



**KENT AND MEDWAY FIRE AND RESCUE AUTHORITY**

**Meeting of the Authority**

**Friday 18 February 2022**

**10.30am**



## AGENDA

### KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

Friday 18 February 2022, 10.30 am

Ask for: Marie Curry

To be held at The Cornwallis Suite,  
Courtenay Road, Maidstone, ME15 6LF

Telephone: (01622) 692121

#### UNRESTRICTED ITEMS

*(During these items the meeting is likely to be open to the public)*

#### **A Routine Business**

- A1. Chairman's Announcements
- A2. Membership Changes and Apologies for Absence
- A3. Declarations of Interest in Items on this Agenda
- A4. Minutes of the Meeting of the Authority held on 14 October 2021 *(for approval)*
- A5. Minutes of the Meeting of the Senior Officer Appointments and Conditions Committee held on 14 October 2021 *(for information)*

#### **B For Decision**

- B1. External Auditors Annual Report for 2020/21
- B2. Financial Update for 2021/22
- B3. Draft Revenue and Capital Budgets 2022/23 and Medium Term Financial Plan 2022-26
- B4. Outcome of Safety and Wellbeing Plan 2022
- B5. Pay Policy Statement and Governance Update
- B6. Appointment of External Auditors
- B7. Members Allowances Review and Adoption of the Allowances Scheme

#### **C For Information**

- C1. Presentation on The Changing Landscape of Fire Safety Legislation
- C2. Information Update

#### **D Urgent Business** *(Other items which the Chairman decides are urgent)*

#### **E Exempt Items** *(At the time of preparing this agenda there were no exempt items. During any such items which may arise the meeting is likely NOT to be open to the public).*

Marie Curry  
Clerk to the Authority  
7 February 2022

*Please note that any background papers referred to in the accompanying reports may be inspected by arrangement with the Lead/Contact Officer named on each report.*

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## KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

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MINUTES of a Meeting of the Kent and Medway Fire and Rescue Authority held at the Cornwallis Suite, Courtenay Road, Maidstone, ME15 6LF on Thursday 14<sup>th</sup> October 2021.

PRESENT: - Mr P Barrington-King, Mr D Beaney, Mr N Chard (Chair), Mr P Cole, Mr N Collor, Mr D Crow-Brown, Ms M Dawkins, Mr M Dendor, Mr P Harman, Ms S Hohler, Mr D Jeffrey, Mr R Love OBE, Mr S Manion, Mr V Maple, Mr J McInroy, Ms L Parfitt-Reid, Mr A Ridgers, Mr C Simkins, Mr R Thorne and Mr S Tranter.

APOLOGIES: - Mr A Booth, Ms K Constantine, Mr D Daley, Mr B Kemp, Ms S Hudson and Mr M Scott, Kent Police and Crime Commissioner.

OFFICERS:- The Chief Executive, Miss A Millington QFSM; the Director, Operations, Mr M Rist; Director Prevention, Protection, Customer Engagement and Safety, Mr J Quinn; Assistant Director, People and Learning, Mrs K Irvine; Assistant Director, Corporate Services, Mr J Finch; Assistant Director, Operations, Mr M Deadman; Assistant Director, Resilience, Mr C Else; Assistant Director, Customer and Building Safety, Mr M Woodward; Finance Manager, Mrs N Walker, Finance Manager, Mr B Fullbrook and the Clerk to the Authority, Mrs M Curry.

IN ATTENDANCE: - The Authority's Independent Person, Mrs J Waterman

### UNRESTRICTED ITEMS

#### 23. Chairman's Announcements

*(Item A1)*

- (1) The Chair welcomed the Authority's Monitoring Officer, Bhupinder Gill, to his first meeting.
- (2) The Chair welcomed the Authority's Independent Person, Jenny Waterman, to her first meeting.
- (3) The Chair, on behalf of the Authority, sent best wishes to the Director of Finance and Corporate Services who is recovery from an eye operation.
- (4) The Chair welcomed Finance Managers, Nicola Walker and Barrie Fullbrook to the meeting who attended to present reports on behalf of Director of Finance and Corporate Services.
- (5) Members placed on record their congratulations to all the recipients who received recognition at this year's award ceremony.

#### 24. Minutes – 22 July 2021

*(Item A4)*

RESOLVED that the Minutes of the Authority meeting held on 22 July 2021 be approved and signed by the Chair as a correct record.

#### 25. Finance Update 2021/22

*(Item B1- Report by Director, Finance and Corporate Services)*

- (1) The Authority received its first detailed budget monitoring report for the 2021/22 financial year as well as an update on a range of issues in relation to cashflow management; the latest forecast outturn position on the revenue and capital budgets for 2021/22 and an update on other financial issues
- (2) In response to two questions posed by Mr Maple, the first being around having enough contingency in the budget for planned infrastructure due to increase in costs and labour. The second around the rise in energy prices and how this may need to be considered as a potential financial pressure, the Chief Executive responded by reassuring Members that these factors have been considered when revisiting the budget. In addition to this, she

also added that the Service is reviewing its carbon footprint and exploring options with the aim of significantly reducing this by 2030.

- (3) Members placed on record their thanks to the Director of Finance and her team for an excellent set of financial reports.
- (4) RESOLVED that: -
  - (a) the indicative project cost for the redevelopment of the live fire training facility at Ashford Fire Station be approved;
  - (b) the contents of the report be noted.

**26. External Auditors Report 2020/21**

*(Item B2 – Report by Director Finance and Corporate)*

- (1) The Authority considered the External Auditors' report which detailed the Auditors opinion on the final accounts for the 2020/21 financial year.
- (2) RESOLVED that: -
  - (a) The External Auditor's Opinion of the accounts for the 2020/21 financial year, as detailed in Appendix 1 to the report, be approved;
  - (b) the remaining contents of the report be noted.

**27. Development of the 2022/23 Budget and Medium-Term Financial Plan**

*(Item B3 - Presentation by Finance Manager, Nicola Walker)*

- (1) The Authority received a presentation from the Finance Manager on the development of the 2022/23 Budget and Medium-Term Financial Plan.
- (2) Members placed on record their thanks to the Director, Finance and Corporate Services and her Finance team for their hard work in looking after the Authority's finances, in particular the challenges they continue to face as a result of the Pandemic.
- (3) Members requested a copy of the slides electronically.
- (4) RESOLVED that:
  - (a) the assumptions being adopted to develop the Authority's 2022/23 budget and Medium-Term Financial Plan, as described in the presentation, be approved in principle;
  - (b) the remaining contents of the presentation be noted.

**28. Safety and Wellbeing Plan 2022**

*(Item B4) – Report by Assistant Director, Corporate Services)*

- (1) The Authority considered the draft Safety and Wellbeing Plan text for 2022 together with the proposed wording to the questionnaire included within it.
- (2) In response to a concern raised by Mr Cole about having enough of the right equipment to support the likelihood of more frequent flooding in future, the Director Operations provided reassurances that the impact of climate change is constantly reviewed not only regionally but also at a national level.
- (2) RESOLVED that: -

- (a) the text for the draft Safety and Wellbeing Plan 2022, as attached at Appendix 1 to the report, be approved for consultation subject to the Chief Executive, in consultation with the Chair of the Authority, being authorised to make any minor amendments that may be necessary.

**29. Annual Report on Standards and Allowances 2020/21**

*(Item B5 – Report by Clerk to the Authority)*

- (1) The Authority received its annual report on standards matters and allowances paid for the 2020/21 financial year. It was pleasing to note that no complaints alleging that a Member has breached the Code of Conduct have been made during the past year.
- (2) The Local Authorities (Members' Allowances) (England) Regulations 2003 requires authorities to review their Schemes at least once every four years. The last review of the Authority's Scheme took place in 2017. The Authority considered a recommendation for its newly appointed Independent Person to undertake the next review of the Scheme.
- (3) RESOLVED that: -
  - (a) the Authority's Independent Person will undertake the review of the Member Allowances Scheme for which the outcome will be reported to the meeting in February 2022, be approved;
  - (b) the annual report on standards be noted;
  - (c) the schedule detailing the allowances and expenses paid by the Authority during the 2020/21 financial year in accordance with its Members' Allowance Scheme, be noted.

**30. Calendar of Meetings 2022/23**

*(Item B6 – Report by Clerk of the Authority)*

- (1) The Authority considered the proposed calendar of Member meetings and events for 2022/23.
- (2) RESOLVED that: -
  - (a) The proposed calendar of Member meetings and other events for 2022/23 be approved.

**31. Understanding Kent Fire and Rescue Service**

*(Item C1 – Presentation by Chief Executive)*

- (1) The Authority received a presentation which gave an overview of Kent Fire and Rescue Service from the Chief Executive, Director of Operations and Director of Prevention, Protection, Customer Engagement and Safety. The presentation covered Incident Command, Command Structure, prevention, and the Authority's status as a regulator of the Fire Safety Order 2005.
- (2) RESOLVED that: -
  - (a) the contents of the presentation be noted.

**32. Information Update**

*(Item C2 - Report by Chief Executive)*

- (1) The Authority considered information on: -
  - A. Pandemic Update
  - B. Inspection and National Issues Update
  - C. Performance Update
  - D. Operational Update
  - E. Prevention, Protection, Customer Engagement and Safety Update
  - F. Freedom of Information and Publication Scheme Update
  - G. Transparency in Supply Chains Statement
  - H. Pension Board Update
  
- (2) On E above, Mr Maple gave thanks to officers and staff for their attendance at the Medway Pride event
  
- (3) On E above, Mr Maple gave thanks to the Medway Task Force for the excellent work they do.
  
- (4) RESOLVED that: -
  - (a) the contents of the report be noted.

**KENT AND MEDWAY FIRE AND RESCUE AUTHORITY**  
**SENIOR OFFICER APPOINTMENT AND CONDITIONS COMMITTEE**

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MINUTES of a meeting of the Senior Officer Appointment and Conditions Committee held at the Cornwallis Suite, Courtenay Road, Maidstone ME15 6LF on Thursday 14 October 2021.

PRESENT: - Mr N Chard (Chair), Mr V Maple, Mr C Simkins and Mr S Tranter.

APOLOGIES: Mr D Daley

OFFICERS: - The Chief Executive, Miss A Millington QFSM, Assistant Director, People and Learning, Mrs K Irvine and the Clerk to the Authority, Mrs M Curry.

**UNRESTRICTED ITEMS**

**1. Membership**  
*(Item 1)*

***Members: Mr Chard (Chairman – by virtue of Standing Order 2.6), Mr D Daley, Mr V Maple, Mr C Simkins and Mr S Tranter***

To note the membership of the Committee for 2021/22 as set out above.

**2. Election of Vice Chairman**  
*(Item 2)*

Mr Chard proposed, Mr Maple seconded that Mr S Tranter be elected as Vice-Chair of this Committee for 2021/22.

**3. Declarations**  
*(Item 3)*

As Mr Chard, Mr Maple, Mr Simkins and Mr Tranter all serve as Members on the Kent and Medway Fire and Rescue Authority, they made a declaration of their working relationship with all nine Senior Officers as referenced in item 5.

**4. Minutes**  
*(Item 4)*

RESOLVED that, because of the infrequency of meetings, the Chair of the Committee be authorised to sign the agreed Minutes of the meeting.

**5. Pay Award for Chief Executive and Directors**  
*(Item 5)*

The Committee received a report that sought approval to agree the 2021 pay award for the Chief Executive and Directors. It has been the recommendation of these Officers, that they propose to accept the lower of the two pay awards agreed for Corporate Support staff (green book) and Firefighters, which have been settled by the employers' National Joint Council (NJC), regardless of the settlement for Chief Executives and Chief Officers.

RESOLVED that: -

- (a) the Chief Executive and Directors are awarded a 1.5% pay award with effect from 1 January 2021 be approved.

**6. Other items the Chair decides are urgent**

*(Item 6)*

None

**7. Motion to Exclude Press and Public**

*(Item 7)*

RESOLVED that, under Section 100A of the Local Government Act 1972, the public be excluded from the meeting for the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 1 of Part I of Schedule 12A of the Act.

**EXEMPT ITEMS**

**(Open Access to Minutes)**

**8. Flexible Retirement**

*(Item 8)*

The Committee received a report which proposed a flexible retirement request for the Director of Finance and Corporate Services.

RESOLVED that: -

- (a) the flexible retirement of the Director of Finance and Corporate Services be approved.

By: Director, Finance and Corporate Services  
To: Kent and Medway Fire and Rescue Authority – 18 February 2022  
Subject: EXTERNAL AUDITOR'S ANNUAL REPORT 2020/21  
Classification: Unrestricted

## **FOR DECISION**

### **SUMMARY**

Members may be aware that the evaluation and reporting requirement of the annual Value for Money Assessment was changing this year. As such, Grant Thornton, the Authority's External Auditors are no longer required to give a qualified/unqualified on the Value for Money conclusion, which previously had been reported at the same time as the Audit Findings Report for the audit of the Financial Statements. Instead, they are required to report in more detail on the Authority's overall arrangements, as well as highlight any key recommendations on significant weaknesses identified during the Audit, as set out under the National Audit Office Code of Practice. This report therefore presents the first such report of the new External Auditors' Annual Report.

### **RECOMMENDATIONS**

Members are requested to:

1. Agree to consider the matter raised in the External Auditors' Annual Audit Report (paragraph 3 to 5 and **Appendix 1** refer);
2. Agree to note the remaining contents of this report.

LEAD/CONTACT OFFICER: Director, Finance and Corporate Services - Alison Kilpatrick  
TELEPHONE NUMBER: 01622 692121 ext. 8262  
EMAIL: [alison.kilpatrick@kent.fire-uk.org](mailto:alison.kilpatrick@kent.fire-uk.org)  
BACKGROUND PAPERS:

## Background

1. The National Audit Office recently reviewed the “Code of Audit Practice” for Local Authorities, Police forces, Fire Services and NHS Trusts which applies to the financial year ending 31 March 2021 onwards. The Code sets out how External Auditors should conduct audits in the Public Sector following a consultation with stakeholders during 2019/20 to fulfil their statutory responsibilities under the Local Audit and Accountability Act 2014. It was seen as an opportunity to refocus local audit to offer robust assurance, transparency and accountability for local taxpayers.
2. One of the biggest areas of change within the Code of Audit is that in relation to Value for Money. As part of the annual audit of the financial statements Auditors are required to give a separate opinion on Value for Money which focusses on ascertaining if the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The 2020 Code sets out a new approach to Auditors’ work in this area.
3. **Auditors Annual Report** - The structure of the new annual commentary on arrangements the Authority has undertaken to secure value for money has changed. It now enables Auditors to explain the work they have undertaken during the year and highlight any significant weaknesses they have identified and bring them to the Authority’s attention, along with their recommendations for any areas where they consider may need improvement. The new Annual Report enables Auditors to reflect local context and draw attention to emerging and developing issues which may not represent significant weaknesses but may require the attention of the Authority. When reporting these arrangements Auditors will comment under three specified reporting criteria. They are: -
  - **Financial Sustainability** – how the Authority plans and manages its resources to ensure it can continue to deliver its services;
  - **Governance** – how the Authority ensures that it makes informed decisions and properly manages its risks;
  - **Improving economy, efficiency and effectiveness** – how the Authority uses information about its costs and performance to improve the way it manages and delivers its services.
4. On reviewing the Authority’s arrangements, the Auditors are then required to categorise any recommendations that arise from their review into 3 categories. They are: -
  - **Statutory** – Written recommendations to the Authority under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014. A recommendation

under schedule 7 requires the Authority to discuss and respond publicly to the report.

- **Key** – The “Code of Audit Practice” requires that where Auditors identify significant weakness as part of their arrangements to secure value for money, they should make recommendations setting out the actions that should be taken by the Authority. These recommendations are defined as “key recommendations”
  - **Improvement** – These recommendations, if implemented should improve the arrangements in place within the Service but are not a result of identifying significant weaknesses in the Service’s arrangements.
  - **Audit Findings** - The Authority was required to provide far more evidence of how we have achieved value for money than we have been required to provide in the past. A large number of policies and frameworks as set out within the Annual Governance Statement were provided with supporting evidence. Performance reports, risk registers and project documentation were also reviewed, and some members of Corporate Management Board and officers were also interviewed.
5. Attached at **Appendix 1** is the first Annual Report of this kind, for Members to review. This report has been written following a comprehensive review across the whole service. We are pleased to report that only one improvement recommendation has been highlighted and this related to the Corporate Risk Register. The Auditor is of the view that the formation of the new Audit and Governance Committee presents an opportunity to review if the number of corporate risks is appropriate for the Authority. They also suggest that a review of the summary information provided is undertaken to ensure that members are able to understand the likelihood and impact of resultant actions and the progress that has been made to mitigate/or reduce risk. Additionally, they also mention that consideration could be made as to whether the use of a target score would help provide visibility on the existing controls in reducing the likelihood (and possibly the impact) of risks.
6. Members may wish to note that at the Audit and Governance meeting in November, it was agreed that scoring in relation to likelihood and impact will in future be detailed against each risk identified on the corporate register. Additionally, there will be a short training session on risk, which will precede the next meeting on 28 April 2022.
7. It is also pleasing to be able to report that the External Auditors have highlighted that the identification of only one suggested improvement is particularly good when compared to other authorities of a similar standing (in those that they have undertaken their value for money review). To aid this comparison the Auditors have provided a summary analysis which is attached at **Appendix 2** for Members’ information, and this

does indeed highlight the extent and number of other issues raised in other Authorities. The External Auditor will be present at the Authority meeting to present this report.

8. **Publication of the Final Accounts** - The Authority achieved publication of the audited accounts on 30 September, within the statutory deadline. It is understood that this year has been a particularly difficult year for the Audit profession and a study from Public Sector Audit Appointments found that only 9% of local authority audits were completed nationally on or before the statutory deadline of 30 September of which this Authority was one ([News release: 2020/21 audited accounts – PSAA – PSAA](#))
9. It is widely recognised nationally that there are a number of issues which are of concern in relation to the audit of the year end accounts. As such, the Government issued a guidance document on 16 December 2021 of [Measures to improve local audit delays - GOV.UK \(www.gov.uk\)](#). Within the document it is proposed to extend the deadline for publishing audited local authority accounts to 30 November 2022 for 2021/22 accounts and then this date will be brought forward to 30 September for each of the subsequent 5 years (from 2023/24 -2027/28).

#### **IMPACT ASSESSMENT**

10. There are no financial implications arising from this report that cannot be managed within the overall budget.

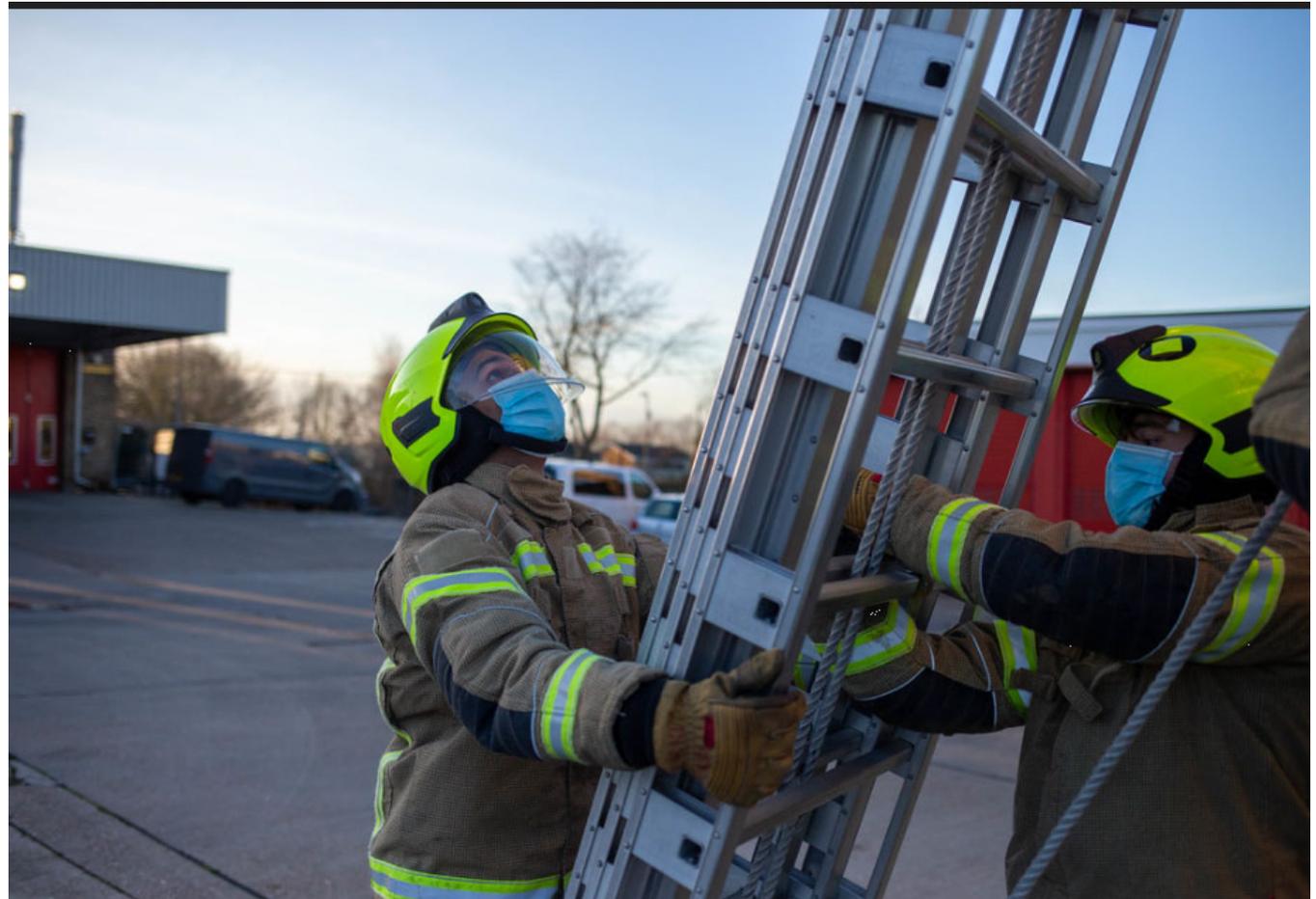
#### **RECOMMENDATIONS**

11. Members are requested to:
  - 11.1 Agreed to consider the External Auditors' Audit Findings Report (paragraph 3 to 5 and **Appendix 1** refer);
  - 11.2 Agree to note the remaining contents of this report.

# Auditor's Annual Report on Kent and Medway Fire And Rescue Authority

**2020-21**

November 2021



# Contents



We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Service has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the National Audit Office (NAO) requires us to report to you our commentary relating to proper arrangements.

We report if significant matters have come to our attention. We are not required to consider, nor have we considered, whether all aspects of the Service's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.



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B – An explanatory note on recommendations	
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The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Service or all weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

# Executive summary

## Value for money arrangements and key recommendation(s)

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to consider whether Kent and Medway Fire and Rescue Authority (the 'Authority') has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. The auditor is no longer required to give a binary qualified / unqualified VFM conclusion. Instead, auditors report in more detail on the Authority's overall arrangements, as well as key recommendations on any significant weaknesses in arrangements identified during the audit.

Auditors are required to report their commentary on the Authority's arrangements under specified criteria. As part of our work, we considered whether there were any risks of significant weakness in the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources. We did not identify any significant risks in respect of any of the three criteria:

- Financial sustainability
- Governance
- Improving economy, efficiency and effectiveness



### Financial sustainability

We assessed the arrangements concerning Financial Sustainability and raised no indications of potential significant weaknesses.

We note the Authority is operating in an increasingly uncertain financial environment and for the second successive year, the Comprehensive Spending Review was a single year spending review. Whilst the Authority will need to continue to plan with a lack of certainty over funding in the medium term it has the assurance that it has a track record of delivering its financial position.



### Governance

We assessed the arrangements concerning Governance and raised no indications of potential significant weaknesses.

The Authority is making changes to its governance structure in 2021/22 but this is being done to further develop historically robust arrangements rather than due to concerns around the effectiveness of arrangements.



### Improving economy, efficiency and effectiveness

We assessed the arrangements concerning the 3e's and raised no indications of potential significant weaknesses.

The Authority has demonstrated a clear understanding of its role in securing economy, efficiency and effectiveness in its use of resources.

## Opinion on the financial statements

We have audited the financial statements of the Authority for the year ended 31 March 2021, which comprise the Comprehensive Income and Expenditure Statement, the Movement in Reserves Statement, the Balance Sheet, the Cash Flow Statement, and the notes to the Statement of Accounts, including a summary of significant accounting policies, and include the firefighters' pension fund financial statements comprising the Fund Account and the Net Assets Statement. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom 2020/21.

In our opinion the financial statements:

- give a true and fair view of the financial position of the Authority as at 31 March 2021 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom 2020/21; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

# Commentary on the Service's arrangements to secure economy, efficiency and effectiveness in its use of resources

All Fire and Rescue Services are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. The Service's responsibilities are set out in Appendix A.

Fire and Rescue Services report on their arrangements, and the effectiveness of these arrangements as part of their annual governance statement.

Under the Local Audit and Accountability Act 2014, we are required to be satisfied whether the Service has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

The National Audit Office's Auditor Guidance Note (AGN) 03, requires us to assess arrangements under three areas:



## Financial sustainability

Arrangements for ensuring the Service can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3-5 years).



## Governance

Arrangements for ensuring that the Service makes appropriate decisions in the right way. This includes arrangements for budget setting and management, risk management, and ensuring the Service makes decisions based on appropriate information.



## Improving economy, efficiency and effectiveness

Arrangements for improving the way the Service delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.



Our commentary on each of these three areas, as well as the impact of Covid-19, is set out on the following pages.

# Financial sustainability



## We considered how the Authority:

- identifies all the significant financial pressures it is facing and builds these into its plans
- plans to bridge its funding gaps and identify achievable savings
- plans its finances to support the sustainable delivery of services in accordance with strategic and statutory priorities
- ensures its financial plan is consistent with other plans such as workforce, capital, investment and other operational planning
- identifies and manages risk to financial resilience, such as unplanned changes in demand and assumptions underlying its plans.

## How the body ensures that it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them

The covid-19 pandemic has been the largest peace time emergency seen in this country for many years. The knock-on effects on local government finance have meant shortfalls in income due to cessation of services and reduction in collection of both Council Tax and Business rates. While government grants have covered part of this shortfall, many Authorities have been left out of pocket.

The financial arrangements relating to Fire Authorities have meant the impact has not been as challenging. Precepts for 2020/21 were set in February 2020 before the effects of the pandemic were realised and as such income streams for the Kent and Medway Fire and Rescue Service were significantly untouched.

Additionally, some services such as home visits were suspended during the height of the pandemic and the reduced general economic activity meant a reduction in some classes of operational incidents. This and other non -Covid related savings has meant that the Authority has been able to deliver against its financial targets for 2020/21. The final outturn on the revenue budget is a net underspend of £2.837m against a budget of £74.258m.

The future financing of local government is still unclear. A planned government long term spending review has been postponed from 2020 due to the pandemic and the current settlement only covers 2021/22.

The Authority has agreed a medium-term financial plan up to 2024/25. Given the uncertainty of the financial regime, the Authority's plans have been drawn up on prudent assumptions of future income streams. Advice is taken from local councils as to the movements in the local Council Tax base and budget pressures and potential savings have been identified to produce a balanced budget.

Lack of information on future funding is a national issue but we note the Authority's long track record for strong financial planning and budget management.

Financial plans are discussed at Authority. The Authority has a history of transparency in financial matters and financial plans are discussed with stakeholders. Review of Authority papers indicate the assumptions used for the financial planning for 2020/21 and 2021/22 are sound. We have seen no evidence that short term measures are being used to relieve current pressures.

## How the body plans to bridge its funding gaps and identifies achievable savings

Separate savings plans are not prepared. As part of the budget plan, possible savings are identified and then when agreed are built into the base budget. The final budget is then approved by Authority. Budget managers are delivering savings by delivering their budget. The Authority has a history of delivering on savings and on its overall budget.

The budget report to Members in February 2021 highlighted a saving requirement of £0.989m as part of the 2021/22 budget. We note that in a situation where no immediate savings could be identified within the base budget that the Authority have the option to draw down Earmarked Reserves to bridge that gap. The Authority currently holds a healthy level of reserves that would allow it to cover any shortfalls in budgets in the short to medium term.

There is evidence that savings plans are developed in conjunction with departments across the organisation. Changes identified are incremental rather than transformational so there is no need for extensive consultation with staff and other key stakeholders.

# Financial sustainability

## How the body plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities

We note there is a robust financial planning process in place which ties in with corporate objectives, service plans and workforce plans. There is extensive consultation to ensure the budget meets the needs of the service. The process ensures that key services remain funded. We found no evidence of the need to curtail services to support short term funding deficiencies.

The Authority has the necessary resources for financial management including a financial system, updated in 2019/20 able to provide timely financial information, the necessary financial skills, experience or capacity of the finance team and budget holders in the services, clearly defined responsibilities for budget management and the Corporate Management Team and Authority challenge of performance, holding budget holders to account, and making decisive interventions where necessary. The Finance team is well established with significant experience of managing the Authority's finances. The Authority has a positive financial culture and an appropriate 'tone from the top'. The ongoing management of the Authority's financial position over recent years is evidence of this.

Budgets are monitored on a monthly cycle and the financial position is reported to every Authority meeting so any deviations from plan are quickly identified and appropriate actions taken to rectify.

The capital programme is overseen by the Corporate Portfolio Board (CPB) and individual projects are subject to a robust planning and approval process. Capital funding is targeted at service improvement and providing improved facilities be that building new stations, replacing the vehicle fleet or purchasing improved IT facilities. A new fire station has recently been built at Ramsgate and planning is now underway to improve facilities at Ashford Fire station. Significant expenditure is planned for the replacement of pool and emergency response vehicles.

The understanding of drivers of risk in the Authority budget are strong and variances from budget are understood. A review of management accounts during the year indicate variances during the year but this inevitable as the service is demand led and is difficult to predict. The Covid-19 pandemic has also made it more difficult to predict future costs and demand on the Authority.

## How the body ensures that its financial plan is consistent with other plans such as workforce, capital, investment, and other operational planning which may include working with other local public bodies as part of a wider system.

Planning for 2021/22 has been challenging as the pandemic has provided increased uncertainty regarding future funding. In November 2020, a one year funding settlement was announced. The Home Office and Ministry of Housing, Communities and Local Government continue to work collaboratively with the Fire Sector and the Local Government Association to develop evidence on the future requirements for Fire and Rescue Services. It is clear the Government expects Fire and Rescue Authorities (FRAs) to continue to actively consider opportunities for collaboration with other services, to ensure arrangements are in place to effectively evaluate opportunities and to review and monitor collaboration activities to ensure continued benefits and cost-effectiveness. The Authority has been at the forefront of collaboration and leads the fire service national collaboration project in regards to procurement. The Authority demonstrates a robust financial planning process which ties in with corporate objectives, service plans and workforce plans. There is evidence of staff working collaboratively across the Authority as opposed to silo working. Service provision is aligned to the funding envelope.

## How the body identifies and manages risks to financial resilience, e.g., unplanned changes in demand, including challenge of the assumptions underlying its plans.

The pandemic has created challenge to routine financial management in 2020/21, with the temporary cessation of some services to deal with Covid demands and a changing profile of demands on the service. We are aware the Authority has used reserves, sensitivity analysis and scenario planning to manage financial uncertainty.

Within the corporate risk register, the Authority has identified the risk of reductions in funding or increased costs leading to financial unsustainability. It is noted the year end risk score for these items indicated a material risk. Ways in which the Authority is managing this risk include use of reserves and regular review of the medium-term financial plan. Budget reports are monitored on a monthly basis and finance reports are subject to scrutiny and challenge at Authority meetings.

## CONCLUSION

We found no evidence or indication of significant risks to your financial sustainability as such no further risk-based work has been undertaken in this area.

# Governance



## We considered how the Service:

- monitors and assesses risk and gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud
- approaches and carries out its annual budget setting process
- ensures effectiveness processes and systems are in place to ensure budgetary control
- ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency
- monitors and ensures appropriate standards.

## How the body monitors and assesses risk and how the body gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud

Governance is the system by which an organisation is controlled and operates and is the mechanism by which it and its staff are held to account. It works from Authority meetings to the front line. Ethics, risk management, compliance, internal control and best practice are all fundamental elements of governance. Effective governance requires both clear and unambiguous structures and processes and effective working of people within these frameworks. Effective governance also requires an open culture that promotes transparency, a willingness to learn and improve and no fear to speak the truth.

From our review of risk management, it is clear appropriate arrangements are embedded within the Authority's operations. The Authority has a comprehensive risk management policy, last reviewed in April 2020 and a separate document outlines the risk scoring process and the Authority's risk appetite. The policy defines responsibilities for risk. Risk Management was last reviewed by Internal Audit in 2020/21 and received "Substantial Assurance".

For 2020/21 the Authority was responsible for managing risk and received a summary Risk Register for discussion at each meeting. The summary Risk Register is underpinned by a detailed framework which includes a Corporate Risk Register. The purpose of the summary Risk Register and accompanying risk report were to ensure the Authority could understand the risks being actively managed by management. It doesn't provide detail of controls in place for each risk or detail the full actions or timescale for implementation of these actions.

As there were 20 risks identified the level of detail seems appropriate for a Committee with a busy work plan. The creation of a Audit and Risk Committee from 2021/22 does provide a opportunity to consider whether the existing reporting is appropriate. The existing proposal is the Audit and Risk Committee will receive the summary Risk Register rather than the more

detailed Corporate Risk Register. We also note a risk score will be added to make the comparison of risks clearer.

We also note that 16 of the 20 risks in the April 2021 Corporate Risk Register were assessed as 'no change'. There will be instances where scores remain static due to the scale of work required to implement actions. However when an organisation has finite resources it needs to ensure it has visibility so possible resources and effort are being applied to the appropriate risk areas and whether they could be better directed in achieving other things that would benefit the organisation.

The Authority should consider whether the number of risks included is appropriate. A dedicated Audit and Governance Committee will likely have sufficient time available to it to meaningfully discuss and challenge a Corporate Risk Register with this many risks.

With increased time and specialism (benefitting from training, members more interested in risk and governance etc) the Audit and Governance Committee may benefit from expanding the summary Risk Register slightly to provide more detail around the risks listed.

The Authority should also consider whether the Corporate Risk Register should identify a target score for each risk aligned to the Authority's risk appetite. This would help provide visibility on the success of existing controls in reducing the likelihood (and possibly the impact) of risks crystallising and help provide clarity on which risks are closer to being mitigated and which need more work.

Internal Audit and Counter Fraud services are provided by Kent County Council. The agreed plan had to be adjusted because of the pandemic, the Internal Audit fieldwork was completed within the year and all reports and the Head of Internal Audit Opinion provided to the Authority by June 2021. Progress reports highlighting key issues and findings on reviews are reported to Authority periodically. The Head of Internal Audit Opinion concludes that the Authority has an adequate and effective framework for risk management, governance and internal control.

# Governance

Internal Audit work has identified further enhancements to the framework of risk management, governance and internal control to ensure it remains effective and adequate. Review of the Annual Internal Audit Opinion indicates a wide breadth of work during the year covering governance, financial and operational processes and including a flexible approach which allowed adjustments to the plan in year.

Counter fraud operations are underpinned by a code of conduct, anti-bribery anti-money laundering, anti-fraud and corruption and whistleblowing policies. There were no fraud or irregularities identified, reported or investigated by Internal Audit during 2020/21. There are various examples of the Authority demonstrating proactive anti-fraud initiatives. These include annual training provided by Internal Audit, procurement card fraud courses for card holders and the sharing of common scams and phishing exercises to alert staff to new and emerging fraud risks.

Internal audit presented no limited assurance reports in 2020/21 and only one (business continuity) in 2018/19. However, three reports were given limited assurance in 2019/20 namely Information Governance (in relation to physical information security), Building Compliance and Fire Setters. It is clear from Authority minutes that actions have been taken to address the issues identified and that findings from internal audit are given appropriate attention.

The annual work plans for internal audit are currently approved and overseen by Authority. There are plans to establish an Audit and Governance Committee in 2021 who will assume this responsibility. From our attendance at Authority, we consider it to robustly review the work of internal audit, providing appropriate challenge but we applaud the establishment of a separate audit committee where additional time may be available for more detailed scrutiny of risk, governance and internal control issues.

## How the body approaches and carries out its annual budget setting process

The financial landscape due to Covid-19 has made this a unique year for financial planning. The Authority has a robust approach to financial planning and assumptions made appear reasonable. While future funding is unclear, a medium-term financial plan has been produced based on prudent assumptions about future income streams. We've previously concluded the Authority has effective arrangements in place, using sensitivity analysis and scenario planning to understand its financial position and identify saving and investment options. Despite the pandemic there is no evidence the arrangements in place have been compromised. Budgets are discussed with budget holders, senior leadership and other stakeholders prior to approval at Authority level.

Investments and Borrowings are included within the financial plan, but the effects are minimal given the current rates of return on investments and the Authority's plan to be debt free by 2025.

## How the body ensures effective processes and systems are in place to ensure budgetary control;

Budget managers have access to finance system and can review budgets at any time. There is regular contact between budget managers and finance contacts. The Authority has a strong history of financial control.

Budgets are reviewed at each meeting of the Authority and review of minutes indicates that variances are adequately identified and explained.

## How the body ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency.

There is no evidence to suggest that Authority's decision-making processes are not open or transparent. The Authority meetings are well attended by the Chief Executive and Directors to help provide sufficient support and explanation to the members in discharge of their function.

Our attendance at this meeting and review of papers indicates that sufficient information is provided to Members and they hold senior management to account. The Authority is engaged and provides appropriate levels of scrutiny to external and internal audit. There is no evidence of serious and pervasive weaknesses in final accounts processes leading to material errors in draft accounts, failure to meet statutory reporting deadlines and/or a modified opinion on the financial statements.

Covid-19 did impact on many organisation's ability to make decisions in line with existing delegations (e.g. decisions often having to be made outside of Committee cycles) however we have not identified any indication that existing arrangements were overridden at the expense of appropriate scrutiny and challenge.

# Governance

## How the body monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of officer or member behaviour (such as gifts and hospitality or declarations/conflicts of interests)

Various internal and external mechanisms are used to ensure that the Authority meets the necessary standards and legislative requirements.

The Authority is subject to external inspection from Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services. In the last inspection report issued in June 2019, the Authority was rated as Good reflecting the high standard of service provided by the Authority.

Our work has not uncovered any non-compliance with the Constitution, statutory requirements or expected standards of behaviour. We have not been made aware of any data breaches at the Authority.

Officer and Member conduct is set in codes of ethical conduct and via the declaration gifts and hospitality code of practice. These were last updated in 2020. Members interests are published on the Authority Website and there is an opportunity for Members to declare interests at every Authority meeting as a set agenda item. Related party transactions are required to be declared as part of year end closure of accounts and sent to all Members and Senior officers for their completion. We found no evidence of adverse outcomes of interests not being declared.

## CONCLUSION

**We found no evidence or indication of significant risks to your governance arrangements as such no further risk-based work has been undertaken in this area.**

# Improving economy, efficiency and effectiveness



## We considered how the Service:

- uses financial and performance information to assess performance to identify areas for improvement
- evaluates the services it provides to assess performance and identify areas for improvement
- ensures it delivers its role within significant partnerships, engages with stakeholders, monitors performance against expectations and ensures action is taken where necessary to improve
- ensures that it commissions or procures services in accordance with relevant legislation, professional standards and internal policies, and assesses whether it is realising the expected benefits.

## How financial and performance information has been used to assess performance to identify areas for improvement

The Fire and Rescue National Framework states “Fire and rescue authorities must manage their budgets and spend money properly and appropriately and ensure the efficient and effective use of their resources, pursuing all feasible opportunities to keep costs down while discharging their core duties effectively. Fire and rescue authorities should regularly review the numbers and deployment of firefighters and other staff to ensure that their fire and rescue service has a workforce that is commensurate with the risks that they face”.

This challenge to public services across the county in 2020/21 due to the pandemic was unprecedented particularly to those operating in Kent. Kent was the first to see the Alpha variant of Covid-19 and this meant the county has been particularly hard hit by the pandemic. The first six months of the year were spent getting to grips with the unique challenges of the pandemic, as services adapted to this unknown threat and challenges of the first lockdown.

The Director - Operations and Resilience provides Authority with regular performance updates. These report on numbers of calls received and incidents attended along with performance data around response times. The update does highlight areas of good and poorer performance and minutes indicate wide ranging and robust discussions.

Data is collected on incidents via the Steria Storm command and control system in real time. This is supplemented on the system by an incident report written by the incident commander after the event. Additional data may also be added at this stage and the data on file is also reviewed for accuracy at this point. The data is independently quality assured by the business change team.

The Authority has a Performance and Data Strategy last approved in 2018. This Strategy covers the period to 2022 and

sets out how the Authority is delivering transparency in a way which is both safe and secure, and which complies with the relevant transparency regulations as well as the General Data Protection Regulations and the Data Protection Act 2018. The Strategy also defines how good quality data is being collected and handled to inform evidence-based decision making.

The National Fire Chiefs Council (NFCC) brings together the operational leadership of the UK’s fire and rescue services to provide coordinated professional, operational and technical leadership of the sector, advising and supporting central and local government, and other stakeholders. The NFCC has a role to drive continuous improvement and development throughout the sector. Fire and rescue services consult the NFCC for advice and support when developing improvement plans, particularly in response to inspections.

Her Majesty's Inspectorate of Constabulary and Fire & Rescue services (HMICFRS) has statutory powers to inspect and intervene in the affairs of Fire and Rescue Services. Fire and Rescue was only added to the body’s responsibilities in 2017. The last report from HMICFRS indicates performance is broadly in line or better than the national average. KMFRA was inspected in 2018/19 and was rated "Good" in all three pillars of the inspection process – effectiveness, efficiency and people. Two areas were highlighted in the report which required improvement. These were ‘protecting the public through fire regulation’ (part of the effectiveness pillar) and get the ‘right people with the right skills’ (part of the people pillar). These recommendations were made as the Authority was identified as needing to invest more in its statutory regulation role to meet the challenges of responding to building consultations and to ensure it had in place a consistent recording system for station based training. Additionally, HMICFRS carried out a narrative review of the Authority’s Covid arrangements in 2020 - no rating was attached to this report although it does report the service in a generally positive light. The next inspection will take place in 2022.

# Improving economy, efficiency and effectiveness

## How the body evaluates the services it provides to assess performance and identify areas for improvement

Little benchmarking is undertaken as there is a consensus that different fire services are incomparable as each has their own unique setting. Measures used look more at internal effectiveness such as reduction in repeat calls and staff utilisation. This is done by risk assessment and identification of characteristics.

Nevertheless, we note that pre-Covid performance at the Authority is generally of a high standard with this being recognised in the last HMICFRS report providing the Authority with an overall “Good” rating.

We note from Authority minutes and performance reports that there have been improvements over recent times in the number of fatalities and casualties in fires and deliberate fires. This has shown how attention to meeting targets has driven effective services.

There is no evidence of failure to meet minimum service standards in core service areas. The Authority challenges strategic priorities and cost-effectiveness of existing activities. The last major change the service underwent was in 2012 when 11 fire stations were closed. This followed an in-depth analysis of coverage and calls. It was found one fire station that was closed had only attended four incidents in the previous year. No location in Kent is more than 25 minutes from a fire station and the service also analyses where the next fire engine is coming from if the nearest appliance is busy.

In July 2021 the Authority approved a new Customer Safety Plan. The Customer Safety Plan is the Authority’s corporate plan and is supported by a suite of corporate strategies. It is also supported by the Safety and Wellbeing Plan process which highlights to customers new and emerging issues the Authority needs to react to. The key priorities and key actions from each of the underlying strategies are supported by a suite of key performance indicators in the form of a balanced scorecard which will be used to measure the Authority’s overall delivery of service to customers.

How the body ensures it delivers its role within significant partnerships, engages with stakeholders it has identified, monitors performance against expectations, and ensures action is taken where necessary to improve.

The Authority is a key partner in the Kent Resilience Forum (KRF). The KRF is a partnership of organisations and agencies who work together to improve the resilience of Kent and Medway, and to ensure a coordinated response to emergencies that could have a significant impact on communities. The Authority also works with other agencies to co-ordinate and improve responses and value for money in such areas as estates, operational alignment and procurement.

