

# **MERSEYSIDE FIRE AND RESCUE AUTHORITY**

**25 FEBRUARY 2021**

## **MINUTES**

**Present:** **Cllr Leslie T. Byrom CBE (Chair)** Councillors  
Linda Maloney, Dan Barrington, Angela Coleman,  
Emily Spurrell, Lynne Thompson, Janet Grace, Brian Kenny,  
Lesley Rennie, James Roberts, Jean Stapleton, Paul Tweed,  
Andrew Makinson, Steff O'Keeffe, Lisa Preston, Allan Brame  
and Edna Finneran

**Apologies of absence were received from:** Councillors  
Doreen Knight

### **8. CHAIR'S ANNOUNCEMENT**

At the start of the meeting, the Chair of the Authority thanked everyone for attending and welcomed any members of the press or public who were observing the proceedings.

The Chair then introduced the meeting and provided all present with an overview of how this remote meeting would work and some housekeeping.

The Chair confirmed that all Members in attendance could hear and be heard; and could see and be seen.

The Chair confirmed that all Members had received the papers, along with the proposed Labour Group Budget Resolution, in relation to Agenda item 6, which had been circulated to all Members in line with the requirements contained within the Authority's Constitution.

### **1. Preliminary Matters**

Members considered the identification of declarations of interest, any urgent additional items, and any business that may require the exclusion of the press and public.

Resolved that:

- a) no declarations of interest were made by individual Members in relation to any item of business on the Agenda
- b) no additional items of business to be considered as matters of urgency were determined by the Chair; and
- c) no items of business required the exclusion of the press and public, due to the possible disclosure of exempt information.

## **2. Minutes of the Previous Meeting**

The minutes of the previous meeting of the Authority, held on 15<sup>th</sup> October 2020, were approved as a correct record and for signature by the Chair.

## **3. HMICFRS COVID-19 Inspection Outcomes**

Members considered Report CFO/007/21 of the Chief Fire Officer, concerning the outcomes of the COVID-19 inspection carried out by Her Majesty's Inspectorate of Fire and Rescue Services (HMICFRS) attached as Appendix A and B to this report.

Members were informed that Appendix A, was the HMICFRS Inspection report for MFRS, whilst Appendix B, was the national report for all FRS's.

Members attention was drawn to page 17, which highlights the positive outcomes of the report for MFRS. It was highlighted that the work undertaken by MFRS, has been broad and vast in supporting our communities.

Members were advised that this work commenced in March 2020, with the repatriation of UK citizens from Wuhan, back to Arrowe Park Hospital. They were informed that this was the first time that a FRS got involved in the pandemic; and this is where the initial learning for MFRS occurred. They were advised that this commenced the journey in assisting other partners around health, but also acting under the Civil Contingencies Act.

With regards to the headlines of the report, Members were informed that MFRS were praised around the breadth of work undertaken alongside our agility to maintain our statutory functions throughout. It was noted that some of MFRS key contributions have been outside of our statutory functions, with over 300 staff across the whole organisation, stepping up and volunteering. Members were advised that this volunteering included the delivery of prescriptions to individuals who were shielding, and the delivery of food parcels to the most vulnerable, extending to health and the delivery of face fit testing for partners, enabling them to continue to do their jobs safely and effectively.

Members were informed of the support provided by MFRS around the national roll out of mass testing, particularly in the Liverpool area.

They were informed of the logistical support provided, within the whole command structure, the Local Resilience Forum structure, and a Strategic Coordinating Group, which has been assisted and supported by MFRS, particularly the DCFO.

Members were advised that 10 of our firefighters have been trained by NWS to drive ambulances. They were informed that this may be to support future demand management planning, however given the pressures on NWS during the period, it was thought prudent to ensure that we have staff available and trained to step up if required. It was highlighted to Members that this is part of a North West response; and that there are 42 firefighters trained to drive ambulances across the North West, if they are needed.

Members were then informed of the support provided by MFRS staff to vaccination centres, in particular, to the mass vaccination centre established in St. Helens. They were advised that there are over 200 MFRS staff facilitating, with around 140 of those being in the role of vaccinator, and others assisting with administrative roles associated with the mass roll out of vaccinations. Members were informed that as it stands, over the past 7-day period, 70 MFRS staff have been deployed to the mass vaccination centre, and over 5000 vaccinations have been delivered, with 1246 being delivered directly by MFRS staff. It was noted that every vaccine delivered is preventing a potential devastating impact on that individual. Members were also informed of some of the communication received from staff involved, who feel thrilled and privileged to be part of that national response.

It was re-iterated to Members that there has been a really positive undertaking by MFRS and its staff, over the period, which is captured within the Inspection report, with notable practice included throughout.

It was confirmed to Members that MFRS have continued to deliver all of its statutory responsibilities throughout; and has seen all of our staff operate within Covid secure premises. They were advised that this is also captured within the report, along with how quickly we were able to adapt and move to more agile working arrangements. Members were informed that as a result, an Agile Working Policy and Flexible Working Policy have been introduced, with a Home Working Policy being introduced very shortly, which will enable some of the learning from the pandemic, to be embedded across the organisation.

Members were informed that within paragraph 14 of the report, there are a couple of areas for improvement highlighted, however these are described as being standard comments, as it is unlikely that anyone anticipated the full impact of the pandemic. They were advised however, that in light of this, and the learning points identified, Officers have sought to weave that logic and understanding into all of MFRA's plans moving forward.

Members were assured that in comparison to reports for other FRS's, MFRA's is certainly one of the best; and praise was expressed to staff who have continued to work and contribute throughout the pandemic, to aid the continued smooth running of our own service, but particularly in relation to the broader contribution.

The Chair of the Authority commented that as community leaders, Members have been extremely proud of what MFRS has achieved.

Members Resolved that:

the extremely positive outcomes of the Merseyside Fire and Rescue Service COVID-19 inspection and the national outcomes, be noted.

**4. Draft IRMP 2021-24**

Members considered Report CFO/009/21 of the Chief Fire Officer, concerning the release of the draft Integrated Risk Management Plan (IRMP) 2021-24 for a

period of 12 weeks' consultation prior to adoption and implementation, whilst noting that the proposals outlined within the IRMP may change to reflect the views expressed during the consultation process.

Members were provided with a detailed presentation, highlighting the key areas contained within the Draft IRMP.

Members were advised that the Draft IRMP seeks to ensure the disposition of MFRA resources, based on risk, demand and vulnerability. In terms of key headlines, they were advised that it aims to increase the number of fire appliances available, maintain the number of firefighters and slightly improve Protection based on current funding levels. Members were advised however, that the funding for Protection, has been in year funding received, which the Authority are trying to extend via lobbying,

Members were informed that the plans aim to increase resilience on the basis of more appliances and more retained provision, which will also improve performance. They also propose enhancing specialist capabilities, through the creation of specialist teams; and enhancing firefighter safety, on the basis of a new training facility, which will enable our staff to train effectively against all foreseeable risk.

It was highlighted to Members that as part of the interim IRMP in 2019, the Authority sought to re-invest in the frontline; and since then, MFRA has seen a significant improvement in its ability to respond to incidents. They were advised this this proposed IRMP, seeks to build upon that.

Members were assured that despite a challenging financial position, the proposals are based on sound budget planning and arrangements.

