

**BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY
BUCKINGHAMSHIRE FIRE AND RESCUE SERVICE**

Director of Legal & Governance, Graham Britten
Buckinghamshire Fire & Rescue Service
Brigade HQ, Stocklake, Aylesbury, Bucks HP20 1BD
Tel: 01296 744441 Fax: 01296 744600



Chief Fire Officer and Chief Executive

Jason Thelwell

To: The Members of the Executive Committee

25 January 2016

Dear Councillor

Your attendance is requested at a meeting of the **EXECUTIVE COMMITTEE of the BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY** to be held in Meeting Room 1, Fire and Rescue Headquarters, Stocklake, Aylesbury, Bucks, HP20 1BD on **WEDNESDAY 3 FEBRUARY 2016 at 10.00 am** when the business set out overleaf will be transacted.

Yours faithfully

A handwritten signature in black ink that reads 'Graham Britten'.

Graham Britten
Director of Legal and Governance

Chairman: Councillor Busby

Councillors: Dransfield, Gomm, Lambert, Marland, Morris, Reed and Schofield



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EXECUTIVE COMMITTEE

TERMS OF REFERENCE

1. To make all decisions on behalf of the Authority, except in so far as reserved to the full Authority by law or by these Terms of Reference.
2. To assess performance of the Authority against agreed organisational targets.
3. To determine matters relating to pay and remuneration where required by collective agreements or legislation.
4. To select on behalf of the Authority—the Chief Fire Officer and Chief Executive, and deputy to the Chief Fire Officer and Chief Executive, or equivalent , taking advice from suitable advisers and to make recommendations to the Authority as to the terms of appointment or dismissal.
5. To consider and make decisions on behalf of the Authority in respect of the appointment of a statutory finance officer ; a statutory monitoring officer; and any post to be contracted to “Gold Book” terms and conditions in whole or in part taking advice from the Chief Fire Officer and suitable advisers.
6. To act as the Employers’ Side of a negotiating and consultation forum for all matters relating to the employment contracts of the Chief Fire Officer and Chief Executive, deputy to the Chief Fire Officer and Chief Executive, or equivalent; and where relevant, employees contracted to “Gold Book” terms and conditions in whole or in part.
7. To hear appeals if required to do so in accordance with the Authority’s Policies.
8. To determine any human resources issues arising from the Authority’s budget process and improvement programme.
9. To determine policies, codes or guidance:
 - (a) after considering recommendations from the Overview and Audit Committee in respect of:
 - (i) regulating working relationships between members and co-opted members of the Authority and the employees of the Authority; and
 - (ii) governing the conduct of employees of the Authority
 - (b) relating to grievance, disciplinary, conduct, capability, dismissals and appeals relating to employees contracted to “Gold Book” terms and conditions in whole or in part.
10. To form a Human Resources Sub-Committee as it deems appropriate.

AGENDA

Item No:

1. Apologies

2. Minutes

To approve, and the Chairman to sign as a correct record, the Minutes of the meeting of the Executive Committee held on 18 November 2015 **(Pages 5 - 10)**

3. Disclosure of Interests

Members to declare any disclosable pecuniary interests they may have in any matter being considered which are not entered onto the Authority's Register, and officers to disclose any interests they may have in any contract to be considered.

4. Questions

To receive questions in accordance with Standing Order S0A7.

5. The Prudential Code, Prudential Indicators and Minimum Revenue Provision

To consider Item 5 **(Pages 11 - 20)**

6. Medium Term Financial Plan

To consider Item 6 **(Pages 21 - 32)**

7. Emergency Service Mobile Communications Programme (ESMCP)

To consider Item 7 **(Pages 33 - 62)**

8. The Authority's People Strategy 2016 to 2020. Optimising the contribution and well-being of our people

To consider Item 8 **(Pages 63 - 110)**

9. Exclusion of the Public and Press

To consider excluding the public and press representatives from the meeting by virtue of Paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972, as an annex to the report contains information relating to an individual; and Paragraph 2 of Part 1 of Schedule 12A of the Local Government Act 1972 as an annex to the report contains information which is likely to reveal the identity of an individual; and Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as an annex to the report contains information relating to the financial or business affairs of a person; and on all these grounds it is considered the need to keep information exempt outweighs the public interest in disclosing the information:

10. Senior Management Board Remuneration and Performance Review 2015 and Annual Report on the Employee Bonus Scheme

To consider Item 10 (**Pages 111 - 140**)

11. Exclusion of the Public and Press

To consider excluding the public and press representatives from the meeting by virtue of Paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972, as the minutes contains information relating to an individual; and Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as the minutes contains information relating to the financial or business affairs of a person; and on these grounds it is considered the need to keep information exempt outweighs the public interest in disclosing the information:

12. Exempt Minutes

To approve and the Chairman to sign as a correct record the Exempt Minutes of the meeting of the Executive Committee held on 18 November 2015

13. Date of Next Meeting

To note that the next meeting of the Committee will be held on Wednesday 16 March 2016 at 10.00am.

If you have any enquiries about this agenda please contact: Katie Nellist (Democratic Services Officer) – Tel: (01296) 744633 email: knellist@bucksfire.gov.uk

Minutes of the meeting of the EXECUTIVE COMMITTEE of the BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY held on WEDNESDAY 18 November 2015 at 10.00 am

Present: Councillors Busby (Chairman) Dransfield, Gomm, Lambert, Morris, Reed and Schofield

Officers: J Thelwell (Chief Fire Officer), M Osborne (Deputy Chief Fire Officer), G Britten (Director of Legal and Governance), L Swift (Director of People and Organisational Development), D Sutherland (Acting Director of Finance and Assets), M Hemming (Deputy Finance Director), F Mansfield (Human Resources Development Manager), G Smith (Head of Service Delivery), P Holland (Head of Projects and Transformation) J Parsons (Head of Service Development) N Boustred (Head of Training, Learning and Development) G Wylie (Property Manager) and K Nellist (Democratic Services Officer)

Apologies: Councillor Marland.

At the start of the meeting, the Chairman proposed that the meeting observe a minute's silence to commemorate the victims of the Paris attacks on Friday 13 November 2015 and in honour of all those affected including those involved from the emergency services.

The meeting rose and observed a minute's silence

EX21 MINUTES

RESOLVED –

That the Minutes of the meeting of the Executive Committee held on Wednesday 16 September 2015, be approved and signed by the Chairman as a correct record.

EX22 Quarter Two Budget Monitoring Performance and Debt Management April – September 2015

The Committee considered the revenue and capital budget monitoring and debt management performance report for the six months to 30 September 2015. It was reported that managers had positively and proactively controlled spend and forecast an underspend of £1.657m against a revenue budget of £28.7m. Excluding the Statutory Accounting and Contingency items totalling 904k, the overall forecast underspend on operational budgets reduced down to £717k.

RESOLVED –

1. That the budget virements as detailed in Appendix B be authorised.
2. That the latest projected outturn forecast for the Authority as at 30 September 2015 be noted.

EX23

REALIGNMENT OF RESERVE BALANCES TO FACILITATE THE MEDIUM TERM FINANCIAL PLAN

The Acting Director of Finance and Assets advised Members that this report evaluated the on-going requirement for reserves currently held by the Authority; that the total useable reserves as at 31 March 2015 was £15.9M; and that it was essential that the level of reserves was considered in the context of other assets and liabilities, with particular regard given to capital financing requirement (CFR).

The Acting Director of Finance and Assets proposed that a sum of money from balances would be set aside, which would in effect cover the Authority's forward debt and free up the minimum revenue provision, which was currently around £250K per annum (excluding the finance lease element); and that whilst this would make more effective use of the current balances that the Authority holds it was a reversible process if necessary.

It was recommended that usable reserves were realigned and that the balances not immediately required were used to make a voluntary revenue provision to reduce the CFR (excluding finance lease) down to zero.

With reference to his report, the Acting Director of Finance and Assets advised that the National Audit Office had produced a report called 'The Financial Sustainability of Fire and Rescue Services.' The report shows that fire services generally over the last five years are managing, but there was increasing evidence that some fire services were using reserves to balance budgets, which was significant. The report would be available in the Members' Library.

RESOLVED –

1. That the proposed reallocation between reserves detailed in Appendix B be approved.
2. That the use of usable reserves to reduce the capital financing requirement (excluding finance lease) to zero be approved.

EX24

MEMBERS' ALLOWANCES

Members were advised that the Authority was required to adopt a Scheme of Members' Allowances before 1 April each year and, in so doing, have due regard to the recommendations of the Independent Remuneration Panels of the constituent authorities when considering its own Scheme of Members' Allowances and confirm that it has done so when it gives public notice of the Scheme of Allowances.

This report recommended that the Scheme for 2016/17 increase the Members' allowances to the pay award for the National Joint Council (NJC) for Local Authorities' Fire and Rescue Services,

Scheme of Conditions of Service (Grey Book), which was 1% for 2015/16.

RESOLVED –

That the Authority be recommended to adopt the Scheme for Members' Allowances for 2016/17.

EX25 BUSINESS AND SYSTEMS INTEGRATION PROJECT: GOVERNANCE REPORTS ARRANGEMENTS

The Head of Service Development advised Members that on 29 July the Committee had approved the business and systems integration project and this report details the governance arrangements for the project; that the project was sponsored by the Head of Service Development, the Director of People and Organisational Development and the Acting Director of Finance and Assets; and that a Project Manager, Anne-Marie Carter, had been appointed.

The Head of Service Development advised that the Project Manager would report project progress to the sponsors regularly and this was anticipated to be monthly in the first instance; that a formal reporting route through the business transformation board would also be carried out monthly; and that a periodic report would be submitted to the Overview and Audit Committee.

RESOLVED –

That the Overview and Audit Committee be the forum for receiving periodic reports from officers as to the progress of the BASI project.

EX26 PENSION UPDATE

Councillor Lambert declared an interest as a Member of the Buckinghamshire County Council Pension Fund Committee.

The Human Resources Development Manager provided the Committee with an update on the various pension related activities currently being managed by the Authority, and the impact for the Service.

Members were advised that over the last few years the Authority had experienced a significant and unprecedented volume of work on pension related matters, with the level of complexity and administrative burden being met mainly within Human Resources; and that the projects undertaken had created a huge administrative burden and steep learning curve to staff within the Authority.

The Human Resources Development Manager reported that the main lever of change was the result of a review undertaken by Lord Hutton, whose report was published in March 2011, in which it concluded that public service pensions should be, affordable and sustainable, adequate and fair, supporting productivity,

transparent and simple; and that following the recommendations within the Hutton report, all public service pension schemes were reformed and the Public Service Pension Act received Royal Assent in April 2013.

It was reported that the Authority now co-ordinates 5 pension schemes; that all members of the LGPS Scheme transferred into the 2014 scheme on 1 April 2014; that the FPS 2015 was one of the last pension schemes to change and came into effect on 1 April 2015.

It was reported to Members that to introduce the changes to the pension scheme, briefings were held for staff in March 2015 and these were well received; that a breakdown of the numbers affected by the changes to the pension schemes were shown in section 1.4 of the annex to the report; and that the Fire Brigades Union (FBU) had started the process of a legal challenge on the transitional protections in the 2015 pension scheme regulations which was a national issue affecting all fire and rescue authorities and was being dealt with centrally by DCLG.

The Human Resources Development Manager provided an update that the two recommendations from the injury award investigation had been actioned and the Authority was working with Royal Berkshire Fire Authority to secure a new pension administrator and this was currently at the tender process stage; and that it was anticipated to have a new provider procured by the end of December with a cut over of 1 April 2016; and that the Authority was working with Buckinghamshire County Council and the new provider to ensure a smooth transition and that service was not detrimentally affected in the meantime; and that the draft ill health and injury award procedure was currently being reviewed in the region.

RESOLVED –

That the update on pension matters within the Authority be noted.

EX27 EXCLUSION OF PUBLIC AND PRESS

RESOLVED:

That the public and press be excluded from the meeting by virtue of Paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972, as an appendix to the report contains information relating to an individual; and Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as an appendix to the report contains information relating to the financial or business affairs of a person; and on these grounds it was considered the need to keep information exempt outweighs the public interest in disclosing the information, so that the meeting may consider the following matter:

Appointment of Director Finance and Assets (Chief Finance Officer)

The Acting Director of Finance and Assets, Deputy Finance Director, Director of Legal and Governance, Human Resources Development Manager, Head of Service Delivery, Head of Projects and Transformation, Head of Service Development, Head of Training, Learning and Development and the Property Manager left the meeting.

EX28 APPOINTMENT OF DIRECTOR FINANCE AND ASSETS (CHIEF FINANCE OFFICER)

RESOLVED:

1. That David Sutherland be selected as Director Finance and Assets (Chief Finance Officer) to commence in post on 18 November 2015.
2. That the remuneration for the Director Finance and Assets (Chief Finance Officer) as set out in Appendix 2 be approved.

EX29 EXCLUSION OF PUBLIC AND PRESS

RESOLVED:

That the public and press be excluded from the meeting by virtue of Paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972, as the minutes contain information relating to an individual; and on these grounds it was considered the need to keep information exempt outweighs the public interest in disclosing the information, so that the meeting may consider the following matter:

EX30 EXEMPT MINUTES

RESOLVED –

That the Exempt Minutes of the meeting of the Executive Committee held on Wednesday 16 September 2015, be approved and signed by the Chairman as a correct record.

EX31 DATE OF NEXT MEETING

The Committee noted that the date of the next Executive Committee would be held on Wednesday 3 February 2016 at 10.00am.

THE CHAIRMAN CLOSED THE MEETING AT 10.55AM.

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Buckinghamshire & Milton Keynes Fire Authority

MEETING	Executive Committee
DATE OF MEETING	3 February 2016
OFFICER	David Sutherland, Director of Finance and Assets
LEAD MEMBER	Councillor Andy Dransfield
SUBJECT OF THE REPORT	The Prudential Code, Prudential Indicators and Minimum Revenue Provision
EXECUTIVE SUMMARY	<p>This report is being presented as the Prudential Indicators (Appendices A and B) and Minimum Revenue Provision policy statement (Appendix C) are required to be approved by the Fire Authority and to support the Medium Term Financial Plan (MTFP).</p> <p>A review of the Balance Sheet indicates that the Authority is currently in an over-borrowed position. Due to prohibitive penalties the early repayment of borrowing is not an option. The Authority has no plans for additional borrowing in the foreseeable future, according to the current MTFP.</p>
ACTION	Decision.
RECOMMENDATIONS	<p>That the Executive Committee approve the recommendations below for submission to the Fire Authority.</p> <p>That the Authority be recommended to approve:</p> <ol style="list-style-type: none"> 1. the Prudential Indicators; and 2. the Minimum Revenue Provision policy statement
RISK MANAGEMENT	<p>The Prudential Code was established to ensure that capital investment plans are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. The indicators presented here demonstrate that the current plans for capital investment meet these criteria and present an acceptable level of risk to the Authority.</p> <p>Minimum revenue provision is a statutory charge to the General Fund, which ensures that an Authority has sufficient cash balances to repay borrowing upon maturity, reducing the refinancing risk.</p> <p>There are no direct staffing implications.</p>
FINANCIAL	The decision on the prudential indicators sets out the

<p>IMPLICATIONS</p>	<p>financial limits within which the Authority will operate in future years.</p> <p>From 2016/17, the capital financing requirement (CFR) is expected to be lower than our gross borrowing, which relates to a paper submitted to the Executive Committee in November 2015 (see Provenance Section & Background Papers) to make a voluntary revenue provision to reduce our CFR. However, we are unable to repay the borrowing due to the high repayment premiums which effectively prohibit early repayment of debt. Therefore gross borrowing will exceed the CFR for the foreseeable future.</p> <p>The minimum revenue provision is a statutory charge against the General Fund, estimated at £47k for 2016/17.</p>
<p>LEGAL IMPLICATIONS</p>	<p>The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, SI 2003/3146 make provision for capital finance and accounts under the Local Government Act 2003 requiring the authority to have regard to the 'Prudential Code for Capital Finance in Local Authorities' when determining, under the Local Government 2003 Act, how much money it can afford to borrow; and require the Authority to determine for the current financial year an amount of minimum revenue provision which it considers to be prudent.</p>
<p>CONSISTENCY WITH THE PRINCIPLES OF COLLABORATION</p>	<p>No direct impact.</p>
<p>HEALTH AND SAFETY</p>	<p>No direct impact.</p>
<p>EQUALITY AND DIVERSITY</p>	<p>No direct impact.</p>
<p>USE OF RESOURCES</p>	<p>The impact of the Prudential Code will allow the Authority to make informed choices between revenue and capital financing of procured services, to encourage invest to save schemes and will only allow capital investment to proceed where the Authority can fund projects within prudential limits.</p> <p>Making sufficient minimum revenue provision ensures that when borrowing matures, cash is available to make the repayment. This ensures that the Authority does not need to borrow additional money to repay existing loans.</p>
<p>PROVENANCE SECTION & BACKGROUND PAPERS</p>	<p>Background</p> <p>Realignment of Reserve Balances to Facilitate the Medium Term Financial Plan, Executive Committee, 18</p>

	<p>November 2015:</p> <p>http://bucksfire.gov.uk/files/7314/4612/0201/ITEM_6_.Reserve_Balances_Update_Post_Pre-Brief.pdf</p>
APPENDICES	<ul style="list-style-type: none"> • Appendix A – Prudential Indicators • Appendix B – Summary Table of Prudential Indicators • Appendix C – Minimum Revenue Provision Policy Statement
TIME REQUIRED	10 minutes.
REPORT ORIGINATOR AND CONTACT	<p>Asif Hussain</p> <p>Ahussain@bucksfire.gov.uk</p> <p>01296 744421</p>

Appendix A – Prudential Indicators

1.0 Indicators for Affordability

1.1 The ratio of financing costs to net revenue stream

This indicator measures the percentage of the net revenue funding used to finance external debt. The spike in 2015/16 relates to the decision to reallocate reserves to reduce the capital financing requirement (excluding finance lease) to zero. As no future borrowing is planned it will remain consistently low from 2016/17 onwards:

Indicator	Actual 2014/15	Projected 2015/16	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19
Ratio of financing costs to net revenue stream	2.0%	24.1%	0.8%	0.8%	0.7%

1.2 The incremental impact of capital investment decisions on the council tax

This indicator measures the impact of any additional (or reduction in) financing costs on the council tax.

Indicator	Actual 2014/15	Projected 2015/16	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19
The incremental impact of capital investment decisions on the council tax	-£0.04	-£0.05	-£0.90	£0.00	£0.00

2.0 Indicators for Prudence

2.1 Gross borrowing and the Capital Financing Requirement

The table below shows gross borrowing and the capital financing requirement (CFR). The Authority should ensure that gross borrowing does not, except in the short term, exceed the CFR. However, due to the reallocation of reserves to reduce the CFR (excluding finance lease) to zero (see Provenance Section & Background Papers) gross borrowing will exceed CFR for the medium to long-term. This situation will exist until borrowing is repaid. Due to early repayment premiums it is prohibitively expensive to make any early repayments at the current time.

Gross borrowing will reduce to £7.750m due to a scheduled repayment of £515k in March 2016. A further £368k will be repaid on maturity in May 2016. The figures shown below indicate the maximum level of borrowing during the year (i.e. repayments will reduce the limit for the following year):

Indicator	Actual 2014/15	Projected 2015/16	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19
Gross borrowing (£000)	8,265	8,265	7,750	7,382	7,382
Capital financing requirement (£000)	8,346	1,826	1,779	1,732	1,685

3.0 Indicators for Capital Expenditure

3.1 Capital Expenditure

This indicator shows the expected level of capital expenditure for future years:

Indicator	Actual 2014/15	Projected 2015/16	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19
Capital expenditure (£000)	1,406	8,577	3,197	1,600	1,600

3.2 Capital Financing Requirement (CFR)

The CFR reflects the Authority's underlying need to borrow. This figure was reduced down to the level of the finance lease by the reallocation of reserves (see Provenance Section & Background Papers). No additional borrowing is planned in the medium term. The CFR should be looked at in relation to gross borrowing, as detailed in Section 2.1:

Indicator	Actual 2014/15	Projected 2015/16	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19
Capital financing requirement (underlying need to borrow for a capital purpose) (£000)	8,346	1,826	1,779	1,732	1,685

4.0 Indicators for External Debt

4.1 Authorised Limit

This is the maximum limit on borrowing and other long-term liabilities (currently limited to the finance lease at Gerrards Cross). This amount cannot be exceeded without approval from the Fire Authority:

Indicator	Actual 2014/15	Projected 2015/16	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19
Authorised limit for borrowing (£000)	8,265	8,265	7,750	7,382	7,382
Authorised limit for other long-term liabilities (£000)	1,873	1,826	1,779	1,732	1,685
Authorised limit for external debt (£000)	10,138	10,091	9,529	9,114	9,067

4.2 Operational Boundary

This indicator shows the most likely estimate of debt for future years:

Indicator	Actual 2014/15	Projected 2015/16	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19
Operational boundary for borrowing (£000)	8,265	8,265	7,750	7,382	7,382
Operational boundary for other long-term liabilities (£000)	1,873	1,826	1,779	1,732	1,685
Operational boundary for external debt (£000)	10,138	10,091	9,529	9,114	9,067

The actual external debt for the year ending 31 March 2015 was **£10.091m**.

5.0 Indicators for Treasury Management

5.1 Adoption of CIPFA's Treasury Management in the Public Services: Code of Practice and Cross-Sectorial Guidance Notes

The aim is to ensure that treasury management is led by a clear and integrated forward treasury management strategy, and a recognition of the pre-existing structure of the Authority's borrowing and investment portfolios.