KMFRA runs the National Fire Commercial Transformation Programme now known as the National Procurement Hub. This is a collaboration project for procurement. The Hub purchases over six categories and has an annual spend in excess of £500m. There is a virtual team of procurement staff spread across fire services and there is a category manager for each category. Each category also has a sponsoring chief fire officer/Chief Executive. The Hub is led by the Chief Executive at KFRS as Chair of the Strategic Commercial Board and the Strategic Board report to the NFCC. The Home Office has a seat on the board. The Head of Commercial and Procurement has regular meetings with the Home Office and the Hub provided the Home Office with regular performance reports. We were informed the hub to date has saved £36m.

Where the body commissions or procures services, how the body ensures that this is done in accordance with relevant legislation, professional standards and internal policies, and how the body assesses whether it is realising the expected benefits.

The Authority has a Commercial and Procurement Strategy as one of the backing strategies to the Customer Safety Plan. We found no evidence that appropriate procurement processes were not followed during 2020/21. The Authority has no commercial ventures and has no material relationships with external service providers for key functions.

We discussed the Authority’s approach to major projects with key staff and obtained copies of key documents. All projects have their own project board and they feed information up on a monthly basis to the Corporate Portfolio Board (CPB). The CPB consists of all Corporate Management Board members plus all Area Managers and Section Heads. The CPB also includes representation from the Project Management Office.

## CONCLUSION

We found no evidence or indication of significant risks to your economy, effectiveness and efficiency arrangements as such no further risk-based work has been undertaken in this area

# COVID-19 arrangements



Since March 2020 COVID-19 has had a significant impact on the population as a whole and how services are delivered.

We have considered how the Service's arrangements have adapted to respond to the new risks they are facing.

## Financial sustainability

As the 2020/21 precept had been agreed in February 2020, the pandemic has had relatively little financial effect on the Authority and income levels have been generally maintained. However, operational changes have led to a change in expenditure profile. The service attended fewer incidents than it did during 2019/20. The overall availability of fire engines was better during the pandemic than it was during the same period in 2019/20. This was due to lower sickness levels among crews and an increased number of on-call firefighters being available to respond to emergencies as a result of being furloughed from their primary employment.

Nevertheless, there is likely to be significant pressure on public funds in future years given the levels of borrowing undertaken by Government to fund Covid-19 support measures. The Authority has, in conjunction with local councils, commenced some scenario modelling on the potential impact on the Council Tax base for the number of households from which full Council Tax can be collected, to understand how this may affect the Authority's core funding in the immediate future. In the short term any unexpected shortfall in funding will be met from reserves

The Authority received additional grant funding of £1.6m to cover costs incurred as a result of Covid-19. This funding was utilised in a variety of ways, for example covering additional staffing costs incurred by providing support to partner organisations to help deliver additional support to those in need, purchases of personal protective equipment, changes required to the estate in order to comply with Covid-19 guidelines and extra costs incurred purchasing IT hardware and software in order to facilitate better remote working. The Government also announced a support package to partly cover the irrecoverable council tax and business rate loss of income in 2020/21, whereby 75% of losses incurred (estimated at £619k) will be funded by Government Grant.

## Governance

In response to the covid-19 pandemic, the multi-agency Strategic Coordination Group declared the coronavirus pandemic a major incident on 24 March 2020 and Kent and Medway went into a national

lockdown on that date. These measures did not significantly change through the whole financial year 2020/21. Business continuity arrangements were put in place to ensure that the control team functioned as usual and that there were no interruptions to fire cover and operational response. Many corporate support staff transitioned to working from home. A pandemic flu exercise in 2018 (Operation Domino) simulated the challenges that COVID-19 has brought to fire and rescue services. The learning from that exercise assisted the Authority in being able to adapt quickly to the crisis, not least the success of the transition to IT-enabled home working.

Governance arrangements were amended to meet the challenges of the pandemic. Specific cost centres were set up to allow for accurate recording of Covid related costs.

The Authority was kept up to date with the situation through regular updates at each quarterly meeting. The Authority strategic risk register has also been updated to include Covid related risks.

A HMICFRS Covid-19 themed inspection took place in September 2020 and a letter outlining findings was published in January 2021. This letter was not scored or rated. The letter reflected a positive result from the inspection.

## Improving economy, efficiency and effectiveness

During the pandemic the Authority has supported partners with deliveries of PPE and hot meals sourced 3.5 million items of consumable PPE for the sector nationally and driving ambulances and assisting in the opening of mass vaccination sites in Folkestone, Tonbridge and Gravesend. Covid-19 related restrictions meant there was a reduction in the number of Safe and Well visits and Home Fire Safety visits carried out in 2020/21 and precluded the undertaking of some normal property maintenance activities. The pandemic also saw various training venues close during 2020/21 resulting in some courses being cancelled altogether and others delivered in a different way, at a reduced cost to the Authority.

## CONCLUSION

**We found no evidence or indication of significant risks to your Covid-19 arrangements as such no further risk-based work has been undertaken in this area**

# Improvement recommendations

As part of our review we have raised one improvement recommendation. This relates specifically to the Governance criteria. The range of recommendations that external auditors can make is explained in Appendix B

## Recommendation 1 – Risk reporting

### Auditor judgement

For 2020/21 the Authority was responsible for managing risk and received a summary Risk Register for discussion at each meeting. The summary Risk Register is underpinned by a detailed framework which includes a Corporate Risk Register. The purpose of the summary Risk Register and accompanying risk report were to ensure the Authority could understand the risks being actively managed by management. It doesn't provide detail of controls in place for each risk or detail the full actions or timescale for implementation of these actions. As there were 20 risks identified the level of detail seems appropriate for a Committee with a busy work plan. The creation of an Audit and Governance Committee from 2021/22 does provide an opportunity to consider whether the existing reporting is sufficient. The existing proposal is the Audit and Governance Committee will receive the summary Risk Register rather than the more detailed Corporate Risk Register. We also note a risk score will be added to make the comparison of risks clearer.

16 of the 20 risks in the April 2021 Corporate Risk Register were assessed as 'no change'. There will be instances where scores remain static due to the scale of work required to implement actions. However when an organisation has finite resources it needs to ensure it has visibility so possible resources and effort are being applied to the appropriate risk areas and whether they could be better directed in achieving other things that would benefit the organisation.

### Summary recommendation

The Authority should consider the following:

- Determine whether the number of risks included is appropriate. A dedicated Audit and Governance Committee will likely have sufficient time available to it to meaningfully discuss and challenge a Corporate Risk Register with this many risks.
- Undertake a review of the detail contained within the Summary Risk Register to ensure that members are able to understand the likelihood and impact of risks and the resultant actions and progress undertaken to mitigate/or reduce them.
- Consider whether it would be helpful to identify a target score for each risk aligned to the Authority's risk appetite. This would help provide visibility on the success of existing controls in reducing the likelihood (and possibly the impact) of risks crystallising and help provide clarity on which risks are closer to being mitigated and which need more work.

### Management comment

Corporate Management Board welcome this new report format of the annual report, which now provides an opportunity for a broader comment from yourselves, on the Authority's approach to providing value for money, by exploring the economy, efficiency and effectiveness in our use of resources. Corporate Management consider that this is a strong and positive report. In all the aspects covered in your report, we are pleased to have gained your independent assurance that you have not identified or seen any indication of significant risks, in relation to governance, financial sustainability, vfm areas of activity and covid-19 related work. We note your one relatively minor recommendation in relation to the Corporate Risk register, but that is something we plan to explore with the newly formed Audit and Governance committee

# Opinion on the financial statements



## Audit opinion on the financial statements

We gave an unqualified opinion on the financial statements in September 2021.

## Audit Findings Report

More detailed findings can be found in our Audit Findings Report (AFR), which was published and reported to the Authority in July 2021.

## Preparation of the accounts

The Authority provided draft accounts in line with the national deadline and provided a good set of working papers.

## Whole of Government Accounts

To support the audit of the Whole of Government Accounts (WGA), we are required to review and report on the WGA return prepared by the Service. This work includes performing specified procedures under group audit instructions issued by the National Audit Office.

As in previous years we expect the Authority to be below the threshold requiring audit procedures however at the time of issuing this report the Group Instructions have not been issued by the NAO to confirm the approach for 2020/21.



# Appendices

# Appendix A - Responsibilities of the Fire and Rescue Service



## Role of the accountable officer:

- Preparation of the statement of accounts
- Assessing the Service's ability to continue to operate as a going concern

Public bodies spending taxpayers' money are accountable for their stewardship of the resources entrusted to them. They should account properly for their use of resources and manage themselves well so that the public can be confident.

Financial statements are the main way in which local public bodies account for how they use their resources. Local public bodies are required to prepare and publish financial statements setting out their financial performance for the year. To do this, bodies need to maintain proper accounting records and ensure they have effective systems of internal control.

All local public bodies are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Local public bodies report on their arrangements, and the effectiveness with which the arrangements are operating, as part of their annual governance statement.

The Chief Financial Officer (or equivalent) is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Chief Financial Officer (or equivalent) determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Chief Financial Officer (or equivalent) is required to prepare the financial statements in accordance with proper practices as set out in the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom. In preparing the financial statements, the Chief Financial Officer (or equivalent) is responsible for assessing the Service's ability to continue as a going concern and use the going concern basis of accounting unless there is an intention by government that the services provided by the Service will no longer be provided.

The Service is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.



# Appendix B - An explanatory note on recommendations

A range of different recommendations can be raised by the Authority auditors as follows:

Type of recommendation	Background	Raised within this report
Statutory	Written recommendations to the Service under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014. A recommendation under schedule 7 requires the Service to discuss and respond publicly to the report.	No
Key	The NAO Code of Audit Practice requires that where auditors identify significant weaknesses as part of their arrangements to secure value for money they should make recommendations setting out the actions that should be taken by the Service. We have defined these recommendations as 'key recommendations'.	No
Improvement	These recommendations, if implemented should improve the arrangements in place at the Service, but are not a result of identifying significant weaknesses in the Service's arrangements.	Yes, see 13

# Appendix C - Use of formal auditor's powers

The following are formal powers that can be used by auditors:

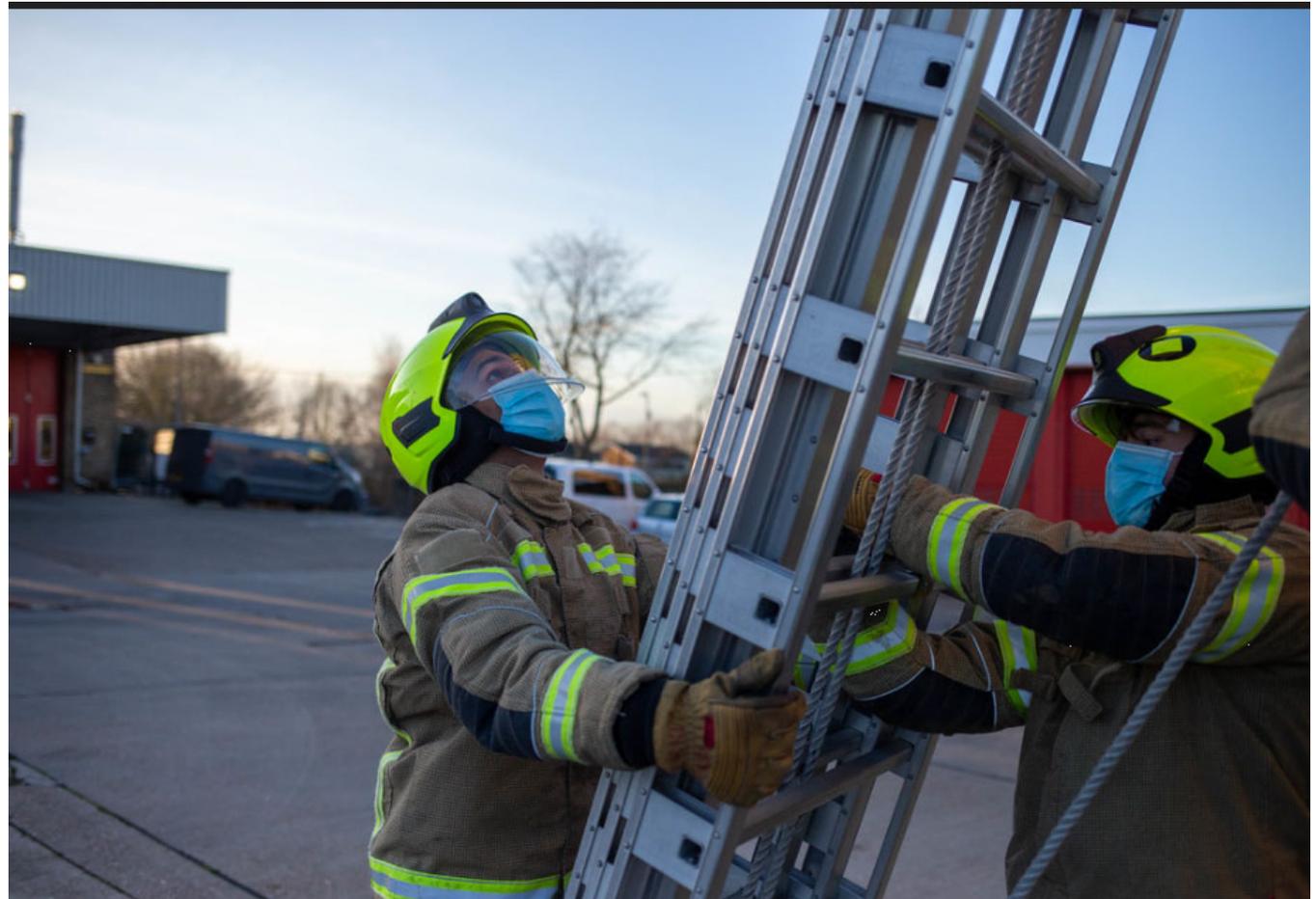
Formal power	Used by auditor in 2020/21
<p><b>Statutory recommendations</b></p> <p>Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors can make written recommendations to the audited body which need to be considered by the body and responded to publicly</p>	Not required.
<p><b>Public interest report</b></p> <p><b>Under Schedule 7 of the Local Audit and Accountability Act 2014</b>, auditors have the power to make a report if they consider a matter is sufficiently important to be brought to the attention of the audited body or the public as a matter of urgency, including matters which may already be known to the public, but where it is in the public interest for the auditor to publish their independent view.</p>	Not required.
<p><b>Application to the Court</b></p> <p>Under Section 28 of the Local Audit and Accountability Act 2014, if auditors think that an item of account is contrary to law, they may apply to the court for a declaration to that effect.</p>	Not required.
<p><b>Advisory notice</b></p> <p>Under Section 31 of the Local Audit and Accountability Act 2014, auditors may issue an advisory notice if the auditor thinks that the authority or an officer of the authority:</p> <ul style="list-style-type: none"> <li>• is about to make or has made a decision which involves or would involve the authority incurring unlawful expenditure,</li> <li>• is about to take or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency, or</li> <li>• is about to enter an item of account, the entry of which is unlawful.</li> </ul>	Not required.
<p><b>Judicial review</b></p> <p>Under Section 31 of the Local Audit and Accountability Act 2014, auditors may make an application for judicial review of a decision of an authority, or of a failure by an authority to act, which it is reasonable to believe would have an effect on the accounts of that body.</p>	Not required.

# Fire Authority analysis

**Year ending 31 March 2021**

Kent and Medway Fire And  
Rescue Authority

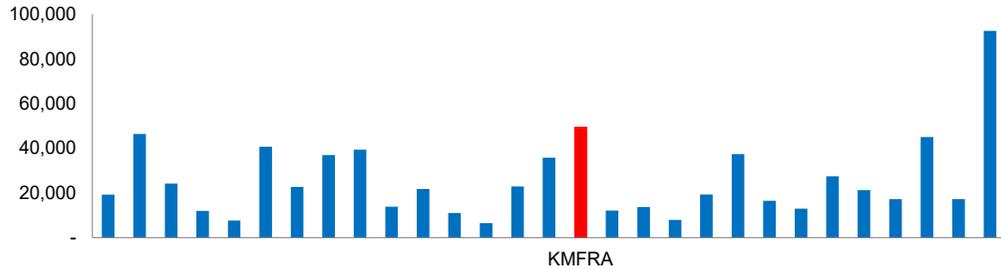
January 2021



# Reserves

The charts below compare the Kent and Medway Fire and Rescue Authority (KMFR) reserves position to the other 28 standalone fire Authorities in England. This information is based on unaudited 2020/21 financial statements.

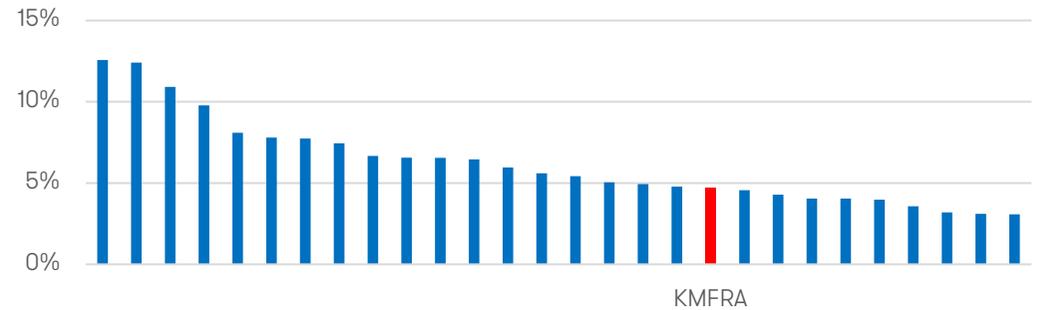
Total usable reserves (£k)



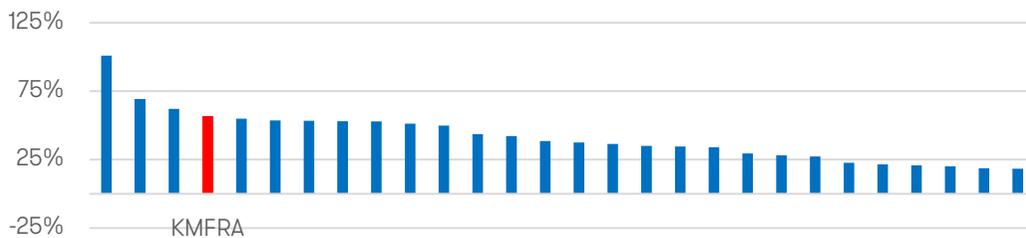
KMFR's levels of usable reserves is towards the top end of the range of standalone Fire Authorities. The chart doesn't take into account relative size in terms financial terms and it should be noted KMFR is in the top 5 largest by annual expenditure.

The Authority's policy on reserves is to maintain a General Fund balance approximately equivalent to 5% of the net revenue budget. In line with this requirement, the General Reserve position at 31 March 2021 increased by £200k to £3.7m.

GF as % of net expenditure on cost of service



Total Usable reserves as % of net expenditure on cost of service



At the end of the 20/21 financial year, the Authority held £49m in usable reserves. The majority of this balance (£38m) was held within earmarked reserves. In addition to a General Fund balance of £3.7m, the Authority holds an Infrastructure Reserve of £26m. A significant part of which is planned to be used to fund investment in station and premises improvements and the purchase of light and heavy fleet vehicles in future years.

KMFR remain in a strong financial position despite the lack of certainty regarding funding. In general, FRAs are in a relatively stronger financial position than other local government bodies. Useable reserves for FRAs to fund future deficits and meet financial plan gaps are not being depleted to the same extent as other local bodies. However these bodies will often have more significant investments that could be utilised.

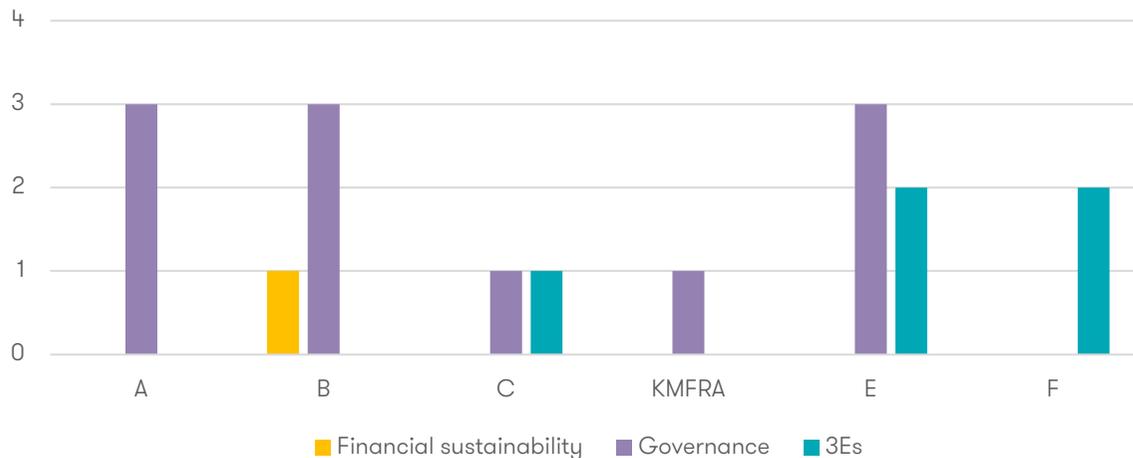
# Auditor's Annual Report comparisons

Grant Thornton audits nine of the 29 standalone Fire Authorities in England. As at January 2021, Auditors Annual Report (AARs) have been issued for six of these Fire Authorities. Below we provide some high level themes on the findings arising from our 2020/21 Value for Money work as reported in the AAR.

No Statutory recommendations were made for any of the six Authorities which is expected given the use of these is rare. The fact that no risks of significant weaknesses is more surprising given the current financial climate although it likely reflective of the fact Fire Authorities do not face some of the challenges faced by the wider Local Government sector particularly due to funding arrangements. The number of improvement recommendations is also relatively low given this is the first year of the new approach

	Authority A	Authority B	Authority C	KMFRA	Authority E	Authority F
Number of statutory recs	0	0	0	0	0	0
Significant VFM risks identified	0	0	0	0	0	0
Improvement recommendations	3	4	2	1	5	2

Number of improvement recommendations



Out of the six completed AARs KMFRA received the lowest number of recommendations (one).

Only one audit received a financial sustainability improvement recommendation. This may be due to the fact this is an area with significant focus under the previous Value for Money approach.

11 of the 17 recommendations raised related to governance. This is not surprising given the scope in relation to the governance criteria is wider than under the previous approach to VFM. Auditors were previously far more likely to have targeted risk based work towards financial sustainability risks. Even so, the number of recommendations in this area is low which reflects the fact that the nature of the services Fire Authorities provide, means they take risk management extremely seriously, both in operational and no-operational aspects.

Five recommendations relating to the 3Es were made. This is relatively low and reflects the fact Fire Authorities tend to have well developed performance monitoring processes and extensive experience of working in partnership with other emergency services and public sector bodies.

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By: Director Finance and Corporate Services  
To: Kent and Medway Fire and Rescue Authority – 18 February 2022  
Subject: FINANCIAL UPDATE FOR 2021/22  
Classification: Unrestricted

## **FOR DECISION**

### **SUMMARY**

This report provides Members with a number of financial updates and proposals, which include:

- The latest forecast outturns against the revenue budget of £71.573m and the revised capital budget of £2.871m for the 2021/22 financial year;
- Proposed use of the 2021/22 revenue budget underspend and related reserve adjustments.

### **RECOMMENDATIONS**

Members are requested to:

1. Agree, in principle, that the final revenue budget underspend is transferred to the Service Transformation and Productivity Reserve and the Insurance and Resource Reserve, with the final allocations to each reserve to be formally agreed by Members at a later date, once the 2021/22 revenue budget outturn is confirmed (paragraph 8 refers);
2. Consider and note the remaining contents of the report.

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BACKGROUND PAPERS: None

## COMMENTS

### Revenue and Capital Budgets

1. This report provides Members with the latest forecast outturn on the financial position for 2021/22. This includes an update in relation to day-to-day revenue expenditure, forecast capital expenditure, forecast year-end reserve balances and the latest treasury position.
2. There are a number of detailed appendices attached which provide further information to support the summary in this covering report. **Appendices 1 – 4** detail the changes in the revenue budget since the last detailed report was presented to the Authority in October 2021; **Appendices 5 – 8** detail the subjective and functional analysis of the latest forecast revenue spend; **Appendices 9 and 10** detail the changes to the capital budget since October and the latest forecast position on the Infrastructure Plan; **Appendix 11** shows the forecast year-end position on General and Earmarked Reserves (excluding the 2021/22 forecast underspend); and finally **Appendix 12** shows the forecast position on the Firefighters' Pension Fund for 2021/22.
3. **Revenue Budget Changes** - Since the budget position was last presented to Members in full in October it has been necessary to action some further adjustments to the budget. These budget changes do not change the overall budget but will show as movements between budget headings that net to zero. Details of all reportable budget changes are shown in **Appendices 1 and 2** (subjective analysis, by type of expenditure) and **Appendices 3 and 4** (functional analysis, by service area).
4. **Revenue Budget Summary** - The forecast underspend on the revenue budget has increased by £461k compared to the position reported to Members in October, up from £1.201m to £1.662m. The latest position includes a forecast net underspend on pay-related budgets of £1.239m and a forecast net underspend on non-pay budget headings of £423k.
5. Pay budgets for corporate staff and Control room staff are forecast to underspend by £509k and £178k respectively, mainly due to in-year vacancy underspends. The Medium Term Financial Plan includes an adjustment to the vacancy rate for 2022/23 to take into consideration past experience and an assessment of the likely scenario for the new financial year. In addition, operational pay is forecast to underspend by £628k, largely due to lower payments for on-call activity where the forecast is for an underspend of £473k. On-call activity payments can vary quite significantly from year-to-year so are extremely difficult to predict. The forecast pay underspends mentioned above are partly offset by an overspend on the whole-time principal officers pay budget where there was an overlap on principal officer appointments, as three had retired during 2021/22.

6. Although the corporate staff pay award is still to be agreed for 2021/22, the current forecast includes an assumption that a 1.75% pay award will be confirmed at some point for this staff group. This is based on the National Employers reaffirming that the offer made in July 2021 is full and final. Members may wish to note that, as previously agreed, an additional £242k is now forecast to be drawn down from the Insurance and Resource Reserve to fund a 1.75% corporate staff pay award. This is in addition to the funding that has already been drawn down from the reserve to fund the 1.5% pay awards previously agreed for operational staff and principal officers (totalling £503k), as notified to Members in October. The pay award estimated for corporate staff has now also been reflected in the Medium Term Financial Plan, along with the 1.5% pay awards that are already in payment for operational staff and principal officers. If the final pay award for corporate staff differs to the 1.75% currently estimated, this may result in a further draw down from the reserve.
7. **Appendices 5 to 8** attached to this report, provide further details by functional and subjective headings, of the reasons for the forecast spend variances against the approved budget.
8. **Use of the Revenue Underspend** - Given the anticipated underspend Members are asked to agree, in principle, to transfer the final underspend to the Service Transformation and Productivity Reserve and the Insurance and Resource Reserve, with the final allocation between the two reserves being confirmed once the final outturn is known. This will provide additional one-off funding resources, should they be needed once the business case is established, for the initiatives contained within the Customer Safety Plan (and six supporting strategies) plus provide additional funding for temporary posts and any project work that will help ensure that the service stays fit for the future. The additional funding will also be available to temporarily bridge any budget gaps where, for example, inflation continues to rise beyond current estimates, or future pay awards are settled at a higher amount than currently estimated in the budget. Proposals for the final allocation to each reserve will be proposed at the July meeting of this Committee.
10. **Infrastructure and Capital Spend** - The Infrastructure Plan contains all planned capital expenditure and some large one-off revenue expenditure, such as investment in IT projects. Since the last report to Members in October, the capital budget has been reduced by £2.093m, down from £4.964m to £2.871m. The budget reduction is mainly due to the extended lead times for delivery of the 66 response vehicles, arising as a result of the semi-conductor supply issues in the market (£1.716m), a realignment of the delivery profiles in relation to the Ashford redevelopment project, as planning permission is awaited in 2022/23 (£284k) and slippage in the Mobile Data Terminals (MDTs) project whilst companion devices are assessed (£185k). Other minor adjustments total

a net increase to the budget of £92k. Details of the Infrastructure Plan can be seen at **Appendix 9 and 10**.

11. **Capital Receipts and Other Usable Reserves** - The opening balance of the capital receipts reserve, on 1 April 2021, was £7.875m. As notified to Members in October, this has increased with the sale of 3 surplus houses at auction and with a further disposal expected before the end of March, the forecast balance on the reserve is currently estimated to stand at £9.449m at 31 March 2022.
12. Details of the 31 March 2022 forecast balances on each reserve are attached at **Appendix 11**. Forecast closing balances do not include any transfers to reserve that may be required as a result of the 2021/22 forecast underspend.

### **Budget Issues and Risks**

13. In line with the Authority's approach to risk management, potential budget risks have been identified and assessed in terms of probability and impact. At this stage of the financial year, the following risks remain, and as such could have an impact of the final outturn for the year: -
  - a) **Operational Pay** - The level of whole-time operational overtime is dependent on several factors, for example incident levels in terms of frequency and duration, sickness cover and the use of bank shifts. A variation to the estimates used when generating the current forecast will impact on the final outturn. On-call payments are also difficult to predict as a large proportion of costs relate to incident levels which vary from year to year.
  - b) **Corporate staff pay award** - As the pay award for 2021/22 has not yet been agreed there is a risk that the finally agreed pay award may be different from the 1.75% currently estimated. Members have previously agreed that all 2021/22 pay awards will be funded by a transfer from the Insurance and Resource Reserve for 2021/22. The Medium Term Financial Plan has been updated to include provision from 2022/23 for the pay awards that have already been agreed for 2021/22 and the 1.75% estimate for corporate staff.
  - c) **Covid-19 Costs** - The £1.851m of grant funding that has been received to date, has now been spent so any additional unexpected Covid related costs that aren't currently included within the forecast position may impact on the final outturn.
  - d) **Programme Slippage** - The Authority is currently experiencing delays in the delivery of a number of capital projects, due to a combination of factors, the largest of which is due to supplier and resourcing issues experienced across the UK, for example the lack of availability in the car market of

essential component parts. There remains a possibility that further expenditure currently forecast to fall in 2021/22 could slip to 2022/23.

## **Other Financial Issues**

### **Property Update**

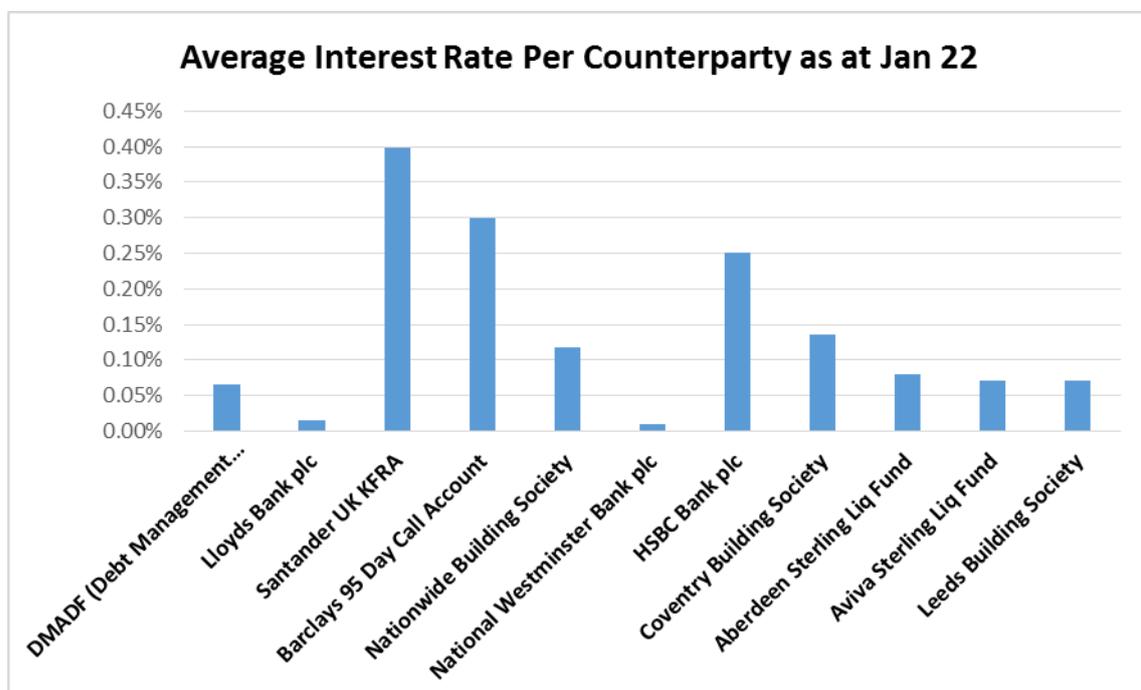
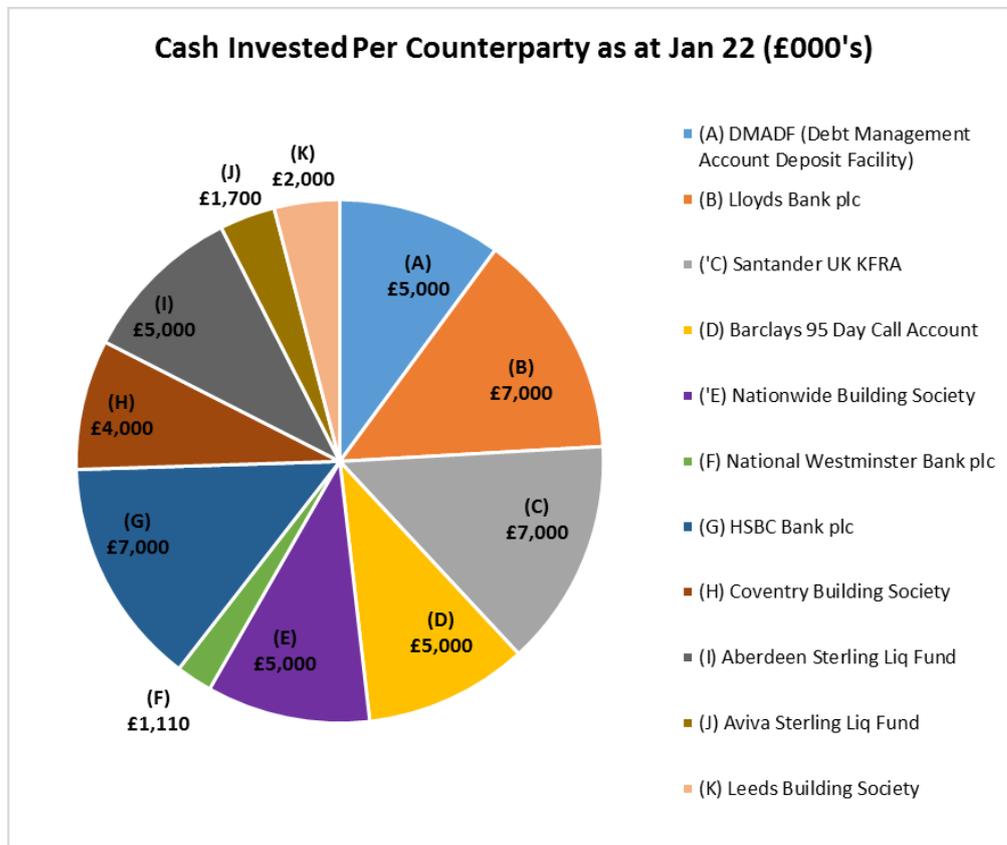
14. **Ashford Redevelopment** - Members will be aware of the plans to build a new live fire training facility at Ashford Fire Station, which is very much needed as the ability to undertake live fire training is a prerequisite for all firefighters. The pre-planning meeting with Ashford Borough Council was very positive and this will be followed by the submission of the full planning application in July 2022.
15. Members were asked at the last meeting to note the possible cost increase of the project to between £10m - £13m, due to expanded requirements as well as possible supply shortages and price increases. A further update will be provided once the outcome of the planning application is known, and a firmer cost base and timescales are established. Members can be assured that we will only progress to the building stage (gateway three), once planning approval has been confirmed. Should the final estimated costs of this project exceed the figures currently provided to Members in the Capital Plan (£11.8m), then a request will be brought back to this committee for additional resources before the project is progressed.

### **Firefighters Pension Fund 2021/22**

16. **The Firefighters' Pension Fund for 2021/22** - Attached at **Appendix 12** is the forecast outturn for the Firefighters' Pension Fund for 2021/22. Firefighter pension costs that are related to injury whilst on duty are met by the Authority, whereas the majority of other firefighter pension costs are funded by the Government. Whilst the Authority is responsible for paying all pensions and collecting all contributions, the resultant net deficit is funded by top-up grant which is paid by the Government in July each year.
17. As notified to Members in October, the forecast top-up grant requirement has increased significantly since the original estimate for 2021/22 was submitted to the Home Office in September 2020, due largely to the anticipated number of retirements that may be progressed under Immediate Detriment. However, subsequent changes to the Immediate Detriment options have resulted in the need to pause payments under Immediate Detriment. The Governance report, later on this agenda, does provide a more detailed update on the McCloud case and Immediate Detriment. However, as a result there remains some significant uncertainty within this forecast as things could change, particularly if there are developments in the processing of immediate detriment cases over the coming weeks.

## Cash Invested and Average Interest Rates per Counterparty 2021/22

18. **Cash Invested** - Between April 2021 and January 2022 the Authority invested an average cash balance of £50.9m. The pie chart below shows the balance invested as at 14 January 2022 (£49.8m) which has a forecast investment income for the year of £51k. The bar chart details current interest rate levels paid on these deposits.



## **IMPACT ASSESSMENT**

19. There are no implications arising from this report that cannot be managed within the overall budget.

## **RECOMMENDATIONS**

20. Members are requested to:
  - 20.1 Agree, in principle, that the final revenue budget underspend is transferred to the Service Transformation and Productivity Reserve and the Insurance and Resource Reserve, with the final allocations to each reserve to be formally agreed by Members at a later date, once the 2021/22 revenue budget outturn is confirmed (paragraph 8 refers);
  - 20.2 Consider and note the remaining contents of the report.

**KENT AND MEDWAY FIRE AND RESCUE AUTHORITY**

**2021/22 Revenue Budget Adjustments – Subjective Analysis**

Figures shown are in £'000	Oct-21 Budget £000	Budget Changes £000	Revised Budget £000
Salaries, allowances and on-costs	63,113	545	63,658
Training expenses	777	-20	757
Other employee costs(incl. Insurance)	776	0	776
Direct pension costs	1,871	0	1,871
<b>Total Employee Costs</b>	<b>66,537</b>	<b>525</b>	<b>67,062</b>
Repairs, maintenance & other costs	3,976	-405	3,571
Utility costs	2,285	-13	2,272
<b>Total Premises Costs</b>	<b>6,261</b>	<b>-418</b>	<b>5,843</b>
Vehicle running costs	2,290	0	2,290
Travel allowances and expenses	87	1	88
<b>Total Transport Costs</b>	<b>2,377</b>	<b>1</b>	<b>2,378</b>
Equipment and supplies	2,650	-29	2,621
Fees and services	1,321	55	1,376
Communications and computing	4,944	-824	4,120
Other supplies and services	598	22	620
<b>Total Supplies and Services</b>	<b>9,513</b>	<b>-776</b>	<b>8,737</b>
Capital financing costs	1,025	0	1,025
Revenue contributions to Capital	4,964	-2,093	2,871
<b>Total Capital Financing</b>	<b>5,989</b>	<b>-2,093</b>	<b>3,896</b>
Grants and contributions	-8,321	-31	-8,352
Investment income	-45	0	-45
Other income	-268	-1	-269
Transfers from reserves	-10,470	2,793	-7,677
<b>Total Income</b>	<b>-19,104</b>	<b>2,761</b>	<b>-16,343</b>
<b>Net Budget</b>	<b>71,573</b>	<b>0</b>	<b>71,573</b>

## KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

### 2021/22 Revenue Budget Adjustments - Subjective Analysis Explanations

Individual virements (budget transfers) that exceed £50k are required to be reported to Members. Any individual virements that are not technical budget adjustments that exceed £500k require Member approval. There are no virements that require Member approval.

Reportable virements are detailed below;

- (a) **Salaries, allowances and on-costs (£545k increase)** - This budget has been increased by £242k to fund the estimated 1.75% pay award for corporate staff for 2021/22, offset by a transfer from the Insurance and Resource Reserve (see paragraph 6). This budget has been further increased by £218k to fund Covid-19 related pay costs, offset by a transfer from the Covid-19 grant reserve. In addition, several new temporary posts have been agreed in-year, making up the majority of the remaining increase in this budget heading, offset by a transfer from the Service Transformation and Productivity Reserve.
- (b) **Repairs, maintenance and other costs (£405k decrease)** - This budget had previously been increased by £1m, to fund accommodation changes post Covid-19, as agreed by Members in April 2021. Due to supplier availability issues some of the works are not now expected to be completed before the end of the financial year. The budget has therefore been reduced by £350k, offset by a transfer to the Infrastructure Reserve. Supplier delays have resulted in additional slippage of £70k set aside for other property related works, so this budget reduction is also offset by a transfer to the Infrastructure Reserve. Other minor budget changes total a net increase of £15k.
- (c) **Fees and Services (£55k increase)** - Phase 2 of the Pre-driver Theatre and Workshop Education Research (PdTWER) project is due to commence in early 2022, so a budget of £50k has been loaded for additional costs that are now expected to fall in this financial year. Funding for this project has already been secured from the Department for Transport, so this expenditure is offset by a corresponding increase in Grants and Contributions income. Other minor adjustments to the budget total a net increase of £5k.
- (d) **Communications and computing (£824k decrease)** - Spend in relation to the Customer and Premises Risk Management project has been realigned due to the need to add a more expansive phase of work to the project. This will allow the Authority to further improve the Dynamics system for operational crews as well as incorporate changes in fire safety legislation. Consequently this has resulted in

forecast spend for this year of £836k being rephased to future years. Other minor adjustments total a net budget increase of £12k.

- (e) **Revenue Contributions to Capital (£2.093m decrease)** - The budget for revenue contributions to fund capital expenditure has been adjusted in line with the revised forecast for capital expenditure for 2021/22, with this balance being moved to the Infrastructure reserve as detailed below, to accommodate the cost impact in future years.
- (f) **Transfers from reserves (£2.793m decrease)** - This budget adjustment mainly relates to capital or infrastructure project slippage, meaning a reduced requirement to draw down funds from the Infrastructure Reserve this year (see (b), (d) and (e)). This is partly offset by an increased requirement to draw down from reserves for the corporate services pay award (£242k) and Covid-19 related pay costs (£218k) (see (a)). Other minor adjustments total a net increase transfer from reserves of £96k.

**KENT AND MEDWAY FIRE AND RESCUE AUTHORITY**

**2021/22 Revenue Budget Adjustments – Functional Analysis**

Figures shown are in £'000	Oct-21 Budget £'000	Budget Changes £'000	Revised Budget £'000
Firefighting and Rescue Services	33,354	-253	33,101
Control	2,162	-10	2,152
Operational Policy and Resilience	3,659	234	3,893
Fleet and Transport	2,833	14	2,847
<b>Total Operational Response and Resilience</b>	<b>42,008</b>	<b>-15</b>	<b>41,993</b>
Customer Safety	2,900	1	2,901
Business Safety	2,309	192	2,501
Customer Engagement	994	51	1,045
<b>Total Customer Safety, Business Safety and Engagement</b>	<b>6,203</b>	<b>244</b>	<b>6,447</b>
Corporate Management Board and Business Support	2,203	-15	2,188
Member Allowances and Expenses	82	0	82
People and Learning	6,115	64	6,179
Business Change and Information Technology	6,351	-644	5,707
Property, Environment and Facilities	6,463	-363	6,100
Finance, Insurance and Procurement	1,915	-202	1,713
Business Intelligence, Policy and Performance	695	-13	682
<b>Total Corporate Costs</b>	<b>23,824</b>	<b>-1,173</b>	<b>22,651</b>
Pension Costs	1,871	0	1,871
Net Financing Costs	980	0	980
Infrastructure Funding and Other Reserves	-100	944	844
Non-Ring Fenced Grants	-3,326	0	-3,326
Admin for Council Tax Support	113	0	113
<b>Total Pensions, Financing and Other Costs</b>	<b>-462</b>	<b>944</b>	<b>482</b>
<b>Net Budget</b>	<b>71,573</b>	<b>0</b>	<b>71,573</b>

## KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

### 2021/22 Revenue Budget Adjustments – Functional Analysis Explanations

Individual virements (budget transfers) that exceed £50k are required to be reported to Members. Any individual virements that are not technical budget adjustments that exceed £500k require Member approval. There are no virements that require Member approval.