Members were advised that the Interim IRMP 2019/21 changed the 2017-20 IRMP quite significantly, with the aim of improving the operational response capability, based on foreseeability of risk. It was confirmed that the draft IRMP 2021-24, will enhance that further. Ultimately, this means that over the course of the 2014 – 2024 IRMP period, appliance availability will have increased from 26, to 30 (29+1), to 32 (31+1).

It was highlighted to Members that the proposals are based on risk, taking into consideration national security risks, as well as community risks and how we manage them locally. Members were informed that this identified a number of high impact areas, such as our ability to respond to terrorist incidents, wildfires, marine incidents, flooding, large fires akin to Grenfell; and fires in waste disposal sites. They were informed that such risks have been built into the plan, given the impact that they have on our resources, but also the impact that they have on our communities.

It was also advised that these risks have been built into the 30 fire appliance model, which will enable MFRA to respond to any large, protracted incidents, whilst also being able to continue to respond to life risk across the whole of Merseyside.

Members were informed that other considerations when forming the IRMP, are around demand and vulnerability, which links to the key station methodology captured within the IRMP. Members were advised that this takes account of the fact that we would want to get to vulnerable people, anywhere across Merseyside, but equally, acknowledges that we would want to deploy resources based on demand, recognising that demand follows deprivation.

It was re-iterated to Members that the draft IRMP takes account of risk, demand and vulnerability, in the utilisation and mobilisation of our resources.

The presentation went on to highlight that demand also fluctuates, with the service being twice as busy during the day than at night. As such, it was highlighted to Members that there are more fire appliances available during the day than at night, which also means that the service can be more productive in some of the additional work we undertake as a wholetime FRS, such as the prevention work undertaken by our operational crews.

Members were shown a map of Merseyside, highlighting where the IRMP proposes to allocate resources. Members' attention was drawn to the reference to a Long Lane site, which is within the Aintree area; and an increase in resources around the Kirkdale station area.

Members were informed that the proposals within the IRMP, aim to introduce a hybrid system at Kirkdale; as well as merging Aintree and Croxteth stations, at the Long Lane site, to create a "Super Station". They were advised that the Long Lane site, will be a hybrid specialist rescue station, along with a new training facility, subject to planning approval and public consultation.

Members were also informed of the proposal to combine duty systems at Liverpool City and Kensington, to create a "dual hybrid", incorporating specialist capabilities, a specialist command and control function; and also improving the combined platform ladder (CPL) capability, moving from a 34m ladder, to a 46m ladder.

Further proposals highlighted to Members, were the provision of a "Stinger" type appliance at St. Helens, which has the capability to act as a water tower, as well as the added capability of a lance to punch through tin buildings. Members were advised that this capability would be particularly useful for some sites that we may respond to, as it will enable us to reach spaces that we would ordinarily not be able to reach, without putting firefighters into the risk area. They were informed that this appliance would be staffed on a day crewed, retained basis, meaning it will be more immediately available than previously.

Members were advised that the proposals also seek to create specialist capabilities at a number of stations, which will enhance the skills, competencies and understand of staff based at those locations.

They were informed that Liverpool City would become a specialist Command and Control station; Wallasey - a specialist Marine and Ships firefighting station; St. Helens - a Hazardous materials stations; Long Lane - a specialist Search and Rescue station; Kirkdale – a specialist Terrorist and Flood station; Belle Vale – would host a high volume pump on a wholetime basis, to be deployed both within and outside of Merseyside; and Heswall and Formby fire stations, would have a specialist Wildfire capability with an all-terrain vehicle.

It was confirmed to Members that such distribution of resources, would enable MFRA to manage all foreseeable risk as previously identified, across the whole of Merseyside, as well as enhancing the skills and competencies of staff, which is something they are very keen to engage with.

Further information was then provided to Members around the proposals for a new Training & Development Academy (TDA), which would be a significant commitment from the Authority, but recognising that current arrangements are less fit for purpose now than they were previously. The proposals also recognise the aspiration to provide the best possible training facility for our staff to train against foreseeable risk.

Members were advised that the new TDA, would also improve the secondary fire control room, which is important given our Lead Authority status with the Home Office. They were also informed of dialogue with the Home Office, around potential support with capital funding to support the build of the new facility. However, it was confirmed that despite the outcome of those discussions, a new training facility is part of the plan for 2021-24.

Members were informed that the proposals around the new TDA have been very well received by staff, in some of the initial engagement, recognising the fact that it will be a fantastic facility, as well as providing a new fire station.

It was confirmed to Members that the Long Lane site, is equidistant between the current Aintree and Croxteth stations. They were informed that the current Croxteth site is around 5 acres, whilst the Long Lane site is approximately 12 acres. It was highlighted that this will enable the provision of training that would not normally be possible, for example it will allow for a mock high rise building to be included, which firefighters can use to train around foreseeability, managing the risk, and their safety.

It was also highlighted, that importantly, the new proposed site is based on improved performance. Members were advised that Process Evolution simulation software, has been utilised, which reviews where we were and applies changes we are looking to make. They were advised that this enables us to see where we were going to be in 2020, compared to where we are intending to be for our IRMP 2021-24. Members attention was drawn to a slide, highlighting overall performance and response times. They were informed that the new site is predicted to improve response times by 17 seconds, which is significant in life risk situations.

It was noted that performance has improved each time the IRMP has been refreshed; and that actual performance is quicker still than the times predicted.

Members were also informed that the aerial appliances will be based at Liverpool City, given the high rise risk in the City Centre; and at Southport and Saughall Massie, which will be complementary crewed. They were advised that the intention is to move away from complementary crewing, however that decision is financially driven as it stands.

Members were also informed of the addition of a drone capability over the period of the IRMP, which the Protection Team will run, manage and fly. They were informed that the rationale for the provision of a drone is 2 fold – to assist with firefighting, but also to assist with the auditing of buildings. It was

highlighted that the use of a drone in high rise buildings, would enable access to parts of buildings that wouldn't normally be able to be accessed for Protection audit responsibilities.

With regards to innovation, Members were informed of proposals to create a none-established 32<sup>nd</sup> fire appliance, for a 12-month period, in recognition that when we move to specialist capabilities, there will be a greater requirement on training, in order to ensure staff are at the necessary standard. Therefore, the 32<sup>nd</sup> appliance, will be used to backfill for training. They were also informed that this additional appliance will be used to explore different duty systems, in recognition of the fact that we have new entrants to the service, who may have childcare responsibilities, as well as older firefighters, who may have parental and carer responsibilities. It was highlighted that this appliance will be utilised to see if there is a duty system, which will enable us to do something a bit different around managing our organisational responsibilities around response, whilst also managing the aspirations of our staff.

With regards to the proposals around Protection, Members were advised that the number of Protection staff will be increased by 8, 4 of which are likely to be operational staff. However, it was re-iterated that this will be a temporary arrangement whilst government lobbying continues, in an effort to maintain the additional funding provided to MFRA, following the Grenfell Tower enquiry recommendations, to enhance our risk based inspection programme. Members were advised that a positive response had been received from Government, however the posts cannot be filled on a permanent basis, until continued funding is confirmed. As such, it was confirmed to Members that there will be a temporary increase in Protection staff, to enable us to discharge our responsibilities in relation to our risk based inspection programme and Grenfell Tower enquiry recommendations.

