

Public Document Pack

LANCASHIRE COMBINED FIRE AUTHORITY

Monday, 21 February 2022 in Washington Hall, Service Training Centre, Euxton commencing at 10.00 am

Car parking is available on the Main Drill ground.

If you have any queries regarding the agenda papers or require any further information please initially contact Diane Brooks on Telephone Number Preston 01772 866720 and she will be pleased to assist.

Rooms have been made available for Political Group meetings from 0900 hours onwards.

Conservative Group - Lecture Hall 5

Labour Group – Lecture Hall 6

If any member of the press and public wish to raise a question for the Chairman, please do so no later than 3 working days in advance of the meeting by email to:

dianebrooks@lancsfireescue.org.uk.

AGENDA

PART 1 (open to press and public)

Chairman's Announcement - Openness of Local Government Bodies Regulations 2014

This meeting will be held in line with any Covid-19 restrictions and Combined Fire Authority Members will attend in person. Members of the press and public can attend in person (subject to national Covid-19 restrictions) or view the meeting via a live webcast on YouTube.

Any persons present at the meeting may photograph, film or record the proceedings during the public part of the agenda. Any member of the press and public who objects to being photographed, filmed, or recorded should let it be known to the Chairman who will then instruct that those persons are not photographed, filmed or recorded.

1. CHAIRMAN'S WELCOME AND INTRODUCTION

Standing item.

2. APOLOGIES FOR ABSENCE

3. DISCLOSURE OF PECUNIARY AND NON-PECUNIARY INTERESTS

Members are asked to consider any pecuniary and non-pecuniary interests they may have to disclose to the meeting in relation to matters under consideration on the Agenda.

4. MINUTES OF PREVIOUS MEETING (Pages 1 - 10)

5. MINUTES OF MEETING WEDNESDAY, 15 DECEMBER 2021 OF PERFORMANCE COMMITTEE (Pages 11 - 36)

6. MINUTES OF MEETING MONDAY, 7 FEBRUARY 2022 OF PLANNING COMMITTEE (Pages 37 - 48)
7. EXECUTIVE BOARD SUCCESSION ARRANGEMENTS
(Verbal report)
8. RECRUITMENT OF INDEPENDENT PERSON
(Verbal report)
9. PAY POLICY STATEMENT 2022/23 (Pages 49 - 56)
10. HER MAJESTY'S INSPECTORATE OF CONSTABULARY AND FIRE AND RESCUE SERVICES (HMICFRS) UPDATE (Pages 57 - 64)
11. TREASURY MANAGEMENT STRATEGY 2022/23 (Pages 65 - 80)
12. RESERVES AND BALANCES POLICY 2022/23 (Pages 81 - 96)
13. CAPITAL STRATEGY AND BUDGET 2022/23 - 2026/27 (Pages 97 - 112)
14. REVENUE BUDGET 2022/23 - 2026/27 - (INCORPORATING MEDIUM TERM FINANCIAL STRATEGY) (Pages 113 - 140)
15. COMMUNITY RISK MANAGEMENT PLAN 2022 - 2027 (Pages 141 - 188)
16. MEMBER CHAMPION ACTIVITY REPORT (Pages 189 - 192)
17. FIRE PROTECTION REPORTS (Pages 193 - 198)
18. OPERATIONAL INCIDENTS OF INTEREST (Pages 199 - 204)
19. MEMBER COMPLAINTS

Standing item.
20. DATE OF NEXT MEETING

The next meeting of the Authority will be held on Monday 25 April 2022 at 10:00 hours in Washington Hall, Service Training Centre, Euxton.
21. URGENT BUSINESS

An item of business may only be considered under this heading where, by reason of special circumstances to be recorded in the Minutes, the Chairman of the meeting is of the opinion that the item should be considered as a matter of urgency. Wherever possible, the Clerk should be given advance warning of any Member's intention to raise a matter under this heading.

22. EXCLUSION OF PRESS AND PUBLIC

The Authority is asked to consider whether, under Section 100A(4) of the Local Government Act 1972, they consider that the public should be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraph of Part 1 of Schedule 12A to the Local Government Act 1972, indicated under the heading to the item.

PART 2

23. PENSIONABILITY OF ALLOWANCES (Pages 205 - 210)

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Agenda Item 4

LANCASHIRE COMBINED FIRE AUTHORITY

Monday, 13 December 2021 at 10.00 am in Washington Hall, Service Training Centre, Euxton

MINUTES

PRESENT:

D O'Toole (Chairman)

Councillors

J Shedwick (Vice-Chair)

L Beavers

P Britcliffe

S Clarke

M Dad

N Hennessy

D Howarth

J Hugo

K Iddon

F Jackson

A Kay

H Khan

Z Khan

J Mein

G Mirfin

S Morris

M Pattison

J Rigby

P Rigby

S Serridge

J Singleton

D Smith

R Woollam

37-20/21 CHAIRMAN'S WELCOME AND INTRODUCTION

The Chairman was pleased to announce that Lancashire Fire and Rescue Service had won the prestigious Emergency Service of the Year at the Excellence in Fire and Emergency Awards 2021. On behalf of the Authority the Chairman took the opportunity to acknowledge and praise the dedication of all staff.

The Chairman also reported that Assistant Chief Fire Officer, Ben Norman would be leaving the Service in the New Year to join Greater Manchester Fire and Rescue Service as Deputy Chief Fire Officer. On behalf of the Authority, the Chairman thanked Ben for his hard work and wished him well for the future in his new role.

38-20/21 APOLOGIES FOR ABSENCE

Apologies were received from Councillor Tony Williams.

39-20/21 DISCLOSURE OF PECUNIARY AND NON-PECUNIARY INTERESTS

None received.

40-20/21 MINUTES OF PREVIOUS MEETING

RESOLVED: - That the Minutes of the CFA held on 13 September 2021 be confirmed and signed by the Chairman.

41-20/21 MINUTES OF MEETING WEDNESDAY, 15 SEPTEMBER 2021 OF PERFORMANCE COMMITTEE

RESOLVED: - That the proceedings of the Performance Committee held on 15 September 2021 be noted and endorsed.

42-20/21 MINUTES OF MEETING TUESDAY, 28 SEPTEMBER 2021 OF AUDIT COMMITTEE

RESOLVED: - That the proceedings of the Audit Committee held on 28 September 2021 be noted and endorsed.

43-20/21 MINUTES OF MEETING WEDNESDAY, 29 SEPTEMBER 2021 OF RESOURCES COMMITTEE

In response to a question raised by County Councillor Mirfin regarding the Authority working with local service providers to purchase services from them to the benefit of the local economy (as referred to on page 40 of the agenda pack) the Director of Corporate Services advised that procurement rules were followed and where available to do so, goods and services were purchased locally.

County Councillor Mirfin drew Members' attention to his comments on page 51 of the agenda pack regarding recruitment and the age profile of people recruited. He advised that he had attended the launch of Lancashire Crime Plan the previous week and commented that individuals raised questions to the Police and Crime Commissioner and the Chief Constable about opportunities for recruitment of armed services personnel. He also queried whether there were any lessons to learn from the constabulary and suggested it could be worth inviting the armed services recruitment team to discuss how we may benefit from their widening pool of resources. In response, the Chairman advised that ex-services personnel had been recruited in the past and when there were vacancies, the process was open for anyone to apply.

In response to a question raised by County Councillor Hennessy regarding Member scrutiny of the bullying and harassment policy (referred to on page 50 of the agenda pack), the Director of People and Development confirmed that staff numbers were low and these were referred to in the Equality, Diversity and Inclusion report which was presented to the Authority.

RESOLVED: - That the proceedings of the Resources Committee held on 29 September 2021 be noted and endorsed.

44-20/21 MINUTES OF MEETING MONDAY, 18 OCTOBER 2021 OF STRATEGY GROUP

Following a request from Councillor Hugo, it was agreed that future notes include a summary of the themes where Members had queried or commented on the topics presented.

RESOLVED: - That the proceedings of the Strategy Group meeting held on 18 October 2021 be noted and endorsed.

45-20/21 MINUTES OF MEETING THURSDAY, 4 NOVEMBER 2021 OF MEMBER TRAINING & DEVELOPMENT WORKING GROUP

It was noted that a number of Members found the visit to North West Fire Control to be worthwhile, interesting and useful. The Chairman recommended Members attend the visit arranged next year to Safety Central at Cheshire Fire and Rescue Service.

RESOLVED: - That the proceedings of the Member Training and Development Working Group held on 4 November 2021 be noted and endorsed.

46-20/21 MINUTES OF MEETING MONDAY, 15 NOVEMBER 2021 OF PLANNING COMMITTEE

County Councillor Mirfin drew Members' attention to page 72 of the agenda pack where reference was made to expanding apprenticeship opportunities which he thought to be important post covid.

County Councillor Hennessy referred to the Planning Committee recommendations on page 75 of the agenda pack and queried the process going forward. The Deputy Chief Fire Officer advised that the adoption of a false alarm reduction and emergency call management policy brought Lancashire into line with other Fire and Rescue Services in North West Fire Control and nationally. He confirmed the Service would still respond to automatic fire alarms should there be a need and that some premises types (educational and heritage) would be exempt. Members considered the recommendations from the Committee which included a three-month implementation phase, in order to engage stakeholders with the launch of the new policy from 1 April 2022. The Deputy Chief Fire Officer advised that changes would be implemented by day in year 1 and during the night from year 2 with a review to Planning Committee after the first 12 months.

RESOLVED: - That the proceedings of the Planning Committee held on 15 November 2021 be noted and endorsed including the recommendations in relation to the Automatic Fire Alarm Attendance Policy.

47-20/21 MINUTES OF MEETING TUESDAY, 30 NOVEMBER 2021 OF AUDIT COMMITTEE

RESOLVED: - That the proceedings of the Audit Committee held on 30 November 2021 be noted and endorsed.

48-20/21 MINUTES OF MEETING WEDNESDAY, 1 DECEMBER 2021 OF RESOURCES COMMITTEE

RESOLVED: - That the proceedings of the Resources Committee held on 1 December 2021 be noted and endorsed.

49-20/21 REPORTS FROM MEMBERS ON OUTSIDE BODIES

The Clerk presented a report received on behalf of County Councillor Hennessy which detailed key points raised at Local Government Association (LGA)

meetings of the Fire Service Management Committee attended on behalf of the Authority.

RESOLVED: - That the report be noted.

50-20/21 MEMBER CHAMPION ACTIVITY REPORT

The concept of Member Champions was introduced in December 2007. A review of the areas of focus for Member Champions was considered at the Authority meeting held in June 2017 where new areas of responsibility were agreed. The current Member Champions and their areas of responsibility were:

- Community Safety – Councillor Jean Rigby
- Equality, Diversity and Inclusion – Councillor Zamir Khan;
- Health and Wellbeing – County Councillor Andrea Kay;
- Road Safety – County Councillor Ron Woollam.

Reports relating to the activity of the Member Champions were provided on a regular basis to the Authority. This report related to activity for the period June – August 2021. During this period all had undertaken their respective role in accordance with the defined terms of reference.

County Councillor Kay, Health and Wellbeing Champion added that wellbeing dogs were being introduced to support staff to assist communication. They made it easy to show affection and empathy, helped create a compassionate environment and to reduce stress, blood pressure, heart rate and anxiety.

In addition, Councillor Kay advised that she had spoken with Lancashire Youth Council and 2 schools regarding climate change to ask the views of young people on whether any services could be changed and a report was awaited.

County Councillor Mirfin referred to the road safety education evaluation on page 17 of the agenda pack as another aspect of the work of the Fire Service. He advised that at the launch of the Lancashire Crime Plan the Police and Crime Commissioner confirmed additional investment in speed and CCTV cameras. Councillor Mirfin encouraged the Service to use its knowledge about road traffic collisions to work in partnership to help identify which stretches of road required the greatest attention for speed reduction / traffic calming measures. In response, the Assistant Chief Fire Officer advised that the Service was a long-standing member of the Lancashire Road Safety Partnership with one of its Area Managers being the national fire chiefs lead for road safety who also chaired the practitioners' group, which considered the detail of the delivery of the road safety partnership and Councillor Jackson from Blackpool was a recent attendee. The governance was therefore not necessarily directly from the Fire Authority but included political membership from the unitarities and County Council to scrutinise proposals by the analyst which were data led. County Councillor Howarth commented that the data collected was not necessarily making roads safer it was tackling incidents of fatality or serious injury. It was noted that this was within the jurisdiction of the police. County Councillor Mirfin considered that the data should be disaggregated to help formulate policy going forward. He agreed that typically, data was recorded only when there was a very serious accident and there was a need therefore to collect a much wider variety of data and use it much more

intuitively, particularly to effect changes to improve road safety.

In response to a question raised by County Councillor Howarth, the Assistant Chief Fire Officer confirmed that Biker Down was open to all members of the public to put themselves forward to attend the course.

County Councillor Mein queried whether the two road safety education programmes being delivered to school children could be rolled out quicker. In response, the Assistant Chief Fire Officer advised that the Service invited all primary and secondary schools in the county to access the education programmes, this was not part of the national curriculum. Those schools who wished to access the training could choose for the programme to be delivered digitally or face to face. Of those responding, 80% had asked for face-to-face delivery but unfortunately this had been paused until pandemic arrangements changed. Members offered their support as required to engage with schools in their districts.

RESOLVED: - That the Authority noted the report and acknowledged the work of the respective Champions.

51-20/21 ANNUAL STATEMENT OF ASSURANCE 2020-2021

The Chief Fire Officer presented the report. The Fire and Rescue National Framework for England (2018) set out the Government's high-level expectations, priorities and objectives for Fire and Rescue Authorities (FRA's) in England. Included within the framework was the requirement that all FRA's must provide assurance on financial, governance and operational matters.

The Statement of Assurance was considered by Members. It aimed to provide the required accountability and transparency to Lancashire communities and the Government that Lancashire Fire and Rescue Service continued to deliver efficient, effective value for money services.

This statement sat alongside the Community/Integrated Risk Management Plan (C/IRMP), Statement of Accounts, the Annual Governance Statement, the Annual Service Plan and Annual Progress Report. It detailed what measures were in place to assure that the Combined Fire Authority's performance was efficient, economic, and effective and provided further evidence that LFRS continued to deliver under the expectations detailed within both the National Framework and its own Risk Management Plan.

RESOLVED: - That the Authority approved the Annual Statement of Assurance 2020-21 as presented and approved the signing of this by the Chairman of the Authority and the Chief Fire Officer.

52-20/21 STRATEGIC AERIAL APPLIANCE REVIEW

The report which provided an update on the proposals brought to the Authority in relation to the replacement of the 4th aerial appliance presently based at Preston fire station.

In December 2020 the Authority approved "the purchase of a turntable ladder

(TTL) to replace the 4th Aerial Ladder Platform (ALP) (subject to further evaluation of 32m and 42m options)” (resolution 105/19 refers).

Following completion of an evaluation exercise in relation to the options available within the marketplace and their potential suitability for meeting tall building risk in Lancashire, the findings suggested that the Service should look to procure a replacement Aerial Ladder Platform as opposed to the Turntable Ladder option that was originally proposed.

Overall, the 45 metre Aerial Ladder Platform demonstrated the most favourable characteristics, in terms of the potential to best mitigate tall building risk in Lancashire. In summary, it would offer the highest reach, the longest outreach (beneficial when pitching over smaller buildings / obstructions), the deepest below-ground capability and negligible difference in time to deploy with water when compared to turntable ladder options. Similarly, the versatility, manoeuvrability and capacity of the rescue cage outstripped the turntable options.

RESOLVED: - The Authority noted the Service intention to go to market for a replacement Aerial Ladder Platform within the existing budget provision.

53-20/21 APPOINTMENT OF EXTERNAL AUDITORS

The Director of Corporate Services presented the report.

At the last Audit Committee meeting, Members noted that the Authority had opted into Public Sector Audit Appointments (PSAA) auditor appointment arrangements at its meeting held 20 February 2017 (resolution 6/16 refers). The appointment covered the period 2018/19 to 2022/23. A local auditor must be appointed no later than 31 December in the financial year preceding the financial year of the accounts to be audited therefore, for the audit of the accounts of the 2023/24 financial year, there must be a local auditor appointed by 31 December 2022.

The Audit Committee had considered the options that a principal local government or police body could appoint its auditor for the five financial years from 2023/24 and unanimously determined to recommend to the full Authority that it accepted PSAAs invitation to opt into the national scheme resolution (27-20/21 refers).

RESOLVED: - That the Authority agreed to accept Public Sector Audit Appointments invitation to opt into the national scheme.

54-20/21 FIRE PROTECTION REPORTS

The report summarised Lancashire Fire and Rescue Service (LFRS) led prosecutions with respect to fire safety offences, and also set out convictions resulting from arson and malicious call incidents for which Officers (mainly from the Incident Intelligence Team) had contributed evidence to the Police led Criminal Justice process. Fire Protection and Business Support Information were also included in the report. It was noted that there were 7 cases of arson which had resulted in sentences of circa 28 years.

RESOLVED: - That the Authority noted and endorsed the report.

This report provided Members with information relating to operational incidents of note since the last report to the Authority.

The Vice-Chairman complemented all involved in the major incident in Wyre (detailed on page 155).

Councillor Smith commented that waste recycling site fires were frequently reported, and this report included 2 (in Darwen and Morecambe). He queried whether there was anything specific in place to combat these types of incidents. In response the Deputy Chief Fire Officer advised that this type of incident was of national concern and the Service engaged at a national level through the National Fire Chiefs Council. Part of the Service's water management strategy included the purchase of stinger appliances to deal with these types of protracted incidents. The challenge was to prevent these types of fires from occurring and a lot of prevention work was undertaken through links with National Fire Chiefs Council.

Councillor J Rigby complemented staff from Darwen Fire Station who had supported a vulnerable resident who had been stuck inside their home without power for a number of days.

As part of the report members received a presentation by Lyndsay Sielski, Crew Manager, Response and Emergency Planning and Bekki Ford, Safety, Health and Environment Advisor on the activities and benefits of the Service's search dogs and wellbeing / trauma support dogs.

The Safety, Health and Environment Advisor advised that she undertook trauma risk management sessions with crews following incidents and the idea of wellbeing dogs had been requested from a number of people. She discussed this request with the Chief Fire Officer who had agreed the wellbeing and trauma support dog team be developed.

In response to a question raised by the Chairman the Safety, Health and Environment Advisor advised that the wellbeing and trauma support dogs would be used if a firefighter had been to a traumatic or protracted incident which they had found difficult to deal with; they would be able to request to have a one-to-one session with a dog for a cuddle or walk. This would also provide an opportunity to debrief with their peer supporter. Another instance where one of the dogs could be requested would be to support a group session where people may have group concerns perhaps about organisational change.

During a session was an important time for the handler to engage and while they did not signpost or diagnose, they could give pertinent messages to help firefighters look after their own wellbeing.

In response to a question from County Councillor Pattison, Crew Manager Sielski advised that as part of the wellbeing and trauma dog programme the team had been involved with Oscar Kilo (which brought together all the emergency services responsible for wellbeing).

Oscar Kilo 9 came from scientific research that the Police forces had undertaken to introduce their own wellbeing support dog programme. She advised that the Service had followed these specific protocols, which had made it more relevant to the workforce than pet wellbeing and therapy support dogs (used for example in care homes). It was noted that Lancashire Police had their own wellbeing support dog and the Service liaised with all other Fire and Rescue and Police Services through Oscar Kilo 9. Each year there was a 2-day session (for dogs and handlers) to increase and develop network capabilities.

In response to a question raised by Councillor J Rigby regarding the wellbeing of the dogs, the Safety, Health and Environmental Advisor advised that the dogs lived with their handlers. There had been a stringent application process. The peer supporter put in an application form setting out the reasons why they wanted to be involved and why their dog would be suitable. A suitability assessment with a dog trainer was then conducted to assess the dogs' behaviour and temperament. The dogs went through a 6-week training programme which would be culminating in a final assessment that night.

RESOLVED: - That the Authority noted and endorsed the report.

56-20/21 MEMBER COMPLAINTS

The Monitoring Officer confirmed that there had been no complaints since the last meeting.

RESOLVED: - That the current position be noted.

57-20/21 DATE OF NEXT MEETING

The next meeting of the Authority would be held on Monday 21 February 2022 at 10:00am at the Training Centre, Euxton.

58-20/21 URGENT BUSINESS

The Chief Fire Officer advised that, following the announcement from the Prime Minister the previous evening regarding the implementation of Plan B measures in response to the Covid-19 Omicron variant (which included the expansion of the vaccination programme), Health colleagues (who were in a situation that could potentially overwhelm them) had contacted partners to assist.

As Members were aware, the Service had been involved in the vaccination programme since December last year and continued to be involved however support would be increased over the course of the next 3 weeks.

Quite how the Service would resource the request was uncertain, given it was not known where the funding would come from but there was a pressing need to continue to support the residents of Lancashire.

59-20/21 EXCLUSION OF PRESS AND PUBLIC

RESOLVED: - That the press and members of the public be excluded from the meeting during consideration of the following items of business on the grounds

that there would be a likely disclosure of exempt information as defined in the appropriate paragraph of Part 1 of Schedule 12A to the Local Government Act 1972, indicated under the heading to the item.

60-20/21 PENSIONS UPDATE - IMMEDIATE DETRIMENT

(Paragraphs 3 and 4)

The Director of People and Development presented a report on the current immediate detriment position. The Authority considered the position and the options outlined in paragraph 48 of the report.

RESOLVED: - That option e as outlined in the report be agreed.

M NOLAN
Clerk to CFA

LFRS HQ
Fulwood

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LANCASHIRE COMBINED FIRE AUTHORITY

PERFORMANCE COMMITTEE

Wednesday, 15 December 2021, at 10.00 am in the Washington Hall, Service Training Centre, Euxton.

MINUTES

PRESENT:

Councillors

K Iddon (Chairman)
P Rigby (Vice-Chair)
L Beavers
P Britcliffe
A Kay
Z Khan
D Smith
R Woollam
N Hennessy (Substitute)
J Singleton (Substitute)

In accordance with the resolution of the predecessor Performance Review Committee at its inaugural meeting on the 30th July 2004 (Minute No. 1/04 refers), representatives of the LFRS, the Unions and Audit had been invited to attend all Performance Committee meetings to participate in discussion and debate.

Officers

S Healey, Deputy Chief Fire Officer (LFRS)
J Charters, Deputy Director for Operational Response (LFRS)
L Barr, Member Services Officer (LFRS)

In attendance

G Basson, North West Fire Control

12-20/21 APOLOGIES FOR ABSENCE

Apologies were received from County Councillor Hasina Khan and Councillor Jean Rigby. County Councillor Nikki Hennessy and County Councillor John Singleton were in attendance as substitutes.

13-20/21 DISCLOSURE OF PECUNIARY AND NON-PECUNIARY INTERESTS

None received.

14-20/21 MINUTES OF PREVIOUS MEETING

RESOLVED: - That the Minutes of the last meeting held on the 15 September 2021 be confirmed as a correct record and signed by the Chairman.

15-20/21 PERFORMANCE MANAGEMENT INFORMATION

The Chairman congratulated the Service on being awarded Emergency Service of the Year at the Excellence in Fire and Emergency Awards 2021.

The Deputy Chief Fire Officer presented a detailed report to the Performance Committee. This was the 2nd quarterly report for 2021/22 as detailed in the Integrated Risk Management Plan 2017-2022.

The Members were informed by the Deputy Chief Fire Officer, that a report on the review of the KPI suite would be presented to them in the meeting.

This quarter, 2 KPIs were shown in red which indicated that they were in negative exception. These were 2.4 Fire Engine Availability – On Call Duty System; and 4.2.1 Staff Absence – Excluding On-Call Duty System.

Members examined each indicator in turn as follows:

KPI 1 – Preventing, fires and other emergencies from happening and Protecting people and property when fires happen

1.1 Risk Map

This indicator measured the fire risk in each Super Output Area. Risk was determined using fire activity over the previous 3 fiscal years along with a range of demographic data, such as population and deprivation.

The standard was to reduce the risk in Lancashire – an annual reduction in the County risk map score.

The current score was 31,862 and the previous year's score was 32,448 meaning that the fire risk continued to reduce.

1.2 Overall Activity

This indicator measured the number of incidents that the Service attended with one or more pumping appliances.

Quarter 2 activity 4,968 previous year quarter 2 activity 4,582 an increase of 8.42% over the same quarter of the previous year.

Incidents attended consisted of a myriad of different types. The report presented a chart which represented the count and percentage that each activity had contributed to the overall quarter's activity; most notably was that 50% were false

alarms.

The Deputy Chief Fire Officer stated that the changes to the Automatic Fire Alarm (AFA) attendance policy which would result in activity improvement in this area.

1.3 Accidental Dwelling Fires

This indicator reported the number of primary fires where a dwelling had been affected and the cause of the fire had been recorded as 'Accidental' or 'Not known'.

It was noted that quarter 2 activity was 195, the previous year quarter 2 activity was 198, which represented a decrease of 1.52% over the same quarter of the previous year.

1.3.1 Accidental Dwelling Fires – Extent of Damage (Fire Severity)

This indicator reported the number of primary fires where a dwelling had been affected and the cause of the fire had been recorded as 'Accidental or Not known' presented as a percentage extent of fire and heat damage.

The extent of fire and heat damage was recorded at the time the 'stop' message was sent and included all damage types. The report charted a rolling quarterly severity of accidental dwelling fire over the previous two years with each quarter broken down into high, medium, and low severity. Each quarter included the percentage (out of 100%) that each severity type represented of the total, with an indicator to illustrate the direction against the same quarter of the previous year.

The latest quarter recorded a combined 'low' and 'medium' severity of 93.9% which was a decrease of 2.5% against the 96.4% recorded in the same quarter of the previous year.

Members were informed by the Deputy Chief Fire Officer that, pleasingly, Fire Severity continued to be recorded as low or medium. Therefore, although the number of fires was static, damage was limited.

Severity <i>(Direction against the same quarter of previous year)</i>	Previous Rolling 4 Quarters				Quarter 2 (2021/22)
	Quarter 2 (20/21)	Quarter 3 (20/21)	Quarter 4 (20/21)	Quarter 1 (20/21)	
High ↑	3.5%	3.9%	7.0%	4.6%	6.2%
Medium ↑	43.9%	47.8%	55.1%	56.5%	50.3%
Low ↓	52.5%	48.3%	37.9%	38.8%	43.6%

1.3.2 Accidental Dwelling Fires – Number of Incidents where occupants have received a Home Fire Safety Check

This indicator reported the number of primary fires where a dwelling had been affected and the cause of fire had been recorded as ‘Accidental or Not known’ by the extent of the fire and heat damage. The HFSC must be a completed job (i.e., not a refusal) carried out by LFRS personnel or partner agency. The HFSC must have been carried out within 12 months prior to the fire occurring.

Over the latest quarter, Accidental Dwelling Fires with a previous HFSC decreased 4% against the total number of ADF’s over the same quarter of the previous year.

	2021/22		2020/21	
	ADF’s with previous HFSC	% of ADF’s with previous HFSC	ADF’s with previous HFSC	% of ADF’s with previous HFSC
Q1*	19	8%	26	12%
Q2	14	7%	21	11%
Q3			32	14%
Q4			14	7%

*Quarter 1 and 2. The impact of COVID19 working guidelines during the previous 18 months had led to a reduction in the number of Home Fire Safety Checks (HFSC’s) delivered – KPI 1.7 page 21. Although these were now increasing, this had led to a decrease in the percentage of ADF’s with a recorded HFSC within the previous rolling 12-month period.

The Deputy Chief Fire Officer advised that where the number of reported dwellings fires was high, it could suggest that the fire alarms were functioning and effective or, conversely, it could suggest that people were having fires despite the prevention activity. In the Review of Key Performance Indicators (KPIs) report to the Planning Committee (for consideration later on the agenda), Members would decide whether to recommend the continuation of this KPI.

1.4 Accidental Dwelling Fire Casualties

This indicator reported the number of fire related fatalities, slight and serious injuries at primary fires where a dwelling had been affected and the cause of fire had been recorded as ‘Accidental or Not known’. A slight injury was defined as; a person attending hospital as an outpatient (not precautionary check). A serious injury was defined as; at least an overnight stay in hospital as an in-patient.

The Deputy Chief Fire Officer reported that sadly, there was 1 dwelling fire fatality in the last quarterly period. Two casualties were recorded as serious and 12 slight. The same quarter of the previous year recorded no fatalities, 1 serious and 3 slight.

Casualty Status	2021/22 Quarter 2	2020/21 Quarter 2
Fatal	1	0
Victim went to hospital visit, injuries appeared Serious	2	1
Victim went to hospital visit, injuries appeared Slight	12	3
TOTAL	15	4

The Deputy Chief Fire Officer explained that, although the fire detector had activated and there was a quick response time, sadly, there had been a fatality of a 75-year-old male in the Blackpool area who had died before the Service arrived.

1.5 (a) Accidental Building Fires (Commercial Premises)

This indicator reported the number of primary fires where the cause of fire had been recorded as 'Accidental' or 'unknown' and included property types which were regulated under the fire safety order such as: offices, retail, and hotel accommodation. Due to the nature of the construction of private garages and private sheds, there were recorded separately in KPI 1.5(b).

Quarterly activity increased 36.0% over the same quarter of the previous year.

Total number of incidents	2021/22 Quarter 2	2020/21 Quarter 2
	68	50

The Deputy Chief Fire Officer highlighted that the current mean average for the number of Accidental Building Fires was 24 with a three year mean average of 21 so the difference was only 3. He also noted that there was a direct correlation between low levels of accidental fires during the lockdown periods and the rise of incidents when the Covid-19 restrictions were lifted and businesses began operating again.

1.5 (b) Accidental Building Fires (Non-Commercial Premises: Private Garages and Private Sheds)

This indicator reported the number of primary fires where the cause of fire had been recorded as 'Accidental' or 'unknown' and included non-commercial building types: private garage, private shed, private greenhouse, and private summerhouse.

Quarterly activity remained static over the same quarter of the previous year.

Total number of incidents	2021/22 Quarter 2	2020/21 Quarter 2
	23	23

As in the previous meeting, the Deputy Chief Fire Officer informed that statistics for accidental building fires in non-commercial premises such as private garages

and private sheds had been presented separately. This provided a more accurate performance indicator as these types of accidental building fires were often recorded as high severity due to the loss of a building, often before the Fire Service had arrived on scene.

1.5.1 (a) Accidental Building Fires (Commercial Premises) – Extent of Damage (Fire Severity)

This indicator reported the number of primary fires where the cause of fire had been recorded as ‘Accidental’ or ‘unknown’ and included property types which were regulated under the fire safety order such as: offices, retail, and hotel accommodation. Due to the nature of the construction of private garages and private sheds, there were recorded separately in KPI 1.5.1 (b).

The extent of fire and heat damage was recorded at the time the ‘stop’ message was sent and included all damage types. The report charted a rolling quarterly severity of accidental building fires over the previous two years with each quarter broken down into high, medium, and low severity. Each quarter included the percentage (out of 100%) that each severity type represented of the total, with an indicator to illustrate the direction against the same quarter of the previous year.

The latest quarter recorded a combined ‘low’ and ‘medium’ severity of 82.3%. This was an increase of 10.3% against a combined severity of 72.0% in the same quarter of the previous year.

1.5.1 (a) Severity (Direction against the same quarter of previous year)		Previous Rolling 4 Quarters				Quarter 2 (2021/22)
		Quarter 2 (20/21)	Quarter 3 (20/21)	Quarter 4 (20/21)	Quarter 1 (21/22)	
High	↓	28.0%	16.9%	20.9%	18.9%	17.6%
Medium	↑	48.0%	67.8%	69.8%	67.6%	67.6%
Low	↓	24.0%	15.3%	9.3%	13.5%	14.7%

1.5.1 (b) ABF (Non-Commercial Premises: Private Garages and Private Sheds) – Extent of Damage (Fire Severity)

This indicator reported number of primary fires where the cause of fire had been recorded as ‘Accidental’ or ‘unknown’ and included non-commercial building types: private garage, private shed, private greenhouse, and private summerhouse. Due to their single room construction, any damage was often classified as ‘whole building’ which had the effect of increasing their severity category outcome.

The extent of fire and heat damage was recorded at the time the ‘stop’ message was sent and included all damage types. The report charted a rolling quarterly severity of accidental building fires over the previous two years with each quarter

broken down into high, medium, and low severity. Each quarter included the percentage (out of 100%) that each severity type represented of the total, with an indicator to illustrate the direction against the same quarter of the previous year.

The latest quarter recorded a combined 'low' and 'medium' severity of 65.2%. This was an increase of 30.4% against a combined severity of 34.8% in the same quarter of the previous year.

The Deputy Chief Fire Officer explained that the severity of most fires had reduced which was due to the quick action of the Service.

1.5.1 (b) Severity (Direction against the same quarter of previous year)	Previous Rolling 4 Quarters				Quarter 2 (2021/22)	
	Quarter 2 (20/21)	Quarter 3 (20/21)	Quarter 4 (20/21)	Quarter 1 (21/22)		
High	↓	65.2%	45.5%	33.3%	51.7%	34.8%
Medium	↑	34.8%	54.5%	53.3%	48.3%	60.9%
Low	↑	0.0%	0.0%	13.3%	0.0%	4.3%

1.6 Deliberate Fires

This indicator reported the number of primary and secondary fires where the cause of fire had been recorded as 'Deliberate'. Secondary fires were the majority of outdoor fires including grassland and refuse fires unless they involved casualties or rescues, property loss or 5 or more appliances attended. They included fires in single derelict buildings.

Deliberate Fire Type	2021/22 Quarter 2	2020/21 Quarter 2
1.6.1 Deliberate Fires – Anti-Social Behaviour	395	366
1.6.2 Deliberate Fires – Dwellings	30	36
1.6.3 Deliberate Fires – Commercial Premises	36	31

The Deputy Chief Fire Officer highlighted that 6 of the incidents for quarter 2 in commercial premises were deliberate fire setting in prisons within two prisons across the county.

It was brought to the Members' attention by the Deputy Chief Fire Officer that the number of deliberate anti-social fires followed a trend where there were less in the winter months and they increased in the spring and summer months as young people were outside more.

1.7 Home Fire Safety Checks

This indicator reported the percentage of completed Home Fire Safety Checks

(HFSC), excluding refusals, carried out where the risk score had been determined to be high.

An improvement was shown if: i) the total number of HFSC's completed was greater than the comparable quarter of the previous year; and ii) the percentage of high HFSC outcomes was greater than the comparable quarter of the previous year.

The Deputy Chief Fire Officer stated that it was pleasing that, since moving out of lockdown, the number of completed HFSC's had increased 18% over the same quarter as the previous year, with the cumulative year to date HFSC's increasing by 36% against the same period of 2020/21. The Deputy Chief Fire Officer explained that the significant increase, compared to the same period of 2020/21, was due to more HFSCs being carried out following the removal of lockdown measures, whereas those restrictions were in place during the same period of the previous year.

	2021/22	2020/21
	% of High HFSC outcomes	% of High HFSC outcomes
Q1	66%	71%
Q2	68%	72%
Q3		
Q4		

To help illustrate the importance of the Home Fire Safety Check service; properties that had not accepted the offer of a HFSC, but subsequently suffered an Accidental Dwelling Fire, were monitored. During this quarter 7 properties recorded an ADF after not accepting a HFSC during the previous rolling 12-month period.

1.8 Road Safety Education Evaluation

This indicator reported the percentage of participants of the Wasted Lives and Road Sense education packages that showed a positive change to less risky behaviour following the programme; based on comparing the overall responses to an evaluation question before and after the course.

Total participants were a combination of those engaged with at Wasted Lives and Road Sense events.

An improvement was shown if the percentage of positive influence on participant's behaviour was greater than the comparable quarter of the previous year.

To align with the start of the academic year, LFRS staff had been delivering Road Sense events in schools across Lancashire. Feedback had been requested from teachers to enable the Service to evaluate how effective the package and delivery was. Teachers were asked whether they thought that the session would have positively influenced the behaviour of children regarding road safety. From

the feedback received, 77% of teachers recorded that they felt the package and delivery was outstanding in achieving this, with the remaining 23% recording good. Monitoring and evaluation would continue throughout the academic year.

During quarter 2, to ensure road safety messages continued to be available, the service had undertaken 5 Wasted Lives sessions involving 224 attendees and Biker Down was delivered to 11 attendees in 1 session.

The Service also continued to engage with people via social media platforms with road safety videos on the 'Biker down' page and engagement via Twitter and Facebook.

A new virtual delivery pack had been updated and trialled and would be offered to schools into the new academic year.

1.9 Fire Safety Enforcement

This indicator reported the number of Fire Safety Enforcement inspections carried out within the period resulting in supporting businesses to improve and become compliant with fire safety regulations or to take formal action of enforcement and prosecution of those that failed to comply.

Formal activity was defined as one or more of the following: enforcement notice or an action plan, alterations notice or prohibition notice.

An improvement was shown if the percentage of adults 'requiring formal activity' was greater than the comparable quarter of the previous year. This helped inform that the correct businesses were being identified.

*The 'number of inspections' count included business safety advice and advice to other enforcement authorities not captured within the formal/informal or satisfactory counts.

Quarter 2 recorded an increase of 56% on the previous quarter's inspections.

	2021/22				2020/21	
	*No. of Inspections	Requiring		Satisfactory Audit	% requiring Formal Activity	% requiring Formal Activity
		Formal Activity	Informal Activity			
Q1	344	25	211	69	8%	4%
Q2	538	28	336	109	5%	7%
Q3						
Q4						

The Deputy Chief Fire Officer was pleased to report that crews and Inspectors had increased the number of Fire Safety Enforcement inspections they carried

out following the easing of Covid-19 restrictions. Members were informed that a pilot had been launched in the northern and western areas where operational firefighters, as well as carrying out HFSCs, were undertaking training to deliver low level business fire safety checks in commercial buildings. A specialist team of highly qualified inspectors checked the higher risk buildings such as high-rise buildings, hospitals, and care homes with the number of inspections increasing.

KPI 2 – Responding to fire and other emergencies quickly and competently

The Deputy Chief Fire Officer wanted to reiterate the response standard set in Lancashire was one of the quickest, outside metropolitan districts, that were seen anywhere in the country. The Service set a 6-minute attendance standard which included 1 minute for call handling at North West Fire Control.

2.1.1 Emergency Response Standards - Critical Fires – 1st Fire Engine Attendance

This indicator reported the ‘Time of Call’ (TOC) and ‘Time in Attendance’ (TIA) of the first fire engine arriving at the incident in less than the relevant response standard.

The response standards included call handling and fire engine response time for the first fire engine attending a critical fire, these were as follows: -

- Very high-risk area = 6 minutes
- High risk area = 8 minutes
- Medium risk area = 10 minutes
- Low risk area = 12 minutes

The response standards were determined by the risk map score and subsequent risk grade for the location of the fire.

Standard: to be in attendance within response standard target on 90% of occasions.

Quarter 2 – 1st pump response decreased 0.92% of total first fire engine attendances over the same quarter of the previous year.

Year to Date	2021/22 Quarter 2	Previous year to Date	2020/21 Quarter 2
88.36%	87.39%	88.41%	88.31%

2.1.2 Emergency Response Standards - Critical Fires – 2nd Fire Engine Attendance

This indicator reported the time taken for the second fire engine to attend a critical fire incident measured from the time between the second fire engine arriving and the time of call. The target is determined by the risk map score and

subsequent risk grade for the location of the fire.

The response standards included call handling and fire engine response time for the second fire engine attending a critical fire, these were as follows: -

- Very high-risk area = 9 minutes
- High risk area = 11 minutes
- Medium risk area = 13 minutes
- Low risk area = 15 minutes

Standard: to be in attendance within response standard target on 85% of occasions.

Quarter 2 – 2nd pump response decreased 5.62% of total second pump attendances over the same quarter of the previous year.

Year to Date	2021/22 Quarter 2	Previous year to Date	2020/21 Quarter 2
82.99%	82.35%	85.64%	87.97%

2.2.1 Emergency Response Standards - Critical Special Service – 1st Fire Engine Attendance

This indicator measured how long it took the first fire engine to respond to critical non-fire incidents such as road traffic collisions, rescues, and hazardous materials incidents. For those incidents there was a single response standard which measured call handling time and fire engine response time. The response standard for the first fire engine attending a critical special call was 13 minutes.

Standard: to be in attendance within response standard target on 90% of occasions.

The latest quarter 1st pump response increased 0.66% over the same quarter of the previous year.

Year to Date	2021/22 Quarter 2	Previous year to Date	2020/21 Quarter 2
89.58%	87.82%	89.24%	87.16%

The Deputy Chief Fire Officer advised that a report would be presented to the Planning Committee in February to determine whether to consider refining Service response standards. He explained that the risk with setting such high response standards was that the public expected the Service to achieve those 90% of the time and when they failed to meet them, it had to be justified, adding that LFRS response standards were currently one of the highest (quickest) across the country.

2.3 Fire Engine Availability – Wholetime, Day Crewing and Day Crewing Plus

This indicator measured the availability of fire engines that were crewed by wholetime, day crewing and day crewing plus shifts. It was measured as the percentage of time a fire engine was available to respond compared to the total time in the period.

Fire engines were designated as unavailable for the following reasons:

- Mechanical
- Crew deficient
- Engineer working on station
- Appliance change over
- Debrief
- Lack of equipment
- Miscellaneous
- Unavailable
- Welfare

Recovery times for crews following a significant incident was also highlighted as a reason for fire engines being unavailable.

Standard: 99.5%

Year to date availability of 99.26% was a decrease of 0.10% over the same period of the previous year.

Year to Date	2021/22 Quarter 2	Previous year to Date	2020/21 Quarter 2
99.26%	99.34%	99.36%	99.43%

2.4 Fire Engine Availability – On-Call Duty System

This indicator measured the availability of fire engines that were crewed by the on-call duty system. It was measured as the percentage of time a fire engine was available to respond compared to the total time in the period.