5.2 Upper limit on fixed interest rate exposures

This indicator shows the Authority's upper limit of the net exposure to fixed interest rates. Currently all borrowing is at a fixed rate of interest:

Indicator	Actual 2014/15	Projected 2015/16	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19
Upper limit on fixed interest rate exposures	100%	100%	100%	100%	100%

5.3 Upper limit on variable interest rate exposures

This indicator shows the Authority's upper limit of the net exposure to variable interest rates:

Indicator	Actual 2014/15	Projected 2015/16	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19
Upper limit on variable interest rate exposures	20%	20%	20%	20%	20%

5.4 Maturity structure of fixed rate borrowing

This shows the repayment profile of fixed rate borrowing. All loans are repayable on maturity:

Indicator	Actual 2014/15	Projected 2015/16		Estimate 2016/17		Estimate 2017/18		Estimate 2018/19	
	Actual Maturity	Lower Limit	Upper Limit	Lower Limit	Upper Limit	Lower Limit	Upper Limit	Lower Limit	Upper Limit
Under 12 months	0%	0%	6%	0%	5 %	0%	0 %	0%	8%
12 months and within 24 months	6%	0%	4%	0%	0%	0%	8%	0%	0%
24 months and within five years	12%	0%	7%	0%	8%	0%	0%	0%	8%
five years and within 10 years	20%	0%	20%	0%	21%	0%	22%	0%	27%
10 years and within 20 years	28%	0%	29%	0%	31%	0%	32%	0%	19%
20 years and within 30 years	0%	0%	0%	0%	0%	0%	0%	0%	0%
30 years and within 40 years	26%	0%	26%	0%	35%	0%	38%	0%	38%
40 years and above	8%	0%	8%	0%	0%	0%	0%	0%	0%

5.5 Total principal sums invested for periods longer than 364 days

The purpose of this indicator is for the Authority to contain its exposure to the possibility of loss that might arise as a result of its having to seek early repayment or redemption of principal sums invested. The Authority may seek to invest for periods longer than 364 days with other Local Authorities. This will be kept under review in light of economic conditions and advice from treasury management advisors:

Indicator	Actual 2014/15	Projected 2015/16	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19
Total principal sums invested for periods longer than 364 days (£000)	0	0	2,000 (max)	2,000 (max)	2,000 (max)

5.6 Credit Risk

The duration of any investment with a counterparty will be restricted as advised by our treasury management advisors. The advisors will base their assessment of credit risk based on credit ratings provided by the major agencies, as well as reviewing credit default swaps (a proxy measure for the markets perceived risk of default).

Appendix B – Summary Table of Prudential Indicators

For reference, the following table summarises the key indicators detailed in Appendix A in a single table:

	Indicator	Actual 2014/15	Projected 2015/16	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19
Indicators for Affordability						
1.1	Ratio of financing costs to net revenue stream	2.0%	24.1%	0.8%	0.8%	0.7%
1.2	The incremental impact of capital investment decisions on the council tax	-£0.04	-£0.05	-£0.90	£0.00	£0.00
Indicators for Prudence						
2.1	Gross borrowing (£000)	8,265	8,265	7,750	7,382	7,382
Indicators for Capital Expenditure						
3.1	Capital expenditure (£000)	1,406	8,577	3,197	1,600	1,600
3.2	Capital financing requirement (£000)	8,346	1,826	1,779	1,732	1,685
Indicators for External Debt						
4.1	Authorised limit for external debt (£000)	10,138	10,091	9,529	9,114	9,067
4.2	Operational boundary for external debt (£000)	10,138	10,091	9,529	9,114	9,067
Indicators for Treasury Management						
5.2	Upper limit on fixed interest rate exposures	100%	100%	100%	100%	100%
5.3	Upper limit on variable interest rate exposures	20%	20%	20%	20%	20%
5.5	Total principal sums invested for periods longer than 364 days (£000)	0	0	2,000 (max)	2,000 (max)	2,000 (max)

The actual external debt for the year ending 31 March 2015 was £10.091m. The projected external debt for the year ending 31 March 2016 is £9.529m (both figures include the finance lease liability).

The following indicators are not shown above:

- 5.1 – the Authority has adopted CIPFA’s Treasury Management Code for 2015/16
- 5.4 – details of the maturity structure of fixed rate borrowing (see Appendix A)
- 5.6 – narrative regarding credit risk (see Appendix A)

Appendix C – Minimum Revenue Provision (MRP) Policy Statement

The two methods for calculating prudent provision are set out below and were approved by members in 2008/09. Regulation 28 of the 2003 Regulations (as amended by regulation 4 of the 2008 Regulations) requires a local authority to calculate for the current financial year an amount of MRP which it considers to be prudent. The Secretary of State recommends that, for the purposes of regulation 4 the prudent amount of provision should be determined in accordance with one of four options, two of which were agreed by members in 2008/09 and are outlined below.

The broad aim of prudent provision is to ensure that debt is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits (asset life).

(a) CFR Method

MRP is equal to 4% of the Capital Financing Requirement (CFR) at the end of the preceding financial years. Since the CFR (excluding finance lease) is now at zero, this method is no longer applicable (for finance leases, the MRP requirement is regarded as met by a charge equal to the element of the rent that goes to write down the Balance Sheet liability).

(b) Asset Life Method

Since 1 April 2008, where capital expenditure on an asset is financed wholly or partly by borrowing or credit arrangements, MRP is to be determined by reference to the life of the asset, based on an equal instalment method. This amount is projected to be nil for 2016/17.

Where assets have been purchased utilising Capital grants or Revenue Contributions no MRP calculation is required. Only assets purchased utilising borrowing require an MRP charge.

The asset life method calculation requires estimated useful lives of assets to be input in to the calculations. These life periods will be determined by the Director of Finance and Assets & Treasurer, with regard to the statutory guidance and advice from professional valuers.

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Buckinghamshire & Milton Keynes Fire Authority



MEETING	Executive Committee
DATE OF MEETING	3 February 2016
OFFICER	David Sutherland, Director of Finance and Assets
LEAD MEMBER	Councillor Andy Dransfield
SUBJECT OF THE REPORT	Medium Term Financial Plan (MTFP) 2016/17 to 2019/20
EXECUTIVE SUMMARY	<p>The main report (Annex A) presents the proposed revenue and capital Medium Term Financial Plan (MTFP) for the financial years 2016/17 to 2019/20.</p> <p>The provisional settlement was announced on 17 December 2015 and is included in the funding assumptions. Final confirmation is expected in February 2016.</p> <p>Key assumptions are detailed in section 4.5 of Annex A and are based on information received to date.</p> <p>Appendix 1 shows the base budget for 2015/16 with adjustments made for savings and growth to give the position for each future year. The savings and growth lines match the totals for those bids scrutinised by officers, Strategic Management Board and the Chair and Vice Chair of the Authority, the Chair of the Overview and Audit Committee and the Lead Member for Resources at the challenge sessions held on 26 October 2015 and 12 January 2015.</p> <p>Appendix 2 shows the latest summary of the capital programme for 2016/17 and approved schemes for the following three years.</p> <p>Appendix 3 provides further detail on the level of council tax chargeable for each band if the Authority accepts the recommendation to increase the band D equivalent amount by 1.98%.</p>
ACTION	Decision.
RECOMMENDATIONS	<p>It is recommended that the Authority be recommended to:</p> <ol style="list-style-type: none"> 1. Note and have due regard to the report and Statement of the Chief Finance Officer (see section 8 of Annex A). 2. Approve a Council Tax precept of £59.70 for a band D equivalent property (a 1.98% increase from 2015/16 - equal to 2.2p per week) and the

	<p>revenue budget as set out in Appendix 1.</p> <p>3. Approve the capital programme as set out in Appendix 2.</p>
RISK MANAGEMENT	<p>Management of our Financial resources is a key risk to the Authority. By projecting forward and monitoring our financial plans, we are in a better position to avoid and mitigate the risk of adverse financial consequences.</p>
FINANCIAL IMPLICATIONS	<p>All financial implications are shown in the main body of the report.</p>
LEGAL IMPLICATIONS	<p>The Local Government Act 2003 gives the responsible finance officer, namely the Chief Finance Officer of the Combined Fire Authority under s112 of the Local Government Finance Act 1988, the responsibility to report to Members of the Authority on their assessment of the robustness of the estimates used within the budget and on the adequacy of reserves.</p> <p>Members must take account of the advice of the Chief Finance Officer in respect of the above and the highlighted associated risks before considering the recommendations as set out in the report.</p>
CONSISTENCY WITH THE PRINCIPLES OF COLLABORATION	<p>No direct impact.</p>
HEALTH AND SAFETY	<p>No direct impact.</p>
EQUALITY AND DIVERSITY	<p>No direct impact.</p>
USE OF RESOURCES	<p>The Medium Term Financial Plan, including capital and revenue budgets, identifies the financial resources required projected into the future based on the delivery of specific aims and objectives of the Authority as set out in the Public Safety Plan (PSP). Members, Senior Management Board and many staff have been involved in agreeing priorities and the budget setting process over the preceding months.</p>
PROVENANCE SECTION & BACKGROUND PAPERS	<p>Background</p> <p>Realignment of Reserve Balances to Facilitate the Medium Term Financial Plan, Executive Committee, 18 November 2015:</p> <p>http://bucksfire.gov.uk/files/7314/4612/0201/ITEM_6_.Reserve_Balances_Update_Post_Pre-Brief.pdf</p>

APPENDICES	Annex A – Medium Term Financial Plan 2016/17 to 2019/20 Appendix 1 – MTFP Budget Models Appendix 2 – Capital Programme Summary Appendix 3 – Council Tax Funding
TIME REQUIRED	30 minutes
REPORT ORIGINATOR AND CONTACT	Mark Hemming mhemming@bucksfire.gov.uk 01296 744687

Annex A – Medium Term Financial Plan (MTFP) 2016/17 to 2019/20

1. Introduction

- 1.1. The purpose of this report is to present the proposed revenue and capital Medium Term Financial Plan (MTFP) 2016/17 to 2019/20.
- 1.2. The MTFP is closely linked to the Public Safety Plan (PSP) and Corporate Plan. The PSP sets out our strategic approach to the management of risk in the communities we serve. The Corporate Plan sets out how we intend to equip and develop our organisation and its people to meet the challenges that we face. The MTFP details the resources available to facilitate these plans and how the plans contribute to reducing future operating costs.
- 1.3. As part of the Fire Authority's Terms of Reference and MTFP, the Authority reviews and sets a balanced budget each year in line with corporate priorities. The MTFP is expressed as a detailed annual budget for the first year, with outline indicative budgets for the following three years.
- 1.4. Under Section 25 of the Local Government Act 2003 the Chief Finance Officer (as S.112 Chief Finance Officer of the Local Government Finance Act 1988) is required to report to Members on:
 - The robustness of the estimates made for the purposes of the calculations of the budget
 - The adequacy of the proposed financial reserves
- 1.5. The Local Government Act 2003 requires that Members have regard to the report in making their decisions (see section 8).
- 1.6. Section 42A of the Local Government Finance Act 1992 also requires the Authority to have regard to the level of reserves for meeting estimated future expenditure when calculating the net budget requirement.

2. Local Government Finance Settlement 2015/16

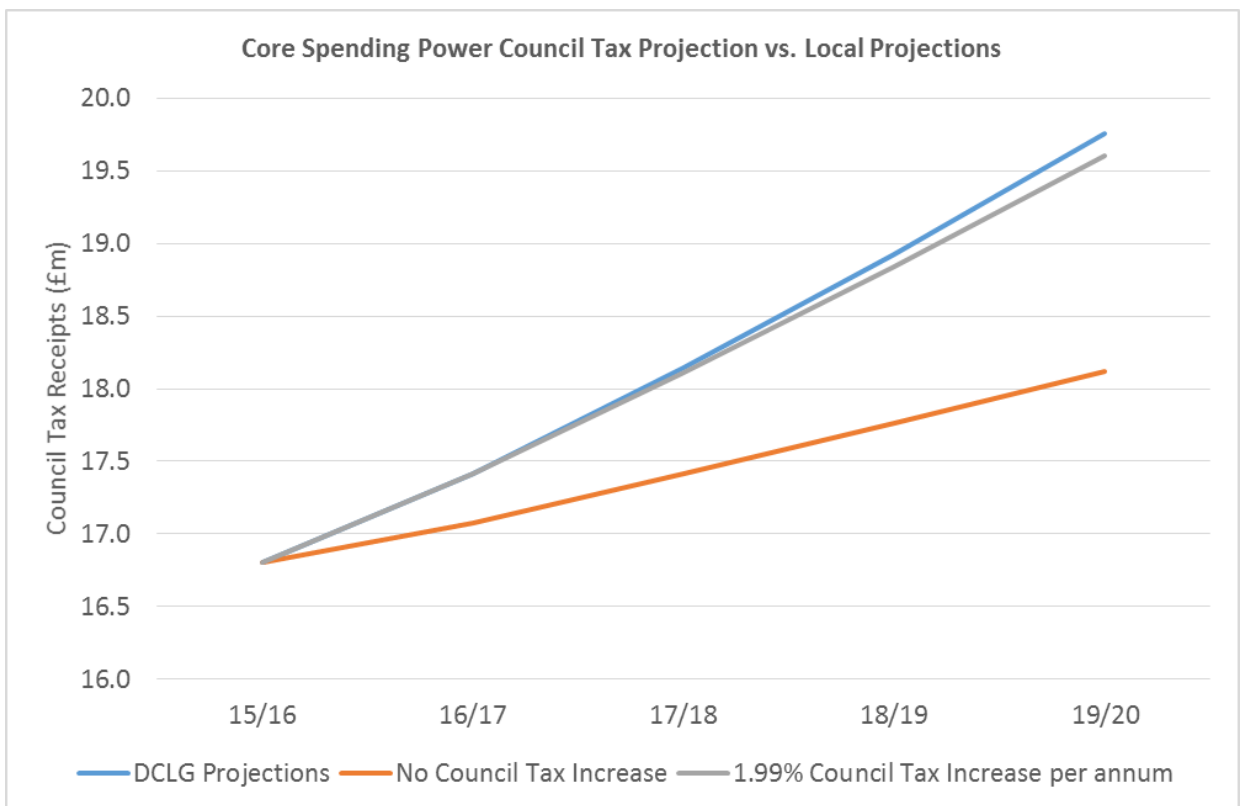
- 2.1. The settlement announcement set out some important shifts in the Government's principles. Most noticeably, there has been a shift away from freezing council tax to using council tax to generate additional funding.
- 2.2. As part of the announcement, the Government published headline changes in core spending power between 2015/16 and 2019/20 for every authority. The headline change for BMKFA for was an increase of 1.2%.
- 2.3. However, this headline increase is based on two fundamental assumptions
 - That the average growth in council tax base between 2013-14 and 2015-16 will continue until 2019-20
 - That authorities will increase their Band D council tax in line with the forecast for inflation each year, which is an annual average increase of 1.75%
- 2.4. Underlying the core spending power figures is a decrease of 57% in revenue support grant that we receive between 2015/16 and 2019/20.
- 2.5. The Government also announced its commitment to a longer term settlement and will offer any authority that wishes to take it up a four-year funding

settlement to 2019-20. This requires the authority to produce an efficiency plan, although the detailed requirements of this are yet to be announced. It is also not clear at this stage how this four-year settlement will be affected by potential reductions to fire specific grants.

- 2.6. The announcement also stated that by the end of the Parliament local government will retain 100% of business rate revenues to fund local services.
- 2.7. For the purposes of the MTFP it is assumed that this will simply shift the balance of funding between government funding and business rates, although no detail of this policy has been announced and it does present a transfer of risk from central to local government.

3. Council Tax and Business Rates

- 3.1. In publicly declaring core spending power figures, the Government has clearly set an expectation that local authorities will increase council tax every year during the current spending review period.
- 3.2. The chart below shows the council tax receipts assumed for BMKFA in the Government’s core spending power figures versus the amounts receivable from a council tax freeze each year and a 1.99% increase each year:



- 3.3. The cumulative difference between a 1.99% annual increase and holding council tax at its current level over the four year period is £3.6m. It is also important to consider that all the Public Safety Plan objectives up to 2020 are assumed to be met as part of the financial planning.
- 3.4. The Authority has taken a responsible approach and frozen council tax in every year from 2010/11 to 2014/15 and decreased it by 1% in 2015/16. This was despite having the option to increase council tax by up to £5.00 (equivalent to an 8.46% rise) in 2013/14 without the need to undertake a local referendum.

- 3.5. Although all previous council tax freeze grants (for 11/12, 13/14, 14/15 and 15/16) will be maintained, the Government has withdrawn the offer of freeze grants for all future years.
- 3.6. There is no change in the referendum threshold from previous years, which continues to be 2%.
- 3.7. The Authority currently sets a band D equivalent precept of £58.54 per annum (approx. £1.12 per week). This is significantly below the national average and is the lowest precept of any combined fire authority.
- 3.8. Council tax chargeable for each band should the Authority resolve to increase the band D equivalent amount by 1.98% is shown in Appendix 3.
- 3.9. For the year 2016/17, BMKFA has agreed to enter into a Buckinghamshire business rates pool. This allows more rates to be retained locally and is estimated to be worth around £164k to the Authority. However, the longevity of this pool is subject to local agreement, and is dissolved if one participant decides to withdraw. It may also be curtailed early subject to Government announcements on the move to retaining 100% of business rates locally.

4. Risk Factors in Budget Assumptions

- 4.1. The budget proposed for 2016/17 at Appendix 1 has been compiled by looking in detail at current spending and future plans. Savings opportunities and growth bids compared to last year's budget have been identified and subjected to senior officer and Member challenge. As far as possible, bids and savings have been matched to the priorities outlined in the corporate plan.
- 4.2. At the time of writing there is no information available on the continuation or otherwise of USAR grant. The Authority received a letter in early December, informing us that the Incident Response Unit (IRU) was being withdrawn from service at the end of the month. This and other informal information means that we are currently anticipating the USAR grant to be withdrawn in full over the medium term. A verbal update will be provided as part of the consideration of Appendix 1.
- 4.3. Indicative figures for council tax bases and surpluses on council tax funds have so far been received from four out of the five billing authorities. There is a risk that growth in the council tax base throughout the county may fall short of those assumed in the model.
- 4.4. Savings and growth bids (including the impacts of those submitted in previous years) which have been subjected to challenge are included for 2016/17 and the base adjusted. The savings figures include (amongst others) all reductions in staff numbers in line with the Public Safety Plan and workforce plan, savings from utilising the transformation funding relating to Milton Keynes and the reduction in the level of contingency. Other risks which have been identified are to be covered from the general reserves and the remaining contingency.
- 4.5. The forecast underspend for 2015/16 as at the end of quarter 2 was £1.7m. Statutory accounting and contingency accounted for £0.9m of this amount. Provisional forecasts for Q3 reduce the forecast underspend slightly to £1.3m, of which £0.9m still relates to statutory accounting and contingency.

- 4.6. The detailed costings are based on the updated budget requirement including the annual uplift assumptions below:

	2016/17	2017/18	2018/19	2019/20
Pay inflation	1%	1%	1%	1%
RPI	0.8%	2%	3%	3%
CPI	1.75%	1.75%	1.75%	1.75%
Council tax base	1.6%	2%	2%	2%
Business tax base	0.75%	0.75%	0.75%	0.75%

5. Capital

- 5.1. The revenue impact of the capital programme has been factored into the base revenue budget requirement. This includes an annual revenue contribution to capital of £1.9m.
- 5.2. The table at Appendix 2 details the approved capital programme for 2015/16, the estimated provisional outturn position and any proposed slippage to the programme. Any slippage is then added to the new budget requests for 2016/17 to give a total capital budget requirement of £8.5m for 2016/17.
- 5.3. The Authority should also take cognisance of the prudential indicators when approving the capital programme (submitted as a separate paper at this meeting).

6. Scrutiny and Challenge Process

- 6.1. All budget changes have been determined based on a series of challenge panels held by officers and then by the Chair and Vice Chair of the Authority, the Chair of the Overview and Audit Committee and the Lead Member for Resources during the MTFP process.

7. Adequacy of Reserves

- 7.1. A paper ensuring the adequacy of reserves to support the MTFP was approved by the Executive Committee at its meeting on 18 November 2015 ([http://bucksfire.gov.uk/files/7314/4612/0201/ITEM 6 . Reserve Balances - Update Post Pre-Brief.pdf](http://bucksfire.gov.uk/files/7314/4612/0201/ITEM_6_._Reserve_Balances_-_Update_Post_Pre-Brief.pdf)).
- 7.2. The forecast balances and reserves at year-end contained within that paper were:
- General Fund Balance - £2.0m
 - Earmarked Reserves - £1.75m
 - Capital Reserves - £3.4m
- 7.3. There have been no subsequent events that require the level of reserves determined at that time to be adjusted at present.

8. Statement of the Chief Finance Officer

8.1. The purpose of this statement is to comply with the requirements of the Local Government Act 2003 whereby the Chief Finance Officer, in the Fire Authority's case the Director of Finance and Assets and Chief Finance Officer, must report on:

- The robustness of the estimates made for the purposes of the calculations of the budget and;
- The adequacy of the proposed financial reserves;
- In recommending the budget to the Authority, Members must take the advice of the Chief Finance Officer in respect of the above and the associated risks as highlighted within the report.

8.2. Given the level of the General Fund Balance and earmarked reserves available, the prudent approach to the budget setting process for the next financial year and the tighter controls introduced for budget management, it is my conclusion as Chief Finance Officer for the Authority that there is sufficient capacity in the reserves to cope with the financial risks the Authority faces for 2016/17 and future years and that the methodology applied provides the necessary assurance to the Authority about the robustness of the estimates used in constructing the budget.

Appendix 1 – MTFP Models

The two alternative models below show the difference between council tax increases of close to 1.99% every year as opposed to freezing the council tax every year. The models are based on the assumptions detailed in Section 4.5 and all growth and savings bids have been subjected to officer and Member scrutiny as detailed in section 6.1. It is assumed that the USAR grant will decrease to zero by 2019/20 in equal amounts each year. This assumption is being kept under review and a verbal update will be provided at the meeting. It should also be noted that the figures for council tax and business rates are provisional. The statutory deadline for the billing authorities to provide this information to the Authority is 31 January. Any changes to the figures will be notified at the meeting.

Council tax increase of 1.99% every year

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Base Budget	28,386	27,431	27,796	27,723	27,116
Contingency	1,309	1,309	640	640	640
Reduction in Contingency	0	-669	0	0	0
Pay Adjustment	213	565	222	224	204
Inflation Adjustment	88	90	103	88	86
Net Growth/(Savings)	-1,256	-290	-398	-919	-20
Net Budget Requirement	28,740	28,436	28,363	27,756	28,026
Revenue Support Grant	-5,170	-4,420	-3,240	-2,630	-2,290
Business Rates	-5,158	-5,300	-5,435	-5,627	-5,837
Council Tax Receipts Surplus/Deficit	-329	-225	0	0	0
Council Tax Freeze Grant (15/16) then NNDR Pooling (16/17)	-182	-164	0	0	0
Fire Specific Grants (USAR/Firelink)	-1,099	-883	-667	-451	-235
Council Tax Receipts	-16,802	-17,414	-18,117	-18,846	-19,607
Total Funding Available	-28,740	-28,407	-27,459	-27,554	-27,969
Shortfall for year	0	29	904	202	57
Cumulative savings requirement	0	29	934	1,136	1,193

Council tax freeze every year

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Base Budget	28,386	27,431	27,796	27,723	27,116
Contingency	1,309	1,309	640	640	640
Reduction in Contingency	0	-669	0	0	0
Pay Adjustment	213	565	222	224	204
Inflation Adjustment	88	90	103	88	86
Net Growth/(Savings)	-1,256	-290	-398	-919	-20
Net Budget Requirement	28,740	28,436	28,363	27,756	28,026
Revenue Support Grant	-5,170	-4,420	-3,240	-2,630	-2,290
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Council Tax Receipts Surplus/Deficit	-329	-225	0	0	0
Council Tax Freeze Grant (15/16) then NNDR Pooling (16/17)	-182	-164	0	0	0
Fire Specific Grants (USAR/Firelink)	-1,099	-883	-667	-451	-235
Council Tax Receipts	-16,802	-17,076	-17,417	-17,766	-18,121
Total Funding Available	-28,740	-28,069	-26,759	-26,474	-26,483
Shortfall for year	0	367	1,604	1,282	1,543
Cumulative savings requirement	0	367	1,972	3,254	4,797

The difference between the cumulative savings requirements in the two models is **£3.6m**.