In relation to the Prevention proposals, Members were informed that these are not dissimilar to those previously proposed; and it was confirmed that MFRA have been very effective in driving down fire deaths across Merseyside. However, it was highlighted to Members that there has recently been another fire death, bringing the total for this year to 7. It was also highlighted that all of those fire deaths have occurred during a period of lockdown, which is of concern; and it was noted that MFRA have been unable to be as proactive within its communities, as it would like, due to the Covid restrictions. It was confirmed to Members that the intention is to get back into our communities as soon as possible, continuing to target those aged over 65, whilst also recognising that some of the communities in Merseyside are more deprived than in other parts of the country; and that poverty also plays a part in terms of vulnerability and risk. As such, MFRA will seek to address this by providing intervention in our communities, to protect them in the long term.

With regards to Preparedness, Members were advised that we will be seeking to extend our cross-border training; and extend and build on support provided to NWAS. It was noted that Emergency Medical Response (EMR), was contained within our previous plan; and it was confirmed that this would be carried over to the 2021-24 IRMP. Members were also informed that consideration will be given to the fluctuating demand placed on NWAS, particularly over the course of this

plan, and MFRA will aim to adopt a practice that supports them, enabling us to step when required and step away when demand reduces. They were also advised that a comprehensive training and exercising programme, against all foreseeable risk, will commence.

In addition, Members were advised that dynamic staffing in Fire Control, will also be considered, akin to that adopted at hybrid stations. They were informed that this would provide staff with more flexibility, as well as more opportunities to develop. It was highlighted that within Fire Control at present, progression stops at Watch Manager level, and it would be beneficial for staff within Fire Control to progress further and develop beyond the control room, across the organisation more broadly, given the skills and competencies they hold.

In relation to National Resilience, Members attention was drawn to MFRA's relationship with Home Office and aspiration to create a Centre of Excellence for National Resilience, at the new TDA site. It was highlighted that should this come to fruition, it will enable MFRA to drive training and coordinate more effectively, whilst also enhancing the secondary control room.

It was confirmed to Members that should the recommendations be approved, the proposed IRMP will go out for public consultation, for a period of 12 weeks, with the public being encouraged to fully engage in the process.

Members commented that the proposals contained within the Draft IRMP 2021-24, were very positive and exciting.

Comments were made regarding MFRA's preventative work outside of the Covid pandemic, in supporting NHS colleagues through the promotion of Bowel Cancer screening and flu vaccinations.

A question was raised regarding the percentage of female firefighters. It was commented that whilst it was heartening to see that MFRA were performing well in this regard, they were not doing as well as Gloucestershire FRS, who have 15% of female firefighters, which is well above the national average. It was suggested that contact be made with Gloucestershire, to see how they recruit and if we could learn from their processes.

It was confirmed to Members that this would be undertaken. It was noted that Gloucestershire have a number of retained firefighters, which may have some bearing on the figure, however that being said, there are a raft of FRS's with large numbers of retained firefighters, therefore Gloucestershire must be doing something right. It was also commented that MFRA are better all round for having more female firefighters.

Members also commented on the format and language used within the document, which they applauded for being so easy to read and understand.

A further question was raised around the Long Lane site proposals and the secondary control room being incorporated within that site. It was commented that the Long Lane site will be quite close to the main control room; and that although Members could see the benefits of that in terms of transferring staff over, there could be potential risks in terms of any incident rendering Fire Control unusable, also affecting the Long Lane site.



Members were advised that as things stand at present, the secondary control room is contained within our existing Croxteth TDA site, which would be moved to the Long Lane site in the proposals. It was also commented that the facilities currently being utilised as a secondary control room, is quite limited, which has been highlighted by the pandemic. As such, it was explained to Members that when discussions commence with the Home Office, there is an opportunity to enhance those facilities and create a more bespoke space for our control room to fall back to.

Members were assured that all of those factors in terms of risks and business continuity, would be considered fully; and they were also assured that MFRA do have buddy arrangements with other FRS's, should such issues ever occur.

A further question was raised around the take up of Covid vaccinations; and whether MFRA could potentially assist in this regard.

Members were informed that this could be facilitated. Reference was made to the response provided by MFRA in the Sefton area around surge testing; and how a response had recently been received, thanking MFRA for its contribution and confirming that out of the test kits distributed, 89% had been completed and returned, which was unprecedented. Therefore, it was confirmed that MFRA staff could assist by providing extra support and advice around vaccines.

Members were also informed of planned work with the BAME network, around encouraging take up of vaccinations within BAME communities, acting as positive role models and hopefully easing and addressing people's trepidation.

Members Resolved that:

- a) The draft Integrated Risk Management Plan (IRMP) 2021-24 attached at Appendix 1, be approved subject to a period of 12 weeks' consultation prior to final approval, publication and implementation.
- b) A designed version of the draft IRMP, be published for consultation purposes.

## **5. Asset Management Plans 2021/2026**

Members considered Report CFO/001/21 of the Chief Fire Officer, concerning how the Authority, plans to align its physical asset base with its corporate goals and objectives over the next 5 years (2021/22 – 2025/6).

Members were informed that the Asset Management Plans take account of the financial and environmental challenge faced by the Authority. Along with the changes that are likely to be required in order to continue to meet requirements and expectations of both internal and external service users.

Members were provided with an overview of the report, and it was highlighted that the Asset Management Plans are directly aligned with the IRMP 2021-24, to ensure that the Authority has Estate, ICT and Transport Plans in place, to meet and underpin the IRMP proposals.

The Chair of the Authority commented that a specific challenge for the Authority moving forward, will be around the use of electric vehicles. It was commented that the technology is not quite there at present, but we need to remain alive to the issue.

It was suggested that the Authority may wish to scrutinise its agenda around the green economy and carbon reduction, via its scrutiny functions. It was commented that there are lots of issues to consider, not only around the provision of electric vehicles, but also around infrastructure. As such, it was noted that the new TDA will be built around the provision of electric vehicles.

A further question was raised by Members around a review of the stations at Heswall and Bromborough, as the plans reference the potential to combine the 2 existing sites, at a site “to be determined”. Members asked whether this was proposing to build one station to replace the existing 2; and if so, what the potential timescale would be.

Members were advised that there is no timescale for this at present. It was confirmed that with Authority approval, a refurbishment of Heswall Fire Station has commenced, with Bromborough also due to be refurbished in the near future. Members were advised that some decisions will be financially driven, and as such, the IRMP 2021-24, does not include provision for a new station merger of Bromborough and Heswall. It was noted that whilst Heswall is quite a nice station, in the heart of the community, Bromborough isn't, even with investment. Therefore, consideration will be given in the future as to how the Authority can move away from the current location, whilst still maintaining performance, the number of appliances and the number of firefighters. Members were informed that what will drive any change, is trying to create a location that is fit for our staff, which will meet all of our equality objectives; and which allows staff to train against foreseeable risk.

It was confirmed to Members therefore, that although it may be an aspiration at present, rather than reality, the aspiration is to look at a merger option in the future, that enables us to maintain performance and response standards, whilst improving facilities for our staff.

Members Resolved that:

- a) the revised Asset Management Plans provided as Appendices to this report, be approved.
- b) Scrutiny of the Authority's green agenda, be included within the Forward Work Plan for the Authority's Scrutiny Committee.

**6. MERSEYSIDE FIRE AND RESCUE AUTHORITY BUDGET AND FINANCIAL PLAN 2021/2022 – 2025/2026**

Members considered Report CFO/010/21 of the Director of Finance, concerning the presentation of information in order to allow Members to set a medium term capital and revenue financial plan that allocates resources in line with the Authority's strategic aims and ensures that the Authority delivers an efficient and effective, value for money service aligned to its budget principles. This will enable the Authority to determine a budget for 2021/2022 whilst setting a precept level which is in line with statutory requirements.