Reportable virements are detailed below;

- (g) **Firefighting and Rescue Services (£253k decrease)** - Following a restructure this budget has been reduced by £221k as some staffing budgets have now transferred to the Operational Policy and Resilience heading (see (h)). Other minor non-pay related net budget decreases total £32k.
- (h) **Operational Policy and Resilience (£234k increase)** - See (g) regarding the realignment of staffing budgets from the Firefighting and Rescue Services heading. In addition, a further £111k of staffing budgets have been realigned to this budget heading from other functional headings following a number of restructures. Staffing budgets totalling £144k have been transferred from this heading to the Business Safety heading. The staffing budget has also been increased by £12k for the estimated 1.75% corporate staff pay award for 2021/22, offset by a transfer from the Insurance and Resource Reserve. Other minor non-pay related net budget increases total £34k.
- (i) **Business Safety (£192k increase)** - See (h) regarding the transfer of staffing budgets from the Operational Policy and Resilience heading. In addition, the staffing budget has been increased by £31k for the estimated 1.75% corporate staff pay award for 2021/22, offset by a transfer from the Insurance and Resource Reserve. Other minor non-pay related net budget increases total £17k.
- (j) **People and Learning (£64k increase)** - The staffing budget has been increased by £41k for the estimated 1.75% corporate staff pay award for 2021/22, offset by a transfer from the Insurance and Resource Reserve. Staffing budgets totalling £23k have been transferred to this heading from other functional headings.
- (k) **Business Change and Information Technology (£644k decrease)** – Reduced levels of spend in the current year on the Customer and Premises Risk management project are a large part of this reduction in budget provision. See (d). This is partly offset by an increase to the staffing budget of £43k for the estimated 1.75% corporate staff pay award for 2021/22, offset by a transfer from the Insurance and Resource Reserve. In addition, the budget for the Network Upgrade project has increased by £30k, and income in relation to the Emergency Services

Network Project has reduced by £47k, both offset by adjustments to the Infrastructure Reserve. Other minor net increases to this budget total £60k.

- (l) **Property, Environmental and Facilities (£363k decrease)** - See (b), supplier availability has had an impact on some of the planned premises work, which is now resulting in the work being delayed until 2022/23 (£420k), partially offset by a £50k increase for works relating to the Control location move, both offset by transfers to/from the Infrastructure Reserve. The staffing budget has been increased by £11k for the estimated 1.75% corporate staff pay award for 2021/22, offset by a transfer from the Insurance and Resource Reserve.
  
- (m) **Finance, Insurance and Procurement (£202k decrease)** - This budget reduction mainly relates to the budgeted transfer from the Insurance and Resource Reserve to fund the estimated 1.75% pay award for corporate staff for 2021/22 (£242k). The corresponding increase to pay budgets will be reflected across most other functional headings, but an increase to the pay budgets under this functional heading totals £25k. Other minor non-pay related net budget increases total £15k.
  
- (n) **Infrastructure Funding and Other Reserves (£944k reduction in funding from reserves)** – Budgeted transfers from the Infrastructure Reserve have reduced by £3.154m (see Appendix 9). Infrastructure Funding towards capital expenditure has reduced by £2.093m, resulting in a net decrease in Infrastructure Funding of £1.061m. This is partly offset by an increase of £117k in the budgeted transfer from the Service Transformation and Productivity Reserve to fund some temporary posts in 2021/22.

**KENT AND MEDWAY FIRE AND RESCUE AUTHORITY**

**2021/22 Revenue Budget – Subjective Analysis**

Figures shown are in £'000	Revised Budget £'000	Forecast Outturn £'000	Total Variance £'000
Salaries, allowances and on-costs	63,658	62,419	-1,239
Training expenses	757	648	-109
Other employee costs(incl. Insurance)	776	434	-342
Direct pension costs	1,871	2,486	615
<b>Total Employee Costs</b>	<b>67,062</b>	<b>65,987</b>	<b>-1,075</b>
Repairs, maintenance & other costs	3,571	3,542	-29
Utility costs	2,272	1,480	-792
<b>Total Premises Costs</b>	<b>5,843</b>	<b>5,022</b>	<b>-821</b>
Vehicle running costs	2,290	2,517	227
Travel allowances and expenses	88	39	-49
<b>Total Transport Costs</b>	<b>2,378</b>	<b>2,556</b>	<b>178</b>
Equipment and supplies	2,621	2,550	-71
Fees and services	1,376	1,588	212
Communications and computing	4,120	3,811	-309
Other supplies and services	620	622	2
<b>Total Supplies and Services</b>	<b>8,737</b>	<b>8,571</b>	<b>-166</b>
Capital financing costs	1,025	1,024	-1
Revenue contributions to Capital	2,871	2,865	-6
<b>Total Capital Financing</b>	<b>3,896</b>	<b>3,889</b>	<b>-7</b>
Grants and contributions	-8,352	-8,284	68
Investment income	-45	-50	-5
Other income	-269	-178	91
Transfers from reserves	-7,677	-7,602	75
<b>Total Income</b>	<b>-16,343</b>	<b>-16,114</b>	<b>229</b>
<b>Net Budget</b>	<b>71,573</b>	<b>69,911</b>	<b>-1,662</b>

## KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

### Significant Variances and Movements in the 2021/22 Revenue Budget

#### Subjective Variance Analysis

The forecast net underspend of £1.662m is made up of a variety of underspend and overspends, and the reasons for the most significant variances are commented on below:-

#### Base Budget Variances

- a) **Salaries, allowances and on-costs (£1.239m underspend)** - Explanations are provided under the relevant functional headings at **Appendix 8**.
- b) **Training expenses (£109k underspend)** - The budget for staff training is forecast to underspend by £109k mainly due to the impact of Covid resulting in the need to put a number of courses on hold until such time as it becomes easier to deliver face to face courses.
- c) **Other employee costs (incl. Insurance) (£342k underspend)** - This forecast underspend mainly relates to the reversal of unused provisions which are no longer required as the costs in relation to the provisions have now been settled. Additionally, the budget for other employee expenses is forecast to underspend by £98k as the full budget allocation is now no longer expected to be required this year.
- d) **Direct pension costs (£615k overspend)** - Additional ill health retirements and an increase in unabated pensions have resulted in an increase to the forecast transfer to the Firefighters Pension Fund this year. In addition, there have been a number of LGPS pension strain costs agreed this year, some of which are as a result of supporting flexible retirements to aid succession planning.
- e) **Utility costs (£792k underspend)** - A one-off saving of £1.003m is forecast as a result of backdated business rates refunds following a review of rateable values of fire stations. This is partly offset by a forecast overspend of £211k on electricity and gas budgets where prices have increased significantly. The Medium Term Financial Plan includes a saving in the base budget for Business Rates and an increase in the base budgets for gas and electricity for 2022/23.
- f) **Vehicle running costs (£227k overspend)** – Previously there was a forecast underspend (£100k) reported on this heading, due mostly to a reduced use of fuel. However, this has now been offset by the significant increase in fuel costs,

so there is no longer a variance forecast on this heading for fuel. So now this forecast overspend is due to a mixture of an increase in the volume of repairs and servicing work, as well as an increase in the cost of replacement parts. An inflationary uplift has been included within the Medium Term Financial Plan for 2022/23 but some works are expected to reduce as new vehicles are delivered throughout 2022/23.

**g) Equipment & supplies (£71k underspend)** - The budget for operational equipment is currently forecast to underspend by £35k and there are other minor net underspends of £36k forecast.

**Fees & services (£212k overspend)** – This forecast overspend relates to a variety of issues, not least additional subscription fees in relation to the Institute of Fire Engineers (IFE) membership, professional and legal advice was needed on a number of issues and there were a number of other small overspends across this budget heading.

**h) Communications and computing (£309k underspend)** - Some of the protection uplift funding has been used to fund a proportion of the building safety licence fees for 2021/22, resulting in a one-off saving of £219k against the base budget this year. Slippage on the Customer and Premises Risk Management project and the Mobile Data Terminals (MDTs) project has led to a further underspend of £96k where the ongoing cost of software licences has been delayed. Other minor net overspends total £6k

**i) Grants and contributions (£68k reduced income)** - As noted to Members in October, the Firelink grant will be £71k lower as will the Business Rates Section 31 grant (£73k) than originally expected for 2021/22. These reductions are partly offset by increased income from staff secondments and the recovery of additional costs in relation to the operational staff pay award where some posts are externally funded.

**j) Other income (£91k reduced income)** - The majority of this reduction in income relates to a lower number of pool car sales than previously expected.

**k) Transfers from Reserves (£75k reduction in net transfer from reserves)** - Some committed spend on operational equipment purchases is now expected to fall in 2022/23 so a £25k transfer to the Rolling Budget Reserve is now forecast. In addition, £45k spend related to the protection uplift grant is now not expected to be incurred until 2022/23 so a transfer to the Government Grants reserve is now forecast. Other minor forecast adjustments relate to the Infrastructure Reserve and total a net £5k (see Appendix 9).

**KENT AND MEDWAY FIRE AND RESCUE AUTHORITY**

**2021/22 Revenue Budget – Functional Analysis**

Figures shown are in £'000

	<b>Revised Budget £'000</b>	<b>Forecast Outturn £'000</b>	<b>Total Variance £'000</b>
Firefighting and Rescue Services	33,101	32,463	-638
Control	2,152	1,934	-218
Operational Policy and Resilience	3,893	4,044	151
Fleet and Transport	2,847	3,195	348
<b>Total Operational Response and Resilience</b>	<b>41,993</b>	<b>41,636</b>	<b>-357</b>
Customer Safety	2,901	2,531	-370
Business Safety	2,501	2,429	-72
Customer Engagement	1,045	1,045	0
<b>Total Customer Safety, Business Safety and Engagement</b>	<b>6,447</b>	<b>6,005</b>	<b>-442</b>
Corporate Management Board and Business Support	2,188	2,229	41
Member Allowances and Expenses	82	82	0
People and Learning	6,179	6,033	-146
Business Change and Information Technology	5,707	5,203	-504
Property, Environment and Facilities	6,100	5,244	-856
Finance, Insurance and Procurement	1,713	1,589	-124
Business Intelligence, Policy and Performance	682	725	43
<b>Total Corporate Costs</b>	<b>22,651</b>	<b>21,105</b>	<b>-1,546</b>
Pension Costs	1,871	2,486	615
Net Financing Costs	980	975	-5
Infrastructure Funding and Other Reserves	844	842	-2
Non-Ring Fenced Grants	-3,326	-3,251	75
Admin for Council Tax Support	113	113	0
<b>Total Pensions, Financing and Other Costs</b>	<b>482</b>	<b>1,165</b>	<b>683</b>
<b>Net Budget</b>	<b>71,573</b>	<b>69,911</b>	<b>-1,662</b>

## KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

### Significant Variances and Movements in the 2021/22 Revenue Budget

#### Functional Variance Analysis

The forecast net underspend of £1.662m is made up of a variety of underspend and overspends, and the reasons for the most significant variances are commented on below:-

#### Base Budget Variances

- l) Firefighting and Rescue Services (£638k underspend)** - A forecast underspend of £521k had previously been reported to Members in October, mainly due to lower on-call activity payments and vacancies on whole-time fire stations. The forecast pay underspend has increased by a net £107k, mainly due to additional forecast underspends on on-call activity payments where the activity levels haven't increased to the levels previously anticipated. In addition, other minor net non-pay underspends of £10k are now forecast.
- m) Control (£218k underspend)** - As previously reported, this forecast underspend is entirely pay budget related, primarily due to four vacancies within the team. Although four new recruits were previously expected to join, only three new starters joined in January, hence the forecast underspend has increased slightly.
- n) Operational Policy & Resilience (£151k overspend)** - There is a forecast overspend of £108k on staffing costs, mainly due to covering long-term sickness absences and Covid-19 related shortfalls. Additionally, there is a forecast overspend against the professional services and legal fees budgets.
- o) Fleet & Transport (£348k overspend)** - See (f) and (k). As previously reported, there is also a forecast overspend of £61k against pay budgets for two temporary posts within the team, but this is offset by a transfer from the Service Transformation and Productivity Reserve so although it appears as an overspend against this functional heading, it doesn't impact on the bottom line.
- p) Customer Safety (£370k underspend)** - As reported to Members in October this team has been running with several vacancies during 2021/22, plus some posts have been occupied on a part-time basis, so the pay underspend has increased to £280k. In addition, forecast spend on operational equipment is reduced by £35k (see (g)), income from secondments and other sources has increased by £34k and forecast grants and contributions have reduced by £21k due to the cancellation of some events and initiatives due to Covid-19.

- q) Building Safety (£72k underspend)** - Although most vacancies within this team have now been filled, savings generated whilst posts were vacant have led to a forecast underspend on pay budgets of £108k. Other minor forecast net overspends on non-pay headings total £36k.
- r) People & Learning (£146k underspend)** - See (b), (d) in relation to other employee expenses, and (h) in relation to IFE membership fees. Other minor net forecast underspends total £6k.
- s) Business Change and Information Technology (£504k underspend)** - See (i). Also see (j) in relation to the Firelink grant. In addition, a forecast pay underspend of £231k had previously been reported to Members, mainly due to vacancies within the team. Other minor net underspends total £35k.
- t) Property, Environment & Facilities (£856k underspend)** - See (e). The additional forecast underspend (£64k) relates to pay budgets where some budgeted posts have been vacant during the year.
- u) Finance, Insurance and Procurement (£124k underspend)** - See (c) regarding the reversal of unused provisions. This is partly offset by a forecast overspend of £65k on pay budgets due to maternity cover and the cost of a new post agreed in year. A key procurement exercise has required the expertise of an external professional service to provide additional assurance resulting in a forecast overspend of £24k on professional fees.
- v) Pension Costs (£615k overspend)** – see (d).
- w) Non-Ring Fenced Grants (£73k reduced income)** – See (j) in relation to the Section 31 Business Rates grant.

**KENT AND MEDWAY FIRE AND RESCUE AUTHORITY**

**2021/22 Infrastructure Budget Adjustments**

Figures shown are in £'000	Oct-21 Budget £'000	Budget Changes £'000	Revised Budget £'000	Forecast Outturn £'000	Total Variance £'000
<b>Infrastructure Capital Budget</b>					
Ashford Fire Station	650	-284	366	366	0
<b>Total Station Development Programme</b>	<b>650</b>	<b>-284</b>	<b>366</b>	<b>366</b>	<b>0</b>
<b>Generators</b>					
Roofing Works	12	-12	0	0	0
Boilers	600	0	600	600	0
<b>Total Premises</b>	<b>624</b>	<b>-7</b>	<b>617</b>	<b>617</b>	<b>0</b>
<b>Mobile Data Terminals</b>					
<b>Total Information and Communication Systems</b>	<b>524</b>	<b>-186</b>	<b>338</b>	<b>338</b>	<b>0</b>
<b>Appliances</b>					
Specialist Units and Vehicles	678	0	678	674	-4
Cars and Vans	225	77	302	301	-1
<b>Total Vehicles and Equipment</b>	<b>2,263</b>	<b>-1,693</b>	<b>570</b>	<b>570</b>	<b>0</b>
<b>Total Infrastructure Capital Budget</b>	<b>4,964</b>	<b>-2,093</b>	<b>2,871</b>	<b>2,866</b>	<b>-5</b>
<b>Infrastructure Revenue Budget</b>					
Premises	1,701	-370	1,331	1,331	0
Equipment	65	-6	59	59	0
Information and Comms. Systems	1,721	-512	1,209	1,209	0
<b>Total Infrastructure Revenue Budget</b>	<b>3,487</b>	<b>-888</b>	<b>2,599</b>	<b>2,599</b>	<b>0</b>
<b>Total Infrastructure Revenue and Capital Budgets</b>	<b>8,451</b>	<b>-2,981</b>	<b>5,470</b>	<b>5,465</b>	<b>-5</b>
<b>Funded from:-</b>					
Base Revenue Contributions	-3,792	0	-3,792	-3,792	0
Infrastructure Reserve	-4,586	3,154	-1,432	-1,427	5
One-off funding & grants	-73	-173	-246	-246	0
<b>Total Funding</b>	<b>-8,451</b>	<b>2,981</b>	<b>-5,470</b>	<b>-5,465</b>	<b>5</b>

## KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

### 2021/22 Infrastructure Capital Budget Adjustments - Explanations

Individual virements (budget transfers) that exceed £50k are required to be reported to Members. Any individual virements that are not technical budget adjustments that exceed £500k require prior Member approval. There are no virements that require Member approval.

Reportable virements are detailed below;

- a) **Ashford Fire Station (£284k decrease)** - The budget for the Ashford redevelopment project has been re-aligned based on the most up to date project plan.
- b) **Mobile Data Terminals (£186k decrease)** - Supplier delays have pushed back some system testing resulting in budget slippage for the purchase of some additional equipment.
- c) **Specialist Units and Vehicles (£77k increase)** - The Prime Mover chassis is now expected to be delivered this financial year so the £95k budget has been brought forward from 2022/23. This is partly offset by a reduction of £18k where the purchase of two fire safety motorbikes has been delayed until 2022/23.
- d) **Cars and Vans (£1.693m decrease)** - The extended lead time for the delivery of the response vehicles means that they are not now expected to be delivered before the 31 March 2022, so the £1.716m budget has been moved to 2022/23. The stores van is also now not expected to be delivered before the 31 March 2022, so the £43k budget has also been moved to 2022/23. These budget reductions are partly offset by an increase in the cost of pool cars (£66k) as most of these are self-charging cars so are more expensive than previous plans.

**2021/22 Infrastructure Revenue Budget Adjustments** – The main reasons for these budget changes are explained at **Appendix 2** as they are reflected in the overall revenue budget, which is described above.

**KENT AND MEDWAY FIRE AND RESCUE AUTHORITY**

**2021/22 General and Earmarked Reserves**

Figures shown are in £'000		Opening Balance 01-Apr-21	Forecast Transfer 2021/22	Forecast Closing Balance 31-Mar-22*
General Reserve	(A)	3,710	50	3,760
<i>Earmarked Reserves:</i>				
Government Grants	(B)	5,615	-4,040	1,575
Infrastructure	(C)	27,045	-1,427	25,618
Insurance and Resource	(C)	3,585	-744	2,841
Rolling Budgets	(C)	1,074	-796	278
Service Transformation and Productivity	(C)	902	-645	257
<b>Total Earmarked Reserves</b>		<b>38,221</b>	<b>-7,652</b>	<b>30,569</b>
<b>Total Revenue Reserves</b>		<b>41,931</b>	<b>-7,602</b>	<b>34,329</b>
Capital Receipts	(D)	7,875	1,574	9,449
<b>Total Capital Reserves</b>		<b>7,875</b>	<b>1,574</b>	<b>9,449</b>
<b>Total Usable Reserves</b>		<b>49,806</b>	<b>-6,028</b>	<b>43,778</b>

\*Forecast Earmarked Reserve balances at 31.3.22 exclude any transfer to reserves that may be required at year end as a result of the forecast underspend on the 2021/22 revenue budget.

Notes:

- A. Reserve held to provide a contingency to cushion the impact of unexpected costs
- B. Resource provided by Government with any unspent amounts rolled forward
- C. Reserve held to smooth the impact of expenditure on the revenue budget
- D. Reserve available to fund capital expenditure (although the flexibility to use capital receipts to meet the revenue costs of transformation has been extended to April 2022).

**KENT AND MEDWAY FIRE AND RESCUE AUTHORITY**

**2021/22 Firefighters' Pension Fund**

Figures shown are in £'000	<b>Home Office Return (Sep 20)*</b>	<b>Home Office Return (Aug 21)**</b>	<b>Revised Forecast Outturn</b>	<b>Variance to Home Office Return (Sep 20)</b>
<b>Pension Outgoings:</b>				
Pension payments	22,549	27,363	26,592	4,043
<b>Total Expenditure</b>	<b>22,549</b>	<b>27,363</b>	<b>26,592</b>	<b>4,043</b>
<b>Pension Income:</b>				
Employee contributions	3,683	3,751	3,759	76
Employer contributions	8,276	8,393	8,458	182
In-year ill-health charge income	306	273	340	34
Non-abated pension income	91	194	160	69
Transfer values received	0	51	51	51
Government top-up grant	10,193	14,701	13,824	3,631
<b>Total Income</b>	<b>22,549</b>	<b>27,363</b>	<b>26,592</b>	<b>4,043</b>
<b>Net Fund Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

\*The top-up grant received by the Authority in July 2021 for the 2021/22 financial year was based on 80% of the estimate submitted to the Home Office in September 2020.

\*\*A revised estimate for the 2021/22 financial year was submitted to the Home Office in August 2021, along with Pension Fund forecasts for 2022/23 to 2026/27.

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By: Chief Executive

To: Kent and Medway Fire and Rescue Authority - 18 February 2022

Subject: DRAFT REVENUE AND CAPITAL BUDGETS 2022/23 AND  
DRAFT MEDIUM TERM FINANCIAL PLAN 2022-26

Classification: Unrestricted

## FOR DECISION

### SUMMARY

The Draft Revenue and Capital Budgets and proposed Council Tax levels for the 2022/23 financial year are presented in this report for Members' approval. The report builds on the information presented to Members at the Authority meeting last October, which included details of the assumptions used in developing the Medium Term Financial Plan for 2022-26.

The key proposals that are presented to Members for consideration and approval are:-

- A net revenue budget requirement of £77.423m for 2022/23;
- A Council Tax increase of 1.89%;  
(This equates to an increase of £1.53 per annum (just under 3 pence per week) on the Band D Council Tax, increasing the charge to £82.35 in 2022/23);

This report also contains the Capital Strategy, the Treasury Management and Investment Strategy and the appropriate Prudential Indicators and the Reserves Strategy. Member approval is now also sought for each of these Strategies as these facilitate the delivery of the Medium-Term Financial Plan.

### RECOMMENDATIONS

Members are requested to:

1. Approve the revenue budget proposals and the resulting net revenue budget requirement of £77.423m for 2022/23 (paragraphs 13 and 14 and **Appendix 1** refer);
2. Approve a total requirement from Council Tax of £53.637m to be raised through the precept to meet the 2022/23 revenue budget requirement, which requires a Council Tax increase of 1.89%, resulting in the following annual charges for each Council Tax band (paragraphs 25 to 28 refer):-

LEAD/CONTACT OFFICER: Director Finance and Corporate Services – Alison Kilpatrick

TELEPHONE NUMBER: 01622 692121 ext 8262

EMAIL: [alison.kilpatrick@kent.fire-uk.org](mailto:alison.kilpatrick@kent.fire-uk.org)

BACKGROUND PAPERS: None

Council Tax Band	Annual Charge
A	£54.90
B	£64.05
C	£73.20
<b>D</b>	<b>£82.35</b>
E	£100.65
F	£118.95
G	£137.25
H	£164.70

3. Authorise the Chief Executive, in consultation with the Chair of the Authority, to make any adjustments which may be required to the net revenue budget, arising as a result of any late changes to the Council Tax, Business Rates or Government Funding (paragraph 29 refers);
4. Approve the Capital Budget of £13.191m for 2022/23 and related expenditure commitments following on in later years, together with the sources of funding identified to fund the expenditure (paragraph 2 and **Appendix 1** refer);
5. Approve the Capital Strategy (paragraph 2 and **Appendix 2** refer);
6. Approve the Annual Treasury Management and Investment Strategy, including the appropriate Prudential Indicators (paragraph 2 and **Appendix 3** refer);
7. Approve the Reserves Strategy (paragraph 2 and **Appendix 4** refer);
8. Approve the assumptions used to develop the Medium-Term Financial Plan for 2022-26 (paragraphs 30 to 32 and **Appendix 1** refer);

## COMMENTS

### Background

1. This report primarily summarises the proposed spending plan requirements for the financial period 2022/23 to 2025/26 together with details of the resources that are available to fund these plans. More detailed information is contained within the Budget Book and Medium Term Financial Plan (MTFP) for 2022-26 attached at **Appendix 1**.
2. Members are also asked to consider and approve the three financial Strategies attached to this report, each of which facilitate the delivery of the MTFP and the Safety Plan. These are the Capital Strategy (**Appendix 2**), the Treasury Management and Investment Strategy and the appropriate Prudential Indicators (**Appendix 3**) and; the Reserves Strategy (**Appendix 4**).

### Spending Review 2021 and Finance Settlement 2022/23

3. **Spending Review** - On 27 October 2021 the Chancellor presented the Autumn Budget and Spending Review to Parliament. Total departmental spending is set to grow in real terms at 3.8% a year, on average, from 2021/22 to 2024/25. Although the Spending Review set departmental budgets up to 2024/25, the Provisional Local Government Finance Settlement, announced on 16 December 2021, only provided funding figures for the Authority for the financial year 2022/23. It is anticipated that funding for 2023/24 and 2024/25 will be determined as part of a Fair Funding Review setting new grant allocations for those years, although it has yet to be confirmed whether it is purely the data that will be updated in the review or whether the formula will be changed as well. As such, there is currently some uncertainty regarding government funding levels beyond 2022/23.
4. Across all local authorities in England, Core Spending Power (CSP) has increased by 6.9% for 2022/23. This includes an assumption that, for 2022/23, all local authorities will increase Council Tax to the maximum limit before a referendum is required. Of the 6.9% increase in CSP, 59% of the increase relates to Council Tax. CSP for this authority has increased by 4.5% for 2022/23.
5. At the Local Government Association conference, held on 13 January 2022, the Minister for Local Government did recognise that multi-year settlements would be more helpful to local authorities to aid more sustainable long term planning. However, it was acknowledged that it is difficult to do this when the base for distribution of funding goes back to 2013/14 and is therefore old and out of date. As such, there will be a consultation in the Spring which will look at the Fair Funding Review and any transitional funding arrangements. If a revised base is established this will be a better base on which to facilitate multi-year settlements in future years.

6. Although there also remains some uncertainty regarding the long-term roadmap for business rates reform, including the timeline for any baseline reset, the Spending Review did confirm that there would, once again, be additional reliefs, discounts and a freeze on the business rates multiplier to further support businesses in 2022/23. It was confirmed that local authorities would continue to be fully compensated for the loss of income as a result of these measures. In addition, the frequency of business rates revaluations will change to every 3 years instead of every 5 years, starting in 2023.
7. **National Context** - As was widely expected the Office for Budget Responsibility's (OBR) economic forecasts show an improvement compared to those in March 2021. The OBR has forecast that the pandemic will result in economic scarring equivalent to 2% of GDP, rather than the 3% forecast in March 2021. Economic growth is expected to be 6.5% in 2021, 6% in 2022 and then 2.1% in 2023. This shows that there has been a strong recovery from the deep recession (-9.9% GDP) in 2020. Improvements in the OBR's economic forecasts have an impact on the peak for public sector net borrowing. The budget deficit is forecast to reduce by almost half, to £183bn, in 2021/22, £51bn lower than in the March 2021 forecast.
8. **Provisional Funding Settlement** - On 16 December 2021 the Secretary of State for Levelling Up, Housing and Communities announced the Provisional Local Government Finance Settlement for 2022/23. The provisional settlement confirmed that the Business Rates multiplier will be frozen for 2022/23, meaning Baseline Funding Levels will be rolled forward from 2021/22 with no uplift. Revenue Support Grant will be uplifted by the September 2021 Consumer Price Index providing an increase of 3.1% or £198k of additional grant funding for 2022/23. A new one-off Services Grant was also announced for 2022/23, confirmed at £1.027m for this Authority, and although not ring-fenced, a proportion of the allocation is intended to fund the national insurance increase (1.25%). As in previous years, the Government will continue to compensate local authorities for the under-indexation of the Business Rates multiplier, meaning the Section 31 grant paid to the Authority will increase by £427k in 2022/23 to fund this policy decision.
9. **Referendum Limits** - The provisional settlement confirmed that Fire and Rescue Authorities whose Band D Council Tax charge for 2021/22 is within the lower quartile of Band D Council Tax charges for all Fire and Rescue Authorities would have the flexibility to increase the Band D charge by up to £5 for 2022/23. As this Authority's Band D charge is not within the lower quartile (it is within the second quartile) the same principles that have applied in recent years will apply for 2022/23 i.e. an increase of 2% or more would require a referendum. Consequently for 2022/23 the MTFP proposes a Council Tax increase of 1.89%, just below the 2% referendum limit. It has been assumed within the Medium-Term Financial Plan (MTFP) that this limit will apply for the medium-term.

10. **Local Context** - Funding levels have only been confirmed for 2022/23 so the Authority has, in its Medium-Term Financial Plan (MTFP), assumed that the Settlement Funding Assessment (SFA) will increase by the Consumer Price Index (CPI) in future years. There remains uncertainty around the timing and impact of a Fair Funding Review, and it is still possible that further changes to the Business Rates System will be implemented, such as a reset of the Business Rates Baseline, so a fairly prudent approach seems most sensible at this time. The Authority's Services Grant allocation has only been confirmed for 2022/23, as the government intends to work closely with local government to determine how to best use this funding pot (totalling £822m) from 2023/24 onwards. A prudent approach has therefore been taken for the MTFP, which assumes that this grant will reduce from £1.027m in 2022/23 to £355k from 2023/24 onwards, covering just the estimated cost of the national insurance increase.
11. Opportunities to make savings are taken as they arise and sometimes that may be earlier than planned. This approach can give rise to in-year underspends but provides the facility to internally fund one-off large projects, whilst providing base budget savings for later years. The Authority also needs to make additional savings to fund new cost pressures that may arise through legislative changes. The budget proposals for 2022/23 contained within this report are prudent estimates to ensure that the Authority's plans and commitments are deliverable and affordable. To take account of timing differences between spending requirements, funding and income sources and delivery of base budget savings the 2022/23 budget includes a one-off transfer from the Insurance and Resource reserve of £432k.
12. **Provisional Local Government Finance Settlement 2022/23 Consultation** - Members will be aware that each year when the provisional settlement is announced there is also the opportunity to comment on the proposals contained in that document. This year the deadline for responses to the consultation was 13 January, and as such the following response was agreed in consultation with the Chair:

*'This Authority welcomes the proposals set out in the provisional settlement for 2022/23. Whilst multi-year settlements are always preferable, as they do help to ensure sustainable long term planning, we do accept the rationale for a one-year settlement at the current point in time, given the plans to undertake a fair funding review.*

*The additional one-off Services Grant for 2022/23 was also most welcome, but as this on the whole will be utilised to fund base budget cost increases, such as the cost of the recent national insurance increase, it would be most helpful if Authorities had an early heads up of the basis for its distribution in future years, which would help significantly in developing and resourcing commitments in the medium term financial plan.*

*Many FRA's are seeing an increase in the percentage of their funding that is generated from council tax, so it was pleasing to see the added flexibility of the precept cap being increased to a maximum of £5 for a Band D property, available to those in the lowest quartile. Retaining the provision for precept flexibility is an important factor for many FRAs as they set their financial plans for the medium-term.*

*Finally, previous indications had suggested that the Fire Pensions grant would possibly be incorporated into FRA's baseline funding going forward. This grant contributes significantly to the increasing cost of fire pensions and as such, to gain certainty of its provision going forward, it would be helpful if this was included in RSG in future years.'*

## Revenue Budget Development for 2022/23

13. **Revenue Budget** - As in previous years the Authority's revenue budget is developed on an incremental basis. The previous year's budget is adjusted for the impact of pay and price increases, and this is particularly important in 2022/23 as there have been some significant inflationary increases in costs, such as utilities. Also included is additional growth for other unavoidable statutory commitments; new demands; and the outcome of savings activities. Expenditure that is to be funded from grants or reserves is included in the budget but the amount does vary from year to year, so whilst it does not affect the amount of the net revenue budget to be met from Council Tax, it does impact on gross spending. Details of the changes made to the base revenue budget and the additional expenditure funded from grants and reserves are set out in the Budget Book (**Appendix 1**). As a result of these changes a net revenue budget for 2022/23 of £77.423m is presented for Members' approval.
14. The proposed revenue budget is shown in **Table 1** below. This sets out the key changes between 2021/22 and 2022/23. Full details of the budget-build assumptions are contained in the Budget Book (**Appendix 1**).

**Table 1 - Revenue Budget 2022/23**

	<b>£'000</b>
Base Revenue Budget brought forward	74,849
Pay, pensions, prices and other pressures	6,328
Savings	-1,769
<b>Base Revenue Budget for 2022/23</b>	<b>79,408</b>
Transfer from Earmarked Reserve Local Tax Income Guarantee Scheme	-234
Transfer from Earmarked Reserve - 2021/22 Expanded Retail Reliefs	-1,529
Transfer from Earmarked Reserve - Base Savings Deferred	-432
Transfer to General Reserve	210
<b>Net Revenue Budget for 2022/23</b>	<b>77,423</b>
<b>Net Revenue Budget for 2022/23 funded by:</b>	
Revenue Support Grant	6,655
Business Rates and Top-up Grant	17,164
Services Grant	1,027
Council Tax	53,637
Net Deficit on Collection Funds (see paragraph 25)	-1,060
<b>Total Funding</b>	<b>77,423</b>

15. **Transfer from Earmarked Reserve - Local Tax Income Guarantee Scheme** - The Government has provided the Authority with grant funding to cover 75% of the irrecoverable Covid-19 related losses on the 2020/21 Collection Funds. These losses are spread in Medway and Kent District Councils Collection Funds over the three financial years 2021/22, 2022/23 and 2023/24. The government grant funding has therefore been put into an Earmarked Reserve and will be released from the reserve to coincide with the recovery of the Collection Fund deficits by Medway and Kent District Councils. Therefore, £234k is to be released from the reserve in 2022/23.
16. **Transfer from Earmarked Reserve – 2021/22 Expanded Retails Reliefs** - Due to the Covid-19 pandemic the Government granted additional Business Rates reliefs after the National Non-Domestic Rates (NNDR1) returns were completed and budgets had been set for 2021/22. As a consequence, a large deficit is reported against the Business Rates Collection Fund in 2022/23. The Government will reimburse authorities by paying a Section 31 grant to fully compensate for the lost income due to this policy decision. The Section 31 grant is accounted for in 2021/22 and a corresponding amount put into reserves in 2021/22 to be released in 2022/23 to match the reporting of the Collection Fund deficits caused by these additional reliefs.
17. **Transfer from Earmarked Reserve – Base Savings Deferred** - To take account of timing differences between spending requirements, funding and income sources and delivery of base budget savings, the 2022/23 budget includes a one-off transfer from the Insurance and Resource Reserve. The £432k transfer from the reserve will reduce the balance held in the reserve from £2.841m to £2.409m, excluding any transfer that needs to be made to the reserve following confirmation of the final revenue budget underspend for 2021/22.
18. **Transfer to General Reserve** - The 2022/23 Reserves Strategy contains a proposal to maintain the level of General Reserves at approximately 5% of the Base Revenue Budget. Therefore a transfer to the General Reserve of £210k is required in 2022/23.

### **The Provisional Local Government Finance Settlement for 2022/23**

19. The Budget Book (**Appendix 1**) discusses in detail the main elements of the provisional finance settlement published by the Government in December 2021. At the time of drafting this report, the Government has not yet confirmed the settlement funding figures for 2022/23, and our understanding is that it is likely to be in early February before this is confirmed.

20. Details of the 2022/23 settlement compared to 2021/22 are set out in **Table 2**.

<b>Table 2 – Business Rates and Other Government Grant Funding</b>	<b>2021/22 £'000</b>	<b>2022/23 £'000</b>	<b>% Change</b>
Revenue Support Grant (RSG)	6,457	6,655	3.06
Business Rates - Baseline	6,389	6,389	0.00
Top-up Grant	8,514	8,514	0.00
Settlement Funding Assessment (SFA)	21,360	21,558	0.93
Business Rates - Retained Growth	207	-254	-222.70
Business Rates - Section 31 Grant	1,292	2,515	94.66
Local Council Tax Support Grant	956	-	-100.00
Services Grant	-	1,027	100.00
<b>Total Business Rates and Government Grants</b>	<b>23,815</b>	<b>24,846</b>	<b>4.33</b>

21. **Business Rates Retained Growth** – Retained Business Rates receipts have fallen below baseline funding levels due to the additional reliefs granted by the Government for 2022/23. As the Government are compensating local authorities for the loss of income due to these additional reliefs, reductions in retained business rates receipts are funded by an increase in the Business Rates Section 31 grant for 2022/23.
22. **Business Rates Section 31 Grant** - The Government continues to provide additional funding to authorities to compensate them for the continued impact of the historic cap on the small business rate multiplier and other reliefs given. The amount of grant expected for 2022/23 has increased to £2.515m following confirmation that the government will provide additional funding to compensate local authorities for the additional reliefs that have been granted (£796k) and for not uplifting the multiplier for 2022/23 (£427k).

### **Council Tax for 2022/23**

23. **Council Tax Consultation** - Consultation on the proposed level of the Authority's Council Tax charge for 2022/23 was undertaken as part of the Safety and Wellbeing Plan Update 2022. The consultation was opened to the public on 22 October 2021 and closed on the 14 January 2022. The consultation included a specific question on changes to Council Tax in 2022/23 and provided the three options below;
- (Option 1) - Freeze Council Tax for a year (no increase from 2021/22);
  - (Option 2) - Increase by an amount just under the proposed referendum limit of 2%;
  - (Option 3) - Increase by up to £5 for a Band D if precept flexibility allows.
24. **Council Tax Consultation Response** - The Information Update report, which appears later on this agenda, provides an overview of the variety of methods that

were used to promote this consultation, a summary of the total number of respondents and details to the responses to the questions that were asked as part of the consultation. However, in relation to the specific question on Council Tax increases, 52% of respondents selected option 3, so were happy to accept an increase up to £5, 22% of respondents selected option 2, which was an increase just under the referendum limit of 2% and 25% selected option 1, which was to freeze Council Tax at existing levels.

25. **Proposed Council Tax for 2022/23** - The Authority seeks to manage its resources to deliver an efficient and effective service to the people of Kent and Medway. To ensure that the budget proposals are sustainable over the medium-term, and considering the responses to the Council Tax consultation exercise, it is proposed that Council Tax should be increased by 1.89%, resulting in an annual increase in a Band D property of £1.53 (just under 3 pence per week) making the Band D Council Tax charge £82.35 for 2022/23 and therefore Members are requested to approve this proposal.
26. The Budget Book (**Appendix 1**) explains how the Council Tax precept is calculated. The financial impact of the Council Tax changes; assumed collection rates; and a 1.89% increase in Council Tax for 2022/23, is shown in **Table 3**.

**Table 3 – Calculation of Council Tax 2022/23**

	<b>£'000</b>
<b>Net Revenue Budget Requirement for 2022/23</b>	<b>77,423</b>
Revenue Support Grant	6,655
Retained Business Rates and Top-up Grant	17,164
Services Grant	1,027
Net Deficit on Collection Funds (see paragraph 27)	-1,060
<b>Precept Requirement from Council Tax</b>	<b>53,637</b>
<b>Total Funds</b>	<b>77,423</b>
<b>Tax base for 2022/23</b>	<b>651,326.39</b>
Tax base for 2021/22	635,941.21
<b>Tax rate for Band D property 2022/23</b>	<b>£82.35</b>
Tax rate for Band D property 2021/22	£80.82
<b>Increase in Band D charge £</b>	<b>£1.53</b>
<b>Increase in Band D charge %</b>	<b>1.89%</b>

27. **Net Deficit on Collection Funds** – An adjustment is made to the precept to reflect the Authority's share of any surplus or deficit arising on Medway and Kent District Council's Collection Funds (Council Tax and Business Rates) where more or less was collected compared to the amounts estimated in previous years. Overall, there is a net deficit of £1.060m to be repaid by the Authority in 2022/23. Covid-19 related deficits from the 2020/21 financial are spread over the three financial years 2021/22, 2022/23

and 2023/24, so a deficit of £371k on Council Tax Collection Funds and a deficit of £136k on Business Rates Collection Funds relate to the 2020/21 financial year. In relation to the 2021/22 financial year there is a surplus of £646k on Council Tax Collection Funds and a deficit of £1.199m on Business Rates Collection Funds. The large deficit on the 2021/22 Business Rates Collection Funds is due to the additional reliefs granted by the Government after the 2021/22 budgets were set and is offset by Section 31 grant which will be released from reserves in 2022/23 to match the timing of the repayment of the Collection Fund deficit to the billing authorities.

28. The Council Tax for other property bands is calculated as a fixed proportion to Band D. The 2022/23 Council Tax proposed to be levied by the Authority for all other bands can be seen in **Table 4** below.

**Table 4 - The Authority's Share of Council Tax per Property Band for 2022/23**

<b>Council Tax Band</b>	<b>Pro Rata Band D</b>	<b>Annual Charge</b>
A	6/9	£54.90
B	7/9	£64.05
C	8/9	£73.20
<b>D</b>	<b>1</b>	<b>£82.35</b>
E	11/9	£100.65
F	13/9	£118.95
G	15/9	£137.25
H	18/9	£164.70

29. At the time of presenting this report to Members figures provided by Kent District Councils are confirmed as final but Business Rates figures for Medway Council remain outstanding, so an estimate has been included in this budget report. Consequently, some of the figures contained within this report will change so an addendum will be provided at the meeting, to reflect the revised budget position once final figures from Medway have been provided. It is possible that a District may provide revised figures at a later date so, if after this meeting, any billing authority gives notice of any change to its Council Tax base; retained Business Rates income; or the declared surplus or deficit on its Council Tax or Business Rates Collection Fund accounts, then this is likely to change the Authority's net revenue budget requirement. Although Government funding figures aren't expected to change from the provisional settlement the same may apply if figures have changed when the settlement is confirmed by Government, which is expected to be sometime in February 2022. Consequently, it is proposed that any such adjustments should be made to the budgeted transfer from the Insurance and Resource Reserve so as not to affect the agreed Council Tax levels. Members of the Authority are therefore asked to agree that the Chief Executive, in consultation with the Chair, have authorisation to make

any such changes which may be necessary. Details of any adjustments will be reported to the next Authority meeting in July, but should there be a need to adjust the revenue budget for 2022/23, as a result of any late notifications, then we will email Members to advise them of the revised position.

### **Medium Term Financial Plan (MTFP) 2022/23 to 2025/26**

30. This MTFP covers the four-year period from 2022/23 to 2025/26 but government funding is currently only confirmed for 2022/23 so there remains some uncertainty regarding funding levels over the medium-term. It was expected that the Fire Pensions Grant (£3.536m for this Authority) would be included in the support grant funding and hence included in the base provision for 2022/23, but it has subsequently been confirmed that the Authority will once again receive a separate grant in 2022/23. This places further uncertainty on future government funding levels as this specific funding now remains outside of the Settlement Funding Assessment (SFA) and is only agreed on an annual basis, in the same way that the New Dimensions and Firelink grant funding is confirmed.
31. This Authority takes a prudent approach in setting its MTFP and has therefore made an assumption that the Settlement Funding Assessment (SFA) will only increase by inflation over the period of the MTFP. It has also been assumed within the MTFP that the new Services Grant will reduce from £1.027m in 2022/23 to £355k from 2023/24, as the Government plans to work closely with local government to determine how best to distribute the total funding pot (£822m) from 2023/24 onwards. Similarly, prudent assumptions are made for changes to the Council Tax base, so the MTFP reflects a 1.5% increase in 2023/24 and 2024/25, and an increase of 1% in 2025/26. These estimates are based on a cautious assumption that there will be a steady increase in the Council Tax base over the medium-term.
32. This Fire and Rescue Service is committed to saving lives and making the county safer for all of our customers – whoever they are. In July 2021 a new Customer Safety Plan and six supporting strategies were published by the Authority. The six strategies set out the planned responses to some of the predicted changes within Kent and Medway over the next ten years. The budget proposal for 2022/23 and the Medium Term Financial Plan reflects estimates of the potential costs to deliver the initiatives contained within these six strategies, as well as the updated day-to-day spending plans of each department. However, once firm business cases are produced for the projects set out in the strategies, there may be a need to provide top-up one-off funding to the day-to-day budget, from the Service Transformation and Productivity Reserve, in order to deliver the proposed initiatives, set out in the strategies. Programmes of work over the medium-term include investment in the development of the Authority's estate and various other property improvements, the replacement of operational fleet and pool cars as they reach the end of their economic life, as well as a significant investment in various IT systems and new technology. The Authority has

identified the funding sources that are required to deliver its revenue expenditure requirements over the medium-term, which currently includes internally resourcing the capital programme up to 2024/25 and a potential borrowing requirement of £3m in 2025/26. The Budget Book (**Appendix 1**) includes a summarised MTFP, together with the relevant forward planning assumptions, for Members approval.