Fire engines were designated as unavailable (off the run) for the following reasons which include the percentage of off the run hours that each reason contributed to the total. Members noted that fire engines can be off the run for more than one reason; hence the percentages were interpreted individually (rather than as a proportion of the total):

- Manager deficient 57%
- Crew deficient 81%
- Not enough BA wearers 69%
- No driver 38 %

Standard: Aspirational Standard 95%

Year to date availability 80.38%, an 11.37% decrease against the previous year to date total availability of 91.75%.

Year to Date	2021/22 Quarter 2	Previous year to Date	2020/21 Quarter 2
80.38%	75.74%	91.75%	87.30%

The negative exception report was due to the percentage of On-Call (OC) pumps available to respond to emergencies being below the lower control limit during the 3 months of quarter 2.

The availability of OC pumps during the quarter was recorded at 75.74% with each month being outside the 83.38% control limit and below the Service's 95% aspirational standard.

The primary contributing factor was the loss of staff; recording 35 fewer staff in quarter 2 compared with the previous quarter. This equated to 2,328 fewer hours, meaning On-Call establishment was running below its optimal hours.

There were a variety of different reasons cited to account for the On-Call leavers: moving out of area, pursuing other career options, family commitments, retirements and commitments becoming too demanding. Staffing was predicted to improve over the next 12 months as On-Call recruit's courses had now returned to pre-pandemic numbers of 24 recruits per course. At the peak of the pandemic, there were 12 recruits per course. A lack of officers and drivers on certain stations were still a contributing factor, along with sickness and isolation periods on stations due to the continuing Covid-19 pandemic.

The Deputy Chief Fire Officer explained that the drop in response standards could correlate to the availability of on-call fire fighters in relation to the Covid-19 pandemic. If the on-call firefighters were furloughed from their primary employer, they could respond more quickly. However, once they returned to their primary employment, their availability declined, and back-up appliances support would have to travel from further afield.

Actions being taken to improve performance were:

- Continue with a driven recruitment strategy, utilising a targeted approach to stations that were in exception.
- A focused look at existing contract alignment whilst ensuring staff were fulfilling existing contracts when under contracted hours.
- Balancing availability of Light Goods Vehicle (LGV) and Officers in Charge (OIC) qualifications to meet station requirements.
- On-Call Support Officer's (OCSOs) and unit managers to support Firefighter development to assist with future OIC/LGV development.
- Support national On-Call campaigns and utilise their recruitment literature and designs.
- Invest in On-Call through recruitment material and resources.
- Fill OCSO Team vacancies to ensure all units received the support required.

Local action plans for stations with availability of less than 85% would continue to

be produced in conjunction with Station District Managers, Unit Managers and OCSOs to tailor the support required to each unit.

The Deputy Chief Fire Officer advised that staff views were being sought on how to improve the availability of fire engines in the rural areas. It was a national challenge to keep on-call fire engines on the run.

It was suggested to the Chairman by the Deputy Chief Fire Officer that the Committee consider appointing a Task & Finish Group to contemplate options to improve on-call fire engine availability.

2.4.1 Fire Engine Availability – On-Call Duty System (without wholetime detachments)

Subset of KP1 2.4 and provided for information only

This indicator measured the availability of fire engines that were crewed by the on-call duty system (OC) when wholetime detachments were not used to support availability. It was measured by calculating the percentage of time a fire engine was available to respond compared to the total time in the period.

Fire engines were designated as unavailable (off-the-run) for the following reasons:

- Manager deficient
- Crew deficient
- Not enough BA wearers
- No driver

Standard: As a subset of KPI 2.4 there was no standard attributable to this KPI.

The percentage of time that On-Call crewed engines were available for quarter 2 was 73.55%. This excluded the wholetime detachments shown in KPI 2.4. The cost of detaching wholetime firefighters to on-call stations was significant.

The Deputy Chief Fire Officer advised that the Service was seeking to procure software available (dynamic cover tool), which could actively identify any gaps in emergency cover which it would display on a map and pumps would be sent to the area requiring cover.

2.5 Staff Accidents

This indicator measured the number of staff accidents. The number of staff accidents during the latest quarter increased by 5 incidents against the same quarter of the previous year.

Year to Date	2021/22 Quarter 2	Previous year to Date	2020/21 Quarter 2
44	23	35	18

KPI 3 – Delivering, value for money in how we use our resources

3.1 Progress against Savings Programme

The annual budget for 2021/22 was set at £58.2m with a budget to 30 September of £28.7 million. The spend for the same period was £28.5m giving an underspend for the period of £0.2m. the current anticipated year end outturn was an underspend of £0.3m, however, this would be updated over the coming months and would be reported to Resources Committee.

3.2 Overall User Satisfaction

Since April 2012, 2,824 people had been surveyed and the number satisfied with the service was 2,696%; satisfied was 98.87% against a standard of 97.50%; a variance of 1.4%.

During the latest quarter, 98 people were surveyed and 96 responded that they were 'very satisfied' or 'fairly satisfied' with the service they received.

KPI 4 – Valuing, our people so that they can focus on making Lancashire safer

4.2.1 Staff Absence – Excluding on-Call Duty System

This indicator measured the cumulative number of shifts (days) lost due to sickness for all wholetime, day crewing plus, day crewing and support staff divided by the total number of staff.

Annual Standard: Not more than 5 shifts lost.
Cumulative total number of monthly shifts lost 4.068.

The negative exception report was due to the number of shifts lost through absence per employee being above the Service target for quarter 2.

The Deputy Chief Fire Officer presented Members with the analysis, that during quarter 2, July 2021 – September 2021, absence statistics showed above target for the quarter.

Whole-time personnel and Non-uniformed personnel were both above the target.

Non-uniform – 467 shifts lost = 2.31
Wholetime – 1,384 shifts lost = 2.23

There were 4 cases of long-term absence which spanned over the total of the 3 months with the reasons being:

Green Book	
Reason	Case/s
Mental Health	1
Neurological	1

Grey Book	
Reason	Case/s
Covid	1
Mental Health	1

There were 36 further cases of long-term absence which were also recorded within the 3 months:

Grey Book – 32 cases
Green Book – 4 cases

Overall (including the 4 cases of long-term absence which span over the total of the 3 months):

Reason	Case/s
Covid	10
Mental Health (other)	10
Musculo skeletal	7
Hospital operation	5
Neurological	2
Injury – non work related	2
Back and spinal disorder	1
Cancer	1
Gastrointestinal	1
Mental health (work)	1

During the quarter, 28 of the 40 employees returned to duty.

Members also considered the actions undertaken to improve performance which included that the Service aimed to continue with:

- Early intervention by Occupational Health Unit (OHU) doctor / nurse / physiotherapist;
- Human Resources supported managers in following the Absence Management Policy, ensuring the appropriate management of individual long-term cases, addressing review periods/triggers in a timely manner and dealing with capability of staff due to health issues;
- To be included again within the leadership conference to assist future manager's understanding and interpretation of the policy;
- Encouraging employees to make use of the Employee Assistance Programme provider Health Assured and The Firefighter's Charity;
- HR to be in attendance at Stress Risk Assessment meetings to support managers and to offer support to the employee along with signposting;
- OHU to organise health checks for individuals on a voluntary basis;
- Support from Service Fitness Advisor/Personal Training Instructors (PTIs);
- Promotion of health, fitness and wellbeing via the routine bulletin and Employee Assistance programme.

The Deputy Chief Fire Officer informed Members that in the Review of KPIs ahead of the report to Planning Committee later on the agenda, it would be proposed to split the statistics for staff into operational staff and support staff. The Service was also considering reporting the staff sickness statistics in a different format with clear indicators in line with other Fire Services, which would allow for comparison.

4.2.2 Staff Absence – On-Call Duty System

This indicator measured the percentage of contracted hours lost due to sickness for all on-call contracted staff.

Annual Standard: Not more than 2.5% lost as % of available hours of cover.

Cumulative on-call absence (as % of available hours cover) at the end of the quarter, 0.90%.

The Chairman thanked the Deputy Fire Officer for a comprehensive report.

In response to Councillor Smith's question regarding the national difficulties in recruiting to some posts, and if the Fire Service had found it difficult to recruit drivers and also to others posts, the Deputy Chief Fire Officer advised that one of the reasons for fire engines being off the run was crew deficiency. A crew of 4 was needed to respond to fire incidents, whereas some other authorities would respond with a crew of 3, therefore, crew numbers was something the Fire Service would consider, as the nearest resource was not always responding to incidents. He added that, due to the lack of a driver for some incidents, resources had been directed to driver training and also recruiting an additional driving instructor. Another strategy being considered, by the On-Call Improvement Group, was recruiting to driver-only roles which could be filled by firefighters approaching retirement.

In response to a query from County Councillor Woollam regarding the ability to increase the attendance of road safety education sessions through the involvement of parish councils to raise awareness, the Deputy Chief Fire Officer confirmed that the Service did engage with parish councils and acknowledged the significant role Members had in engaging communities.

In response to a further question from County Councillor Woollam regarding the ability to raise awareness of the issues and problems of deliberate fire setting, the Deputy Chief Fire Officer explained that there had been a recent rise with prisoners setting fires which was a challenging problem to resolve. The Service worked with the Police and other bodies to tackle deliberate fires with a group of officers, (SIAG – Service Intelligence and Analysis Group), who met every quarter to investigate trends.

Councillor Beavers queried the feasibility of recruiting on-call firefighters along the same lines as the Territorial Army. The Chairman stated that the Committee could take the decision to establish a Task & Finish Group relating to on-call

firefighters as suggested by the Deputy Chief Fire Officer. The Deputy Chief Fire Officer advised that support through a Task & Finish Group would be welcome and added that research was being undertaken by the National Fire Chief's Council (NFCC) to look at the sustainability of on-call and how it could be improved.

In response to a comment from County Councillor Hennessy regarding deliberate fire setting, the Deputy Chief Fire Officer explained that, given a lot of deliberate fires were started by young adults, the Service carried out a lot of educational work and delivered skills packages in schools. There was also a successful fire cadet scheme, and the Prince's Trust also worked with children experiencing difficult circumstances. Specialist advice was given to those individuals who had been identified as having started a fire and the Service also worked with the police. Following a deliberate fire incident, the Incident Intelligence Officer would investigate, the Service would work alongside the police and individuals would be prosecuted through the criminal justice system.

In response to County Councillor Hennessy's question regarding the number of Fire Inspectors in the Service, and whether existing firefighters were being trained as Inspectors and the mentoring of staff, the Deputy Chief Fire Officer informed that Area Manager, Mark Hutton was in the process of engaging staff in the Prevention and Protection Team in further reshaping, as there had been a drive from government in fire prevention following the Grenfell tragedy. The Service had received a £350,000 grant from the government over the last 12 months which would hopefully form part of the base budget to add additional Inspectors to the team. The challenge the Service faced was that it took approximately 2-3 years to fully train an Inspector with a number of staff currently going through that process. The Deputy Chief Fire Officer explained that consultations were ongoing with trade unions and staff to increase the level of remuneration to attract and retain staff. Regarding mentoring staff, the Deputy Chief Fire Officer advised that the Service had a programme of training frontline crews to give them knowledge and understanding of fire protection to enable them to carry out low level Fire Safety Checks which would hopefully encourage some to become Inspectors to ensure sustainability of the team.

In response to a question raised by County Councillor Hennessy regarding emergency response standards and information about any delayed responses, the Deputy Chief Fire Officer stated that every incident was tracked and a full debrief carried out subsequently. He advised that the response standard targets were very stretching and included a call handling time of 1 minute with the general national standard being 90 seconds.

County Councillor Kay was concerned that the possible return of the Covid-19 Pandemic could result in excess waste from shops presenting an opportunity for deliberate fires. She asked whether business owners would be given advice over the Christmas period in relation to Fire Safety Enforcement. The Deputy Chief Fire Officer explained that the Business Fire Safety Checks did include that element. He advised that although there were highly qualified Inspectors who primarily focused on high-risk premises such as high-rise buildings, care home and hospitals, crews would carry out Home Fire Safety Checks and Business Fire

Checks over the Christmas period on lower risk premises. Additionally, some proactive communication would be issued and spot check sampling would be carried out. The Deputy Director for Operational Response added that the role of local Managers at fire stations was to manage risk in their areas to which they had a great deal of local knowledge, knew where those risks existed and which premises were vulnerable. Arson vulnerability assessments were also undertaken and business owners at high risk were educated about how they could more effectively manage and reduce the risk of arson fire to their premises.

In response to a question from County Councillor Kay in relation to the policy for staff sick pay and if there was any provision for private medical care, the Deputy Chief Fire Officer stated that the standard terms and conditions for firefighters was 6 months at full pay and a further 6 months at half pay, however, if it was work related absence then it could be extended to 12 months. He advised that there were many systems in place to support staff with their wellbeing and occupational health. The Service supported staff to help them back to work. For those who were absent long-term, they received support from their line manager and would have an additional manager assigned to support them. Mental Health Stress Assessments were also carried out with HR when needed with any necessary adjustments put in place and phased returns were also offered.

In response to a question asked by Councillor Rigby in relation to there being value in sending a secondary crew of 3 out to incidents when the first crew were already in attendance, the Deputy Chief Fire Officer said that the Service would allow a crew of 3 to respond to low level incidents when the first crew was already in attendance, however, they would not be dispatched to property fires. Lancashire Fire and Rescue maybe the only emergency service that did not send the nearest resource and sending smaller crews would be discussed with staff and trade unions as all Incident Commanders were trained to make risk assessments and risk informed decisions.

In response to a question by County Councillor Britcliffe regarding deliberate fires in residential properties, the Deputy Director for Operational Response advised that sometimes there were determined arsonists, and there were many societal factors, some of which resulted in people electing to use fire as a weapon. The role of the Service was to ensure that the Incident Officers and Operational Crews, were adequately equipped with the knowledge and skills to fully investigate those incidents. The Service also worked with the police and partner agencies to establish cause, bring perpetrators to justice, and reduce the risk of further arson incidents in the future.

County Councillor Singleton raised the issue of the Service assisting with booster injections due to the new Omicron variant of Covid-19 and asked how this would affect the performance of the Service. The Deputy Chief Fire Officer assured that performance would not be affected. Many staff supported the roll out of the booster in their days off and some administrative staff were seconded from their roles. He confirmed that the Service was committed to keeping all 58 fire engines on the run. Resources would be directed to support the roll out and the Service would adapt which demonstrated the flexibility of the organisation.

All Members agreed to the establishment of a Task & Finish Group for the improvement of on-call fire engine availability.

RESOLVED :- That the Performance Committee endorsed the Quarter 2 Measuring Progress report and noted the contents of the 2 negative exceptions. The Committee would establish a Task & Finish Group to investigate improving on-call fire engine availability.

16-20/21 REVIEW OF KPI SUITE

The Deputy Chief Fire Officer presented a report to Members detailing the proposed update to the Key Performance Indicators (KPIs). The proposal was to reorder the KPIs to prioritise 'Valuing Our People' to reflect the Service's STRIVE values. Several KPIs had been added or amended to provide information in a way which was clearer to understand and to enable measurement against targets.

The existing arrangements of KPIs were:-

- 1 **Preventing** fires and other emergencies from happening. **Protecting** people and property when fires happen.
- 2 **Responding** to fire and other emergencies quickly and competently.
- 3 **Delivering** value for money in how we use our resources.
- 4 **Valuing** our people so that they can focus on making Lancashire safer.

The new proposals for the arrangements of KPIs were:-

- 1 **Valuing** our people so that they can focus on making Lancashire safer.
- 2 **Preventing** fires and other emergencies from happening. **Protecting** people and property when fires happen.
- 3 **Responding** to fire and other emergencies quickly.
- 4 **Delivering** value for money in how we use our resources.

It was proposed to remove 1.3.2 (Accidental Dwelling Fire (ADF) – number of incidents where occupants have a received a Home Fire Safety Check (HFSC)). This indicator was difficult to understand and explain. Success was implied if the percentage of households that experienced a fire after having had a HFSC increased (as this is alleged to be indicative of correct targeting) but, arguably, it's also indicative of the Service not being able to fully mitigate risk.

Five new KPI headings had been added to under the new KPI 1 (Valuing our people so that they can focus on making Lancashire safer), to enable the Service to better measure progress and identify areas for improvement. The KPI for staff accidents had been relocated to this KPI from 'Responding to Incidents', as the section reflected LFRS' commitment to staff.

The existing KPIs were:-

- 4.2.1 Staff Absence (Excluding On-Call).
- 4.2.2 Staff Absence (On-Call).

The proposed KPIs were:-

- 1.1 Overall Staff engagement (Performance measure of how engaged our staff are).
- 1.2.1 Staff Absence Wholetime (WT) (Specific measure of WT absence).
- 1.2.2 Staff Absence On Call.
- 1.2.3 Staff Absence Greenbook (Specific measure of Greenbook absence).
- 1.3.1 Workforce Diversity (as a %) (Performance measure of how representative our staff are of our communities).
- 1.3.2 Workforce Diversity Recruited (as a %) (Performance measure of our success in recruiting a diverse workforce).
- 1.4 Staff Accidents (Now included within KPI 1).

Two new KPI headings had been added to the new KPI 2 (Preventing fires and other emergencies from happening and Protecting people and property when fires happen), to provide a clearer representation of the data and activity levels. Percentages could be misleading when dealing with relatively small numbers, therefore, the KPIs would move to publishing numbers as opposed to percentages where appropriate. This would provide a more representative account of the data.

The proposed new KPIs were:-

- 2.6 Deliberate Fires Total: Specific performance measure of deliberate fires.
- 2.10 Building Regulation Consultations (BRC) (number and completed on time).

Due to the Fire Safety and Building Safety Bills, FRS involvement with Building Regulations Consultations (BRC) would gain an increased focus. The volume of BRC activities undertaken were not currently visible to Members/staff/public, however, they represented a significant proportion (over 500 per quarter) of Fire Safety Inspectors work. KPI 2.10 had therefore been added for Members to have oversight.

A new KPI heading had been added to the new KPI 3 (Responding to fire and other emergencies quickly), to provide an accurate 'Lancashire wide' view of overall Fire Engine Availability and a greater level of scrutiny.

It was proposed to remove Critical Fire Response – 2nd Fire Engine Attendance to align with the majority of the other 45 Fire and Rescue Services in England. It was proposed that response times would be measured against immediate interventions which would form from the first attending appliance, which also included call handling times.

The proposed new KPI was:-

3.3 Total Fire Engine Availability.

A new KPI heading had been added to the new KPI 4 (delivering value for money in how we use our resources), for Partnership collaboration which would provide a qualitative analysis of collaboration across Lancashire.

The proposed new KPI was:-

4.2 Partnership Collaboration.

The Deputy Chief Fire Officer reassured Members that staff were engaged through a staff survey. Questions asked were appropriate to measure how staff felt valued and engaged as part of the Service's STRIVE values. It was noted that the Planning Committee would determine the level of engagement in relation to the proposed changes to KPIs.

RESOLVED :- That the Committee approved the proposed changes to KPIs and their inclusion within the Service's Measuring Progress Report be recommended to the scheduled Planning Committee meeting in February 2022 who would then consider and agree the relevant performance levels.

17-20/21 NORTH WEST FIRE CONTROL QUARTER 2 REPORT

Ged Basson, Senior Operations Manager, North West Fire Control (NWFC), provided the Committee with a report detailing the performance of NWFC during quarter 2 (July – September 2021-2022).

Within quarter 2, a total of 6116 admin calls were received for Lancashire Fire and Rescue (LFRS). This was a 2.8% reduction compared to quarter 2 of the previous year (6296 calls), and 1.5% reduction compared to quarter 1 of this year (6203). In total, of 29,432 admin calls were received by NWFC in quarter 2, of which, LFRS represented 20.7% of those calls. Members were advised that a total of 12,319 admin calls were received for LFRS for the year which showed a downward trend. Admin calls included crews and officers contacting NWFC for either guidance, or to offer advice such as notification of missing equipment, defective resources, liaising with control regarding exercises or resources availability.

A total of 10,414 emergency calls were received in quarter 2 for LFRS, which was a 21.6% increase compared to quarter 2 of the previous year (8,164 calls), and 0% difference compared to quarter 1 of the current year (10,431). In total, NWFC received 43,583 emergency calls for quarter 2, of which, LFRS represented 23.9% of these calls. It was noted that 20,845 emergency calls were received for LFRS for the year, displaying a downward trend.

It was noted that 42% of calls were not mobilised in quarter 2, following call challenging. Lancashire was currently unaligned to other NWFC partners and therefore would mobilise resources to Automatic Fire Alarms (AFAs) on a more frequent basis. For NWFC, mobilising performance times for fires in quarter 2, was 79 seconds which compared to 78 seconds for the previous quarter. LFRS mobilising times for fires in quarter 2 continued to be under the 90 second target. An upward trend for mobilising times was indicated, however it was due to a spike of 85 seconds in June.

Mobilising performance times for all NWFC in quarter 2 for special service calls was 124 seconds compared to 125 seconds for the previous quarter. LFRS mobilising times for special service calls in quarter 2 were slightly above the average due to relatively low mobilising times in April and May, with the spike in June. It was explained that several incidents were excluded from the data where there was not an automatic response from NWFC but when Lancashire had asked that further clarification was sought from a specialist officer, e.g. NILO, prior to mobilisation due to the type of incident, such as suspect packages, and missing persons. Other incidents excluded were, when crews had proceeded to fix a defective smoke alarm several hours after being notified or where incidents had to be queued due to a depletion of FRS resources in a location. The NWFC board of directors had asked that NWFC not report a target of 90 seconds for special service calls, but to investigate improving the average mobilising times for special service calls, due to the complexity of the call challenge process when dealing with that type of incident compared to fires.

Members were informed that, over the previous 18-month period, the call handling time for fires, for LFRS continued to be relatively favourable compared to Cumbria, Cheshire and Greater Manchester Fire and Rescue Services.

In August 2021, NWFC assisted LFRS in managing an incident which involved petrol inside a building on Walton Summit Industrial Estate, Bamber Bridge. Resources attending included 10 pumps, 2 Aerial Ladder Platforms, 1 Stinger and 1 Hose Laying Lorry. It was deemed a Significant Incident for Fire Safety (SIFS).

In addition, NWFC dealt with other large-scale incidents in other fire services they partnered with. They also assisted with 118 and 115 calls respectively for London Fire Brigade for two large scale flooding incidents in July. The calls were received as part of the buddy arrangements they provide for London.

RESOLVED :- That the Performance Committee endorsed the Quarter 2 NWFC Performance report.

18-20/21 999EYE DEMONSTRATION

Ged Basson, Senior Operations Manager, North West Fire Control (NWFC), provided the Committee with a presentation regarding 999eye.

999eye Emergency Streaming enabled a 999 caller with a smartphone to stream

live footage, direct from their phone's camera, into North West Fire Control Room, providing vital live footage that allows operators to make more informed decisions on mobilising the right resources. It provides GPS locations to the control room, and recorded footage.

Ged Basson explained that 999eye was originally developed by firefighters in the West Midlands and sold to Capita. It was a web-based product and NWFC could request that callers send them images when they were experiencing a fire so NWFC could risk assess whether the predetermined attendance set by the Service was adequate.

The software would operate by sending a message to the caller's mobile phone, the caller would then click on the link and the call operator could then see through the phone's camera. This gave the operator situational awareness of the incident although there were some incidents where this would not be used i.e., where someone was seriously injured. Where callers had difficulty speaking, they could communicate by text messaging and live chat. The software could also be used to help locate callers by using the mobile phone's operating system. This would improve call handling times, and therefore, response times.

A trial of the 999eye software was currently taking place with Greater Manchester Fire and Rescue Service. Once NWFC received the results, they could demonstrate the software's benefits and introduce it to all the Fire and Rescue Services.

In response to a question from Councillor Smith in relation to NWFC using 'What 3 Words', Ged Basson advised that 'What 3 Words' was a web-based package where a link could be sent to callers, or they could give the 3 words if they have that information, which they use to help locate them. Hopefully, the 999eye software would be available next year, however, 'What 3 Words' was an additional tool.

County Councillor Singleton questioned whether the signal to the mobile phone would determine the time it would take to receive the text message from the call handler. Ged Basson responded that the text message would be sent instantaneously, depending on the caller's network it would work as fast as the caller could accept the text message, they would click on the link which took them to webpage to accept the information and they could then start the video. He added that the software should be a lot quicker when using the mainframe system in the control room. The Deputy Chief Fire Officer explained to Members that the 999eye technology would be used whilst fire engines were already on route to an incident and could help pinpoint the exact location. The software could also give the call handler situational awareness to help them make an informed decision about resources needed. Ged Basson assured Members that a 3-step approach was taken to mobilising fire engines; stage 1 was identifying the location, stage 2 was getting the resources moving out, and stage 3 was then asking secondary questions.

In response to a question from Councillor Z. Khan regarding calls from a landline, Ged Basson informed that the software would not work with landline and it would

only work with a mobile phone. If the caller did not have a lot of data on their phone, they could take pictures but the software needed access to the phone's camera.

County Councillor Woollam queried whether fire crews would also have access to the video. Ged Basson explained that, at present, it would just be the control room who could see the video for their own assessment for dynamic mobilising. There was a share option on the software to send the video to officers' mobile phones, however, he was unsure whether technology was available in the pumps which would allow them to receive video images. It was anticipated that the technology would be available in future as part of the Emergency Service Network that NWFC would be moving to in the next few years.

RESOLVED:- That the Performance Committee noted the available technology and supported its roll-out to LFRS.

19-20/21 DATE OF NEXT MEETING

The next meeting of the Committee would be held on 16 March 2022 at 10:00 hours in Washington Hall, Service Training Centre, Euxton.

Further meeting dates were noted for 29 June 2022 and 19 September 2022 and agreed for 14 December 2022.

M NOLAN
Clerk to CFA

LFRS HQ
Fulwood

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LANCASHIRE COMBINED FIRE AUTHORITY

PLANNING COMMITTEE

Monday, 7 February 2022, at 10.00 am in the Washington Hall, Service Training Centre, Euxton.

MINUTES

PRESENT:

Councillors

G Mirfin (Chairman)
S Clarke (Vice-Chair)
M Dad
N Hennessy
F Jackson
A Kay (for D O'Toole)
J Shedwick
J Singleton

Officers

S Healey, Deputy Chief Fire Officer (LFRS)
J Charters, Acting Assistant Chief Fire Officer (LFRS)
S Fryer, Deputy Director of Operational Response (LFRS)
D Brooks, Principal Member Services Officer (LFRS)
L Barr, Member Services Officer (LFRS)

In attendance

T Cogley, Fire Brigades Union

25-20/21 APOLOGIES FOR ABSENCE

Apologies for absence were received from County Councillor David O'Toole and Councillors Jane Hugo and Tony Williams.

26-20/21 DISCLOSURE OF PECUNIARY AND NON-PECUNIARY INTERESTS

None received.

27-20/21 MINUTES OF PREVIOUS MEETING

RESOLVED: - That the Minutes of the last meeting held on the 15 November 2021 be confirmed as a correct record and signed by the Chairman.

The Deputy Chief Fire Officer presented a report on the Service's Annual Service Plan and Strategic Assessment of Risk for 2022/23.

This year's Annual Service Plan, as now considered by Members continued to provide LFRS with the platform to highlight the priority activities and projects the Service intended to deliver over the coming year; leading improvements and innovation in the sector with some of the best firefighting equipment and training facilities in the country and a highly skilled and motivated workforce.

The year ahead would build on achievements by staying focused on continuous improvement to make the people of Lancashire safer, particularly the most vulnerable members of our communities. Many priorities were initiatives that would transform the way the Service worked and would bring lasting benefits.

Annual Service Plan

The Annual Service Plan was built around the Service's four corporate priorities as detailed in the Community Risk Management Plan which were: -

1. Valuing our people so they can focus on making Lancashire safer;
2. Preventing fire and other emergencies from happening and Protecting people and property when fires happen;
3. Responding to fire and other emergencies quickly and competently;
4. Delivering value for money in how we use our resources.

The Annual Service Plan informed activity that would be led across the Service as well as locally within district plans. Activities that were planned for delivery also informed the staff performance appraisal process so that all staff understood the plans and were involved in helping to deliver key activities.

As in previous years, detailed under each corporate priority was a series of priority activities and projects with a brief description of each item to give further clarity and context. This ensured that all staff and the public were informed of the changes and activities the Service aimed to progress and how these items fitted within our priorities. This provided the opportunity for the Service to ensure that it continued to provide transparency and visibility of plans in a clear concise format. The governance arrangements for delivery of the Annual Service Plan items would continue to be monitored through the Service's Corporate Programme Board and Service Management Team.

As always, the aim was to continually improve and refine the planning process and this year's Plan aimed to add focus on achievable objectives to be delivered within the year, acknowledging that a proportion of items were continued from the 2020/21 Plan, reflecting the commitment to a number of long-term projects.

Strategic Assessment of Risk

Risk in Lancashire would always remain dynamic: it changed over time, differed by area and demographic, and needed different interventions to reduce the likelihood of the risk occurring or to lessen its consequences. These risks were identified in the Strategic Assessment of Risk which was refreshed annually and was also informed by the Lancashire Resilience Forum Community Risk Register. Through our risk management framework, the Service continually assessed changing risk and prioritised our response framework. A wider consultation had also taken place, involving Unitary Authorities, District Councils, Lancashire County Council and Lancashire Constabulary, in order to gain a more complete collaborative picture of the perceived risk from the viewpoint of all organisations.

This year's Assessment was built on previous iterations as the Service sought to continually improve its risk management processes. This year the Service had sought to identify more clearly how it responded to a number of the strategic risks identified, examples being the response to the emerging threat of climate change which would be delivered through a new Climate Change Response Plan.

The Strategic Assessment of Risk reflected the knowledge and experience of a variety of specialist departments and utilised Incident Recording System data to derive a data driven methodology that highlighted the incident types that posed the greatest risk to the county of Lancashire and the individuals who lived and worked within it. The Strategic Assessment of Risk drove both Service and district level response to risk and enabled LFRS to tailor prevention, protection and response activities to identified risks.

Following a comment by County Councillor Dad regarding welcome improvements to premises, the Deputy Chief Fire Officer confirmed that the condition of the estate was considered on an ongoing basis and any health and safety matters would be addressed immediately. He advised that ongoing investment also included staff training and improvements to drill towers. Acting Assistant Chief Fire Officer, Jon Charters added that the work programme for Hyndburn included consideration of improvements to dormitory arrangements in recognition that the diversity of the workforce was changing.

In response to a question raised by County Councillor Hennessy the Acting Assistant Chief Fire Officer confirmed that the property asset management plan (PAMP) set out our medium term ambitions and formed part of submissions to Resources Committee. In response to a further question raised by County Councillor Mirfin regarding the age of the premises the Deputy Chief Fire Officer advised that the PAMP contained this detail and included the private finance initiative premises procured as part of a joint project across the North West. The Acting Assistant Chief Fire Officer added that the most recent station build was the joint Fire/Ambulance station at Lancaster.

RESOLVED: - That the Planning Committee noted and endorsed the Annual Service Plan and Strategic Assessment of Risk 2022/23 acknowledging the continuation of the data driven approach taken in its production.

29-20/21 CONSULTATION STRATEGY

The Deputy Chief Fire Officer presented the report. The Authority had a consultation strategy which provided a framework through which it could seek public opinion on major change issues.

Each year the Planning Committee reviewed the strategy as now considered by Members to assure continued compliance with guidance or legislation and to incorporate learning from any public consultation exercises undertaken.

The review concluded that the strategy continued to be legally compliant and in line with good practice.

It was noted that the Strategy was implemented to good effect during the public consultation on the draft Community Risk Management Plan 2022-27 (CRMP) in summer 2021 and had been updated to reflect learning from that exercise. This included a mid-point review of progress, in addition to a closing review, to provide an opportunity for any adjustments to be made to the consultation plan if needed. It was commonplace to use a standard 12-week period for public consultation however the length of time given for consultees to respond could vary depending on the subject and extent of impact of the consultation. Although in most cases 12-weeks would be sufficient, the maximum 12-week period had been changed to reflect the need for flexibility to allow sufficient opportunity for consultees to participate. The Deputy Chief Fire Officer advised that the recent consultation on the CRMP had received 1,907 responses in comparison to the previous consultation in 2017 on the integrated risk management plan which received only 11 responses.

This year the Authority would consult the public in relation to the emergency cover review, incorporating the withdrawal of the day crewing plus duty system. Any other requests to the Authority to consult with the public would be made as-and-when priorities identified in the annual service plan reached the point where this was required.

Members were pleased with the increase in responses to the consultation and that the consultation methodology (detailed on page 39 of the agenda pack) included focus groups and social media platforms.

In response to a question raised by County Councillor Hennessy the Deputy Chief Fire Officer provided reassurance that the consultation on the emergency cover review and changes to the day crewing plus duty system (which was a separate item later on the agenda) would include the production of video communications to support engagement with staff, communities and stakeholders.

RESOLVED: - That the Committee noted and endorsed the consultation strategy.

30-20/21 REVIEW OF KEY PERFORMANCE INDICATORS

The Deputy Chief Fire Officer presented a report which contained an outline of the circumstances that had led to several proposals to introduce, amend, or remove performance monitoring across the 5 core priorities of:

- Valuing our People so they can focus on making Lancashire safer
- Preventing Fires and other emergencies from happening and,
- Protecting people and property when they happen
- Responding to fires and other emergencies quickly and competently
- Delivering value for money in how we use our resources.

The report contained a description of the change proposals, including rationales for their review; all supported by a visual summary of how the proposed KPI suite would look following approval/endorsement of the changes.

The most simplistic change had been to re-order the KPI suite to better reflect the content of the refreshed Community Risk Management Plan (CRMP) 2022-27 along with the Service's STRIVE values. The outcome of this change now saw '*Valuing our People*' as the primary KPI, further demonstrating our intent to put our people first.

A summary of the new KPIs was:

1. Valuing our people so that they can focus on making Lancashire safer
 - 1.1 Overall Staff Engagement
 - 1.2.1 Staff Absence Wholetime
 - 1.2.2 Staff Absence On-Call
 - 1.2.3 Staff Absence Greenbook
 - 1.3.1 Workforce Diversity (as a %)
 - 1.3.2 Workforce Diversity Recruited (as a %)
 - 1.4 Staff Accidents

2. Preventing fires and other emergencies from happening; Protecting people and property when fires happen
 - 2.1 Critical fire Risk Map Score
 - 2.2 Overall Activity
 - 2.3 Accidental Dwelling Fires (ADF)
 - 2.3.1 ADF – Harm to people – Casualties
 - 2.3.2 ADF – Harm to Property – Extent of Damage (Fire Severity)
 - 2.4 Accidental Building Fires (ABF) - (Commercial Premises)
 - 2.4.1 ABF (Commercial Premises) – Harm to Property – Extent of Damage (Fire Severity)
 - 2.5 ABF (Non-Commercial Premises)
 - 2.5.1 ABF (Non-Commercial Premises – Private Garages and Private Sheds) – Harm to Property – Extent of Damage (Fire Severity)
 - 2.6 Deliberate Fires Total
 - 2.6.1 Deliberate Fires – Dwellings
 - 2.6.2 Deliberate Fires – Commercial Premises

- 2.6.3 Deliberate Fires – Other (rubbish, grassland etc)
- 2.7 Home Fire Safety Checks (HFSCs)
- 2.8 Numbers of other prevention activities such as Childsafe, Wasted Lives etc
- 2.9 Fire Safety Enforcement
- 2.10 Building Regulation Consultations

- 3. Responding to fire and other emergencies quickly
 - 3.1 Critical Fire Response – 1st Fire Engine Attendance
 - 3.2 Critical Special Service Response – 1st Fire Engine Attendance
 - 3.3 Total Fire Engine Availability
 - 3.3.1 Fire Engine Availability Wholetime Shift Systems
 - 3.3.2 Fire Engine Availability On-Call Shift Systems

- 4. Delivering value for money in how we use our resources
 - 4.1 Progress Against Allocated budget
 - 4.2 Partnership Collaboration
 - 4.3 Overall User Satisfaction

Members considered the report and noted that several KPI's had been introduced, amended, or removed to provide better information, in a more understandable way, and to enable measurement against more specific goals. It was also noted that the proposed changes would be implemented as and when the underpinning technology and integration within new PowerBi performance management software came into effect within LFRS, which was anticipated in the second half of 2022-23 performance year.

It was acknowledged that the Performance Committee had recommended the removal of KPI 1.3.2, accidental dwelling fire – number of incidents where occupants had received a home fire safety check (as detailed on page 44 of the agenda pack) as the indicator was unclear and potentially misleading. Members discussed whether qualitative data could be included in the measuring progress report to the Performance Committee as an alternative given the small number of incidents reported under this measure. The Acting Assistant Chief Fire Officer provided reassurance that every accidental dwelling fire was followed up; this was dictated by the nature of the incident (and involved prevention and operational staff as appropriate) with community safety debriefs following more serious incidents, exploring interventions delivered and lessons learnt to inform further service improvements. Members therefore:

RESOLVED: - to approve the changes to the Key Performance Indicators and their inclusion within the Service's Measuring Progress report.

31-20/21 EMERGENCY COVER REVIEW

The Deputy Chief Fire Officer presented the report. Lancashire Fire and Rescue Service (LFRS) was required to review its emergency response arrangements periodically to ensure that provision remained effective and consummate with

the dynamic risk profile. This process was a robust assessment of historic data and emergent risk and was delivered in the format of an Emergency Cover Review (ECR).

The Community Risk Management Plan (CRMP) for 2022–27 would be presented for approval at the next Combined Fire Authority meeting and within this Plan were a series of organisational commitments associated with LFRS' capabilities including the emergency response provision.

The Service sought to deliver high standards of operational response and in doing so prepared and planned for emergencies so that when an emergency happened and the Service had to respond, it was done quickly, with the right fire appliances, the right specialist vehicles and the right crewing arrangements to deal with the incident effectively and safely.

As part of the ECR, the Service would be considering revised crewing arrangements at all 11 Day Crewing Plus (DCP) stations following the recent decision by the Authority to withdraw the duty system.

The aims of the ECR were to:

1. Ensure LFRS always provided an effective response to fire and other emergencies.
2. Ensure LFRS crewing arrangements were fit for purpose to meet the risk levels of the community.
3. Ensure the DCP duty system was phased out and replaced with crewing arrangements that provided efficient and effective resources across the whole of Lancashire.

The community of Lancashire changed dynamically through commercial and residential growth and retraction, new road and other infrastructure provision and these along with many other factors may create a differing emergency response requirement from LFRS. To ensure that response arrangements remained appropriate and effective, to validate current provision and to identify any appropriate proposals for change in response provision it was recommended that LFRS undertake an ECR process in 2022 and that within the methodology three key elements focussed upon would be:

- i. **Risk and Demand** (Performance Data and Risk in Lancashire).
- ii. **Process** (Mobilising criteria).
- iii. **Resource Provision** (Location, Configuration and Weight of attack).

In order to validate the current response arrangements and to test predictive impacts, LFRS planned to draw on the services of an external specialist organisation to provide third party objective data analysis. This would enable the use of predictive modelling software to determine and subsequently validate the potential impact of any changes to the number, type, location and crewing arrangements of emergency resources across the county.

It was recommended that the scope of the ECR included:

- A) Validating the deliverables, outcomes and actual performance.
- B) Developing a subsequent Baseline Model for 2022 inclusive of the above.
- C) Determining the potential impact of a series of changes to the number, location, response capabilities and crewing arrangements of emergency resources across the county. More specifically but not exclusively:
 - 1) Replacement of the Day Crewing Plus (DCP) duty system
 - 2) Enhancement of our response to climate change
 - 3) Enhancement of our emergency cover in rural parts of the county

It was noted that a review of the Strategic Assessment of Risk for Lancashire would be completed and used to support the ECR proposals and that the timeline for the ECR was aligned with our annual planning cycle:

January - April 2022*	Research, data and analysis including engagement in relation to alternative duty systems.
May - June 2022	Evaluation and administration, creating reports for the CFA and preparing the final proposals ahead of relevant stakeholder consultations.
4 July 2022	Strategy Group – CFA pre-consultation discussion
18 July 2022	Planning Committee – approval for public consultation
July - October 2022	A period of consultation and review of feedback
7 November 2022	Strategy Group – CFA post-consultation discussion
21 November 2022	Planning Committee – consider scale and scope of consultation and responses received
19 December 2022	Final approval of the ECR by the CFA
January 2023	Implementation commences (including a phased approach to the removal of DCP).

To ensure that the Service fully considered the most suitable and appropriate arrangements for the replacement of DCP, staff (especially current / permanent DCP staff) had been invited to express their interest in supporting ECR working groups, which would look at options for future crewing systems through to April 2022.

In response to a question raised by County Councillor Hennessy regarding the

cost to undertake specialist fire data analysis, the Deputy Chief Fire Officer advised the cost was contained within existing departmental budgets. He advised that austerity measures over many years had reduced back-office support staff in order to protect the front line. In addition, using an external company would provide third party analysis and transparency of our data, thereby providing external scrutiny.

RESOLVED: - That the Planning Committee noted and endorsed the report to commission the production of an ECR in line with the timeline agreed.

32-20/21 CLIMATE CHANGE OPERATIONAL RESPONSE PLAN 2022-2027

The Acting Assistant Chief Fire Officer presented the report.

The Strategic Assessment of Risk identified the increasing impacts and consequences of climate change in terms of both prevalence and duration of large-scale flooding and wildfire events in the county. The Community Risk Management Plan (CRMP) 2022-27 detailed high-level ambitions in response to those emerging risks and the Climate Change Operational Response Plan (CCORP) 2022-27 aimed to provide a more detailed overview of how the provision of services to our communities would be strengthened to ensure that LFRS remained best placed to plan and respond to incidents of these types.