At the start of this item, the Chair of the Authority confirmed that during the consideration of this item, he would formally move the Labour Group Budget Resolution, which has been circulated to all Members, in line with the requirements within the Authority's Constitution.

Members were informed that the budget and financial plan report provides all of the necessary financial information for Members to approve a financial strategy that sets a balanced 2021/22 revenue budget based on a 1.99% precept increase.

Members attention was drawn to Section C on pages 254 to 259 of the report, which considers the proposed 5-year capital programme and associated prudential borrowing requirement.

Members were advised that as per the table on the top of page 256, the total capital programme provides for investment of £51.8m of which £27.9m is being funded by prudential borrowing.

They were informed that this includes the current planned spend in the existing 5-year capital programme, plus new schemes totalling £26.2m of which £20.8m relates to the net increase to cover the spend on a new TDA, above that assumed for a refurbishment scheme, and £4.3m of the increase relates to the addition of the new 5<sup>th</sup> year - 2025/26.

Members were advised that Paragraph 62 on pages 256 to 258 provides a summary of the areas of planned capital spend.

They were informed that Section D, pages 260 to 262, considers how the Minimum Revenue Provision, which is the sum that will be set aside each year to repay debt associated with capital expenditure funded through borrowing, will be calculated. They were advised that the recommendation is to adopt a similar strategy to the current MRP determination and use the asset life method for all unsupported borrowing.

It was highlighted that the Authority is required to consider the impact of the proposed capital investment over a number of prudential indicators, and that Section E, pages 263 to 265, provides that information. In addition, Members were informed that a key indicator is that debt is only incurred to meet capital expenditure and therefore net borrowing does not, except in the short term, exceed the total Capital Financing Requirement. It was confirmed to Members that the current and planned borrowing meets this requirement.

Members were advised that the Authority is required to prepare a Treasury Management Strategy, and section F, pages 267 to 276 set out the proposed strategy.

They were informed that the proposed investment strategy is consistent with the current strategy and recommends continuing with the institutional limits and minimum credit ratings outlined on page 270.

They were also advised that the proposed Authorised Limit for gross borrowing of £45m will ensure that total gross debt does not exceed the Capital Financing Requirement and that borrowing is only incurred to cover capital investment.

They were informed that all costs associated with the proposed five capital programme and prudential borrowing have been built into the proposed medium term financial plan and therefore the proposed 5-year Capital Programme and associated funding, as outlined in Appendix B, is deemed to be prudent, sustainable and affordable.

Section G of the report, which considers the current MTFP assumptions and any required changes, was then highlighted to Members.

They were informed that Paragraphs 97 to 112 on pages 278 to 284 outline the revised assumptions, costs, and funding that were considered at the Budget Strategy day in January, and the impact these changes have on the MTFP. They were advised that this includes a pay freeze assumption for 2021/22 in light of the Government's announcement about a public pay freeze in 2021/22, then 2.5% p.a. thereafter.

Members were advised that the table on page 285 summarises the impact of the changes and the proposed new MTFP.

They were informed that the overall impact on the 2021/2022 financial position is to go from a £0.760m deficit in the current MTFP to a balanced or neutral position. They were also advised that the updated MTFP also sees the 2022/2023 position go from a £1.211m deficit to a forecast balanced position.

Due to the level of uncertainty over 2023/2024 and future years' forecasts, particularly around pay and Government Funding, Members were informed that they are asked to simply note any financial challenge in these years at this point in time.

Section H, pages 287 to 291, was then highlighted, which reviews the current General Revenue and Committed Reserves position and their proposed use. Members were advised that the table on page 291, outlines the anticipated reserve drawdown over the MTFP period. Members were advised that the Authority is recommended to maintain a general fund reserve at the current level of £3m which equates to 5% of the net operating expenditure budget and approve the Committed Reserves.

Members attention was then drawn to Section I, pages 292 to 293, which identifies that £30.594m needs to be raised from the Council Tax Precept in 2021/2022 to balance the revenue budget. Members were advised that that

would require an increase in the current Council Tax Band D precept of 1.99% or £1.60 raising the figure from £80.40 to £82.00.

The Chair of the Authority confirmed that a very detailed, technical resolution had been circulated to all Members. He thanked all staff and recognised their valuable contribution to keeping Merseyside safe, during very unusual circumstances.

The Chair of the Authority placed his thanks on record to all Members and officers, for their continued support; and thanked the Director of Finance and his team for all of the budget documentation.

Reference was made to the Budget Strategy Day process, which provides stakeholders with an opportunity to make their views and opinions known, which are taken into account when setting the budget.

The Chair of the Authority expressed his disappointment at the Government for wanting to enforce a blanket freeze on public sector pay, which he did not feel was proportionate. However, it was noted that a pay freeze had been factored into the budget, based on advice from the NJC and the LGA, which avoids the Authority having to make cuts in other areas.

The Chair of the Authority re-iterated the point that fire authorities do not receive a capital grant, like other public services and local authorities do; and are therefore required to put away small amounts of revenue each year, to create a capital fund, in order to refresh the likes of fire stations, and appliances; and now the new TDA site. He commented that MFRA are therefore likely to see criticism from Ministers about the level of reserves, as we increase the capital reserve to fund the new build. He re-iterated that capital can only be spent once; and therefore cannot be used to pay wages.

However, the Chair of the Authority confirmed that the Home Office are a strategic partner, with whom MFRA have a good relationship.

The Chair of the Authority then formally moved the Labour Group Budget Resolution.

The Budget Resolution was seconded by Vice-Chair – Cllr Kenny.

Cllr Kenny commented that he was very happy to second the resolution, which overall he considered to be an excellent budget, despite the difficult circumstances that we are all in.

He commented that Merseyside have more demands placed on its fire service than in other parts of the country, purely due to the high levels of deprivation; and felt that the Government needs to reconsider its continuous cuts; and the Authority needs to increase its lobbying of Government on that point.

He stated that over the past 10 years of austerity, MFRA have suffered massive cuts, compared to other parts of the UK; and during that time, there has been a 50% reduction in real terms, in our Government Grant support. He commented that despite that, MFRA have been able to increase its number of firefighters from 620 to 642, over the past 12 months; and increase the number of appliances available from 26 to 30, which is down to the creative leadership shown by the Chief Fire Officer and staff.

Cllr Kenny echoed the concerns around the imposed pay freeze for staff, which he felt was not the right way to treat staff who put themselves on the frontline, day in day out, to serve our communities.

He commented that he is extremely proud of the work undertaken by all staff, who need to be provided with the necessary support from Government, to enable them to continue to deal with local and national threats.

On behalf of the Liberal Democrat Group, Cllr Makinson also thanked officers and all staff generally, for the way they have served the people of Merseyside over this very difficult year.

He commented that nobody likes to raise council tax, particularly at a time when there is an increasing number of residents facing pay freezes, or indeed have lost their employment. However, guaranteeing the safety of Merseyside, needs to be the Authority's first priority, therefore, on that basis, the Liberal Democrat Group would be supporting the Budget Resolution.

Cllr Makinson also commented that the Authority has actually been dealing with cuts since around 2005 and he was aware that as an Authority, they have been united across political parties, in lobbying Government for a fairer deal for Merseyside, regardless of which party is in Government – something which he hopes will continue.