### **Statement of Assurance by the Treasurer**

33. Under Section 25 of the Local Government Act 2003, the Director, Finance and Corporate Services, as the Treasurer to the Authority (and therefore its statutory Finance Officer), is required to give Members an opinion on the robustness of the budget estimates and the adequacy of the Authority's proposed financial reserves.
34. **Robustness of Budget Estimates** - Each year the Authority sets out a four year financial plan known as the Medium Term Financial Plan (MTFP), which reflects the financial impact of known and assumed commitments, pressures and savings over that four year period and compares this to the estimated future funding levels. As the plan looks to the future, not all costs are necessarily known, so best estimates are made of the assumed requirement, often being based on a combination of past experience, publically available indicative information or information shared across the Fire sector. For example, future pay awards are often not confirmed, so best estimates are made of the anticipated increase each year. In establishing the future plan, the Authority always ensures that the plan is not only realistic and deliverable, but that it is operationally led and is sustainable over the medium-term. There is a robust and detailed approach to setting the budget and all budget managers are involved in the process and have a responsibility to identify their pressures, commitments and potential savings for future years in their budget areas.
35. **Risk Assessment** - The Provisional Local Government Finance Settlement only confirmed government funding for the financial year 2022/23. A Fair Funding Review is still anticipated but details of any funding changes and the timing of implementation has not yet been confirmed. Although transitional arrangements would be expected for any significant funding changes, Members need to be aware that the MTFP could change significantly next year, possibly resulting in the need to find further savings and/or reduce the funding available to meet future pressures. Members will however be kept updated on these issues.
36. **Financial Reserves** - Every year the Authority's Reserve Strategy is reviewed and updated to ensure that it remains relevant and appropriate. It is proposed that the level of general reserves is maintained at approximately 5% of the base revenue budget for 2022/23 providing a general reserve balance of just under £4m. There are also five earmarked reserves, with by far the largest being the Infrastructure Reserve, which is used to help fund the Authority's capital programme and large one-off IT investments. There remains uncertainty around the outcome of a Fair Funding Review, the long-

term impact of Covid-19 and the MTFP contains assumptions, such as for future pay awards and inflation, so it is prudent to maintain an appropriate level of reserves which will help bridge the gap of any shortfall, until such time as a sustainable way forward is established.

37. **Summary** - So as Director, Finance and Corporate Services, I have considered the financial management arrangements that are in place, the level of reserves, the budget assumptions, the financial risks facing the Authority and its overall financial standing. There are sound governance arrangements and robust systems of financial control in place within the organisation, so this along with the quality of internal and external audit reports the Authority has received, means that I am confident that the Authority is prepared to meet the challenges facing it. Reserves are of particular importance in times of uncertainty and each year the level of reserves is supported by a robust financial risk assessment. In conclusion, it is the opinion of the Director, Finance and Corporate Services, that the budget is robust and achievable and that the reserves are adequate.

## **IMPACT ASSESSMENT**

38. The draft budget proposals and associated recommendations contained within this report support the Authority's medium-term plans as set out in the Customer Safety Plan 2021-2031 (and six supporting strategies). Environmental benefits, health and safety issues, and equality and diversity considerations are considered in developing new projects, whether for new investment or in support of budget savings.
39. The Council Tax proposals have been subject to public consultation, the outcomes of which have been taken into account during the production of the budget proposals. All authorities are required by statute to set and agree their Council Tax precept level by no later than the 1 March each year and therefore this report asks Members for their approval to the proposed Council Tax rates for the forth coming financial year.

## **RECOMMENDATIONS**

40. Members are requested to:
- 40.1 Approve the revenue budget proposals and the resulting net budget requirement of £77.423m for 2022/23 (paragraphs 13 and 14 and **Appendix 1** refer);
- 40.2 Approve a total requirement from Council Tax of £53.637m to be raised through the precept to meet the 2022/23 budget requirement, which requires a Council Tax increase of 1.89%, resulting in the following annual charges for each Council Tax band (paragraphs 25 to 28 refer):-

Council Tax Band	Annual Charge
A	£54.90
B	£64.05
C	£73.20
<b>D</b>	<b>£82.35</b>
E	£100.65
F	£118.95
G	£137.25
H	£164.70

- 40.3 Authorise the Chief Executive, in consultation with the Chair of the Authority, to make any late adjustments which may be required to the net revenue budget, arising as a result of late changes to Council Tax, Business Rates or Government Funding (paragraph 29 refers);
- 40.4 Approve the Capital Budget of £13.191m for 2022/23 and related expenditure commitments following on in later years, together with the sources of funding identified to fund the expenditure (paragraph 2 and **Appendix 1** refer);
- 40.5 Approve the Capital Strategy (paragraph 2 and **Appendix 2** refer);
- 40.6 Approve the Annual Treasury Management and Investment Strategy, including the appropriate Prudential Indicators (paragraph 2 and **Appendix 3** refer);
- 40.7 Approve the Reserves Strategy (paragraph 2 and **Appendix 4** refer);
- 40.8 Approve the assumptions used to develop the Medium-Term Financial Plan for 2022-26 (paragraphs 30 and 32 and **Appendix 1** refer).

B3. Appendix 1 - Please see separate Budget Book

## **CAPITAL STRATEGY**

### Background

1. **Statutory Requirement** – Whilst a revision to the CIPFA Prudential Code for Capital Finance in Local Authorities was issued in December 2021, it is not formally due for adoption until 2023/24. However, its key objectives still remain, which are to ensure that decisions made around the capital programme are affordable, prudent and sustainable. So this Strategy continues to be compliant with the current Code but any necessary changes required as a result of the implementation of the new Code will be brought in next year, as part of the annual Strategy update.
2. A requirement of the current 2017 Code is that authorities should produce a Capital Strategy which sets out an outline of the reporting requirements that it should be meeting. As this represents the long-term capital investment for the Authority it has been regularly reviewed and updated as necessary. Members last agreed the Capital Strategy at the February 2021 Authority meeting and were updated on the latest plans regarding Ashford Live Fire training facilities in October 2021. Since then the tables have been updated to reflect the latest capital forecasts. The following paragraphs therefore set out the proposed updated Strategy for this Authority. Members are asked to consider and agree this updated Strategy.
3. **Purpose and Principles of the Strategy** - The Capital Programme for the medium term has been developed following the principles that are laid out in the Capital Budget Strategy which are shown below:
  - To ensure capital resources are aligned with the corporate priorities as set out in the Customer Safety Plan and supporting strategies.
  - To maintain the assets and infrastructure across the organisation.
  - To maintain an affordable 10 year rolling capital programme.
  - To undertake Prudential Borrowing only where there are sufficient monies to meet the full implications of capital expenditure, which include both borrowing and revenue running costs.
  - To consider collaboration with our partner organisations, such as Kent Police and SECamb and progress any other possible collaboration opportunities that may present themselves to enable greater efficiencies and improvements to the service.

Expenditure will be classified as capital if it meets the criteria set in Statute within the Local Government Act 2003 and CIPFA Statement of Recommended Practice. A minimum limit of £10k is applied per item (unless a significant number of assets below this value result in a large amount of expenditure, with a life of more than a year). Any expenditure falling below the minimum will be treated as revenue expenditure. The

outlay should result in either the acquisition, construction or enhancement of a fixed asset that provides a benefit to the Authority in excess of a year.

Capital programme planning is reviewed and determined alongside the revenue budget planning process within the framework of the Medium-Term Financial Plan (MTFP).

## Strategic Planning Framework



4. **Business Planning** – The Authority’s Customer Safety Plan is supported by a number of strategies which set out the forward look in a number of specific areas.
- ***The Customer Engagement and Safety Strategy*** and the ***Response and Resilience Strategy*** set out the rationale behind each service we provide and our priorities, to ensure we continue to provide a modern efficient and effective service to our customers.
  - ***The Environment and Assets Strategy*** is a key document for consideration when developing the Capital Strategy as it is important that the Authority ensures that capital resources are directed at its existing assets to ensure that they are of good condition so as to achieve best use of them to deliver a better service. We are also looking to make our buildings and fleet more energy efficient to achieve carbon neutrality by 2030. Where assets are

identified as surplus to requirements they are disposed of in an appropriate manner, in line with the Authority's Disposal Policy, consequently generating a capital receipt which is, at some future point is used to contribute to the capital expenditure of asset investments or developments.

- **The Business Change, Information and Technology Strategy** sets out how and why we will invest in technology, to improve the service delivered to all customers.

This overarching Capital Strategy reflects the contents of these supporting strategies and their longer term ambition, as they define the anticipated investment and development in areas such as the Property Estate, Fleet and IT.

5. **Revenue Planning** - The revenue planning looks at the funding available from central government, council tax, business rates, external funding and reviews the level of revenue contributions available or required to be set aside in reserves to fund expenditure in the Capital Strategy to reduce the levels of borrowing. The Treasury Strategy sets out the cost and cashflow of expenditure, identifies any shortfall in funding that may require the authority to borrow and determines its affordability via a number of prudential indicators.
6. **Capital Planning** - Identifies the capital expenditure required to enable the business strategies to be delivered within in the 10 year Capital Strategy cycle. It also identifies the draw down required from the Infrastructure Reserve and Capital Receipts reserve required to fund it, with shortfalls in funding identified and consequently highlights if the Authority may need to consider borrowing.

## Governance and Funding

7. **Governance and Monitoring** - An important part of the governance arrangements is the frequent monitoring of the agreed capital programme and probably more importantly the transparency, accountability and sustainability of the funding of the agreed programme. As such, members of the Authority are responsible for approving the Capital Strategy which sets out the considerations for such investments. It is a prerequisite that all expenditure incurred in the delivery of the capital programme must be compliant with the defined Financial and Procurement policies and procedures.
8. **Officers Responsibility** - Within the Authority, Corporate Management Board has an overall responsibility for the strategic development, management and monitoring of the capital programme. Wherever appropriate to do so, and more specifically for the larger projects, project boards are established, which consist of a wide range of professional expertise. These groups meet regularly to assess and monitor the progress of the projects to ensure the delivery of the defined capital investment.

9. **Available Capital Funding** - There are a variety of ways in which capital expenditure can be financed, but the main sources are often from a combination of revenue resources / reserves, capital grants, capital receipts and borrowing. There is also the option of leasing, but this will only be considered where it is a viable and cost-effective route to fund the asset in question. A brief explanation for each of these options is described below:

- a) **Revenue Contributions / Reserves** - The base revenue budget has a level of funding which may be used to support the funding of the capital programme. The Authority also has revenue resources set aside in the Infrastructure Reserve that can be used to fund capital projects.
- b) **Prudential Borrowing** - The Authority can use prudential borrowing to fund capital expenditure provided that such borrowing is affordable, prudent and sustainable over the medium term. A range of calculations (prudential indicators) are completed as part of the annual budget setting process to evidence this. These make sure that the cost of paying for interest charges and the repayment of debt (including Minimum Revenue Provision) is taken into account when developing the Medium-Term Financial Plan.
- c) **External Capital Grants** - Certain projects may have specific external funding in the form of grants that can be applied for and utilised on the defined capital project.
- d) **Capital Receipts** - The Authority has a large property estate, the majority of which are fire stations, but the estate also includes day crewed houses, a training centre and administrative buildings such as Service Headquarters. The estate is managed by the Head of Property and Facilities and their team, all of whom ensure the buildings are well maintained and fit for their daily use. Where properties are identified as surplus to operational requirements, Members approval is sought for their disposal. Cash receipts which are generated from the asset disposal and which are in excess of £10k, must be used to support new capital investment or to offset future debt or transitional costs. They cannot be used to fund day to day revenue expenditure.
- e) **Lease Finance** - This option of financing may be considered if it is economically viable to do so. Consideration would be taken as to the availability of funding for such a purchase and its implications. However, financing of expenditure through any lease arrangement needs to consider the:
  - Value of expenditure;
  - Residual Value of the asset;
  - Life span of equipment matches the funding proposed.

## Capital Receipts Strategy

10. **Statutory Requirement** - The Department for Levelling Up, Housing and Communities' (DLUHC) Statutory Guidance on the use of Capital Receipts requires local authorities to prepare and publish a Strategy before the start of each year, setting out their planned use. It is generally the case that all capital receipts must be utilised to support capital purchases only. However, in March 2016 the Government issued statutory guidance which allowed a variation to this requirement to allow for flexible use of capital receipts to fund some revenue expenditure that may generate on-going savings, such as the sharing of back office services, service reform, collaboration, driving digital delivery. Authorities were able to apply for this flexibility and utilise it up to April 2022. This Authority had no requirement to apply for flexible use of capital receipts to fund service reform as due to its long-term planning it found that it was able to plan for such changes/efficiencies through the use of the Infrastructure reserve, negating the need to utilise capital receipts.
  
11. **The utilisation of capital receipts**

The forecast capital receipts opening balance for the 2022/23 financial year is expected to be £9.4m with the potential for further receipts in the next few years. These balances will be utilised in future years to help support the funding of the capital programme. They will help smooth out the peaks and troughs of the service demands and provide a balanced capital programme reducing the need to borrow.

## Description of Major Capital Projects

12. **The main capital projects / programmes of work** that are incorporated into the Authority's capital programme are identified below and link into our Response and Resilience Strategy, Environment and Assets Strategy and Business Change, Information and Technology Strategy :
  - **Mobile Data Terminals** - This is an operational response I.T project to install data terminals in all of our fire engines and response vehicles as well as Satnavs and tracking devices and is due to be completed during 2022/23.
  
  - **Vehicle Replacements** - We have a comprehensive long-term programme in place to replace our operational fleet of fire engines, specialist vehicles, pool and response cars. The fleet is reviewed on a regular basis to determine any change in the numbers and types of vehicles that may be needed to facilitate operational capability identified in our corporate plan. We intend to reduce our three types of appliances down to two by combining the capabilities of our 'Rescue' and 'Heavy Rescue' appliances, using the latest equipment technology, to enable us to attend a wider range of rescue incidents. We also intend to only replace one of

our two Hoselayers next year, saving £250k, as there is no longer enough demand for two and in part other equipment now addresses the same need.

We acquired 11 dual fuel vehicles in 2019/20 and have recently ordered 36 Self charging Hybrid pool vehicles. We will continue to consider, where appropriate to do so, more eco-friendly products as they become available. Due to the Covid pandemic, supplier delivery delays are still impacting on the programme resulting in £4.7m of slippage from 2021/22 to future years (most of which will fall into 2022/23), relating mainly to appliances, 66 response cars and half of the pool cars. However, we still expect to take delivery of 6 new appliances in 2021/22. During 2022/23 we expect to take delivery of 12 pumps (of which 7 were slipped from 2021/22), all 66 response vehicles (slipped from 2021/22, 34 pool cars (all slipped from 2021/22) and various specialist vehicles.

- **Building Works** - The Authority's property portfolio consists of in excess of 80 buildings which it aims to maintain in a good condition. Periodically, however, enhancements and improvements to the buildings are undertaken wherever it is appropriate and necessary to do so, not least to ensure that the Service and its operational bases remain fit for the future. Currently a number of reviews are underway to determine property use across the estate. These reviews are in their early stages, but indicative funding requirements have been incorporated into the capital programme, to ensure that any redevelopments could be afforded. Redevelopment of the Ashford site, to provide a state of the art Live Fire training facility, is at the end of Stage 2 consultations with pre-planning submitted and main contractor procurement underway. Indicative costings for the project are now £11.8m but this is kept under constant review and there are expectations of being able to reduce this.

We are also exploring the commercial viability of redeveloping our dated Maidstone site and moving our training centre, distribution centre and technical rescue team to more modern and suitable parts of our estate. Feedback from schools of the road safety centre at Rochester has identified a preference for us to visit them, meaning we can repurpose part of the station for a different use. Also home and hybrid flexible working and increased use of virtual meetings technology has identified a reduced need for office space in the future and presents the Authority with increased collaboration opportunities with blue light partners or the potential to review if existing office space is deemed surplus to requirements.

13. Every project goes through a robust process of producing a business case, assessing risks and outcomes along with any savings or efficiencies that could be achieved. Projects are appraised after completion and a review of successes and lessons learned are documented.

14. Wherever possible we consider collaboration with our partner organisations, such as Kent Police and SECAMB and progress any other possible collaboration opportunities that may present themselves to enable greater efficiencies and improvements to the service. We currently have a number of site sharing licences in place.

## Prudence and Sustainability

15. **Capital Expenditure** - The Prudential Code requires that the Authority shall ensure that all of its capital expenditure, investments and borrowing decisions are prudent and sustainable. In doing so it will take into account its arrangements for the repayment of debt and consideration of risk and the impact on the Authority's overall fiscal sustainability.
16. The Authority is required to make reasonable estimates of the total capital expenditure that it plans to incur over the next 10 years, as a minimum. Budget Managers are asked to consider future works and capital expenditure requirements as part of the budget setting process. Usually at this stage the project will have indicative costs associated to it based on past project expenditure to enable development of the Capital Programme. As the project develops and the objectives and specifications are clearer the indicative costs are refined as the business case progresses.
17. All major acquisitions have a life assigned to them and where appropriate a replacement is included within the Capital Programme based on the historic cost or current market value, whichever is available at that time. As the replacement year moves closer an assessment is made of the business need and current condition of the asset. The original sums set aside will then be replaced with the revised estimates. This is undertaken on an ongoing basis for vehicles and equipment, IT projects and premises component replacements.
18. If the cost of a project increases, and additional funds are required and available, a change request is presented to the Project Board for approval. If the agreed amount is significantly increased, it will also be presented to members for approval.
19. The anticipated capital expenditure for the next 4 years is detailed below, however, it should be noted that the Authority plans to continue to invest in the improvement of its I.T. infrastructure across the organisation, but most of this will be classified as revenue costs. They are not reflected in the Capital Programme below:

### Estimates of Capital Expenditure (£'000)

	2022/23	2023/24	2024/25	2025/26	2026/27
Premises	4,932	9,803	2,001	1,508	1,420
IT	285	0	530	0	0
Vehicles	7,974	4,879	4,747	5,011	378
<b>Total Planned</b>	<b>13,191</b>	<b>14,682</b>	<b>7,278</b>	<b>6,519</b>	<b>1,798</b>

20. **Funding of Capital Expenditure** - All proposed expenditure set out in the Capital Programme is planned to be funded from a combination of revenue contributions to capital, capital receipts and the Infrastructure reserve, with the current expectation of a need to borrow £3m in 25/26. There are currently no allocations of capital grants expected in the near future.
21. **Total Capital Financing Costs** - One of the features of the Prudential Code arrangements is the need to calculate the Capital Financing Requirement (CFR). This figure covers unfunded capital expenditure which has not yet been permanently financed through the revenue account.

<b>Capital Financing Requirement</b>	<b>2022/23 (£'000)</b>	<b>2023/24 (£'000)</b>
Opening CFR	1,829	1,001
Capital Investment	13,191	14,682
Sources of Finance:		
Government Grants	0	0
Revenue contributions to Capital	-2,592	-2,592
Capital Receipts and Reserves	-10,599	-12,090
Minimum/Voluntary Revenue Provision	- 828	- 510
<b>Closing CFR</b>	<b><u>1,001</u></b>	<b><u>491</u></b>

22. **External Debt** - All borrowings are from the Public Works Loan Board (PWLB) and our current outstanding debt is as follows:

<b>As at end March</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
£'000s	1,001	701	400	0

Current forecasts identify that the Capital Programme may need to undertake new external borrowing of £3m in 25/26, £1m in 27/28, £2.6m in 28/29 and a further £9m in 30/31 if anticipated costs and planned works are as expected in the Capital Programme. The Treasury Strategy reflects the potential impact of any borrowing that may be required, but of course this will be kept under regular review.

23. **Risk Assessment** - The Authority has a sound financial plan in place, to deliver the Capital Programme over the coming years, which includes the use of earmarked reserves, revenue funding, capital receipts and new external borrowing. Brexit and the Covid pandemic over the last two years has had a significant impact on the whole economy, with many authorities facing significant levels of unexpected funding pressures as well as procurement delays resulting in slippage. This, alongside the lack of any agreed long-term funding and seeing only a one year settlement in the spending review, may well have a significant impact on funding resources over the medium term. The Fair Funding Review was intended to examine the distribution methodology of available funding, but this has again been delayed until sometime in the future. Other risk considerations are detailed in the table in the below:

Risk	Mitigation
Market	Within the funding programme assumptions on the use of the capital receipts are based on the future health of the property market and the Authority relies on expert advice to mitigate this risk.
Interest Rate	External borrowing is projected to be £15.6m over the next 10 years. A 1% rise in interest rates would add an extra £156k to the revenue costs
Legislative	Changes in statute and regulations will impact on the capital projects , as they must comply with current legislation. As mitigation the Authority must horizon scan and remain aware of any changes in the pipeline, which might affect projects and make amendments accordingly through the proper governance channels.
Project Delivery	These are unforeseen delays and increases in costs. Apart from building in contingencies there is a range of measures that can mitigate the risks. Effective scrutiny of business cases at the outset will ensure robustness of projects. During the life of the project, risks are monitored with risk registers being properly maintained and updated. Regular highlight reporting to Corporate Management Board and project boards keeps key stakeholders informed and allows for any early intervention. In the case of complex major projects, such as Ashford, professional experts are used to ensure effective delivery.
Climate Change	Climate change could see an increase in demand on natural resources, resulting in price rises and shortages as well as increasing the risks of flooding and wildfire.
Supply Chain	The fall out from both Brexit and Covid-19 has seen an impact on the available labour and materials supply chain. It is therefore important that the supply chain is regularly reviewed as part of the contract management. To also mitigate risk for high level

	projects it may be necessary to place orders earlier than initially anticipated to ensure a timely delivery so as not to impact on project delivery.
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The programme does not include the additional costs for our fleet to be zero emission compliant by 2030 as it is not possible to predict the impact on costs and emerging technology at this time.

24. In order to fully understand the risks and the need to contain the level of borrowing undertaken to minimise the revenue impact, the Authority has now moved away from a short term 4-year capital programme to a longer term 10-year capital programme (attached at **Annex 1**). This will enable the Authority to identify where any funding shortfalls may arise in the programme that delivers corporate priorities, which may result in actions, such as increasing reserves in the short term to provide greater long-term stability to the programme or evaluation of the service needs against the asset strategy. Due to the complex and large-scale nature of capital projects, the original budgets have to be based on estimations that often need revising as the project progresses. This in turn leads to re-phasing of the capital programme in order to keep the overall costs within the agreed bottom line. This is monitored and reported to Corporate Management Board quarterly and any key issues are subsequently reported to Members.
25. **Knowledge and Skills** - The Capital and Treasury programmes are managed by a team of professionally qualified accountants with extensive Local Government financial knowledge. A Continuous Professional Development (CPD) is a requirement of various professions and courses are attended to update knowledge on a regular basis. All project teams consist of various professionals, including Surveyors and Accountants and outside professional advice is bought in when required. Periodically Members are provided with relevant training on a range of financial topics, which is either provided by officers or external organisations.
26. **The Director of Finance and Corporate Services** is of the opinion that the current Capital Strategy provides core principles on which to build a capital programme that is affordable, prudent and sustainable. The Authority has complied with paragraphs 51 to 53 of the Prudential Code in relation to investments for commercial purposes.

**CAPITAL EXPENDITURE PLAN**

The table below shows the 10-year capital expenditure plan for 2022/23 to 2031/32

(All figures are £'000)

	Budget <u>2022/23</u>	Budget <u>2023/24</u>	Budget <u>2024/25</u>	Budget <u>2025/26</u>	Budget <u>2026/27</u>	Budget <u>2027/28</u>	Budget <u>2028/29</u>	Budget <u>2029/30</u>	Budget <u>2030/31</u>	Budget <u>2031/32</u>	<u>TOTAL</u>
Future Station Development	4,660	8,830	1,250	1,000	1,000	1,000	1,000	1,000	1,000	1,000	21,740
<b>Total Station Development</b>	<b>4,660</b>	<b>8,830</b>	<b>1,250</b>	<b>1,000</b>	<b>21,740</b>						
Roofing Works	100	250	300	100	100	100	100	100	100	100	1,350
Drill Towers	0	0	0	0	100	0	0	0	0	100	200
Generators	50	20	20	20	20	20	20	20	20	20	230
Boilers/Ground source heat pumps	122	703	431	388	200	200	200	200	200	200	2,844
<b>Total Premises</b>	<b>272</b>	<b>973</b>	<b>751</b>	<b>508</b>	<b>420</b>	<b>320</b>	<b>320</b>	<b>320</b>	<b>320</b>	<b>420</b>	<b>4,624</b>
<b>Total Premises and New Builds</b>	<b>4,932</b>	<b>9,803</b>	<b>2,001</b>	<b>1,508</b>	<b>1,420</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,420</b>	<b>26,364</b>
Operational Response Project	185	0	530	0	0	0	575	0	0	0	1,290
Printers	100	0	0	0	0	0	0	100	0	0	200
<b>Total Systems</b>	<b>285</b>	<b>0</b>	<b>530</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>575</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>1,490</b>
Appliances	4,708	3,383	4,102	4,538	0	0	0	0	7,528	0	24,259
Cars and Vans	2,285	42	0	0	150	757	546	2,465	46	0	6,291
Specialist Vehicles	981	1,454	645	473	228	299	648	566	3,076	125	8,495
<b>Total Vehicles &amp; Appliances</b>	<b>7,974</b>	<b>4,879</b>	<b>4,747</b>	<b>5,011</b>	<b>378</b>	<b>1,056</b>	<b>1,194</b>	<b>3,031</b>	<b>10,650</b>	<b>125</b>	<b>39,045</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>13,191</b>	<b>14,682</b>	<b>7,278</b>	<b>6,519</b>	<b>1,798</b>	<b>2,376</b>	<b>3,089</b>	<b>4,451</b>	<b>11,970</b>	<b>1,545</b>	<b>66,899</b>

<b><u>FUNDING</u></b>	<b><u>2022/23</u></b>	<b><u>2023/24</u></b>	<b><u>2024/25</u></b>	<b><u>2025/26</u></b>	<b><u>2026/27</u></b>	<b><u>2027/28</u></b>	<b><u>2028/29</u></b>	<b><u>2029/30</u></b>	<b><u>2030/31</u></b>	<b><u>2031/32</u></b>	<b><u>TOTAL</u></b>
<b>CAPITAL Funded from:-</b>											
Contributions from Revenue	2,592	2,592	2,592	2,592	2,592	1,372	392	2,592	2,592	2,592	22,500
Infrastructure Reserve movement	3,699	9,390	3,002	927	-794	4	97	1,859	378	-1,047	17,515
Capital receipts applied	6,900	2,700	1,684	0	0	0	0	0	0	0	11,284
Borrowing requirement	0	0	0	3,000	0	1,000	2,600	0	9,000	0	15,600
<b>Total Capital Funding</b>	<b>13,191</b>	<b>14,682</b>	<b>7,278</b>	<b>6,519</b>	<b>1,798</b>	<b>2,376</b>	<b>3,089</b>	<b>4,451</b>	<b>11,970</b>	<b>1,545</b>	<b>66,899</b>

## **ANNUAL TREASURY MANAGEMENT AND INVESTMENT STRATEGY 2022/23**

### **Introduction**

1. Treasury management is defined by the Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management Code of Practice as:  
  
"the management of the Authority's borrowings, investments and cash flows, its banking, money market and capital market transactions; the effective control of risks associated with those activities; and the pursuit of optimum performance consistent with those risks".
2. There are two parts to the treasury management operations, the first is to ensure that the Authority's cash flow is adequately planned, with cash being available when it is needed. Surplus monies are placed in low-risk counterparties or instruments in line with the Authority's low risk appetite, providing adequate liquidity initially before considering investment return. The second main function of treasury management is the funding of the Authority's capital plans. The Capital Strategy provides a guide to the borrowing need of the Authority, essentially the longer-term cash flow planning to ensure that the Authority can meet its capital spending obligations.
3. The CIPFA Code of Practice on Treasury Management (TM) and the CIPFA Prudential Code require local authorities to determine and set the Authority's Treasury Management Strategy, its Strategy relating to investment activity, and Prudential Indicators on an annual basis. The Authority currently has cash backed reserves and balances of circa £44m, so it is important that robust and appropriate processes are in place to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund. Set out below are the key elements of the Strategy covering the borrowing requirements and investment arrangements.
4. The Authority's Investment Strategy has regard to the TM Code and the Guidance. It has two objectives: the first is security, in order to ensure that the capital sum is protected from loss, ensuring that the Authority's money is returned; and the second is portfolio liquidity, in order to ensure that cash is available when needed. Only when the proper levels of security and liquidity have been determined can the Authority then consider the yield that can be obtained within these parameters.
5. This Strategy has been created based on the CIPFA 2017 Prudential and Treasury Management Codes, which requires the Authority to prepare a Capital Strategy. The Capital Strategy is a document in its own right which is being reported separately to the Authority in February as part of the budget papers. This Authority does not envisage any commercial investments and has no non-treasury investments.
6. Since the initial draft Treasury Management Strategy was reviewed and agreed in principle by the November Audit and Governance committee, figures have been adjusted to reflect the latest position for the current year forecast and latest project estimates. CIPFA published a revised CIPFA Treasury Management Code and Prudential Code on 20 December 2021 and has stated that formal adoption is not required until the 2023/24

financial year, so the content of this Strategy will look different in parts next year. However, the Authority must have regard to these Codes of practice when it prepares the Treasury Management Strategy and Annual Investment Strategy. The revised codes will have the following implications and considerations that will need to be addressed:

- A requirement for the Authority to adopt a new debt liability benchmark treasury indicator to support the financing risk management of the capital financing requirement
  - Clarification on what CIPFA expects Authorities to borrow for and what they do not view as appropriate.
  - Address Environment, Social and Governance (ESG) within the Capital Strategy
  - Require implementation of a policy to review commercial property, with a view to divest where appropriate and create new Investment Practices to manage risks associated with non-treasury investments. Although, the Authority does not hold any commercial property nor invests in non-treasury investments and has no intention to do so, this is unlikely to be impact on KFRS.
  - Ensure that any long term investment is supported by a business model;
  - A requirement to effectively manage liquidity and longer term cash flow requirements
  - Amendment to TMP1 (Treasury Management Practice 1) to address ESG policy within the treasury management risk framework
  - Amendment to the knowledge and skills register for individuals involved in the treasury management function – to be proportionate to the size and complexity of the treasury management conducted by each authority
  - A new requirement to clarify reporting requirements for service and commercial investment, (especially where supported by borrowing/leverage).
7. Members will be updated on how these changes will impact our current approach and any changes to reporting requirements will be formally adopted within the 2023/24 Treasury Management Strategy.

### **Policy Statement**

8. The Authority regards the successful identification, monitoring and control of risk to be the main criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation.
9. The Authority acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives including its Customer and

Corporate Plan and long term Capital Strategy. It is therefore committed to the principles of achieving value for money in treasury management and to employing suitable comprehensive performance measurements, within the context of effective risk management.

## **National Guidance and Governance**

10. This Strategy complies with the CIPFA Treasury Management in Public Services Code of Practice and Cross-Sectoral Guidance Notes (“the TM Code”), and Guidance on Local Government Investments issued by the Secretary of State for Communities and Local Government under section 15(1)(a) of the Local Government Act 2003 (“the Guidance”). Specific decisions on the timing and amount of any borrowing will be made by the Authority’s Director, Finance and Corporate Services in line with the agreed Strategy.
11. **Governance:** The Audit and Governance Committee is required to receive and approve a number of financial reports each year, which cover the following:
  - (a) **An Annual Treasury Management and Investment Strategy:** This Strategy forms part of the February 2022 budget report to Authority. This Strategy therefore includes:-
    - The Capital Programme together with the appropriate prudential indicators;
    - The minimum revenue provision (MRP) policy, which details how residual capital expenditure is charged to revenue over time;
    - The Treasury Management Strategy, which defines not only how the investments and borrowings are to be organised, but also sets out the appropriate treasury indicators; and
    - An Investment Strategy which sets out the parameters on how deposits are to be managed.
  - (b) **A Mid-year Treasury Management Report:** This will usually be presented to Members of the Audit and Governance committee in the autumn and provides an update on the Capital Programme, amending prudential indicators and/or the Strategy, if necessary;
  - (c) **A Year-end Annual Report:** This provides the final outturn position for the year in relation to investments and deposits made during the year, prudential and treasury indicators, and a summary of the actual treasury activity during the year.

The Annual Treasury Management and Investment report are subsequently reported to the Authority as part of the full suite of budget papers at the February Authority meeting.

## **External Support**

12. **Treasury Management Advisor:** The Authority uses Link Group (previously known as Capita Asset Services) as its external Treasury Management Advisor. The Authority recognises that the responsibility for treasury management decisions remains with itself and will ensure that undue reliance is not placed upon the external advisor. The current contract has recently been renewed with Link Group and expires at the end of September 2024.

13. **Administration:** Day to day treasury management activity, such as placing deposits in institutions, is carried out on behalf of the Authority by the Kent County Council Treasury and Investment Section under a Service Level Agreement, which is reviewed on a regular basis.

### THE CAPITAL PRUDENTIAL INDICATORS 2022/23-2025/26 AND THE MINIMUM REVENUE PROVISION (MRP) STATEMENT

14. The Authority's capital expenditure plans are the key driver of treasury management activity. The output of the Capital/Infrastructure Plan is reflected in the Prudential Indicators, which are designed to assist Members' overview and confirm capital expenditure plans.
15. **Capital Expenditure:** This can be funded from a variety of sources such as directly from the revenue budget, capital receipts (money received for the sale of the Authority's assets) capital grants or from borrowing. The Authority's Capital Plan, and the revenue and capital resources being used to finance it, are shown in **Table 1** below. Where there is a difference between planned expenditure and cash resources, this will result in an increase in the net financing need and hence the potential need to consider borrowing. The Authority will only ever borrow to fund capital expenditure. Given that interest rates remain at an all-time low, it may be prudent at some stage to consider whether there is a need to borrow to fund future elements of the capital programme. However, despite low interest rates in recent years, this has not been necessary in the last 10 years. The capital figures detailed below provide a current estimate of forecast spend and do reflect the fact that there may be a need to borrow in 2025/26, if current spend plans remain. But the economic environment may change in the future years, project plans will become more detailed and as such spend profiles may change, all of which could easily reprofile the need to borrow. Given these factors it is important to ensure accurate profiling is undertaken as costs become clearer, to ensure spend remains affordable.

Table 1 - Capital Expenditure	2021/22	2022/23	2023/24	2024/25	2025/26
	Forecast	Estimate	Estimate	Estimate	Estimate
	£'000	£'000	£'000	£'000	£'000
Total Capital Expenditure	2,865	13,191	14,682	7,278	6,519
Funded By					
Revenue / Infrastructure funding	-2,865	-6,291	-11,982	-5,594	-3,519
Capital Receipts	0	-6,900	-2,700	-1,684	0
<b>Net Financing Need (Borrowing) for the Year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,000</b>

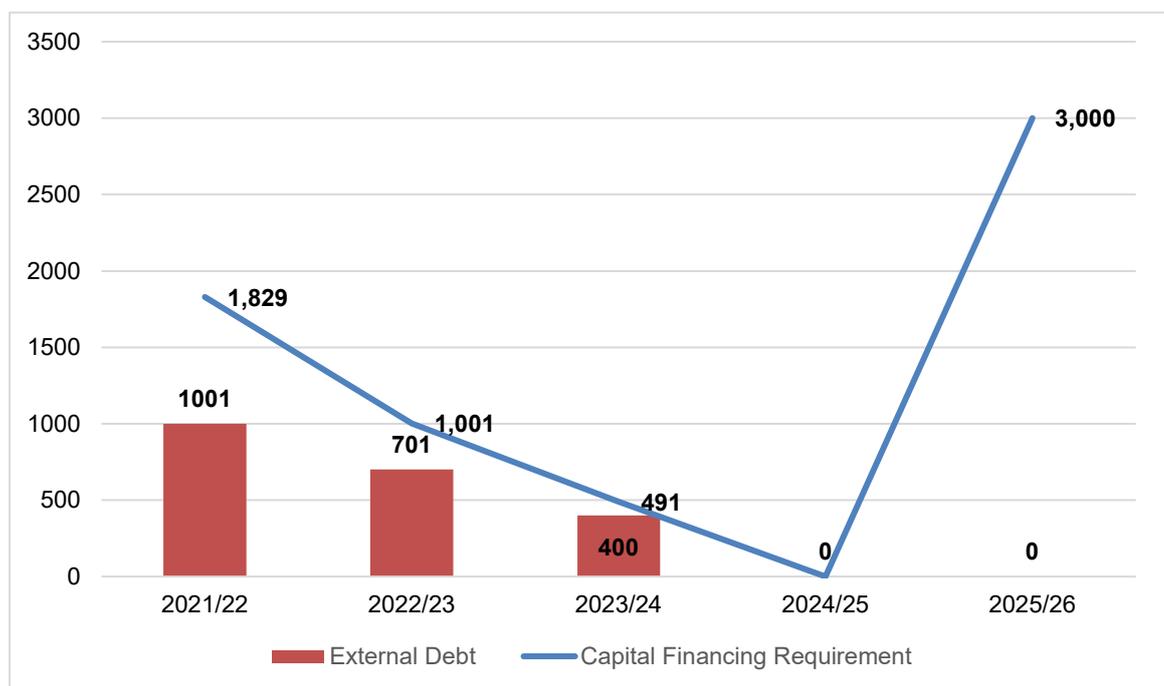
16. **The Authority's Borrowing Need [the Capital Financing Requirement (CFR)]:** The CFR is the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Authority's indebtedness and its underlying borrowing need. Any capital expenditure detailed above,

which has not immediately been paid for through revenue or capital resource will increase the CFR. The CFR projections are shown in **Table 2**.

<b>Table 2</b> <b>Capital Financing Requirement</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
	<b>Forecast</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Opening CFR	2,798	1,829	1,001	491	0
Movement in CFR	-969	-828	-510	-491	3,000
<b>Closing CFR</b>	<b>1,829</b>	<b>1,001</b>	<b>491</b>	<b>0</b>	<b>3,000</b>
<b>Movement in CFR represented</b>					
Net Financing Need (Borrowing) for the Year	0	0	0	0	3,000
Less: Provision for Principal (MRP/VRP)*	-969	-828	-510	-491	0
<b>Movement in CFR</b>	<b>-969</b>	<b>-828</b>	<b>-510</b>	<b>-491</b>	<b>3,000</b>

\*The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which reduces the indebtedness in line with each asset's life.

### Capital Financing Requirement Profile vs External Debt Profile (year-end position)



17. **Core Funds and Expected Investment Balances:** The application of resources (capital receipts, reserves, etc.) to finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments/deposits. Detailed below in **Table 3** are estimates of the year-end balances for each cash-backed resource, working balances and the net amount of capital expenditure funded from internal resources

(historical under-borrowing). The sum of these balances is the amount estimated as available for investment.

18. Working balances comprise of the estimated net difference between amounts owed to or by the Authority (debtors and creditors and other amounts paid or received but not yet charged to the accounts). The amount under-borrowed in this table relates to historical capital expenditure that was identified as needing to be funded from borrowing in earlier years, but where a decision was made to use internal cash balances instead of external debt (this is shown calculated in **Table 2** above), less the actual amount of external debt at the end of each year. **Table 6** further below details how the under-borrowing is then calculated.

<b>Table 3 Reserves and Balances</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
	Forecast	Estimate	Estimate	Estimate	Estimate
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
General reserve	3,760	3,970	3,990	4,120	4,230
Earmarked reserves	30,569	21,414	8,540	5,332	3,506
Insurance Provision	182	182	182	182	182
Capital Receipts	9,449	4,185	1,485	0	0
<b>Total Core Funds</b>	<b>43,960</b>	<b>29,751</b>	<b>14,197</b>	<b>9,634</b>	<b>7,918</b>
Working Capital surplus	1,404	1,404	1,404	1,404	1,404
Under borrowing	-828	-300	-91	0	-3,000
<b>Expected Investments</b>	<b>44,536</b>	<b>30,855</b>	<b>15,510</b>	<b>11,038</b>	<b>6,322</b>

19. **Minimum Revenue Provision (MRP) Policy Statement:** The Prudential Code sets out the regulations around determining the annual charge that must be made to the revenue account in order to repay what has been borrowed to fund capital expenditure. This charge is called the Minimum Revenue Provision (MRP). As explained above the MRP calculation has an impact on the year end value of the CFR and the Code is clear that the outstanding debt cannot be greater than the CFR. The Policy for MRP is detailed below:

(a) **Borrowing for capital expenditure incurred before 1 April 2008** - The MRP is calculated as 4% of the opening CFR balance for the year.

(b) **Borrowing for capital expenditure (inc lease agreements on balance sheet) post 2008** - The Authority will calculate the MRP for all new borrowing (internal or external) using the Asset Life method. This method uses the estimated life of the asset to calculate a yearly revenue charge which ensures sufficient provision is set aside to reduce the borrowing need over the life of the asset. Repayments for leases on the balance sheet are applied as MRP

If the Authority were to undertake no new external borrowing the outstanding external debt will be cleared by 2025.

20. **MRP Overpayments:** As defined in the Code the Authority has always set aside additional funding, on top of the regulated MRP, to repay the borrowing of money to fund capital. This additional funding that is set aside is called a Voluntary Revenue Provision (VRP). A change introduced by the revised DLUHC MRP Guidance, allows for any charges made over the statutory minimum revenue provision (MRP), to be reclaimed for use in the budget. Up until the 31 March 2021 the total VRP overpayments were £5.4m. These overpayments have allowed for prudent voluntary repayments to reduce the indebtedness of the Authority within a shorter timescale providing greater financial stability in the long term.
21. **Forecast for Bank Rate:** After the Bank of England took emergency action in March 2020 to cut the Bank Rate to 0.10%, it left the Bank Rate unchanged at its subsequent meetings until raising it to 0.25% at its meeting on 16 December 2021. As shown in the table below, three increases in bank rates are forecast in the period to March 2025, ending at 1.25%. However, there are a number of factors that could require these forecasts to be revised, such as progress on economic recovery, supply shortages, rising utility prices, labour shortages. With the high level of uncertainty prevailing on several different fronts, it is likely that these forecasts will need to be kept under regular review.

Link Group Interest Ra 20.12.21													
	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
BANK RATE	0.25	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.25

22. **Limits on External Debt:** The Treasury Indicators set limits for interest rate exposures in relation to borrowing, deposits and the maturity structure of long-term borrowing. The objective of these indicators is to restrain the activity of the treasury function within certain limits, thereby managing the risk of re-financing and adverse movements in interest rates.
23. **Interest Rate Exposures for Borrowing:** All the borrowing undertaken by the Authority has been on a fixed rate of interest with the Public Works Loans Board (PWLb). Current plans suggest a small amount of borrowing maybe required from 2025, however as capital projects progress and their figures are finalised within the capital strategy this requirement will be reviewed and reported. It is likely that any external borrowing undertaken would be on a fixed rate of interest or alternatively internal borrowing could be utilised.
24. **Interest Rate Exposures for Deposits:** The Authority primarily deposits its cash balances on a fixed rate basis and therefore limits its exposure to any reductions in interest rates. Whilst security of the deposit still remains a prerequisite, it is proposed that as interest rates are now forecast to improve slightly, the degree of flexibility to gain improved market returns on deposits with up to 100% of deposits on a variable interest basis can now be reduced to 75% from 100%. The Authority defines fixed rate investments as those where the interest rate does not fluctuate during the period of the investment.

<b>Table 4</b> <b>Limit of Deposit Exposure</b>	<b>2021/22</b> <b>Limit</b>	<b>2022/23</b> <b>Limit</b>	<b>2023/24</b> <b>Limit</b>	<b>2024/25</b> <b>Limit</b>	<b>2025/26</b> <b>Limit</b>
Fixed Interest Rates	100%	100%	100%	100%	100%
Variable Interest Rates	75%	75%	75%	75%	75%

25. **Maturity Structure of Borrowing:** The current maturity profile of the Authority's existing loans, as at 31 March 2022 is set out in **Table 5** below.