It was noted that the Intergovernmental Panel on Climate Change (IPCC) earlier in 2021, shared a view on the current 'State of the Climate':

"The scale of recent changes across the climate system as a whole and the present state of many aspects of the climate system are unprecedented over many centuries to many thousands of years.

"Many changes in the climate system become larger in direct relation to increasing global warming. They include increases in the frequency and intensity of hot extremes, marine heatwaves, and heavy precipitation, agricultural and ecological droughts in some regions, and proportion of intense tropical cyclones, as well as reductions in Arctic Sea ice, snow cover and permafrost".

A key element of their observations was that:

"Continued global warming is projected to further intensify the global water cycle, including its variability, global monsoon precipitation and the severity of wet and dry events".

Armed with this insight and to ensure LFRS' preparedness and response capabilities, the five-year plan detailed LFRS' ambitions in response to emerging evidence and warnings on the likely impacts of climate change.

As the extremes of foreseeable weather events were evident, the action plan would consider flooding and wildfire as two separate areas of focus, whilst recognising that some of the proposed actions to be taken, would serve to mitigate aspects of both risks in tandem.

In delivering against this plan, the aim was to:

- Reduce the threat to the communities in Lancashire
- Improve firefighter safety
- Reduce the costs and impact upon LFRS, partners and our communities

Key principles outlined in the plan integrated activities across preparedness, prevention, protection and operational response. Several key principles that guided activities were:

1. Working in partnership with other agencies and/or private bodies to make our communities safer;
2. Delivering prevention activities serves to educate and inform and thereby reduce potential risks;
3. Empowering communities to play their part can increase local resilience and assist planning and response;
4. Utilising operational debriefing and learning supports continuous improvement in the delivery of our services;
5. Working to support local, regional, and national policy design through learning and sharing areas of best practice;
6. Responding effectively when required, with the right vehicles, trained staff, best equipment, and operational tactics.

Members considered the report in detail which included the legal framework, causation factors and incident demand which demonstrated that both flooding and wildfire incidents had increased over recent years. It was noted that 2021 figures did not include the winter period and it was expected that the report would be updated with the complete year's figures prior to publication. The report also included that when local and wide area flooding events and wildfires did occur, these events could lead to significant risk to life, damage to communities and infrastructure. It was noted that LFRS was part of the Lancashire Resilience Forum and worked with upper and lower tier councils and a wide range of partners to ensure communities were prepared. Areas of Lancashire which are known to be particularly vulnerable had established flood action groups and community resilience plans. The impact on property and infrastructure were also noted. Lancashire faced a particular threat from flooding and wildfire due to the proximity of rivers, forestry and heathland to property and major transport routes. Large areas at risk from flooding and wildfire were directly adjacent to commercially and residentially developed areas, consequently a major event had the real potential to damage an assortment of buildings and property. The report also set out the social impact (in terms of direct and indirect risk to Lancashire's communities) and the economic costs which could severely impact the viability of commercial enterprise and threaten jobs which could damage the sustainability of local economies.

The prevention, protection and education section (from page 70 of the agenda pack) provided an overview of what the Service was doing to mitigate risks and

what its future aspirations were to reduce the number, scale and impact of these types of incidents including the continuous learning and improving from experience to identify opportunities for improvement to practices and personal protective equipment. Staff welfare was of primary significance particularly when operating over protracted periods in arduous conditions.

Members commended the detail in the report and welcomed the Service aspirations that supported new equipment and training for staff. The Acting Assistant Chief Fire Officer confirmed that any additional costs would be included in the budget setting papers to the full Authority.

The Deputy Chief Fire Officer added that the Fire and Rescue Services Act 2004 provided for the Service to become a rescue service. Due to prevention work the Service had seen a decline in traditional fires however, over time there had been an increase in flooding and wildfire incidents. In the past the fire sector had called for statutory responsibility for responding to flooding incidents given the need to invest, train and be prepared for these types of incidents. He took this opportunity to acknowledge Bay Search and Rescue, a local charity who worked in partnership with LFRS in providing logistic and technical rescue support (personnel and a range of dedicated rescue vehicles).

County Councillor Kay, as the Authority's Member Champion for Health and Wellbeing (which included the responsibility for climate change issues) advised that she had approached schools in Wyre to gain views of young people on climate change to raise awareness and assist with future planning.

RESOLVED: - that the Planning Committee noted and endorsed the Climate Change Operational Response Plan 2022-27 for publication.

33-20/21 DATE OF NEXT MEETING

The next meeting of the Committee would be held on Monday 18 July 2022 at 1000 hours in Washington Hall, Service Training Centre, Euxton.

Further meeting dates were noted for 21 November 2022 and agreed for 6 February 2023.

LFRS HQ
Fulwood

M NOLAN
Clerk to CFA

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LANCASHIRE COMBINED FIRE AUTHORITY

Meeting to be held on 21 February 2022

PAY POLICY STATEMENT FOR 2022-23

Contact for further information:

Bob Warren, Director of People & Development – 01772 866804

Executive Summary

In accordance with the provisions of the Localism Act 2011 a pay policy statement for 2022/23 has been prepared.

The pay policy is an annual document which publishes data on senior salaries and the structure of the workforce and demonstrates the principles of transparency.

The pay policy statement sets out the Authority's policies for the financial year relating to:

- The remuneration of its chief officers;
- The remuneration of its lowest paid employees;
- The relationship between the remuneration of its chief officers and that of other employees who are not chief officers.

The statement includes :-

- The level and elements of remuneration for each chief officer;
- Remuneration range for chief officers on recruitment;
- Methodology for increases and additions to remuneration for each chief officer;
- The use of performance-related pay for chief officers;
- The use of bonuses for chief officers;
- The approach to the payment of chief officers on their ceasing to hold office under, or be employed by, the authority, and
- The publication of and access to information relating to the remuneration of chief officers.

It also includes the Authority's policies for the financial year relating to other terms and conditions applying to its chief officers.

Recommendation

The Authority is asked to approve the Pay Policy Statement.

Information

The approval of a pay policy statement cannot be delegated by the Authority to a Panel. The Fire Authority's pay statement must be approved by the 31st March each year. It is recognised when Executive Board pay is raised it will be tightly scrutinised by elected members, staff within the Service and members of the public.

The Authority is asked to approve the Statement hereunder.

Lancashire Fire Authority Pay Policy Statement

Introduction

In accordance with the Localism Act 2011 (Chapter 8 Sections 38 to 43) Lancashire Fire Authority is required to produce a pay policy for each financial year.

Any decision under powers delegated to the Authority's Constitution with regard to remuneration to be taken in 2022/23 will be bound by and must comply with the 2022/23 Statement.

The Director of People & Development must be consulted prior to any decision impacting on remuneration where there is any question regarding compliance with the Statement.

In general terms the Fire Authority recognises terms and conditions negotiated nationally by the National Employers with the National Employees' bodies for 3 distinct staff groups. These are:

- National Joint Council for Brigade Managers (referred to in Lancashire Fire Authority as Principal Officers) of Local Authority Fire and Rescue Services (commonly referred to as 'Gold Book');
- National Joint Council for Local Government Services (commonly referred to as 'Green Book');
- National Joint Council for Local Authority Fire and Rescue Services (commonly referred to as 'Grey Book').

Under the definitions provided for within the Act, the officers included in this pay statement are the Chief Fire Officer (CFO), Deputy Chief Fire Officer (DCFO), Assistant Chief Fire Officer (ACFO), Director of Corporate Services (DoCS) and Director of People & Development (DoPD).

The Treasurer responsibilities are undertaken by the Director of Corporate Services.

The Monitoring Officer duties are undertaken by the Clerk to the Authority who is engaged on a contract for services basis.

The Fire Authority has delegated responsibility for any local terms and conditions, including remuneration for chief officers, to the Appointments Panel/Succession Planning Sub-Committee.

A chosen natural internal benchmark for Chief Officer pay is the percentage rise in firefighters pay. This is the standard for the majority of staff within the Service and has been deemed affordable and proportionate by the National Joint Council (NJC) for Local Authority Fire and Rescue Services. It has previously been agreed that the Chief Fire Officer's pay with the established linkages for other Executive Board members should rise by the same amount as firefighters when they receive their annual award. The linkage was originally agreed to last for five years and when reviewed in 2018, it was determined to continue the current arrangement, until it was determined a different mechanism was necessary.

Any pay rise will be subject to a satisfactory performance evaluation. This will be undertaken with the Chair of the Authority with regard to the Chief Fire Officer, who will in turn appraise his staff. These appraisals determine increases in basic salary; no bonus payments are made to Executive Board members.

Information relating to chief officers pay and benefits in kind is found in the Fire Authority's Statement of Accounts and on the Authority's website.

Objectives of the Policy

The Fire Authority creates and sustains a competent, motivated and well led workforce, to meet current and future organisational needs and to be an employer of choice with improved working practices, work life balance, personal development, health and well-being and fair pay. We are committed to striving to achieve fairness in pay and reward structures across all occupational groups taking into account all the employment relationships that exist.

Changes from national negotiations generally take place each year, in January (Gold Book), April (Green Book) and July (Grey Book). The Fire Authority's policy is to implement national agreements, amended as needed to meet local needs.

Pay increase in 2021/22 were:

- 1.5% for staff covered by the "grey book" (wef 1 July 2021);
- 1.5% for Principal Officers (wef 1 July 2021), in accordance with the agreed linkage to "grey book" staff and satisfactory performance.

The next anniversary dates for "grey book" and Principal Officers pay is anticipated to be 1 July 2022, whilst the green book pay-award effective from April 2021 has not currently been resolved.

In addition to pay the national agreements cover other terms and conditions such as annual leave and allowances for use of private vehicles on Authority business. The Authority pays car allowances in accordance with these national scales.

There are 4 Pension schemes in existence; the Firefighters' Pension Scheme (which became closed to new entrants in 2006), the New Firefighters' Pension Scheme (which became closed to new entrants on establishment of the 2015 scheme), the Firefighters' 2015 Pension scheme and the Local Government Pension Scheme.

All employees may join a pension scheme which is relevant to their occupational group. The operative schemes are statutory schemes with contributions from employers and the employees.

The Local Government Pension Scheme provides for flexible retirement for which the Fire Authority has approved a Policy statement.

The Firefighters' Pension Schemes allow for re-engagement after retirement. In the unlikely event this is considered, any utilisation of this option is subject to approval by the Authority based on a business case and demonstrated need and will involve abatement.

There are 3 pay grades for Grey Book staff (trainee, in development and competent), a spinal column system for Green Book staff where the policy is to start any appointee on the lowest point of the pay grade, save for where an applicant brings specific skills or experience to a post. In respect of Gold Book staff, they are appointed within a range and progress by incremental movement subject to performance until the maximum of the range is reached.

The “green book” grading is determined and underpinned by the Local Government Job Evaluation Scheme. The salaries utilised are above the ‘living wage’.

A provided car scheme is available to the Chief Fire Officer, Deputy Chief Fire Officer and Assistant Chief Fire Officer and those Grey Book Managers who are conditioned to the flexible duty system for operational cover.

Delegated powers for the payment of honoraria lie with the Chief Fire Officer.

Individual Chief Officers

Changes to chief officer salaries are approved by the Fire Authority.

The chief officers are conditioned to the Gold Book terms and conditions of employment.

A facility exists for the chief officers (either singularly or collectively) to present a case to the Authority (via the Chairman) for a salary increase based on evidence, the overall performance of Lancashire Fire & Rescue Service and an annual appraisal.

Lancashire Fire Authority does not operate a bonus scheme or performance related pay for chief officers.

Chief Officers may claim reimbursement for expenses incurred in the course of carrying out their duties.

Chief Fire Officer (CFO) - £153,121

The post holder is a member of the 2015 Firefighters Pension Scheme and has reached the maximum of his salary range.

The current remuneration for this post on recruitment is between £147,841 and £153,121 pa.

The Chief Fire Officer has a provided car to enable the duties of the post to be performed.

The provisions for redundancy are the statutory payments for redundancy.

Deputy Chief Fire Officer (DCFO) – £141,505

The post holder is a member of the 2015 Firefighters' Pension Scheme and has a further increments before reaching the maximum of his range.

The current remuneration for this post on recruitment is between £137,281 - £142,561 pa.

The DCFO has a provided car to enable the duties of the post to be performed.

The provisions for redundancy are the statutory payments for redundancy.

Assistant Chief Fire Officer (ACFO) - £116,161

The post is currently being advertised.

The current remuneration for this post on recruitment is between £116,161 and £121,441.

A car will be provided to enable the duties of the post to be performed.

The provisions for redundancy are the statutory payments for redundancy.

Director of Corporate Services (DoCS) - £108,678

The post holder is a member of the Local Government Pension Scheme and has reached the maximum of his salary range.

The current remuneration for this post on recruitment is up to £108,678.

There is no provision to utilise the car leasing scheme nor is any car allowance paid. Any mileage reimbursement utilises the casual car user arrangements

The post holder is entitled to discretionary entitlements in relation to redundancy which include average weekly pay with a multiplier of 2.2 applied and in exceptional cases augmentation of pensionable service to the maximum of 3 years. These provisions apply to all staff eligible to join the Local Government Pension Scheme.

Director of People & Development (DoPD) - £108,678

The post holder is a member of the Local Government Pension Scheme and has reached the maximum of his salary range.

The current remuneration for this post on recruitment is up to £108,678.

There is no provision to utilise the car leasing scheme nor is any car allowance paid. Any mileage reimbursement utilises the casual users arrangement.

The post holder is entitled to discretionary entitlements in relation to redundancy which include average weekly pay with a multiplier of 2.2 applied and in exceptional cases augmentation of pensionable service to the maximum of 3 years. These provisions apply to all staff eligible to join the Local Government Pension Scheme.

The Clerk to the Authority

The monitoring officer activity is undertaken under a contract for services, the cost being £15,150 pa.

Recruitment of New Officers

The Fire Authority takes the opportunity in year to review the salaries of the senior officer grouping to determine whether the salary range should be adjusted prior to advert.

Pay Floor

The definition of the 'lowest paid employee' is that postholder receiving the lowest (FTE) annual salary (exclusive of Employer pension contributions).

The pay floor level is our Green Book Grade 1 posts (Cooks, Receptionists and Gardener/handypersons) who are on a scale of £17,842 to £18,562 pa. £17,842 equates to £9.44 per hour (2021 rates of pay). The minimum a current employee is receiving is £18,562.

The Chief Fire Officer's earnings ratio is 1: 8.249 using the lowest earner pay grade 1.

The government statement is a recommendation that this ratio should not exceed 1:25.

As a further comparison, the ratio between a competent firefighter with CPD and the maximum salary for the Chief Fire Officer is 1: 4.64.

Financial Implications

Increased costs will be restricted to the affordable limits as set by the National Joint Council for grey book staff.

Sustainability or Environmental Impact

Nil.

Equality and Diversity Implications

This supports a common transparent approach by linking Executive pay rises to that of firefighters.

Human Resource Implications

Future appointments to the Authority's chief officer positions have to be made in compliance with the pay policy statement, which potentially reduces flexibility. Although the document has been produced in line with the requirements of the Act and accompanying guidance, the Authority's employment obligations are not superseded by the Act's requirements and have to be considered. A body of opinion exists that the Act's requirements breach an individual's rights. No case law has been determined in this respect.

Business Risk Implications

If an appropriate pay statement is not approved for 2022/23 then the Authority will be in breach of the Localism Act and might subject the Authority to negative comment.

Conversely complying with the requirements could also engender negative publicity.

Sustainable linkage provides a clear and equitable framework for the future.

Local Government (Access to Information) Act 1985 List of Background Papers

Paper:

Date:

Contact: Bob Warren

Reason for inclusion in Part 2 if appropriate: N/A

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LANCASHIRE COMBINED FIRE AUTHORITY

Meeting to be held on Monday 21 February 2022

HER MAJESTY'S INSPECTORATE OF CONSTABULARY AND FIRE & RESCUE SERVICES (HMICFRS) INSPECTION UPDATE (Appendix 1 refers)

Contact for further information: Deputy Chief Fire Officer Steve Healey
Tel: 01772 866802

Executive Summary

This report provides an update regarding the inspection by Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) of Lancashire Fire and Rescue Service (LFRS) that started from week commencing 22 November 2021 and the work completed pre and during inspection. Additionally, it covers a summary of the national report, State of Fire 2021, which has recently been published.

Recommendation

Members are asked to note and endorse the report.

Information

The HMICFRS inspection of LFRS commenced on 22 November 2021, and concluded on 24 January 2022, the final interview being with the Chief Fire Officer. The inspections were scheduled over 6 weeks and resulted in 4 weeks being completed before the Christmas break, with the remaining 2 weeks afterwards. The inspection took a 'hybrid' approach, with interviews taking place on Microsoft Teams in addition to other activities, such as reality testing, taking place in person with our staff. The schedule was as follows:

Week 1 – The inspection started with the Strategic Brief led by the Chief Fire Officer and Executive Board team with Her Majesty's Inspector Andy Cooke, Service Liaison Lead, Jo Hayden, and other inspection team members. Thereafter, partner interviews were completed with NHS, Lancaster City Council, Adult Safeguarding Board, and Lancashire Partnership for Road Safety.

Week 2 – This was 'efficiency week' and there were interviews with various lead representatives for Fleet, Property, ICT and Finance.

Week 3 – HMICFRS came into service and worked with departmental teams to look at our systems and data collection and how this supports us to deliver our services. This included prevention, protection, risk information, promotion processes, staff absence, and training records.

Week 4 – Included interviews with colleagues from the Safety, Health and Environment team, and Response & Emergency Planning about our involvement with Lancashire Resilience Forum (LRF).

Week 5 – Included reality testing and focus groups, whereby HMICFRS visited staff at 15 stations across all duty systems, to ask questions about our procedures, training, and other work such as prevention activity.

Week 6 – In the last full week of inspection, HMICFRS completed interviews with certain department heads to ask further questions prompted during the previous 5 weeks. This was followed with the Chief Fire Officer's interview.

During early February there was a hot debrief with the Inspection team. The reports are expected to be published in late Spring 2022, although no specific dates have yet been confirmed. LFRS will receive a copy of its report ahead of this for a pre-publication check.

The Inspection process has once again focused our attention regarding some key areas and allowed the Service to “hold a mirror up” once more. Overall, the experience has been very positive and enables us to continue identifying the areas where we need to improve, helping shape many of the actions within our Annual Service Plan(s). When we receive our final report in Summer, it will provide further clarity and direction, therefore we can focus our resources on the areas requiring strengthening, to ensure we continue on our road to outstanding.

In terms of future planning, an internal debrief will take place shortly to capture the lessons learned through the process of preparing for and receiving the inspection, with a view to embedding the ongoing processes and findings into business as usual.

As part of the inspection programme, HMICFRS assess and make graded judgments on three principal areas, known as pillars. For each Fire and Rescue Service inspected the pillars assessed are: effectiveness, efficiency, and how well the Service looks after its people. These assessments are designed to enable the public to see each Fire and Rescue Service's performance, as well as how this compares with the performance of other Services.

State of Fire and Rescue 2021 Report

Shortly before Christmas, the State of Fire and Rescue 2021 report was released. This report is written by Her Majesty's Chief Inspector of Fire and Rescue Services, Sir Thomas Winsor, and is presented to the Secretary of State under section 28B of the Fire and Rescue Services Act 2004. It provides an evaluation in terms of the direction of travel from Fire and Rescue Services since the Round 1 inspections, additionally it covers findings from the Round 2 Tranche 1 inspections, which included 13 Fire and Rescue Services delivered between February and August 2021. The report states that all safety-critical, essential public services benefit from the scrutiny of inspection and reporting and therefore it is valuable for both the public and the fire and rescue sector.

State of Fire 2021 highlights progress against the 6 specific recommendations set out in the State of Fire 2020 report. Only 2 of these 6 have been completed and the report highlights that “progress remains slow on the remaining 4” (see appendix 1).

The report identifies that overall, there has been progress from round 1 with improvements in culture and people, and Protection. In the 2020 report, it was identified that many Fire and Rescue Services needed to improve their Protection work. However, the 2021 report recognises that many Services had made protection and risk planning more of a priority, leading to improvements. An area identified as being problematic was the resourcing and prioritisation of prevention work. HMICFRS highlighted that Services may have changed their focus to meet the needs of their communities, including at times of crisis such as during a pandemic but highlighted the importance of remembering the three statutory functions of Fire and Rescue Services are Response, Prevention and Protection. Therefore, these functions must all be resourced and prioritised continuously and appropriately for them to safely serve the public. However, it was identified that most Services were failing to evaluate their Prevention work.

Other areas identified as requiring further improvements included the diversity of recruitment and the lack of effective equality impact assessments being completed by Services. Furthermore, issues were identified with the use of On-Call staff, particularly in terms of providing effective fire cover, with challenges in recruitment, retention, and availability. The report acknowledges positive work that many Services have progressed around wellbeing.

Summary of Round 2, Tranche 1

In terms of the Services that were inspected in Round 2, Tranche 1, there was considerable movement with the gradings, with many Services being graded lower than their initial inspection. The final gradings were as follows:

	Outstanding	Good	Requires Improvement	Inadequate
Effectiveness	0	4	9	0
Efficiency	1	2	10	0
People	0	5	8	0

Table 1. Details the gradings from the Round 2 Tranche 1 reports.

The results of all inspections are published on the HMICFRS website, once the reports are completed.

Financial Implications

One temporary Station Manager (non-flexi) additional post to support pre and during inspection activity and coordination

Sustainability or Environmental Impact

n/a

Equality and Diversity Implications

n/a

Human Resource Implications

n/a

Business Risk Implications

Business Risk Implications

The inspection will monitor LFRS's direction of travel since 2018, it could cause reputational damage if it is perceived that we have not made reasonable progress.

Local Government (Access to Information) Act 1985

List of background papers

Paper:

Date:

Contact:

Reason for inclusion in Part 2 if appropriate:

Appendix 1 – SOFR 2020 recommendations

Recommendation	Completion date	Status
<p>Recommendation 1: As soon as is practicable the Home Office, NFCC and LGA in consultation with the Fire Standards Board (FSB) and Association of Police and Crime Commissioners, should establish a programme of work that will result in consistency in the following four priority areas:</p> <ol style="list-style-type: none"> 1. Identifying and determining risk as part of the IRMP process. 2. Identifying and measuring emergency response standards and approaches. 3. Defining what are high-risk premises for the purposes of fire protection; and 4. Setting an expectation for how frequently high-risk premises, and parts of those premises, should be audited for compliance with fire safety legislation 	<p>December 2021</p> <p>This date was originally set at December 2020 and will need to be revised again</p>	<p>The Home Office confirmed it has funded the NFCC’s community risk programme, which is designed to develop a single method for services to use so that they identify and assess risk in the same way. The programme will also provide support to services so that they can use this method successfully. The NFCC told us that it expected the community risk programme work to be completed by the end of 2021/22.</p> <p>In February 2021, the Fire Standards Board published the fire standards for operational competence, operational learning, and operational preparedness.</p> <p>In September 2021, the Fire Standards Board published its protection standard. Since then, a range of guidance documents have been published which are designed to support services in their implementation of the standard.</p> <p>In addition to its continued work on high-risk premises, the NFCC has been co-ordinating the building risk review programme. This programme provides the most up-to-date information on a subset of buildings that will be in the jurisdiction of the new building safety regulator. These projects are still in progress and the specific requirements of this recommendation must be met in its entirety for it to be considered as complete.</p>

<p>Recommendation 2: As part of the next spending review, the Home Office in consultation with the fire and rescue sector should address the deficit in the fire sector’s national capacity and capability to support change</p>	<p>Complete</p>	<p>Complete</p>
<p>Recommendation 3: The Home Office, in consultation with the fire and rescue sector, should review and with precision determine the roles of: (a) fire and rescue services; and (b) those who work in them.</p>	<p>Awaiting fire reform implementation plan from Home Office. This date was originally set as June 2020.</p>	<p>The Home Office intends to consult on this matter in its forthcoming White Paper on fire reform.</p>
<p>Recommendation 4: The Home Office, the Local Government Association, the National Fire Chiefs Council, and trade unions should consider whether the current pay negotiation machinery requires fundamental reform. If so, this should include the need for an independent pay review body and the future of the ‘Grey Book’</p>	<p>June 2021. This date was originally set as June 2020; it will need to be revised again.</p>	<p>The Home Office intends to consult on this matter in its forthcoming White Paper on fire reform</p>
<p>Recommendation 5: The Home Office should consider the case for legislating to give chief fire officers operational independence. In the meantime, it should issue clear guidance, possibly through an amendment to the Fire and Rescue National Framework for England, on the demarcation between those responsible for governance and operational decision making by the chief fire officer.</p>	<p>Awaiting fire reform implementation plan from Home Office. This date was originally set as June 2020.</p>	<p>The Home Office is considering ways to make progress against this recommendation</p>

<p>Recommendation 6: The National Fire Chiefs Council, with the Local Government Association, should produce a code of ethics for fire and rescue services. The code should be adopted by every service in England and considered as part of each employee’s progression and annual performance appraisal.</p>	<p>Complete</p>	<p>Complete</p>
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Table 2. Summary of the State of Fire 2020 recommendations and status

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LANCASHIRE COMBINED FIRE AUTHORITY

Meeting to be held on 21 February 2022

TREASURY MANAGEMENT STRATEGY 2022/23 (Appendix 1 refers)

Contact for further information:

Keith Mattinson - Director of Corporate Services - Telephone Number 01772 866804

Table 1 Executive summary and recommendations

Executive Summary

The report sets out the Treasury Management Policy and Strategy for 2022/23.

The Strategy is based on the capital programme as presented to the Authority elsewhere on the agenda, and the financial implications of this are reflected in the revenue budget, also presented elsewhere on this agenda.

Recommendation

The Authority is asked to:-

- Approve the revised Treasury Management Strategy, including the Prudential Indicators, as set out in the report.
- Agree the Minimum Revenue Provision (MRP) calculation as set out in the report.
- Agree the Treasury Management Policy Statement at Appendix 1.

Information

Treasury Management is defined as “The management of the Authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

The Local Government Act 2003 (the Act) and supporting Regulations requires the Authority to “have regard to” the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice to set Prudential and Treasury Indicators for the next three years to ensure that the Authority’s capital investment plans are affordable, prudent and sustainable. The Code also requires the Authority to approve a treasury management strategy before the start of each financial year. The authority also adheres to investment guidance issued by the then Ministry of Housing, Communities and Local Government (MHCLG).

The definition of investments in the codes is wide ranging and includes non-treasury investments for example loans to third parties and the holding of property to make a profit. Where these are held a separate strategy is required. However, it is not considered that the Combined Fire Authority hold any such assets and it does not propose to engage in any such investments in 2022/23.

Treasury Management Strategy for 2022/23

This Strategy Statement has been prepared in accordance with the CIPFA Treasury Management Code of Practice. Accordingly, the Lancashire Combined Fire Authority's Treasury Management Strategy will be approved by the full Authority, and there will also be a mid-year and a year-end outturn report presented to the Resources Committee. In addition, there will be monitoring and review reports to members in the event of any changes to Treasury Management policies or practices. The aim of these reporting arrangements is to ensure that those with ultimate responsibility for the treasury management function appreciate fully the implications of treasury management policies and activities, and that those implementing policies and executing transactions have properly fulfilled their responsibilities with regard to delegation and reporting.

This Authority has adopted the following reporting arrangements in accordance with the requirements of the revised Code: -

Table 2 Treasury Management reporting arrangements

Area of Responsibility	Committee/ Officer	Frequency
Treasury Management Policy Statement	Resources Committee/Authority	Annually
Treasury Management Strategy / Annual Investment Strategy / MRP policy – scrutiny and approval	Resources Committee/ Authority	Annually before the start of the year
Treasury Management mid-year report,	Resources Committee	Mid-year
Treasury Management Strategy / Annual Investment Strategy / MRP policy – updates or revisions at other times	Resources Committee	As required
Annual Treasury Management Outturn Report	Resources Committee/ Authority	Annually by 30 September after the end of the year
Treasury Management Monitoring Reports	Director of Corporate Services	Quarterly
Treasury Management Practices	Director of Corporate Services	Annually

The Treasury Management Strategy, covers the following aspects of the Treasury Management function:-

- Prudential Indicators which will provide a controlling framework for the capital expenditure and treasury management activities of the Authority;
- Current Long-term debt and investments;
- Prospects for interest rates;
- The Borrowing Strategy;
- The Investment Strategy;
- Policy on borrowing in advance of need.

Setting the Treasury Management Strategy for 2022/23

In setting the treasury management strategy the following factors need to be considered as they may have a strong influence over the strategy adopted:

- economic position and forecasts,
- Interest rate forecasts
- the current structure of the investment and debt portfolio
- Future Capital Programme and underlying cash forecasts

Economic background:

The treasury management activity will be influenced by the forecast of interest rates for the year. In December 2021 the Bank of England increased the Bank Rate by 0.15% to 0.25%. This increase is the first in over 3 years and was made in response to inflationary pressures. This was followed by a further 0.25% increase in February to give a base rate of 0.5%. The November inflation rate, as measured by Consumer Prices Index (CPI) was 5.1% which was the highest for a decade and the Bank of England forecasts suggest it may rise to 6% or 7% in the first few months of 2022.

Gross domestic product (GDP) grew by 1.3% in the third calendar quarter of 2021 according to the initial estimate, compared to a gain of 5.5% in the previous quarter, with the annual rate slowing to 6.6%. Activity was boosted by sectors that reopened following coronavirus pandemic restrictions. However, looking ahead there is a great deal of uncertainty around the impact on the economy.

A similar picture has occurred in many different areas of the world including the USA. Currently the Federal Reserve has continued to maintain the Fed Funds rate at between 0% and 0.25% but signalled they are in favour of tightening interest rates at a faster pace in 2022, with three 0.25% movements now expected.

Arlingclose Forecast

The Authority's treasury management adviser Arlingclose had already forecast that Bank Rate would rise to 0.50% in the first quarter of 2022 to subdue inflationary pressures and the perceived desire by the BoE to move away from emergency levels of interest rates. Following the actual base rate increase they have updated their forecasts as set out below, which shows a further predicted increase to 1.0% in the first half of the new financial year.

Table 3 Forecast interest rates

	Bank Rate %	3 month money market rate%	5 year gilt yield %	10 year gilt yield %	20 year gilt yield %	50 year gilt yield %
Mar-22	0.75	0.85	1.20	1.35	1.55	1.20
Jun-22	1.00	1.20	1.20	1.35	1.55	1.20
Sep-22	1.00	1.25	1.20	1.35	1.55	1.20
Dec-22	1.00	1.15	1.20	1.35	1.55	1.20
Mar-23	1.00	1.10	1.20	1.35	1.55	1.20

Jun-23	1.00	1.10	1.20	1.35	1.55	1.20
Sep-23	1.00	1.10	1.15	1.35	1.55	1.20
Dec-23	1.00	1.10	1.15	1.35	1.55	1.20
Mar-24	1.00	1.10	1.15	1.35	1.55	1.20
Jun-24	1.00	1.10	1.15	1.35	1.55	1.20
Sep-24	1.00	1.10	1.15	1.35	1.55	1.20
Dec-24	1.00	1.10	1.15	1.35	1.55	1.20

Gilt yields are expected to remain broadly at current levels over the medium-term, with the 5, 10 and 20 year gilt yields expected to average around 0.65%, 0.90%, and 1.15% respectively. The risks around for short and medium-term yields are initially to the upside but shifts lower later, while for long-term yields the risk is to the upside. However, as ever there will almost certainly be short-term volatility due to economic and political uncertainty and events. (In the above table 'bank rate' refers to the policy rate of the Bank of England. PWLB borrowing rates are based on 'Gilt Yield' and so this is a forecast of long-term interest rates. The Authority can borrow at 80 basis points above the gilt yield, so for example a fixed interest rate to borrow PWLB money for 10 years would be 1.65%, 0.85% plus 0.80%.)

Current Treasury Portfolio Position

At the 31 December 2021 the debt and investments balances were: -

Table 4 Debt and Investments balances

Debt	Principal £m	%
Fixed rate loans from the Public Works Loan Board	2.000	100%
Variable rate loans		-
	2.000	100%
Investments		
Variable rate investments with Lancashire County Council	22.400	69%
Fixed rate investments	10.000	31%
	32.400	100%

The level of investments represents the Authority's cumulative surplus on the General Fund, the balances on other cash-backed earmarked reserves and a cash-flow balance generated by a surplus of creditors over debtors and by grant receipts in advance of payments. There is a net investment figure of £30m.

Borrowing and Investment Requirement

In the medium term LCFA borrows for capital purposes only. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The table below compares the estimated CFR to the debt which currently exists, this gives an indication of the borrowing required. It also shows the estimated resources available for investment. An option is to use these balances to finance the expenditure rather than investing, often referred to as internal borrowing. The table gives an indication of the minimum borrowing or investment requirement through the period.

The CFR forecast includes the impact of the latest forecast of the funding of the Capital Programme which currently assumes that there will be no borrowing until 2024/25 (note borrowing only affects the CFR the year after it is taken out). A voluntary MRP was made in 2019/20 to take the future loans element of the MRP to nil.

Table 5 Borrowing/Investment Need

	1/4/2021	1/4/2022	1/4/2023	1/4/2024
	£m	£m	£m	£m
Capital Financing Requirement	13.377	12.930	12.439	11,918
<i>Less long-term liabilities (PFI and finance leases)</i>	(13.377)	(12.930)	(12.439)	(11,918)
Less external borrowing	(2.000)	(2.000)	(2.000)	(2.000)
Borrowing requirement	(2.000)	(2.000)	(2.000)	(2.000)
Reserves and working capital	36,460	32,040	24,443	13,400
Borrowing/(Investment) need	34.460	30.040	22,443	11,400

CIPFA's Prudential Code for Capital Finance in Local Authorities recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. However, the table above shows that the level of loans was above the CFR at 1/4/21. This was the result of the Authority adopting a policy of setting aside additional Minimum Revenue Provision (MRP) in order to generate the cash to repay loans either on maturity or as an early repayment.

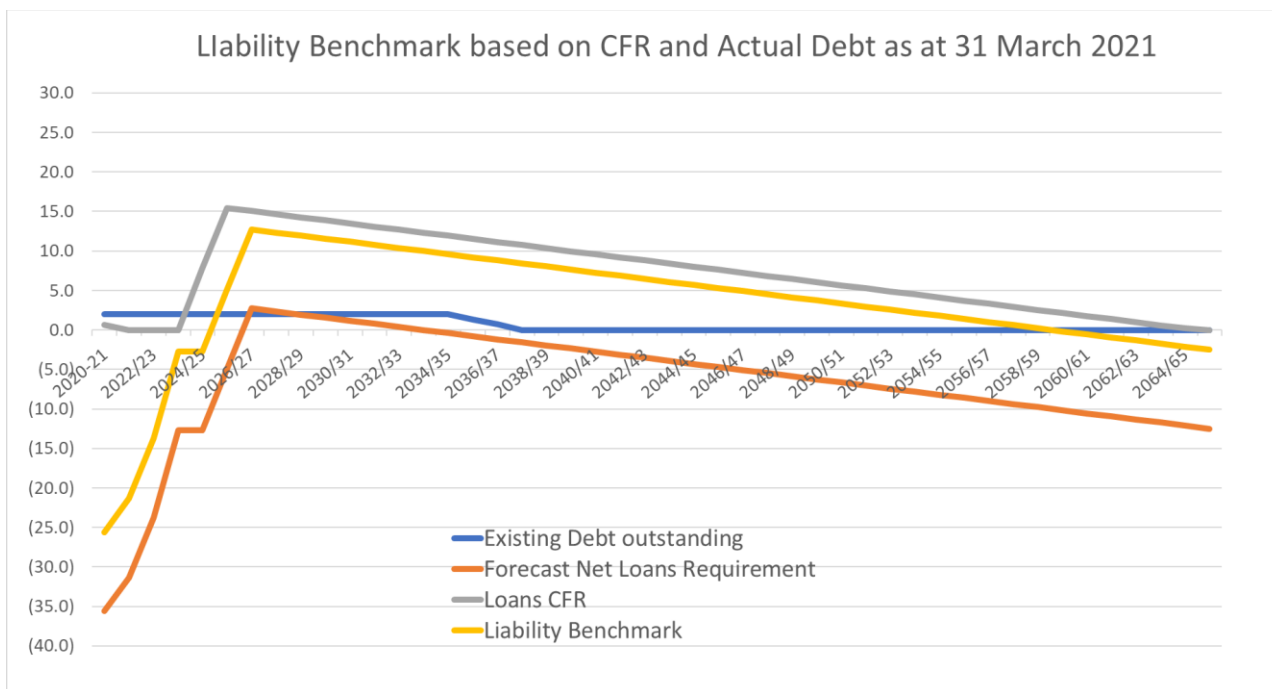
The table above indicates that rather than having a need for borrowing it is estimated that the authority has an underlying need to invest although the available balances are forecast to reduce.

Although the Authority does not have plans for new borrowing until 2024/25 it currently holds £2.0m of loans as part of its strategy for funding previous years' capital programmes.

Liability Benchmark

The liability benchmark is an indicator suggested in the CIPFA Code. It looks to compare the Authority's actual borrowing requirements against an alternative strategy, a liability benchmark, which shows the minimum level of borrowing. This assumes the same forecasts as the table above, but that cash and investment balances are kept to a minimum level of £10m at each year-end to maintain sufficient liquidity but minimise credit risk. In addition, it reflects the latest Capital Programme information which shows a borrowing requirement in 2024/25 and 2025/26. The liability benchmark is shown in the graph below:

Graph 1 showing Liability Benchmark and Borrowing Scenarios



The grey line represents the need to fund capital expenditure through borrowing (the Capital Financing Requirement). The orange line represents the need to fund capital expenditure through borrowing once reserves and working capital surplus' have been taken into account. The yellow line represents the need to fund capital expenditure through borrowing once reserves and working capital surplus' have been taken into account but allowing for cash and investment balances being maintained at a minimum level of £10m at each year-end (to maintain sufficient liquidity but minimise credit risk) – this is actually the real need to borrow which CIPFA have defined as being the Liability Benchmark.

The benchmark shows that from 2025/26 there is likely to be a **long-term** requirement to borrow but that this does not necessarily have to be at the level of the loans CFR, which represents the maximum borrowing. The borrowing requirement is also reducing over time, which may influence the length and type of borrowing to be taken.

Borrowing Strategy

The draft Capital Programme shows a requirement to use borrowing to fund the capital programme in the later years. At this stage it is extremely unlikely that borrowing will be required in 2022/23. However, it is still best practice to approve a borrowing strategy and a policy on borrowing in advance of need. In considering a borrowing strategy the Authority needs to make provision to borrow short term to cover unexpected cash flow shortages or to cover any change in the financing of its Capital Programme.

In the past the Authority has raised all of its long-term borrowing from the Public Works Loan Board, but if long term borrowing was required other sources of finance, such as local authority loans, and bank loans, would be investigated that may be available at more favourable rates.

Short-term borrowing if required would most likely be taken from other local authorities.

Therefore, the approved sources of long-term and short-term borrowing are:

- Public Works Loan Board
- UK local authorities
- any institution approved for investments
- any other bank or building society authorised by the Prudential Regulation Authority to operate in the UK
- UK public and private sector pension funds

Policy on Borrowing in Advance of Need

In line with the Prudential Code the Authority will not borrow purely in order to profit from the investment of the extra sums borrowed. However advance borrowing may be taken if it is considered that current rates are more favourable than future rates and that this advantage outweighs the cost of carrying advance borrowing. Any decision to borrow in advance will be considered carefully to ensure value for money can be demonstrated and that the Authority can ensure the security of such funds and relationships.

In determining whether borrowing will be undertaken in advance of need the authority will:-

- Ensure that there is a clear link between the capital programme and the maturity profile of the existing debt portfolio which supports the need to take funding in advance of need.
- Ensure the on-going revenue liabilities created, and the implications for the future plans and budgets have been considered.
- Evaluate the economic and market factors that might influence the manner and timing of any decision to borrow.
- Consider the merits and demerits of alternative forms of funding.
- Consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use.

Debt Restructuring

The Authority's debt has arisen as a result of prior years' capital investment decisions. It has not taken any new borrowing out since 2007 as it has been utilising cash balances to pay off debt as it matures, or when deemed appropriate with the Authority making early payment of debt. The anticipated holding of debt at 31 March 2022 is £2.0m. All the debt is from the Public Works Loans Board (PWLB) and is all at fixed rates of interest and is repayable on maturity. The table below shows the maturity profile and interest rate applicable on these:-

Table 6 Outstanding Loans

Loan Amount	Maturity Date	Interest rate
£650k	December 2035	4.49%
£650k	June 2036	4.49%
£700k	June 2037	4.48%

(Note, this debt was taken out in 2007 when the base rate was 5.75% and when the Authority was earning 5.84% return on its investments.)

Given the high interest rates payable on these loans, relative to current interest rates, we have again reviewed opportunities for debt repayment/restructuring.

The level of penalty applicable on early repayment of loans now stands at £0.813m. This is a reduction from the previous level and reflects the recent increase in base rates. (As previously reported the level of penalty is dependent upon two factors, the difference between the interest chargeable on the loan and current interest rates, the greater this difference the greater the penalty, and the length to maturity, the greater the remaining time of the loan the greater the penalty. Hence as interest rates increase or as loans get closer to maturity the level of penalty will reduce.)

Outstanding interest payable between now and maturity is £1.317m.

Table 7 Implications of Repaying Loans

Penalty incurred	0.813
Savings on interest payable	(1.317)
Gross Saving	(0.504)

However as highlighted previously, any early repayment means that cash balances available for investment will be reduced and hence interest receivable will also be reduced. The extent of which is dependent upon future interest rates. It is estimated that if interest rate on investments are at 1.7% over the remaining period of the loan, then repaying the loans now will be broadly neutral.

It is also worth noting that the capital budget does allow for additional borrowing within the next 5 years. Current borrowing rates are between 2.0% and 2.5% for long term loans, i.e. over 10 years, and anywhere within this range exceed the breakeven position noted above. Hence given the penalties it is not considered beneficial to repay these loans.

