

**Minutes of the Meeting of
Shropshire and Wrekin Fire and Rescue Authority
Strategy and Resources Committee
Held in the Oak Room, Headquarters
On Wednesday, 21 September 2022 at 2.00 pm**

Present

Members

Councillors Hartin (Vice-Chair), Jhawar, Offland (Chair), Pardy and Wynn

Officers

Rod Hammerton	Chief Fire Officer	CFO
Simon Hardiman	Assistant Chief Fire Officer (Service Support)	ACFO (SS)
Dan Quinn	Assistant Chief Fire Officer (Service Delivery)	ACFO (SD)
James Walton	Treasurer	Treasurer
Joanne Coadey	Head of Finance	HoF
Sally Edwards	Head of ICT	HoICT
Andrew Kelcey	Head of Resources	HoR
Germaine Worker	Head of Human Resources and Administration	HHRA
Donna Trowsdale	Development Officer	DO
Lynn Ince	Executive Support Officer	ESO

1 Apologies for Absence

Councillors Aldcroft and Carter

2 Disclosable Pecuniary Interests

None

3 Public Questions

None

4 Minutes

Resolved that the minutes of the Strategy and Resources Committee meeting, held on 23 March 2022, be agreed and signed by the Chair as a correct record.

5 Committee Constitution and Training

This report brought the latest version of the Committee's constitution to the notice of its Members. It also asked Members to consider what training, if any, they wish to receive in order for them to fulfil their role on the Committee.

Resolved that the Committee

- a) Note the constitution of the Strategy and Resources Committee (attached at the Appendix to the report); and
- b) Agree that the Committee should receive training, including an introductory session on Finance and a session on Treasury Management, in order to fulfil their role on the Committee effectively.

6 Financial Performance to July 2022

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

The HoF presented this report and highlighted the following to the Committee:

- 32% of the total budget has been spent to the end of July with an average expenditure on pay budgets of 33% which is in line with the estimated spend for this point in the year
- Average spend on non-pay budgets is 13% with some areas not incurring high levels of spend to date, such as the corporate finance budgets, while some may have already paid annual maintenance or support contracts.
- Under the Service Delivery Other spend there has been non-pay expenditure related to the Emergency Services Mobile Communications Project (ESMCP) which will be covered by transfer of government grant
- The overspend for Service Delivery is currently running over budget as shown in the table on page 4 of the report. This is due to spend on overtime as Area Command has been running under establishment for the first two months of the year.
- The total underspend of £119k will be transferred into individual contingencies.
- The pay and price contingency, as set out on page 5 of the report, was reasonable when the budget was set in February 2022. Confirmation of pay awards has not yet been received, and it is not clear if there will be any assistance from the Treasury if needed, so it may be necessary to amend budgets in the future to accommodate these increases. Any changes related to pay awards etc will be reported to the Committee.
- The Prudential Indicators, as set out at Section 5 of the report, are higher than usual due to the anticipated borrowing requirements for the Telford Central project.
- The investment income detailed on page 6 is to the end of July, not December as is stated in the report.

Regarding the inflationary pressures due to the potential pay award, the Committee commented that a 3% contingency was reasonable when the budget was set and asked how much of year are the Authority going to have left to deal with a pay award of potentially 5 or 6%. The HoF advised that the 3% contingency can be drawn down as needed but anything over 3% would have to be found from reserves, therefore the Authority can cover pay increase in the short term but there would be pressure in 2023/24 and the following years.

The CFO added that there is considerable discussion about the potential increase. At present, the Government would not be supporting an increased pay award but there is the view that it would be better to avoid Industrial Action if possible. A solution was found for Police pay and the National Fire Chiefs Council (NFCC) is encouraging the parties concerned to look for a similar solution for fire and rescue services. It is thought likely that a solution may become clearer nearer Christmas.

Members asked if, given inflationary pressures, what is the likelihood of a precept increase above 1.99% being agreed. The CFO responded that the precept increase does play part of the solution but not all fire and rescue services will benefit from this.

Resolved that the Committee agree to recommend that the Fire Authority

- a) note the position of the revenue budget;
- b) approve virements to the revenue budget, where requested; and
- c) note performance against prudential indicators to date in 2022/23.

7 Capital Update on Activity and Finance

This report provided an overview of all the capital schemes within the Service and their current status.

The HoR advised that the Capital Training Improvements at Wellington and the Building Improvements at Tweedale are finished, and the schemes are now closed. The Retained Station Building Works at Ellesmere, Market Drayton and Whitchurch are nearing completion. The Major Improvements project at Telford Central is ongoing and there are some risks that have been identified with this.