<b>Table 5</b> <b>Existing Loan Profile</b>	<b>Amount</b> <b>£'000</b>	<b>Percentage</b> <b>Maturing</b>
2022/23	300	30%
2023/24	301	30%
2024/25	400	40%
<b>Total borrowing to be repaid</b>	<b>1,001</b>	<b>100%</b>

## **BORROWING**

26. **Borrowing Arrangements:** The Authority has been actively trying to reduce its cash balances by deferring long term borrowing. The Authority will continue with this prudent strategy which has resulted in savings in borrowing interest costs, and thus has minimised the risk of counterparty loss. The Authority is currently under-borrowed by £828k and, based on current interest rates has saved approximately £21k per annum by not borrowing this money.
27. **Timing of Borrowing:** Officers engaged in treasury management monitor interest rates on a daily basis and receive advice from the Authority's Treasury Management Advisor on changes to market conditions, in order that borrowing and investing activity can be undertaken at the most advantageous time. However, at the time of writing it is not anticipated that the Authority will undertake any new external borrowing in 2022/23.
28. **Volatility to Inflation:** The Authority will keep under review the sensitivity of its treasury liabilities to inflation and will seek to manage the risk accordingly in the context of the whole organisation's inflation exposures.
29. **Periods of Borrowing:** In general, the period of borrowing is linked to the life of the assets acquired, although regard is also given to the maturity profile of debt in order to mitigate the risks that might arise on any re-financing. However, on occasions, borrowing decisions may be taken to borrow over shorter or longer periods where this is considered to be the cheapest option in the long term.
30. **Sources of Borrowing:** The Authority could borrow from the Public Works Loan Board (PWLB), other Local Authorities, the money markets, the Municipal Bonds Agency or through Finance Leasing depending on which terms are the most favourable overall.

31. **External Debt:** The Authority's current debt portfolio position for the next five years is detailed in **Table 6** below. It shows the actual external debt against the underlying capital borrowing need (the CFR) highlighting any over or under-borrowing.

<b>Table 6 - Current Debt Portfolio</b>	<b>2021/22 Forecast £'000</b>	<b>2022/23 Estimate £'000</b>	<b>2023/24 Estimate £'000</b>	<b>2024/25 Estimate £'000</b>	<b>2025/26 Estimate £'000</b>
<b>Borrowing as at 1 April</b>	<b>1,425</b>	<b>1,001</b>	<b>701</b>	<b>400</b>	<b>0</b>
New Borrowing	0	0	0	0	0
Other Long-term liabilities (OLTL)	0	0	0	0	0
Expected change in OLTL	0	0	0	0	0
Loans Repaid	-424	-300	-301	-400	0
<b>Borrowing as at 31 March</b>	<b>1,001</b>	<b>701</b>	<b>400</b>	<b>0</b>	<b>0</b>
<b>Less closing CFR</b>	<b>-1,829</b>	<b>-1,001</b>	<b>-491</b>	<b>0</b>	<b>-3,000</b>
<b>Under borrowing</b>	<b>-828</b>	<b>-300</b>	<b>-91</b>	<b>0</b>	<b>-3,000</b>

32. The Authority's debt should not, except in the short term, exceed the total of the Capital Financing Requirement (CFR) for the current year and the next two financial years. This allows the Authority the flexibility to borrow for future years whilst ensuring that borrowing is not undertaken for revenue purposes. The level of actual borrowing and the CFR will often be different for a combination of reasons. It could be due to timing differences between amounts set aside for the repayment of debt and the actual timing of loan repayments, but it could also be due to a decision to defer the borrowing relating to capital expenditure that has already been incurred.
33. **The Director, Finance and Corporate Service** reports that the Authority complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans and the proposals within the budget report.
34. **The Operational Boundary for External Debt:** This is the limit which external debt is not normally expected to exceed. The proposed Operational Boundary for external debt is based on the Authority's plans for capital expenditure and financing, and is consistent with its treasury management policy, statement and practices to provide sufficient headroom to switch funding for capital projects from reserves, receipts and revenue contributions, to external borrowing.
35. The Authority has some projects where there is the potential to lease rather than buy, and so the limit recognises that such leases may be classified as finance leases. Currently there are impending accounting changes with regard to leases (IFRS16) that mean that some existing lease arrangements, that in the past have been accounted for within the revenue budget, may now need to be reflected on the Authority's balance sheet as a liability for the commitment of the contract so this now needs to be considered as part of the Treasury Strategy under the other long-term liabilities heading. Risk analysis and risk management strategies have been taken into account, as have estimates of the Capital

Financing Requirement and estimates of cash flow requirements for all purposes when determining this limit.

36. **The Director, Finance and Corporate Services**, has confirmed that the Operational Boundary is based on expectations of the maximum external debt of the Authority according to probable - not simply possible - events and is consistent with the maximum level of external debt projected by estimates. This indicator is a key management tool for in-year monitoring and acts as an “alert” for the possibility of an imminent breach of the authorised limit. The Operational Boundary for external debt excluding investments is shown in **Table 7** below.

<b>Table 7 Operational Boundary</b>	<b>2021/22 Forecast</b>	<b>2022/23 Estimate</b>	<b>2023/24 Estimate</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Borrowing	15,000	18,000	18,000	15,000	15,000
Other long term finance liabilities	3,000	3,000	3,000	3,000	3,000
<b>Total</b>	<b>18,000</b>	<b>21,000</b>	<b>21,000</b>	<b>18,000</b>	<b>18,000</b>

37. **Authorised Limit for External Debt:** The Authorised Limit provides for additional headroom over and above the Operational Boundary to allow for unusual and unexpected cash movements. This represents a limit beyond which external debt is prohibited. The Authorised Limit for the Authority’s total external debt, excluding investments, is shown in **Table 8** below.

<b>Table 8 Authorised Limit</b>	<b>2021/22 Estimate</b>	<b>2022/23 Estimate</b>	<b>2023/24 Estimate</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Borrowing	19,000	22,000	22,000	19,000	19,000
Other long term finance liabilities	3,000	3,000	3,000	3,000	3,000
<b>Total</b>	<b>22,000</b>	<b>25,000</b>	<b>25,000</b>	<b>22,000</b>	<b>22,000</b>

38. **Borrowing in Advance of Need:** The Authority will not borrow in advance of its needs in order to profit from any short term interest rate advantage. Any decision to borrow in advance will be within the approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Authority can ensure the security of such funds. The risks associated with any borrowing in advance of activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual treasury reports.
39. **Debt Rescheduling:** Whilst short term interest rates continue to be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of the debt repayment (premiums incurred). The reasons for rescheduling may include the generation of cash savings in annual interest payments or to amend the maturity profile of the portfolio. The premium now charged by the PWLB generally makes restructuring debt for interest rate reasons unattractive. Consideration would be given to debt restructuring if there was a significant change in the PWLB's policy. Any debt rescheduling will be reported to the Authority at the earliest opportunity following the rescheduling.
40. **Gearing:** Gearing is used as a measure of financial leverage and indicates how much of the Authority's activities are funded by debt. The higher the percentage, the more risk the Authority has, as it must continue to service this level of debt. Gearing is calculated as (total debt/total assets). The Authority's current gearing level is 0.58%.
41. **Borrowing Strategy:** The Authority is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Authority's reserves, balances and cash flows has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is still an issue that needs to be considered.
42. Against this background and the risks within the economic forecast, caution will be adopted with the 2022/23 treasury operations. The Director, Finance and Corporate Services will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances. Any decisions taken will be reported to the Authority at the next available opportunity.

## **ANNUAL INVESTMENT STRATEGY**

43. **Investment Policy - Management of Risk:** The Authority's Investment Strategy has regard to the CIPFA Treasury Management Code 2017 and the CIPFA Treasury Management Guidance Notes 2018. It has two main objectives: the first is security, in order to ensure that the capital sum is protected from loss; and the second is portfolio liquidity, in order to ensure that cash is available when needed. Only when the proper levels of security and portfolio liquidity have been determined can the Authority then

consider the yield that can be obtained within these parameters. Where appropriate the Authority will also consider the value available in periods up to 12 months with high credit rated financial institutions. The Authority will ensure that robust due diligence procedures cover all external investment. This Strategy is reviewed and updated annually.

44. The Treasury Management Code of Practice details that the term “investments” used in the definition of treasury management activities also covers other non-financial assets which an organisation holds primarily for financial returns, such as investment property portfolios. The Authority does not hold non-financial assets primarily for financial returns, nor does it propose to do so.
45. The above guidance places a high priority on the management of risk. This Authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means:-
  - Minimum acceptable **credit criteria** are applied in order to generate a list of highly credit worthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
  - **Other Information** - ratings will not be the sole determinant of the quality of an institution, it is important to continually assess and monitor the financial sector and take account of the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this the Authority engages with its Treasury Advisors.
  - **Other Information sources** used will include the press and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
46. **Volatility to Inflation:** The Authority will keep under review the sensitivity of its treasury assets to inflation and will seek to manage the risk accordingly in the context of the whole Authority’s inflation exposures.
47. **Specified or Permitted Investments:** These are investments of not more than one-year maturity, or those which could be for a longer period but where the Authority has the right to be repaid within 12 months if it wishes. All such investments will be sterling denominated. These are considered low risk assets where the possibility of loss of principal or investment income is small and will include deposits with:-

- The UK Government (such as the Debt Management Account deposit facility, UK treasury bills or a gilt with less than one year to maturity);
  - Other local authorities;
  - Money Market Funds (CNAV and LVNAV);
  - Banks, building societies and other financial institutions of **high credit quality**.
48. **High Credit Quality:** The Authority's Treasury Management Advisor provides a creditworthiness service which, taking into account the ratings provided by the credit agencies, market data, market information and information relating to government support for banks, provides a recommendation on counterparty, group and country limits as well as investment duration. Officers have considered this, together with other information available and views on risk, in order to produce a counterparty list. The Authority defines "high credit quality" as being:-
- UK Banks
  - UK part-nationalised banks;
  - Institutions domiciled in the UK that have been classified by Link Group as being appropriate for deposit durations of between 100 days and one year; that have a minimum sovereign long-term rating of A- and have, as a minimum, the following credit rating from at least one of Fitch, Moody's and Standard and Poors (where rated):-
    - (a) Short term – F1 (or equivalent);
    - (b) Long term – A- (or equivalent);
  - The Authority's own banker for transactional purposes, or except if the bank falls below the above criteria, in which case balances will be minimised in both monetary size and time.
  - Institutions domiciled in a foreign country where that country has a sovereign rating of AAA.
49. **The Monitoring of Investment Counterparties:** The credit rating of counterparties will be monitored regularly, based on credit rating information received from Link Group. On occasions ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list. If this requires revision of the Treasury Strategy then this will be reported to the Authority for approval.
50. **Investment Duration for Deposits:** The longest duration for any investment will be one year. The Authority will only use specified investments, the criteria for which are set out in paragraphs 45 and 47 above and may restrict the period of investment to a period shorter than the maximum.
51. The Strategy for 2022/23 will be to use only those institutions detailed on the counterparty list, shown in **Table 9** below

**Table 9 – Investment Duration for Deposits**

<b>Permitted Forms of Investment 2022/23</b>	<b>Minimum Credit Criteria</b>
Cash Deposits with the Debt Man. Office	N/A
UK Treasury Bills	N/A
Call Accounts/Notice Accounts Term Deposits	UK Banks, UK part-nationalised bank or an institution rated by Link Asset Services as suitable for investment for 100 days or more
Certificates of Deposit	N/A
Money Market Funds CNAV	AAA
Money Market Funds LVNAV	AAA
Term Deposits with Other Local Authorities	AAA
<b>Counterparty List 2022/23</b>	<b>Counterparty Limit</b>
Debt Management Office (incl. Treasury Bills)	Unlimited
<b>RBS Group:</b> Royal Bank of Scotland/Nat	£7m Group Limit
<b>Lloyds Bank:</b> Lloyds TSB/HBOS	£7m Group Limit
Barclays Bank plc	£5m
Coventry Building Society	£5m
HSBC Bank plc	£7m
Leeds Building Society	£5m
Nationwide Building Society	£5m
Skipton Building Society	£5m
Santander UK plc	£7m
Close Brothers Ltd	£5m
Goldman Sachs International Bank	£5m
Standard Chartered Bank	£5m
Handelsbanken plc	£5m
Svenska Handelsbanken	£5m per institution but £5m Country
Skandinaviska Enskilda Banken	Limit
Swedbank	
Australia and New Zealand Banking Group	£5m per institution but £5m Country
Commonwealth Bank of Australia	Limit
National Australian Bank Ltd	
Westpac Banking Corporation	
Bank of Montreal	£5m per institution but £5m Country
Bank of Nova Scotia	Limit
Canadian Imperial Bank of Commerce	
National Bank of Canada	
Royal Bank of Canada	
Toronto Dominion Bank	
Bank of America N.A	£5m per institution but £5m Country
Bank of New York Mellon	Limit
JP Morgan Chase	

Wells Fargo	
Citibank N.A	
Other Local Authorities	£5m per Local Authority - £20m limit
Money Market Funds (CNAV and LVNAV)	£5m per fund - £25m limit

Banks that qualify using this credit criteria as at the date of this report are shown above. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

52. **Investment Returns Expectations:** Investment returns are expected to improve in 2022/23. However, while markets are pricing in a series of Bank Rate hikes, actual economic circumstances may see the MPC fall short of these elevated expectations. With this in mind, the Authority is expecting investment income of approximately £191k for 2022/23, averaging a return of 0.44% for the year. However, it should be noted that political and economic events around the economic recovery, supply shortages, rising utility prices, labour shortages could result in changes to these assumptions, consequently these will be regularly monitored and Members will be kept updated through the mid-year Treasury report.
53. Previously the Authority made use of the facility to place funds in the Debt Management Office, however these rates are now so low that deposits in these funds have been placed elsewhere on maturity. As such the Authority now makes use of Money Market Funds (MMFs) which are included in the treasury strategy. They offer a high degree of security, being AAA-rated, with instant access and carry rates currently of circa 0.08%, so still offering a marginally positive return. They are deemed to be a good way of diversifying cash and spreading risk as the credit rating agencies put strict limits on how much they can have in any one counterparty and what the average duration of the portfolio can be.
54. There are three types of Money Market Funds, which are:-
  - **Constant Net Asset Value (CNAV)** – Short term funds that have a high level of investment in government assets. Units in the fund are purchased or redeemed at a constant price.
  - **Low Volatility Net Asset Value (LVNAV)** - Short term funds that are primarily invested in money market instruments, deposits and other short-term assets. Units in the fund are purchased or redeemed at a constant price so long as the value of the assets do not deviate by more than 0.2% (20bps) from par (i.e. 1.00)
  - **Variable Net Asset Value (VNAV)** – Funds that are invested in money market instruments and deposits and other Money Market Funds. The funds are subject to looser liquidity rules and may invest in assets with a longer maturity than CNAV and LVNAV funds. Units in the funds are purchased or redeemed at a variable price.
55. A review has been undertaken of the available funds and the Authority will only invest in CNAV and LVNAV Money Market Funds as they are considered more appropriate for the Authority's investment risk appetite.

56. **Local Authority Loans:** As set out above, the Authority does make provision to allow loans to be made available to other Local Authorities, however the maximum duration for any loan will be one year, in line with the maximum timeframe for other deposits set out in this Strategy. Prior to agreeing to any such loan, the Authority will undertake appropriate due diligence to establish the financial stability of the Authority that requires the loan. Reviews will be undertaken on issues such as past audit reports / opinions, balance sheet reviews, any adverse public reporting.
57. The maximum duration for investments suggested by Link Group can be revised at any time, which means that the Authority could find that the remaining duration of a fixed term investment is greater than the maximum suggested at that time. When there is a change to reduce the suggested duration downwards, and early redemption would cause a penalty or loss of interest, the investment will be allowed to run to maturity. If the suggested duration is changed to zero, the investment will be redeemed early regardless of the level of penalty incurred.
58. Some of the institutions on the Authority's counterparty list charge for transferring the investment income into the Authority's main bank account. Where such charges apply, and in light of the low level of return received, it is not cost-effective to transfer the investment income out of these accounts on a monthly basis. For these institutions, therefore, investment income will be transferred annually. As a consequence, the counterparty limit may be exceeded during the year by up to the amount of the annual interest due for the year.
59. LIBOR (the rates at which banks are prepared to lend to each other) and associated LIBID (the bid rate at which banks are prepared to borrow) ceased at the end of 2021 and has been replaced with a rate based on SONIA (Sterling Overnight Index Average), which is the risk-free rate for sterling markets administered by the Bank of England.
60. **Training:** The Authority has processes in place to ensure that the appropriate level of training is delivered to both Members and staff who are involved in the delivery and scrutiny of the treasury management function. Audit and Governance Members received a presentation from Link Group, the Authority's Treasury Advisor at the November 2021 meeting. Those Finance staff with direct responsibility attend regular Treasury workshops and seminars during the year. Currently 5 members of the Finance Team are undertaking CIPFA E-learning modules related to Treasury Management to continue their professional development.
61. **Current Portfolio** - below sets out the investment portfolio of the Authority as at 14 January 2022.

<b>Table 10 Current Portfolio</b>	<b>Fixed Deposits</b>	<b>Call A/C</b>	<b>Notice Call A/C</b>	<b>Money Market Funds</b>	<b>Total</b>	<b>Average Interest Rate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>%</b>
Debt Management Office (including Treasury Bills)	5,000	0	0	0	<b>5,000</b>	0.07%
RBS Group: Royal Bank of Scotland/ Nat West	0	1,110	0	0	<b>1,110</b>	0.01%
Lloyds Bank: Lloyds/HBOS	4,000	3,000	0	0	<b>7,000</b>	0.02%
Barclays Bank plc	0	0	5,000	0	<b>5,000</b>	0.30%
Nationwide Building Society	5,000	0	0	0	<b>5,000</b>	0.12%
Santander UK plc	0	2,650	4,350	0	<b>7,000</b>	0.40%
HSBC	0	0	7,000	0	<b>7,000</b>	0.25%
Coventry Building Society	4,000	0	0	0	<b>4,000</b>	0.14%
Leeds Building Society	2,000	0	0	0	<b>2,000</b>	0.07%
Aberdeen Sterling Liquidity Fund	0	0	0	5,000	<b>5,000</b>	0.08%
Aviva Investors Sterling Liquidity Fund	0	0	0	1,700	<b>1,700</b>	0.06%
<b>Total Per Deposit Type</b>	<b>20,000</b>	<b>6,760</b>	<b>16,350</b>	<b>6,700</b>	<b>49,810</b>	<b>0.17%</b>
<b>Average Interest Rate Per Deposit Type</b>	<b>0.08%</b>	<b>0.01%</b>	<b>0.37%</b>	<b>0.07%</b>		

## RESERVES STRATEGY AND ANNUAL REVIEW 2022/23

### Background

1. **Statutory Requirement** - Sections 31A, 32, 42A and 43 of the Local Government Finance Act 1992 requires that, when setting the budget for the forthcoming year, precepting authorities should have regard to the level of reserves needed to provide sufficient resources to finance estimated future expenditure, plus any appropriate allowances that should be made for contingencies. The Fire and Rescue Services National Framework for England includes a requirement for all Combined Fire and Rescue Authorities to publish a Reserves Strategy and outlines the detail which should be included.
2. **Professional Guidance** - Best practice guidance on the use and management of reserves and balances is provided by CIPFA and the Local Authority Accounting Panel (LAAP) guidance, specifically LAAP Bulletin 99 - 'Local Authority Reserves and Balances' issued in July 2014.
3. **Role of External Auditors** - The External Auditors are not responsible for prescribing the optimum or minimum level of reserves for individual authorities or for authorities in general, but they are required to review and report on the level of reserves and balances. The External Auditors' view as to whether an authority has strong financial management and sound financial standing will be supported by their review of the process used to determine and approve the level of reserves.
4. **Annual Review** - Members of the Authority annually review the Reserve Strategy to ensure that it remains relevant and up to date, reflecting the medium to long term needs of the Authority. The Authority holds a number of different reserves, each of which are explained in this Strategy, and all support the prudent and sustainable approach to budget setting, which has existed for many years. Over the years use has been made of Earmarked Reserves to manage spend profiles across financial years, especially when there are large capital build projects in place, however, the Authority has also seen the use of reserves as an aid to support the transformation, improvement and collaboration agenda, which is helping make the service fit for the future.
5. **Reserve Balances** - these have been identified as a key indicator of financial health and the Authority continues to have an appropriate level of reserves to deal with identified risks. As a minimum, there are sufficient balances to support the budget requirements and they provide an adequate contingency for budget risks. The Strategy and the outcome of the annual review of reserves are set out in the paragraphs that follow.

6. **Members Approval** - Members are requested to consider and approve this Strategy and the annual review of the General and Earmarked Reserves as set out in this report.

## **Reserve Strategy**

7. **National Framework Requirements** - The framework is prescriptive over the details that should be included in a Reserve Strategy. It is clear that General Reserves should be held by the Authority and used to balance funding (in exceptional circumstances), support spending priorities and to manage risk. The Strategy should be specific about how the level of the General Reserve has been determined and provide justification if there is a need for the level to be in excess of five percent of the revenue budget. The Strategy should also include details of current and future planned reserve levels, their value and purpose, set out over the timeframe of the Medium Term Financial Plan.
8. **Strategic Context for this Authority** - There are several reasons why this Authority holds a number of reserves, these include, to:-
  - mitigate potential future risks such as increased demand and costs;
  - help absorb the costs of future liabilities;
  - temporarily plug a funding gap should resources be reduced suddenly;
  - enable the Authority to resource one-off policy developments and transformation initiatives without causing an unduly disruptive impact on Council Tax;
  - in the current environment they are available to fund significant spikes in inflationary increases;
  - spread the cost of large scale projects which span a number of years.

Reserves only provide one-off funding so the Authority aims to avoid using reserves to meet ongoing financial commitments other than as part of a sustainable medium-term budget plan.

9. **Long-Term Sustainability** - Reserves are an essential tool to ensure long-term budget stability, particularly at a time when the Authority is facing year on year reductions in grant funding. Due to the fact that funding for future Capital Projects is held within the Infrastructure Reserve, the overall level of Earmarked Reserves held by the Authority is currently still high, but these will reduce significantly as the capital programme progresses.
10. **Types of Reserves** - There are three different types of reserve, and these are described below:-
  - (a) **General Reserve** - provides a contingency to cushion the impact of unexpected events or exceptional costs, and in extreme circumstances would be used to provide a working cash balance to cushion the impact of uneven cash flows, and help avoid unnecessary temporary borrowing. Any use of the General Reserve is always subject to Members' prior approval.

- (b) **Earmarked Reserves** - are sums specifically set aside to not only provide funds to meet future known or predicted expenditure or liabilities, but to also support the transformation of the service to ensure it is fit for the future. Earmarked Reserves are typically used to smooth the impact on the revenue budget (and Council Tax) of expenditure that would otherwise cause significant fluctuations in the annual budget requirement, such as expenditure on the replacement of vehicles and equipment or large scale build projects. Earmarked Reserves are also of use where there may be plans to introduce a policy change or a service improvement which initially requires a one-off increase in expenditure for which additional resources are required, or where there is a future budget liability or pressure which is known but for which the timing of payments or change in funding is uncertain. Reserves are key tools to manage these risks. There is a clear protocol setting out the reason/purpose of each Earmarked Reserve, how and when the Reserve can be used, procedures for the Reserve's management and control, and a process and timescale for review of the Reserve to ensure continuing relevance and adequacy;
  - (c) **Capital Receipts** - These are effectively an Earmarked Reserve and as such are set aside for a defined purpose. The value of this reserve is generated from the income receipt from the sale of capital assets and as such these resources can generally only be used for reinvestment in other capital assets.
11. **Risk Assessment to Determine the Adequacy of the General Reserve** - A comprehensive financial risk assessment to assess the adequacy of the Authority's General Reserve is carried out annually to determine the extent to which the Authority is exposed to uninsured and unbudgeted losses. A well-managed multi-purpose authority will strive to maintain as low a level of General Reserve as possible, whilst still covering its financial risks. As a single-purpose authority, the Authority has no opportunity to use cross-service subsidies to meet unanticipated expenditure and so, proportionally, its General Reserve may be slightly higher than for a multi-purpose authority. The Authority has a robust approach to managing risk and there are effective arrangements for financial control in place. That said, given the high level of influence that third parties, such as the Local Government Employers and Government departments have on its income and expenditure, there is always a risk that the Authority will unexpectedly become liable for expenditure that it has not budgeted for.
12. The annual risk assessment looks at the risks in the context of the Authority's overall approach to risk management and internal financial controls. This information is then used to determine the optimal level of reserve holdings needed to meet the requirements of the contingency and working balance.
13. **Analysis of Need for the Working Balance** - The Authority's General Reserve and Earmarked Reserves are largely cash-backed and as a result any instance of exceptional expenditure or a delay in receiving income is unlikely to lead to the Authority having to borrow temporarily (or go overdrawn).

- (a) **Expenditure** - A significant proportion of the Authority's budget is related to employee and pension payroll costs which are paid monthly and so the cash flow is evenly spread across the financial year. The Authority receives its business rate demands in April each year for immediate payment which significantly raises the cash flows out of the Authority in April. Capital expenditure will generally be on large-value assets (and usually planned well in advance) so the timing of these purchases can result in large cash outflows falling in some months. The Firefighter Pension Fund Account is balanced by top-up grant from Government, with any difference between payments made and income received reflected in the Authority's cash position.
  - (b) **Income** - Precepts, business rates and revenue grant payments are paid to the Authority in regular instalments throughout the year.
14. **Earmarked Reserves** - The Authority currently has five Earmarked Reserves, each of which has been set aside for a specific purpose. The relevance of, and balance in, each reserve is reviewed annually and Members are informed of the latest plans for the balances held in such reserves over the medium-term.

#### **Annual Review of Reserves**

15. **General Reserve** - Detailed at **Annex A** is the annual financial risk assessment. **Annex A** indicates the likelihood of each risk occurring and the potential financial risk to which the Authority could be exposed. It would be very unlikely for all of the risk areas to impact at the same time but it is conceivable that a number of them could be co-dependent. For example, a failure of part of the banking system could result in delayed payments to suppliers, supplier failure and loss or delayed recovery of deposits. A key supplier may not be able to deliver the goods or services necessary for the safe delivery of firefighting services, impacting on the safety and wellbeing of staff, which might then lead to industrial action. Due regard is therefore given to the likelihood of each risk occurring and the optimum level of the General Reserve.
16. The risk assessment has been reviewed for its relevancy to future years spanned by the Medium Term Financial Plan (MTFP) and includes consideration of:-
- (a) The ability of the Authority to make difficult decisions to manage financial and other challenges;
  - (b) The ability of the Authority to deliver statutory responsibilities from the resources available, avoiding legal challenges and protests from stakeholders;
  - (c) Financial issues, setting a balanced budget, strong financial controls, avoiding the need to reduce reserves to unacceptably low levels, able to pay debts when due;
  - (d) The possibility of industrial action that might arise in response to pay restraints, changes to terms and conditions, pension related issues and job losses;
  - (e) External factors such as a major supplier failing due to general economic conditions, which might lead to significant service disruption and reputational

damage to the Authority. The impact of the pandemic this year has certainly been felt by many suppliers;

- (f) Incremental factors where multiple, smaller, failures in individual areas lead to an eventual critical mass of tipping points;
  - (g) A doomsday scenario where a further banking/financial crisis leads to even greater levels of austerity, over a significantly longer timeframe;
  - (h) Potential financial implications arising as a result of Brexit or related negotiations.
17. **Proposal for the Level of the General Reserve** - Taking all of the above into consideration, together with the risk assessment at **Annex A**, it is proposed that, at least for the medium term, it would be appropriate to maintain the General Reserve balance at approximately 5% of the base revenue budget. Therefore it is proposed that the General Reserve balance is increased by £210k, up from £3.760m to £3.970m for 2022/23 and as such Members are asked to agree to this proposal.
18. **Earmarked Reserves** - The Authority currently holds five earmarked reserves. **Annex B** details each reserve and provides a brief explanation of the purpose of each reserve and the potential or planned use of the respective reserve.
19. **Earmarked Reserve Balances over the Medium Term** - **Annex C** sets out the balances, at the current point in time, estimated to be in place at 31 March 2022. This position currently excludes any year-end adjustment that may be required as a result of the final underspend on the 2021/22 revenue budget. It does though, include the drawn down of £432k from the Insurance and Resource Reserve in 2022/23 which will be used to balance the revenue budget due to the timing differences between spending requirements, funding and income sources and the delivery of base budget savings. The final movement on Earmarked Reserves for 2021/22 will be shown in the Annual Statement of Accounts, which will be reported to the Audit and Governance Committee in September 2022. In line with the proposed policies on the control and management of these funds, the limits will be reviewed on an annual basis against prevailing risk assessments and other information.

## Annual Risk Assessment of the Adequacy of General Reserves

The following % assessments have been applied to the likelihood value to estimate a net impact:

**Low Risk (25%)** – A risk that is unlikely to occur, or where the organisation has taken steps to mitigate potential risk.

**Medium Risk (50%)** – A risk that could possibly occur, moderate concern and impact.

**High Risk (75%)** – Has occurred regularly before or it may have a significant financial impact which the organisation cannot control.

Likelihood and value of risk £'000	Net Impact £'000
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### Risk

#### 1. Natural Disasters, National Emergencies and Prolonged Periods of Operational Activity

1.1	The Bellwin Scheme provides financial assistance to local authorities in the event of a national emergency or disaster, subject to an authority contributing to the total costs by an amount equivalent to 0.2% of its approved budget.	Low 150	40
1.2	In addition, there could be local large-scale incidents or periods of high activity due to local weather patterns which would not meet the criteria laid down within the Bellwin Scheme. Government currently covers 100% of eligible expenditure above the threshold but only in limited circumstances will claims against capital expenditure be allowed.	Medium 1,000	500
1.3	It is difficult to anticipate the cost of a potential disaster that could have a detrimental effect on the Authority, but it could be significant. Costs might include enhanced welfare and protective equipment, plus increased legal claims in the event that service delivery is detrimentally affected.	Medium 250	125

#### 2. Unanticipated Business or Economic Pressures

2.1	The Authority has a wide range of contractual arrangements which could see a financial loss in the event of the bankruptcy of a supplier or a customer. The Authority maintains a bad debt provision based on aged debtor analysis but it would be insufficient to fully fund a loss from a major contract.	Low 2,200	550
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2.2	Public sector procurement bodies are increasingly likely to be subject to challenge and litigation from unsuccessful bidders in tendering exercises or from suppliers not invited to submit bids in the first place. In the event that this should arise, the Authority would need to cover the legal costs of responding to such potential challenges and to account for any potential reparation costs awarded to successful claimants by the courts.	Medium 200	100
2.3	In the event that a key system, such as the control mobilising system or system networks, were to fail, it is possible that urgent consultancy or replacement equipment would be required, and this could, due to the short notice, be costly.	Low 1,510	380
<b>3. Pension Liabilities</b>			
3.1	The budget provides for two ill-health retirements (one higher tier and one lower tier), but with the increase in normal pension age there is a possibility that this could increase.	High 150	115
3.2	The McCloud pension case may result in additional liabilities falling on the Fire Authority, particularly in relation to Category 2 cases where tax charges may be incurred on unauthorised pension payments and interest will be due on back dated pension adjustments.	Medium 100	50
<b>4. Inflationary Increases</b>			
4.1	Whilst an allowance has been made for inflation against specific budget lines, inflation is continuing to rise both domestically and around the globe which, if it continues, could result in even higher costs.	High 250	190
4.2	The level of interest rates prevailing during the financial year impacts on both rates for long term borrowing and the level of investment income achieved. A 10 basis point (0.1%) difference in short term rates could change the investment income by £20k - £40k depending on the level of cash balances held. To date, all of the Authority's long term borrowing has been at fixed interest rates thus eliminating any exposure to interest rate risk.	Medium 40	20
<b>5. Legal Issues</b>			
5.1	Given the nature of the work of the Authority there is a possibility that it could suffer a major health and safety or environmental failure. Although this could result in a substantial cost, the Authority's Risk Register has details of the controls that are in place to mitigate this risk.	Low 3,000	750
5.2	It would be prudent for the Authority to make provision for an unfavourable outcome of any legal action taken against	Low 500	125

it, which could be made on a range of different grounds, including breaches of data protection, equal pay, discrimination and corporate manslaughter. Such awards are usually significant and a sum of up to £500k would not be unusual.

5.2	Under the Regulatory Reform (Fire Safety) Order 2006, FRAs are responsible for enforcement, and thus the risk of legal challenge to such action could arise, the costs of which could exceed existing revenue budget provision.	Low 100	25
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## 6. Employment Issues

6.1	Issues that might arise in respect of pay settlements or other factors which might lead to industrial action would, in the first instance, may be managed within the revenue budget. However, if the requirement for such additional resources was excessive, then there may need to be a call on the Reserves to meet the additional one-off costs.	Medium 1,000	500
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## 7. Funding Issues

7.1	The changes to the funding mechanism for local government, introduced following the Local Government Resource Review, transferred potentially significant levels of financial risk to the Authority. These risks relate to the localisation of Council Tax Benefit, where it is anticipated that higher levels of non-payment will be experienced together with higher than anticipated growth in discounts awarded. The other major area of financial risk relates to the Business Rates Retention Scheme where significant fluctuations in income might arise from the appeals process, business growth/reduction and collection rates. These areas could expose the Authority to a financial risk as anticipated funding may not materialise.	Medium 1,000	500
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<b>Estimated Reserve Requirement</b>	<b>3,970</b>
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Earmarked Reserves
<p><b>Government Grants Reserve</b> - The Authority has received grants from the Government, which include funding in support of National Resilience work, Building Safety and the Emergency Services Mobile Communications Programme (ESMCP). Any unspent Section 31 grant balances are carried forward in reserves at the end of each financial year to fund any future costs associated with the relevant initiative.</p>
<p><b>Infrastructure Reserve</b> - This reserve is by far the largest as it is used to fund both revenue and capital investment in infrastructure assets (premises, environmental improvements, IT and communications equipment, as well as vehicles and operational equipment) and includes a programme of investment in station improvements, IT and replacement vehicles over the medium-term. The funding held in this reserve will be utilised as and when expenditure is incurred so will reduce over the medium-term.</p>
<p><b>Insurance and Resource Reserve</b> - This reserve was in part established to help smooth the volatility of settling insurance claims across several financial years. Additionally the reserve is also used to support significant one-off costs that may arise, for example for higher levels of pay awards, compared to that planned for in the MTFP, or as we are seeing now, significant increases in inflation in some areas of supplies, which again may arise after the budget is agreed. The financial settlement this year was a one-year settlement and as such does not aid long term planning. There is the expectation that next year will see the return of multi-year settlements, but there is also an acknowledgement that the data on which the distribution of some grants are based is old and out of date. Therefore there is the strong possibility that we may also see a fair funding review in 2022, so allocated funding could change somewhat in next years settlement. So on this occasion an element of this reserve will be used to temporarily balance the revenue budget, which will help support the timing differences between spending requirements, funding and income sources and the delivery of base savings.</p>
<p><b>Rolling Budgets Reserve</b> - Members approved the establishment of a reserve to carry forward budget for which there was planned spend but for which the goods or services had not been delivered by the close of the respective financial year (typically over £2,000). The reserve is simply used to roll the amount forward into the accounts of the following year to fund the payment once the purchase has been completed.</p>
<p><b>Service Transformation and Productivity Reserve</b> - This reserve will be used as a one-off funding resource to help pump-prime new transformation initiatives or improvements to the Service which may arise in-year or be planned for future years, as set out the relevant Strategies. It will also help support collaborative initiatives with other blue light services and partner agencies, which is likely to include the procuring of professional project management support. It will also fund a number of fundamental reviews across the Service which will help ensure that it stays fit for the future.</p>

### Reserve Balances over the Medium Term

	Balance at 31.3.21 £'000	Forecast Net Transfers 2021/22 £'000	Forecast Balance at 31.3.22 £'000	Forecast Balance at 31.3.23 £'000	Forecast Balance at 31.3.24 £'000	Forecast Balance at 31.3.25 £'000	Forecast Balance at 31.3.26 £'000
			Notes 1 and 2	Note 3			
<b>General Reserve</b>	<b>3,710</b>	<b>50</b>	<b>3,760</b>	<b>3,970</b>	<b>3,990</b>	<b>4,120</b>	<b>4,230</b>
<b>Earmarked Reserves:</b>							
Govt. Grants	5,615	-4,040	1,575	1,090	0	0	0
Infrastructure	27,045	-1,427	25,618	17,784	6,116	2,923	1,097
Insurance and Resource	3,585	-744	2,841	2,409	2,409	2,409	2,409
Rolling Budget	1,074	-796	278	117	15	0	0
Service Transformation & Productivity	902	-645	257	14	0	0	0
<b>Sub total E. M Reserves</b>	<b>38,221</b>	<b>-7,652</b>	<b>30,569</b>	<b>21,414</b>	<b>8,540</b>	<b>5,332</b>	<b>3,506</b>
<b>Capital Receipts</b>	<b>7,875</b>	<b>1,574</b>	<b>9,449</b>	<b>4,185</b>	<b>1,485</b>	<b>0</b>	<b>0</b>
<b>Total Reserves</b>	<b>49,806</b>	<b>-6,028</b>	<b>43,778</b>	<b>29,569</b>	<b>14,015</b>	<b>9,452</b>	<b>7,736</b>

**Note 1:** Forecast Earmarked Reserve balances at 31.3.22 exclude any transfer to reserves that may be required at year end as a result of the forecast underspend on the 2021/22 revenue budget.

**Note 2:** Forecast Earmarked Reserve balances at 31.3.22 exclude the transfer to reserves that will be required at year end in relation to Section 31 grant funding towards the additional 2021/22 Business Rates Reliefs granted by the Government after the 2021/22 NNDR1 form was released last year. The actual amount will only be confirmed once the 2021/22 Collection Fund accounts are finalised and any grant balance transferred to reserve at year end will be released in 2022/23 to offset the Business Rates Collection Fund deficits to be recovered by Medway and Kent District Councils in 2022/23. The budget proposals include an assumption, based on current estimates, that £1.529m will be transferred into the Government Grants reserve in 2021/22 and released from the reserve in 2022/23 to offset the Collection Fund deficits.

**Note 3:** Forecast Earmarked Reserve balances at 31.3.23 include a transfer of £432k from the Insurance and Resource reserve that is required to balance the 2022/23 revenue budget.

By: Chief Executive  
To: Kent and Medway Fire and Rescue Authority – 18 February 2022  
Subject: OUTCOMES OF SAFETY AND WELLBEING PLAN 2022  
Classification: Unrestricted

## **FOR DECISION**

### **SUMMARY**

The Authority agreed a Safety and Wellbeing Plan for consultation with customers at its meeting held on 14 October 2021. This document gave an overview of current performance, and outcomes delivered for the public, and sought feedback from a number of questions. Consultation ran from 22 October 2021 to 14 January 2022. One question related to the level of the Council Tax precept, and this has been considered earlier on this agenda. Consequently, this section gives Members feedback on the methodology deployed and the remaining questions that were asked.

### **RECOMMENDATIONS**

Members are requested to:

1. Approve that the Authority's base requirement for fire engines on a day to day basis be reset at between 32 and 44, as set out in the Safety and Wellbeing Plan (paragraph 12 refers).
2. Note that the concept of flexible resourcing will be adopted, giving a resilience pool to call upon when required, of between five to 10 additional fire engines per weekday (paragraph 12 refers);
3. Note the outcomes of the consultation process.

LEAD/CONTACT OFFICER: Assistant Director, Corporate Services - James Finch

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EMAIL: james.finch@kent.fire-uk.org

BACKGROUND PAPERS: None

## COMMENTS

### Background

1. The Authority agreed a Safety and Wellbeing Plan for consultation with customers at its meeting held on 14 October 2021. This document gave an overview of current performance, and outcomes delivered for the public, and sought feedback from a number of questions. Consultation ran from 22 October 2021 to 14 January 2022. One question related to the level of the Council Tax precept, and this has been considered earlier on this agenda. Consequently, this section gives Members feedback on the methodology deployed and the remaining questions that were asked.
2. The Plan itself was not controversial, and the communications used to support it reflects this. A variety of methods were used to promote the Plan and survey including promotion on the Authority's website, promotion via email to residents and businesses who have signed up for the Authority's e-newsletter, all parishes through the Kent Association of Local Councils network, and a number of promoted posts on social media platforms. No requests for additional briefings were received, including from the press.

### Results and Analysis

3. The response rate was the highest achieved in recent years, as shown in **Tables 1 and 2** below. This reflects the effort of the Authority's communications team to raise awareness of the Plan with customers. Social media coverage reached a large number of people (60,557 people with 335 likes/comments/shares), which is more than four times the engagement rate achieved last year. It resulted in 1,425 post clicks - of which 1,258 were direct link clicks to the webpage and in total 1,760 engagements with the post (clicks, likes, or shares, or comments). The targeted gov delivery email went to 5,669 recipients, and was opened 2,218 times, and resulted in 131 clickthroughs to the website. It is important for transparency that all comments received, both positive and negative, are reflected to Members. Where a theme can be identified, comments have been grouped together. Comments from community groups are reflected in the subsequent paragraphs. One business took part this year. Again, their comments are reflected in the subsequent paragraphs.

**Table 1: Total number of respondents**

<b>Customer group</b>	<b>Number of respondents</b>
Colleague	87
Community group or partner agency	4
Member of the public	348
Business	1
<b>Grand Total</b>	<b>440</b>

**Table 2: Comparison to previous public response rates**

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Member of the public	255	187	261	16	348

- Responses from the public were fairly evenly spread across all local authority areas in Kent and Medway, with the highest response rate from Medway (14% of the total responses), and the lowest from Tunbridge Wells local authority areas (2% of the total responses). One printed copy of the Safety and Wellbeing Plan was sent out but was not returned.

### Responses to Questions

- Our new Customer Safety Plan and strategies:** the first question asked respondents to review the strategies agreed by Members at the meeting held on 22 July 2021 and to comment on whether they felt we have missed anything you think we should have considered; if there are additional changes respondents think are likely to happen in Kent and Medway we haven't considered; or if we have missed an action respondents would expect us to be taking. Comments are reported below, with a management response where appropriate.

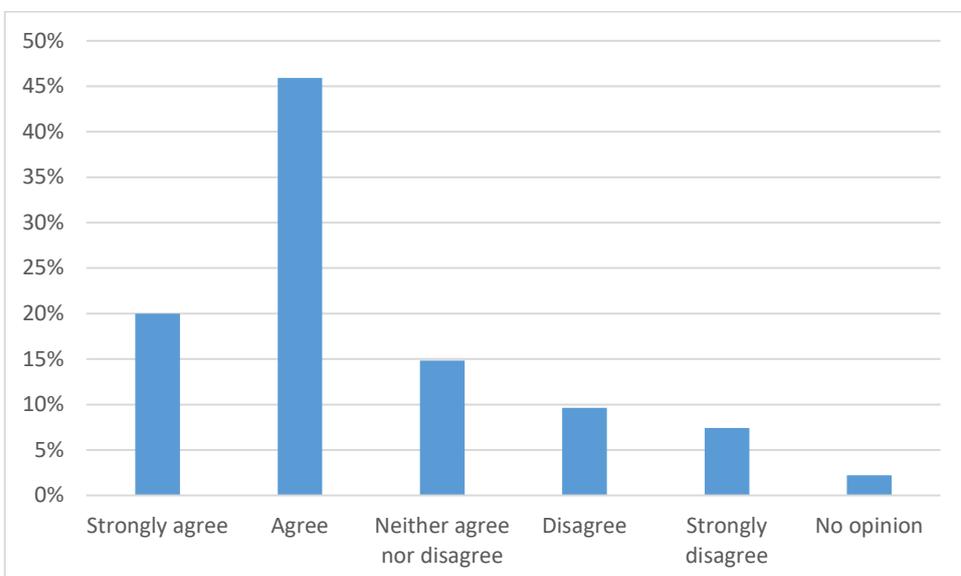
<b>Respondent Comment</b>	<b>Management Response</b>
One respondent asked if home visits to fit smoke alarms for the vulnerable were to continue?	Safe and well visits will continue, focused at those most at risk in the community.
One respondent was concerned that we are seeing in the media about more house fires and would like to see about safety planning out to the public in the media.	We would encourage anyone worried about their safety at home or when travelling through Kent and Medway to visit our website which has lots of information and downloadable resources.  Home visits can also be arranged for those that need more detailed support.