Table 8 Implications of transferring loans to a new rate

	New loan @ 2.00%	New loan @ 2.50%
Penalty incurred on original loan	0.813	0.813
Savings on interest payable on original loan	(1.317)	(1.317)
Interest payable on replacement borrowing (same time period as current loans)	0.587	0.733
Net Cost	0.083	0.229

Investment Strategy

At 31st December 2021 the Authority held £32.4m invested funds, representing income received in advance of expenditure plus existing balances and reserves. During the year the Authority's investment balance has ranged between £31.0m and £46.7m. The variation arises principally due to the timing of the receipt of government grants. It is anticipated that similar levels will be maintained in the forthcoming year.

Both the CIPFA Code and government guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to

strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk receiving unsuitably low investment income.

Therefore, in line with the guidance the Treasury Management Strategy is developed to ensure the Fire Authority will only use very high quality counterparties for investments.

The Authority may invest its surplus funds with any of the counterparties in the table below, subject to the cash and time limits shown.

Table 9 Investment Counterparties

Counterparty		Cash limit	Time limit
Banks and other organisations and securities whose lowest published long-term credit rating from Fitch, Moody's and Standard & Poor's is:	AAA	£5m each	5 years
	AA+		3 years
	AA		2 years
	AA-		2 years
Call Accounts with banks and other organisations with minimum AA- credit rating		£10m	next day
Call Account with Lancashire County Council		unlimited	next day
UK Central Government (irrespective of credit rating)		unlimited	50 years
UK Local Authorities (irrespective of credit rating)		£5m each	10 years
Secured Bond Funds AA rating and WAL not more than 3 yrs		£5m each	n/a
Secured Bond Funds AAA rated and WAL not more than 5 yrs		£5m each	n/a

Allowable bond funds are defined by credit rating and weighted average life (WAL). Investing in senior secured bonds backed by collateral provides a protection against bail-in. Although the average life of the securities within the fund will be either 3 or 5 years, funds can be redeemed within 2 days of request but in general these should be seen as longer-term investments.

Regarding the risk of investing with another local authority, only a very few authorities have their own credit rating, but those that do are the same or one notch below the UK Government reflecting the fact that they are quasi-Government institutions. On the whole credit ratings are seen as unnecessary by the sector because the statutory and prudential framework within which the authorities operate is amongst the strongest in the world. In addition, any lender to a local authority has protection, under statute, by way of a first charge on the revenues of that authority. No local authority has ever defaulted to date, and this also may be an indication of security. However, when the UK credit rating by the rating agencies has been downgraded those local authorities with a rating saw a reduction in their ratings. Therefore, consideration has been given to reducing the risk associated with the investment with other local authorities. Arlingclose, the County Council's Treasury Management advisor, state they are "comfortable with clients making loans to UK local authorities for periods up to two years, subject to this meeting their approved strategy. For periods longer than two years we recommend that additional due diligence is undertaken

prior to a loan being made." On this basis it is proposed that the investments to local authorities are limited as follows:

Table 10 Investment Limits with Local Authorities

	Maximum individual investment (£m)	Maximum total investment (£m)	Maximum period
Up to 2 years	5	30	2 years
Over 2 years	5	25	10 years

The investment in LCC as part of the call account arrangement is excluded from the above limits. The balance on this account is dependent upon short term cash flows and therefore does not have a limit.

Whilst the investment strategy has been amended to allow greater flexibility with investments any decision as to whether to utilise this facility will be made based on an assessment of risk and reward undertaken jointly between the Director of Corporate Services and LCC Treasury Management Team, and consideration of this forms part of the on-going meetings that take place throughout the year.

In respect of banks taxpayers will no longer bail-out failed banks instead the required funds will be paid by equity investors and depositors. Local authorities' deposits will be at risk and consequently although currently available within the policy it is unlikely that long term unsecured term deposits will be used at the present time.

Currently all of the Authority's investments are with other local authorities.

The Authority currently has access to a call (instant access) account with a local authority, which pays bank base rate, this is currently 0.25%. Each working day the balance on the Authority's current account is invested to ensure that the interest received on surplus balances is maximised.

In addition, longer term loans have been placed with an UK local authorities to enhance the interest earned. To this end at the following investments are already impacting 2022/23.

Table 11 Current Investments

Start Date	End Date	Principal	Rate	Interest 2022/23
20/04/20	20/04/22	£5,000,000	1.45	£3,774
24/04/20	25/04/22	£5,000,000	1.45	£4,767

Consideration is given to fixing further investments if the maturity fits with estimated cash flows and the rate is considered to be attractive. This will continue to be reviewed. Suggested rates payable by other local authorities are:

Table 12 Indicative Interest Rates on Investments with other Local Authorities

3-month investment	0.28-0.34%
6-month investment	0.34-0.40%
12-month investment	0.55-0.65%

3-year investment	0.80-0.96%
4-year investment	0.90-1.10%

The overall combined amount of interest earned on Fixed/Call balances as at 31st December 2021 is £0.143m on an average balance of £38.1m at an annualised rate of 0.50%. This compares favourably with the benchmark 7-day LIBID rate which averages a negative yield of 0.07% over the same period, and is 0.25% above the previous bank rate.

In addition to the above the authority uses NatWest for its operational banking. Balances retained in NatWest are very low, usually less than £5,000. However, if required monies are retained at NatWest this would be in addition to the limits set out above.

Minimum Revenue Provision (MRP)

Under Local Authority Accounting arrangements, the Authority is required to set aside a sum of money each year to reduce the overall level of debt. This sum is known as the minimum revenue provision (MRP).

The Authority will assess their MRP for 2022/23 in accordance with guidance issued by the Secretary of State under section 21(1A) of the Local Government Act 2003.

The Authority made a voluntary MRP in 2019/20 and it is anticipated that the MRP on loans will be nil in 2022/23 this will be the case until capital expenditure is financed by borrowing.

Whilst the Authority has no unsupported borrowing, nor has any plans to take out any unsupported borrowing in 2022/23 it is prudent to approve a policy relating to the MRP that would apply if circumstances changed. As such in accordance with the Local Government Act 2003, the MRP on any future unsupported borrowing will be calculated using the Asset Life Method. This will be based on a straightforward straight – line calculation to set an equal charge to revenue over the estimated life of the asset. Estimated life periods will be determined under delegated powers. To the extent that expenditure is not on the creation of an asset and is of a type that is subject to estimated life periods that are referred to in the guidance, these periods will generally be adopted by the Authority. However, the Authority reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate.

As some types of capital expenditure incurred by the Authority are not capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.

Assets held under a PFI contracts and finance leases form part of the Balance Sheet. This has increased the overall capital financing requirement and on a 4% basis the potential charge to revenue. To prevent the increase the guidance permits a prudent MRP to equate to the amount charged to revenue under the contract to repay the liability. In terms of the PFI schemes this charge forms part of the payment due to the PFI contractor.

Revenue Budget

The capital financing budget currently shows that income received exceeds expenditure. This excludes the PFI and Finance lease payments, which are included in other budgets. Based on the Strategy outlined above then the proposed budget for capital financing are:

Table 13 Capital Financing Charges Included in Revenue Budget

	2021/22	2022/23	2023/24	2024/25
	£m	£m	£m	£m
Interest payable	0.090	0.090	0.090	0.090
MRP	0.010	0.010	0.010	0.010
Interest receivable	(0.194)	(0.300)	(0.200)	(0.100)
Net budget	(0.094)	(0.200)	(0.100)	-

Although the MRP requirement is currently nil the budget includes a provision for making a charge either due to incurring a small amount of borrowing or to make a voluntary MRP to offset against future requirements.

Prudential Indicators for 2021/22 to 2024/25 in respect of the Combined Fire Authority's Treasury Management Activities.

In accordance with its statutory duty and with the requirements of the Prudential Code for Capital Finance and the CIPFA Code for Treasury Management, the Combined Fire Authority produces each year a set of prudential indicators which regulate and control its treasury management activities.

The following table sets out the debt and investment-related indicators which provide the framework for the Authority's proposed borrowing and lending activities over the coming three years. These indicators will also be approved by members as part of the Capital Programme approval process along with other capital expenditure-related indicators but need to be reaffirmed and approved as part of this Treasury Management Strategy.

It should be noted that contained within the external debt limits, there are allowances for outstanding liabilities in respect of the PFI schemes and leases. However, accounting standards are likely to change in relation to recording leases. In effect more leases are likely to be included on the balance sheet and therefore will be included against the other long term liabilities indicators. At this stage work is on-going to quantify the impact of the change and therefore the other long term liabilities limits may be subject to change.

Table 14 Treasury Management Prudential Indicators

	2021/22	2022/23	2023/24	2024/25
	£m	£m	£m	£m
1. Adoption of the CIPFA Code of Practice on Treasury Management	Adopted for all years			
2. Authorised limit for external debt - A prudent estimate of external debt, which includes sufficient headroom for unusual cash movements.				
Borrowing	6.000	6.000	6.000	10.000
Other long-term liabilities	30.000	30.000	30.000	30.000
Total	36.000	36.000	36.000	40.000
3. Operational boundary for external debt - A prudent estimate of debt, but no provision for unusual cash movements. It represents the estimated maximum external debt arising as a consequence of the Authority's current plans.				
Borrowing	3.000	3.000	3.000	8.000
Other long-term liabilities	17.000	16.000	15.000	15.000
Total	20.000	19.000	18.000	23.000
4. Upper limit for fixed interest rate exposure				
Upper limit of borrowing at fixed rates	100%	100%	100%	100%
Upper limit of investments at fixed rates	100%	100%	100%	100%
5. Upper limit for variable rate exposure				
Upper limit of borrowing at variable rates	25%	50%	50%	50%
Upper limit of investments at variable	100%	100%	100%	100%
6. Upper limit for total principal sums invested for over 364 days (per maturity date)	25.000	25.000	25.000	25.000
7. Maturity structure of Debt	Upper Limit %		Lower Limit %	
Under 12 months	100		-	
12 months and within 24 months	50		-	
24 months and within 5 years	50		-	
5 years and within 10 years	75		-	
10 years and above	100		-	

Financial Implications

It is worth noting that the Authority currently utilises Lancashire County Council to undertake its Treasury Management Activities, at an annual cost of £11k, which is built into the current and future budgets.

Human Resource Implications

None

Equality and Diversity Implications

None

Environmental Impact

None

Business Risk Implications

The Treasury Management strategy is designed to minimise the Authority's financial risk associated with investment decisions, whilst maximising the return on any investments made. As such the adoption of the CIPFA's Code of Practice on Treasury Management and the monitoring arrangements in place ensure that any risks faced by the Authority are managed.

However, it must be acknowledged that there will always be a balance between risk and return and hence the strategy does not completely eliminate the risk of any further default on investments in the future.

Local Government (Access to Information) Act 1985

List of background papers

Paper: CIPFA Treasury Management Code of Practice and Guidance and Treasury Management in the Public Services: Code of Practice

Date: 2021

Contact: Keith Mattinson

Reason for inclusion in Part 2 if appropriate: N/a

Treasury Management Policy Statement

The Authority's financial regulations require it to create and maintain a Treasury Management Policy Statement, stating the policies, objectives and approach to risk management of its treasury activities, as a cornerstone for effective treasury management.

Definition

The Authority defines its treasury management activities as: the management of the Authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

Risk management

The Fire Authority regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.

Value for money

The Fire Authority acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

Borrowing policy

The Fire Authority greatly values revenue budget stability and will therefore borrow the majority of its long-term funding needs at long-term fixed rates of interest. However, short term and variable rate loans may be borrowed to either offset short-term and variable rate investments or to produce revenue savings. The Authority will also constantly evaluate debt restructuring opportunities of the existing portfolio.

The Fire Authority will set an affordable borrowing limit each year in compliance with the *Local Government Act 2003* and will have regard to the *CIPFA Prudential Code for Capital Finance in Local Authorities* when setting that limit. It will also set limits on its exposure to changes in interest rates and limits on the maturity structure of its borrowing in the treasury management strategy report each year.

Investment policy

The Fire Authority's primary objectives for the investment of its surplus funds are to protect the principal sums invested from loss, and to ensure adequate liquidity so that funds are available for expenditure when needed. The generation of investment income to support the provision of local authority services is an important, but secondary, objective.

The Fire Authority will have regard to the then Ministry of Housing, Communities and Local Government Guidance on Local Government Investments. It will approve an Investment Strategy each year as part of the Treasury Management Strategy. The strategy will set criteria to determine suitable organisations with which cash may be invested, limits on the maximum duration of such investments and limits on the amount of cash that may be invested with any one organisation.

LANCASHIRE COMBINED FIRE AUTHORITY

Meeting to be held on 21 February 2022

RESERVES AND BALANCES POLICY 2022/23

(Appendix 1 refers)

Contact for further information:

Keith Mattinson - Director of Corporate Services – Telephone Number 01772 866804

Table 1 Executive Summary and Recommendations

Executive Summary

The Fire Authority needs to hold reserves to meet potential future expenditure requirements.

The reserves policy is based on guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA).

The policy explains the difference between general reserves (those held to meet unforeseen circumstances) earmarked reserves (those held for a specific purpose) and provisions (where a liability exists but the extent and/or timing of this is uncertain). In addition, the policy identifies how the Authority determines the appropriate level of reserves and what these are.

The policy confirms that the level of and the appropriateness of reserves will be reported on as part of the annual budget setting process and as part of the year end accounting process.

The most significant issues are: -

- General reserves are sufficient to meet current requirements. However, there is a great deal of uncertainty as to the level of costs, and who will bear these, relating to changes to the FF pension scheme.
- Earmarked reserves will reduce over the 5-year period, with the PFI reserve accounting for the majority of them.
- Capital reserves will be fully utilised over the 5-year programme.
- Provisions will remain at broadly the same level.

Recommendation

The Authority is requested to approve the policy and note the Treasurer's advice on the level of reserves included within it.

Reserves and Balances Policy

The National Framework includes a section on reserves. The main components of which are: -

- General reserves should be held by the fire and rescue authority and managed to balance funding and spending priorities and to manage risks. This should be established as part of the medium-term financial planning process.
- Each fire and rescue authority should publish their reserves strategy on their website. The reserves strategy should include details of current and future planned reserve levels, setting out a total amount of reserves and the amount of each specific reserve that is held for each year. The reserves strategy should provide information for at least two years ahead.
- Sufficient information should be provided to enable understanding of the purpose for which each reserve is held and how holding each reserve supports the fire and rescue authority's medium-term financial plan.
- Information should be set out in a way that is clear and understandable for members of the public, and should include:
 - how the level of the general reserve has been set;
 - justification for holding a general reserve larger than five percent of budget;
 - whether the funds in each earmarked reserve are legally or contractually committed, and if so, what amount is so committed; and
 - a summary of what activities or items will be funded by each earmarked reserve, and how these support the fire and rescue authority's strategy to deliver good quality services to the public.

The reserves policy complies with these requirements.

General Reserves (General Fund)

These are non-specific reserves which are kept to meet short/medium term unforeseeable expenditure and to enable significant changes in resources or expenditure to be properly managed in the medium term.

The Authority needs to hold an adequate level of general reserves to provide: -

- A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing;
- A contingency to cushion the impact of unexpected events;
- A means of smoothing out large fluctuations in spending requirements and/or funding available.

The following table sets out the purpose of this reserve, how it is utilised, controlled and reviewed.

Table 2 Summary of General Reserves (General Fund)

Name	General Reserves (General Fund)
Purpose	This covers uncertainties in future years budgets, such as: <ul style="list-style-type: none"> • future grant settlements being lower than forecast; • higher levels of inflation than budgeted; • increasing cost of and changes to pensions; • service demands increasing, putting additional pressure on demand led budgets;

	<ul style="list-style-type: none"> • changes in legislation impacting on future service provision; • potential cost of industrial action.
Utilisation	This is utilised to offset any in-year overspend that would occur when comparing budget requirement to the level of funding generated.
Controls	The utilisation of this is agreed as part of the annual budget setting process. Any further utilisation requires the approval of the Resources Committee.
Review	The adequacy of this is reviewed annually, as part of the budget setting process.

Review of Level of Reserves

In determining the appropriate level of general reserves required by the Authority, the Treasurer is required to form a professional judgement on this, taking account of the strategic, operational and financial risk facing the Authority. This is completed based on guidance issued by CIPFA and includes an assessment of the financial assumptions underpinning the budget, the adequacy of insurance arrangements and consideration of the Authority's financial management arrangements. In addition, the assessment should focus on both medium and long-term requirements, taking account of the Medium-Term Financial Strategy (as set out in the draft budget report elsewhere on this agenda).

For Lancashire Combined Fire Authority this covers issues such as: uncertainty surrounding future funding settlements and the potential impact of this on the revenue and capital budget; uncertainty surrounding future pay awards and inflation rates; the impact of changes to pension schemes and the remedy for the McCloud judgement; demand led pressures; risk of default associated with our investments as set out in the Treasury Management Strategy, cost associated with maintaining operational cover in the event of Industrial Action etc.

There remains a great deal of uncertainty over long term funding than in recent years as the impact of both Brexit and the Pandemic on public finances and the national economy are still unknown. As a result, the anticipated multi-year settlement has been postponed again, hence the draft settlement only covers 22/23. As a result of the Local Government Finance Settlement the Authority will receive a 1.1% inflationary increase for 2022/23.

Furthermore, the outcome of the fair funding review of relative needs and resources and the Government intention to move to greater retention of Business Rates have also been postponed, and hence are likely to take effect over the next settlement period, which we are anticipating will be a multi-year settlement.

The position in terms of pension costs is also extremely uncertain with guidance relating to Immediate Detriment being issued, and subsequently withdrawn and with there being no clear decision as to where the costs of implementing this will fall.

As such the Treasurer considers it prudent to increase the minimum target reserves level to £4.0m, 6.5% of the 2022/23 net revenue budget, reflecting the increasing level of uncertainty. This is slightly higher than the 5% threshold identified by the Home Office above which the Authority is required to justify why it holds the level of

reserves, reflecting the increasing uncertainty about future funding, pension costs and pay awards.

Should reserves fall below this minimum level the following financial year's budget will contain options for increasing reserves back up to this level. (Note, this may take several years to achieve.)

Whilst this exercise sets a minimum level of reserves it does not consider what, if any, maximum level of reserves is appropriate. In order to do this the level of reserves held should be compared with the opportunity cost of holding these, which in simple terms means that if you hold reserves that are too high you are foregoing the opportunity to lower council tax or invest in further service improvements.

Whilst the settlement provides greater flexibility to increase council tax in 22/23, this is a one-off relaxation of the referendum principles and will not be repeated in future years. Hence the scope to increase council tax in future years to restore depleted reserves is limited, without holding a local referendum. Therefore, any maximum reserve limit must take account of future anticipated financial pressures and must look at the long-term impact of these on the budget and hence the reserve requirement. Based on professional judgement, the Treasurer feels that this should be maintained at £10.0m.

Should this be exceeded the following financial year's budget will contain options for applying the excess balance in the medium term, i.e. over 3-5 years.

Level of General Reserves

The overall level of the general fund balance, i.e., uncommitted reserves, anticipated at the 31 March 2022 is £6.0m, providing scope to utilise approx. £2.0m of reserves.

The draft budget as presented elsewhere on the agenda does not require any drawdown of reserves in 22/23. The Treasurer therefore considers this reserve is at an appropriate level.

Looking at the medium term the need to drawdown reserves will be affected by:-

- Council tax – The revenue budget assumes that council tax is increased by the maximum permissible each year, enabling the Service to deliver a balanced budget each year. If this is not the case, then we may need to utilise reserves in future years to balance the budget.
- Emergency Cover Review (ECR) - The revenue budget assumes that the outcome of the ECR is cost neutral. If this was not the case and the ECR/cessation of DCP required significant investment, then we would need to utilise reserves to fund this
- Pension costs – the revenue budget assumes that the only pension costs that fall on the Service are employer contributions, and that all other costs are met by the Government via the Pension Holding Account. If this is not the case, then reserves would be required to meet these one-off costs which will be very significant
- Future funding - The revenue budget assumes future funding increases by 1% each year, in line with this year's settlement. If that is not the case and it is frozen, this would reduce funding levels by £0.3m, if that was the case for 4

years the cumulative effect would be a £1m reduction in overall funding, which may impact on the need to drawdown reserves

- Future inflation - The revenue budget assumes future inflation, including pay awards, returns to the Government's 2% target. If this is not the case each 1% more than this increases the recurring budget requirement by £0.5m, ie £2.5m over the next 5 years, which may impact on the usage of reserves

Earmarked Reserves

These are reserves created for specific purposes to meet known or anticipated future liabilities and as such are not available to meet other budget pressures. They can only be used for that specific purpose, for which they were established, and as such it is not appropriate to set any specific limits on their level, but as part of the annual accounts process their adequacy will be reviewed and reported on.

The following table sets out the purpose of this reserve, how it is utilised, controlled and reviewed.

Table 3 Summary of Earmarked Reserve

Name	Earmarked
Purpose	This covers monies set aside for specific purposes.
Utilisation	Once set up these reserves can only be used for the specific purpose for which they were established.
Controls	The utilisation of these are discussed at quarterly DFM meetings between the budget holder, relevant Executive Board member, and the Director of Corporate Services.
Review	The level of earmarked reserves is reviewed each year as part of the revenue outturn/annual accounts process to ensure these are reasonable and remain relevant.

The Director of Corporate Services has delegated authority to create new earmarked reserves valued at up to £100,000; any request which exceeds this must be reported to the Resources Committee for approval.

Specific earmarked reserves will be closed when there is no longer a requirement to hold them, at which point they will either hold a nil balance or when any outstanding balance will be transferred into the general reserve.

Level of Earmarked Reserves

The following table provides a breakdown of the £9.3m of earmarked reserves forecast to be held at 31st March 2022, and a forecast of the anticipated position as at 31 March 2027: -

Table 4 Earmarked Reserve Balances

	Forecast at 31 March 2022	Forecast at 31 March 2027	
	£m	£m	
Section 21 Business Rate Relief Grant	1.1	-	Last year the Government provided Section 31 Rate Relief grant to individual billing authorities, to cover the additional in-year reliefs provided because of the pandemic. Business rates are split between the Government, billing authorities, Lancashire County Council and ourselves, we receive 1% of the total. As such this grant should be split in line with business rates. However, the Govt allocated all of this to billing authorities to aid cash flow, with the correct distribution anticipated in 21/22, once the outturn business rates position has been agreed. As such we accrued for our anticipated share of this in 20/21 but needed to carry this forward via this reserve to meet the business rate collection fund shortfall that has arisen due to these additional reliefs. Whilst this has been fully utilised in 21/22 the exercise has been repeated and hence a balance of £1.1m needs to be carried forward to meet the collection fund deficit in 22/23 This will be fully utilised in the new financial year.
C/Fwd Underspend Relating to Timing of Activities	0.3	-	Within the revenue budget there were several items that were delayed by the pandemic, and which therefore needed funding carried forward from 20/21 to 21/22. These related to areas such as fire safety, training provision, property maintenance, organisational development and Digital transformation, and are purely a timing issue. We have utilised some of these funds in the current financial years, we have reviewed the need and timing of remaining items, with £0.3m transferring into the capital reserve. This leaves a balance of £0.3m which will be utilised over the next 2 years. There are no contractual or legal obligations against this reserve.
Specific Grant C/Fwd.	0.1	-	This reserve carries forward unspent specific grants provided in 20/21 in respect of <ul style="list-style-type: none"> • Protection Uplift Grant

			<ul style="list-style-type: none"> • Building Risk Review Grant • Grenfell Infrastructure Grant • ESMCP Grant <p>We anticipated utilising the majority of these in the current financial year with any balance being utilised next year.</p> <p>There are no contractual or legal obligations against this reserve</p>
Covid Funding	-	-	This reserve carried forward the balance of Covid funding provided by the Government which had not been utilised by 31 March 2021. This has been fully utilised in the current financial year.
DFM Reserve	0.2	0.2	<p>Devolved Financial Management Reserve enables budget holders to carry forward any surplus or deficit from one financial year to the next, within prescribed limits.</p> <p>This reserve provides greater flexibility to individual budget holder to carry forward underspends within their own budget area to meet future costs and optimise the use of resources.</p> <p>Examples of areas where these balances have been used previously would be one-off replacements of equipment, or enhancement to station facilities etc.</p> <p>The levels of individual DFM reserves are reviewed each year as part of the revenue outturn/annual accounts process, to ensure that they are reasonable and that budget holders are not building up excessive reserves. As a result of this exercise we have stripped out £0.1m and transferred this into the capital funding reserve (referred to later in the report)</p> <p>At present there are no contractual or legal obligations against this reserve, as any such commitments would be included in the base revenue budget.</p>
PFI Reserves	5.2	4.0	Private Finance Initiative Reserve, which is used to smooth out the annual net cost to the Authority of the existing PFI scheme, and will be required to meet future contract payments. The utilisation of this is set out in the budget agreed at the start of the year, any variance in requirements from this are agreed by the Treasurer as part of the budget setting/revenue outturn/annual accounts processes.

			<p>The inflationary impact on these schemes is recalculated each year , based on March's RPI. Whilst this exercise has not taken place yet RPI is at its highest level for many years and is significantly above the 3% allowance built into the PFI model. As such we have adjusted the model to allow for a 5% increase in 22/23, which results in a £0.5m increase in the reserve requirement. (Note a further adjustment will be required if the eventual inflationary impact is higher than this).</p> <p>The reduction of this reserve in subsequent years reflecting its drawdown to offset future charges.</p> <p>Assuming RPI returns to 3% in future years the whole of this reserve is contractually committed over the next 20 years.</p>
Insurance Aggregate Stop Loss (ASL)	1.1	1.1	<p>The Authority has aggregate stop losses (ASLs) on both its combined liability insurance policy (£0.4m) and its motor policy (£0.3m). This means that in any one year the Authority's maximum liability for insurance claims is capped at the ASL. As such the Authority can either meet these costs direct from its revenue budget or can set up an earmarked reserve to meet these. Within Lancashire we have chosen to meet the potential costs through a combination of the two. Hence the amount included in the revenue budget reflects charges in a typical year, with the reserve being set up to cover any excess over and above this. As such the reserve, combined with amounts within the revenue budget, provides sufficient cover to meet 2 years' worth of the maximum possible claims, i.e. the ASL. (It is worth noting that the revenue budget allocation has also been reduced in recent years reflecting the claims history. Without holding this reserve to cushion any major claims that may arise this would not have been possible.)</p> <p>None of this reserve is legally committed at the present time, although as soon as a claim arose this position would change.</p>
Prince's Trust	0.5	0.5	<p>This reserve has been established to balance short term funding timing differences and to mitigate the risk of loss of funding and enable short term continuation of team activities, whilst alternative funding is found.</p>

			Without this reserve any significant loss of funding would have an immediate impact on our ability to deliver the PT programme, and hence improve the lives of younger people. This reserve has been capped at £0.5m. There are no legal or contractual commitments against this, however forecasts show this budget reducing reflecting the uncertainty over future funding
Apprentices	0.1	-	This reserve was created from previous in-year underspends relating to the appointment of apprentices, which was delayed awaiting national developments. As such the reserve was set up to offset some of the pay/training costs that will be incurred in future years, with the balance being met direct from the revenue budget. This clearly contributes to addressing apprenticeship targets, set by the Government, as well as addressing capacity issues within departments. There are no contractual commitments against this.
Fleet & Equipment	0.2	-	This reserve was created to meet the cost of replacement projects which were not completed by year end. We anticipate fully utilising this in 22/23 to contribute towards the cost of intruding wildfire PPE across the Service. There are no contractual or legal commitments against this at the present time.
Innovation Fund	0.5	0.2	The Authority created an Innovations Fund to meet costs arising from new initiatives/developments which improve service delivery or fire fighter safety but which are not included in the capital programme. Any requests to utilise the fund require the approval of the Executive Board. The capital program shows £0.25m of this being utilised in 23/24 to fund the provision of a second Vehicle Mounted Data Systems (VMDS) unit in each fire appliances, thus enhancing the capabilities of crews whilst mobile. If the opportunity arises this will be topped up from future savings. None of this reserve is contractually or legally committed at the present time.
	9.3	6.1	

It is worth noting that of the anticipated balance of £6.1m at 31 March 2027, £4.0m (66%) of this relates to the PFI reserve.

Based on this the Treasurer believes these are adequate to meet future requirements in the medium term.

Capital Reserves and Receipts

Capital Reserves have been created from under spends on the revenue budget to provide additional funding to support the capital programme in future years; as such they cannot be used to offset any deficit on the revenue budget, without having a significant impact on the capital programme that the Authority can support.

Capital Receipts are generated from the sale of surplus assets, which have not yet been utilised to fund the capital programme. Under revised regulations receipts generated between April 2016 and March 2020 can be used to meet qualifying revenue costs, i.e. set up and implementation costs of projects/schemes which are forecast to generate on-going savings. The on-going costs of such projects/schemes do not qualify. Whilst the Authority currently holds £1.7m of capital receipts only £0.2m of this arose in the relevant period. Given the small amount eligible we do not currently have any plans to use this in line with new regulations and hence for the purpose of planning all capital receipts will be used to meet future capital costs, not qualifying revenue expenditure.

The following table sets out the purpose of this reserve, how it is utilised, controlled and reviewed.

Table 5 Summary of Capital Reserves and Receipts

Name	Capital reserves and receipts
Purpose	This covers monies set aside to fund the future capital programme.
Utilisation	Once set up these reserves can only be used to fund capital expenditure
Controls	The proposed utilisation of these is reported to the Authority as part of the capital programme setting and monitoring arrangements.
Review	These are reviewed on an annual basis as part of the year end outturn, reported to Resources Committee and as part of the capital budget setting report to the Authority.

At 31 March 2022 the Authority anticipates holding £18.4m of capital reserves and receipts, after allowing for the transfer of £0.4m of earmarked reserves and £0.4m of the year end revenue underspend. Based on the capital programme presented elsewhere on this agenda we anticipate fully utilising these by 31 March 2025. Of the total reserve £1.5m is contractually committed.

Based on this the Treasurer believes these are adequate to meet future requirements in the short to medium term, but recognises that they will be exhausted March 2025.

Provisions

The Authority has two provisions to meet future estimated liabilities: -

Insurance Provision

This covers potential liabilities associated with outstanding insurance claims. Any claims for which we have been notified and where we are at fault will result in a legal commitment, however as the extent of these cannot be accurately assessed at the present time this provision is created to meet any element of cost for which we are liable, i.e. which are not reimbursable from insurers as they fall below individual excess clauses and the annual self-insured limits. This provision fully covers all estimated costs associated with outstanding claims.

The following table sets out the purpose of this provision, how it is utilised, controlled and reviewed.

Table 6 Summary of Insurance Provision

Name	Insurance Provision
Purpose	This covers monies set aside to meet future insurance claims.
Utilisation	Once set up the provision can only be utilised to meet insurance claims.
Controls	The utilisation of these are reported on an annual basis as part of the year end outturn report presented to Resources Committee.
Review	The level of the provision is reviewed annually based on existing and anticipated outstanding insurance claims to ensure these are reasonable and remain relevant.

This provision stood at £0.5m at 31 March 2021. Given the uncertainty in terms of future insurance claims we have assumed that the provision will be maintained at this level throughout the 5-year period. There are no existing legal obligations associated with this provision, as the legal obligation only arises when settlement of outstanding claims is agreed.

Business Rates Collection Fund Appeals Provision

This covers the Authority's share of outstanding appeals against business rates collection funds, which is calculated each year end by each billing authority within Lancashire based on their assumptions of outstanding appeal success rates, as part of their year-end accounting for the business rates collection fund.

The following table sets out the purpose of this provision, how it is utilised, controlled and reviewed.

Table 7 Summary of Business Rates Collection Fund Appeals Provision

Name	Business Rates Collection Fund Appeals Provision
Purpose	This covers monies set aside to meet the Authority's share of the cost of successful business rates appeals.

Utilisation	Once set up the provision can only be utilised to meet costs associated with settlement of such appeals.
Controls	The utilisation of these are reported on an annual basis as part of the year end outturn report presented to Resources Committee.
Review	The level of the provision is reviewed annually based on each billing authority's assumptions regarding success rates to ensure these are reasonable and remain relevant.

At 31 March 2021 this provision stood at £1.1m to cover anticipated costs of outstanding business rates appeals. Whilst a significant element of this will be utilised in the current financial year, reflecting the settlement of outstanding appeals, it is impossible to accurately predict the extent of this usage or the need for any additional provision to meet appeals that arise in year, until such time as a full review is undertaken by billing authorities as part of the financial year end process. Therefore, for the purpose of this report we have assumed that the level of business rates appeals provision remains unchanged. Until the outcome of any appeal is known there is no legal obligation arising from the appeal.

The Treasurer feels that the levels of provisions are sufficient to meet future requirements in the medium term.

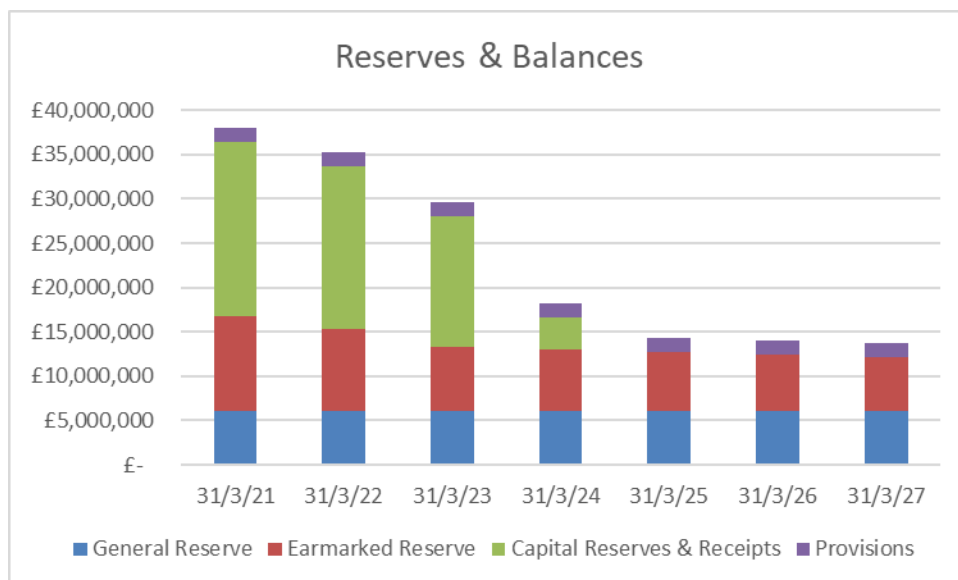
Summary Reserve Position

The following table sets out the summary anticipated position in terms of reserves and balances, a more detailed year on year analysis by reserve is attached as appendix 1:-

Table 8 Summary Use of Reserves March 21 to March 27

	General Reserve	Earmarked Reserve	Capital Reserves & Receipts	Total Usable Reserves	Provisions	Total Reserves & Balances
	£m	£m	£m	£m	£m	£m
Balance 31/3/21	6.0	10.8	19.6	36.5	1.6	38.0
Change in year	0.0	(1.5)	(1.3)	(2.7)	0.0	(2.7)
Balance 31/3/22	6.0	9.3	18.4	33.7	1.6	35.3
Change in year	0.0	(2.1)	(3.6)	(5.7)	0.0	(5.7)
Balance 31/3/23	6.0	7.3	14.8	28.1	1.6	29.6
Change in year	0.0	(0.4)	(11.1)	(11.4)	0.0	(11.4)
Balance 31/3/24	6.0	6.9	3.7	16.6	1.6	18.2
Change in year	0.0	(0.3)	(3.7)	(3.9)	0.0	(3.9)
Balance 31/3/25	6.0	6.6	0.0	12.7	1.6	14.2
Change in year	0.0	(0.2)	0.0	(0.2)	0.0	(0.2)
Balance 31/3/26	6.0	6.4	0.0	12.4	1.6	14.0
Change in year	0.0	(0.3)	0.0	(0.3)	0.0	(0.3)
Balance 31/3/27	6.0	6.1	0.0	12.2	1.6	13.7

Graph 1 Reserve Balances March 21 to March 27



The level of reserves reduces by over £20m over the next 3 financial years, reflecting the scale of the capital programme. Our general reserve remains above our minimum requirement throughout the period, reflecting the increase in council tax included in the revenue budget report. The position will be subject to significant change as pension costs, funding, inflation, pay awards etc become clearer in future years. The annual refresh of this policy will identify the impact of any changes as they develop.

Financial Risk

There is a risk that the level of reserves will not be sufficient to meet future requirements, this policy and the subsequent reporting mechanism is designed to mitigate this.

HR Risk

None.

Equality and Diversity Implications

None.

Environmental Impact

None.

Business Risk Implications

The management of reserves forms a key element of our budget strategy. Having an agreed policy, within which we can manage our reserves, provides clearer

accountability, and reduces the risk of the Authority maintaining an inappropriate level of reserves, either too high or too low.

Local Government (Access to Information) Act 1985
List of Background Papers

Table 9 Details of any background papers

Paper:

Date:

Contact:

Reason for inclusion in Part 2 if appropriate:

Appendix 1

Reserve Balances by Year

Table 10 Detailed Use of Reserves March 21 to March 27

	31/03/22	31/03/23	31/03/24	31/03/25	31/03/26	31/03/27
	£m	£m	£m	£m	£m	£m
General	6.0	6.0	6.0	6.0	6.0	6.0
Earmarked						
Section 31 Business Rate Relief Grant	1.1	-	-	-	-	-
C/Fwd Timing Issues	0.3	0.1	-	-	-	-
Specific Grants	0.1	-	-	-	-	-
DFM	0.2	0.2	0.2	0.2	0.2	0.2
PFI	5.2	5.0	4.8	4.5	4.3	4.0
Insurance ASL	1.1	1.1	1.1	1.1	1.1	1.1
Princes Trust	0.5	0.5	0.5	0.5	0.5	0.5
Apprentices	0.1	0.1	0.0	-	-	-
Equipment	0.2	-	-	-	-	-
Innovation Fund	0.5	0.2	0.2	0.2	0.2	0.2
Minor Balance	0.1	0.0	0.0	0.0	0.0	0.0
	9.3	7.3	6.9	6.6	6.4	6.1
Capital Reserves & Receipts	18.4	14.8	3.7	0.0	0.0	0.0
Provisions						
Insurance	0.5	0.5	0.5	0.5	0.5	0.5
Business Rate Collection Fund Appeals	1.1	1.1	1.1	1.1	1.1	1.1
	1.6	1.6	1.6	1.6	1.6	1.6
	35.3	29.6	18.2	14.2	14.0	13.7

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LANCASHIRE COMBINED FIRE AUTHORITY

Meeting to be held on 21 February 2022

CAPITAL STRATEGY & BUDGET 2022/23-2026/27 (Appendix 1 refers)

Contact for further information:

Keith Mattinson - Director of Corporate Services – Telephone Number 01772 866804

Table 1 Executive Summary and Recommendations

Executive Summary

The report sets out the draft capital programme for 2022/23-2026/27.

As in previous years, the draft programme allows for items included within various asset management plans. Estimated slippage of £6.2m has already been moved from the 2021/22 capital programme into the 2022/23 capital programme, as agreed by Resources Committee.

The resultant programme of £47m is extremely large. As highlighted in the report the majority of costs and timing relating to property projects are estimates only at this stage and will be refined in due course.

Anticipated capital funding of £37.4m is available over the life of the programme, leaving a shortfall of £9.5m.

In order to balance the programme the Authority will need to borrow £7.5m (£2m has already been set aside) which results in an anticipated additional revenue charge of £0.4m which is incorporated into the draft revenue budget, reported elsewhere on the agenda.

After allowing for the impact of the borrowing the programme is considered prudent, sustainable and affordable.

Recommendation

The Combined Fire Authority is asked to approve: -

- The Capital Strategy;
- The proposed Capital Budget;
- The Prudential Indicators as set out at Appendix 1.

Capital Budget Strategy

The Authority's capital strategy is designed to ensure that the Authority's capital investment:

- assists in delivering the corporate objectives
- provides the framework for capital funding and expenditure decisions, ensuring that capital investment is in line with priorities identified in asset management plans

- ensures statutory requirements are met, i.e. Health and Safety issues
- supports the Medium-Term Financial Strategy by ensuring all capital investment decisions consider the future impact on revenue budgets
- demonstrates value for money in ensuring the Authority's assets are enhanced/preserved
- describes the sources of capital funding available for the medium term and how these might be used to achieve a prudent and sustainable capital programme.

Managing capital expenditure

The Capital Programme is prepared annually through the budget setting process and is reported to the Authority for approval each February. The programme sets out the capital projects taking place in the financial years 2022/23 to 2026/27 and will be updated in May to reflect the effects of the final level of slippage from the current financial year (2021/22).

The majority of projects originate from approved asset management plans, subject to assessments of ongoing requirements. Bids for new capital projects are evaluated and prioritised by Executive Board prior to seeking Authority approval.

A budget manager is responsible for the effective financial control and monitoring of their elements of the capital programme. Quarterly returns are submitted to the Director of Corporate Services on progress to date and estimated final costs. Any variations are dealt with in accordance with the Financial Regulations (Section 4.71). Where expenditure is required or anticipated which has not been included in the capital programme, a revision to the Capital Programme must be approved by Resources Committee before that spending can proceed.

Proposed Capital Budget

Capital expenditure is expenditure on major assets such as new buildings, significant building modifications and major pieces of equipment/vehicles.

The Service has developed asset management plans which assist in identifying the long-term capital requirements. These plans, together with the operational equipment register have been used to assist in identifying total requirements and the relevant priorities.