Appendix 2 – Capital Programme

The table below summarises the capital programme from 2015/16 through to 2019/20. The in-year funding for 2015/16 includes not only the revenue contribution to capital, but also the transformation funding, partner contribution and reallocation of some revenue reserve balances to capital as approved by the Executive Committee in November 2015:

Capital Programme Summary	Approved Budget 2015/16 £000	Provisional Outturn 2015/16 £000	Slippage 2015/16 £000	New Budget Requests 2016/17 £000	Total Budget Requirement 2016/17 £000	New Budget Requests 2017/18 £000	New Budget Requests 2018/19 £000	New Budget Requests 2019/20 £000
Property	1,744	618	977	500	1,477	0	0	0
Fire Appliances and Equipment	1,444	1,530	0	2,626	2,626	641	641	646
Support	673	524	30	110	140	87	87	87
Control Room Project	800	800	0	0	0	0	0	0
Milton Keynes Transformation Bid	4,448	175	4,273	0	4,273	0	0	0
Total Expenditure	9,109	3,647	5,280	3,236	8,516	728	728	733
Funding b/fwd		-5,031			-8,849	-3,516	-4,725	-5,934
In year funding		-7,465			-3,183	-1,937	-1,937	-1,937
Funding (Available)/Deficit		-8,849			-3,516	-4,725	-5,934	-7,138

Appendix 3 – Council Tax Rates

Although the projected headline increase in the model is 1.99%, the actual percentage increase (to two decimal places) would be 1.98% in 2016/17. This is due to the effect of rounding on small numbers.

If the band D equivalent council tax were increased by 1.98% for 2016/17, the following rates would apply to properties in each band:

Bands	Proportion of Band D Charge	Per Week (£)	Per Month (£)	Per Year (£)
A	6/9	0.76	3.32	39.80
B	7/9	0.89	3.87	46.43
C	8/9	1.02	4.42	53.07
D	9/9	1.14	4.98	59.70
E	11/9	1.40	6.08	72.97
F	13/9	1.65	7.19	86.23
G	15/9	1.91	8.29	99.50
H	18/9	2.29	9.95	119.40

This would represent an annual increase of 77p per annum on a band A, £1.16 per annum on a band D and £2.32 per annum on a band H property.



Buckinghamshire & Milton Keynes Fire Authority

MEETING	Executive Committee
DATE OF MEETING	3 February 2016
OFFICER	Julian Parsons, Head of Service Development
LEAD MEMBER	Councillor Andy Dransfield
SUBJECT OF THE REPORT	Emergency Service Mobile Communications Programme (ESMCP)
EXECUTIVE SUMMARY	<p>The Fire Authority received a briefing paper on this programme at its 10 June 2015 meeting. Since then the central programme team from HM Government have undertaken a protracted tendering process. The following contracts have subsequently been awarded for delivering ESMCP:</p> <ul style="list-style-type: none"> • KBR (formerly Kellogg, Brown, Root) - Delivery Partners; • Motorola - Devices provider; • EE - Network provider. <p>Further detail regarding these contract awards can be found in Section 3b of Appendix B.</p> <p>Since the awarding of the contracts a further document called the 'Fire and Rescue Authorities Financial Information and Sign Off Pack', has been circulated. This details the business case for the programme nationally and invites this Authority to sign up to the programme by the 25 March 2016.</p> <p>The document is clear that no authority will be mandated to sign up to the ESMCP but strongly recommends each authority does so. This document also details the risks to any organisation that chooses not to do so.</p> <p>The document provides indicative individual costs of transition for this Authority with a commitment to producing more detail during the first half of 2016.</p> <p>After careful consideration of the risks and opportunities, the decision was made at the Senior Management Board on 12 January 2015 to commit to the project formally.</p>
ACTION	Information.
RECOMMENDATIONS	To note the contents of the report.

<p>RISK MANAGEMENT</p>	<p>To supplement the identified risks and control measures within the programme and to ensure we consider risks to the Service, the programme has been added to the Service Development Risk Register. A Risk Register will also be maintained by the South Central Transition Group.</p> <p>BMKFA does have the option not to sign up to ESMCP. In not doing so the Service would potentially be at severe disadvantage for the following reasons.</p> <ol style="list-style-type: none">1. The Service would not be able to take advantage of the potential for fully integrated communications with other blue light services. This is becoming operationally more significant and is a key principle of the national Joint Emergency Service Interoperability Programme (JESIP).2. Our TVFCS partners will be committing to ESMCP. By us not signing up would jeopardise our current partnership arrangements and would in all likelihood mean we would have to break away from TVFCS and establish our own control.3. We would have to separately procure our own network solution and devices for emergency communications. It would in all likelihood be considerably more expensive and not necessarily enjoy the same coverage, and very importantly, be potentially less resilient than that provided by ESMCP. It would also not attract any of the grant funding available through ESMCP.4. There is no option to continue the Airwave contract as an individual service. The future of Airwave as a company is also unknown as they have been recently purchased by Motorola who have won the ESMCP contract for device provision. <p>The risks and alternatives are further detailed in section B of the document in Appendix A.</p> <p>By agreeing to commit to the ESMCP project BMKFA will be able to take advantage of the technological developments offered and the associated grant funding.</p> <p>In addition to the risks highlighted in the Sign Off Pack, Officers have identified the following potential risks.</p> <ol style="list-style-type: none">1. Reduction in scheme coverage compared to that currently enjoyed by Airwave. The Service has been provided assurances that the coverage will be at least the same as that
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	<p>enjoyed under Airwave and EE have committed to a national project of upgrading 4G coverage. Our understanding is that there would be no obligation to transition unless we are satisfied with our coverage.</p> <ol style="list-style-type: none"> 2. TVFCS 'buddy control' is North Yorkshire. They are schedule to transition to the new system approximately six months after us. We would seek assurances that North Yorkshire would be able to undertake their back up duties before completing transition. It is our current understanding that much of this work will take place during our transition phase, therefore negating this risk. 3. TVFCS is currently Public Service Network (PSN) compliant which satisfies the security needs of upgrading to ESCMP. There is a risk that the programme team may decide that our complete network will need to be PSN compliant too. In order to achieve this a significant amount of increased ICT security provisions will be required. This will have cost (circa £80K), resource and operating implications. At time of authoring the decision has not been made in relation to this requirement and any associated funding. This effects every service involved in ESMCP to a greater or lesser degree.
<p>FINANCIAL IMPLICATIONS</p>	<p>During transition BMKFA will still be expected to pay the costs of the current Firelink system but will continue to receive the associated New Burdens Grant.</p> <p>An initial analysis of the indicative figures presented in the document are difficult to challenge as there is little detail in how they have arrived at them. At first look they seem to be reasonable. The costings for the device refresh may be optimistic as it is possible the replacement devices may be closer to existing mobile phones. Our experience is these need replacing every two to three years and this document seems to suggest a five year programme.</p> <p>It is also unclear what the post transition support arrangements will be for ESMCP. Currently we receive direct support for Firelink at no cost for network and devices. The position post transition is unknown and there may be associated costs for device support.</p> <p>At the point BMKFA transfers over to the new system it will be expected to meet the associated costs. These are anticipated to be less than what we currently pay. The indicative savings are in table 5 of Appendix A.</p> <p>DCLG have committed to provide funding through Section 31 Grants as follows:</p> <ul style="list-style-type: none"> • Local Transition Support. To cover the costs

	<p>of project management, training etc. A collaborative approach is encouraged and this is detailed in the section on collaboration below.</p> <ul style="list-style-type: none"> • Control rooms and Public Services Network (PSN). To cover the costs of upgrading control rooms to the new system. • Vehicle Installations. This will be based on the number of fire appliances on a proportional basis for each authority. • Devices. The funding will be based on the cost of replacing existing devices. This funding will only be available during the transition phase and further equipment refreshes will have to be met from the Service's own budget. Any device purchases above and beyond current numbers or capacity would also have to be funded from the Service's own budget. The Service may want to consider doing so once the types of equipment and capabilities are fully understood and any operational benefits assessed. • Regional Implementation Manager. CLG will directly fund 10 regional implementation managers to coordinate and monitor the transition in FRSs. <p>There is still some uncertainty as to the mechanisms around the refunding of Services through the Section 31. It is anticipated that some of the local transition costs for staff may be paid in advance. The refunding of costs incurred in the purchase of devices and equipment fitting is likely to be after expenditure has been incurred. This can be catered for in our normal accounting provisions.</p>
<p>LEGAL IMPLICATIONS</p>	<p>The provision of Fire Communication systems is the legal responsibility of each individual FRA. HM Government is not currently mandating each authority to sign up to ESMCP but it strongly recommends we do so from the financial and operational perspectives. It is anticipated that every blue light authority is likely to sign up to ESMCP as not to do so would leave that service operationally exposed by being at a disadvantage to have integrated communications with other services. This disadvantage may be further exacerbated if a duty to collaborate is passed into law, subsequent to the recent consultation on closer working of emergency services.</p>
<p>CONSISTENCY WITH THE PRINCIPLES OF COLLABORATION</p>	<p>BMKFA is currently an active participant in the South Central Transition Group (SCTG). This group contains South Central Ambulance Service, Thames Valley Police, the three fire and rescue services in Thames Valley plus Hampshire and the Isle of Wight FRS.</p>

	<p>The group is currently chaired by the Assistant Chief Fire Officer from Oxfordshire FRS.</p> <p>Each participating service will receive DCLG grants which are pooled centrally to fund a central delivery team for all the partners. This creates efficiency by way of a coordinated approach, elimination of duplication of work and shared resources for programme management and delivery.</p> <p>The lead officer for BMKFA is AC Julian Parsons and he is assisted by Marie Crothers and Dave Thexton.</p>
<p>HEALTH AND SAFETY</p>	<p>No Health and Safety implications perceived at this time.</p>
<p>EQUALITY AND DIVERSITY</p>	<p>No Equality & Diversity implications identified at this time.</p>
<p>USE OF RESOURCES</p>	<p>Communications with Stakeholders;</p> <p>Currently communications have been at high level due to the development of the business cases and preparation at a regional level. As the project now moves into the mobilisation phase and closer to a more local focus, a communication strategy for this Authority's stakeholders will be developed and delivered.</p> <p>The Systems of Internal Control;</p> <p>Delivery of the project is coordinated centrally and regionally. Progress on this and any local issues will be reported through PMB, SMB and then through to the Authority.</p> <p>A local risk register will be held in Service Development which would also be reportable to PMB.</p> <p>The Medium Term Financial Strategy;</p> <p>The mobilisation and transition phases of the project estimate full transition in November 2018. This means that any potential savings indicated in the business case would potentially start to be realised before the end of this MTFP. Currently these are indicated at being insignificant.</p> <p>Any purchasing of equipment, which would be considered by the central project team, to be an enhancement of our current capabilities would have to be funded by us. This would proceed through our usual budget challenge process for due authorisation.</p>
<p>PROVENANCE SECTION & BACKGROUND PAPERS</p>	<p>Background</p> <p>The ESMCP is designed to replace the existing Airwave communications system for all emergency services and other agencies. It is often referred to as Firelink in the FRSs.</p>

	<p>The programme is designed to improve integration of emergency services communications by reducing costs and taking advantages of 4G telecommunications.</p> <p>The current national contracts with Airwave are due to expire in 2020 and cannot be extended any further.</p> <p>The roll out of the transition is based on ambulance service delivery areas. BMKFRS falls within the South Central Ambulance Service area.</p> <p>The preparatory work to design, build and test the Emergency Services Network (ESN) starts now. The period of transition for this region is due to take place in November 2017 and be completed by November 2018. The exact timetable will be developed by the programme’s national delivery partner KBR in due course.</p> <p>Background Papers</p> <ul style="list-style-type: none"> • ESMCP Update May 2015
APPENDICES	<p>Appendix A: Fire and Rescue Authorities Information and Sign Off Pack</p> <p>Appendix B: ESMCP – Fire Authority Update February 2016</p>
TIME REQUIRED	10 Minutes.
REPORT ORIGINATOR AND CONTACT	<p>Marie Crothers 07765 001907 mcrothers@bucksfire.gov.uk</p>

Emergency Services Mobile Communications Programme (ESMCP)

Fire and Rescue Authorities Financial Information and Sign Off Pack

Buckinghamshire FRA

CONTENTS

1.0 Introduction	3
2.0 Assumptions	4
3.0 ESMCP Background	4
4.0 The Financial Rationale	6
5.0 The Indicative Financial Figures for your FRA	9
6.0 Issues with Alternatives to ESMCP	10
7.0 FRA Required Response to DCLG	13
8.0 Next Steps	13
Annex A - Sign Off Emails for DCLG	14
Annex B - Overview of Options for Replacement of Emergency Services Communications	15

1.0 Introduction

1.1 The purpose of this pack is to provide Fire and Rescue Authorities (FRAs) with the information they require to make an informed decision about their participation in the Emergency Services Mobile Communications Programme (ESMCP) which will deliver a new Emergency Services Network (ESN.)

1.2 DCLG has committed to provide all reasonable transition funding for FRAs moving on to ESN. This process will begin with the mobilisation phase in spring 2016. As such, before significant funding is provided to FRAs, DCLG requires Chief Fire Officers (or appropriate individuals) to provide them with a signed commitment that they would like to take up the new service (see Annex A.)

1.3 The Pack provides summary information about the Programme rationale and its benefits for the fire service from both an operational and financial perspective. In particular this pack:

- Provides an explanation of the Programme's transition and steady states and the financial implications involved
- Provides an indication about the likely costs for your FRA of the ESN through its steady state up to 2032
- Highlights where there may be scope for additional efficiencies by FRAs
- Demonstrates that the potential alternatives to participation in ESMCP carry significant risks for FRAs both from a financial and operational perspective
- Asks FRAs to provide the Department for Communities and Local Government (DCLG) with a decision about whether your FRA intends to participate in the ESMCP going forward.

1.4 DCLG believes that the ESMCP provides the best solution for updating and enhancing the Fire Service's emergency communications system. From a financial perspective it is cheaper overall when compared to Firelink costs, saving the Fire Service some £80m up to 2032. In addition the ESMCP allows Fire and Rescue Services (FRSs) to make further efficiencies by reconfiguring data and connections to suit their specific needs and by deciding on the scale and timing of device refresh. Further savings are likely to be made in the future as the new ESN is linked to commercial providers and as such tenders will take place in a competitive environment rather via a monopoly provider (as is the case at the moment.) Furthermore DCLG will support FRSs with the cost of transition, removing a potentially costly barrier. From an operational perspective DCLG believes the new system will be more interoperable, resilient and will support data functions better than the current system. It will also be better able to respond to innovations in the mobile communications market as it is linked to commercial providers.

2.0 Assumptions

- 2.1 This paper uses a number of assumptions to calculate the annual costs of ESN for your individual FRA. It is important to stress that the figures within this pack are indicative. Whilst we believe that the figures in this pack provide a good representation of the likely costs involved, in reality the final figures for an FRA will depend on a range of local decisions (such as configuration of data and connections and device refresh.)
- 2.2 The assumptions within this pack (such as the timeline for transition and the costs for Airwave) derive from the Programme's Full Business Case. If you would like to discuss these assumptions, please do not hesitate to contact the DCLG Policy Team at chris.hall@communities.gsi.gov.uk.
- 2.3 The figures for devices, connections and vehicle installations and fit-outs have been derived from the As-Is2 survey which the Home Office collected in April 2014. Whilst DCLG believes that this survey gives a good indication of costs, we understand that some changes are likely to occur (or have occurred) before mobilisation begins in 2016. The Programme will undertake a more up to date survey prior during spring 2016.

3.0 ESMCP Background

- 3.1 ESMCP is a cross-government programme to replace the existing mobile communications service for the three emergency services (Firelink for the FRS) with a new commercial system based on 4G.
- 3.2 Overall the objectives of ESMCP are to be:
- **Better** with integrated broadband data services; public service functionality; national coverage and high availability.
 - **Smarter** to be more flexible, to evolve and improve over time, pay only for features required by users.
 - **Cheaper** to address budget pressures, re-competed regularly to leverage market forces.
- 3.3 There are three strategic drivers that are influencing the scope and timing of ESMCP's development. These are that:

- Current contracts for the three services (provided by Airwave) expire between 2016 and 2020 and cannot readily be extended. As such there will be no Airwave Firelink service from 2020 meaning that now is a good time to procure an alternative system.
- The current Airwave Firelink service is already significantly more expensive than similar public safety systems in Europe and price trends for publically available mobile telephony.
- Users within the three emergency services are increasing requiring broadband data (not just voice communications) to support operational transformation. This cannot be met by current Airwave technologies.

3.4 The intended scope of ESMCP will include 44 police forces, 50 fire and rescue services (including those in Scotland and Wales) and 13 Ambulance Trusts. A range of other civil contingency user organisations will also join ESMCP as second tier users. Overall this means that the system is likely to have approximately 300,000 users.

3.5 FRS transition on to the new ESN is due to begin with the mobilisation phase in 2016 and will be complete by January 2020 by which time all FRSs will be in a steady state. The steady state will last until the end of the financial year 2032 by which point a retendering of the contracts will have taken place.

3.6 DCLG recognises that Fire communications systems continue to be the responsibility of each individual FRA. However central government has a strong interest in ensuring that the country is fully prepared to deal with civil contingency issues. As such the Government believes that it is important to have in place a communications system that enables inter-working across boundaries and between the three emergency services. Furthermore the Government believes it is important to ensure that emergency services communications are robust and resilient, using the latest technology to aid the delivery of a more effective service.

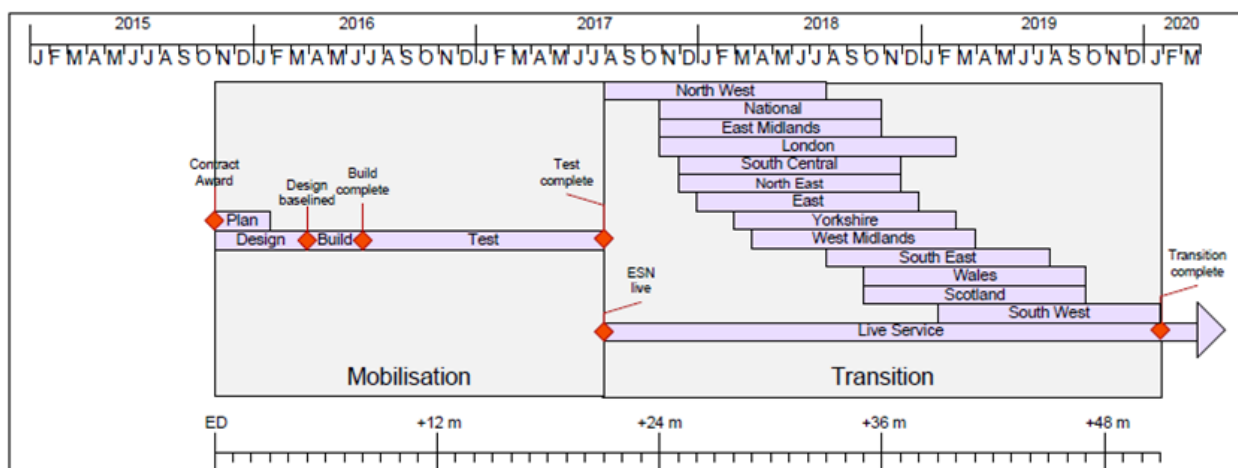
3.7 As such, whilst DCLG is currently not mandating take up of ESMCP, it is strongly recommending that FRAs sign up to the system, both from a financial perspective (the fire service as a whole stands to make significant savings of approximately £80m) but also from an operational perspective.

4.0 The Financial Rationale

4.1 The delivery and realisation of the new Emergency Services Network via ESMCP will take place in two major stages. These will be a transition stage whereby FRs will prepare for and undertake the switch to ESN and the steady state stage whereby FRs will be fully utilising the ESN.

Transition Stage

4.2 The table below provides an indicative timetable regarding how and when the mobilisation and transition process will operate.



4.3 As with many significant change programmes, ESMCP will incur some significant transition costs as Fire Services move from one communications system to another. In order to help achieve a smooth and effective transition, DCLG has made a commitment to support FRAs in the cost of transition. Whilst we are not yet in a position to confirm funding on an individual basis, a total of £50.4m will be made available to FRAs to fund transition.

4.4 Details regarding the individual costs of transition will be provided over the first two quarters of 2016. However as DCLG requires a commitment from FRAs prior to providing transition funding, it was deemed prudent provide the indicative costs at the earliest opportunity.

4.5 During their transition FRAs will continue to pay the costs of Firelink (and receive the associated New Burdens Grant) until the point at which they have completed transition

and no longer require a connection to Airwave (except for interworking in instances of mutual aid.) Once an FRS has completed its transition it will then begin paying for the ESN service, benefitting from the greater functionality this provides, and in most cases, a lower cost. It is therefore in an FRA's interest to facilitate a timely completion of transition in order to benefit from reduced costs of ESN. There will be no period when an FRA will be paying for both Airwave and ESN.

4.6 DCLG will provide funding for:

4.7 Local Transition Support – DCLG has previously agreed with Fire Customer Group the funding for Local Transition Support. This includes roles such as local project managers, control room managers and training. We would encourage local collaboration within transition regions and would welcome a lead authority model. Grant Payment would be made on an annual basis by Section 31.

4.8 Control Rooms and PSN – Due to the degree of variation in Control Room solutions, as part of the future control room scheme, and therefore the path for upgrade required for ESMCP, it is appreciated that there is not likely to be any simple, one size fits all calculation for splitting transition grant. As such, it is our intention to request bids for control room upgrades, based on quotes received following engagement with suppliers, in the new year with a view to agree funding at the appropriate stage. FRAs and Control Room Partnerships would be expected to make reasonable bids, with a focus on completing all control room upgrades required to deliver ESN functionality by commencement of transition.

4.9 Vehicle Installations – DCLG and the Programme have made an estimate on the anticipated cost for Vehicle Installations. We would propose to fund FRAs (proportionately) on the basis of the number of Fire Appliances. FRAs who intend to collaborate on vehicle installations will then have the flexibility to combine pots or appoint a lead authority.

4.10 Devices – DCLG has committed to fund ESMCP devices, however we also want to encourage flexibility for local decision making within Fire and Rescue Authorities. As such we would seek to provide funds to FRAs for the replacement of existing devices, based on the Programme's calculations. Local FRAs would have the flexibility to purchase from the Device Catalogue at the cost level and in volumes they wish. DCLG will only be providing funding for devices during the transition stage. Individual FRAs will have the flexibility to determine their own device refresh in steady state (although the indicative costs provided in this paper include a full refresh taking place over a five/six year period.)