<p>One respondent asked if there is “a chance to visit more schools.... Best way to educate on the service you provide”</p>	<p>Following COVID, the number of schools visits is returning to more normal levels.</p>
<p>A number of comments were received which felt the risk assessment was unduly pessimistic and questioning how past data can be used to predict the future. For example, one said “Seems to take a very pessimistic view of the future without taking into account high and low case scenarios. Lacks any meaningful records regarding service efficiency i.e., actual hours of work versus time on shift.”</p>	<p>The risk assessment draws from a wide range of sources from across local and national government. Whilst the respondents may view the risk assessment as pessimistic, we feel it is realistic.</p> <p>We may not be able to predict with absolute certainty, but we can certainly use global climate predictions produced by the Intergovernmental Panel on Climate Change to get a best estimate of future patterns. That is what we have done in the risk assessment</p> <p>Productivity in terms of hours worked on specific tasks is not something we record. We record outcomes such as the number of incidents attended, number of home safety visits by firefighters were completed and training completed.</p>
<p>One respondent commented that “Success to me looks like receiving a fire engine which is fully crewed with trained and more importantly experienced firefighters, as soon as possible, when someone calls 999. Other than contractual obligations, anything else involved in the day to day running of a fire brigade is just a nicety in my opinion.” Another felt we needed more fire engines generally, and another encouraged us to focus on public safety as our number one priority.</p>	<p>We agree – maintaining our statutory duties in all their forms is our number one priority, but this is a much wider role than operational response.</p>
<p>The use of the word customers caused some feedback. One commented “[Yet]... we are not customers as we have no choice but pay the bills with increasing population the reduction in cover per head of population and the rise in attendance times is extremely worrying”</p>	<p>This comment reflects some of the feedback received on the Facebook post promoting the Plan. Kent Fire and Rescue Service is unique in using the phrase “customer” to describe the people it delivers services to, and we continue to believe it is the right phrase. It is however not appropriate at an incident and the phrase is never used there.</p>
<p>Several positive comments were received such as “I feel the work you do is unmeasurable and to maintain such high standards is or should be enough in these hard times” and “Keep up the good work” and “I’m so grateful for the fire retardant bedding supplied by the fire brigade for my partner”.</p>	<p>We are grateful for the positive comments</p>

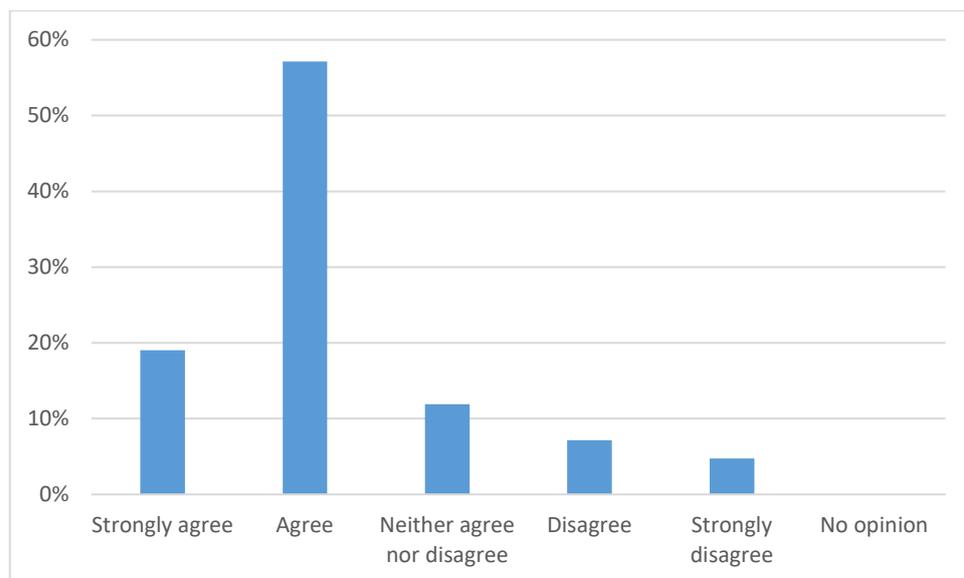
<p>Looking at the tomes of information we, the respondent, is meant to read - to complete this survey - suggests to me that this mode is the wrong approach</p>	<p>There is always a balance between making a document accessible whilst also trying to convey complex information. The use of infographics and simplified language in the Plan was intended to balance this. But we can always improve in this area.</p>
<p>New housing developments caused several comments. One asked specifically about a development in Maidstone currently going through planning, and another commented on parking on new build developments.</p>	<p>We are aware of the development plans for the Lidsing area.</p> <p>New build developments will comply with the appropriate regulations to allow access, not only for emergency vehicles but other equally critical services like refuse trucks. The difficulty identified really is the well-known issue on some developments of behaviours of residents once a new development is being lived in, and how cars are then parked.</p>

6. **Our planning assumptions:** the next question followed text which described how we assess what resources we need to meet foreseeable risks in the community, and the planning assumptions that are then derived from these risks. Respondents were asked having reviewed the text about the degree to which they agree that our planning assumptions are correct. The results are shown in **Graphs 1 and 2** below.

**Graph 1: responses to statement “When planning how we meet our day to day need for fire engines, to what extent do you agree that our planning assumptions are correct? [public respondents]**



**Graph 2 responses to statement “When planning how we meet our day to day need for fire engines, to what extent do you agree that our planning assumptions are correct? [colleagues]**



7. The results show that colleagues are happier overall they the planning assumptions are correct.
8. The comments received in relation to this section of the plan are again reflected below.

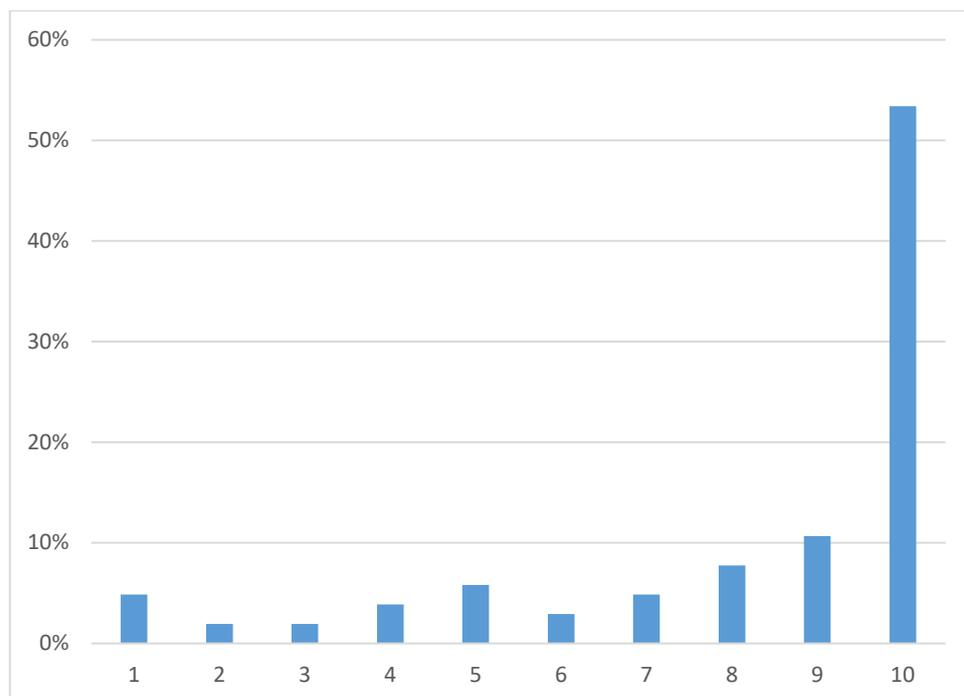
Respondent Comment	Management Response
<p><b>"We used to plan for two significant incidents"? "In reality...it is unusual for two of them to occur at the same time." Is this not the same as saying 'fingers crossed'? Not ideal for an emergency service. Having between 32 and 44 fire engines available at any one time doesn't seem a lot for the entire county of Kent.</b></p>	<p>We disagree it is the same as "fingers crossed". Availability of 32-44 fire engines, with an ability to flex this upwards quickly if we need it meets our day to day requirement.</p>
<p><b>Access in residential areas again raised comments. One respondent said "KFRS should have a much more pro-active input into new developments, and should regularly patrol older residential areas where on-street parking has become so prevalent that it is doubtful that equipment could be deployed quickly enough to an incident because of densely and poorly parked personal vehicles." Another respondent complained about the laying of fibre optic cables in their area.</b></p>	<p>Parking issues are an enforcement issue for the local authority in the area or may be outsourced to the private sector in places. If parking is an issue at an incident, we have the capability to pump water over longer distances.</p> <p>We do run social media campaigns periodically to encourage considerate parking.</p> <p>Cable laying and other works on the highway is a function for the local authority in the area. If roads</p>

	are closed for a period of time, we factor this in to our mobilising decisions.
<b>One respondent commented that “getting people out alive 15 minutes is a long time”</b>	Having a working smoke alarm is the single biggest step any customer can take to make them safer in their home from the risk of fire.
<b>A number of comments were made about traffic congestion and its impact on journey times</b>	Traffic congestion is an issue we consider in our risk assessment, as are plans for new roads and local traffic calming measures [as discussed elsewhere in this report].
<b>One respondent felt “a full engine is not needed so you should look to motorcycle or car based units with basic kit for fast response and assessment”.</b>	We disagree. Incident volumes that this kind of smaller unit would attend are not high enough in Kent and Medway. In more urban metropolitan areas like London and the West Midlands, it is a model that could work well.
<b>A respondent commented that “the assumption that serious incidents usually only occur as single entities is a dangerous planning assumption. KFB [sic] may not have experienced this in recent times, but multiple serious incidents have occurred on many occasions in the past.”</b>	This may be true in the past, but the last 15 years data suggests that multiple smaller incidents is a bigger risk to our availability than two concurrent large ones.
<b>A respondent commented that our “assumptions are [deliberately] vague to the extent they are meaningless it is a concern that in over 30% of incidents you arrive in over ten minutes you should set clear target attendance times so the public can fully access the quality of your service your current attendance times are far too slow” and said “How many fire engines should be on at one time should not be determined by call data, fire engines are needed when they are needed and should be available, fire stations should be staffed not attended to from a home address those 5 minutes extra on response time could be someone’s life”. Another felt all fire stations should be crewed 24/7.</b>	<p>We believe this comment is harsh. The response standards set are clear in our opinion and are reported every year in this Plan, and to the Authority, and can be the subject of a freedom of information request at any time.</p> <p>We are acutely aware of issues of disparity between urban and rural areas in terms of access to public services. However the vast majority of incidents do happen in urban areas hence the concentration of immediate response fire stations there.</p> <p>In a rural county such as Kent and Medway a model where all fire engines were crewed 24/7 would be prohibitively expensive and not a good use of taxpayers money.</p>
<b>M2 motorway accidents often take up crews</b>	Motorway incidents can take up significant resources if people are trapped. But the roads most likely to have a serious collision with injuries a single lane fast A roads.

<p><b>One very informed respondent commented “Research indicates increasing numbers of vulnerable persons living alone with dementia or other vulnerabilities including hoarding. These need to be identified by working with local agencies including GPS, hospitals, social care.”</b></p>	<p>A really important comment. Hoarding is an issue our firefighters and customer safety teams are trained to recognise the signs of and know how to report any concerns via the safeguarding process.</p>
<p><b>One respondent asked “What is the cost of maintaining a fire engine that is unavailable?”</b></p>	<p>The cost is essentially the national non-domestic rates we pay for the building, and the depreciation of the fire engine itself.</p>

9. **Small fires in the home:** the next sections asked respondents if they have you ever had a small fire in their home but not dialled 999 and asked for the help of Kent Fire and Rescue Service? 9% of respondents indicated that they had and indicated that they dealt with it themselves as they felt confident to do so or did not “want their home interfered with unnecessarily”. Only one respondent wished to be involved in follow up work with the Authority on this issue. Primary research will therefore be required to explore this issue further.
  
10. **Value for money:** the next question asked for responses to the statement “the average Band D property pays just over £1.55 per week in council tax (£80.82 per year) to help run Kent Fire and Rescue Service - do you think this provides good value? Respondents were asked to rate us, on a scale of 1 to 10, where 10 is good value and 1 is not good value. The results for public respondents is shown in **Graph 3** below and is a very pleasing result, in line with previous Plans.

**Graph 3: responses to statement The average Band D property pays just over £1.55 per week in council tax (£80.82 per year) to help run Kent Fire and Rescue Service - do you think this provides good value? (public respondents)**



**Poor value** ←————→ **Good value**

### Concluding Comments

11. Response rates to this Plan represent a significant improvement on last year. Comments were mixed as Members can see. However overall there is support for the strategies, the planning assumptions and positive comments for the work of the Authority to reflect on.
  
12. Arising from this consultation, the planned availability of 32 to 44 fire engines as set out in the Plan will be adopted, and performance reported to Members at future meetings. In addition to achieving between 32 and 44 fire engines at all times, the concept of flexible resourcing as outlined in the Plan will also be adopted. The way this will be done is by utilising firefighters detached for a short period from their usual place of work, and able to form either a complete crew, travelling to the nearest spare fire engine, or by mobilising them individually to fill gaps on their fire engines across Kent and Medway whilst continuing to perform their primary role. Research indicates this could give us the equivalent of between five to 10 additional fire engines per weekday over and above the base requirement of 32 to 44, and has historically been used to good effect at a number of incidents as part of our dynamic resilience arrangements. However, as this is used in dynamic resilience it not something we have ever factored into our standard resourcing models to date.

## **IMPACT ASSESSMENT**

13. There are no cost implications arising directly from this report as availability levels can be contained within existing budgetary provisions. In terms of impacts on customers, maintaining a risk-based approach to home safety visits ensures that those with relevant protected characteristics will be targeted.

## **RECOMMENDATIONS**

14. Members are requested to:
  - 14.1 Approve that the Authority's base requirement for fire engines on a day to day basis be reset at between 32 and 44, as set out in the Safety and Wellbeing Plan (paragraph 12 refers).
  - 14.2 Note that the concept of flexible resourcing will be adopted, giving a resilience pool to call upon when required, of between five to 10 additional fire engines per weekday (paragraph 12 refers);
  - 14.3 Note the outcomes of the consultation process.

By: Chief Executive  
To: Kent and Medway Fire and Rescue Authority – 18 February 2022  
Subject: PAY POLICY STATEMENT AND GOVERNANCE UPDATE  
Classification: Unrestricted

**FOR DECISION**

**SUMMARY**

This report covers the following governance issues:

- A.** Pay Policy Statement (paragraphs 1-4 refers);
- B.** Pensions Update (paragraphs 5-9 refers);
- C.** Integrated Learning and Assurance Model (paragraphs 10-13 refers);
- D.** Equality Inclusion and Diversity Policy (paragraph 14 refers);
- E.** Closed Circuit Television Policy (paragraph 15 refers);
- F.** Safeguarding Policy (paragraph 16 refers);
- G.** Social Value Policy (paragraphs 17 refers);
- H.** Social Media Policy (paragraphs 18-20 refers);
- I.** Customer Feedback Policy (paragraphs 21-22 refers);
- J.** Emergency Planning and Contingencies Policy (paragraph 23 refers);
- K.** Automatic fire alarms Policy (paragraphs 24-27 refers);
- L.** Recently refreshed policies update (paragraph 28 refers);
- M.** Publication Scheme update (paragraphs 29–33 refer).

LEAD/CONTACT OFFICER: See each section

TELEPHONE NUMBER:

EMAIL:

BACKGROUND PAPERS:

## RECOMMENDATIONS

Members are requested to:

1. Approve the Pay Policy Statement for 2022/23 (paragraphs 1 to 4 and **Appendix 1** refer);
2. Approve the Integrated Learning and Assurance Model (paragraphs 10 to 13 and **Appendix 2** refer);
3. Approve the Equality Inclusion and Diversity Policy (paragraph 14 and **Appendix 3** refer);
4. Approve the Closed Circuit Television Policy (paragraph 15 and **Appendix 4** refer);
5. Approve the Safeguarding Policy (paragraph 16 and **Appendix 5** refer);
6. Approve the Social Value Policy (paragraph 17 and **Appendix 6** refer);
7. Approve the Social Media Policy (paragraphs 18 to 20 and **Appendix 7** refer);
8. Approve the Customer Feedback Policy (paragraphs 21 to 22 and **Appendix 8** refer);
9. Approve the Emergency Planning and Contingencies Policy (paragraph 23 and **Appendix 9** refer)
10. Approve the amendment to the Automatic Fire Alarms Policy (paragraphs 24 to 27 and **Appendix 10** refer);
11. Approve the Publication Scheme update (paragraphs 29 to 33 refer);
12. Note the Pensions Update (paragraphs 5 to 9 refer).

## COMMENTS

### A. Pay Policy Statement

*Lead/Contact Officer: Karen Irvine, Assistant Director, People and Learning  
01622 692121 ext 8298, [karen.irvine@kent.fire-uk.org](mailto:karen.irvine@kent.fire-uk.org)*

1. Sections 38 to 43 of the Localism Act 2011 requires all local authorities to prepare and publish an annual Pay Policy Statement. The requirements in the Act originate from the recommendations set out in the Hutton Review of Fair Pay in the Public Sector. This recognised not only the need for high-calibre leaders but also the requirement for fair levels of pay reflecting individuals' contributions whilst also reassuring the public that this was being achieved. The Authority's proposed Pay Policy Statement for 2022/23 is attached at **Appendix 1**.
2. The Hutton Review expressed concern over pay governance practices, in particular placing an emphasis on the pay and benefits received by Chief Executives. The Act specifically refers to the relationship between these and the lowest-paid employees by requiring that the ratio between the two is identified. Members will be aware that, under the Accounts and Audit Regulations 2015, the Authority is already required to publish, as part of its Annual Statement of Accounts, details relating to senior employee salaries, defined as £50,000 and above. For the purposes of the Pay Policy Statement it is not intended to replicate this information but to provide the necessary link to it through the website.

### Proposed Pay Policy Statement for 2020/21

3. The proposed Pay Policy Statement for 2022/23 differs very little from that agreed for last year. Changes have however been made to reflect the current establishment figures and the agreed pay increases for 2021 where agreed. The Statement also provides Members with the assurance that the Authority currently pays all of its employees an hourly rate above the living wage, including apprentices.
4. Members are requested to agree the Pay Policy Statement for 2022/23, which is attached at **Appendix 1**. Once the Pay Policy Statement has been approved it will be placed on the Authority's website so that it is available for the public to access. There are a number of links to other sources of information shown in the Statement and these will be included when the document has been approved and published.

### B. Pensions Update

*Lead/Contact Officer: Alison Kilpatrick Director, Finance and Corporate Services  
01622 692121 ext. 8262, [alison.kilpatrick@kent.fire-uk.org](mailto:alison.kilpatrick@kent.fire-uk.org)*

5. **July 2021 position:** Members will be aware of the ongoing issues in relation to the McCloud/Sargeant age discrimination pensions case, with the last update being provided to the full Authority meeting in July 2021. At that meeting it was agreed to progress Immediate Detriment cases, in line with guidance issued by the Home Office,

but only in the instances where there was sufficient information available to do so. However, at that time Immediate Detriment guidance published by the Home Office defined Immediate Detriment cases as those where benefits were not yet in payment and where the individual had not yet retired, but were due to retire before 31 March 2022. It did not apply to firefighters who are affected by this case but who had already retired. However, the application of this guidance was very much left to each Authority's discretion and there was no formal framework in place that could be applied.

6. **October 2021 developments:** Things have progressed slowly since that update, however a situation arose towards the end of October which necessitated an urgent meeting with the Chair of the Authority and Group Leaders, (held on 11 November 2021). This was to discuss the release of a Framework Memorandum of Understanding for managing the processing of the immediate detriment cases, applying the guidance, arising from the McCloud/Sargeant age discrimination judgement. Whilst the Framework Memorandum of Understanding had been jointly signed by the FBU and the Local Government Association, it was left to each Fire and Rescue Authority to determine whether or not they wished to sign the MoU. However, this Framework Memorandum of Understanding now also included those firefighters who have already retired, including ill health retirements, since 1 April 2015 and who are affected by the outcome of this legal case. Consequently, an update was presented to that meeting, expanding on the Framework MOU, following which it was subsequently agreed to Endorse the Chief Executive's decision to sign the proposed Framework Memorandum of Understanding.
7. **Christmas 2021 position:** However, in early December we were advised by Her Majesty's Treasury that the Immediate Detriment guidance no longer accurately reflected the current situation and as such there was uncertainty of how to proceed on some elements of the recalculations. This meant that there could be a potential significant risk to the retiree of unintended tax consequences arising through the recalculation of Immediate Detriment cases and also uncertainty as to how to recalculate certain other elements of their pension. As such Treasury no longer considered that the current Home Office guidance accurately represented the situation and therefore the Home Office took the decision to withdraw this guidance with immediate effect. Consequently, this meant that there was no Immediate Detriment guidance now available on which we could progress the payment of Immediate Detriment cases, and therefore the payment of pensions under this Framework and guidance had to be paused.
8. **Current position:** The consequential impact of the withdrawal of the guidance, has resulted in the need to pause the processing of any pension payments under the Framework. Clearly this is very worrying and concerning for those who were expecting to retire in the coming months and weeks. However, that does not stop those colleagues from retiring if they still wish to do so, but it does currently mean that they can only receive their pension benefit on the basis of their contributions prior to

implementation of the changes arising from this case. For some this may not be material, but for others the financial impact is greater. If colleagues do choose to retire on the pre- Immediate Detriment grounds then they will of course receive the balance of any pension due once the Pensions regulations are confirmed, which is currently expected to be in October 2023.

9. This is a very complex situation and all FRAs are in the same position, however Members can be assured that numerous meetings are still taking place to try and make some progress with regards to this issue.

### **C. Integrated Learning and Assurance Model**

*Lead/Contact Officer: Chris Else, Assistant Director - Resilience*  
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10. Members will recall reports to previous meeting describing the development of the Integrated Learning and Assurance Model, which is a single integrated approach, to learning and assurance. The Model is attached at **Appendix 2** for Members' consideration. It is focused on the learning of everyone that works for us, continually developing in their roles, and increasing our corporate understanding of risk which will help our customers stay safe and well. A large part of that is ensuring individuals maintain and build confidence and competence in their skills as a professional. We build in assurance of that competence as we work every day.
11. It brings together all the personal development, preparation, and activity the Service must do to ensure it maintains high levels of incident response standards, as well as meeting our responsibilities under the Fire and Rescue Services Act 2004 Section 7.2. The integration is about learning while carrying out, for instance, a Response Assessment Visit. This is about learning for everyone, including crews, building safety, customer safety and risk information team.
12. The approach has been developed as we want:
  - To always improve the services we deliver to our customers
  - To embed prevention and protection activity into our visits to highest priority sites and those that require Site Specific Risk Information and sites and premises that are most likely to experience fires and emergencies as identified through our risk-based inspection programme
  - To be the best we can be operationally and rehearse operational tactics across the range of scenarios we deal with
  - To be assured that we have the best trained people to resolve complex situations to achieve the best possible outcome for customers whilst keeping themselves and their teams safe
  - All colleagues to build behaviours which are inclusive of all our customers and supportive so everyone that works for us has knowledge of the range of issues which affect different people, i.e., bariatric patients, mental health disorders, neurodiversity, physical mobility issues etc

- Everyone to feel compelled to discuss professional issues and seek to continually improve. This could be by using tactical decision-making exercises which can be held in a room on a fire station, sharing practice across stations, open debriefing or hosting webinars with each other
  - Everyone to be confident when dealing with incidents in buildings with fire engineered solutions – whilst high rise is much in our minds we are equally concerned with sheltered accommodation and care facilities where most fire deaths in Kent and Medway occur
  - Everyone to develop the skills and knowledge that enable them to proactively identify and respond to cues and not simply react after an event has happened.
  - To continue to invest in blended learning and are exploring virtual reality as part of a national project. Having a focus on realistic exercises and an emphasis on learning which is visual and practical in nature
  - To ensure that everyone has the skills and knowledge to be safe in whatever situation they face. We need the assurance that those who are responding have a thorough understanding of fire behaviour and practical fire dynamics which underpins effective firefighting tactics suited to the circumstances and people involved
13. Members attention is drawn to the definition of a high-risk premises contained in **Appendix 2**. It has been amended in line with guidance issued by the National Fire Chiefs' Council to recognise the community impact the loss of a premises to fire may cause. The Authority's risk based inspection policy will be amended in line with this definition if Members approve the Integrated Learning and Assurance Model

**D. Equality Inclusion and Diversity Policy**

*Lead/Contact Officer: Karen Irvine, Assistant Director, People and Learning 01622 692121 ext 8298, [karen.irvine@kent.fire-uk.org](mailto:karen.irvine@kent.fire-uk.org)*

14. The Authority has a number of legal obligations under the Equality Act 2010. While it is our obligation to meet these duties, we believe as an organisation that has tangible impact on people's safety, it is important that we challenge ourselves to go beyond them and constantly improve. This new policy sets out the Authority's approach and is attached at **Appendix 3**. Members are requested to approve it.

**E. Closed Circuit Television Policy**

*Lead/Contact Officer: James Finch, Assistant Director, Corporate Services 01622 692121 ext 8453, [james.finch@kent.fire-uk.org](mailto:james.finch@kent.fire-uk.org)*

15. Until now, the Authority has not had a CCTV policy in place, so this plugs that gap in the corporate policy framework. The rationale behind this policy is to set out in plain terms an overview of where the Authority uses CCTV on buildings and vehicles, the purposes and limitations, access controls and associated processes around obtaining and sharing any footage. The policy deliberately does not cover drones, the command cameras, or the body worn cameras. This is because their purposes and usage are

different from that for CCTV installed on buildings and vehicles. It is attached at **Appendix 4**. Members are requested to approve it.

**F. Safeguarding Policy**

*Lead/Contact Officer: Jon Quinn, Director, Protection, Prevention, Customer Engagement and Safety*

01622 692121 ext 7806, [jon.quinn@kent.fire-uk.org](mailto:jon.quinn@kent.fire-uk.org)

16. The Authority has a number of responsibilities in relation to safeguarding. To meet these requirements, it conforms to Local Authority guidance and the National Fire Chiefs' Council safeguarding guidance for children young people and adults in relation to safeguarding arrangements. Safeguarding is the process that organisations put in place to make sure that they protect the safety and welfare of children, young people and adults at risk that they come into contact with during the course of their work. It also includes any specific activities that are undertaken to protect specific children, young people and adults at risk who are suffering, or likely to suffer, abuse. This policy sets out how the Authority discharges its responsibilities and updates the previous iteration. It is attached at **Appendix 5**. Members are requested to approve it.

**G. Social Value Policy**

*Lead/Contact Officer: James Finch, Assistant Director, Corporate Services*

01622 692121 ext 8453, [james.finch@kent.fire-uk.org](mailto:james.finch@kent.fire-uk.org)

17. This new Policy sets out the Authority's commitment to ensuring that the principles of the Public Services (Social Value) Act 2012 are applied in a way that enables the Authority to maximise economic, social and environmental benefits for our communities in Kent and Medway from our work. The Social Value Act requires public bodies to consider opportunities for social value when procuring all goods and services. Social value can be defined as increasing the social, economic and environmental wellbeing of the people we serve. When the concept of social value is included within our procurement activity, it is important to consider more than just the cost and direct benefits of a contract, but what value a contract might add to our communities. Social Value aims to move beyond making decisions based on financial cost or price alone. Instead, it advocates seeking 'value for money' in its widest sense by considering potential social benefits (involving people, culture and interactions), economic benefits (such as money flow and financial resources) and environmental benefits (involving the place in which people live, the planet and use of resources. It is attached at **Appendix 6**. Members are requested to approve it.

**H. Social Media Policy**

*Lead/Contact Officer: Jon Quinn, Director, Protection, Prevention, Customer Engagement and Safety*

01622 692121 ext 7806, [jon.quinn@kent.fire-uk.org](mailto:jon.quinn@kent.fire-uk.org)

18. In November 2021 the Information Commissioner's Office (ICO) issued updated guidance about official information held in organisations' non-corporate communications channels. In short, this guidance re-states the fact that organisations should only use corporate communications channels for official business and that anything held in non-corporate communications channels may be subject to a freedom of information request if it relates to that public authority's official business.
19. This would also mean that any personal data held in non-corporate communications channels (e.g. messaging platforms and private email addresses) would also fall within the scope of a data subject access request. In the event of such a request, this would potentially require colleagues to export conversations from the messaging platforms installed on their personal and/or work devices.
20. Consequently, it is recommended that the Authority's Social Media Policy be amended to take into account this latest guidance and clarify the fact that personal data about colleagues in relation to their role as KFRS employees is not to be shared on WhatsApp or other messaging platforms. This policy updates the previous iteration and is attached at **Appendix 7**. Members are requested to approve it.

#### **I. Customer Feedback Policy**

*Lead/Contact Officer: Jon Quinn, Director, Protection, Prevention, Customer Engagement and Safety*

01622 692121 ext 7806, [jon.quinn@kent.fire-uk.org](mailto:jon.quinn@kent.fire-uk.org)

21. The Authority's feedback and allegations policy has been reviewed. Members will recall the Authority achieved the ServiceMark, awarded by the Institute of Customer Service, in recognition of its outstanding customer service. However, the assessment undertaken by the Institute and a recent audit have highlighted a number of opportunities to embed a customer centric culture throughout the organisation. Work is ongoing to make these changes, including revising the Customer Feedback Policy which is attached at **Appendix 8** for Members' consideration.
22. The allegations element of the previous policy will be moved into a separate policy and brought back to a future meeting for Members' consideration. For the moment, the allegations element of the previous policy remains in place but the feedback element will be revoked, if Members approve Appendix 8.

#### **J. Significant Safety Event Protocol**

*Lead/Contact Officer: Chris Else, Assistant Director - Resilience*

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23. The Civil Contingencies Act 2004 places certain duties on the Authority. This includes the undertaking of risk assessments, the production and maintenance of emergency plans for preventing emergencies and for reducing, controlling or mitigating the effects of an emergency. Additionally, there is a duty to produce and maintain Business Continuity Plans for dealing with emergency situations that threaten the ability of the

Authority to maintain the delivery of its services. The policy that supports this work has been refreshed following the learning from the pandemic and is attached at **Appendix 9** for Members' consideration.

**K. Automatic Fire Alarms Policy**

*Lead/Contact Officer: Mark Woodward, Assistant Director, Customer and Building Safety 01622 692121 ext 8216, [mark.woodward@kent.fire-uk.org](mailto:mark.woodward@kent.fire-uk.org)*

24. Members will recall the Authority introduced a call handling filtering system for Automatic Fire Alarms incidents in 2012. This led the Authority to only respond to the activation of fire alarms if there is an additional notification of a confirmed fire. This has included all regulated Care Quality Commission care facilities including hospitals, hospices and care homes.
25. The Authority is aware of the changes to the Health and Care Act 2008 which requires care home employees to be fully vaccinated for COVID-19 has led a temporary reduction in staffing levels that could potentially delay our attendance in the event of a fire. The Government is also currently consulting on the requirement to be fully vaccinated being extended across the wider health and social care sector and this could, therefore, lead to further temporary staffing shortages.
26. The Authority has therefore taken the decision to temporarily reinstate responding to automatic fire alarm incidents without requiring confirmation of a fire in the following types of premises:
  - Hospitals
  - Hospices
  - Care Homes
27. This is a temporary measure that will be regularly reviewed by the Authority as staffing levels ease. For completeness the existing policy has been refreshed and is attached at **Appendix 10** for Members' consideration.

**Recently refreshed policies**

28. As part of the periodic process of refreshing our policy framework a number of People policies has been refreshed including Domestic Abuse, the secondary employment policy to encourage disclosure of secondary employment on a voluntary basis, simplifications to the special leave and managing change policies and minor amendments to the discipline policy.

**L. Publication Scheme**

*Lead/Contact Officer: James Finch, Assistant Director, Corporate Services 01622 692121 ext 8453, [james.finch@kent.fire-uk.org](mailto:james.finch@kent.fire-uk.org)*

29. **The Scheme:** The Freedom of Information Act requires every public authority to have a 'publication scheme', which sets out the classes of information that are held and

published along with the length of time that information is retained for. Our own publication and retention scheme ('the scheme') organises all of the Authority's information into 13 distinct classes, each of which are based on the key functions performed and undertaken by the Authority. Each class of information is further organised into a series of sub-classes so as to aid the identification and categorisation of the numerous types of information that are held. Against each of these is the period of time for which the information will be held before it is deleted.

30. The scheme also identifies what information may be requested under a 'freedom of information request' or a 'subject access request' and also the types of information that will be withheld because they are sensitive (e.g. Channel Tunnel related). It is important to note that the scheme only covers the information that is held in SharePoint, email, the instant messaging system and paper based records. It does not apply retention periods to data held in other systems such as Kronos, the finance system or iTrent.
31. **Retention periods:** In terms of retention periods, apart from a small number of exceptions (e.g. 40 years for property asbestos files, or 50 years for information on employees who have come into contact with asbestos or radioactive materials), the default period applied to documents in SharePoint was 7 years after the last modified date (not simply the file creation date). However, it had been previously identified that among all of the information covered by the 7 year retention period, there are two kinds of document.
32. The first are those documents whose retention period can simply be set at 7 years after their creation or modification date (termed: 'creation/modification-based retention'). The second are those documents that need to be retained for their normal working life plus a certain time period after a particular event, e.g. disposal of an asset, end of a contract or departure of an employee (termed: 'event-based retention'). In this case, a single 7 year retention period does not guarantee that such documents will be retained for the necessary length of time.
33. **Review of the scheme:** A complete review of the scheme was undertaken last year. This review involved senior managers/section heads from across the Service, without whose help this would not have been possible. As a result, the revised scheme is available here [Publication Scheme](#). Members are requested to approve it.

## IMPACT ASSESSMENT

34. There are no direct impacts from the contents of this paper which cannot be contained within existing budgetary provision. A people impact assessment has been completed for each policy attached to this report. There are a range of data associated with each policy which, if falling within the scope of the Equality Act 2010 will be appropriately protected by the Authority. Safeguarding by its nature deals with potentially very vulnerable clients, and it is important that the Authority has strong processes in place

to protect customers, and colleagues have confidence in using these policies. For this reason a programme of training is being rolled out.

## **RECOMMENDATIONS**

- 35. Members are requested to:
  - 35.1 Approve the Pay Policy Statement for 2022/23 (paragraphs 1 to 4 and **Appendix 1** refer);
  - 35.2 Approve the Integrated Learning and Assurance Model (paragraphs 10 to 13 and **Appendix 2** refer);
  - 35.3 Approve the Equality Inclusion and Diversity Policy (paragraph 14 and **Appendix 3** refer);
  - 35.4 Approve the Closed Circuit Television Policy (paragraph 15 and **Appendix 4** refer);
  - 35.5 Approve the Safeguarding Policy (paragraph 16 and **Appendix 5** refer);
  - 35.6 Approve the Social Value Policy (paragraph 17 and **Appendix 6** refer);
  - 35.7 Approve the Social Media Policy (paragraphs 18 to 20 and **Appendix 7** refer);
  - 35.8 Approve the Customer Feedback Policy (paragraphs 21 to 22 and **Appendix 8** refer);
  - 35.9 Approve the Emergency Planning and Contingencies Policy (paragraph 23 and **Appendix 9** refer)
  - 35.10 Approve the amendment to the Automatic Fire Alarms Policy (paragraphs 24 to 27 and **Appendix 10** refer);
  - 35.11 Approve the Publication Scheme update (paragraphs 29 to 33 refer);
  - 35.12 Note the Pensions Update (paragraphs 5 to 9 refer).

## Kent and Medway Fire and Rescue Authority Pay Policy Statement 2022/23

### Introduction

The Pay Policy Statement has been compiled in accordance with Sections 38 to 43 of the Localism Act 2011. The Act requires Kent and Medway Fire and Rescue Authority to publish a Pay Policy Statement annually. The information contained in this Statement is based on the position as at 31 October 2021, unless otherwise stated. The purpose of a Pay Policy Statement is to provide information to the public on the pay arrangements that apply to employees of the Authority, including the Chief Executive and their direct reports. The Statement also includes information on how decisions to set or change pay are made.

### Structure of the Workforce

As at 31 October 2021, 1,560 people worked for us. These employees span various pay groups which perform a variety of roles and have different working patterns to meet our business needs. In its simplest form these are employees who either have an operational role (such as firefighters working on fire stations, 999 operators in our Control Room and technical staff working in specialist areas) and wear a uniform; or those who provide administrative and back-office functions such as finance, information technology systems and human resources, and do not wear a uniform. A summary of the numbers in each of these categories is set out below in **Table 1**. Additionally, the Authority has a third group of employees, namely the Chief Executive, and three Directors; one of whom is uniformed and the others non-uniformed, which are not shown in the table below.

**Table 1: Number of Staff Employed by Category as at 31 October 2021**

Staff Group	Definition	Number of Staff in Group
<b>Whole-time Firefighters</b>	Firefighters who work an average of 42 hours a week to crew stations 24 hours a day either as firefighters located at the station, or as firefighters located at the station during the day and responding from their own homes on an on-call basis at night, or who work in specialist areas such as Building Safety. This figure also includes officers that do not work on fire stations.	694 (694 full-time equivalents)
<b>Control staff</b>	Uniformed staff who handle 999 calls and are based at the Fire and Rescue Control Centre.	39 (38.5 full-time equivalents)
<b>On-call Firefighters</b>	A duty system where firefighters respond from their own homes or workplaces located near to the fire station on an on-call basis.	480 (full-time equivalents not applicable)
<b>Corporate, front line prevention and protection staff'</b>	Staff who typically do not wear a uniform and largely work in administrative and professional support functions. A proportion (48, or 46.24 full-time equivalents) provide fire prevention and road safety advice and offer home safety services and specialist advice for those more at risk	343 (328.60 full-time equivalents)

## Part 1: Pay

### Pay Policy

The overarching framework for pay and conditions of service for staff employed by the Authority is governed by three National Joint Councils (NJC). These are

- the NJC for Local Authority Fire and Rescue Services
- the NJC for Local Government Services
- the NJC for Brigade Managers of Local Authority Fire and Rescue Services.

The principle role of each of these national bodies is to reach agreement on a national framework of pay and conditions of service for authorities to apply locally. Each NJC is made up of people who represent the employers and others who represent employees; the latter typically being trade union representatives. The frameworks of pay and conditions set by each of these national bodies are locally referred to as the Grey Book (generally applies to uniformed staff); the Green Book (generally applies to staff who do not wear a uniform); and the Gold Book (applies to the Chief Executive and three Directors) respectively.

Each NJC acknowledges that its national framework of pay and conditions will need to be adjusted locally to reflect local needs. Where appropriate this will be undertaken through local agreement, with recognised trade unions where they exist, or alternatively through local decision-making processes.

The Equality Act 2010 gives women (and men) a right to equal pay for equal work. The Authority last undertook an equal pay audit in 2017 to ensure that its pay and benefits policy and practices were not being applied inconsistently. There were no areas of concern identified as a result of the audit. An equal pay audit will take place in 22/23 and its outcomes will be reported to the Authority.

From 2017, Regulations included in the Equalities Act 2010 means that any organisation that has 250 or more employees has a legal responsibility to publish and report specific figures about their gender pay gap. The gender pay gap shows the differences in percentage terms in average pay between men and women within an organisation across all types of work/staff groups. (It is not the same as Equal Pay which is the difference between men and women who carry out the same or similar jobs or work of equal value).

Public Sector organisations must provide a snapshot for gender pay gap reporting at the 31 March for any given year. We have published our data for the snapshot for 31 March 2021. Our data was [published](#) before the deadline date. The data did not identify any areas for concern, but it did reveal that the gap was marginally in favour of women.

Within this data analysis we also looked at the ethnicity, disability and sexual orientation pay gap analysis for this year, which currently is not a requirement from Government. This analysis shows our commitment to improving representation across our organisation in terms of protected characteristics which we plan to support through a structured inclusive recruitment strategy, incorporating planned positive action activities across all roles, review our branding and our attraction package, with an emphasis on our flexibility as an employer.

## **Local Variations to Pay and Conditions of Service**

The national pay agreements and the terms and conditions constitute a minimum standard but it is acknowledged that these can be modified through local negotiation to reflect local needs. There is a mechanism in place to agree such changes. However, any changes to the pay or conditions of service of the Chief Executive and/or the Directors must be approved by the Authority's Senior Officer Appointment and Conditions (SOAC) Committee.

### **Pay Structure**

Each category of staff is linked to a pay structure directly linked to a national pay agreement. When the pay agreement has been amended to reflect local needs, Members of the Authority are updated accordingly.

The pay structure for uniformed staff is based on the national pay agreement which is negotiated and issued by the NJC for Local Authority Fire and Rescue Services annually and is based upon six roles. The annual salary within each role is a fixed-point salary. This means that unless the employee is promoted, or a national pay award is agreed, the salary will remain unchanged. Employees may move up the pay structure through promotion into a higher role. For an employee to do this they must be approved by their line manager as having demonstrated the type of behaviours and skills required of an employee operating at the higher level through the monitoring of their performance, undergo a development process and then by being successful through interview for a role at the higher level.

The pay structure is different for green book staff. Employees are appointed to a post which has a specific pay grade assigned to it. Within each grade there are between five and six [pay points](#). The experience and skills of the employee are evaluated against the requirements of the job which will then determine the pay point to which they are appointed. Progression to higher pay points within the grade will be dependent on the employee demonstrating continued development and performance against the requirements of the role which is measured through the continuous monitoring of their performance.

### **Pay Awards 2021/22**

An annual pay increase is awarded based on the outcome of the relevant national pay negotiation process. Based upon the decisions taken at a national level by the NJCs relevant to this Authority, the Authority's Green Book staff have not received a pay award for the year 21/22 as the pay offer is still being negotiated. Grey Book Staff received a 1.5% award effective from 1 July 2021. The pay award for the Chief Executive and Directors is described below.

### **How are Grades and Roles Determined?**

When a post is created or changes significantly it is evaluated in order that it can be matched against the appropriate grade for the role. A job evaluation process is used to determine the grade of a post. The process of job evaluation considers a range of factors relating to the demands of the job, including knowledge necessary to do the job; complexity; level of discretion in, and potential impact of, decision-making; and accountabilities in relation to people, finance and physical resources such as equipment or property. The job evaluation process ensures that the principle of equal pay for work of equal value is met and that the demands required of the post are assessed as objectively as possible. The job

evaluation process includes input from trained individuals from across the organisation including union representatives.

The job evaluation process was last reviewed in September 2018. The scheme still follows the principles of the NJC scheme but some factors have been updated to ensure the scheme better relates to specialist/professional roles.

The Authority has an Establishment Group which considers the future needs of everyone that works for us, what posts are needed and which can be deleted. Within this group, where uniformed vacancies arise or will occur at some point in the future, consideration is given to the post being converted from uniformed (Grey Book) to non-uniformed (Green Book) terms and conditions.

### **Supporting and Encouraging Performance**

The Authority supports all employees to develop and perform to the best of their ability. To do this there are management training and procedures such as Supporting Talent and Career Aspiration Conversations which encourage talent management conversations to help individuals to maximise their potential and support their development, engagement and career progression.

Managers support individuals through continuous dialogue therefore giving timely feedback on performance, supporting encouraging and checking regularly on individual's wellbeing. They also offer individual's a more in-depth career conversation, to explore how they would like to progress in the organisation on a longer-term basis. This information is collated through the Talent Bench Review process, which is used to inform succession planning and progression.

The Authority seeks to encourage individuals to own their development with the support of their manager and the organisation. This may be through; the creation of an individual development plan to support performance/wellbeing/progression towards promotion, access to a professional qualification via the Authority's Bursary scheme, Continuous Professional Development (CPD) allocated days or through external and internal events and workshops.

Where there are concerns about performance and an individual becomes subject to the Authority's formal capability procedure, this may have an affect on their pay, and the continued payment of CPD. CPD is designed to recognise and reward experienced employees who are able to demonstrate continuous professional development. It is expected that employees will maintain a high level of continuous professional development and commitment to their job to receive a CPD payment.