Slippage from 2021/22

The 2022/23 programme includes various items of estimated slippage expected from the 2021/22 programme, previously agreed by Resources Committee: -

Table 2 Details of Slippage from previous year

Item	Budget £m
Pumping appliances x 7	1.490
Command support units x 2	0.580
Turn table ladder (TTL) x 1	0.675
Water Tower x 2	1.000
Prime mover x 1	0.215
Pod x 1	0.028
CCTV on appliances	0.100
Enhanced station facilities at Blackpool	0.200
Drill tower replacements	0.150
ESMCP	1.000
Various ICT systems/hardware	0.755
Total	6.193

Vehicles

The Fleet Asset Management plan has been used as a basis to identify the following vehicle replacement programme, which is based on current approved lives:-

Table 3 Vehicle Requirements (Numbers and cost by type per year)

Type of Vehicle	No of Vehicles				
	2022/23 (inc Slippage)	2023/24	2024/25	2025/26	2026/27
Pumping Appliance	7	6	5	6	6
Command Unit	2	-	-	-	-
Water Tower	-	2	-	-	-
Aerial appliance	1	-	-	-	-
All-Terrain Vehicle	1	-	-	-	-
Prime mover	2	-	-	-	-
Pod	1	-	-	-	-
Operational Support Vehicles	16	16	18	11	12
	32	22	23	21	18
	Budget (£m)				
Pumping Appliance	1.490	1.337	1.156	1.421	1.457
Command Unit	0.580	-	-	-	-
Water Tower	-	1.000	-	-	-
Aerial appliance	0.750	-	-	-	-
All-Terrain Vehicle	0.016	-	-	-	-
Prime mover	0.215	-	-	-	-
Pod	0.028	-	-	-	-
Operational Support Vehicles	0.359	0.459	0.504	0.260	0.353
	3.437	2.795	1.660	1.682	1.810

Numbers are based on anticipated delivery dates, not order date. Several of the vehicles have long lead times, and stage payments, hence the actual timing of spend is subject to change, with any deliveries spanning across years inevitably resulting in

the need to move spend between years, usually this will be in the form of slippage into subsequent years, but occasionally there will be a need to pull budget forward to reflect an earlier delivery/stage completion date. This will be reported to Resources Committee as delivery dates are agreed.

Both the Water Towers and Aerial Appliance requirements have been approved previously by CFA. With the exception of the these all other vehicles are replacements.

It is worth noting that LFRS currently has several vehicles provided and maintained by Government under New Dimensions (5 Prime Movers and 1 Utility Terrain Vehicle), which under LFRS replacement schedules would be due for replacement during the period of the programme. However, our understanding is that Government will issue replacement vehicles if they are beyond economic repair, or if the national provision requirement changes. Should LFRS be required to purchase replacement vehicles, grant from Government may be available to fund them. Based on the current position, we have not included these vehicles (or any potential grant) in our replacement plan.

In addition, Fleet Services continue to review future requirements for the replacement of all vehicles in the portfolio, hence there may be some scope to modify requirements as these reviews are completed, and future replacement programmes will be adjusted accordingly.

Operational Equipment

With the exception of CCTV on appliances, which is an existing project that has previously been approved, all other requirements are replacements for existing end of life equipment:

Table 4 Equipment Requirements (Cost per year)

	2022/23 (inc Slippage)	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m	£m
Thermal Imaging Cameras	-	0.250	-	-	-
Breathing Apparatus (BA) and Telemetry equipment	-	-	0.550	-	-
Cutting and extrication equipment	1.500	-	-	-	-
CCTV on appliances	0.100	-	-	-	-
	1.600	0.250	0.550	-	-

The cost of replacing cutting and extrication equipment will vary dependent upon whether these are battery operated or not, and we are currently awaiting the evaluation and a decision on this. As such further work is required to refine the £1.5m estimate.

Each of these groups of assets is subject to review prior to replacement, which may result in a change of requirements or the asset life.

ICT

The majority of the spend is on replacement/upgraded systems, with the exception of:-

- Data Warehouse, which will extract data from our business systems and create common data sets to aid performance management, data analysis and enable users to have self-service access
- Dynamic cover tool, which supports the Service in determining optimum appliance configuration based on available resources
- Digitisation of Fire appliances – where additional Vehicle Mounted Data Systems (VMDS) units will be provided, to improve connectivity and accessibility for Service Delivery staff outside of the office based environment.

All replacements identified in the programme will be subject to review, with both the requirement for the potential upgrade/replacement and the cost of such being revisited prior to any expenditure being incurred.

Table 5 ICT Requirements (Cost per year)

	2022/23 (inc Slippage)	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m	£m
New Systems					
Data Warehouse	0.100	-	-	-	-
Dynamic Cover Tool	0.150	-	-	-	-
Replace Existing Systems					
Performance management	0.100	-	-	-	-
Hydrant Management system	0.025	-	-	-	-
Incident Command system	0.100	-	-	-	-
Asset Management system	0.050	-	-	-	0.100
HFSC referral system	0.100	-	-	-	-
Pooled PPE system	-	0.080	-	-	-
Community Fire Risk Management Information System (CFRMIS)	-	0.100	-	-	-
Rota management package (WT/On call)	-	-	0.100	-	-
Storage Area Network	-	-	0.120	-	-
GIS Risk Info (Cadcorp)	-	-	-	0.100	-
WAN (Intrinsic)	-	-	-	0.450	-
IRS/MIS (3TC)	-	-	-	0.050	-
New Operational Communications					
Digitisation of Fire appliances - additional VMDS units	0.254	-	-	-	-
Replace Operational Communications					
ESMCP (Airwave replacement – assumed funded by grant)	1.000	-	-	-	-
VMDS replace existing kit	0.361	-	-	-	-
Incident Ground Radios	0.180	-	-	-	-
Total ICT Programme	2.420	0.180	0.220	0.600	0.100

(Note HR & Payroll and the Finance system are both outsourced and form part of ongoing SLAs, as such no allowance has been made for their future replacement, as it is assumed that any replacement costs are covered by the existing SLA. If at some point the Service moved away from the current SLAs, then we will incur costs in implementing new systems. We have not allowed for this.)

Buildings

The only new scheme included in the above programme is Service Training Centre (STC) Props, which reflects the need to upgrade/replace some of the training props at STC which are nearing end of life. This scheme is at the initial design/feasibility stage with a considerable amount of work required to develop this into a more detailed scheme with more accurate costings.

Table 6 Building Requirements (Cost per year)

	2022/23 (inc Slippage)	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m	£m
New Schemes					
STC Props	-	-	-	5.000	-
Existing Schemes					
SHQ relocation	-	3.250	8.750		-
C50 – Preston replacement station	0.500	7.250	-	-	-
C52 Fulwood replacement station	-	-	-	2.500	-
W30 – Blackpool Welfare	0.450	-	-	-	-
Drill tower replacements (notional 2 per year)	0.450	0.300	0.300	0.300	0.300
	1.400	11.050	9.050	7.800	0.300

In terms of all the building proposals it must be noted that we are still developing requirements/designs hence costings are indicative only. Furthermore timings have not been agreed pending the ECR and the publication of the Government White Paper on Fire Reform, with the latter pushing back the timeframes for SHQ relocation. As such the costs and timings shown are to provide some context for decision making at this early stage of scheme developments.

Total Capital Requirements

The following table details capital requirements over the five-year period:

Table 7 Summary Capital Requirements

	2022/23 (inc Slippage)	2023/24	2024/25	2025/26	2026/27	TOTAL
	£m	£m	£m	£m	£m	£m
Vehicles	3.437	2.795	1.660	1.682	1.810	11.385
Operational Equipment	1.600	0.250	0.550	-	-	2.400
IT Equipment	2.420	0.180	0.220	0.600	0.100	3.520
Buildings	1.400	11.050	9.050	7.800	0.300	29.600
	8.857	14.275	11.480	10.082	2.210	46.905

Capital Funding

Capital expenditure can be funded from the following sources:

Prudential Borrowing

The Prudential Code gives the Authority increased flexibility over its level of capital investment and much greater freedom to borrow, should this be necessary, to finance planned expenditure. However, any future borrowing will incur a financing charge against the revenue budget for the period of the borrowing.

Given the financial position of the Authority we have not needed to borrow since 2007, and repaid a large proportion of our borrowing in October 2017.

Capital Grant

Capital grants are received from other bodies, typically the Government, in order to facilitate the purchase/replacement of capital items.

There is an expectation that the ESMCP project costs carried forwards from 2021/22 will receive £1.0m grant funding which is included in the programme, however we have not had any confirmation that LFRS costs will be met from grant. To date no other capital grant funding has been made available for 2022/23, nor has any indication been given that capital grant will be available in future years, and hence no allowance has been included in the budget.

Capital Receipts

Capital receipts are generated from the sale of surplus property and vehicle assets, with any monies generated being utilised to fund additional capital expenditure either in-year or carried forward to fund the programme in future years.

The Authority expects to hold £1.7m of capital receipts as at 31 March 2022. This will be fully utilised during the 5-year programme.

Anticipated sale proceeds of £2m have been included in respect of the potential sale of the existing Fulwood site, reflecting the relocation of SHQ and the development of Fulwood Fire Station.

Capital Reserves

Capital Reserves have been created from under spends on the revenue budget in order to provide additional funding to support the capital programme in future years. The Authority expects to hold £16.7m of capital reserves as at 31 March 2022, after allowing for the transfer of the year end revenue underspend of £0.4m and the transfer of £0.4m of earmarked reserves into this (as referred to in the reserves and balances policy elsewhere on this agenda). Over the life of the programme we anticipate utilising all these reserves.

Revenue Contribution to Capital Outlay (RCCO)

Any revenue surpluses may be transferred to a Capital Reserve in order to fund additional capital expenditure either in-year or carried forward to fund the programme in future years.

As referred to in the Revenue Budget report, elsewhere on this agenda, the revenue contribution to capital in 22/23 has been increased to £4.0m, with gradual reductions over the remainder of the five-year programme, giving a total contribution of £15.8m over the life of the programme. This reduces the need to borrow and hence the capital financing charge associated with this.

Drawdown of Earmarked Reserves

£0.25m has been drawn down from the Innovation Reserve to fund the digitisation of fire appliances project.

Drawdown of General Reserves

No allowance has been made for the drawdown of any of the general reserve.

Total Capital Funding

The following table details available capital funding over the five-year period:

Table 8 Summary Capital Funding

	2022/23 (inc Slippage)	2023/24	2024/25	2025/26	2026/27	TOTAL
	£m	£m	£m	£m	£m	£m
Capital Grant	1.000	-	-	-	-	1.000
Capital Receipts	-	0.139	1.542	-	2.000	3.681
Capital Reserves	3.603	10.936	2.143	-	-	16.682
Earmarked Reserves	0.254	-	-	-	-	0.254
Revenue Contributions	4.000	3.200	3.200	2.700	2.700	15.800
	8.857	14.275	6.885	2.700	4.700	37.417

Summary Programme

Based on the draft capital programme as presented we have a shortfall of £9.5m:

Table 9 Summary Capital Requirements and Funding Available

	2022/23 (inc Slippage)	2023/24	2024/25	2025/26	2026/27	TOTAL
	£m	£m	£m	£m	£m	£m
Capital Requirements	8.857	14.275	11.480	10.082	2.210	46.905
Capital Funding	8.857	14.275	6.885	2.700	4.700	37.417
Surplus/(Shortfall)	-	-	(4.595)	(7.382)	2.490	(9.487)

This a very large funding gap, demonstrating that the programme as set out is not achievable without significant borrowing.

Impact on the Revenue budget

The capital programme shows the Authority utilising all of its capital reserves and receipts part way through 2024/25, meaning that the remainder of the capital programme will need to be met from either capital grant (if available), additional revenue contributions or from new borrowing.

Any borrowing will impact the revenue budget as capital financing (interest payable and Minimum Revenue Provision - MRP) charges. As we have already set aside funds (prepaid MRP) to offset our existing £2.0m of PWLB borrowing we would need to take out new borrowing of £7.5m. This has a significant impact on the revenue budget, in terms of interest payments and setting aside a sum equivalent to the Minimum Revenue Provision (MRP), as shown in the table below. (Note both the interest rate and the life over which MRP is charged are subject to change.)

Table 10 Cost of Borrowing

	25 Year
	2.0%
Interest per annum	£150k
MRP	£300k
	£450k

The revenue budget, reported elsewhere on the agenda, incorporates £0.4m in future years budgets reflecting the need to borrow.

Programme Assumptions

It is also worth highlighting that the programme is based around a number of assumptions which could change: -

- All costings are subject to refinement during the design and procurement phases;
- Vehicle replacements are based on the Fleet Asset management Plan, however the scale of replacements in 22/23 is extremely high and hence some slippage is likely;
- New Dimensions vehicle replacements are expected to be carried out by Government, however this position may change;
- No allowance has been made for developments in operational equipment, which may justify future investments. At the present time this would need to be met from the Innovation reserve, of which we have £0.25m remaining, or from the revenue budget (there is £0.2m of revenue budget available for this type of R&D investment);
- ICT software replacements are subject to review prior to replacement, which has led in the past to significant slippage;
- Operational Communications replacements (ESMCP) are subject to a great deal of uncertainty in terms of both timing and costs as they are related to a national replacement project, in addition there may be grant funding available for this which is also unknown at this time;
- The costs and timing for investment in STC Props and replacement of Preston and Fulwood Fire Stations and SHQ relocation are estimates only at this stage, based on current information, but clearly if/when any of these go ahead this will create a need for external borrowing;

- Capital grant may be made available in future years, in order to assist service transformation and greater collaboration, although this is felt to be unlikely.

Summary

Without borrowing the current programme is not balanced, as such the Authority will need to borrow £7.5m over the life of the programme. The cost of this borrowing is incorporated into the revenue budget in future years, which shows a balanced position throughout the medium-term planning period. Therefore, the Treasurer considers that the programme is prudent, sustainable and affordable.

As noted above, should any of the funding assumptions or expenditure items within the programme change, this will have an impact on the overall affordability of the programme.

Prudential Indicators

The Prudential Code gives the Authority increased flexibility over its level of capital investment and much greater freedom to borrow, should this be necessary, to finance planned expenditure. However, in determining the level of borrowing, the Authority must prepare and take account of a number of Prudential Indicators aimed at demonstrating that the level and method of financing capital expenditure is affordable, prudent and sustainable. These Indicators are set out at Appendix 1, along with a brief commentary on each. The Prudential Indicators are based on the programme set out above. These indicators will be updated to reflect the final capital outturn position and reported to the Resources Committee at the June meeting.

The main emphasis of these Indicators is to enable the Authority to assess whether its proposed spending and its financing is affordable, prudent and sustainable and in this context, the Treasurer's assessment is that, based on the indicators, this is the case for the following reasons: -

- In terms of prudence, the level of capital expenditure, in absolute terms, is considered to be prudent and sustainable at an annual average of £11.6m over the 3-year period. The trend in the capital financing requirement and the level of external debt are both considered to be within prudent and sustainable levels. Whilst new borrowing is required this only occurs at the tail end of the third year of the programme.
- In terms of affordability, the negative ratio of financing costs is attributable to interest receivable exceeding interest payable and Minimum Revenue Provision payments in each of the three years. This reflects the effect of the previous decision to set aside monies to repay debt.

Financial Implications

The financial implications

Human Resources Implications

None

Equality and Diversity Implications

The capital programme in respect of replacement/refurbishment of existing property will include some element of adaptations to ensure compliance with the Disability Discrimination Act.

Environmental Impact

The environmental impact of decisions relating to the capital programme will be considered as part of the project planning process, and where possible we will look to minimise the environmental impact of this where it is practical and cost effective to do so.

Business Risk Implications

The capital programme is designed to ensure that the Service has the appropriate assets in order to deliver its services; as such it forms a key element in controlling the risk to which the Authority is exposed. are set out on the report.

Local Government (Access to Information) Act 1985 List of Background Papers

Table 11 Details of any background papers

Paper: The Prudential Code for Capital Finance in Local Authorities

Date: 2021

Contact: Keith Mattinson

Reason for inclusion in Part 2 if appropriate: N/a

PRUDENTIAL CODE FOR CAPITAL FINANCE

Information

The Prudential Code for capital finance, issued by the Chartered Institute of Public Finance and Accountancy (CIPFA), is in the form of a professional code of practice to support local authorities in taking decisions on capital expenditure, borrowing and investments. In reaching these decisions the Authority must follow good professional practice and must assess the implications of capital expenditure in terms of affordability, prudence and sustainability. To enable authorities to demonstrate that its decisions reflect these principles, the code sets out indicators that must be used and factors which must be considered.

Capital Expenditure and Financing

The objective in consideration of the affordability of the Authority's capital plans is to ensure that total capital expenditure remains within sustainable limits.

Capital expenditure 2020/21 to 2024/25

The actual expenditure for 2020/21 and forecast expenditure 2021/22, and estimates of capital expenditure to be incurred in future years, as per the proposed capital programme and allowing for slippage from the 2021/22 programme, are:

Table 12 Capital expenditure by year

	2020/21 Actual	2021/22 Forecast	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
	£m	£m	£m	£m	£m
Capital Expenditure	2.654	4.451	8.857	14.275	11.480

This indicator for 2021/22 will also be updated at the year-end to reflect actual capital expenditure incurred.

Capital financing 2020/21 to 2024/25

All capital expenditure must be financed, either from external resources (government grants and other contributions), the Authority's own resources (revenue contributions, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the above expenditure is as follows:

Table 13 Capital financing by year

	2020/21 Actual	2021/22 Forecast	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
	£m	£m	£m	£m	£m
Grants and Contributions	-	-	1.000	-	-
Own Resources	2.654	4.451	7.857	14.275	6.885
Debt	-	-	-	-	4.595
Total	2.654	4.451	8.857	14.275	11.480

Borrowing Strategy

Capital Financing Requirement (CFR) 2020/21 to 2024/25

Table 14 Capital financing requirements by year

	2020/21 Actual	2021/22 Forecast	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
	£m	£m	£m	£m	£m
Capital Financing Requirement (Debt only)	-	-	-	-	4.595

The capital financing requirement measures the authority's underlying need to borrow for a capital purpose and reflects the effects of previous investment decisions as well as future planned expenditure. In accordance with best professional practice, the Authority does not associate borrowing with particular items or types of expenditure. External borrowing arises as a consequence of all the financial transactions of the Authority and not simply those arising from capital spending, but in the medium term the Treasurer anticipates that borrowing is undertaken for capital purposes only. These capital financing requirements then feed through into the anticipated level of external debt as reported in the Treasury Management Strategy elsewhere on the agenda but repeated here for completeness. As reported in the Treasury Management Strategy the Authority has made additional MRP provisions since 2010/11 in order to reduce capital financing requirements to nil.

Authorised limit and operational boundary for its total external debt

In respect of its external debt the Authority is required to set two limits over the three-year period: an authorised limit and an operational boundary. Both are based on the planned capital expenditure, estimates of the capital financing requirement and estimates of cash flow requirements for all purposes. It should be noted that these limits have then been uplifted to include potential borrowing associated with a future decision to go ahead with a replacement Headquarters.

The operational boundary is based on the most likely, but not worst case, scenario and represents the maximum level of external debt projected by these estimates. However, unexpected cashflow movements can occur during the year and some provision needs to be made in setting the authorised limit to deal with this.

The two indicators are as follows:

Table 15 Borrowing Limits by year

	2020/21 Actual	2021/22 Forecast	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
	£m	£m	£m	£m	£m
Authorised Limit for External Debt					
Borrowing	6,000	6,000	6,000	6,000	10,000
Other long-term liabilities	30,000	30,000	30,000	30,000	30,000
Total	36,000	36,000	36,000	36,000	40,000
Operational Boundary for External Debt					
Borrowing	3,000	3,000	3,000	3,000	8,000
Other long-term liabilities	17,000	17,000	16,000	15,000	15,000
Total	20,000	20,000	19,000	18,000	23,000

Gross debt and the Capital Financing Requirement

The Prudential Code requires that debt does not exceed the Capital Financing Requirement except in the short term, in order to ensure that over the medium term that debt will only be for capital purposes. This is a key indicator of prudence.

As reported in the Treasury Management Strategy, the Authority has made additional MRP provisions since 2010/11 in order to reduce Capital Financing Requirements and hence the charges associated with this, and in order to set monies aside to pay off debt as it matures. It used these monies to pay off £3.2m of debt in October 2017. As a result of this the level of debt now held, £2.0m, exceeds the capital financing requirement, has been zero after MRP payments made during 2019/20: -

Table 16 Debt and the Capital Financing Requirements by year

	2020/21 Actual	2021/22 Forecast	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
	£m	£m	£m	£m	£m
Debt	2.000	2.000	2.000	2.000	2.000
Capital Financing Requirement	-	-	-	-	4.595

Revenue Budget Implications

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and Minimum Revenue Provision (MRP, or debt repayments) are

charged to revenue, offset by interest receivable. The net annual charge is known as financing costs.

As shown within the Treasury Management Strategy report elsewhere on the agenda, the financing costs are as follows:

Table 17 Impact on Revenue Budget by year

	2020/21 Actual	2021/22 Forecast	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
	£m	£m	£m	£m	£m
Interest payable	0.090	0.090	0.090	0.090	0.090
MRP	0.010	0.010	0.010	0.010	0.010
Interest receivable	(0.253)	(0.194)	(0.300)	(0.200)	(0.100)
Net financing costs	(0.153)	(0.094)	(0.200)	(0.100)	-

Proportion of financing costs to net revenue stream

Table 18 Proportion of financing costs to net revenue stream by year

	2020/21 Actual	2021/22 Forecast	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Net financing costs	(£0.153m)	(£0.094m)	(£0.200m)	(£0.100m)	-
Ratio of Financing Costs to Net Revenue Stream	(0.27%)	(0.16%)	(0.32%)	(0.16%)	-

The negative percentage of this indicator reflects the low level of underlying debt (following the repayment of the majority of our long-term loans during 2017/18) for the Authority in comparison to the authority's level of investment income, i.e. interest receivable is greater than interest payable.

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LANCASHIRE COMBINED FIRE AUTHORITY

Meeting to be held on 21 February 2022

REVENUE BUDGET 2022/23-2026/27 (INCORPORATING MEDIUM TERM FINANCIAL STRATEGY)

(Appendix 1 – Detailed Council Tax Resolution)

(Appendix 2 – Budget Scenarios)

(Appendix 3 – Analysis of Budget by Service Area)

(Appendix 4 – Analysis of Budget by Type of Expenditure)

(Appendix 5 – Response to Consultation)

Contact for further information: Keith Mattinson - Director of Corporate Services
Telephone Number 01772 866804

Table 1 Executive Summary and Recommendations

Executive Summary

The report sets out the draft revenue budget for 2022/23-2026/27 and the resultant council tax implications.

Budget requirement has been re-assessed taking account of known/anticipated changes, incorporating current year-end forecast projections, and forecast vacancy factors based on anticipated recruitment resulting in a total requirement of £63.0m.

The Local Government Settlement was not the anticipated multi-year settlement, as it only covered next year. It did however allow for:-

- a 1.1% increase in funding, and we have assumed that this increases by a further 1.0% in subsequent years
- established a new 'Service Grant' our share of which is £1.1m. Whilst this is a one-off grant, we have assumed the element of this which offsets national insurance increases (£0.3m) is provided in some form in future years
- a change to the council tax referendum principles for FRAs for 22/23, allowing those in the bottom quartile to increase council tax by up to £5, whilst all others have a 2% referendum limit set. Lancashire is in the bottom quartile hence is able to take advantage of this flexibility. This increase would generate an additional £1.6m of council tax, over and above a 2% increase, for the Authority (£2.2m as opposed to £0.6m). This is a one-off change and only applies to 2022/23 council tax increases.

This potential increase is a one-off opportunity to address some of the longer-term challenges within the Service, such as:

- Invest in improvements to support our 'road to outstanding' ambition
- Review capacity/resilience and pay structures within support functions
- Outcome of Emergency Cover Review (ECR) mitigating the impact of removing the DCP duty system
- Invest in our asset base/reduce future borrowing
- Provide re-assurance that we are able to meet some of the uncertainties surrounding the current pension situation, in terms of both pensionability of allowances and Immediate Detriment.

We therefore propose utilising this flexibility to increase council tax by £5 (10p per week), to £77.27. At this level we will still be below the anticipated sector average and will still have the 9th lowest cumulative increase over the last 10 years.

Looking longer term the key variables remain future funding levels, pay awards, pension costs and the outcome of the ECR.

Recommendation

The Combined Fire Authority is asked to agree the detailed resolutions set out in appendix 1.

Information

In line with the Authority's objective to deliver affordable, value for money services the Authority's Budget Strategy remains one of: -

- Delivering services as outlined in the Risk Management Plan and other plans;
- Continuing to invest in improvements in service delivery;
- Continuing to invest in improving facilities;
- Continuing to deliver efficiencies;
- Setting a robust budget;
- Maintaining an adequate level of reserves;
- Maintaining future council tax increases within the Governments referendum principles.

Draft Budget

In order to determine the future budget requirement, the Authority has used the approved 2021/22 budget as a starting point, and has uplifted this for inflation and other known changes and pressures, to arrive at a draft budgetary requirement, prior to utilising any reserves, as set out below: -

Table 2 Summary of Budget Changes

	2022/23	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m	£m
Preceding Years Draft Net Budget Requirement	58.2	63.0	63.4	65.1	66.7
Add back previous years unidentified savings target	0.3	-	-	-	-
Add back previous years Vacancy Factors	1.4	1.9	1.3	1.2	1.0
Inflation	2.0	1.4	1.5	1.5	1.5
Other Pay Pressures	0.1	-	(0.1)	-	-
Committed Variations	(0.1)	0.1	0.3	0.3	0.3
Growth	3.8	(1.8)	-	(0.5)	-
Efficiency Savings	(0.9)	-	-	-	0.2
Gross Budget Requirement	64.9	64.7	66.3	67.7	69.7

Vacancy Factors	(1.9)	(1.3)	(1.2)	(1.0)	(1.3)
Net Budget Requirement	63.0	63.4	65.1	66.7	68.4

Inflation

The following amounts have been added to the budget in respect of inflationary pressures, in line with current estimates: -

Table 3 Details of Inflation

	2022/23	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m	£m
The impact of the unbudgeted pay awards in 2021/22:	0.7	-	-	-	-
<ul style="list-style-type: none"> • Grey book (operational staff) at 1.5% from 1 July 2021 onwards • Green book (support staff) estimated at the most recent offer of 1.75% for the full financial year (not yet agreed/implemented, hence there is considerable uncertainty around the eventual scale of this) 					
A 2% allowance has been built in for all future pay-awards	0.8	1.0	1.1	1.1	1.1
Non-pay inflation	0.5	0.4	0.4	0.4	0.4
<ul style="list-style-type: none"> • Energy - 25% inflation for 22/23 and subsequently 2.5% thereafter • Fuel - 12.5% inflation for 22/23 and subsequently 2.5% thereafter • Rates – 5% each year • Other - 2.5% each year 					
	2.0	1.4	1.5	1.5	1.5

Each 1% pay award in excess of the above assumptions equates to an additional cost of £400k per year for grey book personnel, and £75k for green book personnel.

Other Pay Pressures

Table4 Details of Other Pay Pressures

	2022/23	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m	£m
Employers National Insurance increase of 1.25% in relation to the Health and Social Care levy (this is offset by a new Service Grant allocation - see funding section later in the report)	0.3	-	-	-	-
Pay has been re-costed, taking account of changes to personnel, grades etc.	(0.2)	-	(0.1)	-	-

<p>Given this accounts for the majority of the overall budget it is worth highlighting some of the assumptions used: -</p> <p><u>Whole-time Pay</u></p> <ul style="list-style-type: none"> • Approx. 200 personnel are currently paid at development rates of pay, it is assumed that this continues at this level throughout the budget period. (If all personnel were paid at competent rates of pay this would cost an additional £1.2m) • Approx. 385 personnel are currently paid CPD, it is assumed that this continues at this level throughout the budget period. (If all personnel were paid CPD this would cost an additional £0.1m) • Approx. 30 personnel are currently 'opted out' of the FF pension scheme, it is assumed that this continues at this level throughout the budget period (if all personnel were in the pension scheme this would cost an additional £0.3m) • The FF pension scheme transitional arrangements are due to be ended, with all FF transferring into the 2015 scheme on 1 April 2022, a reduction of £0.3m. <p><u>On-Call Pay</u></p> <ul style="list-style-type: none"> • Approx. 225 of all on-call personnel are currently paid at development rates of pay, it is assumed that this continues at this level throughout the budget period (if all personnel were paid at competent rates of pay this would cost an additional £0.2m) • Approx. 80 on-call personnel are currently paid CPD, it is assumed that this continues at this level throughout the budget period (if all personnel were paid CPD this would cost an additional £0.1m) • Approx. 80 personnel are currently 'opted out' of the FF pension scheme, it is assumed that this continues at this level throughout the budget period (if all personnel 					
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<p>were in the pension scheme this would cost an additional £0.2m)</p> <ul style="list-style-type: none"> The FF pension scheme transitional arrangements are due to be ended, with all on call FF transferring into the 2015 scheme on 1 April 2022, a very small reduction of £6k. <p><u>Support Pay</u></p> <ul style="list-style-type: none"> The budget is based on the assumed scale points of personnel in post at 1 April 2022. No allowance has been made for future incremental progression or staff turnover where typically new starters commence at the bottom of the pay grade. Approx. 10 personnel are currently 'opted out' of the LGPS pension scheme, it is assumed that this number remains consistent throughout the budget period (if all personnel were in the pension scheme this would cost an additional £30k) 					
	0.1	-	(0.1)	-	-

Committed Variations

Committed variations are those items which are unavoidable, or which arise from previously agreed policy decisions.

Table 5 Details of Committed Variations

	2022/23	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m	£m
The budget reflects the additional drawdown against the apprentice levy, net of our 5% co-investment cost. The increase arising from the government funding of 95% of any levy account shortfall, The extent of the levy drawdown depends on the number and timing of WT recruits in training, hence the reductions in future years reflect the reduction in recruit numbers.	(0.3)	-	0.2	0.1	0.1
Interest receivable has increased in 22/23, reflecting the change in bank base rates. The increased capital financing charge in 25/26 and 26/27 reflects borrowing requirements associated	(0.1)	-	-	0.2	0.2

with the capital programme (as referred to in the Capital budget report elsewhere on the agenda)					
Other	0.3	0.1	0.1	-	-
	(0.1)	0.1	0.3	0.3	0.3

Growth

Table 6 Details of Growth

	2022/23	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m	£m
<p>The number and timing, and hence cost, of recruit Fire-fighters is affected by:</p> <ul style="list-style-type: none"> • Changes in establishment, we have built in agreed changes to this. However, the cessation of DCP and the outcome of the ECR will affect establishment levels in the future but as yet these are unknown and hence have been excluded. • Retirements/leavers, we have incorporated anticipated retirements and an assumed level of early leavers into our forecasts. However, the on-going uncertainty surrounding pensions may have an impact on these, and whilst we have increased our allowance for this there is no guarantee that this will be accurate (further details are set out later in the report). <p>As such the budget allows for the following recruits/apprentice FFs each year:-</p> <ul style="list-style-type: none"> • 22/23 – 87 apprentices/inter-service and On-call transfers • 23/24 – 24 apprentices • 24/25 – 24 apprentices • 25/26 – 24 apprentices • 26/27 – 24 apprentices <p>This results in the Service recruiting in advance of need, 36 over establishment by December 22, which reflects the uncertain timing of leavers, and the uncertainty surrounding the outcome of the Emergency Cover Review. Staffing numbers will be monitored throughout the period and recruitment requirements updated on a regular basis.</p>	0.3	(0.5)	-	-	-

The WT overtime budget is 'flexed' to take account of the costs of covering vacancies during the year. As there are a significant level of operational vacancies next year the overtime budget has been increased, with a reduction in 2023/24 reflecting the reduction in forecast vacancies	-	-	-	-	-
Establishment at Training Centre has been increased to reflect the additional recruit courses required next year, as well as the increasing demands on training requirements in general	0.2	(0.1)	-	-	
The increase in budget reflects the temporary requirement to enhance the delivery of protection services, and to better integrate this with crews/operational response	0.2	-	(0.2)	-	-
The capital budget, reported elsewhere on the agenda, identifies a £47m programme over the next 5 years. Based on our current level of revenue contribution, and existing capital reserves and receipts, we would need to borrow £12m in order to deliver against this programme. This would impact on the revenue budget in the form of £0.5m of capital financing charges in future years. In order to minimise the need for future borrowing the budget proposes increasing the Revenue Contribution to Capital Outlay (RCCO) to £4.0m in 22/23, reducing to £3.2m in 23/24 and then to £2.7m in 25/26 and 26/27. This reduces borrowing requirement by £4.5m, which in turn reduces the future capital financing charges by £0.3m per annum over 20 years. It is worth highlighting that even after allowing for this we will still drawdown over £3m of capital reserves next year, and will still need to borrow in 24/25.	1.7	(0.8)	-	(0.5)	-
Capacity within support functions has been a major challenge for a number of years, however, demands placed on these departments has grown significantly in recent years and will continue to do so. As such we need to invest in these departments, not only to meet current	1.0	-	-	-	-

<p>requirements but also to enhance the service in areas such as</p> <ul style="list-style-type: none"> • On-Call • ICT and Digital • Climate change • Training • Resilience <p>Without investing sufficiently, we will simply standstill and will be unable to deliver against our 'road to outstanding' ambitions (this will be developed following the outcome of the current HMICFRS Inspection)</p> <p>As highlighted later in the report recruitment into several departments has been problematic for a number of years, with the situation becoming significantly worse in the last 12 months. We are now carrying over 20 vacant support posts (over 10%), and the most often cited reason for struggling to recruit is comparability of salary. Whilst market supplements have been applied to some posts this is not considered a long-term solution.</p> <p>As such we propose undertaking a review of requirements at the start of the new year and have therefore built an allowance into the budget to meet these costs and to put support functions on a sustainable long-term footing. This allowance is included to aid financial planning at this stage, as the actual requirements will not be known until the review is undertaken. Note as cost and timing of outcomes is uncertain, we propose transferring any unused funds arising from this into the Capital Funding Reserve, to further reduce the need to borrow in later years.</p>					
<p>Members have agreed that the Authority will undertake an Emergency Cover Review (ECR) in 22/23, incorporating the withdrawal of the DCP duty system. It is worth highlighting that converting a DCP station back to the 2-2-4 duty system costs approx. £0.5m, per station, a total of £5.5m across the 11 DCP stations.</p>	-	-	-	-	-

<p>Clearly this is unaffordable and hence we will need to look for alternative solutions. At this stage it is impossible to forecast the outcome of this review. and hence we have assumed it will be cost neutral from a budget perspective.</p> <p>If this is not the case then future years budgets will come under increasing pressure and it will become more difficult to set a long-term balanced budget.</p>					
<p>Pension costs, as members are aware we have previously set aside over £2m to meet backdated employer contributions associated with changes to pensionability of allowances. It has always been assumed that the Government would meet the cost of any backdating, net of both employee and employer contributions, via the pensions holding account that we report each year.</p> <p>On a similar basis we have assumed that the Government would meet all costs, including backdated employer contributions, associated with the McCloud judgement and the introduction of Immediate Detriment. We have not built any allowance into the budget for any of these costs, however if any such one-off costs are incurred, we may be able to meet these from existing reserves.</p> <p>The 2020 valuation exercise on the Fire Fighters pension is on-going, with any changes arising from this due to be implemented in 2024. It is not clear what impact changes outlined above will have on this, other than that costs will have increased. As a result we are likely to see an increase in employer contribution rates, but the scale of this is as yet unknown. Therefore we have not allowed for this in the budget, pending further clarification.</p>	-	-	-	-	-
Other	0.4	(0.4)	0.2	-	-
	3.8	(1.8)	-	(0.5)	-

Efficiency Savings

The Authority has a good track record of delivering efficiency savings, with the following savings identified below: -

Table 7 Details of Efficiency Savings

	2022/23	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m	£m
We have top sliced the majority of non-pay budgets by 2.5%	(0.2)	-	-	-	-
Adjust pooled PPE budget to reflect lifecycle replacement requirement	(0.2)	-	-	-	0.2
Reduction in car users/mileage budgets across all budgets, reflecting alternative ways of future working	(0.2)	-	-	-	-
Other	(0.3)				
	(0.9)	-	-	-	0.2

Gross Budget Requirement

As set out above the overall gross budget requirement for each year is as follows: -

Table 8 Gross Budget Requirement

	2022/23	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m	£m
Draft Gross Budget Requirement	64.9	64.7	66.3	67.7	69.7

Vacancy Factors

The budget needs to take account of forecast vacancy factors arising from retirement and recruitment profiles: -

Table 9 Details of Vacancy Factors

	2022/23	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m	£m
The vacancy/over establishment factor for whole-time has also been updated and is based on the following: - <ul style="list-style-type: none"> Each year a number of personnel who have reached full pension benefits delay their retirement. Whilst this varies each year it averages out at approx. 7 personnel at any point in time. As such we have assumed that all bar 7 personnel who can retire do so immediately. An updated early leavers profile, i.e., personnel who retire before reaching forecast retirement date or who resign or are dismissed, of:- 	0.1	0.3	0.2	0.5	0.2

<ul style="list-style-type: none"> ➤ 17 in 22/23 ➤ 12 in 23/24 ➤ 9 in 24/25 ➤ 6 in subsequent years <ul style="list-style-type: none"> • Recruit numbers are as set out earlier and we assume that all recruits successfully complete the course. <p>It is still not clear what further impact either the transitional pension arrangements or making allowances pensionable will have on the retirement profile, or what impact the ECR will have on this.</p> <p>Overall, this results in a net over establishment position each year, reflecting the uncertainty surrounding some of the assumptions and the long lead time for recruitment.</p>					
On Call vacancy factors has been increased from 18% to 21% reflecting the current level of staffing, and assuming this remains constant.	(1.2)	(1.2)	(1.3)	(1.3)	(1.3)
Support staff vacancy factor has been increased from 3.75% to 10.0%, broadly reflecting the current level of vacancies. It must also be recognised that the review of capacity in support functions may lead to a temporary increase in vacancies, pending successful recruitment. This has been reduced back to 5% in 23/24 and 2.5% in subsequent years.	(0.8)	(0.4)	(0.2)	(0.2)	(0.2)
	(1.9)	(1.3)	(1.2)	(1.0)	(1.3)

Net Budget Requirement

As set out above the overall net budget requirement for each year is as follows: -

Table 10 Net Budget Requirement

	2022/23	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m	£m
Draft Budget Requirement	63.0	63.4	65.1	66.7	68.4
Budget Increase	8.3%	0.6%	2.7%	2.4%	2.6%

Grant Funding

The Government's Budget will set the overall total for public sector spending which will then be allocated out to departments as part of the Spending Review, and these are then allocated out to individual Authorities as part of the Local Government Finance Settlement, the first draft of which was announced in December.

Due to economic uncertainty the anticipated multi-year settlement has been postponed again, hence the draft settlement only covers 22/23.

Similarly, the Fair Funding review, which looked to re-assess the methodology under which funding was allocated to individual authorities, and the implementation of a revised Business Rates Retention Scheme, have both been put on hold for at least a further 12 months.

The 2022/23 Local Government Finance Settlement showed an increase in the Government's Settlement Funding Assessment of 1.08%. The Settlement Funding Assessment comprises:-

Table 11 Details of Settlement Funding Assessment 2022/23

• Revenue Support Grant (from the Government)	£8.8m
• Business Rates (from local billing authorities)	£11.3m
• Business Rates Top-Up (from the Government)	£4.4m
	£24.5m

Looking beyond 22/23, it is assumed that this will grow in line with this increase and hence we have allowed for 1.0% growth each year. The table below sets out our assumed level of funding (Settlement Funding Assessment) over the next 5 years: -

Table 12 Forecast Settlement Funding Assessment 2022/23-2026/27

	2022/23	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m	£m
Estimated Settlement Funding Assessment	24.5	24.8	25.0	25.2	25.5
Growth	1.1%	1.0%	1.0%	1.0%	1.0%

Service Grant

A new one-off grant has been introduced in 2022/23, Services Grant, worth £822 million to local government. This grant allocation is for 2022/23 only, but the Government has confirmed it will work with the sector on how to distribute this funding from 2023/24 onwards. As the grant includes funding for the increase in employer National Insurance Contributions it is assumed that this element will recur in subsequent years, but it may be under a different heading. We have not built in any allowance for the balance of this grant in future years.

Table 13 Forecast Service Grant

	2022/23	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m	£m
Service Grant	1.1	0.3	0.3	0.3	0.3

Business Rates Adjustments

We have now received final details of our Business Rates from billing authorities. These are £0.5m lower than the Governments estimate of £4.4m, as set out above.

In addition to the above Business Rates the Authority receives Section 31 grant from the Government to compensate for specific reliefs it has agreed as part of policy decisions, i.e. small business relief etc. This year the anticipated grant has increased significantly to

£2.6m, reflecting the higher Government multiplier being applied this year. We have assumed this increases in line with inflation in future years.

Members will recall that last year the Government agreed to smooth any collection fund deficits over a 3-year period, hence we are carrying a £80k deficit into this year's budget.

This year the Government has again provided additional business rate reliefs, such as retail, nursery and newspaper reliefs, recognising the impact of the pandemic on businesses. The Government provided Section 31 grants direct to billing authorities to offset these new reliefs, however as they have to account for these outside the business rate collection fund, this results in a very large deficit across the collection funds of all authorities. Our share of this deficit is £0.8m. The rate relief grant will eventually feed through to preceptors as part of the business rate year end reconciliation, when billing authorities will be required to repay a proportion of the reliefs provided and when the Govt will make an additional grant to ourselves for our share of these. Billing authorities have calculated our share of this at £1.1m. (It is worth emphasising that the actual additional grant in respect of in-year rate reliefs will not be known for some time and may vary from this.)

We have assumed that the collection fund is in a balanced position in future years, with any deficit netting off against any additional reliefs.

