going period of Industrial Action and it is envisaged that the vehicle will not return to the Service, but transfer directly to Gloucestershire FRS.

Fatal House Fire

11. A man died following a fire at his home in the Charford area of Bromsgrove on Tuesday 7 January 2014.
12. The Service was called to the address in Bishop Hall Crescent, Bromsgrove at 4.27pm. Four fire appliances were deployed to the incident and on arrival firefighters were faced with a severe fire involving the first floor and roof space of the semi-detached property.
13. Crews wearing Breathing Apparatus were immediately committed to the property to search for an occupant known to be inside. Crews battled through an intense fire to reach the occupant, however sadly he was later pronounced dead at the scene.

Sky Lanterns

14. At the Authority meeting on 11 December 2013 the problems associated with the use of sky lanterns (commonly referred to as Chinese lanterns) were discussed. It was agreed that the possibility of legislation being introduced to prevent the use of sky lanterns should be investigated and that a report be provided back to the Authority.
15. As Members will be aware, there has been national debate regarding the mitigation of the risk to livestock posed by sky lanterns. DEFRA is currently reluctant to support a complete ban on usage, preferring instead to work with lantern manufacturers to ensure that clearer guidance is published to raise awareness of how to use lanterns responsibly. However, it is interesting to note that the Government has recently launched an independent study on the impact of sky lanterns, not only on livestock, but also the impact on crops and the environment.
16. In July 2013, the Chief Fire Officers' Association (CFOA) called for an urgent review of the permissive use of sky lanterns due to the risk not only to livestock but also to agriculture, camping activities, thatched properties and hazardous material sites (see Appendix 1). The Service has issued press releases warning the public of the dangers associated with sky lanterns, which aligns with the CFOA position following the serious fire at Croft Farm Leisure Park near Tewkesbury that was caused by a sky lantern.
17. The National CFOA Events Safety Group, which includes representation from this Service works to improve safety at mass public gatherings, events and festivals and is currently examining how the use of sky lanterns can be restricted using existing legislation. The work of the National Group will support engagement with partner agencies locally within Herefordshire and Worcestershire to explore the feasibility of controlling the use of sky lanterns through the licensing arrangements for public events. This work has commenced and will continue during 2014, more extensively as summer events are programmed, and licenses are sought.
18. To complement local initiatives, Worcestershire County Council has a policy of prohibiting the use of sky lanterns at events on its land and recently Harriett Baldwin MP raised questions in Westminster about the use of sky lanterns. The West Worcestershire MP has also written to DEFRA calling for the Government to act to control the use of lanterns at public events.
19. Tesco recently announced that it would stop selling sky lanterns following lobbying by various pressure groups and the Chief Fire Officers' Association, to review the sale of these lanterns.
20. Your officers will continue to research and examine the issue of sky lanterns and campaign for their safe use and ultimately their removal from sale. Although there does not yet appear to be any development of legislation to prevent the use of sky lanterns at this moment in time, the proposal to use licensing arrangements to prohibit use at public events locally will continue to be explored.

Collaboration between West Midlands FRSs

21. In order to ensure the best possible operational and financial efficiency across the five Services in the West Midlands region a jointly signed Memorandum of Understanding or Statement of Intent is being formulated to be signed by all five Services.
22. This work was agreed at a meeting of all five Chairs (portfolio holder for Warwickshire FRS) and Chief Fire officers in order to be clear about all five services' intent to collaborate more closely to achieve operational and financial efficiency.
23. It is anticipated that any agreement would be agreed by the FRA prior to adoption.

Contact Officer

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Appendix 1 - CFOA Position statement: Chinese Lanterns, July 2013



Position Statement

Chinese Lanterns

July 2013

Publicity Line

The Chief Fire Officers' Association is calling for an urgent review on the use of the floating paper lanterns as they operate in a unregulated and uncontrolled way.

There is now video evidence of a lantern causing a major fire in the West Midlands which has required 200+ firefighters, 39 fire appliances and 3 hydraulic platforms.