- 4.11 Regional Implementation Managers – In addition to the above funding for Local Transition Support the Department will be funding a Regional Implementation Manager for each of the 10 Regions in England. They will be required to coordinate the transition of FRS and they will be responsible for monitoring and ensuring the core elements of the programme are delivered locally, but not the Non-Core (Vehicle Fit outs, Devices, Control Room upgrades).
- 4.12 Over the next few months DCLG will put in place a process for receiving bids for Control Room and PSN upgrades, with a view to begin receiving bids in 2016. For the other elements of Transition Funding we would intend to work with the Programme and Delivery Partner to confirm how many vehicle fit-outs and replacement devices (either Handheld or Vehicle) are required.

Steady State Stage

- 4.13 Overall the Programme estimates that ESN will produce at least an £80m saving to English Fire and Rescue Authorities nationally between 2020 and 2032. This indicates a strong value for money case for ESN. Furthermore the vast majority of FRAs will make a saving on the costs they were paying for the Airwave system. As such, DCLG believes that this saving combined with the support for transition costs makes a compelling case for FRA sign up.
- 4.14 However, there are a few FRAs (usually those authorities that have enjoyed generous subsidies for Airwave) who will see their individual costs rise. In most of these cases, FRAs will only see a small rise, however for a few it may be more significant.
- 4.15 There is however scope within the programme for an FRA to make efficiencies which will reduce their individual bill – meeting a long term wish of FRSs which have had fixed-price bills under Firelink. Non-Core costs (i.e. those for connections and data usage) are locally driven. In other words, an FRA will only pay for what they use. As such there may be scope to make savings on data and connection charges by reconfiguring devices to suit the specific needs of a particular fire service. Furthermore, the scale and timing of any device refresh will be up to individual services (the model at 5.0 provides for a full refresh of devices in the steady state, the cost of which would fall to the FRS.)
- 4.16 In order to help those FRAs that will see their individual costs rise, an element of tapering has been included within the modelling/indicative costs for the Core element on a declining basis (75%, 50%, 25%) for the first 3 years of ESN. This will mean that those FRAs affected by higher costs will not see a sudden rise but rather a gradual increase.

5.0 The Indicative Financial Figures for your FRA

Indicative ESN Costs to Buckinghamshire FRA

	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32
Core	£18,127	£57,271	£58,430	£59,926	£67,375	£72,557	£74,055	£75,761	£77,502	£79,279	£81,093	£82,944	£84,833	£85,449
Data	£5,512	£16,743	£16,664	£13,810	£13,765	£13,765	£13,765	£13,765	£13,765	£13,765	£13,765	£13,765	£13,765	£13,765
Devices	£-	£-	£-	£-	£5,221	£12,071	£2,866	£45,067	£33,499	£11,037	£13,328	£1,715	£-	£-
Total	£23,639	£74,014	£75,093	£73,736	£86,362	£98,394	£90,687	£134,593	£124,767	£104,082	£108,186	£98,425	£98,599	£99,214

Indicative Airwave Costs to Buckinghamshire FRA over same period – [Please note Airwave cannot continue post Dec-2020 at the latest]

	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32
Airwave	£24,360	£74,542	£100,159	£102,162	£104,205	£106,289	£108,415	£110,583	£112,795	£115,051	£117,352	£119,699	£122,093	£124,535

Indicative Net Saving/Cost to Buckinghamshire FRA

	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32
Net Saving / Cost of ESN	£(722)	£(529)	£(25,065)	£(28,425)	£(17,843)	£(7,895)	£(17,728)	£24,010	£11,972	£(10,969)	£(9,166)	£(21,274)	£(23,494)	£(25,320)

6.0 Issues with Alternatives to ESMCP

6.1 Whilst DCLG is currently not mandating the take up of ESMCP, it is strongly recommending that FRAs sign up to the system both from a financial and operational perspective.

6.2 The Government considered a range of options for updating emergency service communications as part of the Outline Business Case for ESMCP (these are summarised at **Annex B**.) The result of this options analysis was that ESMCP (an enhanced commercial Long-Term Evolution network) provided a compelling case going forward. ESMCP will provide a system that is:

- Robust, interoperable and contains data capabilities
- Smart in that it only charges only for what is used
- Cheaper overall than the existing system
- Contains scope for future efficiencies as it is linked to a commercial system.

6.3 In deciding whether to go ahead with ESMCP, FRAs will need to be aware that maintaining the status quo Airwave system will not be an option. Airwave is due to come to an end in 2019 (with scope for a further one year contractual extension until 31 December 2020) As such a change in communication system will need to take place regardless of whether an FRA decides to sign up to ESMCP or not.

6.4 Furthermore it will be important in making a decision about ESMCP that FRAs which have a formal relationship with other FRAs (such as the sharing of a Control Room) ensure that they have regard to what their partner organisations intentions are and the potential impact that this might have on future working relationships.

6.5 DCLG believes that ESMCP offers the best communications system going forward. As such DCLG will only contribute to transition costs for FRAs moving onto ESMCP as a Tier 1 user. It will not provide any support to FRAs wishing to choose alternative methods of communications.

6.6 The table below highlights a variety of alternatives to ESMCP and an explanation regarding why the Government believes they are not viable when compared to the benefits that ESCMP will bring.

Option	Potential Issues
<p>Do Nothing (Continuation of Airwave)</p>	<ul style="list-style-type: none"> • DCLG’s current contract with Airwave runs out at the end of 2019 (with a possible extension to end of 2020) • As such the Fire Service will need to re-procure a communications service whether or not they are part of ESMCP. • Even if we could continue with Airwave, we would have to incur the higher costs associated with a monopoly provider. • In addition the Airwave system is becoming increasingly outdated – as it is based on voice rather than data communications which are increasingly used by Fire Services.
<p>Procure own 4G Network for your FRA</p>	<ul style="list-style-type: none"> • Likely to be more expensive than joining ESMCP which provides a 4G network and has gained cost efficiencies by negotiating on behalf of a wide range of users. • If provided by an organisation that is different to the ESMCP provider, the network is unlikely to be interoperable with other ESMCP users • The FRA would be responsible for its own procurement and delivery. This risks not having completed the transition to a new system by the time Airwave Firelink contacts end in 2019 or 2020
<p>Become a Tier 2 User within the Programme*</p>	<ul style="list-style-type: none"> • Likely to be more expensive for the FRA over the long term as connection and costs will be higher for Tier 2 users. • There will be no DCLG financial support available for undertaking this option • Will have no influence over Control Rooms going forward • Will need to assess the impact of the relationship with other FRAs with whom they have a formal relationship.
<p>Procure your own Radio (Tetra) System or Revert to Existing Legacy System</p>	<ul style="list-style-type: none"> • There is no guarantee that the procurement and delivery of a new system will be cheaper for an FRA than ESMCP participation • These systems will not be interoperable with other fire services or organisations other using the Emergency Service Network (ESN) • There may be resilience issues if coverage is not as good

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as the new ESN (which will be at least as good as Airwave)

- There will be no financial support from DCLG either for transition or steady state
- Broadband provision will be included. This is increasingly being used for fire services and so an alternative solution will need to be found.
- This system will not be future proofed to take advantage of a developing commercial 4G market.
- The impact on formal Relationships with other FRAs that are using ESN will need to be addressed.

* Apart from the 3ES, there are a significant number of government and other public safety users totalling over 300 organisations all with individual ASL contracts, known as sharers. Under the current ESMCP model these organisations will be known as Tier 2 organisations.

7.0 FRA Required Response to DCLG

- 7.1 DCLG will require a formal response from each FRA's Chief Fire Officer regarding whether or not they intend to migrate onto the new Emergency Services Network as part of the ESMCP. This will allow DCLG to have the assurance it needs to be able to distribute the required funding for transition in line with the Programme timescales.
- 7.2 A draft confirmation letter to be signed and returned to DCLG is attached at **Annex A**. In order to ensure that payments are made promptly we would ask that DCLG receive this letter no later than Friday 25th March 2016.

8.0 Next Steps

- 8.1 Between January and March 2016 members of the ESMCP Policy Team within DCLG shall arrange a number of meetings with FRAs around the country to discuss their particular ESMCP figures. If you feel that your FRA would benefit from such a conversation or if you have any specific queries about this pack or the sign off procedure, please contact Chris Hall at chris.hall@communities.gsi.gov.uk.
- 8.2 As noted at paragraph 7.2, DCLG require the signed response letter by Friday 25th March 2016.
- 8.3 Following FRA sign up to ESMCP, DCLG will make the appropriate funding payments via a Section 31 grant (subject to legal/financial approvals), in time for the transition arrangements.

Annex A – Sign Off Emails for DCLG

- DCLG has committed to provide all reasonable transition funding for FRAs moving on to ESN. This will begin with the mobilisation phase in spring 2016. As such, before significant funding is provided, DCLG requires Chief Fire Officers (or appropriate individuals) to provide them with a commitment that they would like to take up the new service.
- If your FRA would like to proceed with ESMCP we would be grateful if your Chief Fire Officer (or appropriate person) could sign, scan and email the statement below to DCLG’s Policy Official at chris.hall@communities.gsi.gov.uk by 25th March 2016.
- Alternatively if your FRA does not wish to sign up to the new network, we would be grateful if you could sign, scan and email the alternative statement below to DCLG at the same email address.

Confirmation of Transition to the Emergency Services Network

I can confirm that Buckinghamshire FRA will transition on to the new Emergency Services Network via the Emergency Services Mobile Communications Programme (ESMCP). I understand that the Department for Communities and Local Government (DCLG) will provide all reasonable transition funding for the Programme between 2016 and 2019.

Signed

Date.....

Chief Fire Officer - Buckinghamshire FRA

Rejection of the Emergency Services Network

I can confirm that Buckinghamshire FRA will not transition on to the new Emergency Services Network via the Emergency Services Mobile Communications Programme (ESMCP).

Signed

Date.....

Chief Fire Officer - Buckinghamshire FRA

Annex B - Overview of Options for Replacement of Emergency Services Communications.

Economic Option	Description
Option1 – Do Nothing	Existing Airwave contracts naturally expire. No central involvement in procurement of replacement services.
Option 2– Continue with a TETRA network (Do minimum)	Procure a private TETRA network with public safety voice and narrow-band data augmented by locally-procured operational broadband data services. This requires 400MHz spectrum which is not available until 2020
Option 3 –Build a new private LTE network	Procure a private LTE network with public safety voice and broadband data services. This requires 700MHz spectrum which is unlikely to be available until 2020
Option 4 – Enhanced Commercial LTE Service*	Transition to a commercial LTE network when Airwave contracts expire. Additional procurement of necessary public safety features to enhance the network

*From the ESMCP Outline Business Case – “The cost benefit analysis concludes that Option 4 is the preferred option on the basis that it represents the highest Net Present Value. Option 4 also provides the most non-financial benefits and critically delivers the non-financial benefits of interoperability required to meet the Programme’s objectives”

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Emergency Services Mobile Communications Programme

Fire Authority Update

February 2016

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1. Purpose

Fire Authority members were last provided with an update regarding the Emergency Services Mobile Communications Programme (ESMCP) at their meeting held on 10 June 2015. The purpose of the Programme is to replace the Airwave critical voice services with a voice and data service based on an enhanced commercial mobile network. Since the last briefing, considerable progress has been made and further financial information was released just prior to Christmas 2015, necessitating a further update to Members.

2. Background

ESMCP is a cross-government programme to replace the existing mobile communications service for the three emergency services (Firelink for the FRS) with a new commercial system based on 4G.

Overall the objectives of ESMCP are to be:

- **Better** with integrated broadband data services, public service functionality, national coverage and high availability;
- **Smarter** to be more flexible, to evolve and improve over time, pay only for features required by users;
- **Cheaper** to address budget pressures, re-competed regularly to leverage market forces.

There are three strategic drivers that are influencing the scope and timing of ESMCP's development. These are that:

- Current contracts for the three services (provided by Airwave) expire between 2016 and 2020 and cannot readily be extended. As such there will be no Airwave Firelink service from 2020 meaning that now is a good time to procure an alternative system;
- The current Airwave Firelink service is already significantly more expensive than similar public safety systems in Europe and price trends for publically available mobile telephony.

Users within the three emergency services are increasingly requiring broadband data (not just voice communications) to support operational transformation. This cannot be met by current Airwave technologies.

FRS transition on to the new Emergency Services Network (ESN) is due to begin with the mobilisation phase in 2016 and will be complete by January 2020 by which time all FRSs will be in a steady state. The steady state will last until the end of the financial year 2032 by which point a retendering of the contracts will have taken place.

Further information regarding the background of the Programme can be found at Appendix A to this document.

3. Programme Update

a. Full Business Case

Members will recall from the last Briefing Note, that the Full Business Case (FBC) was being drafted for the three Government Departments to sign off prior to the contract award and the start of the implementation phase of the Programme.

The FBC has now been signed off by all three departments and was subject to a review by the Joint Cabinet Office and HM Treasury's Major Projects Review Group. A joint Memorandum of Understanding between the Home Office and the Department of Health / Communities and Local Government / Scottish and Welsh Governments (known as Founding Sponsor Bodies or FSBs) has been drafted and is currently being reviewed. This commits parties to a previously agreed basis for sharing the costs of the new ESN. All FSBs are anticipated to have signed up to this MoU during the New Year.

b. Award of Contracts

Contracts have now been awarded and were signed in December 2015 as follows:

Lot 1 – Delivery Partner: **KBR (formerly Kellogg, Brown and Root)** – will oversee the build out of the network, programme manage the transition programme, provide cross-Lot integration, training support services, manage vehicle installation design and assurance, and provide delivery support;

Lot 2 – User Services: **Motorola** – will provide end to end systems integration, public safety functionality; account management; network and IT infrastructure, technical interfaces to all other lots and services; user device management, application hosting, customer support and service management

Lot 3 – Mobile Services: **EE** – will provide an enhanced radio access service with highly available full national coverage to a minimum of the standard provided by Airwave.

The signing of these contracts means that the effective date for the ESMCP was the 9 December 2015, so the Programme has now entered the 'mobilisation' phase. The first key deliverable of this phase is 30 days after the contract was signed.

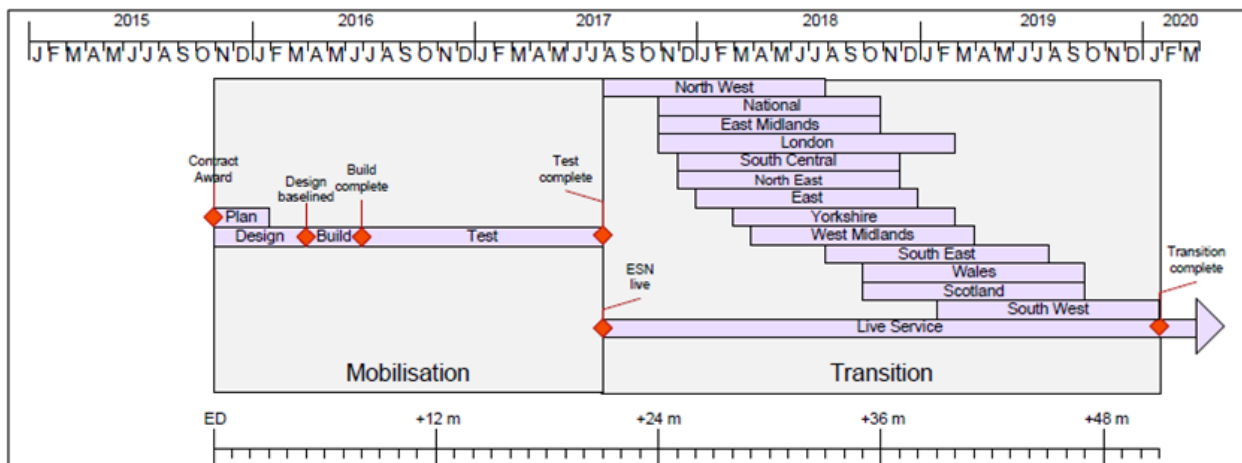
c. Implementation: Mobilisation and Transition phases

The Mobilisation Phase will take twenty one months to design, build, test and assure the ESN. This phase will run from December 2015 until September 2017.

The Transition phase will take thirty months to convert users to the ESN. Transition will be completed in twelve Regional Transition Groups and one National Transition Group. This phase will run from mid-2017 to the beginning of 2020.

Preparation for the Transition Phase will need to start now – particularly for those organisations due to Transition first.

A high level view of the Mobilisation and Transition phases is shown below:



d. Control Room Upgrades

Baseline data has been gathered from User Organisations regarding current systems in use in control rooms and existing contracts for control room systems. This is being used to develop interface specifications for suppliers and will be followed with engagement with the wider user community to prepare the way for the procurement of local upgrades to existing systems so that they are able to interface with the ESN. There will be a period of 'Inter-working' as organisations transition onto the ESN and have to manage a mixed fleet of partially transitioned vehicles and devices.

e. Devices

Devices will enable voice and data services and will need to be approved for use on ESN by the User Services Supplier (Motorola) and type approved (if not already) by the Mobile Services Supplier (EE). In order to ensure the supply can meet the demand of the 3ES User Organisations during the transition period, a capacity plan will be produced, working with 3ES users and suppliers

The Devices Project will work with Crown Commercial Services (CCS) to seek to deliver a framework for an online catalogue that will enable:

- User organisations to procure ESN approved devices and accessories direct from suppliers and resellers;
- The provision of managed services by suppliers.

The testing of devices with 3ES users will be carried out to allow users to ensure that they meet with their business requirements (using Service Delivery and Assurance Team).

To date, High Level User Requirements have been turned into Device Specifications working with suppliers and representatives from the Emergency Services. These will be developed to form User Device Detailed Specifications (UDDS) which will include:

- Handheld devices that are commercial off-the-shelf phones, that will be 'ruggedised' or standard;
- Remote Speaker Units;

- Tablets large and small;
- Vehicle mounted devices;
- Gateways;
- Managed Services.

This Service may wish to consider the rationalisation of mobile devices going forward to bring current mobile phone provision provided outside of Airwave on to the ESN in future years, providing an opportunity to reduce service costs in an area that has not formed part of the ESMCP business case to date.

f. Network Coverage

A number of coverage requirements were detailed in line with the current Airwave contract:

- Major and Minor Roads
- Hand portable coverage to roads
- Hand portable coverage at specific key out door locations
- Hand portable coverage at specific key in-building locations
- Hand portable coverage at specific key road and rail tunnels
- Air to ground coverage to 500ft
- Marine coverage requirements out to 12nm limit

It should be noted that the requirements set for ESN mean that aspects such as coverage, availability and resilience are required to at least match that currently enjoyed by services through the Firelink contract. Coverage maps are in the process of being released to users and the early indications are that ESN will meet service wide area communications requirements going forward.

The development of a site visibility tool has been included as a deliverable of the programme and users will not be expected to pay the extra cost as they currently have to under the Firelink contract.

4. Funding

The Emergency Services Mobile communications Project is a cross government Programme and does not have any monies allocated to it. It will rely on funding contributions from each of the three Emergency Service sponsor departments. DCLG are considering proposals for grant funding of one-off transition costs subject to further consultation with the English Fire and Rescue Authorities in early 2016.

The costs of the ESMCP are divided into Core and Non-Core as follows:

CORE

- **The cost of setting up and operating the network;** would be incurred even if there was only one 3ES user with one device connected to it;
- Includes the Main Lot contracts (Delivery Partner, User Services (US), Mobile Services(MS)) and Related Projects (Extended Area, Air to Ground, London Underground) and EMT (Client);
- Core costs are initially paid by the Home Office as Lead Department, before being shared out across the FSBs, and to other ESN users, on the basis of the number of active connections (per the MoU).

NON-CORE

- **The cost of connecting to the network, and using it;** the extent of these costs are wholly under the control and determination of individual user organisations;
- Includes the one-off costs of buying devices, installing in vehicles etc., converting control rooms, as well as a monthly connection fee (per SIM) and data charge per Gigabyte, including most voice;
- Non-core costs will fall mainly to the user organisation depending upon the service approach.

DCLG has committed to provide all reasonable transition funding for FRAs moving on to ESN. This process will begin with the mobilisation phase in spring 2016. As such, before significant funding is provided to FRAs, DCLG requires Chief Fire Officers (or appropriate individuals) to provide them with a signed commitment that they would like to take up the new service (see Annex A).

5. South Central Transition Group

Collaborative Approach

Members will recall from the last update that a Regional Transition Group (the SCTG) has been established in order to review Programme progress, to provide feedback to Senior Management Teams and to respond to requests for information from the National Team. The SCTG comprises senior officers from the Fire Services of Oxfordshire, Buckinghamshire, Royal Berkshire, Hampshire and the Isle of Wight. It also has representation from Thames Valley Police and South Central Ambulance Trust. This Group is chaired by ACFO Simon Furlong of Oxfordshire Fire and Rescue Service.

Work is currently underway to develop a delivery structure for the SCTG regional work stream. This will be discussed at the next meeting of this group so that once approved, recruitment into posts or temporary secondments can take place. This structure will mean treating all the DCLG grant for the South Central FRSs as a regional resource and therefore encourage collaborative working and therefore best use of the funding.

A Regional Implementation Manager will be funded for each Region and they will be required to co-ordinate the transition of the Fire and Rescue Services and will be responsible for monitoring and ensuring the core elements of the National Programme are delivered locally.

The delivery of ESMCP within this Service is the responsibility of AM Julian Parson, Marie Crothers – Programme Manager and Dave Thexton – IT Manager.

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Buckinghamshire & Milton Keynes Fire Authority



MEETING	Executive Committee
DATE OF MEETING	3 February 2016
OFFICER	Lynne Swift, Director of People and Organisational Development
LEAD MEMBER	Councillor Roger Reed
SUBJECT OF THE REPORT	The Authority's People Strategy 2016 to 2020. Optimising the contribution and well-being of our people
EXECUTIVE SUMMARY	<p>This People Strategy as set out in Annex A aims to provide a clear and simple framework, demonstrating how Buckinghamshire and Milton Keynes Fire Authority (BMKFA) will create the environment to optimise the engagement, commitment and professionalism of all our people to achieve the Authority's Vision, Aim, Priorities and Objectives documented in the Public Safety and Corporate Plans.</p> <p>The strategic framework highlights four key areas. The 4 key areas are:</p> <ul style="list-style-type: none"> Resourcing Well-being Talent Management Employee Relations <p>Within each area there are a number of strategic outcomes which align to the future direction of the Service over the next three to five years.</p> <p>This strategy has developed an innovative approach and an interactive format to encourage stakeholder engagement and buy in.</p> <p>It begins to translate the Authority's goals by linking strategic aims to Service-wide initiatives and projects.</p> <p>This new approach aims to develop the organisation; promoting a culture of employee involvement, ownership, responsibility and trust.</p> <p>It will also ensure our employees, alongside our partners and key stakeholders can see how strategic aims are translated into day to day business, highlighting the importance of every person's contribution to achieving the Authority's Vision.</p>
ACTION	Decision.