Table 14 Forecast Business Rates Adjustments

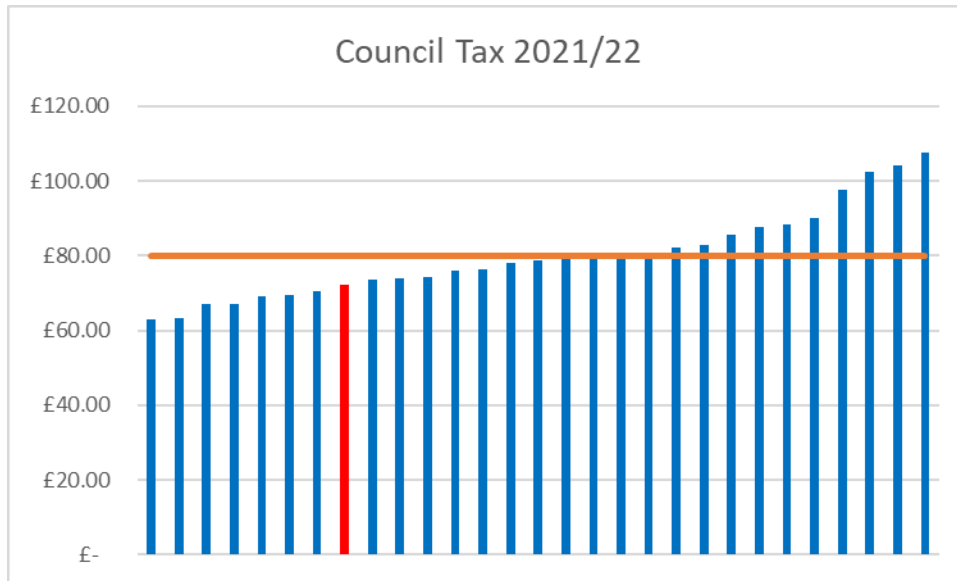
	2022/23	2023/24	2024/25	2025/26	2026/27
Local Business Rates Adjustment, confirmed by Billing Authorities	£0.5m	£0.5m	£0.5m	£0.5m	£0.5m
Section 31 Grant – Business Rates Reliefs	(£2.6m)	(£2.7m)	(£2.7m)	(£2.7m)	(£2.7m)
Business Rates Collection Fund Deficit c/fwd from 21/22	£0.1m	£0.1m	-	-	-
Business Rates Collection Deficit in year	£0.8m	-	-	-	-
Additional Section 31 Grant – Business Rates Reliefs Adjustment	(£1.1m)	-	-	-	-
Total Business Rates Adjustment	(£2.3m)	(£2.1m)	(£2.2m)	(£2.2m)	(£2.2m)

Council Tax

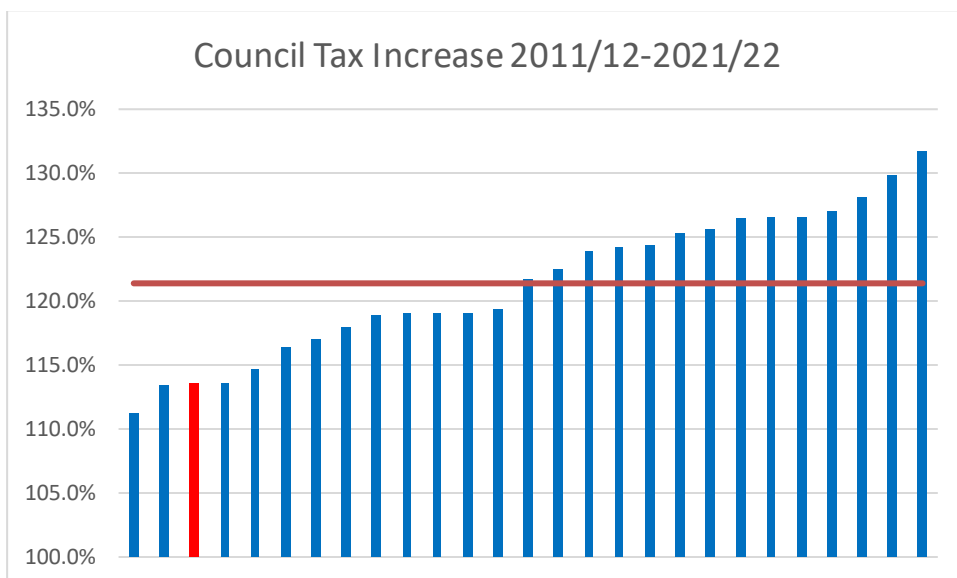
In setting the council tax, the Authority aims to balance the public's requirement for our services with the cost of providing this. As such the underlying principle of any increase in council tax is that this must be seen as reasonable within the context of service provision.

The Authority became a precepting authority on 1 April 2004. Since this our council tax increases have been limited by either capping or the current referendum thresholds set by the Government. As such our council tax increases and hence budget increases have been constrained by these and our desire to deliver value for money services. Our council tax of £72.27 is still below the national average of £80.06, and our increase of just 13.5% since 2010/11 compares with an average increase of 21.4% over the same period and is the third lowest of any Fire Authority.

Graph 1 Comparative Council Tax 2021/22



Graph 2 Comparative Council Tax Cumulative Increase 2011-2022



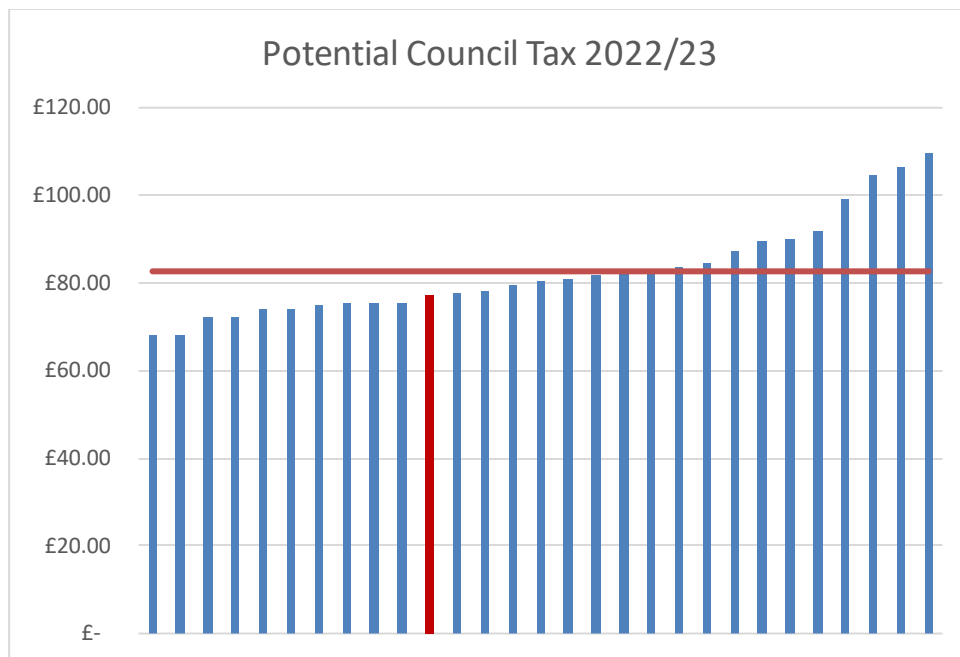
The Local Government Settlement confirmed that “the Government is proposing a 2% core referendum threshold and is consulting on proposals to allow the 8 FRAs with the lowest precept levels to increase council tax by £5 for one year only in 2022/3. This is to assist those FRAs in addressing immediate pressures and to maintain a sustainable income baseline for future years”. It is worth highlighting that this flexibility was last allowed in 2013/14, and that the sector as a whole has been lobbying for re-introduction of this flexibility for all Authorities since this date, hence this a major shift in the Government’s stance, but one which is very unlikely to be repeated in future years.

Lancashire are in the bottom quartile for council tax levels and hence, if the flexibility is supported following the consultation exercise, this will apply to ourselves. Based on our estimated tax base this will generate £2.25m of funding compared with £650k from a 2% increase, an additional £1.6m. Furthermore, it should be emphasised that this additional funding will set a new council tax baseline and hence becomes a recurring increase.

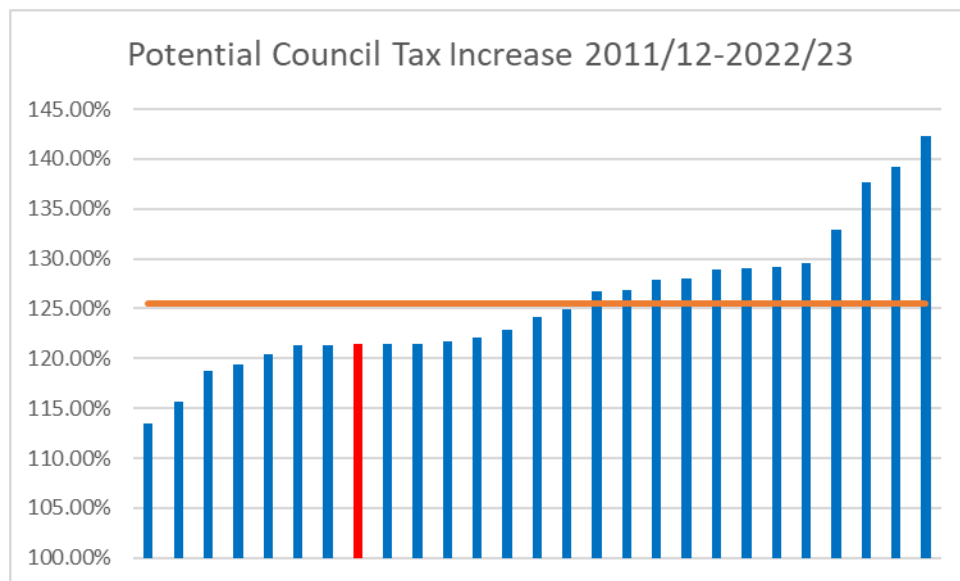
Assuming all Authorities increase by the maximum amount permissible (£5 or 2% depending in which quartile they are in) our council tax of £77.27 would still be below the

national average of £82.66, and our increase of 21.4% since 2010/11 would compare with an average increase of 25.5% over the same period and will still be the joint seventh lowest of any Fire Authority.

Graph 3 Forecast Comparative Council Tax 2022/23



Graph 4 Forecast Comparative Council Tax Cumulative Increase 2011-2023



Council Tax-Base

The Authorities council tax-base has increased by 1.6%. For the purpose of medium term forecasting we have assumed that the taxbase increases by 1.5% in subsequent years in line with historic averages.

Table 15 Forecast Council Tax-Base

	2022/23	2023/24	2024/25	2025/26	2026/27
Estimated Number of Band D equivalent properties	449,778	456,525	463,373	470,323	477,378

Last year the Government allocated an additional £670m of Local Council Tax Support Grant to councils, of which our share was £0.8m, to offset the reduction in tax base during the pandemic. It is assumed that this was a one-off allocation, and hence this has not been allowed for in this year's budget.

Last year the Government agreed to smooth any collection fund deficits over a 3-year period, hence we are carrying a £121k deficit into this year's budget. Billing Authorities have now confirmed that the in-year collection fund surplus is £478k. We have assumed a surplus in future years of £400k, in line with historic averages:-

Table 16 Forecast Council Tax Collection Fund

	2022/23	2023/24	2024/25	2025/26	2026/27
Council Tax Collection Fund Deficit c/fwd from 21/22	£0.1m	£0.1m	-	-	-
Council Tax Collection Surplus in year	(£0.5m)	(£0.4m)	(£0.4m)	(£0.4m)	(£0.4m)
Net Collection Fund Surplus	(£0.4m)	(£0.3m)	(£0.4m)	(£0.4m)	(£0.4m)

Draft Council Tax Requirements

Table 17 Forecast Council Tax Requirements

	2022/23	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m	£m
Draft Budget Requirement	63.0	63.4	65.1	66.7	68.4
Less Settlement Funding Assessment	(24.5)	(24.7)	(25.0)	(25.2)	(25.5)
Less Service Grant	(1.1)	(0.3)	(0.3)	(0.3)	(0.3)
Less Business Rates Adjustment	(2.3)	(2.1)	(2.2)	(2.2)	(2.2)
Less Council Tax Collection Deficit/(Surplus)	(0.4)	(0.3)	(0.4)	(0.4)	(0.4)
Equals Precept	34.7	36.0	37.2	38.6	39.9
Estimated Number of Band D equivalent properties	449,778	456,525	463,373	470,323	477,378
Equates to Council Tax Band D Property	£77.27	£78.81	£80.38	£81.98	£83.61
Increase in Council Tax	£5.00	2.0%	2.0%	2.0%	2.0%

(For information, a 1% change to the council tax equates to £0.3m.)

As can be seen the increase in 22/23 is in line with the additional flexibility allowed for in the settlement. Increases in subsequent years are in line with the anticipated 2% referendum limit.

Reserves

A reasonable level of reserves is needed to provide an overall safety net against unforeseen circumstances, such as levels of inflation/pay awards in excess of budget provision, unanticipated expenditure on major incidents, and other "demand led" pressures, such as increased pension costs, additional costs associated with national projects, etc. which cannot be contained within the base budget. In addition, they also enable the Authority to provide for expenditure, which was not planned at the time the budget was approved, but which the Authority now wishes to implement.

As such a review of the strategic, operational and financial risk facing the Authority is undertaken each year to identify an appropriate level of reserves to hold, this incorporates issues such as higher than anticipated pay awards, increased number of ill health retirements, etc. The most significant change is the increased risks associated with pension costs arising from the review of pensionability of allowances and the Immediate Detriment position. As such the minimum requirement has increased to £4.0m. As at 31 March 2022 we anticipate holding £6.0m, providing scope to utilise approx. £2.0m of reserves.

Therefore, the Treasurer considers this reserve is at an appropriate level.

Response to Consultation

Attached as appendix 5 is the response from the Fire Brigades Union to the consultation exercise. There were no other responses received at the time of writing the report.

Summary Council Tax 2022/23

We are recommending a £5.00 increase in council tax for an average band D property:-

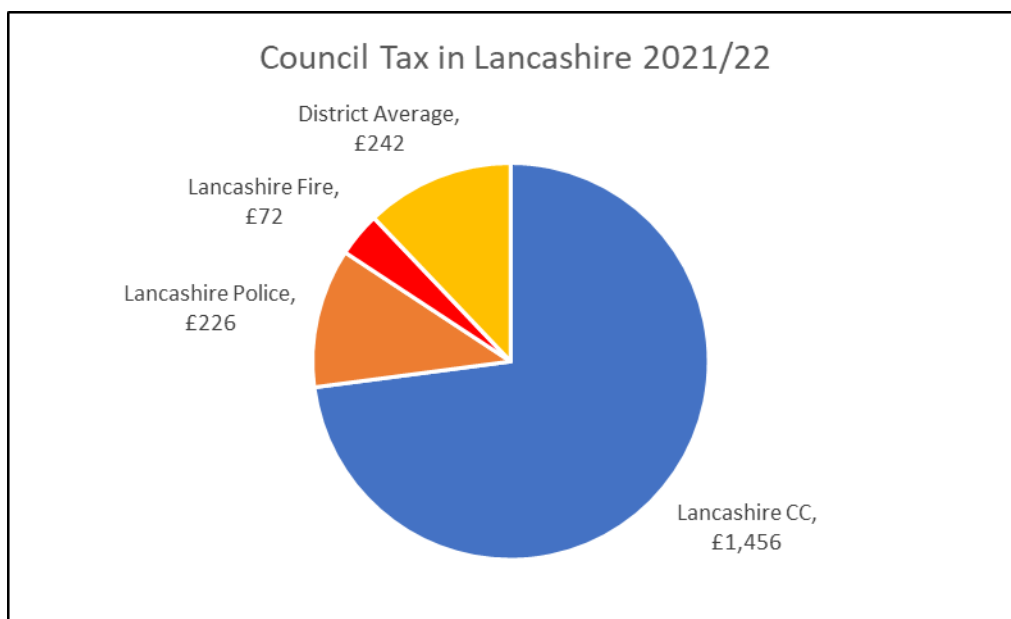
Table 18 Detailed Council Tax Requirement 2022/23

	£m
Gross Budget Requirement	63.0
Less Settlement Funding Assessment	(24.5)
Less Service Grant	(1.1)
Less Business Rates Adjustment	(2.3)
Less Council Tax Collection Surplus	(0.4)
Equals Precept	34.7
Estimated Number of Band D equivalent properties	449,778
Equates to Council Tax Band D Property	£77.27
Increase in Council Tax	£5.00

The increase of £5.00 per annum equating to 10p per week for an average band D property.

It is also worth highlighting that Fire accounts for a very small proportion of the total council tax bill, with the 2021/22 average band D bill in Lancashire being £1,996, of which 'Fire' accounts for £72, less than 4%

Graph 5 Council Tax in Lancashire 2021/22



Robustness of the Revenue Budget 2022/23

Under Section 25 of the Local Government Act 2003, the Chief Finance Officer is required to make a statement about the robustness of the budget.

The professional opinion of the Treasurer is that the budget has been prepared on a robust basis for the following reasons:

- The budget is reflective of existing service plans;
- The budget takes account of the anticipated on-going revenue impact of current and future capital programmes (no allowance has been made for any potential borrowing associated with the capital programme as we are still finalising this);
- The allowances included for inflation and pay awards represent a best estimate of the likely cost of this, at

Table 19 Inflationary Allowance Included in Budget

	2022/23
Uniformed Pay Award	2.0%
Non-Uniformed Pay Award	2.0%
Non-Pay Inflation (Additional inflation has been allowed for in 22/23 in respect of energy and fuel)	2.5%

- As part of the budget setting process all estimates, including savings and income forecast, are assessed for reasonableness;
- The situation in respect of future funding, and in particular the outcome of next year's Spending Review and the longer-term impact of the pandemic on business rates and council tax will be kept under review and reported to the Authority in due course.
- The level of and appropriateness of reserves has been reviewed by the Treasurer, based on the potential risks faced by the Authority;
- The following significant financial risks have all been assessed and the Treasurer feels that these are adequately covered within the budget estimates presented or within the level of reserves currently held: -

- Reductions in funding levels over and above those forecast;
- Reduction in funding via Business Rates retention scheme;
- Reduction in council tax funding due to changes in collection rates, localisation of council tax support, reducing tax base and/or council tax referendum limits;
- Higher than anticipated inflation;
- Larger increases in future pension costs/contributions;
- Significant changes in retirement profiles;
- Increase in costs arising from demand led pressures, i.e., increasing staff numbers, overtime due to spate conditions or major equipment replacement requirements;
- Inadequacy of insurance arrangements

A number of alternative budget scenarios are shown in appendix 2.

Summary and Conclusions

The lack of a multi-year settlement makes longer term planning more difficult as there can be no certainty around future funding forecasts. Offsetting this is the opportunity provided by the £5 council tax flexibility allowed this year. The Home Office have clearly stated that this flexibility is only for this year, and it is hard to see a situation where that does not prove to be the case in the medium term.

Raising council tax by the maximum permissible still only increases the overall council tax bill by £5 but generates £2.25m of funding for the Authority. This increase provides an opportunity to address some of the capacity and pay issues within support functions, supporting the delivery of further efficiencies, as well as reduce the pressure on the ECR delivering sufficient change to offset the cessation of DCP and meet future budget pressures. It gives greater long term funding certainty which will form the basis of our future investment requirements, which are essential if we are to hit our 'road to outstanding' ambition and be the best equipped, best trained and best accommodated Service.

Resolution based on a council tax increase of £5.00, resulting in a council tax of £77.27

The Combined Fire Authority is requested to: -

1. note the Treasurer's advice on the robustness of the budget
2. note the Treasurer's advice on the appropriate level of reserves/balances
3. agree the revised budget requirement of £63.017m for 2022/23
4. note the level of Revenue Support Grant Funding £8.832m
5. note the level of Business Rates Retention Top Up Funding £11.295m
6. note the level of Local Business Rates Retention Funding £3.900m
7. note the section 31 grant of £2.590m due in respect of the business rate reliefs
8. note the business rate tax collection fund deficit of £0.894m, after allowing for the 3-year spread from 2021/22
9. note the section 31 grant of £0.948m due in respect of the additional in-year business rate reliefs for 2021/22
10. note the Covid Additional Relief Fund grant of £0.153m due in respect of 2021/22
11. note the level of Service Grant Funding £1.081m
12. note the net council tax collection fund surplus of £0.357m after allowing for the 3-year spread from 2021/22
13. agree the council tax requirement, calculated in accordance with Section 42A(4) of the Localism Act of £34.754m
14. note the council tax base of 449,778 determined for the purposes of Section 42B of the Local Government Finance Act 1992
15. agree a council tax band D equivalent of £77.27, an increase of £5.00, calculated by the Authority under Section 42B of the Local Government Finance Act 1992 agree, on the basis of the fixed ratios between valuation bands set by the Government, council tax for each band as follows:

Table 20 Council Tax by Band

Band A	£51.51
Band B	£60.10
Band C	£68.68
Band D	£77.27
Band E	£94.44
Band F	£111.61
Band G	£128.78
Band H	£154.54

16. agree, based on each district and unitary councils share of the total band D equivalent tax base of 449,778, the share of the total LCFA precept of £34.754m levied on each council as follows:

Table 21 Precept by Billing Authority

Blackburn With Darwen Borough Council	£2,738,395
Blackpool Borough Council	£2,869,808
Burnley Borough Council	£1,814,841
Chorley Borough Council	£2,944,606
Fylde Borough Council	£2,425,660
Hyndburn Borough Council	£1,626,534
Lancaster City Council	£3,249,977
Pendle Borough Council	£1,849,891
Preston City Council	£3,072,951
Ribble Valley Borough Council	£1,897,211

Rossendale Borough Council	£1,590,217
South Ribble Borough Council	£2,826,916
West Lancashire District Council	£2,910,739
Wyre Borough Council	£2,936,605
TOTAL	£34,754,351

Budget Scenarios

Without a multi-year settlement is very hard to provide any meaningful funding forecast, however for the purpose of medium-term financial planning we have assumed that funding is increased by 1.0% in subsequent years. Allowing for a £5 increase in council tax in 22/23 and a 2% council tax increase in future years, in line with the likely referendum principles, the Authority is able to set a balanced budget throughout the 5-year plan.

Looking at the medium-term plans it is clear that the key variables remain future funding levels, pay awards, pension costs and the outcome of the ECR.

As such additional scenarios are presented below showing the potential impact of:-

- a funding freeze in future years
- a 10% reduction in funding over the next 4 years
- a 3% pay award each year (2% is already allowed for in the budget)
- a potential 5% increase in employer pension contributions in 24/25, as a result of the McCloud pension judgement
- an increased cost of £5.5m arising from the ECR and the cessation of DCP
- an increased cost of £1.0m arising from the ECR and the cessation of DCP

As can be seen all of these have a significant impact on the remainder of the medium-term strategy ranging up to a £3.8m loss of funding or a £5.5m increase in costs. Although it must be recognised that there may be opportunities to deliver future savings to offset some of these.

Table 22 Budget Scenarios

	2022/23	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m	£m
Current Budget Gap	-	-	-	-	-
Revised Gap - Funding Freeze 2023/24-2026/27	-	(0.3)	(0.5)	(0.8)	(1.2)
Revised Gap - 10% Funding Reduction 2023/24-2026/27	-	(0.9)	(1.9)	(2.8)	(3.8)
Revised Gap - 3% Pay award each year (2% is already allowed for)	(0.4)	(0.9)	(1.4)	(2.0)	(2.6)
Revised Gap – 5% increase in employer pension costs in 24/25	-	-	(1.5)	(1.5)	(1.5)
Revised Gap – £5.5m increase from ECR	-	(1.8)	(3.6)	(5.5)	(5.5)
Revised Gap – £1.0m increase from ECR	-	(0.3)	(0.6)	(1.0)	(1.0)

Analysis of Budget by Service Area

Table 23 Budget by Service Area

	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget
	£m	£m	£m	£m	£m
Central Admin Hub	0.834	0.896	0.937	0.956	0.976
Control	1.346	1.396	1.449	1.503	1.559
Corporate Communications	0.328	0.350	0.341	0.348	0.356
Executive Board	1.059	1.101	1.135	1.158	1.181
Finance	0.145	0.156	0.164	0.167	0.170
Fleet Services	2.683	2.791	2.874	2.943	3.013
Health & Safety	0.233	0.247	0.257	0.262	0.268
Human Resources	0.844	0.886	0.828	0.845	0.862
ICT	3.203	3.326	3.317	3.378	3.465
Occupational Health	0.241	0.253	0.262	0.268	0.274
Procurement	0.848	0.885	0.956	1.001	1.194
Property	1.605	1.657	1.705	1.749	1.794
Service Delivery	36.577	37.385	38.024	39.153	39.788
Prevention and Protection	2.893	2.954	3.035	3.102	3.170
Service Development	1.466	1.522	1.546	1.579	1.612
Special Projects	0.035	0.035	0.035	0.036	0.036
Training	5.093	4.596	4.876	4.820	4.929
Pensions Expenditure	1.351	1.368	1.431	1.435	1.505
Other Non-DFM Expenditure	2.232	1.579	1.930	1.997	2.275
Gross Budget Requirement	63.017	63.382	65.101	66.697	68.426

Analysis of Budget by Type of Expenditure

Table 24 Budget by Type of Expenditure

	2022/23 Budget £m	2023/24 Budget £m	2024/25 Budget £m	2025/26 Budget £m	2026/27 Budget £m
Employee					
Uniformed	41.261	41.257	41.883	43.030	43.683
Support staff	7.205	7.764	8.065	8.231	8.412
Pensions	1.344	1.361	1.424	1.428	1.498
Other Employee Related Exp	0.058	0.059	0.061	0.062	0.064
	<u>49.868</u>	<u>50.441</u>	<u>51.433</u>	<u>52.751</u>	<u>53.657</u>
Premises					
R&M	1.022	1.048	1.074	1.101	1.128
Utilities	0.691	0.708	0.726	0.744	0.763
Cleaning	0.380	0.389	0.399	0.409	0.419
PFI	0.751	0.770	0.789	0.809	0.829
Other	0.038	0.039	0.040	0.041	0.042
Rent/Rates	1.352	1.419	1.490	1.564	1.641
	<u>4.235</u>	<u>4.373</u>	<u>4.517</u>	<u>4.667</u>	<u>4.821</u>
Transport					
Repairs	0.797	0.817	0.838	0.859	0.880
Running Costs	0.482	0.494	0.506	0.518	0.531
Travel costs	0.442	0.453	0.464	0.475	0.487
insurance	0.222	0.227	0.233	0.239	0.244
Other	0.005	0.005	0.005	0.006	0.006
	<u>1.948</u>	<u>1.996</u>	<u>2.046</u>	<u>2.096</u>	<u>2.148</u>
Supplies & Services					
Hydrants	0.075	0.076	0.078	0.080	0.082
Operational equipment	0.599	0.645	0.686	0.704	0.721
Clothing & Uniform	0.415	0.424	0.476	0.510	0.692
Printing, stationery, postage	0.154	0.158	0.162	0.165	0.169
Comms-Network Costs	1.071	1.098	1.125	1.154	1.182
Telephony	0.201	0.206	0.211	0.217	0.222
Computers	1.431	1.467	1.504	1.541	1.580
Subsistence	0.096	0.098	0.100	0.103	0.105
Fire Safety Expenses	0.302	0.310	0.317	0.325	0.333
Training Expenses	0.459	0.470	0.482	0.494	0.506
insurance	0.259	0.264	0.269	0.275	0.280
Members Expenses	0.175	0.179	0.184	0.188	0.193
Misc Equipment	0.090	0.092	0.094	0.096	0.098
Other	2.087	2.260	2.324	2.662	2.735
Catering	0.086	0.088	0.090	0.092	0.095
PTV Residential	0.098	0.100	0.103	0.105	0.108
	<u>7.597</u>	<u>7.935</u>	<u>8.204</u>	<u>8.710</u>	<u>9.101</u>
Other					
Contracted Services	1.106	1.101	1.290	1.156	1.185
Other	0.004	0.004	0.004	0.004	0.004
	<u>1.109</u>	<u>1.105</u>	<u>1.294</u>	<u>1.160</u>	<u>1.189</u>
Capital Financing Costs					
Capital Financing Costs	4.100	3.300	3.300	3.025	3.250
	<u>4.100</u>	<u>3.300</u>	<u>3.300</u>	<u>3.025</u>	<u>3.250</u>
Income					
Income	(5.839)	(5.768)	(5.693)	(5.711)	(5.741)
	<u>(5.839)</u>	<u>(5.768)</u>	<u>(5.693)</u>	<u>(5.711)</u>	<u>(5.741)</u>
Gross Budget Requirement	63.017	63.382	65.101	66.697	68.426



Executive Council member Les Skarratts
Regional Secretary Ed Burrows
Brigade Secretary Kev Wilkie
Brigade Chair Tom Cogley

Region 5 North West
Fire Brigades Union
Lancashire Fire and Rescue Service
West Way
Euxton
Chorley
PR7 6DH

Mark Nolan

Clerk to the Authority

Lancashire Fire & Rescue Service

Garstang Road Fulwood

Preston

PR2 3LF

9th February 2022

Mr. Nolan

LANCASHIRE COMBINED FIRE AUTHORITY BUDGET CONSULTATION

With regards to both the Capital and Revenue budgets, the Fire Brigades Union finds itself in an unusual position. With all that has happened in the world in the past two years, Lancashire Fire and Rescue Service is finding itself in a pretty healthy position. With the current government unsure with how they are going to pay for the pandemic and also, pressures from both Lancashire Fire Rescue Service and all members of staff having to pay extra National Insurance contributions, we are still weary of what happens next with public sector funding.

Investment with regards to the Environment. Climate change is a real issue and the Fire Brigades Union appreciates the work being carried out by LFRS in looking at ways to reduce their carbon footprint.

Capital Budget – The Fire Brigades Union welcomes plans to continue investment in Vehicles, Operational Equipment, ICT equipment and Buildings. This includes Service Training Centre and the new building with excellent facilities. We welcome the new clean and dirty area with a filter system that the FBU are promoting with the Decon Campaign. Maybe this can be looked at being spread out to all all Operational fire stations.

Revenue Budget – The Fire Brigades Union notes;
We will see in future months what affect the changes to Day Crewing Plus will cost.
The FBU will work with the Authority in campaigning and lobbying Central Government with funding the backdating the payment to members who are affected with Immediate Detriment to their pension following the McCloud-Sargeant judgement.

Borrowing £11.5m to balance the current programme over a five year period does not sound a lot as long as interest rates are low. What sounds worrying for the FBU is how the funding gap in future years will be filled without cuts to front line Operational staff.

The FBU would support an increase in Council Tax as a way of offsetting and lessening the impact of Central Government cuts or drastic changes in the Emergency Cover Review. We look forward to the outcome from the White Paper. Although we prefer to see no reductions, we would support a drawdown of the £16m of Capital reserves as a way of maintaining reductions by natural wastage, rather than redundancy or Fire Station Closures following the Emergency Cover Review. The FBU believes that drastic shift changes or/and station closures would have a detrimental effect on the ability of Fire & Rescue Services to adequately function. We will continue to campaign for proper and adequate funding investment in the service where ever and whenever the opportunity arises.

Yours Sincerely



Kev Wilkie
Fire Brigades Union
Lancashire Brigade Secretary

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LANCASHIRE COMBINED FIRE AUTHORITY

Meeting to be held on 21 February 2022

COMMUNITY RISK MANAGEMENT PLAN 2022 - 2027

(Appendix 1 refers)

Contact for further information – Deputy Chief Fire Officer, Steve Healey

Tel: 01772 866801

Executive summary and recommendations

Executive Summary

The National Framework issued by central government details the requirement for Fire Authorities to draft, consult upon and publish its strategic intent in the format of an Integrated Risk Management Plan (IRMP) which must span at least 3 years.

At the Planning Committee meeting on 12 July 2021, Members approved a public consultation, commencing on 14 July 2021 for a period of ten weeks, closing on 21 September 2021. The consultation centred around our draft risk management plan, renamed in line with best practice to the 'Community' Risk Management Plan 2022-2027

Following the consultation period, a final version of the plan was presented to Members of Planning Committee on 15 November 2021, with a detailed report on the consultation process, its outcomes and any resulting amendments that were recommended for incorporation within the final version of the plan. Members of the Planning Committee agreed that the consultation undertaken was adequate in scale and scope; and referred final recommendations to the full Combined Fire Authority for approval to publish (attached as appendix 1).

Recommendation(s)

The Authority is requested to approve the final Community Risk Management Plan 2022-2027 and authorise publication.

Information

At the Planning Committee meeting on 12 July 2021, the committee approved a draft of the next iteration of our Integrated Risk Management Plan along with the revised name 'Community Risk Management Plan', whilst also approving the commencement of a period of public consultation.

A 10-week consultation period ensued, culminating in the production and presentation of a consultation report which was shared with the Planning Committee on the 15 November 2021, in which the Committee agreed the consultation was adequate in respect of scale and scope.

The outcome of the consultation period, which included feedback from the key stakeholders we engaged with along with some suggested amendments, was shared with the Committee and the final version of the CRMP includes the agreed amendments.

With the endorsement of the Combined Fire Authority, we will publish the refreshed Community Risk Management Plan in April 2022 which outlines our approach to the identification and mitigation of risk within our county for the next 5 years (2022-2027).

Additionally, the CRMP is now underpinned by 6 core strategies that have all been reviewed and refreshed so they align with the timeframe of the CRMP:

Prevention Strategy – approved at Planning Committee held 15 November 2021

Protection Strategy – approved at Planning Committee held 15 November 2021

Response Strategy – approved at Planning Committee held 15 November 2021

People Strategy – approved at Resources Committee held 1 December 2021

Finance Strategy – for consideration earlier on today's agenda

Data and Digital Strategy – is in development and will be presented at the next Planning Committee meeting scheduled for 18 July 2022 for Member approval.

It is also underpinned by our data led, and annual Strategic Assessment of Risk (SAoR), enabling our service to react, mid-term, to any changes in the risk within our county.

Summary of Key Changes

- The name has been changed to '*Community*' Risk Management Plan aligning us with other FRSs and national terminology.
- The methodology on which our CRMP is based, is supported by NFCC best practice guidelines.
- The CRMP is underpinned by our SAoR, a SAoR which is built on a newly developed, and data led methodology that identifies the Operational risk within our county.
- The Strategies that support the delivery of our CRMP have been expanded from 3 to 6 and now include a People, Finance, and Digital and Data Strategy in addition to our Prevention, Protection, and Response Strategies.
- All 6 Strategies have also been refreshed to run concurrently with the CRMP timeframe - 2022-27.
- The way in which our 5 key priorities are presented have been reviewed so that we can demonstrate the commitment to our people is our highest priority.
 - o *Valuing out people so they can focus on Making Lancashire Safer*
 - o *Preventing fires and other emergencies from happening*
 - o *Protecting people and property when they happen*
 - o *Responding to fires and other emergencies quickly and competently*
 - o *Delivering value for money in how we use our resources*
- Our longstanding STRIVE values are now supported by the recently published Code of Ethics which has been referenced within the CRMP.
- In addition to the 6 core strategies, we have also developed a Climate Change Operational Response plan which supports the CRMP, the SAoR and the Response strategy. This too is referenced within the CRMP.

Business risk

Production of the CRMP is a business-critical planning function. LFRS must produce an CRMP in line with National Framework guidance issued by central government.

Environmental impact

Inevitably there will be a requirement for a printed version of the CRMP (on request) however the approach taken will be 'digital by default' and therefore the environmental impact will be minimal with no sustainability issues identified.

Equality and diversity implications

An Equality Impact Assessment has been undertaken for the CRMP 2022-27. Usual distribution media will be employed to assist persons with access to information. The CRMP will be available in a variety of languages and/or a format suitable for impaired consultees.

HR implications

None

Financial implications

Production of the CRMP falls within existing budgets and no abnormal spends are anticipated. As with the publication of the last IRMP, the move to publishing the CRMP in a fully digital format reduces costs compared to previous printed versions.

Local Government (Access to Information) Act 1985

List of background papers

Paper: Community Risk Management Plan 2022 - 2027

Date: 21 February 2022

Contact: DCFO Steve Healey

Reason for inclusion in Part 2 if appropriate: NA

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Lancashire Fire
and Rescue Service

2022-2027



Community Risk Management Plan



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WELCOME TO OUR



Community Risk Management Plan

Lancashire Fire and Rescue Service has a long and proud history as a valued part of communities across the county, helping to keep people safe and responding to emergencies.

Everything we do is aimed at making Lancashire safer and in recent years we have adapted considerably to changing risks, meaning we now assist people in more ways than ever before. Activities such as gaining entry to properties where there's a medical emergency and searching for missing people are saving additional lives. Our expertise has grown to include the far-reaching impacts of weather-related emergencies and the rising complexities of modern buildings. We have led innovation and collaboration with the introduction of bespoke water tower fire engines that reduce damage to businesses and homes, and the creation of the first fire and police air support unit adding aerial intelligence to our capabilities.

Our people are at the heart of our achievements. Motivated, professional and determined to make a difference, they serve Lancashire with pride. Coupled with the highest standards of operational effectiveness, this helps us to reach our goals and a long-standing commitment to continuous improvement keeps the Service evolving. Learning from incidents and difficult operating conditions drives our progress and having the confidence to try new ideas results in positive change.

Our ability to serve communities in ways beyond our traditional role has never been more evident than during the coronavirus pandemic. The Service played a central role in the response to the crisis, working as one team alongside partner agencies. The skills and attributes of our people enabled them to carry out vital activities, from visiting the most isolated and vulnerable residents in the initial stages to vaccinating people against the virus to bring us out of the pandemic. At the same time, we continued to deliver first-rate emergency services and tackle multiple large-scale fires, wide-spread flooding and a series of wildfires in very challenging circumstances.

This plan sets out how we will achieve our aim of making Lancashire safer over a five year period based on risk and demand across the county. Preventing fires and other emergencies from happening, protecting people and property when they do, and responding quickly and competently are clear priorities. We will continue to hone how we do this by deepening our understanding of Lancashire's diverse communities and equipping ourselves to serve them as effectively as possible.

Becoming more agile and flexible in our approach to work and how we deliver services will enable us to respond to emerging risks swiftly, where our skills and experience can strengthen community safety.

Despite a stable financial position, future funding is uncertain and our commitment to providing value for money is steadfast. Digital transformation and new technology present opportunities to become more efficient and effective across many areas of work.

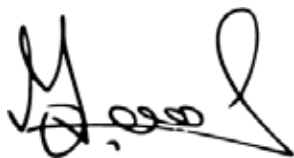
Strengthening the values and leadership that shape our culture and providing an inclusive workplace that allows everyone to develop and thrive is at the forefront of our future.

Lancashire Fire and Rescue Service will rise to the challenges and opportunities of local and national change positively, leading innovation in the sector and delivering collaborative public services.

We aspire to be outstanding in all that we do by being the best trained, best equipped, best accommodated and most professional fire and rescue service in the country.



Justin Johnston
Chief Fire Officer
Lancashire Fire and Rescue Service



David O'Toole
Chairman
Lancashire Combined Fire Authority



“ Our people are at the heart of our achievements. Motivated, professional and determined to make a difference, they serve Lancashire with pride. ”





OUR COUNTY

Lancashire is an area in the Northwest of England neighbouring five counties; Cumbria, Greater Manchester, North Yorkshire, West Yorkshire and Merseyside. Lancashire comprises twelve districts within the Lancashire County Council area, and two unitary authorities in Blackburn with Darwen and Blackpool.

The county consists of urban areas, suburbs, semi-rural and countryside locations covering 3076 square kilometres of land with 123 kilometres of coastline.

OUR COUNTY

in more detail

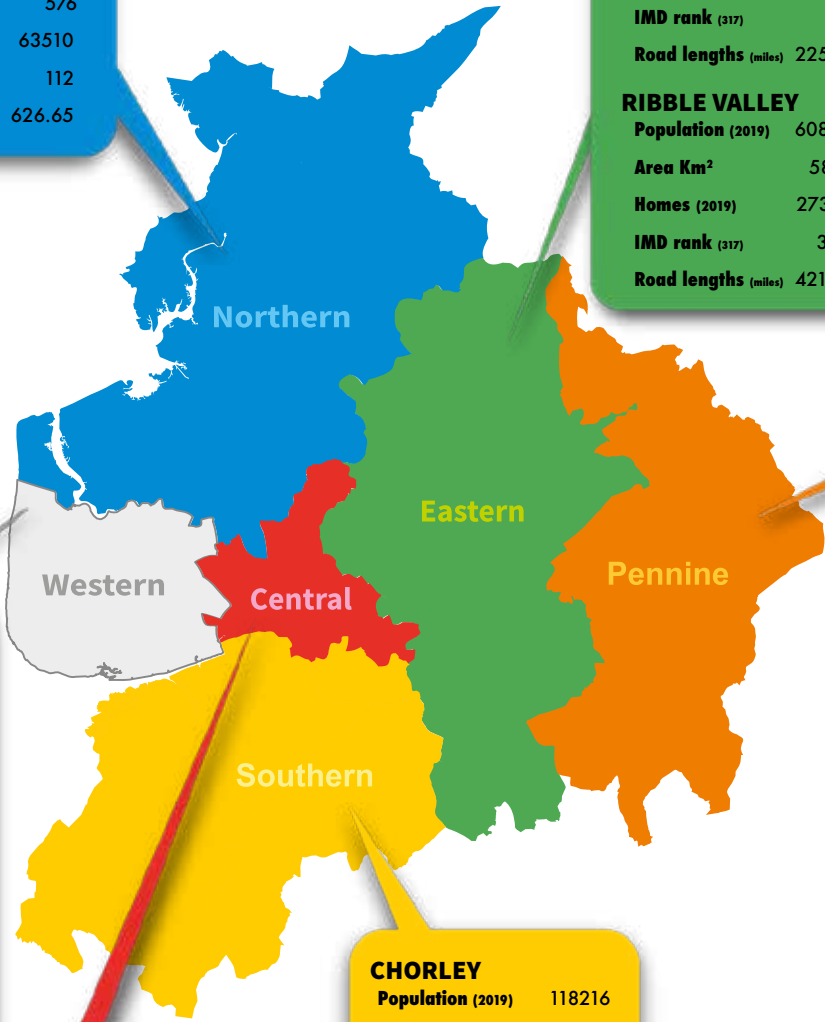
Mid-2019 population figures show that Lancashire has a population of 1,508,869 people. Since the 2011 census, the population has grown by 3.3% with a rise of 0.8% between 2018 and 2019. Lancashire is home to some of the most deprived areas in the country, as calculated by the indices of multiple deprivation (IMD), which can lead to increased risk in communities (see infographic opposite).