Members asked what the situation is now with supply chain issues. The HoR advised that the overall position has not changed since the presentation he gave to the Fire Authority at its June 2022 meeting, although some areas have eased but others have changed with new risks emerging from port and/or post office strikes. Materials with an energy intensive production process that are made in Germany, such as ceramics etc, are being particularly affected by gas supply issues.

It is likely that the situation could get worse especially as China is still under Covid restrictions and there are also energy crises in China due to drought. The CFO added that this is why the Service is pursuing the strategy of undertaking small low risk works at present.

The HoICT informed the Committee that replacement of end-user devices is ongoing; replacement devices have been bulk brought and all configured and ready for distribution. In response to a query from Members, the HoICT explained that Microsoft Autopilot automates the setting up of new devices and reduces the amount technician time needed for set-up.

The HoR advised that the Service had been planning to replace the Vauxhall Astras that are currently used by the Group Support Team with electric vehicles. However, there are currently no discounts available on electric vehicles due to the demand for these vehicles so the Service has made the decision to postpone this replacements and will instead extend the life of the existing vehicles for two years.

Members asked if electric vehicles are available through the new Police national framework. The HoR explained that they are but that they are currently too expensive, and the range is not sufficient for the Service's needs. Members also asked for an explanation of what not operational means in this context. The HoR explained that not operational means that there are no blue lights fitted to the vehicles. Members then asked if it was realistic to expect that the cost of vehicles will come down. The HoR responded that he anticipates that this will be a new normal and so it may be that the Service has to wait until supply returns to normal.

The HoR also advised that the 10 replacement appliances are now in the county and are on station. The new boat has also been delivered and is having final works completed before it goes onto station. The CFO added that with the 10 new appliances coming into service, 10 older appliances are being released from the fleet; some of these will be retained to provide resilience within the existing fleet and it is likely that two of them will be sent to the Ukraine.

Resolved that the Committee note the progress so far on current schemes.

8 Update on Apprenticeship Levy Spend 2021/22

This report provided an update on the apprenticeships funded through the levy, since the update report in 2020.

The DM presented this report and advised Members that since the report was written, the Service had been advised that the public sector target that is set out on page 1 of the report no longer applies.

Since the last update report, seven operational firefighters have completed their Level 3 Operational Firefighter apprenticeships and two Level 2 Business Administration apprenticeships have also been successfully completed.

There are currently 11 firefighters undertaking the Level 3 Operational Firefighter apprenticeship; and there are three employees undertaking a Level 6 Digital and Technology Solutions higher degree apprenticeship, a Level 5 Learning and Development Practitioner apprenticeship and a Level 3 Business Administration apprenticeship, which are all due to be completed within the next six months. In addition, there is an Administration apprentice who will be starting with the Service on 26 September 2022 and a Training and Learning Development apprentice post had been put on hold due to the Telford Central project.

The DM advised that the financial situation for the funding of apprenticeships is set out on page 3 of the report. It should be noted that the Service has not lost any expired funds since July 2022, which means that all monies that had been paid into its levy account within the previous 24 months had been spent.

Members asked what commitment those undertaking apprenticeships are asked to give to the Service. The DM explained that there are no expectations placed on individuals regarding how long they will remain in the Service as this is not permitted under the Apprenticeship Levy rules. The CFO added that wholetime firefighter recruitment has been limited Shropshire and its neighbouring counties. The ACFO (SS) also explained that apprenticeships can be offered to existing employees as well for the development of new skill areas.

Members asked if there is an age limit for those applying for apprenticeships. The DM explained that there is no age limit, and the Service currently has a mixture of young college leavers and operational staff undertaking apprenticeships

Members asked if it was only wholetime firefighters that are undertaking apprenticeships. Officers confirmed that it is and that On Call employees still follow the workplace assessment route. Members also asked how initial training was provided. The HHRA advised that initial training can be provided in-house if there are sufficient numbers to make this economically viable, but the Service has used the Fire Service College for provision of initial training for the last couple of recruits courses and feel that a good quality outcome has been achieved. The ACFO (SS) added that once firefighters have completed their apprenticeship, they achieve competency as the apprenticeship replaces the workplace assessment.

Resolved that the Committee note the contents of the report.

9 Exclusion of Press and Public

Resolved that the press and public be excluded from the meeting for the following item of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12a to the Local Government Act 1972.

10 Capital Update on Activity and Finance (Paragraph 3)

Resolved that the Committee receive and note exempt Appendix B to report 7
– Capital Update on Activity and Finance

The meeting closed at 2.50 pm

Chair.....

Date.....