RECOMMENDATIONS	It is recommended that the Executive Committee approve the Authority’s People Strategy 2016 to 2020.
RISK MANAGEMENT	<p>The strategic outcomes aim to reduce corporate risk by equipping the Service to adapt to an ageing operational workforce.</p> <p>The strategy compliments our Equality & Diversity policy.</p> <p>The strategic aims contribute to maintaining optimal resilience and minimising the risk of any critical skills gaps through robust workforce planning.</p> <p>Employee involvement is underway through various means of staff, key stakeholder and representative body consultation.</p> <p>The strategy will remain flexible; allowing the Authority to adapt to a continuously changing environment.</p>
FINANCIAL IMPLICATIONS	This document further enables and contributes to achieving savings identified in the Public Safety, Corporate and Medium Term Financial Plan.
LEGAL IMPLICATIONS	Legal assurance will be obtained in advance of, or during, the implementation phases of the respective strands of the strategy.
CONSISTENCY WITH THE PRINCIPLES OF COLLABORATION	<p>All primary activities within the strategy will consider collaboration opportunities at an early stage.</p> <p>Much of this work is already underway as we are collaborating on a series of people related issues across Thames Valley and beyond. For example pensions, employment related policy and occupational health service provision.</p>
HEALTH AND SAFETY	A key feature of this strategy is to optimise employee well-being.
EQUALITY AND DIVERSITY	<p>The Strategy aligns to our Equality and Diversity Policy.</p> <p>An initial People Impact Assessment has been completed and is attached as Appendix 1.</p> <p>An action plan has been agreed to minimise any potential negative impacts and will be monitored throughout implementation.</p> <p>Further People Impact assessments will complement the implementation phases of the respective strands of the strategy.</p>
USE OF RESOURCES	<p>Contribution to the achievement of strategic objectives;</p> <p>The People Strategy provides a mechanism to align</p>

	<p>the strategic enabler (to optimise the contribution and well-being of our people) to individual performance outcomes, measured by critical success factors.</p> <p>Communication with stakeholders;</p> <p>Stakeholder communication has been a significant element of successful development and implementation of the People Strategy.</p> <p>The on-going participation initiatives have and will continue to make significant contributions to shaping this Strategy, now and in the future. A summary of the feedback from the consultation and staff participation initiatives to date is attached to this report as Appendix 2</p> <p>Some examples of staff and representative body feedback include:</p> <p>“Mental Health is a growing concern could there be more focus on prevention of workplace stress?”</p> <p>“Granting of TOIL would go a long way to providing flexibility for our members. Some employees would like to take off part of a shift through TOIL to pick up kids from School etc.”</p> <p>“We need to think about Development Centres and acceleration programmes for best performing staff as a lot of support staff have no means of achieving promotion due to their line management being ops staff.”</p> <p>“Perhaps the one thing I would put forward as feedback is that, can additional work be put in to helping raise manager awareness about the important role they play in leading their teams, and explaining why things happen, or proactively trying to improve things, rather than just hearing their issues and passing them on.”</p> <p>As the strands of the People Strategy develop, further communication to all staff and key stakeholders will be planned through a process of employee and stakeholder involvement and consultation.</p> <p>The system of internal control;</p> <p>The effectiveness of the People Strategy will be measured by critical success factors. These factors will become a standing item on the monthly People and Organisational Development Directorate (POD) Management meeting agenda. Progress reports to Business Transformation Board (BTB), Strategic Management Board (SMB) and appropriate member committees will be scheduled as appropriate.</p> <p>The medium term financial strategy;</p> <p>The People Strategy further enables and contributes to achieving savings identified in the Public Safety, Corporate and Medium Term Financial Plans.</p>
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<p>PROVENANCE SECTION & BACKGROUND PAPERS</p>	<p>Public Safety Plan Corporate Plan Medium Term Financial Plan</p>
<p>APPENDICES</p>	<p>Annex A People Strategy Appendix 1 People Impact Assessment Appendix 2 Consultation and participation feedback</p>
<p>TIME REQUIRED</p>	<p>15 minutes.</p>
<p>REPORT ORIGINATOR AND CONTACT</p>	<p>Simon Tuffley stuffley@bucksfire.gov.uk 07766 781389</p>

Buckinghamshire & Milton Keynes Fire Authority People Strategy 2016-2020

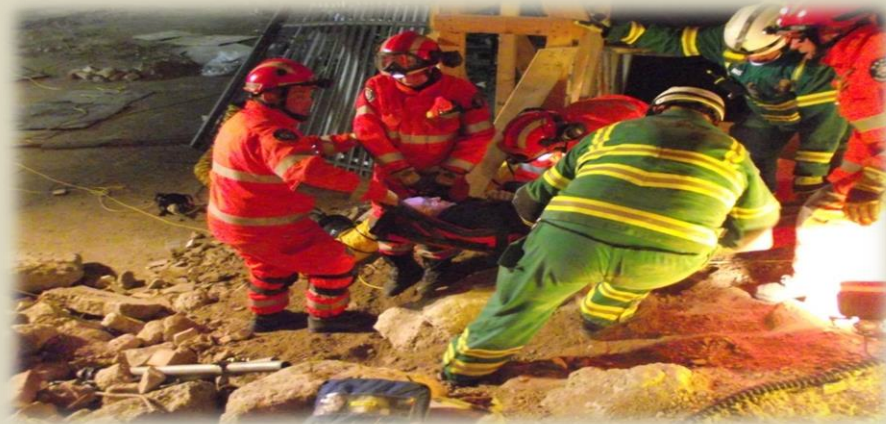


People & Organisational Development

Contents

- Key challenges
- Assumptions
- Measuring success
- Our vision, aim and priorities
- The Employee Proposition
- The People Strategy Framework
- Resourcing
- Well-being
- Talent Management
- Employee Relations

CFO's BLOG





Key Challenges

The challenges for the Authority over the next 5 years are well documented within the [Public Safety](#) and [Corporate plan](#). These plans demonstrate our commitment to delivering consistent improvement, as well as taking a fresh look at how we deliver our services.

Our [Medium Term Financial Plan](#) identifies the financial resources required, projected into the future based on the delivery of specific aims and objectives as set out in the Public Safety and Corporate Plan.

Together these plans establish a **responsibility** to **diversify** the services we provide and how we provide them, proactively look for collaboration opportunities and become **more flexible**; ensuring we can **deliver our Vision** in new and exciting ways.

The best way to meet these challenges is by having the most **high performing** and **highly motivated** people. Our people must feel that they can engage and provide a valuable contribution to making improvements, no matter what role they undertake within the Service.

It is important that this Service is regarded as a great place to work. To ensure this, we must have effective leadership, excellent managers, personal growth opportunities, team spirit, trust between employer and employees, a good sense of well-being and a fair deal for all.

Assumptions

We will work with all groups to **target** and **reduce risk** and will proactively seek opportunities to **collaborate with our partners**. We will treat everyone fairly and with respect, challenging any prejudice or discrimination. We place value on diversity within our Service and the communities we serve. We will create opportunities to develop and learn, **encourage innovation and creativity**, work honestly to develop trust and will **strive for excellence** in all that we do. We will accept responsibility and accountability for our performance and actions, being answerable to those we serve.

Measuring Success

The success of this People Strategy will be measured by a variety of **key performance indicators**; including but not limited to; staff retention, new recruit turnover, appraisal performance, career progression, vacancy factors, staff satisfaction, safety statistics, sickness levels and providing value for money.

We will ensure that there are **no critical skill gaps**, that succession is **well planned** and **optimal resilience is maintained** across the Service.

We will also strive to become an **employer of choice** and this will serve as a key benchmark for measuring success.

[Click here to see how we are currently performing](#)



Our Vision, Aim and Priorities

Our Vision is that Buckinghamshire and Milton Keynes are the safest areas in England in which to live, work and travel.

Our Aim and Priorities will enable us to **capture** the **commitment** and **professionalism** of all our people to achieve this Vision.

Aim

To **optimise** the contribution and well-being of our people.

Priorities

Adapt and **refresh** the workforce to **improve** service delivery, resilience and **deliver** Public Safety Plan outcomes.

Where appropriate move to **flexible, affordable and local terms & conditions** to support demand and risk-led people resourcing.

Ensure the people strategy, employment policy, supporting contracts and building capacity & capability systems are established to **support demand and risk-led** people resourcing.

Adapt the employee proposition to **optimise** employee motivation, **attract** and **retain** the right calibre, high performing people.

Ensure the **utmost well-being** of our people.

The Employee Proposition

The key to achieving our Vision, Aim and Priorities is developing an excellent Employee Proposition.

The Employee Proposition is the unique set of benefits that the Authority offers in return for employees willingly using their talents to work together with the Authority to make Buckinghamshire and Milton Keynes the safest areas in England in which to live, work and travel.



- **Ensure** our workforce reflects the diverse communities we serve as far as is possible
- Give our people the **best opportunities** to develop and improve to attain their full potential wherever possible, through robust talent management
- **Recognise** and **reward** high performance
- Have a high level of **positive employee involvement** through effective and productive employee relations

The Employee Proposition and People Strategy will ensure the Authority can:

- **Recruit, engage** and **retain** the most high performing, highly motivated people
- **Effectively analyse** and **forecast** the changing internal and external landscape of the services we provide, through data analysis, research and resource modelling





Resourcing

Well-being

Talent Management

Employee Relations

The People Strategy Framework

Our **interactive** People Strategy is broken down into four key areas. You can select to see more detail within each area and see **up to date** examples of how we are all progressing.



The People Strategy Framework



Resourcing

Strategic Resourcing assists effective organisational management by identifying potential changes and implementing improvements in advance. This **ensures the Authority can plan for the future** and will manage the Service to **meet Public Safety Plan goals**.

Over the next five years we will develop and implement a Resourcing Strategy, enabling us to:

- [Prepare for any changes ahead, through effective profiling and forecasting](#)
- [Refresh the workforce through new ways of working](#)
- [Develop flexible working practices](#)
- [Provide alternative working arrangements](#)
- [Explore collaboration and secondment opportunities with other organisations](#)
- [Assist with the future design and shape of the Service](#)
- [Engage with an ageing workforce and younger employees](#)
- [Develop outcomes that specifically support Equality & Diversity](#)
- [Provide a wider range of services and diversify](#)

Click on the links to see how we are implementing our Resourcing Strategy!



Well-being

Employee Well-being creates an environment to promote a state of contentment which allows an employee to flourish and achieve their full potential for the benefit of themselves and their organisation. (CIPD, 2015)

It can also be seen as “**that part of an employee’s overall well-being that they perceive to be determined primarily by work and can be influenced by workplace interventions**” (Juniper et al, 2011).

Over the next five years we will develop and implement a Well-being Strategy, enabling us to:

- [Provide robust, fit for purpose Occupational Health policies/procedures](#)
- [Periodically survey the welfare of our staff](#)
- [Help our staff to plan their finances](#)
- [Support employees who may have to care for young, disabled, sick or elderly relatives](#)
- [Develop policies to mitigate and manage mental ill-health and workplace stress](#)
- [Develop our fitness and nutrition procedures, to support the health and well-being of all our staff](#)
- [Support an ageing operational workforce](#)
- [Support female staff through the menopause](#)
- [Support a good work-life balance](#)

Click on the links to see how we are implementing our Well-being Strategy!



Talent Management

Talent Management is the systematic attraction, identification, development, engagement, retention and deployment of individuals who are of value to an organisation, either in view of their 'high potential' for the future or because they are fulfilling business/operation-critical roles. (CIPD, 2015)

Talent consists of those individuals who can make a difference to organisational performance either through their immediate contribution, by developing their strengths or, in the longer-term, by demonstrating the highest levels of potential. (CIPD, 2015)

Over the next five years we will develop and implement a Talent Management Strategy, enabling us to:

- [Effectively analyse Service requirements](#)
- [Further develop the performance appraisal system](#)
- [Programme robust, fair and timely Development Centres](#)
- [Develop acceleration programmes](#)
- [Develop cross mentor and knowledge transfer schemes](#)
- [Develop a blended "menu driven" approach to learning](#)
- [Enhance the skills of our staff](#)
- [Facilitate effective evaluation of learning](#)

Click on the links to see how we are implementing our Talent Management Strategy!



Employee Relations

Effective Employee Relations seek to gain stakeholder commitment to the achievement of the Authority's goals and objectives, and to establish and maintain an environment where the workforce has the information required to undertake their role effectively and efficiency through appropriate communication channels. **It also seeks to build and reinforce effective working relationships** with staff, Trades Union and staff representatives, ensuring the Authority is able to deliver its objectives.

Over the next five years we will develop and implement an Employee Relations Strategy, enabling us to:

- [Effectively communicate and consult with all of our staff and stakeholders](#)
- [Deliver appropriate mechanisms for terms and conditions of service and pay](#)
- [Reward and recognise our highest performing people](#)
- [Make people accountable](#)
- [Develop a culture of employee involvement](#)
- [Build a culture of trust](#)

Click on the links to see how we are implementing our Employee Relations Strategy!

The infographic consists of eight numbered items, each with a circular icon and a short paragraph of text. The items are arranged in two columns. The first column contains items 1, 3, 5, and 7. The second column contains items 2, 4, 6, and 8. Each item is separated by a vertical dashed line.

- 1 Leadership**
Icon: A person leading a group. Text: Proof that 'Leadership' has an impact way beyond the boardroom. If the leadership's good, so's the management. And good management makes for a happy team. So it's hardly a surprise that Leadership is the prime influence on employee engagement.
- 2 My Company**
Icon: A person standing with arms outstretched. Text: How much people value the company they work for, how proud they are to work there, and whether they feel they're making a difference.
- 3 Personal Growth**
Icon: A person riding a bicycle. Text: Do employees feel challenged by their job? Are skills being used to the full? Is there an opportunity to advance? Because you should never stop learning, these are major factors.
- 4 My Manager**
Icon: A person standing with a hand on their hip. Text: Seven out of ten who quit their employer are leaving their manager, not the company. So it's a fair bet that the working relationship with your manager is the most crucial of all.
- 5 My Team**
Icon: A group of people. Text: Friendship and support from your workmates can make all the difference to your day. And as any good employer knows, team spirit fosters productivity.
- 6 Giving Something Back**
Icon: A person kneeling and giving something to another person. Text: Employers increasingly acknowledge the value of investing in people, the local community and wider society. Think of it as enlightened self-interest; a kind of 'company karma'.
- 7 Fair Deal**
Icon: A pie chart. Text: How much do you think the company will value you? Will your pay and benefits compare well with those of your counterparts in similar organisations?
- 8 Wellbeing**
Icon: A person in a yoga or meditation pose. Text: The balance between work and home life - the famous 'work/life ratio' - is vitally important. This factor measures stress and pressure, and their impact on your health and performance.

Source: www.b.co.uk/Methodology



**Buckinghamshire
& Milton Keynes**
FIRE & RESCUE SERVICE
we save lives



BUCKINGHAMSHIRE
FIRE & RESCUE SERVICE
& MILTON KEYNES
BUCKINGHAMSHIRE

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BUCKINGHAMSHIRE FIRE AND RESCUE SERVICE

THE PEOPLE IMPACT ASSESSMENT FORM

1) Name and description:

Buckinghamshire & Milton Keynes Fire Authority People Strategy

2) Responsible directorate/service area/ designated officers:

People and Organisational Development

3) Who is completing this PIA form and why?

Station Commander Simon Tuffley- Author

4) What is the main purpose (or the main purpose of the changes you want to make)?

The aim of this strategy is to further enable the Service to optimise the contribution and well-being of our people and to implement a revised People Strategy aligned to:

The Public Safety Plan 2015-20
The Corporate Plan 2015-20
The Medium Term Financial Plan 2015-20

This strategy will further enable the Service to achieve the goals documented in the above plans. The other aim of this strategy is to promote a culture of employee involvement, assisting in future design of the service and ensuring the upmost well-being of our people. One particular aim is to become an employer of choice.

5) What are the main activities involved?

Revised People Strategy framework categorised under:

- Resourcing
- Talent Management
- Employee Well-being
- Employee Relations.

There are also sections on measuring success, employee involvement and the Employee Proposition.

6) Who is intended to benefit and what are the POSITIVE IMPACTS that can be identified, and how?

Race: Yes. There are specific strategic aims to:

- Develop policies to specifically support Equality and Diversity

Disability: Yes. There are specific strategic aims to:

- Develop policies to specifically support Equality and Diversity
- Provide alternative working arrangements for employees where appropriate

Gender: Yes. There are specific strategic aims to:

- Assist female employees through the menopause

Religion/Belief: Yes. There are now specific strategic aims to:

- Develop flexible working practices, where appropriate, to support the organisation and our employees.

Sexuality: Yes. There are specific strategic aims to:

- Develop policies to specifically support Equality and Diversity

Age: Yes. There are specific strategic aims to:

- Adapt to an ageing workforce and engage with younger employees
- Develop policies that will support an ageing operational workforce
- Develop policies to support a good work-life balance
- Develop our fitness and nutrition procedures, information and guidance to support the health and well-being of all our staff
- Develop cross mentor and knowledge transfer schemes and equip our managers with the skills to manage a multi-generational workforce
- Refresh the workforce through new ways of working; including new employment schemes
- Develop flexible working practices, where appropriate, to support the organisation and our employees

Other: Yes

- The people strategy will apply to all employees of the Service. Therefore any positive impacts should be felt by all.
- The implementation of this strategy involves a lengthy period of consultation and employee involvement, inviting all employees to contribute.
- The strategy will continue to involve all employees who are invited to contribute to, and document how it is achieved throughout the life of the Public Safety Plan.
- The strategy documents the Authority's desire to become an employer of choice.
- Workforce planning data aligned to these plans indicates that there will not be a need for compulsory redundancies for operational employees during the life of this plan.

7) Are there or will there be any potential NEGATIVE IMPACTS on any section of the staff or community in any of the following areas?

Race: No

Disability: No

Gender: No

Religion/Belief: Some

- Although reasonable adjustments and flexible working will always be considered for those who require them for religious beliefs, this may be restricted for some employees by operational commitments. Although there is no evidence that this has ever happened in BMKFRS.

Sexuality: No

Age: No

Other (eg. RDS, cleaners/cooks): Some

- The style and format of the strategy is designed to make it user friendly with layered communications. A little feedback has been received about the font and further changes have been made. There may be further changes needed, depending on feedback.
- Those with very limited IT skills may experience difficulty navigating the strategy.
- The Public Safety and Corporate Plan, document the objectives of the Authority over the next five years. Both plans link to the Medium Term Financial Plan and outline that there is a period of significant change to working practices forecast for some employees over the next five years. Although the Authority is confident this will not mean compulsory redundancies for operational staff, there may still be a negative impact on some employees. This impact will be mitigated through employee involvement and consultation on changes in line with current Authority procedures.
- The increase in response to medical emergencies may have a negative impact on the mental health and well-being of some operational employees. This will be mitigated through robust support networks, effective selection, training and equipment, and must also be balanced against the positive impact of saving more lives day to day.

8) What relevant data or research needs to be collected or carried out in order to make use of POSITIVE impacts OR make changes for NEGATIVE impacts?

- CFOA work stream on research around ageing workforce will influence future policies and procedures to support employees as much as possible,

9) Can the POSITIVE impact be identified as good practice OR can the NEGATIVE impact be minimized or removed? Include in the action plan (below):

- Positive impacts can be highlighted as good practice, particularly the move away from a “one size fits all” mantra to a strategy that targets emerging risks through research and data analysis.
- Negative impacts can be reduced through introduction of specific aims targeting issues, although some cannot be removed entirely.

10) Are there other adaptations that could further promote equality, equal opportunities or improved relations? Explain how and include in action plan (below):

- The Employee Relations section, particularly employee involvement and effective consultation will be key to implementing changes in a positive way.