- The largest ethnic group was white (90%)*. The black and minority ethnic (BME) group formed 10% of the population. Numerically, there were almost 141,000 black and minority ethnic people living in Lancashire.
- The over 65 age group saw a higher annual growth rate, 1.58%, than the 0-17s (0.6%) and 18-64 (0.5%).
- Average life expectancy for males is 78.5 and for females is 82.2 years old.
- The 2018 fuel poverty statistics indicate that 12.6% of households were fuel poor compared to the national average of 10.3%.
- 13.2%* of all Lancashire's households were occupied by one-person living alone aged 65 and over. In total, 16.9% of all households in Fylde had one person in this age-group, which was the 12th highest rate in England and Wales.

**From 2011 census*

WYRE	
Population (2019)	112019
Area Km ²	283
Homes (2019)	52410
IMD rank (317)	147
Road lengths (miles)	424.70
LANCASTER	
Population (2019)	146038
Area Km ²	576
Homes (2019)	63510
IMD rank (317)	112
Road lengths (miles)	626.65

BLACKBURN WITH DARWEN	
Population (2019)	149696
Area Km ²	137
Homes (2019)	61290
IMD rank (317)	14
Road lengths (miles)	345.90
HYNDBURN	
Population (2019)	81043
Area Km ²	73
Homes (2019)	36890
IMD rank (317)	18
Road lengths (miles)	225.63
RIBBLE VALLEY	
Population (2019)	60888
Area Km ²	583
Homes (2019)	27350
IMD rank (317)	300
Road lengths (miles)	421.49



PENDLE	
Population (2019)	92112
Area Km ²	169
Homes (2019)	40370
IMD rank (317)	36
Road lengths (miles)	284.88
BURNLEY	
Population (2019)	88920
Area Km ²	111
Homes (2019)	41080
IMD rank (317)	11
Road lengths (miles)	269.23
ROSSENDALE	
Population (2019)	71482
Area Km ²	138
Homes (2019)	32160
IMD rank (317)	91
Road lengths (miles)	198.39

FYLDE	
Population (2019)	80780
Area Km ²	166
Homes (2019)	39820
IMD rank (317)	198
Road lengths (miles)	304.45
BLACKPOOL	
Population (2019)	139446
Area Km ²	35
Homes (2019)	70190
IMD rank (317)	1
Road lengths (miles)	284.40

CHORLEY	
Population (2019)	118216
Area Km ²	203
Homes (2019)	51620
IMD rank (317)	192
Road lengths (miles)	351.10
SOUTH RIBBLE	
Population (2019)	110788
Area Km ²	113
Homes (2019)	50160
IMD rank (317)	210
Road lengths (miles)	328.63
WEST LANC	
Population (2019)	114306
Area Km ²	347
Homes (2019)	50210
IMD rank (317)	178
Road lengths (miles)	519.99

PRESTON	
Population (2019)	143135
Area Km ²	142
Homes (2019)	64100
IMD rank (317)	46
Road lengths (miles)	401.98



LANCASHIRE COMBINED FIRE AUTHORITY

The Lancashire Combined Fire Authority (CFA) is responsible for leading and supporting Lancashire Fire and Rescue Service. The CFA has a membership of 25 elected councillors consisting of 19 from Lancashire County Council, three from Blackburn with Darwen Council and three from Blackpool Council. Under the Fire and Rescue Services Act 2004 the CFA is legally required to enforce fire safety legislation and to reduce the risk of fire causing death, severe injury and property related losses to the community. It must also make provision for rescuing people in the event of road traffic collisions and for protecting people from serious harm arising from road traffic collisions in the Lancashire area.

The CFA is legally responsible for the enforcement of the Regulatory Reform (Fire Safety) Order 2005 which is applicable across England and Wales. This Order places the responsibility on individuals within an organisation to carry out risk assessments to identify, manage and reduce the risk of fire within public and commercial buildings.



The CFA governs Lancashire Fire and Rescue Service, which is a designated Category 1 responder under the Civil Contingencies Act 2004. This Act requires emergency responders in England and Wales to co-operate in maintaining a public community risk register which is a product of the Lancashire Resilience Forum (LRF). The

LRF gives responders the opportunity to consult, collaborate and share information with each other to facilitate planning and response to emergencies.

The CFA meets five times a year with five sub committees, which report back to the Authority, meeting separately throughout the year. The CFA makes key strategic decisions including setting the Council Tax precept, approving the budget requirement and reviewing items referred for a decision by a sub-committee.

AIMS, PRIORITIES AND VALUES



Our aim is to make Lancashire safer. It's what we are here for: making Lancashire safer is our commitment to making sure that everything we do improves the safety of our diverse communities.



Our priorities are the areas we focus our activities and resources on. They are what we deem important to helping us achieve our aim of making Lancashire Safer and are further developed every year into specific actions which are set out in our Annual Service Plan:

- **Valuing** our people so they can focus on making Lancashire safer
- **Preventing** fires and other emergencies from happening
- **Protecting** people and properties when fires happen
- **Responding** to fires and other emergencies quickly and competently
- **Delivering** value for money in how we use our resources



Our values are the qualities that we believe are the most important to us and describe the expectations the public have of us and that we have of each other. We use them every day to influence how we work to achieve our priorities and guide the professional behaviours we expect of our staff. We strive to make Lancashire safer in a way that is guided by strong principles of:

SERVICE

- Making Lancashire safer is the most important thing we do.

TRUST

- We trust the people we work with.

RESPECT

- We respect each other.

INTEGRITY

- We do what we say we will do.

VALUED

- We actively listen to others.

EMPOWERED

- We contribute to decisions and improvements.



Our Service values are supported by the national Core Code of Ethics for Fire and Rescue Services in England. The code sets out five ethical principles, which provide a basis for promoting good behaviour and challenging inappropriate behaviour.

Putting our communities first – We put the interests of the public, the community and service users first.

Integrity – We act with integrity including being open, honest and consistent in everything we do.

Dignity and respect - Making decisions objectively based on evidence, without discrimination or bias.

Leadership – We are all positive role models, always demonstrating flexibility and resilient leadership. We are all accountable for everything we do and challenge all behaviour that falls short of the highest standards.

Equality, diversity and inclusion (EDI) – We continually recognise and promote the value of EDI both within Lancashire Fire and Rescue Service and the wider communities in which we serve. We stand against all forms of discrimination, create equal opportunities, promote equality, foster good relations and celebrate difference.

OUR FUTURE

Lancashire Fire and Rescue Service takes a collaborative and proactive approach to planning to ensure we are well positioned to respond positively to future challenges and evolve in a way that reflects the changing risk and demand in our communities.

We are dedicated to continuous learning, locally and from across the sector, to shape our development and improve the quality of our services.

National change

National change is influenced by political, economic, social, technological, environmental, legal and organisational factors. The key contributors driving national change include the Home Office, the National Fire Chiefs Council (NFCC), HMICFRS, the Fire Standards Board, inquests and regulations. Lancashire Fire and Rescue Service will continue to engage with stakeholders and lead improvements and innovation in our sector.

Local change

The Service continues to adapt how we deliver our services and mitigate the risks brought about by local change. We regularly assess our immediate environment through intelligence driven reporting and working collaboratively with local stakeholders, for example community safety partnerships and the Lancashire Resilience Forum. Our resources are managed at a local level based on emerging threats and trends enabling us to adapt to changes within the built environment, new road infrastructures or the development of commercial enterprises for example.

Collaboration and partnerships

The Policing and Crime Act 2017 places a legal duty on blue light services to collaborate efficiently and effectively. Lancashire Fire and Rescue Service has a strong history of working with others to make a real difference in local communities and will continue to explore opportunities to improve services for the people of Lancashire along with our blue light partners.

All collaborative work will be evaluated to ensure the anticipated benefits are fully realised through our established Blue Light Collaboration Board.



Demand change

Demand changes and risk factors can be seen in more detail in our Strategic Assessment of Risk which underpins this plan.

We anticipate that we will see an increase in emergency response between 2022 and 2027 including the impacts of climate change, leading to increased levels of wildfire and flooding related emergencies. This is based on the incident types that we currently respond to, however national and local change may influence our future response arrangements. We will continue to evaluate incident volume and type to ensure our prevention, protection and response activities are resourced to risk.

We will set out a 5 Year Delivery Plan through our Climate Change Operations Plan which will look at preparing and responding to future effects of climate change.





EDI

Equality, Diversity and Inclusion

Lancashire Fire and Rescue Service is committed to valuing and understanding diversity within our communities and enabling our workforce to meet their needs through inclusive services.

SERVING OUR DIVERSE COMMUNITIES

Making Lancashire safer requires us to work with our diverse communities to deliver services that further reduce fires and other emergencies from happening; as well as identifying and raising safeguarding issues, preventing extremism, and being able to identify, and refer appropriately, potential signs of human trafficking and modern slavery etc. By understanding the needs of people from different backgrounds we can support them most effectively and in ways that make a difference. Ensuring our workforce represents our communities enriches both our understanding and offering to those we serve.

We have set ourselves the following equality objectives in relation to how we work with communities:

- ▲ Reduce the number and impact of fires and other emergencies on our diverse communities across Lancashire.
- ▲ Develop and deliver a prevention service targeting our most vulnerable communities.
- ▲ Support local businesses to reduce the risk of fire and remain compliant within fire safety legislation.

OUR DIVERSE WORKFORCE

Lancashire Fire and Rescue Service recognises that a modern fire and rescue service needs to fully reflect the communities it serves, so we aim to recruit people of different backgrounds, knowledge, skills and experience.

“ The more our staff represent the communities we serve, the more we understand their needs, concerns, and risks, keeping them safe. ”

We positively strive to be an inclusive service, taking deliberate action to create an environment where everyone feels respected and able to achieve their full potential.

We aim to achieve this by:

- Identifying and using good practice identified and promulgated through the NFCC's EDI strategy.
- Using our EDI steering group to ensure that EDI is at the centre of everything we do.
- Engaging with employee voice sub-groups; race and religion, women and families, LGBT+ and other under-represented groups to seek feedback to inform policy development and decision making.
- Consulting with existing staff, community members and blue light partners to identify what is seen as barriers to recruitment and progression.
- Undertaking positive action with universities and colleges to directly engage with members of under-represented groups and promote the fire and rescue service as a career of choice.
- Engaging with and educating community members and representatives about employment opportunities within the service.
- Engaging with and educating our existing workforce about the benefits of having diversity within the service and the need for positive action.
- Delivering targeted recruitment campaigns.

Lancashire Fire and Rescue Service will continue to progress apprenticeship opportunities in line with the Public Sector Apprenticeship Targets (Amendment) Regulations 2021. This stipulates the proportion of workforces that apprentices should represent each year.

Since 2019 the service has been registered as an 'employer provider' for level three operational firefighter apprenticeships. We will look to maintain this status over the duration of the CRMP and continue to deliver and develop our offering while working towards an outstanding OFSTED rating.



We also commit to providing wider apprenticeship opportunities within non-operational roles as we believe offering development packages to new and existing staff benefits individuals and subsequently our organisation.

Our STRIVE values help to communicate our standards and promote an inclusive working environment where everyone can feel valued and respected, without fear of bullying, discrimination or harassment. We aim to give people equal and fair opportunities to fulfil their potential and do this by engaging and consulting with them in a variety of ways, including through our employee voice groups, to understand what it is like to work for us and how we can make improvements. Our organisational development plan sets out our approach to developing our staff and leaders, ensuring they have the required skills and competencies to meet challenges now and in the future.

We have set ourselves the following equality objectives in relation to our workforce:

1. Promote equality in our workforce policies and practices.
2. Develop our staff to ensure they can respond competently meeting the unique needs of our diverse communities.


We use equality impact assessments to ensure that we are aware of the full impact of our policies and decisions on our staff and our communities, and our activity is monitored through our EDI steering group and reported to the CFA in an annual report.

SERVICE PLANNING

To enable the Service to operate efficiently and effectively in the short and medium to long term, we apply a wide range of planning tools for corporate, financial and people management:

- The CRMP is our medium-term plan and covers what we aim to deliver as a fire and rescue service.
- Our Annual Service Plan is a short-term plan that covers the activity we aim to deliver within a 12-month period linked to emerging risk and the CRMP deliverables.





The People Strategy aims to maintain staffing levels enabling us to deliver a service in line with legislation as detailed below.

Our Financial Strategy is a short to medium term plan that enables us to effectively distribute our financial resources efficiently.

The Annual Service Report is an end of term report that provides a detailed account of how we have performed against the objectives set out in the Annual Service Plan.

The legislation that we consider within our planning process and must be adhered to is:

The Fire and Rescue Services Act 2004 explains how we; respond to fires and other emergencies; prevent fires and other emergencies (home and community safety); protect (commercial and public building) and educate and inform the public.

The Fire and Rescue Service (Emergencies) (England) Order 2007 places a duty on fire and rescue services (in England) to have the capability to remove chemical, biological, radiological, nuclear, and explosive contaminants from people at an emergency. There is also a duty to contain water used for decontamination for a reasonable time. Fire and rescue services must take steps to prevent or limit environmental damage when decontaminating people.

The Civil Contingencies Act 2004 explains how we work with other agencies to deal with emergencies.

The Regulatory Reform (Fire Safety) Order 2005 applies to all premises other than single private dwellings and places expectations on responsible persons to keep people in and around their premises safe from the risk of fire. The Fire Safety Act 2021 has clarified that the Order now includes the external wall systems and dwelling front doors in multi-occupied residential buildings. In 2022 fire safety legislation will be further strengthened with the introduction of the Building Safety Bill regulating both new and existing High Risk Residential Buildings (HRRBs).

The Health and Safety at Work Act 1974 is the primary piece of legislation covering occupational health and safety in Great Britain. It sets out the general duties which employers have towards employees and members of the public, to themselves and to each other.

The Fire and Rescue National Framework 2018 explains how we; identify and assess risk in Lancashire; prevent fire and other emergencies and protect buildings and people; respond to emergency incidents; collaborate with other organisations; put in place business continuity arrangements so we can deliver our services even when faced with an emergency like the pandemic; and provide national resilience when major incidents happen anywhere in the country.

CORPORATE PLANNING

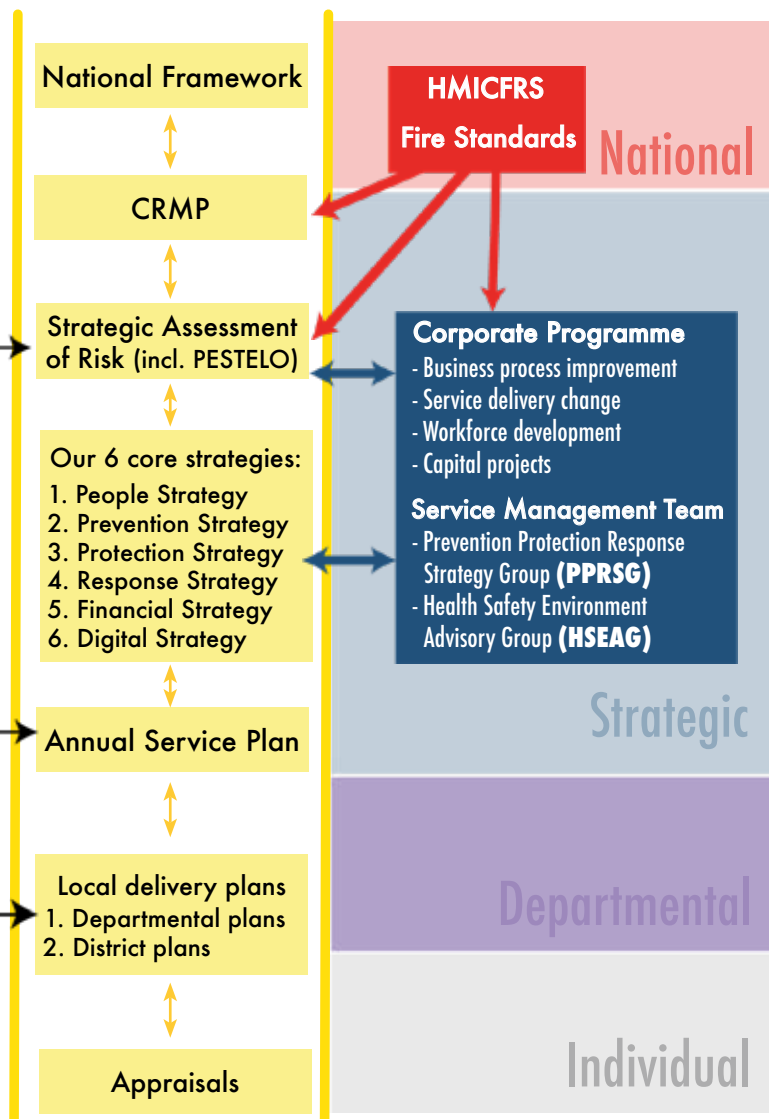
in more detail

The national framework places a statutory duty on all fire and rescue services to produce and deliver a Community Risk Management Plan (CRMP). The plan must cover at least a three-year time span and be reviewed and revised as often as is necessary to ensure that the authority is able to deliver the requirements.

- LFRS Risk assessments
- Strategy, policy and procedure

Annual Service Report
1. Planning
2. Performance

Measuring Progress reports



Corporate planning at Lancashire Fire and Rescue Service follows a rigorous yet flexible process that permits the organisation to assess and respond to opportunities and threats. The process must allow for adjustments as the environment in which it operates evolves.

The planning framework is represented in the diagram above, which sets out the various sources of information which inform the planning process and the inter-dependencies between the various elements of planning strategy.

RISK MANAGEMENT

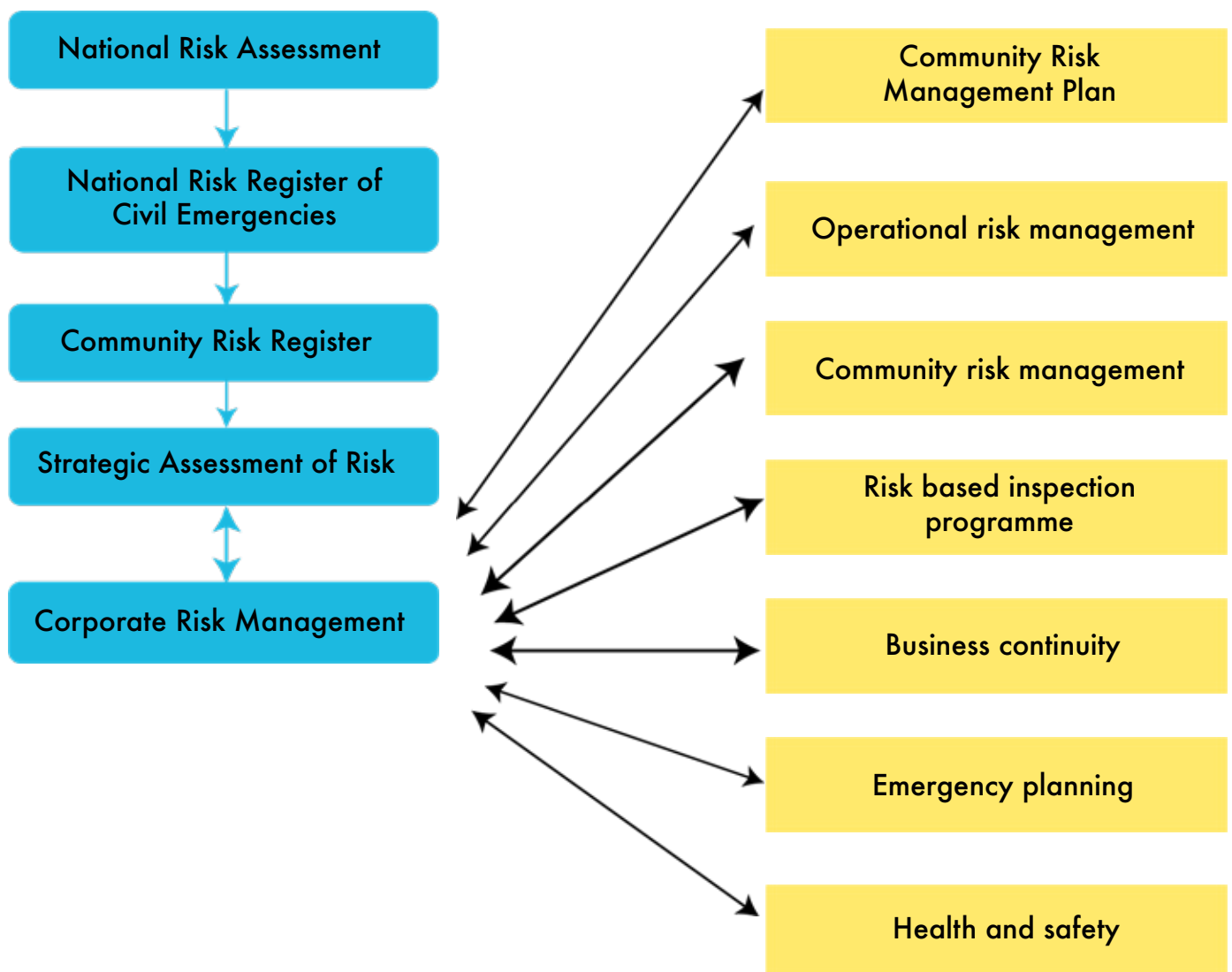
Risk management is the process of identifying, assessing and responding to risks that occur in the day-to-day management of the fire and rescue service. We will attempt to eliminate risk completely; this may not always be possible. Our aim is then to introduce further control measures to reduce risks that may be harmful to our staff, our communities, our reputation and our objectives.

How we identify risk

To enable risk to be managed effectively, the nature of the risk must first be identified. This is done by reviewing the Service's strategic, operational, departmental and project objectives, considering both external and internal factors that influence these and identifying all significant risks which could impact upon them. The basis of risk identification within the service is PESTELO analysis which is accompanied by the Strategic Assessment of Risk.

Risk in Lancashire will always remain dynamic: it changes over time, differs by area and demographic, and needs different interventions to reduce the likelihood of the risk occurring or to lessen its consequences. We identify these risks in our Strategic Assessment of Risk which is refreshed annually and informed by the Lancashire Resilience Forum's Community Risk Register. Through our risk management framework, we continually assess changing risk and prioritise our response framework.

Our risk management framework



How we assess risk

Risk is calculated and assessed in several ways. Lancashire Fire and Rescue Service produces a risk map that is based upon the following formula:

$$\frac{\text{Dwelling fires}}{\text{Total dwellings}} + \left(\frac{\text{Dwelling fire casualties}}{\text{Resident population}} \times 4 \right) + \text{Building fire} + \text{IMD} \times 2 = \text{Risk Score}$$

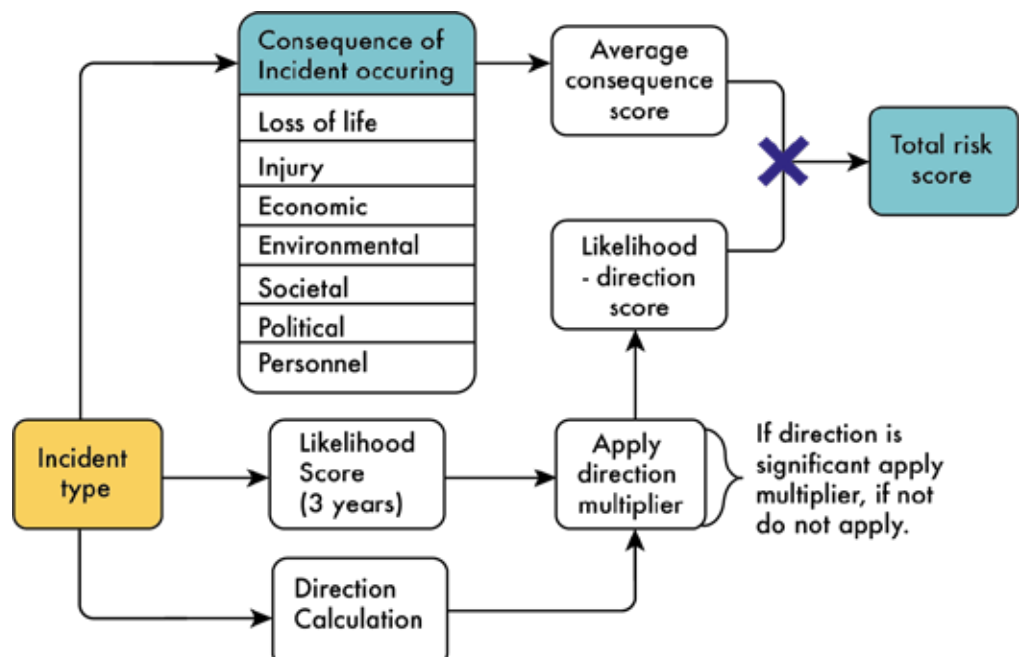
Lancashire is split into small geographic areas that are known as Lower-Level Super Output Areas (LLSOA). These each contain between 1,000 and 3,000 people and there are currently 941 of these within the county. The formula produces a risk grading of low, medium, high and very high which in turn underpins the performance criteria within our Key Performance Indicators (KPIs).

Over the last 10 years we have reduced the overall risk in Lancashire by **21%**

Fire Risk Change		2010-13		2011-14		2012-15		2013-16		2014-17		2015-18		2016-19		2017-20		2018-21	
Score	Risk Grade	Score	SOA count	Score	SOA count	Score	SOA count	Score	SOA count	Score	SOA count	Score	SOA count	Score	SOA count	Score	SOA count	Score	SOA count
Greater than 75	VH	3388	40	2714	32	3332	41	2578	32	2042	25	1850	22	1752	21	1874	23	1738	21
Between 56 & 75	H	5876	93	6040	95	5440	86	4890	76	4654	74	4598	74	4306	68	4718	74	3896	61
Between 36 & 55	M	13180	301	13208	306	12130	281	13578	314	13722	321	13654	301	13230	310	13798	324	14190	338
Less than 36	L	11784	507	11686	508	12366	533	11944	519	11980	521	12012	524	12528	542	12058	520	12038	521
Risk score		34228		33648		33268		32990		32990		32114		31816		32448		31862	
Change from baseline risk score		-16.6%		-18.0%		-18.9%		-19.6%		-21.0%		-21.7%		-22.5%		-20.9%		-22.4%	

The full range of our operational activity has also been assessed, scored and ranked through the Strategic Assessment of Risk.

The wider impacts, consequences and likelihood of these incidents underpin this assessment:



Risk outcomes

Lancashire Fire and Rescue Service's data driven identification and assessment of risk has brought to the fore the incident types that present the greatest risks to the communities and people of Lancashire, in our Strategic Assessment of Risk (SAoR).

When an event does occur, we commit to be prepared to respond and minimise the impact caused. Through this assessment of risk, we have identified all the incident types that we are likely to encounter. Our highest risk activities have been identified and our responses, both proactive and reactive, are outlined over the page.

Our commitment to you is that we will continue to carry out a significant amount of proactive work to prevent adverse events from happening and as a result, reduce the risk to communities and our workforce.



FLOODING AND WATER RESCUE

Wide area and localised flooding can devastate parts of the community and leave an impression for years beyond an event. Water related incidents also tragically account for a number of deaths in Lancashire each year and can incur considerable economic loss. Below are some of the measures we have in place:

Proactive

- Maintain wading response capability, equipment and Personal Protective Equipment (PPE) across all operational stations.
- Maintain swift water rescue, flood rescue technicians and boat capability at strategic locations.
- Maintain DEFRA boat capability.
- Provide flood water incident managers (FWIMs).
- Maintain our high-volume pump and hose layer capability.
- Continue working with partners to develop multi-agency flood plans and rapid catchment flood area response plans.
- Continue to work collaboratively with key partners for training and equipment provision.
- Water safety boards (information, advice and guidance) positioned at prominent water risk sites.
- Education packages offered to all secondary schools.
- Targeted and intelligence led water safety campaigns delivered.
- Continue to engage with local businesses within high-risk flood areas to provide guidance and ensure fire safety measures are considered in business continuity planning.

Reactive

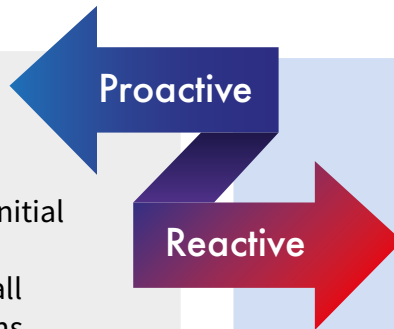
- Deploy specialist water rescue resources to assist in the rescue and evacuation of those affected by flooding.
- Deploy high-volume pumps and hose layer to mitigate the impact of flooding.
- Utilise drone assets for reconnaissance and situational awareness during wide area flooding.
- Provide flood water incident managers (FWIMs).
- Report areas of notable practice or learning via national or collaborative bodies (national operational learning and joint organisational learning).
- Work with partner agencies during the emergency and recovery phase.
- Targeted prevention activities post incident.
- Provide business support to ensure safe re-opening of businesses during and post flooding events.





WILDFIRE INCIDENTS

Wildfires can quickly escalate and spread across large areas, causing major disruption to life, environment, property and infrastructure.



- Maintain our initial wildfire response capability across all operational stations.
- Maintain specialist wildfire response teams at strategic locations.
- Maintain 4x4 and all-terrain vehicles and associated equipment provision and skills.
- Maintain our specialist wildfire burn team.
- Continue to develop our national wildfire tactical advisors through local, national and international support.
- Continue to develop our internal provision of wildfire tactical advisors.
- Engage with partners and land and property owners to inform, educate, and subsequently mitigate the impact wildfire has on communities through the national Firewise initiative.
- Continue to use intelligence to inform campaign activity.

- Deploy specialist wildfire resources to assist in the management of wildfire incidents.
- Deploy wildfire tactical advisors to assist in the co-ordination of wildfire incidents.
- Utilise drone assets for reconnaissance and situational awareness during wildfire incidents.
- Use assurance monitoring system to gather service-wide and multi-agency learning post incident.
- Report areas of notable practice or learning via national or collaborative bodies (national operational learning and joint organisational learning).
- Work with partner agencies during the emergency and recovery phase.
- Effective investigatory work into the cause of fire which subsequently feeds into national wildfire databases.
- Targeted prevention activities post incident.
- Utilise or support existing mutual aid arrangements.
- Provide business support to ensure safe re-opening of businesses during and post wildfire events.

ACCIDENTAL DWELLING FIRES

Each year, we experience accidental fires in people's homes that can have a devastating effect to those who are involved and can cause significant injury and even death.

Proactive

- Maintain a community safety module for all operational staff.
- Continue to train and assess operational competence.
- Continue to deliver externally accredited breathing apparatus, compartment fire behaviour and positive pressure ventilation trainer instructor qualifications.
- Continue to deliver fire investigation training.
- Continue to innovate and review fleet and equipment to meet the emerging needs of the built environment and to enhance firefighter safety.
- Continue to deliver a wide range of prevention packages across educational settings and identified high risk groups.
- Continue to deliver intelligence led campaigns to increase awareness and knowledge amongst owners, responsible persons and residents.
- Continue to offer business support to owners/responsible persons in relation to fire safety compliance.
- Continue to collaborate with other regulatory bodies through shared training and intelligence.
- Continue to provide trained and competent inspectors who inspect premises such as Houses of Multiple Occupancy (HMO) in line with the relevant competency framework.

Reactive

- Respond to dwelling fires within the criteria of our key performance indicator.
- Respond to dwelling fires in a manner that minimises the impact on life, the environment and infrastructure.
- Continue to work effectively and efficiently in a collaborative way with other responding agencies utilising Joint Emergency Services Interoperability Principles (JESIP)
- Utilise drone assets for effective situational awareness and to support fire investigation.
- Use assurance monitoring system to gather service-wide and multi-agency learning post incident.
- Report areas of notable practice or learning via national or collaborative bodies (national operational learning and joint organisational learning).
- Targeted prevention activities post incident.
- Continue to support those affected by dwelling fires with the Fire and Emergency Support Service (FESS).
- Continue to support operational incidents to ensure fire safety compliance.
- Continue to enforce on non-compliance of fire safety legislation.
- Continue to work collaboratively to investigate the cause of fire.



COMMERCIAL AND INDUSTRIAL BUILDING FIRES

Each year, we experience fires in commercial properties, such as the retail sector, industrial, manufacturing, hospital and educational facilities. Residential homes and student halls of residence are also included within this incident type. These incidents can have a lasting impact on people, communities, economy and local infrastructure.

Proactive

- Continue to train and assess operational competence.
- Continue to deliver externally accredited breathing apparatus, compartment fire behaviour, and positive pressure ventilation trainer instructor qualifications.
- Continue to deliver fire investigation training.
- Continue to innovate and review fleet and equipment to meet the emerging needs of the built environment to enhance firefighter safety.
- Continue to deliver a wide range of prevention packages across educational settings and identified high risk groups.
- Continue to deliver intelligence led campaigns to increase awareness and knowledge amongst owners, responsible persons and residents.
- Continue to offer business support to owners/responsible persons in relation to fire safety compliance.
- Continue to collaborate with other regulatory bodies through shared training and intelligence.
 - Continue to provide trained and competent inspectors who inspect in line with the relevant competency framework.

Reactive

- Respond to commercial fires and industrial fire within the criteria of our key performance indicator.
- Respond to commercial fires and industrial fires in a manner that minimises the impact on life, the environment and infrastructure.
- Continue to work effectively and efficiently in a collaborative way with other responding agencies utilising Joint Emergency Services Interoperability Principles (JESIP).
- Utilise drone assets for effective situational awareness and to support fire investigation.
- Use assurance monitoring system to gather service-wide and multi-agency learning post incident.
- Report areas of notable practice or learning via national or collaborative bodies (national operational learning and joint organisational learning).
- Targeted prevention activities post incident.
- Continue to support those affected by fires with the Fire and Emergency Support Service (FESS).
- Continue to support operational incidents to ensure fire safety compliance.
- Continue to enforce on non-compliance of fire safety legislation.
- Continue to work collaboratively to investigate the cause of fire.

DELIBERATE BUILDING FIRES

Each year, we experience deliberate fires in buildings that can affect those who are involved and the local community and cause severe injury and even death.

Proactive

- Continue to train and assess operational competence.
- Continue to deliver externally accredited breathing apparatus, compartment fire behaviour, and positive pressure ventilation trainer instructor qualifications.
- Continue to deliver fire investigation training for both operational staff and specialist fire investigation officers.
- Continue to innovate and review fleet and equipment to meet the emerging needs of the built environment to enhance firefighter safety.
- Continue to deliver a wide range of prevention packages across educational settings and identified high risk groups.
- Continue to deliver intelligence led campaigns to increase awareness and knowledge amongst owners, responsible persons and residents.
- Continue to collaborate with partners (e.g. the police) to identify those at risk of arson and provide preventative advice and measures to protect against arson.
- Continue to conduct arson vulnerability assessments on commercial properties to reduce the threat and impact of deliberate fire setting.
- Continue to offer business support to owners/responsible persons in relation to fire safety compliance.
- Continue to provide trained and competent inspectors who inspect in line with the relevant competency framework.

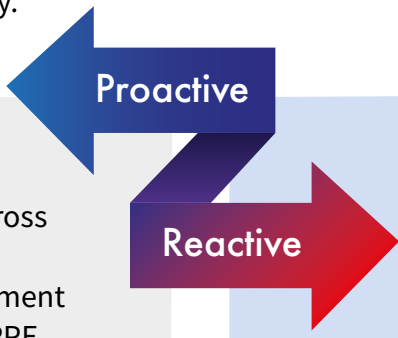
Reactive

- Continue to provide intervention activities to adult and child fire setters.
 - Investigate in collaboration with Lancashire Constabulary to establish the cause of fire and provide evidence that leads to successful prosecutions.
- Respond to deliberate fires within the criteria of our key performance indicator.
- Respond to deliberate fires in a manner that minimises the impact on life, the environment and infrastructure.
- Continue to work effectively and efficiently in a collaborative way with other responding agencies utilising Joint Emergency Services Interoperability Principles (JESIP).
- Utilise drone assets for effective situational awareness and to support fire investigation.
- Use assurance monitoring system to gather service-wide and multi-agency learning post incident.
- Report areas of notable practice or learning via national or collaborative bodies (national operational learning and joint organisational learning).
- Targeted prevention activities post incident.
- Continue to support those affected with the Emergency Support Service (FESS).
- Continue to support operational incidents to ensure fire safety compliance.
- Continue to enforce on non-compliance of fire safety legislation.



ROAD TRAFFIC COLLISIONS AND VEHICLE FIRES

Death and serious injuries on Lancashire's roads because of road traffic collisions (RTCs) and road vehicle fires occur each year. They can also affect infrastructure, communities, the environment and visitors to the county.



- Maintain a response capability across all operational stations through ongoing training and the development and provision of equipment and PPE.
- Maintain our urban search and rescue and heavy rescue capability.
- Maintain our major rescue unit provision.
- Continue to deliver externally accredited road traffic collision instructor qualifications.
- Continue to deliver clinically governed trauma training.
- Continue to be an active member within the Lancashire Road Safety Partnership.
- Continue to deliver a wide range of prevention packages across educational settings and identified high risk groups.
- Continue to use intelligence to inform campaign activity.

- Respond to RTCs and vehicle fires in a manner that minimises the impact on life, the environment and infrastructure.
- Respond to RTCs and vehicle fires within the criteria of our key performance indicator.
- Continue to work effectively and efficiently in a collaborative way with other responding agencies utilising Joint Emergency Services Interoperability Principles (JESIP).
- Utilise drone assets for effective situational awareness and to support fire investigation.
- Use assurance monitoring system to gather service-wide and multi-agency learning post incident.
- Report areas of notable practice or learning via national or collaborative bodies (national operational learning and joint organisational learning).
- Targeted prevention activities post incident.

RESCUES FROM COLLAPSED STRUCTURES

Or from within confined spaces

Incidents involving collapsed structures can often be life threatening to those involved, pose significant hazards to responding agencies and can cause disruption within local communities.

Proactive

- Maintain urban search and rescue and confined space response capability.
- Maintain technical rope rescue capability.
- Maintain canine response capability to enhance our search function.
- Ongoing collaborative training with neighbouring urban search and rescue teams and other specialist response partners (e.g. ambulance hazardous area response teams).
- Maintain national resilience urban search and rescue training in line with national concept of operations.

Reactive

- Deploy appropriate resources to meet the needs of an incident, both locally and nationally.
- Utilise drone assets for effective situational awareness and to support fire investigation.
- Use assurance monitoring system to gather service-wide and multi-agency learning post incident.
- Report areas of notable practice or learning via national or collaborative bodies (national operational learning and joint organisational learning).

Hazardous materials can present a risk to the public from a range of sources including road transport, industrial sites and malicious use by terrorist or organised criminal groups.

HAZARDOUS MATERIALS INCIDENTS

Proactive

- Maintain a response capability across all operational stations through ongoing training and the development and provision of equipment and PPE.
- Maintain our hazardous materials unit capability through regular and ongoing training.
- Continue to develop our specialist, internal

Reactive

- Deploy appropriate resources to meet the needs of an incident, both locally and nationally.
- Respond to hazardous materials incidents in a manner that minimises the impact on life, the environment and infrastructure.
- Continue to work effectively and efficiently in a collaborative way with other responding agencies utilising Joint Emergency Services Interoperability Principles (JESIP).

hazardous materials and environmental protection officers.

- Continue to collaborate with appropriate partners to mitigate the impact hazardous materials have on people, property and the environment.
- Continue to share intelligence gathered during inspections to assist in operational pre-planning.
- Continue our collaborative training with neighbouring fire and rescue services and other specialist response partners (e.g. ambulance hazardous area response teams).
- Continue to undertake training provided by specialist or scientific organisations.

- Use assurance monitoring system to gather service-wide and multi-agency learning post incident.
- Report areas of notable practice or learning via national or collaborative bodies (national operational learning and joint organisational learning).
- Continue to seek advice during and after operational incidents from specialist or scientific organisations.
- Continue to report health and safety concerns to the appropriate regulatory bodies.



ANIMAL RESCUES

With a large rural area within the county, we are inevitably called to incidents where animals are in distress, and where people often put themselves at risk.

Proactive

- Maintain large animal rescue capability at strategic locations.
- Continue to work collaboratively with key partners for training and equipment provision.
- Maintain technical rope rescue capability.
- Continue to develop our specialist, internal large animal rescue instructors through attendance on externally provided courses.

Reactive

- Deploy large animal rescue resources to assist in the rescue and evacuation of trapped animals.
- Continue to work effectively and efficiently in a collaborative way with other responding agencies utilising Joint Emergency Services Interoperability Principles (JESIP).
- Use assurance monitoring system to gather service-wide and multi-agency learning post incident.
- Report areas of notable practice or learning via national or collaborative bodies (national operational learning and joint organisational learning).



ASSISTING OTHER AGENCIES

Lancashire Fire and Rescue Service carries out a number of activities to support other agencies, such as gaining entry to properties where there's a medical emergency and searching for missing people.