Cllr Spurrell commented that it has been a difficult time for the fire service and that we are not where we would like to be in terms of funding allocated and the service we would want to provide. However, she commented that staff are doing an incredible job in difficult circumstances. She also commented that she was particularly disappointed with regards to the lack of pay rises for staff, particularly since everyone has acknowledged multiple times, how the fire service and other public services, have stepped up.

Cllr Spurrell also expressed her thanks to the Director of Finance and his team for the opportunity for scrutiny of the budget before today, so that the Authority can assure itself that they are happy with the budget.

She confirmed that on the whole, the Authority has a responsible, balanced budget, that looks very much at where we would want to be in the future, as well as managing the current situation.

Cllr Rennie commented that the budget resolution also has her full support. She commented that the Government may at present be of her colour, but that does not prevent her from criticising them over the years regarding their funding of FRA's. She stated that she will continue to lobby Ministers of whatever colour; and commented that she would be participating in a virtual meeting with the Fire Minister in the coming week, where she would raise all of the issues highlighted. The Chair of the Authority then formally moved the Budget Resolution, which was agreed unanimously.

Members Resolved that:

- a) the 2021/2022 service budget set out in the report, be noted.

- b) The Director of Finance's recommendation on maintaining the current level of general fund balance at £3.000m, and maintaining the reserves as outlined in Paragraph 127 to 136 of this report, be endorsed.
- c) The current plan to increase the precept by just below 2% (1.99%) for 2021/2022, raising the Band D Council Tax from £80.40 to £82.00 and confirm the strategy for future precept rises (the plan assumes further increases of just under 2% in each year thereafter), be endorsed.
- d) The assumptions in developing a five-year financial plan outlined in the report and approve the 2021/2022 budget estimate of £59.250m, be endorsed.
- e) The 2021/2022 – 2025/2026 updated Medium Term Financial Plan (MTFP) outlined in the report and summarised in Appendix C, be approved.
- f) The capital strategy and investment strategy as summarised in Appendix B, be approved.
- g) The Minimum Revenue Provision (MRP) strategy for 2021/2022 as outlined in Paragraph 72 to 75 of this report, be approved.
- h) The prudential indicators relating to the proposed capital programme, outlined in paragraph 83 of this report, be endorsed.
- i) The Treasury Management Strategy outlined in Section F, be approved and the Treasury Management indicators set out in the section for:-
  - o External Debt
  - o Operational Boundary for Debt
  - o Upper limits on fixed interest rate exposure
  - o Upper limits on variable rate exposure
  - o Limits on the maturity structure of debt
  - o Limits on investments for more than 364 days

be agreed.

- j) The recommendations above, be noted as providing an approved framework within which officers undertake the day to day capital and treasury management activities.
- k) The proposed Budget Resolution 2021/2022, be approved as follows:

## **Merseyside Fire and Rescue Authority Budget and Medium Term Financial Plan Resolution 2021/2022 – 2025/2026**

1. Over the last decade Merseyside Fire and Rescue Authority (the Authority) suffered one of the largest cuts in Government funding of any Fire and Rescue Service in the country. Over the period the Authority faced a 50% in real terms reduction in the grant support it receives from Government. Over the same period the Authority's total revenue budget reduced by nearly £13m which represents an 18% cash or 40% real reduction.
2. The Authority has a proven track record in managing its financial affairs well and made the tough choices to balance the budget. The Authority planned prudently to minimise the impact on frontline services and identified significant efficiency savings by reducing management, support services costs and other technical amendments unfortunately the Authority had no choice but to approve an unavoidable reduction in the operational front line. By 2020 the impact of these required cuts meant: -
  - The firefighter establishment was reduced from 1,000 Full Time Equivalent (FTE) to potentially 620 FTEs, 38% lower,
  - Support and technical staff reduced from 425 FTE to 291 FTE, a 32% reduction, (*many of these staff carry out important front line preventative and response work with the Merseyside community*),
  - The number of fire stations reduced from 26 full time stations to 22 on a variety of duty cover systems,
  - The number of appliances available reduced from 42 wholetime fire appliances immediately available and 1 retained (43 appliances in total) to 26.
3. In 2019/2020 the Authority's new Chair and Vice Chair together with a new Principal Officer team undertook a review of the Service with the aim to re-invest £1m back into Operational Response and Protection services. This bold plan was in response to emergent and foreseeable risk from fire and other emergencies, particularly the services ability to respond to large and/or protracted incidents, as well as the need to enhance protection functions in the light of the Grenfell Tower fire and other major incidents. The Authority consulted on the alternative proposals in its supplement to the 2017-2020 IRMP and received support from the public on its proposals.
4. The Chief Fire Officer and Director of Finance identified a strategy to release debt servicing and pension deficit payment budgets to fund a £1m investment back into the Service as part of the 2020/21 budget. This investment resulted in: -
  - an increase in the firefighter numbers on Merseyside by an additional 22 posts, to 642 and,



- an increase in fire engine availability from 26 to 30 (29 plus a Special Rescue Appliance),
  - the establishment of a new fire engineer post to work with partners ensuring the safety of residents in high-rise buildings, and
  - the reintroduction of the roll of Crew Manager.
5. The Authority's draft IRMP for 2021 – 2024 seeks to build on these foundations and now proposes further enhancements to the operational and protection capabilities of the Service. **Increasing the number of fire engines, we can deploy from 29 (plus the Search & Rescue Appliance) to 31 (plus the Search & Rescue Appliance) by expanding our Hybrid duty system, whilst introducing Specialist teams to deal with all foreseeable risk; increasing investment in specialist appliances and other operational equipment. The plan also proposes to build a new £25m Training and Development Academy and Hybrid Station with rescue capability. The proposals will also see a temporary increase staff numbers in the Protection team as they respond to the Grenfell Tower recommendations' and changes in legislation.** This additional resource is being funded through one-off grants from Government and the Authority is seeking the support from Government to make this funding permanent to allow the increase Protection resources to be embedded within the Service.
  6. The Authority was and remains concerned that the reductions in services due to Government funding cuts since 2010/11 have gone too far. The permanent investment it has managed to put into the Service since 2020/21 only delivers some of the additional resources it believes are required. The Authority also calls upon the Government to make the temporary 2020/21 Protection Services grants, that allowed a short term investment in these services, permanent.
  7. The Authority was and remains concerned that the reductions in services due to Government funding cuts since 2010/11 have gone too far. The permanent investment it has managed to put into the Service since 2020/21 only delivers some of the additional resources it believes are required. The Authority also calls upon the Government to make the temporary 2020/21 Protection Services grants, that allowed a short term investment in these services, permanent.
  8. The 2021/2022 Government Funding settlement meant the Authority will receive an increase of only 0.5% on its 2021/2022 settlement. Covid19 has impacted on the Authority's Council Tax Base and Collection Fund position. It was anticipated that the 2021/22 Council Tax Base would increase by 1% but it has actually reduced by 1%. The Council Tax & Business Rates Collection Fund has a forecast deficit of £3.788m rather than the assumed neutral position. The Government has offered some one-off grants towards the impact of Covid19, but it is estimated that the overall net impact in 2021/22 of Covid19 will be £0.259m, and a cumulative net cost of +£4m over the MTFP period. Therefore, while in previous years increases in the Tax Base and small surpluses on the Collection Fund have to some degree

compensated the Authority for lower than inflation Government grant increases, this is not the case in 2021/22.