Signed:	Date:
Completed by: Simon Tuffley	20/10/2015
Line manager (if appropriate):	
Human Resources: Kerry McCafferty	14/01/2016



Equality Impact Assessment: Summary Report

The results of equality impact assessments must be published.
Please complete this summary, which will be used to publish the results of your impact assessment on the authority's web site

Date of Assessment:
Completing Officer's Title/Position: Station Commander Simon Tuffley - Project manager, Organisational Development
Service, Policy, Procedure, or Practice that was Impact Assessed: People Strategy
Summary of Recommendations and Key Points of Action Plan: Race: Positive Gender: Positive Sexual Orientation: Positive Age: Positive Disability: Positive Religion/belief: Neutral Other: Neutral

Department: People & Organisational Development
Author: SC Simon Tuffley
Approval:
Issue number: 1
Issue date:
Review date:

People Impact Assessment Action Plan

The table below should be completed using the information from the People Impact Assessment to produce an action plan for the implementation of proposals to:

1. Lower the NEGATIVE impact? **And/Or**
2. Ensure that the negative impact is legal under anti-discriminatory law? **And/Or**
3. Provide an opportunity to promote equality, equal opportunity and improve relations within equality target groups? i.e. increase the positive impact

Please ensure that you update your service/business plan with the equality objectives/targets and actions identified below:

Area of impact	Changes proposed	Lead Officer	Timescale	Resource implication	Comments
There may be further changes needed to the format, depending on feedback.	Changes to font on links from People strategy	SC Tuffley	Before final sign off of strategy.		Font amended following feedback from staff
Those with very limited IT skills may experience difficulty navigating the strategy.	None- will monitor through employee participation initiatives	SC Tuffley	2016-17		
Although the Authority is confident this will not mean compulsory redundancies for operational staff, there may still be a	This risk will be mitigated through employee involvement and consultation on changes in line with current procedures.	HR	2015-20		

negative impact on some.					
The increase in response to medical emergencies may have a negative impact on the mental health and well-being of some operational employees,	This will be mitigated through robust support networks, effective selection, training and equipment, and must also be balanced against the positive impact of saving more lives day to day	HR and line management	2015-16		
Although reasonable adjustments and flexible working will always be a priority for religious beliefs, this may be restricted by operational commitments.	This will be mitigated through good communications and employee involvement.	HR and line management	2015-20		

Sign off (Head of Service):

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Buckinghamshire & Milton Keynes Fire Authority

Consolidated Feedback

**Following the internal consultation of the revised People Strategy 2016/2020
carried out between July and August 2015**

Section	You Said....	Response/Action/Improvement made....
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General	Measuring success. How will we measure staff satisfaction?	This strategy will now provide a link to a number of key critical success factors i.e. safety stats, sickness levels, staff turnover and retention levels, well-being and culture surveys, top 100 not-for-profit companies, resilience/critical skill gaps etc.
Well-being	Ensure the utmost well-being of our people- What is the plan for this?	This is part of the employee proposition and the well-being section of the strategy. This will set the direction for future plans. BFRS will set frameworks and encourage staff. Staff will also be expected to take responsibility.
Employee Relations	Develop procedures to specifically support diversity- What does this mean?	Strategy amended to provide more clarity
Well-being	Support Women Fire-fighters- Needs to be clarified	The strategy now provides more clarity. This relates to supporting female staff through the Menopause
Talent Management	I think there should be an additional bullet point along the lines of 'develop a robust programme for those who require further development to improve their performance	This is part of all manager responsibilities as part of the Appraisal and Performance Management processes and is captured in these procedures. Strategy will link to these.
General	The only change that needs to be changed as far as I can see is the general description of the Employee Proposition. I'd be grateful if you could replace the statement	Amended

Section	You Said....	Response/Action/Improvement made....
General	May want to clarify that "top 100 best organisations to work for" is in the not-for-profit category rather than overall	Now clarified in strategy
General	Under 'Assumptions' it would be good to refer to the recently signed MOU regarding collaboration with partners (I really like the fact you have linked and referred to the PSP, Corporate Plan and MTFP in the previous section)	The MOU is now referred to in a key strategic statement on collaboration opportunities
General	Under 'The 4 pillars of our People Strategy' you will need to reference the source of the diagram	Source to be included in final version
Well-being	Under 'Well-being' we state "Support employees who may have to care for sick or elderly relatives". I think we also need to extend this to young and/or disabled dependents.	To be included
Employee relations	Do we have any desire to move towards performance related pay? I recognise we do this to some extent with ARAs and honoraria, but does this topic need a mention in this document, or is this covered within "Reward and recognise our best performing people"?	Performance related pay is already part of the reward process and this theme could be developed upon within "Reward and recognise our best performing people"

Section	You Said....	Response/Action/Improvement made....
Employee relations	Under 'Employee Relations Strategy' I would recommend avoiding the use of the term "meritocracy" as it comes with political and theological connotations. We may simply want to say openness here (to go with trust) as the principle of employee development and advancement is already well covered in this document	Removed
General	Personally, I think the diagram at the end would be better at the front so people can see at the start how the framework hangs together (although accept a number of people would argue the opposite). It also needs to be rotated and the page orientation set to landscape to make it more easily readable on screen.	Re-orientated, will consider whether it goes at the front or back in final version
General	<p>There is an amount of overlap in the statements</p> <p>Resourcing Strategy –</p> <p>Refresh the workforce through new ways of working; including new employment schemes links with Assist with the future design and shape of the service in line with demand, risk and longer term financial planning</p> <p>Provide a wider range of services with less staff links with Develop procedures to specifically support diversity and Explore collaboration and secondment opportunities with other organisations and look for ways to diversify our brand</p> <p>Develop flexible working practices where appropriate, to support the organisation and our</p>	Noted, these statements will be reconsidered to minimise overlap

Section	You Said....	Response/Action/Improvement made....
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	<p>employees links to Provide alternative working arrangements for employees where appropriate</p> <p>Wellbeing Strategy – Periodically survey the welfare of our staff and make improvements from our findings links to Manage workplace stress and Analyse trends and implement initiatives to improve outcomes.</p> <p>Employee Relations Strategy – Develop employee retention schemes links to Reward and recognise our best performing people Develop a culture of employee involvement links to Ensure BFRS remains a great place to work</p>	
Talent Management	Need to think about Development Centres and Acceleration programmes for best performing staff as a lot of support staff have no means of achieving promotion due to their line management being ops staff.	Noted. Appropriate elements of future ADC's will be opened up for support services staff in 2016.
Talent Management	Is the intention to programme robust, fair and timely development centres for support staff?	Development centres will be run for Support services staff
Talent Management	For ops staff within the organisation there is a very clear development structure within the ranks system – is there the same for support staff? For example are support staff aware of the different levels of roles within the organisation that they can develop into i.e. job role/grade etc.	Although Operational employees have separate technical knowledge requirements, there will be development opportunities for a range of support services functions, including technical/specific roles.

Section	You Said....	Response/Action/Improvement made....
General	Measuring success- I agree that the document should give some insight into how we are going to measure these initiatives and that progress on the initiatives should be able to be tracked.	Strategy now links to progress and provides an opportunity for all employees to contribute to translating this strategy into practice.
General	This is a great, aspirational document and is a good basis for discussion. I felt that some of the observations that were made in the briefing this afternoon centred around communication with some of the middle managers in the room feeling that communication wasn't cascading down and/or they were not aware of outcomes when they had fed up on issues. I think we do need to be mindful that if we ask for engagement by way of suggestions from the front line staff that we close the loop and ensure that we give the rationale if suggestions are not taken forward.	The document will be amended to include that line management will, if they get information fed upwards from employees or they have made suggestions that these are acknowledged and responded to with rationale.
General	I whole heartedly support the aspiration of entering the top 100 not for profit companies. The one thing that was missing from the Strategy/proposition was detail. Too much of a high level document to be taken to the floor.	The strategy has been developed further to include access to more relevant detail. The strategy will promote the role of managers to translate the strategy into tactics and will ask for regular updates on initiatives to be provided.
General	As well as group consultation sessions, I think it is important to give individuals the opportunity to reflect on the document / proposition and feedback through an individual portal.	This will be included in the next round of consultation in addition to the planned focus groups

Section	You Said....	Response/Action/Improvement made....
General	I believe we still have a lot of silos with in the service, and not all Managers (at varying levels) are displaying the behaviours that will be required to take this forward. For example the recent (on-going) Managers workshops, some middle managers have had to be dragged along kicking and screaming. Recently an expression of interest was circulated to all those currently working the Bank/Ops Pool. Station Commanders were not included in this circulation but apparently we have to give permission for our staff to take part.	Noted. Perhaps wider than People Strategy. Suggest some facilitated discussion with the right group of managers will lead to improvement.
General	Perhaps the one thing I would put forward as feedback is that, can additional work be put in to helping raise manager awareness about the important role they play in leading their teams, and explaining why things happen, or proactively trying to improve things, rather than just hearing their issues and passing them on.	Line Managers responsibilities need to be made more explicit in the strategy so we are proposing that there is a focus in all 4 strands that responsibility is explicitly embedded within line management. We will also enhance the section on leadership.
General	Granting of TOIL would go a long way to providing flexibility for our members. Some employees would like to take off part of a shift through TOIL to pick up kids from School etc.	This will be considered for the future. A specific option being considered is a formalised approach to exchanging duty with another member of staff for part of a shift.
General	The buying and selling of leave is a very important current topic that needs progressing as a priority.	Head of HR is in the process of designing how this works and is working with management for future proposal

Section	You Said....	Response/Action/Improvement made....
Well-being	Mental Health is a growing concern could there be more focus on prevention of workplace stress?	<p>We are now involved in the MIND Blue Light Programme and managers are actively encouraged to attend and to encourage and facilitate the attendance of their own staff.</p> <p>PAM Assist is already on offer and has been for several years.</p> <p>Mental Health awareness training for managers will be coming into the Service in December with the initial focus being on Watch and Station Commanders and Support Staff equivalents.</p> <p>More initiatives will follow the People strategy</p>
General	Not strong enough can an initiative name be devised something like "365 Alive" as it would aid buy in. the title needs to be more tangible.	Suggestions for an improved title are welcome.
Resourcing	Could there be included more focus on collaboration with other services and shared working practices and how this affects different members of staff i.e working in different cultures.	This will be included as a specific item in the strategy and the engagement process. It will also be added to our TNA for 2016
General	Don't like the title needs more impact.	Suggestions welcome

Section	You Said....	Response/Action/Improvement made....
General	Support for people with literacy issues who have no confidence in writing.	<p>Functional skills will be included in the Talent Management strategy.</p> <p>One example of such support is the availability of an e-learning package to improve spelling, punctuation and Grammar available to all employees now.</p> <p>Confidential dyslexia assessments are available for any member of staff who thinks they may have dyslexia. Reasonable adjustments can and have been made to assist staff with identified difficulties.</p>
Well-being	<p>Need to focus on:</p> <p>1 in 10 people being carers 1 in 4 people who suffer from mental health issues.</p>	<p>Will be included</p> <p>As part of the wellbeing strategy consideration may be given to setting up a Carers Support Group (Kent FRS and Kent Police do this). Alongside (or instead of) this the service could signpost staff to existing support groups such as Carers Bucks.</p> <p>In December the Authority will be signing the Blue Light Pledge which recognises the Service's efforts to reduce stigma around mental health. The Mind Blue Light Programme, Mental Health Awareness Training for managers, the employment of a welfare officer and the availability of a confidential stress helpline (PAM Assist)</p>

Section	You Said....	Response/Action/Improvement made....
General	As we move forward and need to work with other organisations more we need a wider range of accreditation and qualifications to enable this.	Will be included in the Talent Management section
General	Employee proposition. This is a dated phrase that has been dropped by other organisations.	Any suggestions for an alternative would be welcomed. We would welcome examples of where this has been dropped as our research suggests this is a term in common usage across many industry sectors.
Resourcing	Is this representing communities or representing a proportion of the community as they mean different things? What are we trying to achieve?	We will maintain our diversity aims, so far as is possible. Strategy amended to clarify
Resourcing	The last bullet point "with less staff" this sets a negative tone, does it need to be in the document if it is obvious? Suggest delete with less staff	Removed
General	There is an opportunity to give something back to the community and put our money where our mouth is such as allowing staff to work a number of days a year working for a charity on pay. Possibly sponsoring a charity and providing them with free labour to help them.	Consider for brand establishment. The charitable work already carried out will need to be evidence for top 100 also. It has been suggested that with the diversity of skills that we already possess (i.e. ICT, finance, procurement, H&S, etc...) we could as an organisation concentrate on one particular charity for a year at a time and make a very strong impact on that one organisation. Timberland and M&S for instance have taken this approach in the past as do some military units.

Section	You Said....	Response/Action/Improvement made....
Well-being	Medium term retirement planning could be improved.	As this progresses include in strategy. Good example of current initiative: Following feedback from last year's pre-retirement courses we have added an additional course this year aimed at staff with 5-10 years of service remaining before a potential retirement date.
Resourcing	Potential for changing the rules on abatement to retain and not lose essential skills.	The Authority will not be considering changes to the rules on abatement at this time, as it would be at odds with our Talent Management Strategy.
General	The content of the document is sufficient and easily readable for people to understand although there will undoubtedly be project plans resulting they do not need to be in a strategy document such as this. An aims and action plan saying what is planned to be completed by 2016 should be sufficient to compliment the strategy.	An aims and action plan saying what is planned to be completed by 2016 will complement the strategy.
General	Could we identify some quick wins and deal with these first so to get some 'buy in' and therefore enthusiasm for the initiative.	Taken on board. Will explore quick wins
Talent Management	If acceleration programmes are included then I have concerns that employees may not be able to operate at a high level for over 30 years. We need to make sure the supports are in place before we move to that level.	Noted
Talent Management	There needs to be more emphasis on succession planning.	Noted

Section	You Said....	Response/Action/Improvement made....
Talent Management	Suggest change the wording from Talent Management to succession planning as Talent Management has connotations of elitism.	Noted
General	Meritocracy. This noun means different things to different people and is not a good word to use for this reason.	Removed
Talent Management	Direct entry to management .This is a concern; will it be part of the initiative?	The Authority will look at entry beyond single point to see if it is appropriate as part of strategic workforce planning.
Talent Management	Recommend that Managerial and Operational skill sets are recognised separately in the organisation as lack of match ups currently make the organisation a bit rigid and the wrong people can end up in the wrong job.	Consider recommendations for future Org Design in line with demand / risk and financial planning as part of the engagement. Strategy is being developed around future demand and risk plans and diversified services.
General	Getting people involved, engaging with staff. One thing we are doing already is tiered managerial workshops.	Noted Staff engagement to continue during the Autumn with a series of departmental, team and watch visits.
General	Getting people involved engaging with staff Watch Commanders as they know their teams.	Noted

Section	You Said....	Response/Action/Improvement made....
General	Getting people involved engaging with staff Focus Group Facilitators as a development opportunity from any level in the organisation advertise and train to be facilitators in focus groups.	This has been adopted as an approach. Please help by promoting this within your teams. As above, this is being rolled out in the Autumn. Managers are actively encouraged to nominate staff members to be part of this process.
General	Getting people involved engaging with staff - No consultants	Noted
General	Getting people involved engaging with staff Ensure feedback is provided in some form of live document and responses communicated.	Noted. Feedback will be communicated.
Talent Management	Succession planning. Need to be conscious of retaining knowledge and managing the knowledge of support staff.	Ensure that retention and succession planning is included in engagement and strategy
Talent Management	External accreditation for health and well-being	Noted. One example is the recent decision to train all managers in identifying, mitigating and dealing with workplace stress, facilitated by the charity MIND.
Resourcing	Add "older employees" to last bullet point	Noted
Resourcing	Need procedures to support an ageing workforce	Included
Well-being	Add mental health	Included
Talent Management	We should consider entry at all levels	Noted

Section	You Said....	Response/Action/Improvement made....
Resourcing	Corporate brand. We make a great deal of emphasis on our brand, yet we are inconsistent with advertising our brand logo.	Noted
Resourcing	RE reflecting the diverse communities we serve as far as possible. Say what it is we are seeking as an outcome, as opposed to what we are trying to do; a subtle difference!	Diversity policy refers. Strategy amended.
Talent Management	Equip managers with skills to manage a multi-generational workforce. Up-skilling and e-learning. Change the focus to highly skilled staff, not up-skilled. Not convinced we should detail delivery method e.g. e-learning.	Amended. Enhance the skills of staff when appropriate and develop a blended approach to learning
General	Getting people involved engaging with staff. It is important that the Rep Bodies are kept updated on the initiative.	<p>At the Joint Consultation Forum on 30 July 2015 the Rep Bodies were appraised of the intention to roll out this initiative including the fact that facilitators will be trained in order to fully engage and involve staff in focus groups to inform and consult. UNISON, FOA and FBU provided their support and wish to be kept updated and involved. The Workforce Strategy will become a standing item at the Consultation Forum to keep rep bodies updated.</p> <p>Comments from rep bodies who attended the September Consultation Forum are included in this feedback</p>
General	How are we going to retain and recruit top talent when most of the support staff have had a pay cut in the last few years?	The Authority introduced a revised pay and reward model in 2014. The objective was to ensure a fair and equitable pay structure for support staff across the Authority to attract and retain the right calibre talent.

Section

You Said....

Response/Action/Improvement made....

		<p>As part of the work the Authority carried out an equal pay audit, which included departmental line managers reviewing Job descriptions which were then re-evaluated.</p> <p>The outcome of the equal pay audit was: 17% of posts increased in grade 45% remained the same 38% were too highly graded and work was subsequently undertaken with Line managers and staff to rectify the situation in line with agreed procedures.</p> <p>This re-evaluation was a snapshot in time and those employees who saw a reduction in salary were pay protected for 2 years</p> <p>The new system now includes mechanisms to support the aim of recruiting and retaining the right calibre talent; including if appropriate market supplements or appropriate changes to career grades.</p> <p>Through our relevant procedures, managers are encouraged to review roles and responsibilities regularly to ensure any changes are reflected appropriately in grading.</p> <p>There are several examples of roles being upgraded, resulting in an increased reward package since the equal pay audit.</p>
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Section

You Said....

Response/Action/Improvement made....

		Our support staff turnover rate does not support a view that we have difficulty retaining talented staff.
General	<p>Timelines for delivery and engagement - The biggest issues on Station are related to trust, morale and motivation.</p> <p>There is a large amount of mistrust. We need to give crews more information, the figures part is easy but when it comes to the future options on shifts it is unclear what is needed as we don't have a starting point. Staff are scared of coming up with something new because the trust just isn't there. Therefore the timelines of delivering a new employment offer with a projected timeline of 3 years reduced to 2 is very optimistic.</p>	<p>Will provide more information and promote ownership of strategic aims.</p> <p>Senior management to be visible and transparent. Middle managers to confirm support needed Encourage shadowing managers. Managers to maintain briefings, 1:1's, Appraisals etc. Encourage ideas. Employee involvement and engagement. Good Rep Body relations. Ensure All line managers are engaged and committed to org goals. Work systems will be driven by risk/demand once data available – opportunity for employees to shape this. The vision can be realised with a commitment from all. The corporate plan contains detail on objectives.</p>
General	Engagement Expect difficulties because FF's won't go round the rep bodies, they will only go through them	Rep bodies have been given a commitment to full involvement and are being updated regularly through consultation.
General	Generic feedback on the proposition. The impression on the ground is that employee proposition is deteriorating and not improving.	The aim of this project is to turn this perception around and create an improved working environment and offer.

Section	You Said....	Response/Action/Improvement made....
General	Having a clear deadline with milestones would aid to gaining buy in.	The strategy will link to a plan and details of progress which will contain examples. It will also promote ownership through examples of strategic aims translated into local projects and initiatives.
General	Firmer guidelines and timescales are needed as the document is very scant and high level. It needs more meat and some examples.	Noted
General	Needs – Milestones, dates, details and support.	Noted
General	Scepticism about the organisations ability to deliver this strategy and it will probably be classed as too difficult and shelved.	The SMB are committed to achieving this and will support managers to implement.
General	It is important to provide some examples for the shop floor i.e the tools to deliver.	The strategy will link to a plan and details of progress which will contain examples.
General	We need to listen to staff, look at the example of the leave procedure it did a lot of damage in six months and although fixed now it will take a long time to recover from it.	<p>The vision for the next 3 years is to empower managers to make decisions at an appropriate level.</p> <p>Staff will be listened to and asked what they want to happen to make this a better place to work.</p>
General	The USAR example is another when staff became engaged eventually it was resolved but it had had been 12 months at loggerheads before that.	Things have improved since then, when staff were engaged with. This resulted in a swift resolution to satisfy all parties, an example of what can be achieved.
Employee Relations	Local T&C's The staff have the perception that change is to the employees detriment. No security / no trust: it will be difficult to get to a local T&C's situation as staff feel safe in the grey book T&C's.	<p>Fear of change is common, the project will look for positive demonstrative results early.</p> <p>Any proposed changes to T&C's will be transparently communicated with rationale so that staff can understand the reason for the</p>

Section	You Said....	Response/Action/Improvement made....
		proposed change and the benefits.
General	I think we should be looking for easy, little wins first before looking for bigger things.	Noted
General	Delivering - For support staff: to turn the tide of opinion is difficult – need to put money where our mouths are. If we say we are going to do something positive then do it.	Noted
General	It is a good aspiration to have to be in the Top 100. Needs clear direction and key aims otherwise it just looks like a front to achieve political aims.	<p>Consider benchmarking against the current top 100. Engagement with ALL staff will take place to ask them what would make it the best.</p> <p>The key element of Top 100 accreditation is a staff survey. Top 100 status can only be achieved if the workforce consider themselves to be part of such an organisation. The proposition that is offered to staff to achieve this will therefore have to be grounded in outcomes of mutual appeal to both the Authority and the staff.</p>
General	Lots of people think that the Brigade has lost its soul. How do we bring that back? We are not a business but now we are so business like in the way we talk and everything we do.	<p>Noted – there may be opportunities to find a new soul and would welcome ideas.</p> <p>An outcome of the strategy is to promote the vision, values and employee engagement.</p> <p>Culture surveys will also be undertaken.</p>

Section	You Said....	Response/Action/Improvement made....
General	Engagement Groups- SM's are affected also and our views need to be considered, not just the staff.	Ensure that engagement with SM's is increased and that consultation with them takes place on the proposed changes.
General	The duty officer pilot is still on-going, there has been no outcome, we are still doing it but there has been no consultation.	Noted
General	Examples of initiative not being conducted effectively. Physical fitness procedure is out but the facilities are not in place (treadmills) this is an example of not doing things properly.	It is accepted by senior management that this has not gone as smoothly as would have been hoped but focus is still on finding a solution quickly.
General	Resources are a major concern, especially with a reduction in the number of SM's.	SM's are not expected to manage change alone. There is a project group that has been tasked with identifying improvements.
General	Financial resources must underpin this also.	Noted as the project progresses the financial envelope can be identified, at this point the costs of change are unknown
General	Support staff. Workforce Strategy Document seems to focus just on WT and On call not Support Staff.	The strategy will encompass all staff and be assured the views and needs of the support staff will be included.
General	It should include all sections of the workforce equally.	Noted.
General	Strategy. The document doesn't tell us how it is going to work and needs to.	<p>The strategy will set the intended direction, an action plan linked to this strategy will provide the details of how.</p> <p>Managers are also encouraged to translate strategy into local initiatives and projects</p>

Section	You Said....	Response/Action/Improvement made....
General	Coherent strategy. Did anyone know that the RMT have just put out a message for staff to offer to sign up to a new way of working? – No one knows why or what it’s about!! No-one in the room knows anything about it!	Noted – recommend that RMT notify SM’s prior to any new initiative.
General	Coherent strategy. Individualism is taking over and managers don’t know what is going on.	Noted
General	Whoever goes out to talk to staff will need to be able to put some meat on the bones of this.	<p>The latest draft of the strategy links to examples of progress and gives examples of initiatives.</p> <p>Prior to the autumn engagement exercise, watch and team managers will be requested to brief their teams on the CFO’s vision for the next 3 years, the Workforce Strategy and the MTFP. The staff going out to the workforce will be there to facilitate a discussion around these issues and to garner further feedback on what aspects of their working life they would like to change/retain in return for what type of reward.</p>
General	Facilitation . It would be better if the engagement was done by someone unconnected to the station.	<p>Facilitators will be recruited from a cross section of the organisation.</p> <p>This is being incorporated into the plan, as is the facilitation being conducted by pairings combining one Support Staff and one Operational member of staff.</p>
General	It’s hard to get anyone to attend focus groups. People are always putting themselves out on their own days.	It is not mandatory for staff to attend focus groups.

Section	You Said....	Response/Action/Improvement made....
General	Remember that the Station Managers are a staff group too. They need to be engaged with.	Noted
General	The aspiration is brilliant but there has to be commitment to every single piece of it. Quick wins are important.	Noted. Quick wins have been identified.
Well-being	Occupational Health Service is a priority, can we have some feedback on the feedback provided regarding the service.	<p>Cannot provide feedback on particular cases.</p> <p>Managers will be aware that the occupational Health service is outsourced to PAM, under a wide contract which includes other BCC and Aylesbury Vale CC partners. The specific needs of BMKFRS is covered in detail.</p> <p>The Head of HR meets monthly with the PAM accounts manager to manage the contract for services, review usage and can escalate concerns that staff have raised during that month which have not been adequately dealt with.</p> <p>There has been some considerable improvement in the OH services, including more locations and faster booking and reporting. Feedback from those attending medicals is still mixed, with many having a good and satisfactory experience, whilst some do still have concerns.</p> <p>Complaints and concerns can be raised directly with PAM by employees. Where issues are raised with HR staff after appointments we will pursue these with PAM and feedback responses to the individuals directly.</p>

Section**You Said....****Response/Action/Improvement made....**

		We will continue to manage the service so welcome constructive feedback, and we will seek all opportunities to have a consistently improved service, including if appropriate alternative providers at an appropriate time.
General	How are we going to ensure that the On Call are engaged considering there is no spare time for engagement?	Additional drill night for facilitators meetings.