Proactive

- Continue to provide specialist equipment and training that supports operational staff when attending gaining entry incidents.
- Maintain canine response capability to enhance our search function.
- Continue to deliver missing persons training to operational staff to assist in searches.
- Continue to develop our internal group of national inter-agency liaison officers.
- Continue to develop and deliver a safe and well package which addresses wider health challenges (e.g. falls) and refer those at risk to partner agencies.
- Respond appropriately to complaints regarding fire safety compliance.
- Continue to collaborate with other regulatory bodies through shared training and intelligence.

Reactive

- Respond to requests for assistance from other agencies.
- Continually assess and review the appropriateness of the assistance we provide to other agencies.
- Continue to work effectively and efficiently in a collaborative way with other responding agencies utilising Joint Emergency Services Interoperability Principles (JESIP).
- Use assurance monitoring system to gather service-wide and multi-agency learning post incident.
- Report areas of notable practice or learning via national or collaborative bodies (national operational learning and joint organisational learning).
- Utilise drone assets for reconnaissance and situational awareness whilst providing operational support to other agencies.

BUILDINGS UNDER CONSTRUCTION FIRES

When under construction buildings are more susceptible to fires which can have a damaging effect on people, infrastructure and local communities.

Proactive

- Continue to train and assess operational competence.
- Continue to innovate and review fleet and equipment to meet the emerging needs of the built environment to enhance firefighter safety.
- Continue to conduct arson vulnerability assessments on commercial properties to reduce the threat and impact of deliberate fire setting.
- Continue to offer business support to owners/responsible persons in relation to fire safety compliance.
- Continue to collaborate with other regulatory bodies through shared training and intelligence.
- Continue to provide trained and competent inspectors who inspect in line with the relevant competency framework.
- Fire protection teams to apply the SiteSafe scheme for timber framed buildings.
- Fire protection teams to undertake planning, licensing and building regulation consultations.

Reactive

- Continue to work effectively and efficiently in a collaborative way with other responding agencies utilising Joint Emergency Services Interoperability Principles (JESIP).
- Utilise drone assets for effective situational awareness and to support fire investigation.
- Use assurance monitoring system to gather service-wide and multi-agency learning post incident.
- Report areas of notable practice or learning via national or collaborative bodies (national operational learning and joint organisational learning).
- Targeted prevention activities post incident.
- Continue to support operational incidents to ensure fire safety compliance.
- Continue to enforce on non-compliance of fire safety legislation.
- Continue to work collaboratively to investigate the cause of fire.



WASTE DISPOSAL SITE FIRES

Fires at waste disposal sites can have a significant impact on local communities, residents' health, infrastructure and the environment.

Proactive

- Continue to collaborate with appropriate partners, particularly the Environment Agency, to mitigate the impact waste fires have on people, property and the environment.
- Maintain a waste fire tactical advisor role within the service. This role sits under national resilience and the NFCC waste group.
- Continue to share intelligence gathered during inspections to assist in operational pre-planning.
- Collaborate with the Environment Agency providing specialist advice to support them in developing fire prevention plans and issuing permits.
- Develop the waste fire tactical advisor role through continued professional development (CPD) events and shared learning.

Reactive

- Deploy appropriate resources to meet the needs of an incident, both locally and nationally.
- Respond to hazardous materials incidents in a manner that minimises the impact on life the environment and infrastructure.
- Support the Environment Agency in enforcement where breaches of permits have been identified because of attendance at incidents.
- Maintain a national resilience role in attending incidents within Lancashire and other areas to support incident commanders at waste fire incidents.
- Continue to work effectively and efficiently in a collaborative way with other responding agencies utilising Joint Emergency Services Interoperability Principles (JESIP).
- Utilise drone assets for effective situational awareness and to support fire investigation.
- Use assurance monitoring system to gather service-wide and multi-agency learning post incident.
- Report areas of notable practice or learning via national or collaborative bodies (national operational learning and joint organisational learning).



HIGH-RISE FIRE INCIDENTS

High-rise property incidents have the potential for severe injury and loss of life and pose significant hazards to responding agencies. Local communities, infrastructure and the economy can also be adversely affected.



- Train at specialist facilities utilising collaboration opportunities.
- Continue to innovate and review fleet and equipment to meet the emerging needs of the built environment to enhance firefighter safety.
- Continue to offer business support to owners/responsible persons in relation to fire safety compliance.
- Continue to use data to target our inspection activity to the highest risk premises.
- Continue to deliver intelligence led campaigns to increase awareness and knowledge amongst owners, responsible persons and residents.
- Continue to collaborate with other regulatory bodies through shared training and intelligence.
- Continue to provide trained and competent inspectors who inspect in line with the relevant competency framework.



- Deploy appropriate resources to meet the needs of an incident.
- Targeted prevention activities post incident.
- Continue to work effectively and efficiently in a collaborative way with other responding agencies utilising Joint Emergency Services
- Interoperability Principles (JESIP).
- Utilise drone assets for effective situational awareness and to support fire investigation.
- Use assurance monitoring system to gather service-wide and multi-agency learning post incident.
- Report areas of notable practice or learning via national or collaborative bodies (national operational learning and joint organisational learning).
- Continue to enforce on non-compliance of fire safety legislation.

CORE STRATEGIES

and how **we direct and deliver operations**

Lancashire Fire and Rescue Service has six core strategies: our People, Prevention, Protection, Response, Financial and Digital Strategies. Our prevention, protection and response activities address the fire and rescue related risks that are identified in those strategies and outline the measures in place and actions we take to make Lancashire safer.

Each strategy is periodically reviewed and evaluated to ensure we are delivering against our outlined objectives and are doing so in the most efficient and effective way. Wherever necessary, changes will be made within each strategy to ensure we operate in line with our aim, priorities and values.

In line with identified risks, our prevention strategy focuses on the following key areas:

PEOPLE STRATEGY



We employ in the region of 1200 staff, with most employed in an operational capacity. As an employer our aim is to have a workforce that is professional, flexible, highly skilled and diverse. Our workforce plan identifies the strategic challenges faced by our staff and the actions we undertake to meet those challenges, ensuring we have the right number of employees with the right skills, qualifications and competencies now and in the future. We continue to improve the diversity of our workforce and our recruitment targets are supported by the delivery of positive attraction and retention activity, aimed at recruiting a workforce which is best able to meet the needs of residents and mitigate the risks they face.



We invest in the training and development of our staff and the leaders within our organisation, ensuring we have a workforce that can meet the challenges of a dynamic operating environment, and leaders who can deliver highly performing teams where all members of staff feel valued and are given the opportunity to fulfil their potential.

Since 2019 the service has been registered as an ‘employer provider’ for level three operational firefighter apprenticeships. We will look to maintain this status over the duration of the CRMP and continue to deliver and develop our offering while working towards an outstanding OFSTED rating.

We also commit to providing wider apprenticeship opportunities within non-operational roles as we believe offering development packages to new and existing staff benefits individuals and subsequently our organisation.

We are committed to safeguarding the health and wellbeing of our staff, creating a resilient workforce which can respond positively and effectively to diverse types of emergencies.

PREVENTION STRATEGY

We will:

build on learning acquired during the pandemic and develop new innovative ways to deliver our community safety activities

Continue to develop our operational and community safety staff in the field of fire safety regulation and hazards in the built environment, to increase the effectiveness of our business fire safety checks, risk intelligence and referrals to fire protection.

Seek to build on learning acquired during the pandemic and develop new and innovative ways to deliver our community safety activities, ensuring the focus remains on engaging our target groups and delivering effective outcomes.

Continue to refine our Home Fire Safety Check and Safe and Well service in line with evolving national guidance to ensure the offer remains person centred, and risk is evaluated in a manner that reflects best practice.

- Refine and expand our preferred partner register to ensure we work with a range of organisations whose service users' needs align to recognised fire risk factors.
- Identify and review opportunities for sharing data and risk intelligence with organisations who work with people who are at significant risk from fire.
- Seek to strengthen our links with Lancashire's telecare providers to collectively build and operate a domestic automatic fire alarm policy.
- Continue to act as an enabler and work with partners to reduce water risk.
- Continue to refine our core education offer and develop new products and delivery methods where the data and evidence demonstrates this is needed to help keep young people safe.
- Continue to deliver the Team programme on behalf of the Prince's Trust ensuring recruitment focusses on those who will benefit the most and community projects are aligned to mitigation of local risks.
- Explore and enable the establishment of a Lancashire Water Safety Partnership.
- Continue to develop our cadet offer in line with national guidance and expand the locations on offer in line with risk and resources.
- Ensure the investigation of crime scenes involving fire conforms to evolving regulatory requirements.
- Continue to develop how we gather and use incident intelligence to refine our prevention and campaign approaches.



PROTECTION STRATEGY

In line with identified risks, our protection strategy focuses on the following key areas:

- Continue to develop strategic collaborations to raise fire safety awareness and improve fire safety standards in premises before inspections are undertaken.
- Use local, regional and national intelligence and learning to continually evolve and refine our protection services.
- Seek to build on the learning acquired during the pandemic and create new and innovative ways to deliver protection services, adopting digital approaches where appropriate.
- Contribute to the continual improvement of fire protection activities coordinated through the NFCC community risk programme and seek to refine our risk-based inspection programme in line with emerging national guidance.
- Review fire protection delivery arrangements to ensure inspection and consultation resources are aligned to risk and working practices are efficient and effective.
- Review fire engine attendance policy to automatic fire alarms and the associated unwanted fire signals policy.
- Continue to adopt the NFCC competency framework for fire safety regulators.
- Complete the improvement actions required by virtue of the Grenfell Inquiry.

- Continue to develop strategic collaborations to raise fire safety awareness and improve fire safety standards in premises before inspections are undertaken.
- Use local, regional and national intelligence and learning to continually evolve and refine our protection services.
- Seek to build on the learning acquired during the pandemic and create new and innovative ways to deliver protection services, adopting digital approaches where appropriate.



RESPONSE STRATEGY

In line with identified risks, our response strategy focuses on the following key areas:

Ensuring that the service has sufficient and proportionate emergency response arrangements available to respond to and manage a wide range of risks and threats, delivered through a range of local, regional and national delivery models.

Enabling the service to achieve its priorities: preventing, protecting, responding, valuing our people and delivering value for money. Our STRIVE values are the foundation of everything we achieve.

Supporting the creation of a positive, inclusive culture that encourages innovation and perpetual improvement. Enabling us to give the best services to our communities and be the best fire and rescue service in the UK.

Our response strategy has been written to translate the framework of expectations laid out in relevant legislation, guidance documents and national reports into appropriate action as well as considering this plan and the three pillars of the HMICFRS inspection framework: efficiency, effectiveness and people.

Constantly reviewing our approach to providing and deploying resources to ensure they remain flexible. Where possible, seeking to improve our response capabilities to deal with the wide range of foreseeable emergencies and risks faced by the service in an ever-evolving landscape, mitigating demand and risk.

Continuing to prioritise this statutory requirement, ensuring that our firefighters are provided with the best training, facilities, appliances and equipment to ensure they remain as effective and efficient as possible while remaining focussed on their health, safety and wellbeing.



OUR FINANCIAL STRATEGY

Strong financial risk management is evident in our medium-term financial strategy, which illustrates that we are well positioned to:

- ▲ Deliver services as outlined in this and other plans.
- ▲ Maintain future Council Tax increases at reasonable levels.
- ▲ Continue to deliver efficiencies in line with targets.
- ▲ Set a robust budget that takes account of known and anticipated pressures.
- ▲ Continue to invest in improvements in service delivery and facilities.
- ▲ Maintain an adequate level of reserves.

Following a one-year local government settlement for 2022-23, rather than an anticipated multiyear settlement, the Authority is unable to set its financial plans with any certainty. This is compounded further by a delay in the outcome of a fair funding review, which looked to reassess the methodology under which funding is allocated to individual authorities, and the implementation of a 75% business rates retention scheme.

OUR DIGITAL STRATEGY

To recognise the role that technology can play in a modern fire and rescue service, we are actively seeking ways to exploit emerging technology across the Service to improve our communication and process efficiency.

- Our Digital Strategy sets out a framework of how we will progress that agenda together with setting out some of the external influences there are that we need to consider.
- These include our active engagement in digital and data workstreams that are underway in the National Fire Chiefs Council (NFCC) and which are attempting to standardise data and technology approaches within FRS across the country. This will ensure best practice and best value to the communities that we serve.
- In addition, we will consider best practice guidelines from central government together with other partner agency collaborations wherever possible.
- We will also look to align ourselves with established and accepted best practices and working patterns from across the technology sector.
- The underpinning focus throughout our digital journey will be on maximising the effectiveness and efficiency of our workforce to ensure the best possible service and levels of engagement for our communities.



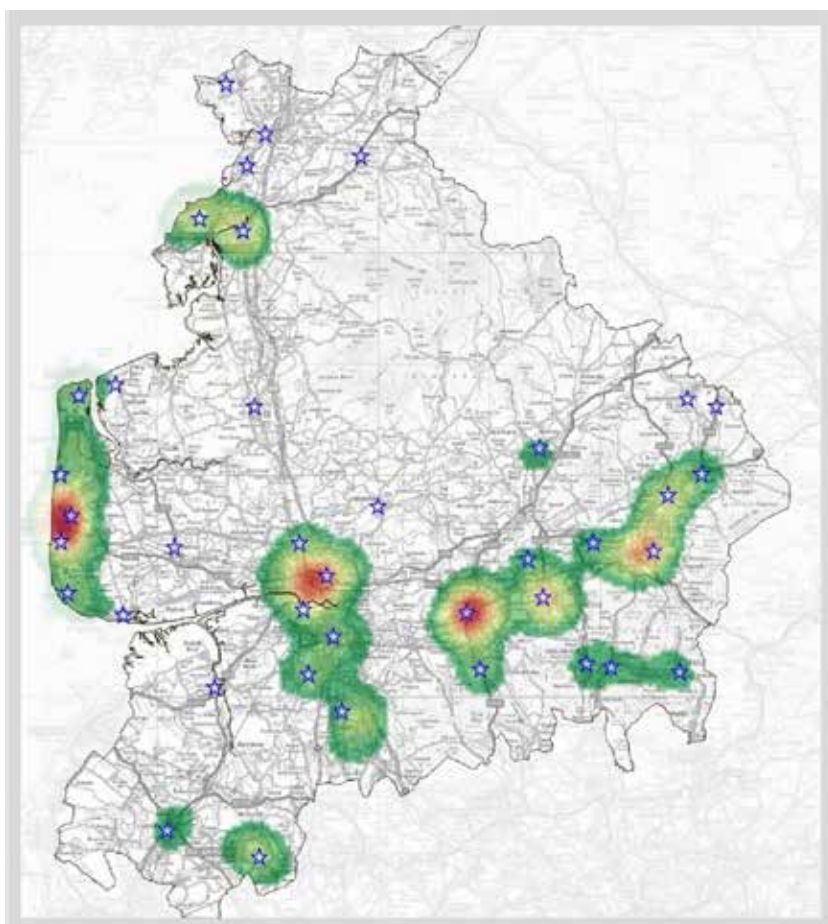
RESOURCE TO RISK


Lancashire Fire and Rescue Service aims to allocate resources to risk, providing the most effective and efficient service and value for money to the people of Lancashire. Our offering is based around prevention, protection and response arrangements which are all tailored to current and emerging risks and applied proportionately to maintain risk at levels that are as low as reasonably practicable.

We aim to primarily prevent fires and other emergencies from happening. We allocate resources through our prevention and protection teams, supported by operational crews and partner agencies to educate, inform and advise our diverse communities.

When incidents occur, we operate a range of operational crewing systems both wholetime and on-call. This allows us to allocate resources effectively based on the risk associated with geographical areas within Lancashire. To maintain a highly trained operational provision we are supported by our service training centre, which incorporates specialist training facilities and highly skilled and accredited instructors.

The heat map shows the location of our fire stations mapped against overall incident activity levels. The areas of high activity are represented by the light green shading and moves through darker green, amber then red to display the areas of our highest demand. Many of our stations are in areas of high activity, but we also have stations where incidents levels are comparatively lower, but the impact of fires and other emergencies could be significant.





To effectively serve Lancashire and support national resilience, our trained staff utilise specialist vehicles, skills and equipment to respond to the risks we face.

Over recent years Lancashire Fire and Rescue Service has invested in developing our capabilities to respond to the ever-changing challenges we face in our risk environment. We have invested in, and built upon, our capability to respond to emerging climate change related incident types such as flooding and wildfire and developed a multi-agency drone capability and canine provision. We have continued to develop our existing offerings and specialist skills such as urban search and rescue (USAR), our specialist rope rescue team (RRT). A full breakdown of our assets and equipment can be found in our Response Strategy.

To supplement our response, we also work collaboratively with partners for support from specialist organisations such as the Environment Agency, United Utilities, Mountain Rescue and Bay Search and Rescue along with a host of National Resilience assets.

To support operations at larger incidents our flexible duty officers (FDOs) provide 24/7 cover across the county. They are also trained with a range of specialist skills to enhance our front-line capabilities and offer tactical and strategic support across a wide range of incidents such as wildfire, flooding and water, hazardous materials and environmental protection and waste fires. We also have trained National Inter-agency Liaison Officer (NILOs) who work with and co-ordinate multi agency responses.



To ensure effective delivery of our services, we resource support departments that perform non-operational functions but play a vital part in the wider Lancashire team:

- Administration and contact centre
- Corporate programme and intelligence
- Corporate communications
- Digital transformation
- Finance
- Fleet and engineering services
- Human resources
- Information and communications technology
- Occupational health
- Prevention, The Prince's Trust and youth engagement
- Procurement
- Property
- Protection delivery and support
- Response and emergency planning
- Safety, health and environment
- Stores

As a forward-thinking organisation, we commit to continue to invest in our fleet, equipment and people to mitigate the risks within Lancashire and to keep our staff and the people of Lancashire safe.

SERVICE ASSURANCE/ OPERATIONAL ASSURANCE

To promote improvements in organisational efficiency and effectiveness, we have established an improvement and innovation department. Its objectives include organisational assurance, which actively monitors holistic service performance around preparedness, response and learning.

This department is a key driver in delivering organisational change through collective learning, both from an internal perspective and from a national viewpoint, ensuring that we remain abreast of current or topical issues that affect our ability to provide an efficient and effective service.

In terms of innovation, we will identify items of transformational change and notable practice that have been delivered through the pandemic and establish opportunities to further utilise this learning and innovation in other parts of the Service.

Additionally, we will explore opportunities and work collaboratively with key stakeholders, both internal and external, to research and develop new ways of working. The team will propagate innovation through the Service wherever possible, for example by establishing ways to utilise technology and digital platforms to improve efficiency and effectiveness, therefore reducing duplication of ineffective or inefficient processes, and identifying solutions to negate or remove them.



KEY PERFORMANCE INDICATORS

To ensure we are effective, efficient and provide value for money, we use a range of targets to measure performance which are scrutinised under our governance arrangements. These are known as key performance indicators (KPIs).

KPIs are quantifiable measures used to evaluate success in meeting our objectives. They help to monitor and measure our performance and are scrutinised quarterly by the Lancashire Combined Fire Authority, and subsequently published in our Measuring Progress Reports, which are available on our website.

Lancashire Fire and Rescue Service also uses local indicators to monitor trends and changes in activity and risk, which help us to plan local activities and resource allocation accordingly.

REVIEWS

Throughout this CRMP period we commit to constantly review what we do and how we do it, to ensure that we deliver the best possible services to the people of Lancashire. This involves reviewing several key areas within the Service to maintain delivery methods that are effective and efficient, value people and provide value for money. To do this we plan review periods on several deliverables, however they may be evaluated out of planned frequency should the need arise:

- Corporate risk
- Strategic Assessment of Risk
- Collation of risk information
- Emergency cover provision
- Organisational assets
- Collaborative opportunities and partnership working
- Service strategies

Should the findings of any of the above reviews be of significant magnitude, or the environment we operate within change significantly, we will also review this plan to ensure the changes are reflected within our key deliverables.



LANCASHIRE COMBINED FIRE AUTHORITY

Meeting to be held on 21 February 2022

MEMBER CHAMPION ACTIVITY REPORT

Contact for further information:

DCFO Steve Healey – Tel No: 01772 866801

Executive Summary

This paper provides a report on the work of the Member Champions for the period up to February 2022.

Recommendation

The Authority is requested to note and endorse the report and acknowledge the work of the respective Champions.

Information

The concept of Member Champions was introduced in December 2007 with a review of the roles in 2017.

The Authority appoints its Member Champions at its Annual Meeting in June and the current Member Champions are:

- Community Safety – Councillor Jean Rigby
- Equality, Diversity and Inclusion – Councillor Zamir Khan
- Health and Wellbeing – County Councillor Andrea Kay
- Road Safety – County Councillor Ron Woollam

Reports relating to the activity of the Member Champions are provided on a regular basis to the Authority.

During this period, all have undertaken their respective role in accordance with the defined terms of reference. Their activity to date is as follows:

Community Safety – Councillor Jean Rigby

During the Covid lockdowns, Home Fire Safety Checks were delivered using a modified approach which balanced covid risk against that presented by fire. A follow-up process is now underway with over half of these households having already been offered a full physical visit, including bespoke fire safety advice and inclusion of brief interventions linked to the person-centred framework. The Service knows from evidence how important it is to get over the threshold of the dwelling and believes it has balanced this with the risk presented by Covid.

The Service has delivered a number of sessions to care providers, housing providers and NHS teams during this reporting period. The care providers then cascade this training to their care workers. These sessions are vitally important as it gives them the knowledge and awareness that they need to be spotting vulnerable care users who would benefit from Fire Service intervention, potentially preventing a fire from happening and mitigating the risk to the occupant should one occur.

The Winter Safety campaign started on 1 December 2021 and will continue until 28 February 2022. Delivery of the campaign messages is a combination of digital and direct engagement with key partners with a focus on cooking during December and then heating during January and February. The campaign so far has received an excellent response from our partners and, with the support of Community Safety teams across the Service, over 12,000 Christmas cards and 8,000 Thermometer cards have been distributed to date. A full evaluation of the campaign will be undertaken after completion.

The Prevention Support Team have recently delivered tailored training to the Refugee Integration Team which is working across Lancashire, and they have been set up as preferred partners for any further referrals. This also feeds into work done in the different districts, for example Pennine area personnel have linked in with a local drop-in centre for refugees. As well as being able to share Fire Safety advice and signpost into wider local support networks, this is an opportunity to build relationships and trust with the Fire Service as an organisation.

Equality, Diversity and Inclusion – Councillor Zamir Khan

The Service has recently interviewed for firefighter apprenticeships for population of the May and September 2022 recruitment courses, with 136 potential candidates being interviewed between the period 31 January to 11 February 2022 respectively. As previously reported prior to the recruitment campaign, the Service undertook positive action with a view to attracting applicants from underrepresented groups within the workforce. The positive action took a variety of different forms including Have A Go Days where interested potential applicants could come and meet operational firefighters, representatives from Human Resources and learn a little more about the job role. To attract more individuals from underrepresented groups, Have A Go Day sessions were undertaken within community venues. It was noted that some underrepresented groups had fallen out at the various stages of the recruitment process where the remaining total that had moved forward to interview being 91% males, females 8%, BME 4%. The Service acknowledged further work was needed to support more diverse groups applying for the Fire Service.

To ensure that we fully consider the impact of our decision making and policy development on underrepresented groups we have relaunched our Equality Impact Assessment process supported by training.

Work is underway to ascertain how the Service could use equality, diversity and inclusion data to shape and influence Prevention and Protection deliverables and scope out any performance indicators that could be factored into local District Plans via Community Protection Managers.

A new Employee Voice Group for Neurodiversity has been created with the first meeting to take place in February 2022. Over 36 members of staff have noted an interest in being a part of the group whereby the objectives of the group are to explore the Recruitment and Selection process ensuring it factors in inclusivity, training materials and ICT accessibility options.

The EDI E-Learning Module has been updated to share case studies from existing members of staff.

Health and Wellbeing – County Councillor Andrea Kay

We successfully launched a team of Wellbeing Support Dogs on 17 January 2022, to coincide with Brew Monday. The Wellbeing Support Dogs and their Handlers are available to be booked by any member of LFRS staff to support the positive promotion of health and wellbeing across the Service. Social media interest was fantastic, and the new capability was promoted on That's TV Lancashire, BBC Radio Lancashire, the Fire Fighters Charity and a number of online news sites.



To coincide with the launch of this new facility the Service has also signed up to be part of the Mental Health at Work Commitment. This is framework of six standards developed from best practice to creating a thriving health and wellbeing environment for staff. The Safety, Health and Environment (SHE) Department have been involved in developing this Commitment and guidance in support charity MIND. Further information will be shared in future updates.

To highlight Energy Saving Week (17 January 2022) we have launched a competition. The competition is open to all staff and is asking for ideas about how the Service could save energy. An entry form has been promulgated in the Routine Bulletin and ideas are required to be submitted by 28 February 2022 to the SHE Department. All ideas will be considered and whilst it is acknowledged not all ideas will be feasible, feedback will be provided to entrants.

Road Safety – County Councillor Ron Woollam

Wasted Lives is a package aimed at pre-drivers in Years 10 and 11. An updated package was relaunched as part of Road Safety week in November. All schools received a letter and information was sent out via the school's portal. This academic year, Wasted Lives has already been delivered to over 1000 students. The assembly format is proving to be the most popular as it allows schools to get the message to a greater number of students with minimum disruption to their timetables.

Road Sense (the Year 6 Education Package) delivery is progressing well. We have seen an increase in requests for virtual delivery with the emergence of the Omicron variant which the Service has been able to fulfil. The aim of LFRS is to deliver to all year 6s in Lancashire. From January each pupil will receive a Road Sense fact sheet which was purchased using the CFA champion budget. This will be a very welcome

addition as many teachers gave feedback that a handout would complement the session and assist with further learning.

Biker Down restarted in September and is fully booked until March 2022. LFRS is currently planning four courses for April 2022 to coincide with NFCC 'Motorcycle Action Month'. The first aid kits that were purchased using the CFA Road Safety Champion budget have now arrived and will have a big impact in being able to put into practice what is covered on the course if needed.

As part of their commitment to the Lancashire Road Safety Partnership, the Service is leading on the Children and Young Peoples working group. A comprehensive report on road traffic collisions throughout the county has been received and the group is working on processing this to ensure all road safety education is still aligned to the risk in Lancashire for each road user type and age group. Initial findings show young people still make up a third of people killed and seriously injured in Lancashire, so the delivery of Road Sense and Wasted Lives remains a vital piece of education delivery.

Financial Implications

Activities are within budget.

Business Risk Implications

Whilst no formal obligation is placed on the Authority to have Champions, effective utilisation of such roles offers a number of benefits.

Environmental Impact

The Member Champion role provides leadership on environmental issues and assists in engaging Authority members in strategic objectives relating to protecting the environment.

Equality and Diversity Implications

The Member Champion role provides leadership on equality and diversity issues and assists in engaging Authority members in strategic objectives relating to equality and diversity.

Human Resource Implications

Some Member and Officer time commitments.

Local Government (Access to Information) Act 1985

List of background papers

Paper:

Date:

Contact: DCFO Steve Healey

Reason for inclusion in Part 2 if appropriate: N/A

LANCASHIRE COMBINED FIRE AUTHORITY

Meeting to be held on 21 February 2022

FIRE PROTECTION REPORTS

Contact for further information – Acting Assistant Chief Fire Officer, Jon Charters
Tel: 01772 866802

Table 1 Executive Summary and Recommendations

Executive Summary

This report summarises Lancashire Fire and Rescue Service (LFRS) prosecutions with respect to fire safety offences, and convictions resulting from arson and malicious calls, for which officers have contributed evidence to the Police led criminal justice process.

Fire protection and business support information is also included in the report to provide Members with an update on the continually evolving regulatory position; in particular, our ongoing work to ensure business and residential premises providers are supported through the changes, and how LFRS staff are being trained and developed to deliver against increasingly complex regulatory expectations.

Recommendation(s)

The Authority is asked to note the report.

FIRE SAFETY CONVICTIONS

Prosecutions

On 10 December 2021 a plea hearing was undertaken at Preston Crown Court relating to a mixed used premises being used for both commercial and sleeping purposes with inadequate fire safety. All three defendants were represented by defence counsel with one pleading not guilty to all offences and the others indicating they wanted to make application to dismiss (the charges), so no further pleas were offered. A further hearing is scheduled at Preston Crown Court on the 11 April 2022.

Protection teams continue to investigate and build files in relation to twelve further cases wherein offences are believed to have been committed under the Regulatory Reform (Fire Safety) Order 2005, involving the following types of premises:

- Commercial Garage
- Care & Nursing Home
- Licensed Public House / Bar x2
- Mixed commercial and Residential (Takeaway with Sleeping above) x3
- Residential Flats
- House in Multiple Occupation used as Student Accommodation
- House in Multiple Occupation used as Specialised Housing
- House in Multiple Occupation x2

FIRE PROTECTION & BUSINESS SUPPORT INFORMATION

Primary Authority Scheme (PAS)

Presently LFRS has 15 primary authority contracts with businesses in Lancashire and across the country. Since April 2021 the Primary Authority Officer has undertaken over 300 fire related interactions with PAS members. Contract reviews have concluded with all partners requesting extensions of the scheme and some requesting additional hours (of support) after identifying the benefits of our PAS offering.

Fire Safety Act Update

Although the Fire Safety Act received Royal Assent on 29 April 2021 it is yet to be enabled. Responsible Persons and Enforcing Authorities are being advised that the delay is in relation to the development of a 'prioritisation tool'. The tool is intended to give freeholders and managing agents the ability to prioritise the speed with which they have their external wall systems assessed. This is a necessary addition to the implementation of the Act to manage its regulatory impact, as nationally the new legislation brings into scope an additional 1.7m residential premises of all heights and there are insufficient numbers of qualified and chartered engineers to accurately assess all premises of all heights immediately.

The Act will expand the scope of the existing Fire Safety Order (FSO) to clarify that where a building contains two or more domestic premises, the FSO applies to:

- The building's structure and external walls (including windows, balconies, cladding, insulation, and fixings) and any common parts
- All doors between domestic premises and common parts such as flat entrance doors (or any other relevant door)

In addition to the Fire Safety Act changes, Parliament are also shortly due to consider the addition of eight new Regulations to Article 24 of the Fire Safety Order resulting from the Grenfell Tower Inquiry Part I recommendations. Indications are the Regulations could potentially come into force as early as April 2022 however this could be delayed depending on parliamentary time and process. The regulations will include the need for Responsible Persons to:

- Provide Floor Plans to Fire and Rescue Services (FRS) electronically
- Provide Information Boxes containing building and emergency plan information
- Have, and provide to FRS, external wall construction information
- Notify FRS if firefighting lifts/equipment becomes unavailable for more than 24 hours
- Undertake fire door checks on common areas and apartment entrance doors
- Provide firefighters with wayfinding signage
- Provide FRS with current evacuation plans
- Provide residents with relevant fire safety information regularly.

All the above elements will apply to High Rise Residential Buildings above 18m, some will apply to residential premises below 18m. Each regulation will be accompanied by a guidance note setting out how compliance can be achieved.

Protection support staff continue to support freeholders, leaseholders, and their appointed managing agents through this regulatory change with a recent mailshot to residential premises advising of the forthcoming changes, the need to maintain awareness, and to begin to prepare.

Building Risk Review (BRR) update

LFRS completed BRR work ahead of the NFCC deadline of 31 December 2021. In terms of Building Safety Bill definitions of 'in-scope' premises (18m in height, or at least 7 storeys) Lancashire currently has 38.

Although all 38 premises have been fully inspected there remains a small number of reports outstanding in relation to external wall systems, for the most part this is due to an increase nationally in the need for these specialist reports and a lack of capacity in the chartered surveying sector to match the demand.

Business Fire Safety Checks (BFSC)

Following the successful pilot of the BFSC in simple non-sleeping risk premises, the BFSC systems and training have been further enhanced to enable LFRS to extend this offer into sleeping and mixed used premises. The BFSC is currently in phase 1 of the project plan with Service wide training planned for all wholtime operational personnel commencing March 2022 and completing by June 2022.

The electronic allocation portal and iPad based BFSC App developed by the project team appear to be sector leading, with the process attracting national interest from several FRS who are beginning their journey into upskilling non-technical staff to check commercial premises.

Protection training

In line with the NFCC Competency Framework for Fire Safety Regulators, we continue to develop inspecting officers to support delivery of the Risk Based Inspection Program.

The roll out of the BFSC to all wholtime operational personnel draws on both locally developed and nationally available content and will be the foundation for ongoing training to increase built environment risk awareness amongst operational staff to drive increasingly effective operational preparedness and response, and to deliver actions which all FRS are expected to complete resulting from the Grenfell Tower Inquiry.

A European wide tendering process is currently underway for fire safety qualification training and specialist courses over a 4-year period. This tender process aims to solidify current training and development programs for Fire Safety staff (new and existing). Securing this approach will ensure the Service can quickly develop Inspecting Officers to competence and provide continuity of training providers.

Four LFRS inspecting officers have embarked on attaining their Engineering Technician (Eng Tech) status and registration on to the auditors register with the Institution of Fire Engineers (a process collectively known as the contextualised register). This work is essential to support the future accreditation of inspecting officers both within LFRS and across the UK, with the initial four individuals undertaking both accreditator and reviewer roles on behalf of the accrediting body, the Institution of Fire Engineers.

In addition to ensuring consistent and high-quality inspections in high-risk premises, this accreditation is an essential pre-cursor that the Health and Safety Executive has specified to enable FRS to form part of the future 'Building Safety Regulator', established when the Building Safety Bill is enacted, emphasising the importance of acting now in readiness for future requirements.

ARSON RISK REDUCTION

R v Robert TAYLOR

Halifax Bank, 61-71 Church Street, Blackpool, FY1 1HU

INCIDENT – 2009009798

Date and Time of call – 28/09/2020 14:11

This incident involved the defendant dousing the premises in petrol and threatening to start a fire. Staff and members of the public managed to exit the premises but the defendant refused to come out, leading to a 12-hour standoff with armed police.

On 10/12/2021 at Preston Crown Court the defendant pleaded guilty to various charges and was sentenced to 2 years and 4 months imprisonment.

R v Jaden PATTERSON

Woodlands Children's Care Home, Mill St, Bolton Le Sands

INCIDENT – 2109002138

Date and Time of call – 06/09/2021 15:49

This incident involved the deliberate ignition of a duvet on a bed in a children's care home. The premises fire alarm activated, alerting staff who were able to extinguish the fire before it got out of control.

The defendant received a Youth Conditional Caution at Preston Youth Court

Business Risk

Moderate – Members are provided oversight of prosecutions related to fire safety activity and/or arson, so as to be assured that the required robust approach is being pursued in relation to these incidents.

Environmental Impact

None

Equality and Diversity Implications

None

HR Implications

None

Financial Implications

None

Local Government (Access to Information) Act 1985**List of background papers**

Paper:

Date:

Contact:

Reason for inclusion in Part 2 if appropriate:

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LANCASHIRE COMBINED FIRE AUTHORITY

Meeting to be held on 13 December 2021

OPERATIONAL INCIDENTS OF INTEREST

Contact for further information:

Acting Assistant Chief Fire Officer Jon Charters, Director of Service Delivery

Tel: 01772 866801

Executive Summary

The report provides Members with information relating to operational incidents of note since the last report to the Authority.

Recommendation

The Authority is asked to note the report.

Information

The report provides Members with information relating to operational incidents of note over the period from 1 December 2021 – 31 January 2022.

The following summarises the incidents with further detail provided over the following pages:

- House fire in Fleetwood, with 2 casualties rescued from a 1st floor window.
- 8 fire engines along with specialist vehicles attended a commercial unit containing tyres in Nelson.
- 6 fire engines attend a commercial building fire on Blackpool promenade.
- 4 fire engines along with an Aerial Ladder Platform attended a domestic roof fire in the Ribble Valley.
- 3 fire engines attended a vehicle stuck in flood water in Preston, with several people rescued.
- Casualty rescued from the River Lune by firefighters in Lancaster.
- Double fatality in Blackpool building fire.
- Carbon Monoxide incident in Morecambe hospitalised 8 casualties.

District council area:	Wyre
LFRS area:	N32 Fleetwood
Date:	12/1/2022
Time:	02:06

Fire engines from Fleetwood and Bispham attended Kemp Street in Fleetwood, following reports of a house fire with persons trapped inside. On arrival the fire involving a log burner was intense and was causing significant amounts of smoke. The first fire engine quickly committed 2 firefighters in Breathing Apparatus to search for casualties and to fight the fire. The remaining 2 firefighters outside heard banging from an upstairs window. This led them to notice 2 casualties struggling to breath from a small top opening window who were barely visible due to the thick smoke enveloping them in the room. The firefighters quickly pitched a ladder to the window and affected a successful rescue of both occupants. One firefighter received a precautionary check for smoke inhalation. The fire was believed to be accidental, with radiated heat from a log burner igniting nearby combustible products.

District council area:	Pendle
LFRS area:	P94 Nelson
Date:	20/12/2021
Time:	15:55

A call was received to a commercial garage fire on Bank House Road in Nelson. Four fire engines from Nelson, Colne and Burnley responded, with the first arriving in less than 3 minutes. Within a short period a further 4 fire engines were requested, along with an Aerial Ladder Platform, Incident Command Unit, Hazardous Materials Unit, and a Water Tower. This led to further personnel responding from Skelmersdale, Hyndburn, Blackburn and Darwen. The incident involved a commercial building consisting of 2 floors and approximately 200 square metres in size. The building contained a large quantity of tyres and was completely involved in fire, which led to toxic smoke affecting the surrounding area. As a result, 14 properties were evacuated for several hours, whilst the fire was brought under control. Environmental impacts were reduced due to the actions of the Hazardous Material and Environmental Protection Unit, which reduced the amount of run off water entering nearby water courses. Fire crews were in attendance for approximately 24 hours. Due to the severity of the fire and the unstable nature of the building, the cause is yet to be established.

District council area:	Blackpool
LFRS area:	W31 Bispham
Date:	22 December 2021
Time:	18:03

Calls were received for an unused hotel fire on the Promenade. As a result, 4 fire engines were mobilised from Blackpool, Southshore and St Anne's, with the first arriving within 6 minutes. Due to the size of the building an additional 2 fire engines were requested along with the Incident Command Unit from Fulwood. The incident involved a 4-storey hotel, approximately 100m x 50m in size. The fire was situated within a laundry on the ground floor. Four firefighters in breathing apparatus and 2 firefighting water jets entered the property to fight the fire. The fire was contained in the laundry room and crews were in attendance for 3 hours.

District council area:	Pendle
LFRS area:	P93 Barnoldswick
Date:	27 December 2021
Time:	17:30

A fire engine from Barnoldswick was initially sent to reports of a chimney fire on Stump Cross Lane, Bolton by Bowland. Further information indicated that this was a building fire and an additional fire engine from Nelson was mobilised. On arrival it was noticed that there was a developed fire involving the roof of the property, so an additional 2 fire engines were mobilised and an Aerial Ladder Platform. These resources came from Preston and Clitheroe, along with a Station Manager. The fire crews utilised 2 firefighting water jets and the Aerial Ladder Platform to bring the fire under control. At the same time they carried out salvage operations within the property to limit damage internally. Fire crews were in attendance for approximately 5 hours. The cause has been recorded as accidental.

District council area:	Fylde
LFRS area:	W34 Wesham
Date:	30 December 2021
Time:	18:40

Heavy rain led to several roads being affected by surface water flooding. A car containing 4 people drove into flood water on Spen Lane in Treales. Fire Engines from Preston, Fleetwood and Wesham responded to the scene. Swift water rescue technicians in dry suits entered the water with a rescue raft. The 4 people were assisted from the car onto the raft and taken to safety. Crews were in attendance for nearly 2 hours.

Several similar incidents took place around the county between 18:00 and 21:00, with crews rescuing several stranded motorists in flood water.

District council area:	Lancaster
LFRS area:	N11 Lancaster
Date:	11 December 2021
Time:	01:26

Fire crews were mobilised to reports of a person in the River Lune. Fire Engines from Lancaster and Preston attended the scene. Teams from Lancaster with swift water rescue dry suits were in attendance within several minutes. They were backed up by the fire service boat from Preston. Firefighters entered the River Lune with a rescue sled to locate and rescue the casualty. Eventually the male was found and brought to a place of safety and into the care of the ambulance service. Fire crews were in attendance for approximately 2 hours.

District council area:	Blackpool
LFRS area:	W30 Blackpool
Date:	6 December 2021
Time:	22:31

North West Fire Control were alerted to a flat fire where it was believed people were trapped inside. Fire engines from Blackpool and South Shore attended. The fire was located close to the entrance of the 1st floor flat. 6 Firefighters in breathing apparatus and 2 firefighting water jets, entered the building to carry out a rescue and to extinguish the fire. Firefighters rescued 2 males from the flat who were handed over to the ambulance service for life saving treatment. Unfortunately, both casualties were declared deceased at the scene.

The investigation is ongoing with a cause yet to be established.

District council area:	Lancaster
LFRS area:	N12 Morecambe
Date:	26 December 2021
Time:	09:37

Two fire engines from Morecambe attended to a report of a carbon monoxide leak at a premises on Marine Road in Morecambe. The building was evacuated and 8 casualties were taken to the local hospital. Fire crews wearing breathing apparatus entered the building to complete a full search and ventilate the building.

Once the search and rescue phase was complete, fire crews assisted the police and local council representatives with the investigation. This included the use of the Aerial Ladder Platform from Morecambe. The fire service was in attendance for six hours.

Business Risk

None

Environmental Impact

Potential impact on local environment in relation to operational incidents. Significant incidents benefit from the attendance of specialist water tower resources (Stingers) which make a positive impact on firefighting operations and ultimately reduce the environmental impact.

Equality and Diversity Implications

None

HR Implications

None

Financial Implications

None

**Local Government (Access to Information) Act 1985
List of Background Papers**

Paper:	
Date:	
Contact:	
Reason for inclusion in Part 2 if appropriate:	

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By virtue of paragraph(s) 3, 4 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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