The Authority does not currently have arrangements in place for performance related pay as part of its appraisal of performance; neither does it have any arrangements in place for the payment of bonuses.

### **Market Premiums**

In 2018 the Authority introduced the use of market premium payments for the purpose of attraction within recruitment and retention of key staff. The recruitment of certain specialist staff, particularly within the Information Technology (IT) department, has proved difficult with roles being advertised and subsequent applications being poor in quality and quantity.

Therefore, a procedure to apply market premium was developed and approved through Establishment Group.

### **Senior Officers**

The Authority is required to publish information relating to the pay of its most senior employees, which are defined as those employees whose annual salary is £50,000 or more. We publish this information in salary bands only, showing how many officers are in each band. The pay of the Authority's most senior officers is published with their name. This information is [published](#) on an annual basis as part of the Statement of Accounts.

The Senior Officer Appointments and Conditions (SOAC) Committee has a specific remit from the Authority to consider and make decisions about the remuneration and terms and conditions of employment of the Chief Executive and Directors.

### **Decisions made by the SOAC Committee in the Period up to 31 October 2021.**

There were three SOAC Committee meetings held between 31 October 2020 and 31 October 2021. One approved the recruitment and appointment, to the position of Director Operations, with effect from 10 May 2021, whilst the other approved the flexible retirement of the Director of Finance and Corporate Services from 24 October 2021.

The third committee agreed the following:

Pay award for the Chief Executive and Directors – Pay awards in relation to this group of staff will generally follow the recommendations of the NJC for Brigade Managers of Local Authority Fire and Rescue Services. The NJC reached agreement on a pay award for 2021 of a 1.5% increase on basic pay, effective from the 1 January 2021. The SOAC Committee approved the application of this award to the Chief Executive and Directors.

### **Ratio between Highest Earner and Average Earnings of the Organisation and Definition of 'Lowest Paid'**

The Authority is required to publish information which expresses as a ratio the difference between the pay of its highest paid employee and the average pay for all other employees. The Authority is also required to publish its own definition of 'lowest-paid' employees as it applies to the Authority's workforce.

The Authority has a range of staff employed on different conditions of service and this means that it has a range of salary levels. Some staff are employed on contracts which are regarded as secondary employment. This means that they are able to undertake their contract in addition to other full-time employment. Specifically, this relates to firefighters who work the 'on-call' duty system, providing on-call availability from their home or place of work. These employees have full-time work outside the Authority.

The Table below sets out the difference between the pay of the highest paid employee (who is the Chief Executive) when compared to the average pay (total pay divided by the number of employees) of all other employees. The information illustrates that the Chief Executive's pay is 3.98 times more than the average pay of all other employees as at 31 October 2021.

**Table 2: Pay Ratio**

	Oct-20	Oct-21	Degree of Change
<b>Chief Executive's Salary</b>	£157,904	£160,273	1.5%
<b>Mean Salary</b>	£39,649	£40,250	1.5%
<b>Ratio</b>	3.98	3.98	0.00

This ratio is calculated by dividing the Chief Executive's salary by the mean salary for other staff (excluding overtime).

### **The Authority's Definition of 'Lowest-Paid' Employees**

The Authority regards its lowest-paid employees to be those employed on its Green Book conditions of employment. These are employees who do not wear a uniform and who work in administrative and corporate function areas. Employees can be employed on grades which range from 2 to 12. The Authority currently does not have any Grade 2 posts in its establishment. It has removed some of its Grade 3 posts due to a job evaluation process, where it has reviewed its support and administrative roles giving these greater responsibility, therefore increasing the roles to Grade 4.

The Authority recognises that the necessary training and development can be provided in-house over a relatively short period and therefore specific skills or experience are not specified as essential at the recruitment stage. The Authority is committed to supporting all staff to develop and in addition a number of teams have built into their structure, graded progression posts.

The salary range that applies to grade 3 is £19,000 - £21,419 (excluding any pay award from April 2021, as it has not yet been agreed). The minimum hourly rate for a grade 3 role is £9.87 per hour, which is greater than the current National Minimum Wage (£6.83) and National Living Wage (£9.50 per hour as at 31 October 2021) but marginally less than the Real Living Wage, which is £9.90 as at November 2021. Consequently, the Authority has ensured that all employees, including apprentices, received no less than the Real Living wage, with effect from November 2021.

As at 31 October 2021 there were 3 apprentices working within the support functions of Fleet and Health & Safety. As a result of Covid the Authority has not actively sought to recruit any additional apprentices during 20/21. However, it does plan in 2022 to start actively recruiting apprentices again, with the hope of having a total of ten apprentices by the end of 2022.

Apprenticeship pay was £5.76 per hour, however a decision has been made to place all current apprentices on the Real Living wage with effect from April 2021. This will also apply to all future apprentices.

The Authority has met the requirements under the [Apprenticeship levy](#).

## Part 2: Pensions arrangements

### Pension Arrangements

The Authority currently administers five occupational pension schemes. There are four schemes for firefighters

- the Firefighters' Pension Scheme 1992 (FPS) (closed to new entrants from April 2006)
- the New Firefighters' Pension Scheme 2006 (NFPS) (closed to new entrants from April 2015)
- the Modified Scheme 1992/2006 (specific to retained firefighters who served between 1 July 2000 and 6 April 2006)
- the Firefighters' CARE Pension Scheme 2015 (FPS 2015)

The employee contribution rates effective from 1 April 2021, determined by statute, currently range from 11.0% to 17.0% for the FPS, 8.5% to 12.5% for the NFPS, 11.0% to 17% for the Modified 2006, and from 11% to 14.5% for the FPS 2015, depending on salary level. Employer contribution rates are 37.3% for FPS, 27.4% for NFPS, 37.3% for Modified 2006, and 28.8% for FPS 2015 of core pensionable pay respectively.

Each scheme includes discretions which the employer decides how to apply. In November 2014 the General Purposes Committee approved an overarching Pensions Policy which defined five key principles, each of which the Chief Executive must ensure is considered before applying any such discretions on behalf of the Authority. This Policy will be reviewed in 2022 and the key principles will be refreshed considering changing pensions legislation.

Green Book staff have the right to belong to the Local Government Pension Scheme (LGPS). The employee contribution rates for this scheme currently range from 5.5% to 12.5% depending on salary level. However, the employee does have a right to choose to reduce to 50/50 contribution, i.e. reducing their contribution to half, but this does have an impact on their benefits. The employer contribution rate increased from 13.5% to **14.5%** from the 1 April 2021.

A new Local Government Pension Scheme (LGPS 2014) came into effect on 1 April 2014. This Scheme is a 'Career Average Revalued Earnings' (CARE) Scheme, unlike the original LGPS which is a final salary scheme. The new LGPS 2014 scheme introduced five employer discretions which were agreed by the General Purposes Committee in November 2014. Generally, these discretions lead to enhanced benefits to scheme members, but result in additional costs which fall to the Authority and not to the pension scheme.

### Re-engagement of Employees

For Grey Book staff who are members of the Firefighters' Pension Scheme (1992) and New Firefighters' Pension Scheme (2006) a policy regarding re-employment and the treatment of pensions in payment has been in place since March 2010. This policy is based on the Regulations under each scheme and guidance provided by the Government.

The principal and process of the policy is that any re-employment, for all levels, following retirement, must be to an advertised vacancy, and as a result of a normal open and competitive selection process. Where re-employment is secured, the pension is adjusted (where relevant) so that the combination of pension and new salary does not exceed the

individual's salary at the time of their retirement. This adjustment process is called abatement. The process of abatement is not included in the Local Government Pension Scheme regulations and therefore does not apply to Green Book employees.

However, in April 2019 the Authority agreed a discretion to allow abatement not to be applied to specific roles within Business Safety. Following the Grenfell Tower Fire there has been an increased focus nationally regarding the inspection process on fire safety and prevention work conducted by Business Safety teams. Much of this work requires a specialist skill set. The recruitment of qualified personnel in this area was and continues to be difficult, and as a result of impending retirements at the time, of a number of qualified staff, their loss of skills from this team would have been significant. Therefore, a discretion was agreed not to apply abatement to fire safety officers retiring from these specific posts.

This discretion was set for a maximum of two years, however in April 2021 the Authority extended it by a further two years. During the past two years the Building Safety team have worked hard on increasing their skill set within the team. However, the requirement for this specific skill set is much in demand in the employment market, and as such a number of employees have been attracted by other employers to these highly skilled and sought-after roles. This has resulted in the organisation struggling to recruit suitably qualified and experienced personnel to these vacancies. Consequently, we are in the process of recruiting a number of trainees to fill these vacancies, however, the duration of their training is some 18-24 months.

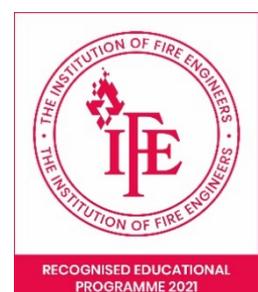
In July 2020 the Authority agreed a further discretion to allow abatement to not be applied to the post of Operational Development Technician PPE (Personal Protective Equipment). This discretion was granted for a maximum of two years. This decision was based on the current post holder's specialist skill set and their use of these skills within the national arena for the Fire Service. Such skills are not readily available within the recruitment market.

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# Integrated Learning and Assurance Model (ILAM)

Our framework for professionalism



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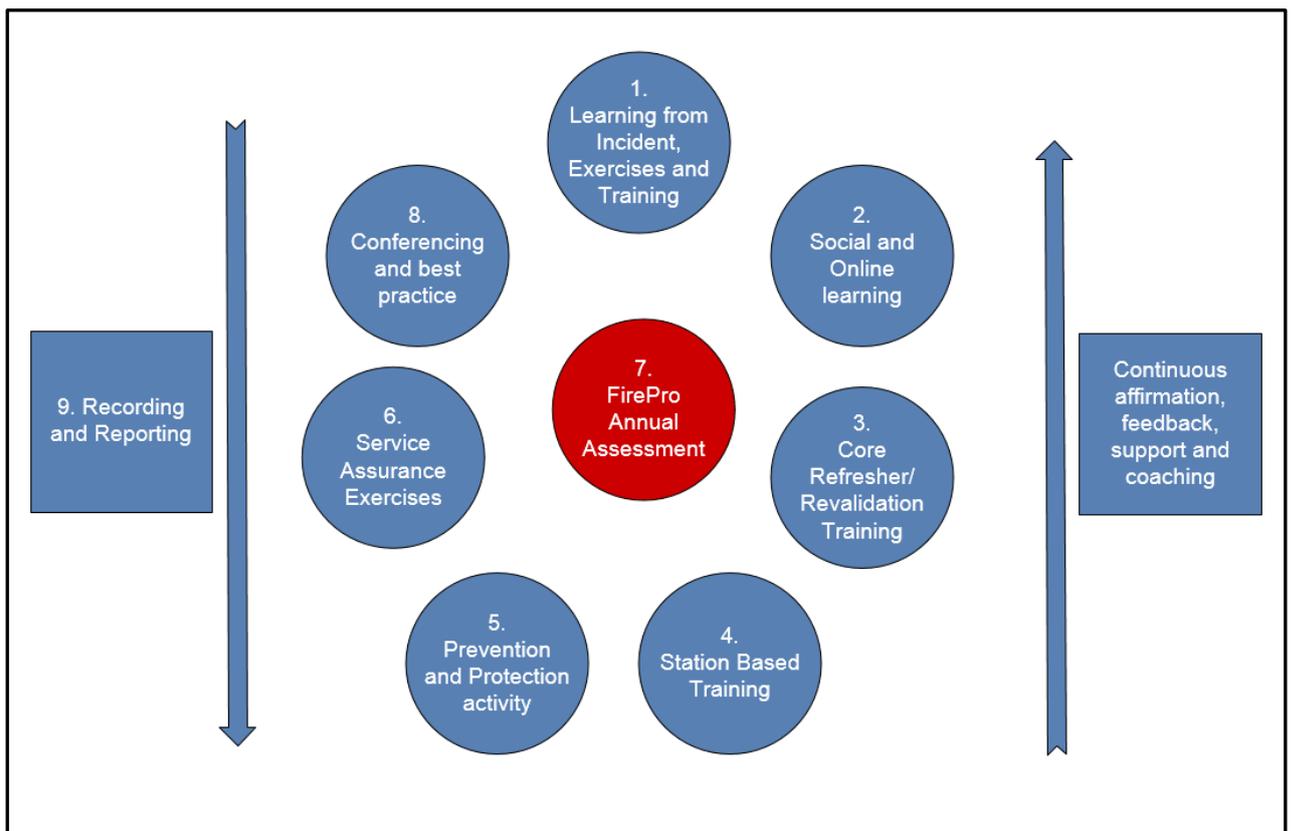
## Introduction

We have pulled together all our key elements of learning and assurance to create a single integrated approach, known as the Integrated Learning and Assurance Model (ILAM). ILAM is focused on our learning, continually developing in roles, and increasing our understanding of risk which will help our customers stay safe and well. A large part of that is ensuring individuals maintain and build confidence and competence in their skills as a professional. We build in assurance of that competence as we work every day.

For KFRS colleagues, this brings together all the personal development, preparation, and activity the Service must do to ensure it maintains high levels of incident response standards, as well as meeting our responsibilities under the Fire and Rescue Services Act 2004 Section 7.2. The integration is about learning while carrying out, for instance, a Response Assessment Visit. This is about learning for everyone, including crews, building safety, customer safety and risk information team.

The diagram below shows how the process works. The first stage is carrying out a review of our learning from incidents exercises and training across all the ILAM elements. And then produce a two-year themed plan of activity. The final stage is to use the FirePro annual assessment to provide personal and organisational assurance that the themes have been completed. We then return to the first stage of review and assessment and start the cycle again.

**Figure 1 – The ILAM Framework**



Learning is underpinned by our focus on prevention and protection activities in our customer's homes, high priority sites and premises which require Site Specific Risk Information; and sites or premises that are most likely to experience fires and emergencies as identified through our joint risk-based inspection programme. The ILAM is reviewed annually, appendix 3 provides an illustration of this process.

We have done this to ensure the Service has an effective, assertive, and safe operational workforce - one that has been tested as competent and is licenced to respond on the Service's behalf to the wide range of incidents we attend.

**WHY do we need this new approach?** It's always about improving services for our customers but also we want:

- To embed prevention and protection activity into our visits to highest priority sites and those that require Site Specific Risk Information and sites and premises that are most likely to experience fires and emergencies as identified through our risk-based inspection programme.
- To be the best we can be operationally and rehearse operational tactics across the range of scenarios we deal with.
- To be assured that we have the best trained people to resolve complex situations to achieve the best possible outcome for customers whilst keeping themselves and their teams safe.
- All colleagues to build behaviours which are inclusive of all our customers and supportive so everyone that works for KFRS has knowledge of the range of issues which affect different people, i.e., bariatric patients, mental health disorders, neurodiversity, physical mobility issues etc.
- Everyone to feel compelled to discuss professional issues and seek to continually improve. This could be by using tactical decision-making exercises which can be held in a room on a fire station, sharing practice across stations, open debriefing or hosting webinars with each other.
- Everyone to be confident when dealing with incidents in buildings with fire engineered solutions – whilst high rise is much in our minds we are equally concerned with sheltered accommodation and care facilities where most fire deaths in Kent & Medway occur.
- Everyone to develop the skills and knowledge that enable them to proactively identify and respond to cues and not simply react after an event has happened.
- To continue to invest in blended learning and are exploring virtual reality as part of a national project. Having a focus on realistic exercises and an emphasis on learning which is visual and practical in nature.
- To ensure that everyone has the skills and knowledge to be safe in whatever situation they face. We need the assurance that those who are responding have a thorough understanding of fire behaviour and practical fire dynamics which underpins effective firefighting tactics suited to the circumstances and people involved.

This model sets out the requirements and the expectations of the organisation. However, teams will need to look at defining what professional excellence means to each station or department.

The information below outlines the different elements of learning, all of which are designed to assist learning and update colleagues on new approaches. This will help everyone pass their annual FirePro assessment and develop a local approach to achieving professional excellence.

**All activity will be supported by continuous affirmation and feedback to individuals from their line manager. Continuous focus on performance management can include formal feedback and discussion meetings, if that works for the individual. Our emphasis is on daily, weekly, and monthly dialogue, with performance coaching, so it builds confidence. That's the same for everyone who works here.**

This framework summarises ILAM and the associated policy areas but there will be a number of other policies, procedures and processes that either directly or indirectly help to deliver the ILAM model.

## **Element 1 – Learning from incidents, exercises, and events.**



Any incident, exercise or work activity can identify learning considerations for individuals, teams, and the Service, every day. We recognise this as part of our approach to Operational Learning, and our Operational Learning plan identifies the three key activities where colleagues can submit and learn from incidents, these are: the structured debrief route; the on scene debrief & feedback route; and through communication with the response assurance team at incidents

The structured debrief process involves key colleagues who took part in an incident or event and are automatically commissioned for all Critical Incidents and Service exercises. Structured debriefs can also be requested by contacting the Operational Learning team. A formal Structured debrief is the primary mechanism to review an incident, exercise, or event end-to-end, including colleagues from the Fire and Rescue Control Centre through to subsequent actions by departments such as Customer Safety and Building Safety.

The [feedback](#) route is open at any time and available to everyone that works for us. This provides feedback, comment, and opinions on everything, including operational policies, procedures, guidance, PPE (Personal Protective Equipment), operational equipment, and training. The feedback app is available via every desktop and is also provided on all KFRS mobile phones.

Anyone providing feedback will receive subsequent updates on the progress of their submission as it is discussed and progressed within the organisation. Both processes are completely transparent. Everyone who works here may view any outcomes from either, both open and completed [HERE](#), at any time.

We welcome more openness as everyone gets used to sharing issues without feeling defensive and trusting that we are not looking to find blame. We want everyone to feel able to share issues and learn from our experiences, not just those that happen in Kent or Medway, but from other fire and rescue services, and our partner agencies. National Operational Learning, which is key in developing future guidance for the whole sector, is another route we can learn from. We can really take a leaf out of the aviation and maritime industries and adopt their open approach to accident investigation to seek improvement without fear of blame.

### **Response assurance**

The dedicated response assurance team will co-ordinate incident ground assurance visits with officers attending scenes to review tactical actions, knowledge and decision making. These visits may be focused on a central theme or be generic but will use the N.O.G scenarios and the [THINCS System](#) behaviour marking scheme as a basis for assessment.

All officers will be expected to actively monitor incidents to identify learning opportunities. They will proactively feed in any observations or issues arising from on scene debriefs or feedback from crews to the Operational Learning team. This will help to ensure that what is being learnt is also being applied at all incidents.

## Service Policy

KFRS is a learning organisation, we will learn from the incidents we attend, feedback from our customers and from significant incidents our partners and other fire services attend nationally and globally. We will follow the relevant national fire standards to achieve this by:

1. Having a process in place to act on National Operational Learning Action Notes and Information Notes
2. Having processes in place for capturing learning:
  - at incidents
  - post-incident
  - as a result of training exercises undertaken both internally and multi-agency / cross border
  - as a result of near miss or accident investigations that may be relevant to operational response
  - from any other sources
3. Evaluating learning to identify, assess and implement improvements
4. Showing that learning is evaluated and that improvements have been adopted and embedded
5. Being able to demonstrate established mechanisms for sharing learning via any combination of the following
  - internally
  - with neighbouring services and other responder agencies
  - using the National Operational Learning system
  - using the JESIP Joint Organisational Learning system
6. Applying three fundamental approaches to managing operational learning:
  - use National Operational Guidance as the common framework to identify the areas of operational activity where change may be required
  - use a consistent approach to analyse and objectively compare what has happened against the control measures contained in National Operational Guidance which provide good practice
  - maintain an open reporting culture, even when details of learning are sensitive; concentrating as National Operational Learning does, on the 'how' and 'why' of the learning and not the "who"
7. Referencing the NFCC (National Fire Chiefs Council) National Operational Learning: Good practice guide for fire and rescue services in policies, procedures, tailored guidance, and training

## Element 2. Social and Online Learning

Blended Learning

Buildable Learning

FireCraft

In a world of YouTube and Google, people have come to enjoy seeking their own learning in an informal way at a time that suits them. We continue to develop both formal blended learning using video clips, virtual reality, webinars, coaching etc. We will grow informal learning through finding and sharing your video clips, podcasts and experiences via our [FireCraft](#) video library, which is designed to provide operational colleagues with the ability to share knowledge and experiences in a video format.

All the materials used for blended learning must be compliant with National Operational Guidance (N.O.G) so that we know it is up to date and that the learning is current and meets agreed processes and procedures.

Buildable learning is designed to be chosen by individuals, as and when needed. It allows for a colleague who has some free time to, , for example, pick two five-minute videos from the N.O.G product packs on stairwell protection and discuss them amongst your team. This is designed for colleagues to pick up bits little and often, developing skills by hearing about great ways to coach people via a podcast and then applying them in a training environment.

There is also the opportunity for a wealth of personal and professional development as we have partnered with [LinkedIn](#) Learning making 500 licences available to colleagues. With over 16,000 courses available and learning pathways to take colleagues from beginner to expert. Allowing everyone to access training as and when needed. For access details please contact the [People and Organisational Development Team](#).

## Element 3. Core Refresher/ Revalidation Training

Incident Command

Emergency Response Driving

Water Rescue

Working at Height

Fires and Firefighting

Immediate Emergency Care

Statutory Modules (i.e Safeguarding)

New firefighters and colleagues maintaining competence need regular learning to create a shared basis of professional understanding, as well as to update on new ways of working which ensures consistent and current professional practice.

Throughout the year colleagues will return to a Learning and Development location or have training coaches attend a local station to develop new tactics, techniques and enhance everyone's knowledge and understanding within the core skill areas applicable to every role. For a number of core skills, a re-validation will be conducted that meets the requirements of any relevant awarding body and the applicable fire standards.

The Learning and Development team will ensure everyone is invited onto revalidation courses before skills expire. All colleagues are expected to attend these courses to remain 'in ticket' for their relevant skill sets. For anyone whose skills have expired due to long term sickness, modified duties or parental leave, an individual Training Needs Analysis will be conducted in liaison with the L&D team, your line manager and you to ensure everyone receives the required input and support prior to returning to full operational duties.

## Element 4. Station based training against the National Operational Guidance Scenarios aligned to Institution of Fire Engineers syllabus.

### N.O.G Scenarios spread across three terms over two years



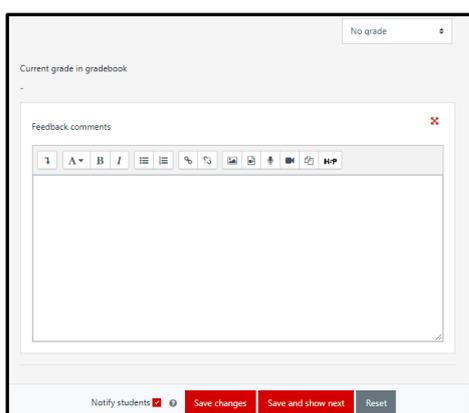
Every station-based team, over three terms per year, will focus on the N.O.G scenarios and work through them; from reading the policy, working through knowledge assessments with the help of blended learning materials, carrying out tabletop exercises, a simulated tactical decision-making exercise and a practical drill or exercise. Most of the materials will be designed by the Learning & Development team but may also include FireCraft elements submitted by other teams, [incident debrief reports](#) or [case studies](#).

In each year there is a themed month, which will allow us to focus on a specific area that has been highlighted (either by response assurance feedback, incident debrief or national learning) as requiring a specific focus.

Our Learning Management System, [Moodle](#), is our competency recording system, which will be used to record completion of each activity every month alongside assessment scores. Line Managers will regularly monitor colleagues and verify competence by a formal sign off every six months. Centrally run reports will also be available to monitor any themes, such as a service wide lack of understanding in any area that will prompt a review of the learning materials and action to ensure colleagues are supported in achieving the required standard.

### Line Manager sign off within Moodle

When signing off a team member in April or October colleagues will see the following page:



Managers should consider the following before providing some brief feedback:

- Their knowledge assessment scores (available in the Moodle grades)
- Participation in station training events, response assessment visits and simulated incident activities
- Any relevant and recent operational incidents

The comments box is for Crew and Station Leaders to highlight any areas of strength, areas of development or any other relevant feedback on the previous SBT months. Once completed click 'save' or save and move on to the next person.

### **Operational Colleagues with a Corporate Team Manager**

All operational managers can review SBT progress for all colleagues; therefore those reporting to a corporate team manager should simply request a nominated operational manager to provide feedback on SBT and pass this onto their line manager.

### **Firefighters in Development**

Firefighters can start recording station-based training when they have completed their 20 weeks whole-time pathway (Wholetime) or completed the foundation course (On call). They can still join in with their team training, but their focus is on their initial development towards being signed off as competent by the L&D team at their end point assessment. After this they will be expected to complete all areas of Station Based Training.

### **Returning after a period of absence**

It is expected that colleagues will ensure that they have completed the final knowledge assessment and simulated incident exercise for the months that have been missed upon their return to operational duties. If they have been off for over three months, then a Training Needs Analysis should be conducted with the assistance of the L&D team.

### **Institution of Fire Engineers Accreditation**

At the end of the second year and after covering the six terms, all station colleagues will have generated sufficient evidence to be eligible to upgrade their membership with the [Institution of Fire Engineers](#) at Technician level (TIFireE), which has equivalency to an educational Level 3 Certificate.

We see Technician level as the minimum level for a professional firefighter and we encourage colleagues to study for higher levels of membership. As colleagues progress through their career, everyone will be expected to upgrade their membership to higher grades according to the role. The required grades for each role are contained in the job descriptions and a guide is in Appendix 2 of this document. The [IFE website](#) has full details on the several ways membership can be upgraded.

Delivering our training in this way, and having it accredited by the Institution of Fire Engineers, gives everyone access to their membership, professional journal articles, case studies, standards, and online continuous professional development recording, for all colleagues including on-call without onerous additional commitments.

KFRS holds corporate membership with the IFE. All station-based colleagues have their membership fees covered by this subscription as we are committed to ensuring everyone is professionally registered and can evidence current knowledge within the fire sector. IFE gradings are also a requirement within all job descriptions, ensuring CPD is measured as everyone progresses throughout their career. Appendix 2 indicates the IFE grades required for each role.

We are committed to continued professional development in the workplace and will support everyone's career development through a variety of ways, for example:

- IFE membership
- Regular informal feedback and coaching
- 360 feedback and development plans

- Talent Bench Review
- The Bursary Scheme; and
- Other academic routes

More details on this can found in the [Supporting Professional Development Policy](#)

## Service Policy

Elements 2,3 and 4 of ILAM all relate to learning, these elements will be coordinated so they support each other and are in line with national guidance and best practice. We will follow the relevant national fire standards to achieve this by:

1. Complying with health and safety legislation when delivering an operational response
2. Basing our operational policies, procedures and tailored guidance on National Operational Guidance, unless by exception its content is not relevant to the service
3. Having policies, procedures and tailored guidance in place, that provide operational and fire control personnel with current information and instructions about foreseeable hazards and the control measures that can be applied
4. Basing our training for operational and fire control personnel on National Operational Guidance
5. Training operational and fire control personnel to a level of competence that enables them to carry out operational activities safely and effectively; this includes the ability to recognise hazards and put effective control measures in place to mitigate those hazards
6. Following the tactical actions provided in the suite of National Operational Guidance, unless by exception a tactical action is not relevant to the service
7. Being able to evidence how our policies, procedures and tailored guidance are linked to the training of operational and fire control personnel
8. Being able to evidence any exceptions to National Operational Guidance, with an appropriate impact assessment
9. Developing working arrangements with other fire and rescue services and responder agencies, to improve their operational response to multi-agency incidents
10. Developing and supporting all operational colleagues from Firefighter to Director of operations to achieve IFE qualifications and maintain IFE membership through continuous professional development.

## Element 5. Protection and Prevention activities at sites and in the community through direct work and exercises.

Response  
Assessment Visits  
(RAVS)

Response  
Assessment Visits  
Intelligence (RAV  
INT)

Home Fire Safety  
Visits  
(HFSVs)

Safeguarding &  
Priority Referrals

Site Specific Risk  
Information  
(SSRI)

There have been several high-profile fires over the years, and we have all been witness to the Grenfell Tower fire in June 2017. In the wake of that tragic fire and the emergent issues about the safety of our built environment, we need a unified response across our Service to build in safety and to remove sources of risk, wherever possible. This element outlines what operational crews do to improve site safety.

### Understanding what Section 7 and 7.2(d) of the FRS Act means.

Colleagues may have heard reference to 7.2(d) in the past, this refers to the section of the Fire and Rescue Services Act 2004 that requires us to obtain information for the purposes of fighting fire and protecting people and property. The term has often been used when making visits to sites, but the duty is in fact much wider than that, and needs to be thought about alongside all the duties in Section 7.2 of the act, not just 7.2(d) such as:

7.2(a) - Provide people, vehicles, and equipment

7.2(b) - Provide training for personnel

7.2(c) - Take emergency calls and mobilise resources

7.2(d) - Obtain information for the purposes of fighting fire and protecting people and property.

7.2(e) - Make reasonable steps to prevent or limit damage to property when firefighting and rescuing people.

Between the Integrated Learning and Assurance model and the clarity of roles outlined in this document we can ensure we have a good understanding of Section and 7.2(d) in its widest sense. The whole systems approach means that the [Dynamics](#) system has, or will have, an information record about each site gained from:

- building safety audits
- priority and assessment visits to create Site Specific Risk Information
- operational debriefs
- response assessment visits including site safety checklists and people impact assessments
- response assessment visits (Intelligence)
- safe and well prevention visits
- home fire safety visits
- formal exercises
- service assurance exercises

This gives us a full picture about each site and so it is the whole system which is defined as 7.2(d) not just doing a visit. This information then informs procurement of equipment, the training needed for all colleagues and the issues of impact assessment for people, sites, and systems.

### Risk Based Inspection Programme

There are around 100,000 premises that fall within the scope of the Fire Safety Order, which makes it unrealistic to visit them all. Resources must be therefore prioritised to where

the risk is greatest. This is the primary function of the [Risk Based Inspection Programme \(RBIP\)](#). A blend of intelligence and risk-based data is used to align resources. Those premises most at risk will be allocated more time and resources than ones that have been assessed as low risk.

To establish clarity and priority for where and when we place our resources in relation to 7.2(d), we use the following definitions of risk re sites.

## **Building Safety (Protection) - What do we mean by High-Risk?**

### **Service Policy**

Kent and Medway Fire and Rescue Authority defines high-risk premises as:

- those premises where people sleep or a licence (issued under the Licencing Act 2003) is in force, or has exceptional value to the community or society and data suggests they are likely to have fires, and
- any premises where intelligence indicates a perceived likelihood of an incident occurring

High risk premises will be inspected by the Authority at least once every three years.

Any alleged fire safety concern will be assessed and responded to within 24 hours.

### **Operational Response**

Sites that require site specific risk information are identified in several different ways. The following six routes of identification are the most likely:

- Locally identified by colleagues at stations using local knowledge, professional judgement and through Response Assessment Visits and/or the Response Assessment Visits (Intelligence)
- Following a recommendation from an incident debrief
- Sites identified by KFRS colleagues in other sections of the Service through their normal functions, such as Building Safety.
- Sites notified to KFRS via a third party, such as Local Authorities, other category 1 and 2 responders in Kent or from responsible persons at sites
- Following direction from Corporate Management Board, partner agencies or national intelligence from Government as a result of risk-based inspection themes.
- Following identified sites as required by N.O.G

### **Response Assessment Visits**

We will carry out Response Assessment Visits at sites identified through the risk based inspection programme (these visits are known by other services and were known in KFRS previously as 7.2.d Familiarisation visits). We need a clear and formal approach to visits, so we get a better information flow into Dynamics and out again for different purposes, such as data for MDTs (Mobile Data Terminal) during an incident. Building Safety, the Risk Information and Station teams will work in a coordinated approach to building accurate data for each site.

The Risk Information team is responsible for ensuring that we have a new, user-friendly system for gathering, storing and accessing all Site-Specific Risk Information about the sites that we serve in Kent and Medway. They carry out an assessment which will produce a Site-Specific Risk Information record and give a priority rating; this information is focused on operational response in relation to a site which is stored in Dynamics. The *Priority and Tactics Assessment* will establish if generic N.O.G tactics and control measures apply and/or develop specific tactics and procedures for crews to familiarise themselves and rehearse in visits and exercises. The Risk Information team will also, in line with Building Safety, set the priority (based on identified risk) for the inspection and exercise programme.

### **Standard Content of Response Assessment Visit**

Crews play a vital role in reality testing the information and rehearsing response tactics. They will use an MDT (Mobile Data Terminal) companion device when carrying out a Response Assessment Visit, which can display information on that building from Dynamics. The Risk Information team will assess site specific risk information (SSRI). The crews will use this information in two ways. Firstly, to work through what operational tactics they could deploy given the information they have been given. Secondly, to reality test if the information is valid.

At its simplest, if the information in Dynamics states there are no building safety concerns and during a crew visit, they find missing fire doors. This should be communicated to the Duty Fire Safety Manager, also informing the Risk Information team. They will always have to note any visit to a building on the system, so we have a clear 'breadcrumb' trail of our involvement in any building – this is true for all parts of KFRS.

A major feature of every visit by the crews will be the use of the Site Safety checklist which relates to key features of sites - see Appendix 1. Information from this check will be added to Dynamics. The legislation is strengthening about the need to ensure that firefighters look for these key safety features.

As part of the visit crews will review their tactical response to this site and consider the evacuation strategy. Seek people impact information about such issues as residents with mobility issues and its direct impact on evacuation and firefighting plans for the building. Any concerns should be referred to Building Safety or Customer Safety teams, as appropriate. The information will also need to be shared with the Risk Information team.

At sites with sheltered accommodation, or extended care, crews should ask a member of staff where present, for example the care worker, if they have any concerns relating to the behaviour, or safety, of individual residents. Where such concerns exist, a referral to the Customer Safety team will be made. If the concerns are deemed to be an immediate risk to the resident's safety, crews should consult the Duty Fire Safety Manager to agree urgent actions to reduce the risk.

#### *Example*

*If the care worker etc. suggests someone smokes in bed especially if they use emollient cream or uses a lighter which they refuel, we know they are more likely to be vulnerable to fire and have been the basis for a number of fatalities in Kent. We would want crews to meet that person to make an assessment and conduct a home fire safety visit, or a priority referral to Customer Safety.*

At sites with unregulated living accommodation, crews should engage with residents and conduct home fire safety visits. Where a resident's needs are found to be more complex a

priority referral will be made to the Customer Safety team. Crews will provide occupiers with relevant safety information in other forms such as leaflets and one-to-one conversations.

Where we learn new information about people with protected characteristics or other issues, they will pass these through the Operational Assurance tracker for consideration by the Service. As we learn new information about people with protected characteristics or other issues we can inform our service people impact assessments on dwelling fires, road traffic collisions and flooding.

### **Response Assessment Visit Intelligence (RAV INT)**

Unlike a Response Assessment Visit which consolidates understanding of a site with a pre-existing SSRI, a RAV INT uses a similar methodology and forms part of the Service's [Risk Based Inspection Programme](#) (RBIP).

KFRS uses Experian business data to predict where fires may occur in non-domestic premises. This information linked to Building Safety's risk descriptors provide a prioritised list of premises based on likelihood and consequence. The highest tier of this risk information is inspected by the Risk Information team and Building Safety as part of their pre-planned inspection work over a three year period.

The next tier of the risk information is used to drive the RAV INT element of the RBIP. Using Dynamics, Crews are allocated a list of premises to arrange a visit at mutually convenient time and date. The visit is then undertaken using a streamlined version of the RAV process to conduct a joint, protection and operational check to ascertain whether further action is required by Building Safety or the Risk Information team to make the buildings safe or improve our operational response. The RAV INT documentation is sent back to Building Safety who record it on Dynamics.

Where there is modern slavery or safeguarding issues, these will go through the normal safeguarding channels. Where the visit includes residential accommodation such as flats or specialised housing, home fire safety visits should also be undertaken by Crews as part of the visit, or alternatively referred to the Customer Safety team for a safe and well visit.

RAV INTs also have the flexibility to be created through local intelligence by partner agencies, members of the public or by the fire crews themselves, including when attending incidents. A RAV INT will be required to be completed for all Automatic Fire Alarms attended in sheltered accommodation or care homes, due to the life risk either while at the scene, or as soon as reasonably practical.

These visits and the information and intelligence we gather from them, along with all the elements of ILAM also help us to meet our duties detailed in 7.2d of the Fire Services Act and form part of the quarterly Home Office fire safety returns.

### **Home Fire Safety Visits**

Station crews will carry out [Home Fire Safety Visits](#) to domestic properties which allow for fitting smoke alarms, evacuation plans and other standard fire related risks. These will be driven from response assessment visits.

If there are issues which are more complex the crew will refer the customer to the Customer Safety team, who will then carry out a Safe and Well visit for people who are medium to high risk. We recognise that working with these customers requires additional training to understand need and that is best done in the Customer Safety team. If crews notice any [Safeguarding](#) issues they need to follow the existing procedure.

We will continue to explore ways in which On-call colleagues can participate in conducting home fire safety visits in their area, to add to the current options of standing crews up for a period during the day or making use of colleagues who are available, but whose fire appliance is not available due to other members of the crew not being available.

## Service Policy

Element 5 brings our prevention and protection and operational preparedness arrangements together in line with national guidance and best practice. We will follow the relevant national fire standards to achieve this by:

1. Undertaking all appropriate risk assessments, as required under legislation, to prepare for an operational response
2. Carrying out capabilities-based planning to support emergency preparedness and response from a national to a local level
3. Setting out our responsibilities for operational response and be fully prepared to deliver them
4. Having a health and safety policy for the operational environment that clearly outlines the responsible parties and their obligations
5. identifying those who are most at risk in its community and target prevention activities in an inclusive way, through its community risk management planning.
6. adopting a person-centred approach that places the individual and the community it serves at the core of its prevention activity
7. developing a prevention strategy and plan with the flexibility to proactively respond and adapt to the changing needs of its community, and for this to be supported by a named lead for prevention from within the service
8. Recruiting, training, and developing colleagues and volunteers, working with others where relevant, to establish and maintain a competent and professional prevention workforce. This includes being qualified in accordance with relevant legislation and requirements for example safeguarding
9. demonstrating inclusivity by recognising the diversity of its community and providing equality of access
10. utilising and sharing accurate and consistent data and intelligence, from a variety of sources to support evidence-based decision making and the deployment of appropriate resources for prevention activities
11. demonstrating how it monitors and evaluates the effectiveness and efficiency of its prevention activity
12. generating a culture which embraces national and organisational learning allowing it to identify and capture feedback from a range of sources; evaluate, share and act upon it to drive innovation and continuous improvement and enhance future performance
13. Identifying and understanding our risk profile related to the built environment, including premises they need to regulate, through its community risk management planning;
14. Gathering and maintaining an accurate risk profile and supporting information about relevant premises in a manner that is compliant with legislation
15. Making information about premises available to all employees who need it when required, allowing them to be informed, stay safe and effectively carry out their duties;
16. Ensuring there is a mechanism for employees to feedback any new or emerging information or risks about buildings as a result of them carrying out their duties, to enable it to maintain an accurate risk profile

## Element 6. Service Assurance Exercises

### Service Assurance Exercises

Testing overall response to key risks e.g high rise, care facilities including incident command and FRCC/Social Media comms each time.

The Service must make sure it regularly exercises against the most significant risks the County faces to assure itself that the correct capabilities, procedures and training is in place. The Civil Contingencies Act 2004 places a specific duty on the organisation to carry out and learn from exercises.

The Service will choose up to three significant risk categories and design exercises which tests our whole response to that risk or elements of our response/tactics which are of most concern or will provide innovation. These categories will be agreed on a three year rolling programme against the highest risk sites and scenarios likely to be experienced. We will publish this three year programme but recognise that organisational priorities and risk can change based on incidents and events and as such CMB (Corporate Management Board) will have the ability to change exercises within each year.

The Response and Resilience Directorate will work with Building Safety teams, and the Kent Resilience team to propose the three year rolling programme which will be agreed by CMB. Consideration will be given to risks and threats identified within the National Risk Register (NRR), Critical National Infrastructure, the Kent Community Risk Register (KCRR) and KFRS high risk and high priority sites.

We will run similar exercises a number of times so that a number of crews across different stations have been involved and we will have thoroughly tested the tactics, procedure and policy. We will run up to five separate service assurance exercises each year

The first step prior to starting exercises against a risk category will be to carry out an operational capability assessment. This assessment will consider current policy and procedure, local exercises, tactical assessment visits, operational feedback and debrief outcomes and learning from national and internal incidents, to determine the key policy/procedure areas to be tested during service assurance exercises, they could include new policy/procedure or amendments to existing policy/procedure.

These key policy/procedure areas will be tested at each of a series of exercises, the number of exercises in each series will depend on the complexity of the policies/procedures being tested. The Response and Resilience directorate, working with the Building Safety and Risk Information teams (RIT) will identify sites and/or scenarios for each series of exercises, as well as design each individual exercise to test both the key policies/procedures and other local policies and procedures. For example, a key procedure to be tested at every exercise could be stairway protection teams but in addition individual exercises may test the layout of the stairs or smoke control systems that are only relevant to that individual site.

Service assurance exercises also help to confirm that our colleagues have the right knowledge, behaviours and skills to carry out their roles. It is not practical for all commanders to take a key role in service assurance exercises each year and the location of the exercises will be based on risk and not location. All operational colleagues should maintain their operational competence by engaging with all the aspects of ILAM and should take part in Service Assurance Exercises as the opportunity arises. The Learning and Development (L&D) team will recommend colleagues for key roles in service assurance exercises based on either individual learning need or as part of a development plan. The

location that the individuals work will also be an important consideration, especially if the risk being tested is local to them.

There are several teams that cover the entire County but do not have the same opportunity to take part in local exercises and tactical assessment visits as station-based colleagues, as such Fire Control Teams and the Engagement team will have a role in all Service assurance exercises. In addition, Building Safety, Customer Safety and volunteer teams will take an active role in service assurance exercises as determined by the risk, scenario, and location.

Service assurance exercises must be of a sufficient scale to test the policies, procedures and people. They can either be Full Scale Exercises (these exercises will involve the use of resources in a lifelike scenario with the full command and control systems in place) or Command Post Exercises – these exercises require the full command and control systems to be in place or simulated. The COVID pandemic has resulted in command post exercises being used more than full scale exercises over the past few years.

The exercises will be as realistic as possible depending on the risk being tested and site selected. The Response and Resilience directorate will do whatever is practical to bring realism to the scenario using volunteers and actors to test interaction with our customers. Disused sites are useful because exercises can be built with more realistic effects like smoke and fire damage (fire doors broken) at premises that bring it closer to the situation crews may experience. However, we may need to still carry out exercises at sites where people live and work and whilst we achieve the realism of using the actual risk site, we may not be able to put in measures to simulate a real incident.

Officers and specialist crews and appliances will also take part in service assurance exercises as required by the risk, scenario, and location but it is recognised that they may not be required for every exercise. L&D together with the command training team will work with operational planning to ensure opportunities for officers and specialist crews are identified within the service assurance exercise planner.

Occasionally it will be useful to deliver ‘no notice’ exercises as they can help in preparing colleagues for real events. These will be discussed with a member of CMB to ensure they do not unduly interrupt business as usual activities.

The Health and Safety (H&S) team together with the operational planning team will ensure that Indemnities and Risk Assessments are in place.

### **Cross Border and Partner Exercises**

KFRS will participate in cross border exercises as set out in an annual programme and summarised within our 13/16 agreements with neighbouring FRS.

We will assist other agencies in the planning and delivery of exercises required by legislation. There is a range of legislation that ‘may’ require the Service to assist with exercises which includes: Control of Major Accident Hazards (COMAH), Civil Aviation Authority (CAA), Radiation (Emergency Preparedness and Public Information) Regulations, and Major Accident Hazard (MAH) pipelines. In addition, there are significant premises and infrastructure which are regularly tested through exercise by responsible persons such as the Channel Tunnel (BINAT), roads and tunnels, sites of critical national importance and heritage sites.

We will participate in all Kent Resilience Forum exercises as appropriate, including annual ‘County level’ exercises and table top exercises planned by the Kent Resilience team and

based on the risks in the Kent Community Risk Register. Members of the Fire Authority may have the opportunity to observe the County level exercises.