CFOA does not support the use of these devices and asks members of the public and event organisers to refrain from using them. Whilst these lanterns are undoubtedly a popular and beautiful sight, the potential damage they can cause is significant.

England ✓

Wales ✓

Scotland ✓

Northern Ireland ✓

- CFOA urges fire and rescue services to discourage the use of the floating paper lanterns.
- These floating lanterns not only constitute a fire hazard but also pose a risk to livestock, agriculture, camping activities, thatched properties and hazardous material sites.
- Police and coastguards also suffer a loss of resources whilst having to deal with lantern sightings being mistaken as something else such as a distress flair or UFO. Internationally, certain brands of fire lanterns have been banned¹ and there has been a temporary ban on all such products in Australia following a series of wildfires.
- Several opportunities exist to discourage the use of Chinese lanterns. FRSs could:
 - Work with their local trading standards offices to control the use and design of these products
 - Work with their local police authority to discourage the approval of events licences for events that plan to release the lanterns
 - Work with local events licensors to discourage the use of these lanterns
 - Scope out the possibility of litigation with interested parties, local police, civil aviation authority.

¹ [Consumer Agency Ombudsman](#)

10. Report from Audit and Standards Committee

Purpose of report

1. To advise Members of the proceedings of the Audit and Standards Committee meeting held on 22 January 2014.
-

Recommendation

It is recommended that the Authority notes the proceedings of the Audit and Standards Committee meeting held on 22 January 2014.

Internal Audit Monitoring Report 2013/14

2. The Committee considered a report that provided an interim progress update on the 2013/14 plan delivery. The report detailed audits that had taken place during 2013/14 including:
 - Risk Management Health Check
 - Main Ledger and Budgetary Control
 - Operational Logistics
 - Asset Management 2012-13
 - Payroll and Pensions including GARTAN System
 - Corporate Governance
 - Business Continuity Follow Up
3. The Service Manager advised Members that the Debtors and Creditors reports, Operational Logistics and Community Safety audits were now finalised and no high priority recommendations had been identified.
4. It was noted that the rest of the planned audits were progressing well and there were no areas of concern to bring to Members' attention.
5. The Committee noted the contents of the report.

Annual Audit Letter 2012/13

6. The Committee considered a report from its External Auditors, Grant Thornton UK LLP that presented the Annual Audit Letter 2012/13.
7. The Annual Audit Letter summarised the findings from the 2012/13 audit and comprised two elements namely the audit of the Authority's financial statements and an assessment of the Authority's arrangements to achieve value for money in the use of resources.
8. The key messages in the Audit 2012/13 were as follows:

- (i) The Authority had taken appropriate account of the current economic climate and the plans were supported by detailed and robust assumptions.
 - (ii) The Authority had a sound understanding of the current financial environment and undertook robust planning for the medium and long term.
 - (iii) There was a strong link between the Authority Plan and the Community Risk Management Plan.
 - (iv) Scenario planning around the level of grant funding had been undertaken and considered within the Authority's detailed medium term financial plan to ensure that reserves were sufficient to meet future expenditure.
 - (v) The Authority historically closely monitors its expenditure and did not exceed budget levels.
 - (vi) The Senior Management Board provided clear leadership on spending priorities and demonstrated a clear understanding of the resource requirements of the Service.
 - (vii) The Service had challenged the existing delivery arrangements of the community safety and training provision and had implemented changes.
 - (viii) Performance management was strong and appropriately challenged.
 - (ix) The Authority benchmarked its performance with other authorities to identify areas for improvement. Efficiencies had been made and efficiency plans continued to be implemented.
9. The Engagement Lead had issued an unqualified opinion on the Authority's financial statements on 30 September 2013.
 10. The Engagement Lead issued an unqualified Value for Money Conclusion on 30 September 2013 as no matters had been identified that led him to believe that the Authority did not have proper arrangements in place for securing economy, efficiency and effectiveness.
 11. The Engagement Lead was satisfied that in all respects Hereford & Worcester Fire Authority had put in place proper arrangements to secure value for money in its use on resources for the year ending 31 March 2013.
 12. The Committee noted the Annual Audit Letter 2012/13.