Buckinghamshire & Milton Keynes Fire Authority

MEETING	Executive Committee
DATE OF MEETING	3 February 2016
OFFICER	Lynne Swift, Director of People and Organisational Development
LEAD MEMBER	Councillor Roger Reed
SUBJECT OF THE REPORT	Senior Management Board Remuneration and Performance Review 2015 and Annual Report on the Employee Bonus Scheme
EXECUTIVE SUMMARY	<p>Strategic Management Board (SMB) members are contracted under the National Joint Council (NJC) for Brigade Managers of Fire and Rescue Services Constitution and Scheme of Conditions of Service; known as the "Gold Book", for pay purposes. This involves a two-track approach for determining levels of pay;</p> <ul style="list-style-type: none"> • National Pay - At national level, the NJC annually reviews the level of pay increase applicable to Principal Officers. Any increase is effective from the usual annual settlement date 1st January. • Local Pay - The NJC agreement also requires Fire and Rescue Authorities to review Principal Officers' salary levels on an annual basis. <p>In determining any proposed changes to local pay, the Pay Review methodology (Appendix 5) requires Members to consider various types of qualitative and quantitative data, including public sector comparisons and organisations geographically relevant.</p> <p>In line with the methodology a review considering performance and relevant benchmarking data has been undertaken and is attached at Annex A for consideration by Members.</p> <p>Overall there has been a continuous demonstration of success in operational delivery, prudent financial and asset management, and increased partnership working to deliver a range of services to the community.</p> <p>The Authority's Pay Policy Statement requires that the Executive Committee receives an annual report summarising the awards, if any, which have been made under the Employee Bonus Scheme to employees throughout the organisation.</p>
ACTION	Decision.

<p>RECOMMENDATIONS</p>	<p>It is recommended that:</p> <ol style="list-style-type: none"> 1. a financial recognition of achievements to the Chief Fire Officer/Chief Executive (CFO/CE) through a bonus payment be considered; <p>If a bonus payment to the Chief Fire Officer is approved, it is recommended that:</p> <ol style="list-style-type: none"> 2. the level of bonus be agreed. <p>It is recommended that:</p> <ol style="list-style-type: none"> 3. an amount of funds be agreed to be allocated to other members of the SMB by the Chief Fire Officer based on individual performance reviews. 4. the report (Exempt Annex B) summarising the awards made in 2014/15 under the Authority’s Employee Bonus Scheme be noted.
<p>RISK MANAGEMENT</p>	<p>There are no risks to the delivery of the Authority’s functions.</p>
<p>FINANCIAL IMPLICATIONS</p>	<p>If members are minded to consider an award as per the methodology described in Appendix 5, this would be funded from the year end outturn favourable variances.</p> <p>For members information the year end outturn positions before movements to and from reserves in recent years have been:</p> <p>2012/13 c£873K favourable variance 2013/14 c£1,330k favourable variance 2014/15 c£1,811k favourable variance</p> <p>The latest estimate for the corresponding 2015/16 outturn as of end December 2015 is projected to be c£1,300K.</p>
<p>LEGAL IMPLICATIONS</p>	<p>The terms of reference of the Executive Committee include the role of the employer in connection with employees of the Authority contracted in whole or in part to the “Gold Book”. The recommendations are consistent with the Authority’s extant statutory pay policy statement.</p>
<p>CONSISTENCY WITH THE PRINCIPLES OF COLLABORATION</p>	<p>Collaboration on senior pay is not appropriate at this time, although relevant market rates will be reviewed as part of the process.</p>
<p>HEALTH AND SAFETY</p>	<p>There is no impact.</p>
<p>EQUALITY AND DIVERSITY</p>	<p>There are no equality and diversity issues arising from this report.</p>
<p>USE OF RESOURCES</p>	<p>The Strategic Management Board members are collectively and individually responsible for delivering</p>

	<p>the corporate plan and the Authority’s objectives.</p> <p>Performance of SMB members is regularly appraised either by the CFO/CEO or Chairman supported by Lead Members where appropriate.</p> <p>The Authority’s Pay Policy, Part 2 section 24, (Appendix 6) and the methodology described in Appendix 5, allow for Authority consideration of one-off bonus payments linked to evidenced and scrutinised delivery of performance management objectives.</p> <p>Whilst SMB members have been invited to contribute with evidence to demonstrate performance improvements, officers have not been and will not be party to any decision making in relation to their own remuneration.</p> <p>Performance and Benchmarking Data:</p> <p>In determining any changes to local pay, the methodology requires members to consider various types of qualitative and quantitative data, including:</p> <ol style="list-style-type: none"> 1. Information about the extent to which corporate objectives have been met 2. CFO /CE appraisal data as provided by the Chairman 3. SMB appraisal data as provided by the CFO/CE 4. Progress on any specific projects that members identified as high priority 5. Performance data provided by the CFO/CE relating to SMB. 6. Comparative performance data with other FRSs 7. Salary benchmarking data in relation to senior manager teams, (Population Band 2), Combined South East Region Fire Services 8. Financial data about budget provision for pay / reward costs arising from this review 9. Data about national pay settlements awarded to Gold, Green and Grey Book employees <p>Internal Controls: Adherence to the Pay Policy Principles and Statement is controlled via strict establishment and pay change approval process controls.</p>
<p>PROVENANCE SECTION & BACKGROUND PAPERS</p>	<p>Background</p> <p>The SMB is made up of the:</p> <ul style="list-style-type: none"> • Chief Fire Officer/Chief Executive • Chief Operating Officer/Deputy Chief Fire Officer • Director of Finance and Assets

	<ul style="list-style-type: none"> • Director of People and Organisational Development • Director of Legal and Governance • Head of Service Delivery • Head of Service Development <p>Appendix 5 sets out the Senior Management Team pay review methodology which covers the mechanism for the implementation of the Senior Officers Remuneration Procedure.</p> <p>The SMB methodology recognises that there are a range of pay and non-pay options for members to consider which include attending development opportunities, incorporated salary rises, non-incorporated bonuses, pay agreements that span a number of years and no change to existing reward packages.</p> <p>Remuneration principles are part of the Authority's current Pay Policy Statement 2015/2016. The principle of self-funding linked to efficiencies and performance is central to the Authority's reward and remuneration philosophy.</p> <p>It is our intention that salary multiples do not reach the 1:20 ratio referred to in the Hutton Report. The current BMKFA pay multiples are:</p> <p>Highest pay: lowest pay - 10.71:1 Highest pay: median pay - 4.72:1</p> <p>(The pay multiple is the ratio between the highest paid salary and the median average salary of the Authority's workforce. The average salary level is defined as the total of all regular payments made to an individual.)</p> <p>The Authority strives to provide a modern employment proposition to support demand. A revised Pay Policy Statement 2016/2017 has been approved by the full Authority and recognises that new employees may be employed on terms and conditions outside of the Grey Book. The Authority also recognises that employees in existing firefighter roles may want to agree rates of pay outside of the Grey Book for the protection of services and provision of enhanced resilience.</p> <p>Report to Fire Authority held 18 February 2015: BMKFA Pay Policy Principles and Statement 2015/16: http://bucksfire.gov.uk/files/4614/2347/0573/Fire_Authority_Agenda.pdf</p> <p>Report to Fire Authority 16 December 2015: Pay Policy Principles and Statement 2016/17: http://bucksfire.gov.uk/files/6614/4948/1341/ITEM_8_Pay_Policy_Principles_and_Statement_2016-17Appendix.pdf</p>
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<p>APPENDICES</p>	<p>Annex A Senior Management Board Remuneration and Performance Review Report (South East Employers)</p> <p>Appendix 1: Minimum annual rates of pay for chief fire officers by population band from 1 January 2015</p> <p>Appendix 2: Comparative data provided by 23 other combined fire authorities against data provided by BMKFA for average Band D equivalent Council Tax 2015-16 and for 2014-15 (source CIPFA and Fire and Rescue Services statistics 2015).</p> <p>Appendix 3: Illustrative figures for the total pay bill for 2014-15, compared to other fire authorities, CIPFA.</p> <p>Appendix 4: Breakdown of total remuneration of CFO and SMB members</p> <p>Appendix 5: Senior Management Team Pay Review Methodology</p> <p>Appendix 6: Pay Policy 2014/15 extract Part 2 SMB</p> <p>Appendix 7: Methodology for bonus payments (non-SMB)</p> <p>Exempt Annex B: Summary of awards made under the employee bonus scheme for 2014/15</p>
<p>TIME REQUIRED</p>	<p>15 Minutes.</p>
<p>REPORT ORIGINATOR AND CONTACT</p>	<p>Jennifer McNeill jennifer@seemp.co.uk 07901 528 397</p>

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**Final**

**Senior Management Board Remuneration and Performance Review,
Buckinghamshire and Milton Keynes Fire and Rescue Authority (BMKFA)**

Report to the Fire Authority

1. Executive Summary

- 1.1 This report provides information for members' consideration in their review of the corporate and individual performance of the Senior Management Board members (SMB), and whether a bonus payment would be appropriate. A local pay review is conducted annually and any proposed changes are approved by the full Authority in March, to be effective from the preceding January. The last remuneration review was in February 2015.
- 1.2 Posts under consideration in this review are Chief Fire Officer/Chief Executive, (CFO/CE) Chief Operating Officer / Deputy Chief Fire Officer (COO/DCFO), Director of People and Organisational Development, Director of Legal and Governance, Director of Finance and Assets, Head of Service Delivery and Head of Service Development. All are considered under the 'Gold Book' arrangements of national and local review.
- 1.3 To support members in their considerations, account has been taken of the pay context in which the fire service operates, conditions of employment, local methodology for conducting a pay review, pay policy and corporate plan, financial position, performance data compared with other fire authorities (council tax precept, pay bill, net expenditure), salary benchmarking, deliverables against corporate plan, evidenced achievements.
- 1.4 Context and service performance data has been drawn from management reports to the CFA and from published national data collected by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Local Government Association (LGA). Overall, the data presented reflects a strong and effective leadership team that ensures efficient deployment of assets, has increased operational outputs with wider services to the community and has proactively engaged with external partners. This is against a backdrop of tighter fiscal measures, reduced Government settlement funding and fewer resources including a reduction of 1% in the council tax precept.

- 1.5 The cost of providing the fire service compared to other combined fire authorities is one of the lowest in the country yet BMKFA continues to demonstrate improvement in reducing incidents of fire or road traffic collisions through prevention activities and introducing new life-saving and health promoting initiatives.
- 1.6 Savings have been made across front line service delivery and back office functions and a consistent underspend against budget is noted. The base salary level of the CFO/CE and COO/DCFO are a little above the mean average range for salaries at the population (Band 2) size.
- 1.7 The CFO/CE was appointed in post in January 2015 and senior salaries were revised at this point. The figures here also include the NJC award of 1% for 2015. This figure provides the benchmark level going forward as previous CFO/CE salary figures are no longer relevant. The CFO/CE is keen to report on the SMT performance and remuneration position in an open and transparent way.

2 Background and context to pay and remuneration

- 2.1 The Local Government Transparency Code 2015, Department for Communities and Local Government (DCLG) seeks to ensure local people can access data including salary levels for senior staff. A link to this published data is to be provided on the website with a list of responsibilities, details of bonuses and 'benefits in kind' for all staff earning over £50k.
- 2.2 Localism Act, 2011 requires authorities to produce a Pay Policy Statement showing the dispersion of pay (including variable pay, use of performance related pay, bonuses, allowances and cash value of benefits in kind) and the ratio of pay between levels of staff, known as a 'pay multiple'.
- 2.3 Hutton report on Fair Pay, 2011 set out the case for a maximum pay multiple, keeping the pay of top public sector executives bounded to what their staff earn. It was reported that executive pay in much of the public sector has been rising faster than the pay of median and low earners, creating a greater pay dispersion over the last 10 years. A maximum pay multiple of 20:1 was proposed.
- 2.4 There continues to be significant focus on pay restraint for senior managers and this remains central to the government's deficit reduction strategy.
- 2.5 The new National Living Wage (NLW) will take effect in April 2016 at a minimum of £7.20 / hour. It is unclear as yet what 60% of the UK median earning will be by 2020 but is likely to be between £9 - £9.40 / hour. The NLW may present a challenge for local authorities in planning for future pay policies as it may impact on established pay structures and pay differentials.

3 Fire Service Conditions of employment

- 3.1 BMKRFS currently applies national conditions of pay for operational and senior staff. SMB members are contracted under the National Joint Council (NJC) for Brigade Managers of Fire and Rescue Services Constitution and Scheme of Conditions of Service 'Gold Book'. This provides for a national and local review of pay. Operational staff below Brigade and Area Manager are conditioned to the 'Grey Book'. Support staff are on local terms and conditions of employment. Work is currently being undertaken to develop local terms and conditions across all levels of employees.
- 3.2 At national level annual reviews are considered by the NJC to negotiate on national pay, taking account of affordability, other relevant pay deals and the rate of inflation. The 2015 pay settlement was an increase of 1.0% in all brigade managers' pay with effect from 1 January 2015.
- 3.3 The NJC agreement requires Fire and Rescue Authorities (FRAs) to review Principal Officers' salary levels annually and determine this at a local level. 'When determining the appropriate level of salaries for all Brigade Managers, the CFA should refer to the relevant minimum salary of the Chief Fire Officer (CFO) and the most relevant benchmark data'.
- 3.4 Account is also taken of national benchmarking, special market considerations, substantial local factors or complex responsibilities that bring added value, top management structures and size of management team compared to other Fire and Rescue Services (FRSs), objectively assessed relative size of post and incident command responsibility (including beyond own boundaries).
- 3.5 Consideration in setting salary levels locally are likely to include:
1. Minimum salary levels for Chief Officers in relevant sized local authorities
 2. Market rates of pay for senior managers in a range of private and public sector organisations
 3. Evidence of recruitment and/or retention difficulties with existing minimum rates
- 3.6 Minimum levels of annual rates of pay for chief fire officers from 1 January 2015 covering Bands 1 – 4 is provided by the Local Government Association (LGA), **Appendix 1**. The relevant Band for BMKFA is 'Population Band 2'.

4. BMKFA Policies and Plans

- 4.1 The Pay Policy 2016/17 sets out the factors that are taken into account in determining the recommendations for the future pay position for senior managers.

- 4.2 The latest revision to the BMKFA Pay Policy Principles and Statement 2016/17 was presented and approved at the Full Fire Authority on 16 December 2015. This confirms decisions on pay policy are taken by elected members. The Pay Policy defines Strategic Management Board (SMB) levels of remuneration as comprising salary, car provision and private medical insurance.
- 4.3 The Policy refers to 'one off bonus payments may be considered linked to evidenced and scrutinised delivery of performance management objectives'. Payment for bonuses is discretionary and non-contractual and will reflect 'excellence'. The amount allocated for bonuses is intended to be self-funding linked to efficiencies and performance. This principle is central to the Authority's considerations of reward and remuneration.
- 4.4 On 18 March 2015 the 2015-20 Corporate Plan was presented to the Executive Committee and approved by the CFA on 10 June 2015. The focus was to equip the organisation to meet future challenges, respond to changes in demand and risk to the community, and reduce operating costs in line with planned reductions in government funding. The Plan outlined the strategic objectives and enablers and scheduled key work programmes arising from the 2015/20 Public Safety Plan.
- 4.5 Objectives focus on:
- Preventing incidents
 - Protecting homes, buildings and businesses
 - Allocating assets and resources according to risk and demand
 - Providing value for money
- 4.6 Enabled by:
- People
 - Information management
 - Assets and equipment
- 4.7 Successful implementation of the Plan was noted as being critical to the achievement of the savings required by the 2015/16 to 2019/20 Medium Term Financial Plan. The Plan identifies issues to be addressed in the Integrated Risk Management Plan (IRMP) and Action Plans. These are underpinned by more detailed Directorate Plans.
- 4.8 It is intended that the activities to deliver the strategic objectives and actions will be resourced from within the proposed establishment and budgets as outlined in the 2015/16 – 2019/20 Medium Term Finance Plan.
- 4.9 Directorates will review performance against action plans and monitor progress against agreed performance indicators. Overall performance is scrutinised by Fire Authority members at the Overview and Audit Committee.

5. Pay review methodology

- 5.1 Historically, the following performance and benchmarking data have been used as the basis for members to determine any changes to local pay. This requires members to consider various types of qualitative and quantitative data, specifically:
1. Information about the extent to which corporate objectives have been met
 2. CFO /CE appraisal data as provided by the Chairman
 3. SMB appraisal data as provided by the CFO/CE
 4. Progress on any specific projects that members identified as high priority
 5. Performance data provided by the CFO/CE relating to SMB.
 6. Comparative performance data with other FRSs
 7. Salary benchmarking data in relation to senior manager teams, (Population Band 2), Combined South East Region Fire Services
 8. Financial data about budget provision for pay / reward costs arising from this review
 9. Data about national pay settlements awarded to Gold, Green and Grey Book employees
- 5.2 Evidence is required to demonstrate delivery of performance management objectives reflecting excellence. Information to support consideration of areas 6-9 above is provided in this report.
- 5.3 Relevant posts for consideration (SMB) are:
- Chief Fire Officer/Chief Executive
 - Chief Operating Officer/Deputy Chief Fire Officer
 - Director of People and Organisational Development,
 - Director of Legal and Governance
 - Director of Finance and Assets
 - Head of Service Delivery
 - Head of Service Development
- 5.4 Any costs arising from the application of an agreed SMB pay review methodology is to be self-funded and will not impact on the finance available for other staffing budgets.
- 5.5 A range of possible outcomes to this pay review are:
- Non-pay rewards
 - Pay increases (consolidated and pensionable)
 - Bonuses (non-consolidated and non-pensionable)
 - Pay agreements covering more than one year
 - No change to existing reward arrangements

- 5.6 All statutory deductions will apply (income tax and national insurance contributions) and funds for any uplift are to be taken from savings achieved during the preceding year.
- 5.7 In accordance with the Pay Policy Principles, there is no right of appeal against recommendations or final decisions made.

6. Financial position

- 6.1 The Annual Report to Buckinghamshire County Council 2015 confirmed BMKFA has made savings across front line service delivery and back office functions over a number of years without any decline in performance indicators. Proactive management of finances and a prudent approach to spending public money has achieved a consistent underspend against budget from 2011/12 to 2014/15.
- 6.2 Reasons cited were the holistic approach to reducing costs whilst ensuring services were enhanced; increased income from Treasury management of £60k per annum, reduction in building running costs of £20k, reduction in training costs of £175k, shared personnel and buildings across county boundaries, reduced numbers of senior and middle managers and empowering staff in local decision-making.
- 6.3 The budget and actual expenditure for 2015/16 as at end September 2015 was reported in the Quarter Two Budget Monitoring Performance and Debt Management, April – September 2015 report, dated November 2015. Figures provided illustrate an anticipated underspend of £1.657m on a budget of £28.7m. After accounting for various contingencies, there is expected to be an overall underspend of c£717k.
- 6.4 This presents a consistent pattern of underspend over recent years with a favourable variance (before year end adjustments) of £873k in 2012/13; £1,330k in 2013/14 and £1,811k in 2014/15.

7. Performance data compared with other fire authorities

7.1 Council tax precept

- 7.1.1 The Medium Term Financial Plan 2015/16 to 2019/20 submitted to the Executive Committee 4 February 2015, approved the council tax precept. BMKFA froze council tax each year at £59.13 per household from 2011/12 to 2014/15 and was the only FRA to reduce council tax (by 1%) for 2015/16, (to £58.54), 16% below the national average. Members set a budget for 2015/16 of £28,740,000 which is a reduction of approximately

£68,000. A grant payment of £182,000 from the Government was accepted in lieu of a council tax rise.

- 7.1.2 The CFO/CE started planning for budget reductions in advance to ensure the service maintained a healthy financial position. It was noted that the continued investment in prevention and protection has reduced risk and demand within the communities.
- 7.1.3 **Appendix 2** compares council tax data between BMKFA and 23 other combined fire authorities. This illustrates an average Band D equivalent Council Tax for 2015-16 and 2014-15 and evidences the constant level of council tax for BMKFA over 5 years, then a decrease in 2015 which was welcomed by the fire authority and, no doubt, the community.
- 7.1.4 The selected group average of other combined fire authorities presents a higher level of council tax in Band D with the group average rising from £67.60 in 2011 to £71.52 in 2015. This represents a £12.98 difference per household between the average FRS and BMKFA in 2015 (19.96%) and shows the continuing improvement of BMKFA compared to the average group over recent years. The percentage differential was 17.51% in 2014 and 16.21% in 2013 and 2012. (*source CIPFA and Fire and Rescue Services statistics 2015*).

7.2 Total pay bill expenditure

- 7.2.1 CIPFA data comparing the total pay bill (employee expenses) per 1,000 population with 23 other combined fire authorities (comparator group) identified BMKFA as the 10th lowest spending authority in 2012-13. The figure is higher at 14th place in 2013-14 but this includes a one-off payment of £1.9m to reduce the deficit on the Local Government Pension Scheme. The cost of the total pay bill excluding this payment was £27,449 and would have placed the authority at the 7th lowest spending authority.
- 7.2.2 In 2014-15 the figure rose to £32,000 (all authorities would have an increase in pay bill) and in comparator terms, BMKFA was placed at 3rd lowest spending authority (out of 22 comparator combined fire authorities), placing it in the lower quartile.
- 7.2.3 Illustrative figures for the total pay bill for 2014-15 are provided at **Appendix 3**. (*source CIPFA and Fire and Rescue Services statistics 2015*).
- 7.2.4 A breakdown of CFO/CE and SMB members' remuneration is provided in **Appendix 4**. A number of honoraria / bonus payments are shown paid in 2015 for performance in 2014. Some refer to acting up arrangements during transitional periods prior to permanent appointments being confirmed.

7.3 Net expenditure excluding capital charges per 1,000 population

- 7.3.1 Data collated from CIPFA evidences BMKFA as being in the 8th position for lowest expenditure in 2012-13 (median quartile) when compared to 23 comparator fire authorities; 6th lowest position in 2013-14 and a significant improvement has been made to reach 3rd lowest position in 2014-15 (lower quartile) against 22 comparator authorities.
- 7.3.2 The 'Budget Monitoring Performance and Debt Management April 2014 – March 2015' report to the fire authority dated 29 July 2015, reflected a total variable variance for the year was £1,811k. It reported a positive year-end position as a result of proactive management action and that work has been progressing to achieve greater financial ownership and accountability for the resources attached to the Service's strategic aims and objectives.
- 7.3.3 The figures provided in each of the above areas reflect a positive achievement for the fire authority. This is particularly significant given that all three areas of council tax, employee expenses and net expenditure are in the lowest quartile. Performance here has demonstrated consistent improvement or maintenance of these figures in times of financial constraint. This reflects very positively on the financial position of the fire authority and the efficiency and probity with which its resources are being managed and deployed.