9. This is our first Post Covid19 budget, it is of necessity transitional and future budgets will need to reflect the impact and changes to society from this time, we will lobby the Government and officials on the implications.
10. In order to minimise the impact of a lower than inflation rise in Government support on the Fire and Rescue Service, the Authority proposes a council tax increase of just under 2%.
11. The effect of the budget on the council tax will be a ***Band D Council Tax of £82.00, which equates to an increase of £1.60 or 3p per week on the 2020/2021 figure.***
12. Most people in Merseyside will pay ***Band A Council Tax of £54.67, which equates to an increase of £1.07 or 2p per week on the 2020/2021 figure.***
13. The Authority recognises that the Fire and Rescue Service is required to resource on the basis of risk not demand. But it also appreciates that Merseyside faces more demands than most other services due to the high levels of deprivation that its communities experience. We urge this Government to reflect on the impact the last 10 plus years of cuts are having on the Fire and Rescue Service and properly review all risks facing the country in the light of emerging risks (for example a heightened terrorist threat or responding to increased flooding events through climate change) and would hope that resources are allocated in a way that allow Merseyside to continue to respond effectively to local and national threats.
14. Future Government funding cuts may force the Authority to make further reductions in frontline services, therefore the Authority will continue to lobby the Government against the level of cuts in funding made since 2010/2011 and highlight the consequences that further cuts will have on the effective delivering of a vital emergency service.
15. The Authority has undertaken a process of lobbying more extensively than any other Authority in the Country and we believe this may have avoided further and deeper cuts and our views on future funding have been heard at the highest levels of Government. The Authority has said it will not allow these unsafe levels of cuts to just roll over us, but we will use every political device we can to improve funding so as to maintain the highest levels of public and staff safety here on Merseyside. Our position as a service delivery lead partner with the Home Office (HO), puts us as a super authority, we will develop this relationship as positively as possible.

### **The Financial Plan**

16. In order to balance the financial plan the Authority will adopt the following strategy

- Prepare a five-year financial plan based on the final Local Government Finance Settlement figures announced on 4<sup>th</sup> February 2021, that;
  - i. deals with the financial challenge arising from the known Government funding support up to 2021/2022, and
  - ii. although the financial plan has projected Authority spend and Government funding up to 2025/2026, the 2022/2023 and future years' estimates are based on assumptions that are unpredictable as future Government funding for the Fire and Rescue Service is subject to a number of Government reviews and the national economic performance. Therefore, the Authority has agreed to note any financial challenge from 2022/2023 at this point and will deal with any financial issues in future budget rounds.
- To set council tax increases in line with its financial plan of just under 2% for 2021/2022 and just under 2% thereafter.
- That assumes the 2021/22 annual pay review will reflect the Government's public sector pay freeze direction for all of its staff, and thereafter increases for from 2022/2023 will be within the 2.5% limit set in the plan.
- The Authority will continue if possible to identify additional efficiencies to re-invest in the front line.
- The MTFP includes the proposal to build a new Training and Development Academy for £25m, and reflects the Service proposals included in the draft 2021 – 2024 IRMP.
- The Authority will continue to focus its search for efficiencies on collaboration, management, support services costs and other technical reviews.

17. Noting that there is risk in the Authority's current plan, in particular around the assumptions over future pay increases and Government funding.

18. The Authority recognises that the Chief Fire Officer needs to consider any recommendations on future national fire and rescue practices that come out of the Grenfell review and ongoing local challenges. It therefore recognises that the Chief Fire Officer will need to continue to manage operational crewing levels and appliance availability on a dynamic basis, using a variety of response systems where necessary under his delegated powers as the financial plan proceeds to delivery.

19. The Authority is fully committed to reducing its own costs as the organisation faces up to the Government cuts and what that means for local services. The Authority had already made reductions in its allowances of £24,000 and the Authority will again freeze all member allowances for the thirteenth consecutive year.

## **IRMP**

20. The proposed 2021/2022 – 2025/2026 takes into account the proposals in the draft 2021 – 2024 Integrated Risk Management Plan (IRMP). The local community and stakeholders will be consulted with on the IRMP during 2021/2022. The IRMP may need to consider at the relevant time the consequences of future Government funding settlements, if applicable.

### **Council Tax**

21. The Authority had already assumed a council tax increase at the maximum level allowed by the Government before a referendum was required. The Government has confirmed that the threshold for 2021/2022 is an increase of just under 2%.

22. Because of the scale of the financial challenge the Authority has agreed, with a heavy heart, to stick to this plan and increase council tax to the maximum allowed before a referendum is required. In 2021/2022 the Authority has approved an increase of just below 2% to minimise the impact on the services to Merseyside in the future.

23. The impact of the budget on the council tax will be a Band D Council Tax of £82.00 (which equates to an increase of 3p per week on the 2020/2021 figure).

24. Most people in Merseyside will pay Band A Council Tax of £54.67, an increase 2p per week on the 2020/2021 figure.

### **Interoperability with Blue Light Partners**

25. This Authority is fully committed to closer collaboration with our emergency service colleagues across the county. Many collaborative successes have been achieved so far including: -

- (i) The delivery of the Joint Command and Control Centre with Merseyside Police,
- (ii) Sharing 7 sites with North West Ambulance Service (NWAS) including NWAS Hazardous Area Response Team working alongside the Search and Rescue Team,
- (iii) The creation of a Joint Police and Fire Station in Knowsley,
- (iv) Extensive joint planning and exercising,
- (v) Support to Health partners throughout the period of the pandemic.

26. The Authority instructs the Chief Fire Officer to continue to build upon this success and in particular to actively seek out opportunities of working with NWAS and Merseyside Police around sharing buildings, and other assets, demand management and corporate service functions.

### **Working with other Partners**

27. The Authority will continue to work in partnership with each District Council in order to explore opportunities in which will mutually benefit each Authority in dealing with these and future financial challenges.
28. The Authority will examine the impacts of the devolution agenda and how best we can understand and develop constructive dialogue with the Liverpool City Region Combined Authority.

### **Reserves**

29. The Authority has prudently planned to meet its financial challenges over the medium term. The plan the Authority proposes is based upon the key assumptions around changes to grant, pay, tax and pension costs.
30. The Authority recognises that there are substantial risks associated with these assumptions and that, particularly in light of the current economic climate; it is not unreasonable to expect a significant degree of financial uncertainty and risk which will vary across the life of the financial plan. The Authority will therefore set a medium term financial plan based upon these key assumptions recognising that it may need to vary that plan to cope with changes arising. To mitigate some of these risks specific reserves have been established such as Inflation (*pay award risk*) and Smoothing (*McCloud compensation payments / future Government funding levels*) reserves.
31. The Authority seeks to provide its firefighters and other staff with the right equipment, PPE, response vehicles, and training facilities to enable them to fulfil their role safely and at the best standard possible. As the Government does not make any capital funding available, the Authority has a strategy of building up the Capital Reserve to fund a significant proportion of this investment to maintain borrowing at an affordable and sustainable level. The proposed Budget and Financial Plan include the option to build a new Training & Development Academy at a cost of £25m, of which £15.5m will be funded from the Capital Reserve.
32. The Authority established a £2m recruitment reserve to fund the recruitment of new firefighters in advance of the expected firefighter retirements, as it expects significant numbers of the current workforce to retire over the next 5 or so years. This will ensure the Chief Fire Officer has sufficient competent firefighters. The Authority believes that a wholetime (with retained) professionally trained workforce is the most resilient and effective way of delivering a Fire and Rescue Service to its communities and is fully committed to maintaining this approach.
33. In light of the risks within the financial plan the Authority therefore agrees to maintain the reserves as set out in Appendix B to this resolution and maintain a general revenue reserve of £3.0m.