External Audit Fee 2013.14

13. The Committee considered a report that apprised them of the audit fee for the Authority along with the scope and timing of the work to be undertaken.
14. Members were advised that the fee of £43,829 was the same as last year.

15. The fee excluded any work requested by the Authority that Grant Thornton may agree to undertake outside of the Code audit. Each additional piece of work would be separately agreed and a detailed project specification and fee would be agreed with the Authority.
16. The report included an outline of the audit timetable:
 - Audit Planning and Interim Audit – January to March 2014
 - Final accounts audit – July/August 2014
 - Value for Money Conclusion – January to September 2014
 - Whole Government accounts – September 2014
 - Annual Audit Letter – October 2014
17. The Committee noted the contents of the report.

Informing the Audit Risk Assessment 2013/14

18. A report was considered that advised members of the Audit Risk Assessment carried out by Grant Thornton, UK, LLP, the Authority's External Auditor in deriving the External Audit Plan.
19. In previous years the Audit Risk Assessment had been dealt with in correspondence between the Auditor, Chair of the Audit Committee, Treasurer and Monitoring Officer.
20. From 2012/13 it was agreed to bring the information to the attention of all Committee Members to further enhance the openness of governance.
21. No specific risks were highlighted that were abnormal or which caused the Treasurer or External Auditor particular concern.
22. The Committee noted the report.

Member Development Working Group Update

23. The Committee considered a report that advised Members of the proceedings of the Member Development Working Group meeting held on 1 October 2013.
24. The Induction Schedule had gone well and feedback received had been positive.
25. Future training sessions for Members included:
 - Budget Seminar – 30 January 2014
 - Pensions Seminar (March 2014)
 - Major Operational Exercise (June 2014)

26. It was noted that Members' attendance at some of the training sessions had been relatively low and it was suggested that members be texted to remind them of these sessions.
27. Members were advised that text reminder technology would shortly be rolled out to the Committee Services Team.
28. The Member Development Working Group planned to meet in April 2014 to work on the Member Development Programme for 2014/15.
29. The Committee noted the contents of the report.

Corporate Considerations

| | |
|---|--|
| Resource Implications (identify any financial, legal, property or human resources issues) | None |
| Strategic Policy Links (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications). | Proposals for Member Development accord with 'Our Strategy' |
| Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores). | None |
| Consultation (identify any public or other consultation that has been carried out on this matter) | Members will be surveyed to ascertain their views regarding the Member Development Programme. |
| Equalities (has an Equalities Impact Assessment been completed? If not, why not?) | The Member Development Programme has incorporated information on the Ethical Framework and Equality and Diversity. |

Supporting Information

Background papers – Agenda and Papers Audit and Standards Committee 22 January 2014

Contact Officer

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11. Report from Policy and Resources Committee

Purpose of report

1. To apprise Members of the proceedings of the Policy and Resources Committee meeting held on 28 January 2014.
-

Recommendation

It is recommended that the contents of the report be noted.

Budget 2014/15 and Review of the Medium Term Financial Plan (MTFP)

2. A report was considered that outlined the current position in relation to budgets for 2014/15 and beyond.
3. A substantive report that makes recommendations to the Authority is included at Agenda item number 6.

Quarters 1 to 3 Performance 2013-14

4. A report was considered that gave a summary of Quarters 1 to 3 performance against the Fire and Rescue Authority Plan 2013-14 using a set of key performance indicators agreed by Senior Management Board (SMB).
5. The Head of Corporate Services highlighted the following:
 - The total number of incidents attended in Quarters 1 to 3 2013-14 is the lowest Quarter 1 to 3 total in the seven years that the current data set has been collected.
 - Although the number of fires attended in Quarters 1 to 3 2013-14 have increased when compared to the same quarters last year, the Service attended the lowest Quarters 1 to 3 totals of Special Service (non-fire emergencies) and the second lowest number of false alarms in the last seven years.
 - Sickness levels for all staff continue to remain within tolerance levels and the amount of long term sickness has reduced at the end of the Quarter 1 to 3 period.
 - The Service continues to monitor and investigate the reasons behind reductions in the number of building fires attended by the first appliance within 10 minutes and the number of attendances by a second appliance within 5 minutes of the first.