8. Salary benchmarking data in relation to senior management team salaries and staffing levels for South East fire services

8.1 Employee costs

- 8.1.1 BMKFRS is in Population Band 2. The national range of CFO salaries in Population Band 2 in **2014** is reported** as £100,619 - £157,423 with the average (mean) salary level at £130,832.
- 8.1.2 The national range of DCFO salaries in Population Band 2 in **2014** is reported** as £89,769 - £125,530 with the average (mean) salary level at £103,840.
- 8.1.3 The base salary for the CFO and DCFO in BMKFRS is a little above the mean average for Population Band 2 fire services at £138,500 in **2014**.

	National range**	Mean average
2014		
CFO	100,619 - 157,423	£130,832
DCFO	89,769 - 125,530	£103,840
2012		
CFO	80,670 – 154,321	124,148
DCFO	82,158 – 123,056	104,494

** LGA Fire salary survey 2014 and 2012

8.2 South East Region population vs staffing levels comparator

- 8.2.1 CIPFA Fire and Rescue Service Statistics 2015 employment data provides a comparison of staffing numbers at 31 March 2015 between BMKFA and two comparator Fire Authorities in the South East, Berkshire and East Sussex.
- 8.2.2 Hampshire and Kent being larger CFAs in the region have been included and also Surrey, West Sussex and Oxfordshire as County Council fire services.
- 8.2.3 It is interesting to note that BMKFA is in the lowest percentile for staff numbers per population size (with Berkshire and Surrey) at 0.07% which suggests an efficient deployment of staff to meet operational and organisational needs compared to other FRAs in the region.

Combined Fire Authorities in South East	Population at June 2014	Wholetime firefighters	On-call firefighters	Total staff including control room and non-operational	Total staff as percentage of population
Berkshire	885,600	381	57	596	0.07
East Sussex	820,900	384	228	791	0.10
Buckinghamshire	781,100	286	136	529	0.07
Hampshire	1,800,500	721	577	1,564	0.09
Kent	1,784,400	753	512	1,506	0.08
County Council Fire Directorates					
Surrey	1,161,300	553	100	754	0.07
West Sussex	828,400	326	225	651	0.08
Oxfordshire	672,500	237	268	589	0.09

9. Deliverables against the Corporate Plan

9.1 In addition to successes already outlined in the report, further achievements of note include:

- Leading a project with other Thames Valley fire services, Hampshire and South Central Ambulance Service to establish a consistent co-responding response to medical emergencies without compromising fire cover;
- Agreed a Memorandum of Understanding (MOU) for collaboration to improve resilience and reduce cost between BMKFA and Thames Valley fire services in line with the recommendations of the Knight Review
- Moved to new Thames Valley Fire Control facility which mobilises quickest available appliance between Thames Valley fire services
- Signed MOU with Thames Valley Police relating to sharing of property and creation of 'blue light hub', part funded by the £2.8m capital grant received from transformation fund
- Decentralised operational training, new on-line learning zone;
- Developed partnership arrangement with Fire Service College to quality assure competence of instructors to assess managers
- Increased availability of on-call firefighters due to innovative employment methods
- Buckingham Fire Station is part of the Dementia Friendly Community with all staff trained in dementia awareness
- Proposed joint working arrangements with Buckinghamshire County Council regarding health and wellbeing.

9.2 Overall, this demonstrates positive action to generate efficiencies and reduce costs by working with other agencies whilst focusing on improved service delivery across communities. These achievements also evidence an awareness of the wider role and benefits that can be provided by taking a broader perspective on such issues as health and wellbeing.

10. Appraisals and evidenced performance management achievements

10.1 A verbal update on the CFO/CE appraisal will be provided by the Chairman of the Fire Authority at the meeting, which will be supported by documentation.

10.2 The CFO/CE has indicated his assessment that the senior management team have performed well and that if members were supportive, they would warrant recognition by way of bonus payments for their contribution to the service's success. Any payments will be based on evidenced performance criteria and will be dealt with by the CFO/CE through normal managerial arrangements.

11. Proposal

- 11.1 There has been a continuous demonstration of success in operational delivery, prudential financial and asset management, growing partnership working to deliver a range of services to the community, a one percent reduction in Council Tax following three years of no increase, and comparatively slightly higher than average salary levels for the CFO/CE.
- 11.2 I propose therefore that members consider whether or not to award a financial recognition of this achievement to the CFO/CE through a bonus payment, and if so, the level of bonus. Also, the total amount of funds, if any, to be allocated to other members of the SMB based on individual performance reviews, through the delegated authority of the CFO/CE.

List of appendices:

- Appendix 1** Minimum annual rates of pay for chief fire officers by population band from 1 January 2015
- Appendix 2** Comparative data provided by 23 other combined fire authorities against data provided by BMKFA for average Band D equivalent Council Tax 2015-16 and for 2014-15 (*source CIPFA and Fire and Rescue Services statistics 2015*).
- Appendix 3** Illustrative figures for the total pay bill for 2014-15, compared to other fire authorities, CIPFA.
- Appendix 4** Breakdown of total remuneration of CFO and SMT members

APPENDIX 1**Annual rates of pay for chief fire officers from 1 January 2015**

Population Band 1	Up to 500,000
Minimum rate of pay	£98,788
Population Band 2	500,001 to 1,000,000
Minimum rate of pay	£98,788
Population Band 3	1,000,000 to 1,500,000
Minimum rate of pay	£107,803
Population Band 4	1,500,000 and above (except London)
Minimum rate of pay	£118,483

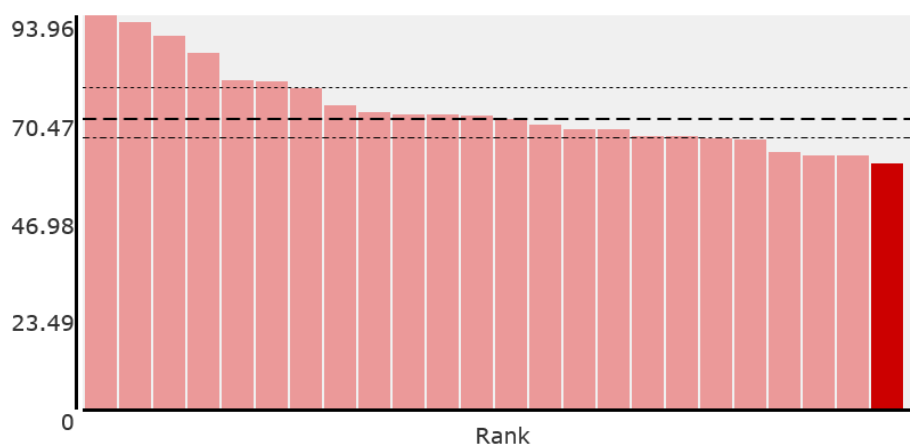
APPENDIX 2

General Data - Average Band D Equivalent Council Tax 2015-16 (£ p)

	2015	2014	2013	2012	2011
	£ p	£ p	£ p	£ p	£ p
Buckinghamshire Combined Fire Authority	58.54	59.13	59.13	59.13	59.13
Selected Group Average	71.52	70.48	69.56	68.37	67.70
Selected Group Data					
Upper Quartile	76.85	75.52	74.08	73.71	72.24
Median	69.38	68.04	67.40	66.47	66.43
Lower Quartile	64.79	63.64	63.33	61.92	61.13
Rank	24 out of 24		23 out of 24	22 out of 24	21 out of 24

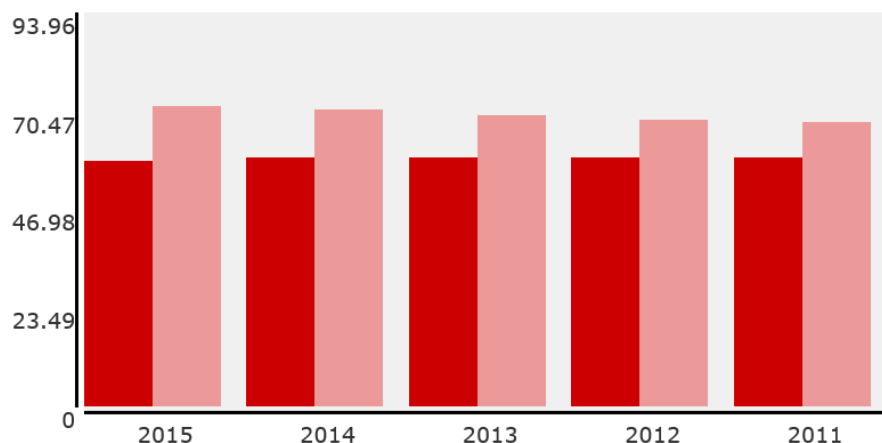
General Data - Average Band D Equivalent Council Tax 2015-16 (£ p)

■ Buckinghamshire Combined Fire Authority ■ Selected Authorities



General Data - Average Band D Equivalent Council Tax 2015-16 (£ p)

■ Buckinghamshire Combined Fire Authority ■ Selected Authorities



Selected Authorities – Combined Fire Authorities

Source: Fire and Rescue Service Statistics (2011 to 2015)
CIPFA Statistical Information Service © 2015

APPENDIX 3

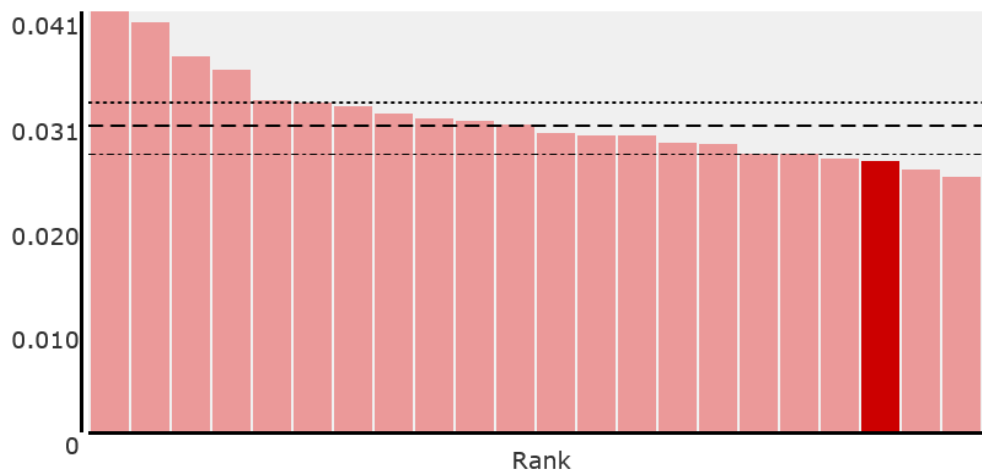
Illustrative figures for the total pay bill for 2014-15, compared to other fire authorities

2014-15 Actuals - Subjective Analysis - Employees - Total Employee Expenses (£'000)

divided by

General Data - Population as at June 2014 (number)

■ Buckinghamshire Combined Fire Authority ■ Selected Authorities

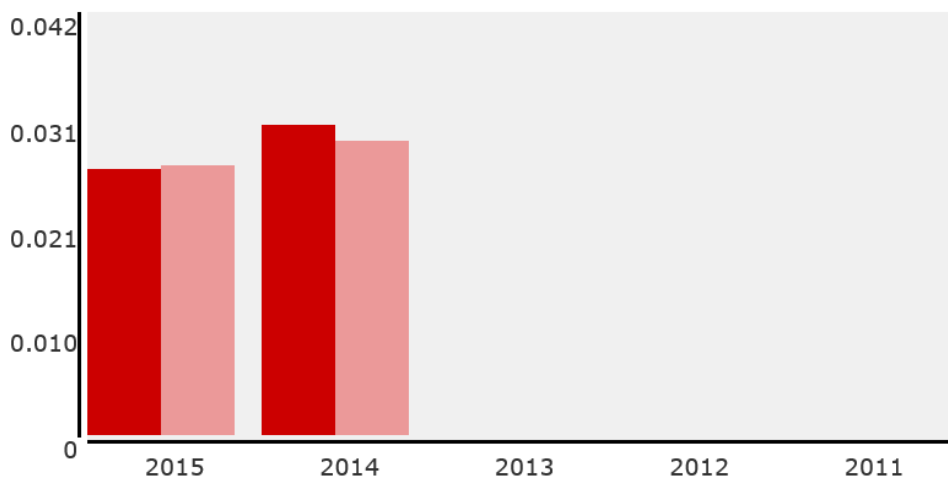


2014-15 Actuals - Subjective Analysis - Employees - Total Employee Expenses (£'000)

divided by

General Data - Population as at June 2014 (number)

■ Buckinghamshire Combined Fire Authority ■ Selected Authorities



Selected Authorities – Combined Fire Authorities

Source: Fire and Rescue Service Statistics (2011 to 2015)
CIPFA Statistical Information Service © 2015

APPENDIX 4**CFO Remuneration**

Wef 1 January	Base Salary	Bonus / honarium **	Private medical insurance	Car Allowance value	Employer Pension contribution	Total cost
2015	138,500	15,000	935.66	4,670	30,054	189,160
2016	139,885*					

Deputy CFO Remuneration

Wef 1 January	Base Salary	Bonus / honarium **	Private medical insurance	Car Allowance value	Employer Pension contribution	Total cost
2015	116,150	10,000	935.66	4,670	25,205	156,961
2016	117,311*					

Head of Service Delivery - Remuneration

Wef 1 January	Base Salary	Bonus / honarium **	Private medical insurance	Car Allowance value	Employer Pension contribution	Total cost
2015	92,425	4,000	935.66	4,670	20,056	122,087
2016	93,349*					

Head of Service Development - Remuneration

Wef 1 January	Base Salary	Bonus / honarium **	Private medical insurance	Car Allowance value	Employer Pension contribution	Total cost
2014	91,510					
2015	92,425		935.66	4,670	20,056	118,087
2016	93,349*					

Director People and Organisational Development – Remuneration

Wef 1 January	Base Salary	Bonus / honarium **	Private medical insurance	Car Allowance value (from P11D)	Employer Pension contribution	Total cost
2012	86,860					
2013	87,729					
2014	88,606	3,500				
2015	89,492	8,000	935.66	6,771	11,902	117,101
2016	90,387*					

Director, Legal & Governance – Remuneration

Wef 1 January	Base Salary	Bonus / honorarium **	Private medical insurance	Car Allowance value (from P11D)	Employer Pension contribution	Total cost
2013	78,780					
2014	79,568	6,000				
2015	89,492	7,000	935.66	4,705	11,902	114,035
2016	90,387*					

Director Finance Assets - Remuneration

Wef 1 January	Base Salary	Bonus / honorarium **	Private medical insurance	Car Allowance value	Employer Pension contribution	Total cost
2015	75,750 (Temp)					
2015 ***	83,000 (perm)		935.66	5,000	11,039	99,975
2016	83,830*					

**Assumption of a 1% national pay increase 2016*

*** bonus / honorarium for performance in 2014, paid in 2015*

**** Increase when post made permanent November 2015*

The historical information covers different years purely to reflect the current post holder's history in their current role.

Jennifer McNeill
5 January 2016

Regional Director: Jennifer McNeill

2 Crown Walk, Jewry Street, Winchester, Hampshire, S023 8BB
T 01962 840664 F 01962 842018 E jennifer@seemp.co.uk W www.seemp.co.uk

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Senior Management Team Remuneration and Performance Review**Senior Management Team Pay Review Methodology**

This methodology is designed to provide a mechanism for the implementation of the Senior Officers Remuneration Procedure, in accordance with the Gold Book.

Overview

A working group of at least two members of the Executive Committee (including the Chairman) and the Chairman of the Overview and Audit Committee will meet annually to consider relevant data and make recommendations to the autumn meeting of the Executive Committee. This will then be put forward as a recommendation to the full Authority; who will consider it in the context of the approved policy statement.

The salaries for the posts of Chief Fire Officer, Chief Operating Officer, Director of People and Organisational Development, Director of Legal and Governance, Director of Finance and Assets and Heads of Service Delivery will be considered as part of this process.

Changes will generally be effective from 1 January.

In their deliberations, members will be mindful of the wider economic context and the current national pay restraints. The outcomes of the Hutton Review of Fair Pay in the Public Sector will also be considered.

Any costs arising from the application of this methodology will be self-funded through savings (full or part) on the senior management team budget and will not impact on the finance available for other Buckinghamshire and Milton Keynes Fire and Rescue Service staffing budgets.

Objectives

The purpose of the review is to ensure that the Fire Authority motivates the senior management team to:

- Stimulate greater effectiveness
- Expedite the Corporate plan
- Drive culture change by providing an acceptable level of reward which is recognised as fair, given local and national perspectives.

Range of Possible Outcomes

The working group may choose to make a range of recommendations including:

- Non-pay rewards (such as attending development opportunities)
- Pay increases that are incorporated into salaries
- Non-incorporated bonuses
- Pay agreements that span more than one year
- No change to existing reward arrangements

Appendix 5

Senior Management Team Remuneration and Performance Review

Process

1. An external consultant will be engaged to gather relevant information and prepare a report for presentation to the members' sub-group. The report with recommendations will address qualitative and quantitative data which may include:
 - Information about the extent to which corporate objectives have been met (as provided by the Performance Intelligence Unit Manager).
 - Chief Fire Officer appraisal data as provided by the Chairman.
 - Senior management team appraisal data as provided by the Chief Fire Officer.
 - Progress on any specific projects that members had identified as high priority.
 - Performance data provided by the Chief Fire Officer (following discussions with the senior management team).
 - Comparative performance data with other fire services.
 - Salary benchmarking data in relation to senior management team salaries for Group 2, Combined South East Region Fire Services.
 - Financial data about budget provision for pay/reward costs arising from this review.
 - Data about the national pay settlements awarded to Gold, Green and Grey book employees.

From 31 March 2012, these points will be considered within the context of the approved policy statement as set by the Authority.

2. Working group members meet to analyse and discuss the report, and determine their recommendation to the Executive Committee.
3. The external consultant prepares the report to committee setting out the sub-group recommendation, and the justification for the recommendation. This report forms the audit trail for any pay/benefits adjustments.
4. The report will be presented to members at the autumn meeting of the Executive Committee and then to the full Fire Authority.
5. Any appeals will be dealt with through the Buckinghamshire and Milton Keynes Fire Authority Grievance Procedure.

Senior Management Team Remuneration and Performance Review

Part 2 Pay Policy – Strategic Management Board (SMB)

SMB members pay arrangements are covered by the National Joint Council for Brigade Managers of Fire and Rescue Services known as the “Gold Book”.

Level and elements of remuneration

- 19 Senior management remuneration comprises salary, car provision and private medical insurance.
- 20. Gold Book Pay is based on a twin track approach of an annual nationally agreed pay deal and a local pay agreement. SMB Pay Policy includes proposals to consider the implementation of Earn Back Arrangements and addresses the requirements of the Localism Act in relation to the SMB.

Remuneration on Recruitment

- 21. Remuneration will be based on the evaluated rate for the job.

Increases and additions to remuneration

- 22. Increases and additions for senior management posts will require approval of the appropriate committee of the Authority.

Use of Performance related pay

- 23. Performance related pay will be used in the context of the relevant policy, based on “Earn back” principles and will need approval by the appropriate committee.

Use of Bonuses

- 24. One off bonus payments may be considered linked to evidenced and scrutinised delivery of performance management objectives.

Approach on ceasing to hold office or be employed by the Authority

- | | |
|---------------------------|--|
| 25. Summary dismissal | dismissal without notice payments |
| Dismissal with notice | salary payment in line with contract |
| Redundancy | in accordance with service policy |
| Resignation or leave date | normal salary payment until end of notice period |
| Redeployment | in accordance with prevailing service policy. |

- 26. This Authority does not make payments to senior staff members who leave other than to those who are leaving for the purposes of improved efficiency.

Senior Management Team Remuneration and Performance Review

27. Re-employment/re-engagement will not normally occur following retirement, however there may be exceptional circumstances where specialist knowledge and expertise are required for a defined period of time in the event of which re-employment/re-engagement may be considered.
28. The Fire Authority will be given the opportunity to vote as to the terms of appointment or dismissal of the Chief Fire Officer and Chief Executive, and deputy to the Chief Fire Officer and Chief Executive, or equivalent.

Publication of and access to information relating to remuneration

29. We will publish information in accordance with the "Local Government Transparency Code 2014".

Methodology for bonus payments (non-SMB)

Background

The Authority's Pay Policy at Annex C outlines the position on bonus payments. This is explicitly linked with excellent performance and states any scheme will be self-funding.

The Authority is clear recognition does not have to take the form of payment, and where financial awards are proposed it requires a fair and transparent process to be in place. Accordingly in March 2015 we agreed eligibility criteria for the payment of "merit/bonus" awards for use by managers. This decision reflected the high performance and delivery of Corporate objectives across the Authority.

Managers were reminded that the process was not designed to give additional reward to staff who are performing at a fully satisfactory level in their role and/or developing in line with normal expectations for that post. Furthermore it was made clear discretionary payments such as merit awards should not be used where a manager considers the requirements of a job itself to have changed significantly, such that the job may now fall into a higher grade. In this case the job will need to be considered for re-evaluation.

Managers were invited to make applications for merit/bonus awards for staff in line with the following criteria:

Criteria	Category
Where an individual consistently demonstrates significant outcomes and achievements that are beyond what is expected for the role, performing at an exceptional standard.	A
Where there is a retention issue with a member of staff who has significant experience, knowledge and/or skills which are of high value to the work of the Authority and without whom its effectiveness would be significantly reduced.	B
Where an individual has contributed to the success of a one-off project to an exceptionally high standard and to the benefit of the Authority, beyond normal expectations.	C
Where an individual has helped to cover the absence of a colleague for a significant period of time whilst not undertaking the role in total.	D
Where an individual has developed or changed a way of working in a way which has had a significant, positive impact on the effectiveness of the service.	E
Other reason: to be described in full	F

Outcome

Applications were received for 5 operational staff and 14 support services staff. (One support services staff was nominated twice.)

In May 2015 applications were considered by a panel made up of SMB members, and the panel reviewed the evidence supporting the applications, performance rating, attendance levels and the amounts applied for.

In several cases the panel recommended an alternative amount than was applied for. This was as a result of a moderation exercise across all cases. A cap of £2000 was proposed on any single award. All payments were non pensionable.

All applications were supported and recommended for a merit award- the panel were pleased with the evidence and cases put forward for all nominations. The CFO approved the recommendations and payments were made in June 2015.