### **Capital Programme**

34. The Authority approves the Capital Programme as set out in CFO/010/21 which includes a total investment of over £51.831m over 2021/2022 –

2025/2026 period. The programme for 2021/2022 shall be approved as £14.913m.

35. The Authority notes the prudential indicators that this programme produces and recognises that the proposed capital investment programme is prudent, sustainable and the borrowing affordable. This programme makes use of the freedoms available to the Authority under the prudential regime and proposes 'prudential' borrowing of £8.157m in 2021/2022 as part of a total borrowing of £27.885m across the life of the plan.
36. In the light of the capital programme and the prudential indicators, agree the Treasury Management Strategy and the indicators set out in that strategy for: -
- (i) External Debt
  - (ii) Operational Boundary for Debt
  - (iii) Upper limits on fixed interest rate exposure
  - (iv) Upper limits on variable rate exposure
  - (v) Limits on the maturity structure of debt
  - (vi) Limits on investments for more than 364 days

### **Basic calculations**

37. Following consideration of the report of the Director of Finance (CFO/010/21) and having taken into account views expressed in consultations, and all other relevant matters, pursuant to the Local Government Finance Act 1992, as amended, (the "Act"), the Authority determines its budget requirement for the financial year 2021/2022 as follows.

38. Approves the capital expenditure programme for the financial year 2021/2022 for the total of £14.913m as set out in report CFO/010/21 and the five-year programme totalling investment of £51.831m, and in this respect notes the advice of the Director of Finance that the programme is prudent, sustainable and the borrowing affordable.

39. The Authority resolves as follows:

- (a) It be noted that on 25th February 2021, the Authority calculated the Council Tax Base 2021/2022 for the whole Authority area as 373,099.34 [Item T in the formula in Section 42B of the Local Government Finance Act 1992, as amended (the "Act")].
- (b) That the following amounts be calculated for the year 2021/2022 in accordance with sections 40 to 47 of the Act:

The Authority calculates the aggregate of: (A)

- the expenditure which it estimates it will incur in the financial year 2021/2022 in performing its functions and will charge to the revenue account for the year in accordance with proper practices under S42A (2) (a) of the Act as £85.744m,

- the allowance as the Authority estimates will be appropriate for contingencies in relation to amounts to be charged or credited to the revenue account for the year 2021/2022 in accordance with proper practices under S42A (2) (b) of the Act as £0.000m,
- the financial reserves which the Authority estimates it will be appropriate to raise in the year for meeting its estimated future expenditure for 2021/2022 under S42A (2) (c) of the Act as £3.124m,
- the financial reserves as are sufficient to meet so much of the amount estimated by the Authority to be a revenue account deficit for any earlier financial year as has not been already provided for under S42A (2) (d) of the Act as £0.000m.

The Authority must also calculate the aggregate of: (B)

- the income which it estimates will accrue to it in the year 2021/2022 and which it will credit to a revenue account for the year in accordance with proper practices, other than income which it estimates will accrue to it in respect of any precept issued by it under S42A (3) (a) of the Act as £58.274m,
- The amount of the financial reserves which the Authority estimates that it will use in order to provide for the items mentioned in S42 (2) (a and b) under S42A (3) (a) of the Act as £7.600m.

If the aggregate calculated under A above exceeds that calculated under B above, the Authority must calculate the amount equal to the difference; and the amount so calculated is to be its council tax requirement for the year under S42A (4) (Item R in the formula in S42B of the Act).

The Authority calculates the basic amount of its council tax by dividing the aggregate amount of S42A (4) (item R) divided by the council tax base (item T) above. The council tax requirement for 2021/2022 is £30,594,145 and the council tax base is 373,099.34, which is equal to £82.00 precept for a Band D property. This calculation meets the requirements under S42B of the Act.

40. The Authority calculates the council tax sums pursuant to S47 of the Act as follows:

2021/22	Property Band		Increase	
			£	%
£				
£54.67	For properties in Band	A	1.07	2.00
£63.78	For properties in Band	B	1.25	2.00
£72.89	For properties in Band	C	1.42	1.99
<b>£82.00</b>	<b>For properties in Band</b>	<b>D</b>	<b>1.60</b>	<b>1.99</b>
£100.22	For properties in Band	E	1.95	1.98
£118.44	For properties in Band	F	2.31	1.99
£136.67	For properties in Band	G	2.67	1.99
£164.00	For properties in Band	H	3.20	1.99

41. The Authority calculates the precept amounts payable by each constituent district council pursuant to S48 of the Act as follows:-

PRECEPT		AUTHORITY
£		
8,771,428	Payable by	LIVERPOOL
7,724,285	Payable by	WIRRAL
4,270,560	Payable by	ST.HELENS
6,783,212	Payable by	SEFTON
3,044,660	Payable by	KNOWSLEY
30,594,145		

42. The Authority requests the Director of Finance to arrange for precepts to be issued to the constituent district councils pursuant to S40 of the Act before 1<sup>st</sup> March 2021, such sums to be payable by 10 equal instalments on or before the following dates:

Wednesday	21st April 2021
Friday	28th May 2021
Tuesday	6th July 2021
Wednesday	11th August 2021
Friday	17th September 2021
Monday	25th October 2021
Tuesday	30th November 2021
Monday	10th January 2022
Tuesday	15th February 2022
Thursday	17th March 2022

43. The Authority notes that the Director of Finance has advised that the 2021/2022 budget is based upon robust estimates.