- Retained appliances are available for operational duty around 90% of the time.

6. The Committee noted the contents of the report.

Health and Safety Committee Update

7. A report was considered that provided the Policy and Resources Committee with an update on the activities and items of significance from the Service's Health and Safety Committee which included:

- A full health and safety audit (which will be reported back at a later date to the FRA).
- A bespoke audit system which has been developed by the Service's own Health and Safety advisor.
- A review of measures introduced in response to a series of Breathing Apparatus (BA) incidents.
- Measures that have been taken to improve fire fighter fitness.

8. Members' attention was drawn to an incident which had the potential to be serious. This related to an incident involving a firefighter and a ladder. It was unclear whether the incident was as a result of a fault on the ladder or was due to the way the operator had handled the equipment. The incident led to all ladders being tested as a precaution by the workshops and they are all working satisfactorily.

9. The Committee noted the contents of the report.

Disposal of Aerial Appliances

10. A report was considered that informed the Policy and Resources Committee of the outcomes of the Aerial Appliance Review.

11. The Committee agreed that the aerial appliance be removed from Bromsgrove and the Service instead maintains two aerial appliances at Hereford and Worcester and the surplus hydraulic platform and CARP be disposed of in the most appropriate way with a view to realising the best return.

Statutory Officers – Annual Appraisal Process

12. A report was considered that outlined the process to be put in place for the annual appraisal of the Chief Fire Officer/Chief Executive and requested Member input in relation to the process of individual Performance and Development Reviews of the deputy Chief Fire Officer, Monitoring Officer and Treasurer.

13. It was noted that the model appraisal scheme contained within the 'Gold Book' had been modified to meet the needs of the Authority.

14. The appendix to the report detailed how the Authority's existing Individual Personal Development Review (IPDR) process would be applied in the case of the Chief Fire Officer/Chief Executive.
15. The report suggested that appraisals should be conducted by the Chairman of the Authority and Chairmen of the Audit and Standards Committee and Chairman of the Policy and Resources Committee.
16. Whilst the Chief Fire Officer was responsible for the appraisals of the Director of Finance and Assets and Head of Legal Services those posts had direct accountabilities to the Authority as did the Deputy Chief Fire officer as it was a Member appointment. It was therefore suggested that there should be an element of Member input into the IPDR process for these posts. This would be achieved through a formal consultation with the Chairman of the Authority and the two Chairmen of Committees prior to the IPDR assessment.
17. Members agreed that the procedures for the annual appraisal of the Chief Fire Officer/Chief Executive, Deputy Chief Fire Officer, Treasurer and Monitoring Officer as set out in the Appendix to the report be approved.

Corporate Considerations

| | |
|---|---|
| Resource Implications (identify any financial, legal, property or human resources issues) | Budget report – whole report. Aerial Appliances Report – financial implications – sale of aerial. Annual Appraisal Process report – appropriate training will be required for Members involved in the appraisal process. This can be delivered within existing resources. |
| Strategic Policy Links (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications). | Budget report – whole report. Performance report – the areas included link with the FRA plan and strategic objectives of the Service. Annual Appraisal Process Report – the recommendations will strengthen the 'People' aspects of 'Our Strategy' by helping to ensure the proper development of senior officers. |
| Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores). | None |
| Consultation (identify any public or other consultation that has been carried out on this matter) | Aerial Appliances Report – consultation with FBU Officer Branch and FOA required. |
| Equalities (has an Equalities Impact Assessment been completed? If not, why not?) | Not applicable |

Supporting Information

Background papers – Agenda and papers, Policy and Resources Committee, 28 January 2014.

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