## Appendix A – 2021/2022 Budget & Financial Plan to 2025/2026

<b>2021/22 - 2025/26 MTFP</b>					
	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>2020/21 MTFP NET SPEND</b>	<b>63,600</b>	<b>65,303</b>	<b>66,743</b>	<b>68,183</b>	<b>68,183</b>
<b>2021/22 MTFP Issues to build in future MTFP:-</b>					
<b>Expenditure / Grant / New Savings</b>					
2025/26 Inflation provision					1,440
McCloud remedy proposal - employer rates 3% increase	0	0	0	1,020	1,020
New TDA Build at £25m, with net additional new borrowing of £3m			500	500	500
Technical Savings identified in Qtr 2 2020/21 Financial Review report	-541	-541	-541	-541	-541
LGPS historical refund	-163	-169			
Increase in small business rates relief grant pre 2021/22	-149	-149	-149	-149	-149
Amend 2021/22 2.5% Annual Pay to 0% in light of Public Sector Pay Freeze	-960	-1,185	-1,185	-1,185	-1,185
Provision for £250 annual pay increase for staff earning less than £24k p.a.	26	26	26	26	26
Revenue Growth - 999EYE & Dynamic Cover / Response Tool		35	35	35	35
Impact of reducing MRP payment to Minimum Statutory Level	-2,200				
Drone	36	21	21	21	21
Building Access Audit	25				
Protection - temporary Grey / Green book posts funded by grant	400				
Protection - temporary Grey / Green 2020/21 grant c/fwd	-400				
Gov Grant to Offset loss of Tax Base in 2021/22	-955				
s31 Compensation Grant for 2021/22 Business Rates Freeze	-101	-101	-101	-101	-101
Use of Collection Fund Reserve to cover net Collection Fund Deficit;					
Expanded Retail Relief (funded from 2020/21 s31 grant)	-2,242				
NNDR "spread"2020/21 deficit (75% grant expected 2020/21 = £222.6k)	-74	-74	-74		
Adjust for s31 Grant to cover cost of Council Tax Collection Fund deficit	-37	-37	-37		
Use of uncommitted COVID Grant (£0.3m)& part of Smoothing Res (£0.5m) to increase Coll Fund Res and apply to cover deficit	-50	-402	-348		
Contribution to TDA Reserve	3,035				
	<b>59,250</b>	<b>62,727</b>	<b>64,890</b>	<b>67,809</b>	<b>69,249</b>
<b>FORECAST FUNDING IN CURRENT MTFP</b>					
<b>Government Funding-Settlement Funding Assessment:</b>					
Top Up Grant	-15,840				
CLG Estimate of Local Business Rate Share	-4,296				
Baseline Funding Level	-20,136				
RSG	-11,241				
Settlement Funding Assessment	<b>-31,377</b>	<b>-31,377</b>	<b>-31,691</b>	<b>-32,008</b>	<b>-32,328</b>
2022/23 onwards Future SFA +1% p.a.		-314	-317	-320	-323
Assumed Government Funding-Settlement Funding Assessment	<b>-31,377</b>	<b>-31,691</b>	<b>-32,008</b>	<b>-32,328</b>	<b>-32,651</b>
<b>Adjustment for Business Rates based on NNDR1 District Forecasts</b>					
Adjustment for Local Business Rate income forecast from Districts	-115	0	0	0	0
NNDR Collection Fund (surplus)/deficit	2,360	99	99	0	0
Adjustment to Local Business Rates income forecast	<b>2,245</b>	<b>99</b>	<b>99</b>	<b>0</b>	<b>0</b>
<b>Council Tax -</b>					
Base Precept Income	-30,303	-30,594	-31,512	-32,457	-33,431
Reduction in Council Tax Base of -1.0% in 2022/23	306				
Assume increase in Council Tax Base of 1.0% p.a. from 2022/23		-306	-315	-325	-334
Precept Increase of just under 2% from 2021/22 and thereafter	-597	-612	-630	-649	-669
Council Tax Collection Fund (surplus)/deficit	476	377	377	0	0
Forecast Council Tax Income	<b>-30,118</b>	<b>-31,135</b>	<b>-32,080</b>	<b>-33,431</b>	<b>-34,434</b>
<b>TOTAL FUNDING</b>	<b>-59,250</b>	<b>-62,727</b>	<b>-63,989</b>	<b>-65,759</b>	<b>-67,085</b>
<b>Forecast (Surplus) / Deficit</b>	<b>0</b>	<b>0</b>	<b>901</b>	<b>2,050</b>	<b>2,164</b>

## Appendix B- Reserves

	Estimated 2021/22 Opening Balance	Estimated 2021/22		Estimated 2022/23 Expected Use	Estimated 2023/24 Expected Use	Estimated 2024/25 Expected Use	Estimated 2025/26 Expected Use	Estimated Future Years Expected Use
		Base Budget	During 2021/2022					
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b><u>Committed Reserves</u></b>								
<b><u>Emergency Related Reserves</u></b>								
Bellwin / Emergency Planning Reserve	222	0	0	0	0	0	0	222
Insurance Reserve	499	0	0	0	0	0	0	499
<b><u>Modernisation Challenge</u></b>								
Smoothing Reserve	1,555	0	-555	0	0	0	0	1,000
Recruitment Reserve	2,000	0	-400	-400	-400	-400	-400	0
Invest to Save / Collaboration Reserve	326	0	-326	0	0	0	0	0
Collection Fund	3,730	-2,758	0	-513	-459	0	0	0
<b><u>Capital Investment Reserve</u></b>	15,217	-5,000	690	-10,907	0	0	0	0
<b><u>PFI Annuity Reserve</u></b>	1,866	-91	0	-100	-120	-140	-160	1,255
<b><u>Specific Projects</u></b>								
Community Sponsorship Reserve	33	0	-33	0	0	0	0	0
Equipment Reserve	91	0	-91	0	0	0	0	0
Community Engagement Reserve	7	0	-7	0	0	0	0	0
Training Reserve	150	0	-50	-100	0	0	0	0
Health and Wellbeing Reserve	20	0	-20	0	0	0	0	0
Inflation Reserve	500	0	0	0	0	0	0	500
Clothing Reserve	328	0	-128	-200	0	0	0	0
<b><u>Ringfenced Reserves</u></b>								
Princes Trust Reserve	106	-106	0	0	0	0	0	0
Community Risk Management Reserve	308	0	-108	-200	0	0	0	0
Energy Reserve	97	89	-50	-50	-40	-46	0	0
New Dimensions Reserve	116	0	-116	0	0	0	0	0
<b>Total Committed Reserves</b>	<b>27,171</b>	<b>-7,866</b>	<b>-1,194</b>	<b>-12,470</b>	<b>-1,019</b>	<b>-586</b>	<b>-560</b>	<b>3,476</b>
<b>General Revenue Reserve</b>	<b>3,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,000</b>
<b>Total Reserves</b>	<b>30,171</b>	<b>-7,866</b>	<b>-1,194</b>	<b>-12,470</b>	<b>-1,019</b>	<b>-586</b>	<b>-560</b>	<b>6,476</b>

### **7. Summary of the 2020 Staff Engagement Survey Results**

Members considered Report CFO/004/21 of the Chief Fire Officer, concerning the results of the MFRA staff engagement survey 2020.

Members were informed that the outcomes of the staff survey were presented back to the whole organisation, with People insight presenting to over 100 individuals, including some Members of the Authority.

Members were informed that the full set of reports can be accessed via the link contained within the covering report.

Members attention was drawn to page 325, which captures the whole journey that MFRA has been on since its first Staff Engagement Survey in 2014, which has seen it move to significant advantage. They were advised that this highlights how staff are now highly engaged in what the Authority is seeking to do, its purpose, its mission; and what it is seeking to deliver for its communities.

Members were advised that officers are thrilled by the progress that has been made. They were informed that the progress is down to a number of factors, including improved engagement and communication; and the role of the Authority in extending its engagement with staff, which staff have embraced.

Members were informed that from an organisational perspective, there has been a shift away from a “burning platform”, to a “burning ambition”, with our “burning ambition” being to be the best FRS in the UK, if not beyond. As such, Members were informed that we have started to look up and aspire to deliver that for our communities.

Members were also informed that the skill is to not only communicate effectively, but most importantly, to listen. They were informed that the key is to listen to staff and genuinely hear what their views are and how they express them; and then to act upon what we hear.

It was confirmed to Members that the Authority have made huge gains around levels of staff engagement across MFRA, which Members will have seen for themselves first-hand, in their conversations with staff at various engagement sessions.

Members were advised that the outcomes within the report, are down to the hard work and tenacity of lots of people across the whole organisation, at every level; and that we are now reaping the benefit of that work.

It was highlighted to Members that a move from significant disadvantage, to significant advantage, is incredibly beneficial to our communities, as it means our operational staff, prevention teams, protection staff; and staff across all other areas, are going above and beyond, which has been crystallised more latterly in how we have responded during the pandemic.

The Chair of the Authority expressed his thanks to everyone; and commented that the Authority are getting a good picture of the views and morale within the service, through their continued virtual engagement sessions.

Members Resolved that:

The content of the report, be noted.

Close

Date of next meeting Thursday, 20<sup>th</sup> May 2021