The Service's business continuity management framework and the Civil Contingencies Act requires the service to test business continuity arrangements and as such at least one exercise should take place each year.

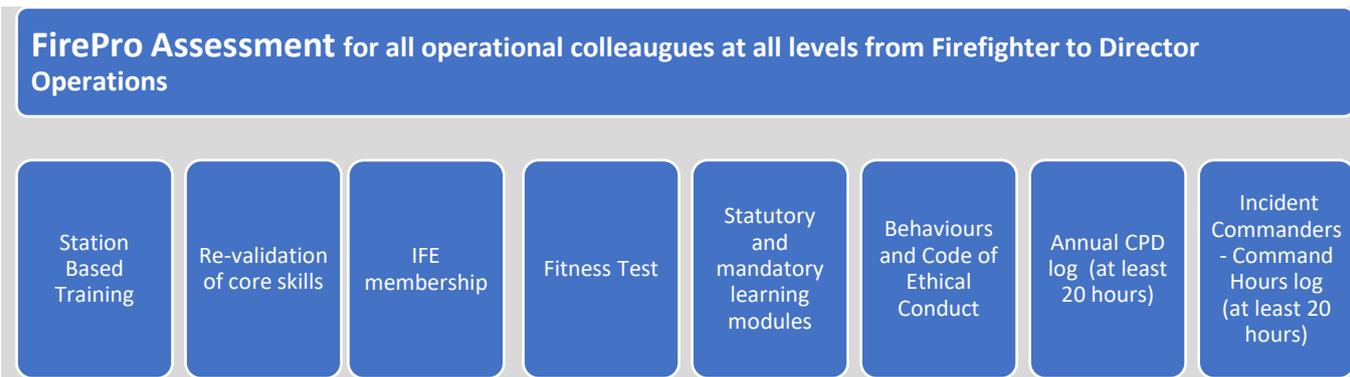
These other service level exercises will be planned alongside the service assurance exercises and where possible the exercises combined to improve efficiency and reduce resources required for exercises.

## Service Policy

Element 6 brings our approach to exercises together. We will follow the relevant national fire standards and requirements of the civil contingencies act to achieve this by:

1. Having plans that enable it to prepare for emergencies and take preventative or pre-emptive actions as required, and that:
  - are based on a robust risk assessment of foreseeable risks to the local area, informed by its Community Risk Registers and the National Security Risk Assessment (NSRA)
  - contain supporting materials which reflect and embed Joint Emergency Service Interoperability Principles (JESIP)
  - collaborating with partners to develop site-specific emergency plans which are based on a shared and common understanding of local risks, associated planning assumptions and the NSRA
  - evidence assurance of its resilience capabilities, validated by regular testing using a risk based exercise programme, either as a single service or with other relevant responder organisations at operational, tactical, and strategic levels
  - includes a process to capture lessons identified and good practice from both emergency response and exercises
2. recruiting, training, developing, and maintaining a competent and professional workforce to enable the service to carry out its role in preparedness, response, and recovery to an emergency
3. having business continuity plans (BCP) in place relating to all critical functions, that:
  - demonstrate a clear procedure for invoking the BCP and set out the core of a response to an emergency or disruptive challenge; and
  - are reviewed and exercised periodically

## Element 7. FirePro assessment process



We have looked across a number of risk critical industries, and all are undertaking some form of 'fit to practice' assessment. So, in future we will ensure that everyone that works for us in an operational role (Firefighter to Director) undertakes a Fire Professional (FirePro) assessment.

This is about assurance so that we can deliver on [our customer promise](#). It will also help us maintain your safety but also assure us that every professional in the Service is confident in their own ability and able to carry out the range of highly technical, behavioural, and professional skills which makes up the role of a firefighter.

Individuals are expected to own their development and maintenance of skills, knowledge and understanding for their role. To evidence professionalisation within the fire and rescue service, individuals must complete the minimum standards set out below within Station Based Training, CPD, core skill revalidation courses and membership of the Institution of Fire Engineers (IFE)

The minimum standards are described below, what is added to this standard depends on the role colleagues carry out. Colleagues with more time available will be expected to exceed this minimum standard. Specialist skills and will add to the minimum standards for many roles. This is like a qualified doctor becoming a specialist and/or a consultant.

### Service Policy

Every firefighter will be encouraged and supported in reaching a minimum standard for FirePro:

#### The minimum standard for Firefighters to Watch Managers

- Completion of the monthly pre-formative assessments (in our recording system Moodle) and the end of month summative assessment, with a pass mark of 70% or above.
- Participation in the simulated incident exercise (XVR), evidenced by ticking this off in Moodle and verified by line manager.
- Participation in a practical drill, exercise or incident that demonstrates application of the core skills applicable to the N.O.G Scenario each month (evidenced by ticking this off in Moodle and verified by line manager)
- Maintaining an annual Continued Professional Development (CPD) log with at least 20 hours per year.
- Evidence at least 20 command hours per year and attend monthly command webinars (Initial IC qualified colleagues only)
- Pass all core skill re-validations applicable to role.

### **The minimum standard for Station Managers to the Director of Operations**

- Attend Command Group Refresher events (2 per year) that focus on high-risk sites in Kent and its borders.
- Attend Operational Effectiveness training events (4 per year) that focus on tactical actions and operational capability.
- Participation in the simulated incident exercise (XVR), evidenced by ticking this off in Moodle.
- Evidence at least 20 command hours per year
- Attend Operational CPD groups (4 per year) and bi-monthly CPD webinars.
- Attend Specialist skill CPD sessions (at least 4 per year)
- Maintain an annual Continued Professional Development (CPD) log with at least 20 hours per year.
- Pass all core skill, incident command or specialist function re-validations applicable to role

Progress of this will be monitored centrally with line managers able to access reports of colleague's progress throughout the year. A formal FirePro review and sign off will take place in April and October each year between line managers and their team to assess progress, provide feedback and ensure all areas have been met. The process for this assessment is described within the Station Based Training section of this document.

Once the FirePro assessment has been verified by the line manager, the [Talent Bench Review](#) discussion can take place. Those who have passed their FirePro assessment will be able to advance beyond that of 'Key Contributor' within the Talent Bench Review assessment. For those who have not completed the FirePro requirements, the [capability](#) procedure should be used to support their development.

### **Continued Professional Development (CPD)**

It is expected that an individual CPD log will be reviewed annually demonstrating at least 20 hours of CPD for the past year – this may include initial training courses, special appliance skills, attendance at debriefs or self-directed study. The IFE have a [CPD log template](#) that should be used by IFE members.

KFRS are the first and only FRS who have operational debriefs being awarded at least 2 ½ formal CPD hours each as well as formal CPD being awarded to most webinars, conferences, and the Advanced Leadership Programme.

### **Continuous Professional Development Scheme**

The CPD Scheme is designed to recognise and reward experienced colleagues who can demonstrate continuous professional development. It is expected that employees will maintain a prominent level of continuous professional development and commitment to their job to receive payment.

This high standard includes successful completion of the fire pro assessment and must be achieved. The full details of this payment scheme are included in the People team [CPD Policy](#).

## Element 8. Conferencing and Sharing Best Practice



Each year we will carry out a variety of conferences to bring people together to share practice internally, but also learn from what is going on outside Kent Fire and Rescue Service. These will include Incident Command webinars, the Wellbeing Conference, and special interest conferences. There will also be Fire Futures events as well as the Customer and Building Safety team annual conference. We will ask you which subjects you would prefer to hear more about.

## Element 9. Recording and Reporting



We need to ensure that we hold central records of all ILAM activities. Operational debriefs are recorded via Operational Assurance and actions via their Action Tracker. This will continue as will the formal allocation of continuous professional development hours for debriefs via the IFE.

Everyone's access to online learning materials will be tracked via Moodle, this will allow all colleagues, line managers and the Learning and Development team to see how everyone has got on, what has been passed and further learning needs.

Course attendance on internal and external courses will be tracked via iTrent, which allows us to see when skills expiry and when they need to be rebooked.

Important external qualifications such as Institution of Fire Engineers, Breathing Apparatus Instructor qualifications etc. will also be recorded on iTrent. This also allows us to track when colleagues need to be refreshed. Attendance at all formal local station-based exercises will be recorded on iTrent and the Service Assurance exercise will also record who attended each event.

The FirePro assessment is a final assurance that all the training and testing has resulted in a pass level of competence at technician grade for everyone at all levels. Overall passing of the FirePro assessment will be recorded in iTrent.

All information about Response Assessment Visits, Response Assessment Visits (Intel), Building Safety audits and formal exercises will be recorded in Dynamics. Exercise attendees will be recorded in iTrent.

Station based training theoretical input and testing will be recorded in Moodle as will the practical training and simulated tactical decision-making exercises.

Membership of the IFE is monitored via the IFE portal as are individual CPD logs.

<b>Document Audit Information</b>	
Senior Officer Accountable	Director Operations
Authorised by	CMB approval and KMFRA
Direct enquiries to	Area Manager Technical Training & Professionalism
Date Implemented	Proposed 1 <sup>st</sup> February – pending CMB and KMFRA approval
Review by	Annually until embedded then every 3 years
Amendments required to	Exercise Commissioning Framework Talent Bench Review Process
Related documents [if any]	Dynamics process maps Emergency Planning Framework Managing significant incidents framework Exercise Commissioning Framework Emergency Planning and Contingencies Policy N.O.G Risk based inspection programme JDPS for related roles Safeguarding Service Order / Guidance Home Fire Safety Visit Guidance Note Building Safety Guidance Notes Standard site safety checklist Flexible Rostering Service Order Station Training Project documentation Capability Regulations Disciplinary Regulations Talent Bench Review Process
Security classification	Open
Version No	V0.5
Version change summary	V0.1 – first draft April 2020 – Concept document that prompted project creation – see project for further updates. V0.2 – January 2022 – incorporating workstream updates and procedural information V0.3 – January 2022 – incorporating of policies cross matched against fire standards. V0.4 – January 2022 – Jon Quinn and Mark Woodward Comments for P&P directorate V0.5 – January 2022 – Available for Authority approval

	V0.6 - January 2022 – Define of high risks premises changed – Final draft
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## Appendix 1. Response Assurance Visit - Site Safety Checklist:

<b>1. Are ignition sources adequately managed and controlled in the sites to reduce the risk of fire?</b>
a) Are escape routes free from excessive storage of combustible materials?
b) Is combustible waste, well managed in external refuse areas? (Bins and skips close to the building etc.)
c) Are sites and waste areas secure to prevent deliberate fires/arson?

<b>2. Are adequate measures in place to control the spread of a potential fire in the sites?</b>
d) Are fire doors being kept closed (i.e., not held open with wedges or hooks)?
e) Are fire doors damaged or missing?
f) Are there holes in the compartment walls?
g) Are there unfinished building works that would enable fire spread?
h) Are any service riser or storage cupboards unlocked?

<b>3. Can persons evacuate the sites safely in the event of a fire emergency in the sites?</b>
i) Does the sites have clear and visible Fire Exit signage?
j) Any obvious signs of emergency lighting not working or damaged?

<b>4. Can persons use the escape routes and final exits safely?</b>
k) Are the escape routes unobstructed by goods or furniture?
l) Are any final exits padlocked or locked?

<b>5. Is there adequate equipment in the sites for extinguishing small fires?</b>
Where provided
m) Are the fire extinguishers accessible and unobstructed?

<b>6. Are adequate arrangements in place to detect fires and raise the alarm to those people on the sites?</b>
Is there sleeping on the sites (exclude Purpose Built Blocks of Flats) and no automatic fire detection in place?
Where provided
n) Are the fire alarm call points unobstructed?
o) Is the fire alarm panel showing any faults or no power?

p) Are the detectors damaged, covered up or missing?

q) Are sites and waste areas secure to prevent deliberate fires/arson?

**7. Are adequate instructions or guidance on procedures to follow in an emergency provided for employees?**

r) Are Fire Action notices provided, unobstructed and correctly filled out with current information?

s) Do the residents/ occupants know who the responsible person is for the property in order to report and fire safety issues?

**8. Dry or wet riser issues, AOVs or Firefighting lifts?**

t) Are there obvious signs that the dry and wet riser are non-operable?

u) Any issues with the firefighting lift or the AOV?

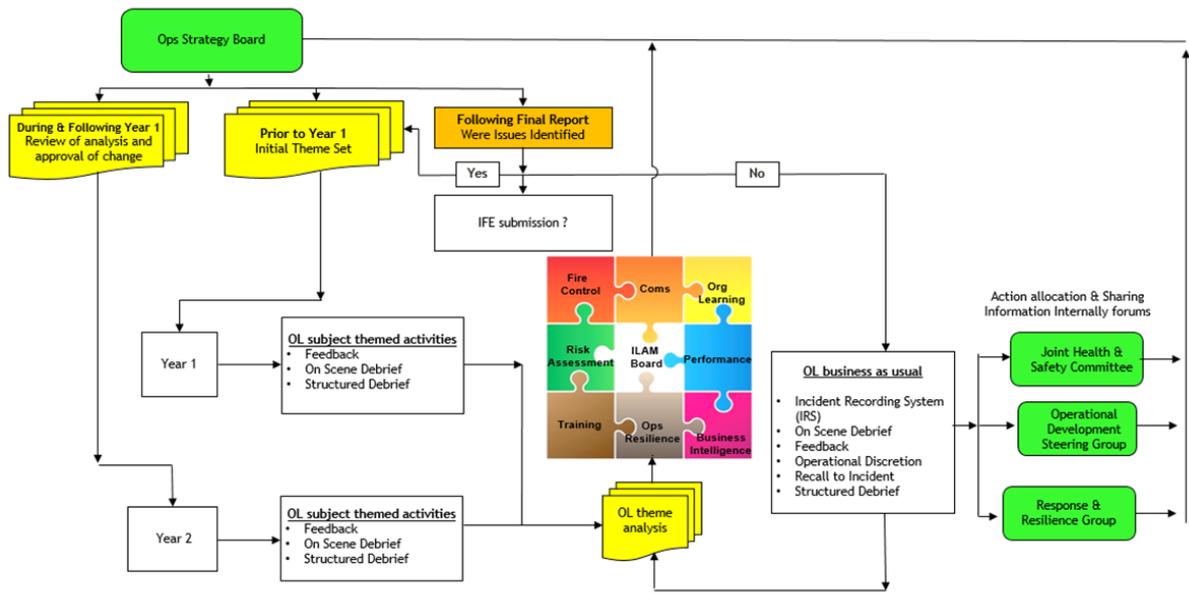
**Other**

Is there anything else which concerns you or you should refer to the RIT team or Duty Fire Safety Officer?

## Appendix 2: IFE Grades and FRS Roles

<b>Affiliate / Student</b>	Firefighters in Development
	Apprentices
<b>Technician (TIFireE)</b>	
<b>Technician (TIFireE)</b>	Competent Firefighters
	Crew Managers
	On Call Watch Managers
<b>Graduate (GIFireE)</b>	
<b>Graduate (GIFireE)</b>	Watch Managers / Station Leaders
<b>Associate (AIFireE)</b>	Station Managers
<b>Member (MIFireE)</b>	
<b>Member (MIFireE)</b>	Group Managers
	Area Managers
	Assistant Directors and Directors
<b>Fellow (FIFireE)</b>	The Fellow grade is awarded to those who have demonstrated significant individual responsibility and exceptional contribution to the fire engineering profession over an extended period of time. Existing members are encouraged to reach out in obtaining this grade.

# Appendix 3: Process Map for ILAM Annual Review



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# People



## Equality, Diversity and Inclusion Policy

Author	Nicky Thurston		Inclusion Manager
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### Introduction

Inclusion is at the heart of what we do. We take a holistic approach to Equality, Diversity and Inclusion. We consider the need for equality in all our day to day activities serving our customers, and in creating a workplace in which people can thrive.

Creating a culture of inclusion where diversity is valued, and range of people's needs are met is everybody's responsibility.

We are working towards creating a culture of inclusion in the workplace and making sure our services are accessible to everyone. Our approach to embedding equality, diversity and inclusion comprises two elements:

- Delivery of our strategic commitments supporting the Customer Safety Plan
- Using our Equality, Diversity and Inclusion Framework to guide our work

Our Equality, Diversity and Inclusion Framework encompasses the delivery plan supporting the implementation of our corporate strategies.

This policy sets out:

- Our legal obligations to protect everyone from discrimination and to proactively promote equality
- Our Equality, Diversity and Inclusion priorities as outlined within the Equality, Diversity and Inclusion Framework
- The underlying principles that guide our approach to achieving our objectives

### Legal Consequences

Kent Fire and Rescue Service has a number of legal obligations under the Equality Act 2010. While it is our obligation to meet these duties, we believe as an organisation that has tangible impact on people's safety, it is important that we challenge ourselves to go beyond them and constantly improve.

The Equality Act 2010 is designed to ensure that individuals are protected from discrimination in the workplace and access to our services. Section 149 of the Act outlines specific duty for local authorities:

The Public Sector Equality Duty.

The Public Sector Equality Duty aims to make sure we think about things like discrimination and the needs of people who are disadvantaged or suffer inequality, when we "carry out our function". This is when we make decisions about how we provide our services to our customers and how we implement our policies.

People are protected under the Act because they have a protected characteristic. Protected characteristics include; age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

Marriage and civil partnership are also protected characteristics under the Equality Act but are not covered by the public sector equality duty.

When public authorities carry out their functions the Equality Act says they must have “due regard” or think about the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by The Act
- advance equality of opportunity between people who share a protected characteristic and those who don't share it
- foster or encourage good relations between people who share a protected characteristic and those who don't share it

In addition to these considerations the Equality Act places specific duties on us to support transparency: and help them comply with the public sector equality duty.

These specific duties are to:

- publish equality information at least once a year to show how we are meeting the equality duty
- prepare and publish equality objectives at least every four years

Having due regard to advancing equality means that we:

- remove or reduce disadvantages suffered by people because of a protected characteristic,
- meet the needs of people with protected characteristics where these are different from the needs of other people
- encourage people with certain protected characteristics to participate in public life and other activities where their participation is disproportionately low

## Service Policy

We are committed to keeping Kent and Medway safe from fire and other emergencies. We will do this by working together working as one team with our customers and our partner agencies we help to ensure their safety at home and in their workplace.

As an inclusive employer we also strive to provide a great place to work and volunteer for everyone.

Our curiosity to learn and grow helps us all to support and look after every one of our customers and create opportunities for people from every walk of life.

We support the wellbeing, development and reward of our people by providing a workplace where there is equality of opportunity, valuing of diversity and the promotion of a culture of inclusion and belonging.

It is our aim to fully use people's skills and talents by creating an open and inclusive workplace culture so that everyone can work together with dignity, respect and truly feel valued.

We want to establish a culture of listening and understanding to encourage everyone to be curious and compassionate.

We are committed to a social model of disability which says that people are disabled by barriers in society not by their impairment or difference. Barriers can be physical or can be caused by people's attitudes or biases/assumptions. We want to take a proactive approach to our environment and processes being inclusive by design, where possible.

We have three commitments that help us to understand why equality, diversity and inclusion matter to us:

**Everyone belongs**

Everyone is unique. We embrace the uniqueness, treating everyone as equals and ensuring the same opportunities are available to all. We strive to build open relationships based on trust, kindness and compassion, leading to a sense of belonging.

**Everyone is different**

Valuing difference in all its forms makes Kent Fire and Rescue service the organisation it is. Supporting and encouraging people to grow, thrive and be themselves goes to the heart of who we are, what we do and our success. Our differences support us to help our customers.

**Everyone can be curious**

Encouraging a greater curiosity to learn about each other and our customers is at the heart of who we are. Taking time to talk and explore our differences is everyone's responsibility. It helps us all to grow and in turn enables us to understand and help our customers.

**Information****Our Equality, Diversity and Inclusion priorities**

1. Our current equality, diversity and inclusion objectives as outlined within the EDI Framework are as follows:
  - Our interventions are tailored to the needs of our customers.
  - To improve and support colleague wellbeing through the development of inclusive practices.
  - Employees and volunteers are familiar with the equality of access documents.
  - Equality, Diversity and Inclusion has corporate visibility and is included in corporate strategies, projects, policies, action plans, training programmes, agendas for meetings.
  - People Impact Analysis forms part of our planning and people impact assessments are embedded in our decision making processes.
  - There is a common and cross organisational understanding of the Public Sector Equality Duty.
  - There are improvements in the culture of the organisation based on the outcomes of engagement with colleagues.
  - The workforce is more representative of the communities we serve.
  - Equality data is collated, monitored and informs our practice. This is possible because colleagues are comfortable to share their identity information and understand how it is used.
  - The organisation has a comprehensive positive action framework which includes social mobility, youth employability, and disability.
  - Colleagues promote a workplace where diversity is valued and actively encourage interest from people from a range of backgrounds to seek employment with us.
  - Our recruitment and induction processes are designed in an inclusive way.
  - We improve equality of access to our services and use of equality data to inform our corporate decisions and influence/improve service delivery.

**Equality, Diversity and Inclusion accountability**

2. Equality, Diversity and Inclusion accountability Our EDI governance structure shows the decision making routes for Equality, Diversity and Inclusion in the service (Appendix 1)

3. The Inclusion Network comprises of a number of groups and forums, which contribute to the achievement of the strategic objectives within their areas of focus and the agreed remit. This network and the way the work feeds into the corporate agenda, is illustrated in Appendix 2.

### **Staff Support Groups**

4. Colleagues are encouraged to support one another in a number of ways and areas, such as:

- Pregnancy and maternity
- Caring responsibilities
- Children with psychological issues
- Disability

### **Allies**

5. Employees can also seek informal support from peers who are LGBT+ or Wellbeing Allies. These roles are predominantly focused on advice and signposting to the resources available internally and externally.

### **Employee Forums**

6. We have several forums, which encourage conversations, raise awareness and take action plans forward. They also help us learn more and create an inclusive culture.

- LGBT+
- Cultural
- Gender
- Neurodiversity
- Wellbeing

7. Forums can be tasked with research and feedback on best practice within their remit and expertise and will further our strategic objectives through the work with Inclusion Reps.

### **Inclusion Representatives**

8. Inclusion Representatives support the delivery of the Equality, Diversity and Inclusion objectives by the Employee Forums and Support Groups.
9. Inclusion Representatives report on the progress and resource requirements to the Intersectional Inclusion Group.

### **Intersectional Inclusion Group**

10. Intersectional Inclusion Group discusses and prioritises feedback received from Inclusion Representatives and Employee Forums, making recommendations and reporting to the Equality, Diversity and Inclusion Programme Board.

### **Equality, Diversity and Inclusion Programme Board**

11. The Equality, Diversity and Inclusion Board has responsibility for managing KFRS Equality, Diversity and Inclusion , priorities and resource allocation. The Equality, Diversity and Inclusion Board reports to the Corporate Management Board.

### **People and Customer Engagement Boards**

12. Corporate Management Board members of the Boards monitor and evaluate our approach to Inclusion in a number of ways:

- A quarterly report on Equality, Diversity and Inclusion activity is provided by the Inclusion Manager
- Members of Corporate Management Board sit on the Employee Forums as strategic advocates
- All papers to Corporate Management Board are People Impact Assessed (Equality impact analysis)
- Boards review related reports such as workforce profiles and the Pay Gap Reporting
- People Plan and Customer Safety Strategies contain equality objectives monitored by the Boards

## Our approach to Equality, Diversity and Inclusion

13. Our strategic objectives relating to Equality, Diversity and Inclusion are prioritised according to our service needs and these priorities are outlined within the Equality, Diversity and Inclusion Framework (point 1 above).

14. The delivery of these objectives is written into our four yearly strategies, meeting the requirements of the Equality Act 2010. These details can be found [here](#):

- People Plan
- Customer Engagement and Safety Strategy

## Responsibilities

15. Everyone has a part to play in advancing equality, diversity and inclusion at KFRS. We work with our employees, volunteers, unions and customers to ensure we meet our strategic objectives.

### Members of the Authority

- Discuss and approve the Authority's strategies and priorities, including our commitment to meeting our statutory responsibilities.

### Corporate Management Board

- Oversee the work of the EDI Programme Board and approve requests and/or recommendations
- Provide strategic advocacy and leadership to the Forums
- Ensure corporate visibility of our EDI commitments and encourage curiosity and dialogue across the Service.

### EDI Programme Board

- Monitor action plans and evaluate progress against the agreed measures in line with the ED&I Framework
- Identify any issues or opportunities for referral to CMB

### People and Customer Engagement Boards

- Support the work of the EDI Programme Board through the development and delivery of their EDI objectives Intersectional Inclusion Group
- To provide feedback and updates on deliverables to the Equality Diversity and Inclusion Programme Board

### Employee Forums

- Bring employees with shared characteristics such as gender, sexual orientation, race/cultural heritage or neurodiverse background together in a safe place.
- Forums offer invaluable insight, advice on policy, community and employee engagement.
- Support the Equality Diversity and Inclusion Programme Board in the delivery of the strategic objectives

### Inclusion Representatives

- Within their areas of work provide a cross section of the organisation's advocacy of Equality, Diversity and Inclusion ensuring that corporate messaging is received at a local level and able to be implemented in accordance with the corporate strategies
- They meet regularly to provide updates on activity and maintain current understanding of Equality, Diversity and Inclusion issues and opportunities both externally and internally
- Identify local initiatives to promote Equality, Diversity and Inclusion externally, working closely with the Collaboration and Customer Engagement teams

### **Employee Support Groups and Allies**

- Provide informal and confidential peer to peer support in the workplace.

### **Prevention, Protection, Customer Engagement and Safety**

- Support the Service in building relationships and partnerships with customers and external agencies and partners
- Collaborate with, and facilitate the engagement and consultation with under-represented or potentially excluded community members to inform organisational activity
- Look after our organisational brand within the community
- Seek to ensure equality of access
- Research community risk underpinned by ethical approaches to primary research and protection of personal data
- Profile customer segmentation into key target groups
- Support the organisation in the delivery of services with the community
- Monitor and assure our services to businesses and customers across Kent

### **Inclusion Manager**

- Provide advice and guidance to the Service, shaping the equality objectives and People Plan
- Raise awareness of the key issues and priorities for Equality, Diversity and Inclusion
- Support the Service in its commitment to comply with the Equality Act and to meet the Public Equality Duty
- Oversee the structure supporting the delivery of the Equality, Diversity and Inclusion objectives

## **Equality, Diversity and Inclusion monitoring**

### **Equality Diversity and Inclusion Framework priorities and benefits**

16. The Equality, Diversity and Inclusion priorities help us achieve our strategic objectives as a Service. These priorities are reviewed annually and are set out in our Equality, Diversity and Inclusion Framework.

### **Monitoring**

17. We capture our workforce data across key protected characteristics, including age, disability, race/ethnicity, sex, religion and belief. This data is reviewed regularly and updated by the employees annually through the employee self-service.
18. This data informs changes to our policies and practice and identifies new areas for development, for example new policies or services such as Supporting Gender Identity and Expression at Work, Managers toolkit to support neurodiverse colleagues.
19. We have an Equality, Diversity and Inclusion action plan which accompanies the Equality Diversity and Inclusion Framework. This plan is monitored by the Equality, Diversity and Inclusion Strategic Programme Board.

## Measuring and evaluation

20. Our Equality, Diversity and Inclusion Framework outlines the benefits we will realise as we achieve the desired levels on the [Equality, Diversity and Inclusion Maturity Model](#) and how we will measure our success.

## Tools

21. The principal tools that we use to ensure that we are compliant and fair in how we deliver our strategic objectives are:

- People Impact Assessments (Equality Impact Analysis)
- Training and awareness raising
- Standards and expectations
- Research, Insight and evidence
- Benchmarks and accreditations
- Communication channels
- Action Plans and Benefits mapping for community profiling
- Equality of Access papers
- Positive Action

## People Impact Assessments

22. Complying with the Public Sector Equality Duty, we consider the impact of everything we do in order to carry out our function (such as activities, projects, programmes and policies) on individuals, particularly those who have protected characteristics or belong to vulnerable or under-represented groups with the aim of mitigating identified negative impact and identifying opportunities to create positive impacts for marginalised groups.

23. To ensure this approach is adhered to:

- CMB decision papers require consideration to the impact of the proposed decision on a range of people.
- People Impact Assessments are required for all projects, programmes and policies.
- We actively encourage the widespread use of People Impact Assessments as part of day to day practice. We do this through a two tiered approach comprising: a quick checker for initial assessment and a full People Impact Assessment where impact is thought to occur.
- Our People Impact Assessment process is outlined in appendix 3, for more details see our People Impact Assessment Policy.

## Training and awareness raising

24. We support all colleagues through learning and awareness to eliminate bias and prejudice in the workplace and give everyone the skills to robustly challenge and manage inappropriate behaviour.

- [Equality, Diversity and Inclusion](#) Intranet pages
- [Inclusion Awareness Programme](#)
- [Induction Programme](#)

## Clear standards and expectations

25. We ensure that our standards and values are communicated to our employees and volunteers and that they understand and agree to our values and principles outlined within:

- [Code of Ethical Conduct](#)
- [Bullying and Harassment Policy](#)
- [Social Media Policy](#)
- [Speak Up Policy](#)

## Research, Insight and evidence

26. We work with our employees and customers to ensure that our decisions and Equality, Diversity and Inclusion priorities are properly informed by evidence. We achieve this through the frequent use of:

- Focus groups and webinars
- [Forums](#)
- Feedback from our colleagues
- Station visits
- Work with external customer
- [One Team Updates](#)
- Collate, review and publish reports relevant to risk

## Benchmarks and accreditations

27. We recognise the value of external scrutiny and the ability to measure our work against the best practice and standards in specific areas of the Equality, Diversity and Inclusion agenda.

28. Our commitment is to achieve the following accreditations within the timespan of our current Strategies:

- [Pride in Care](#)
- [Disability Confident](#)
- [Stonewall](#)
- [Oscar Kilo](#)
- [Business Disability Forum Disability Smart Framework](#)
- [Customer Service Standard](#)
- Kent and Medway Healthy Workplace award

## Communications

29. [Everyone Together](#) is a campaign to promote inclusion and equality, to become a more diverse workforce and reflect the people of Kent and Medway. It has been developed following months of engagement with people who work and volunteer for KFRS and our customers.

30. Everyone Together unites the Service's understanding of Equality, Diversity and Inclusion, what it means to us and it also standardises the tone and language we would like our employees and volunteers to use and promote.

## Action Plans and Benefits mapping for community profiling

31. The Prevention, Protection, Customer Engagement and Safety Team through a range of activities engage with businesses and individual customers from which they are able to evaluate actions and activities to reduce risk to the communities of Kent and Medway. The teams are particularly interested in the needs of under-represented communities where take up of our services and employment is low or where risk is influenced by identity such as may occur with age.

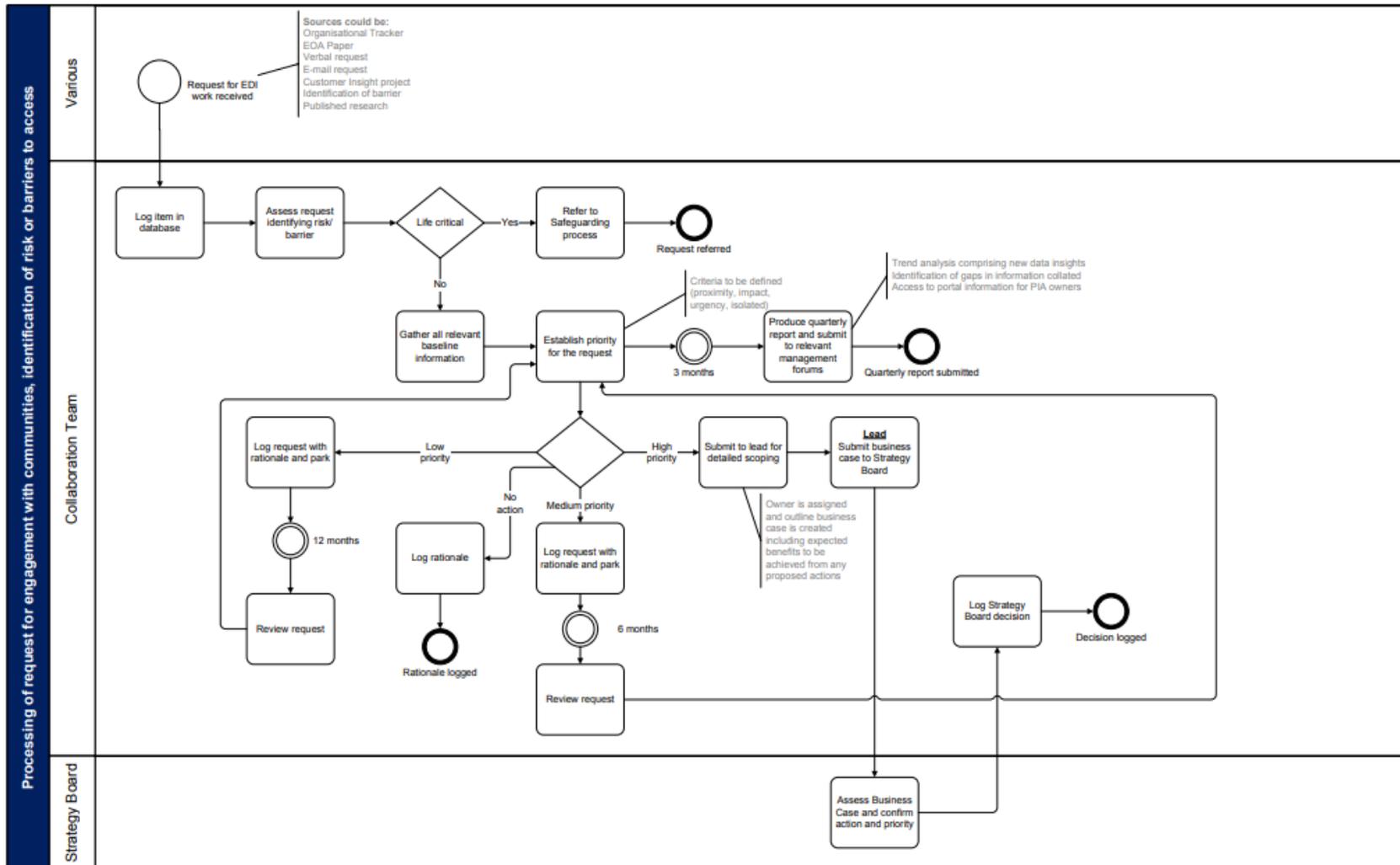
## Equality of Access

32. We utilise research and our understanding of society, to scrutinise information about different community groups and their needs with regards to access to the services we offer. This approach helps us raise awareness of these varied needs amongst KFRS colleagues to ensure that the services we offer are available and accessible to everyone.

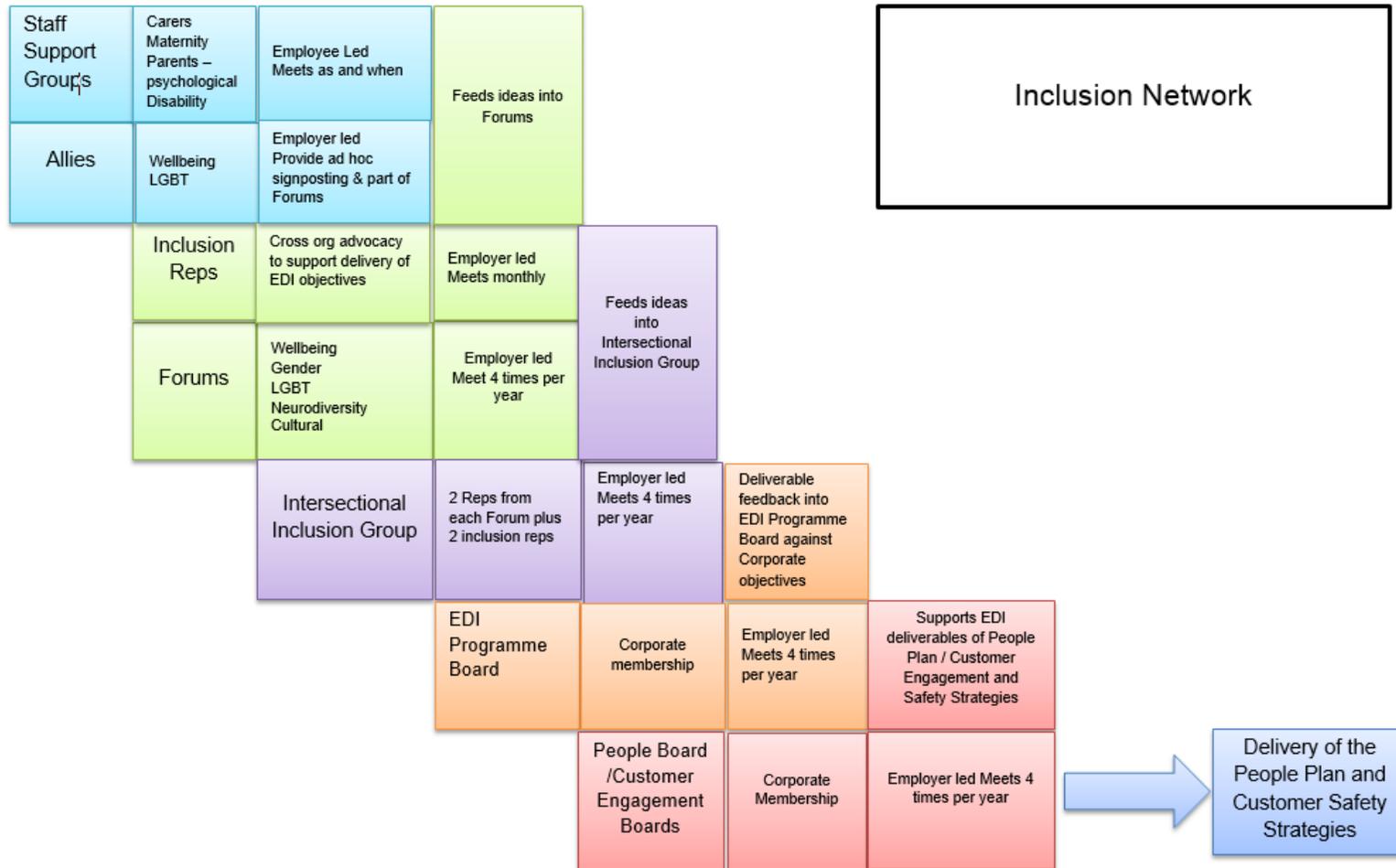
## Positive Action

33. We utilise the Equality Act provisions (Section 158) to reach groups and individuals in society who may for a range of reasons be less likely to access our services or work for us. This activity includes a range of outreach activity such as “have a go” events, buddying and targeted exposure to our organisation and the services we provide.

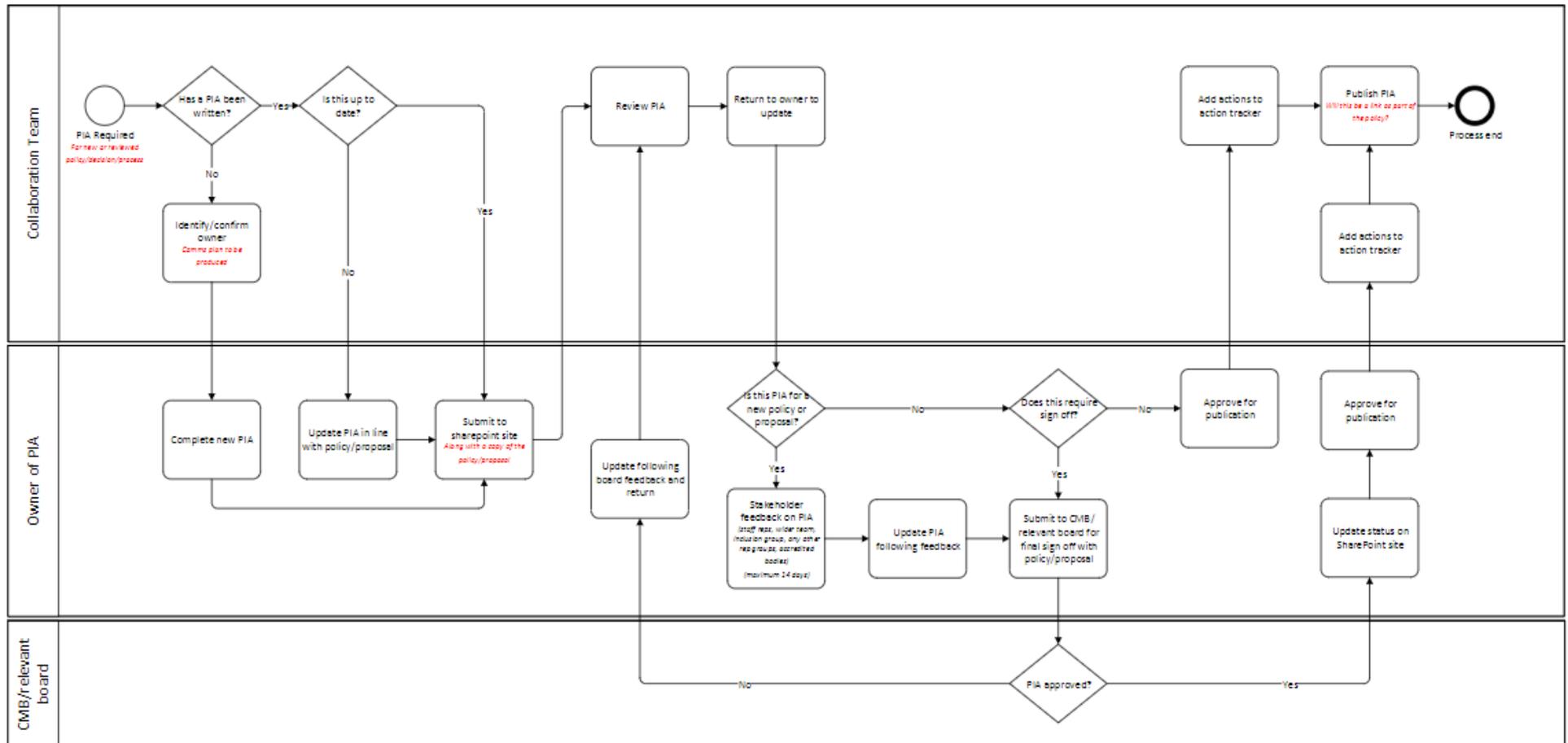
# Appendix 1 - ED&I Governance Flow Chart



## Appendix 2 ED&I Structure Chart



### Appendix 3 PIA process



## Further Information

- People Impact Assessment  
A People Impact Assessment should be available for each policy when it is published on the intranet

<b>Document Audit Information</b>	
<b>Senior Officer Accountable</b>	Nicky Thurston
<b>Authorised by</b>	Karen Irvine
<b>Direct enquiries to</b>	Nicky Thurston
<b>Date Implemented</b>	December 2021
<b>Review by</b>	December 2024
<b>Amendments required to</b>	None
<b>Related documents [if any]</b>	<ul style="list-style-type: none"> <li>• Code of Ethical Conduct</li> <li>• Bullying and Harassment Policy</li> <li>• Speak Up Policy</li> <li>• Social Media Policy</li> <li>• Strategies</li> </ul>
<b>Replaced documents</b>	None
<b>Security classification</b>	None
<b>Version No</b>	2.0
<b>Version change summary</b>	V 2 Feedback from Opening Doors

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# Corporate Services



## CCTV Policy

Author	Owain Thompson	Policy Manager	
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### Introduction

We have installed CCTV (closed circuit television) cameras on various buildings across our estate and on all of our fire engines and some other vehicles. This has been done for the purposes of protecting our buildings and assets, preventing and detecting crime, increasing the safety of visitors and our colleagues and managing and evaluating emergency incidents.

In addition, we want to provide mechanisms to minimise insurance losses resulting from damage to our vehicles. We also want to improve the efficiency of insurance claims processes as CCTV provides data to accept or defend a claim, removing elements of doubt and the time spent on investigations.

This policy applies to all our colleagues and volunteers. It should be read alongside the following privacy notice: '006 – CCTV'.

### Legal Consequences

This policy complies with the requirements of [the Human Rights Act 1998 \(in particular Article 8\)](#), [the UK GDPR](#), the Data Protection Act 2018 (data processing principles, [Part 4, Chapter 2, Section 85](#)), the [Protection of Freedoms Act 2012](#), the [ICO Code of Practice for Surveillance Cameras and Personal Information](#) and the [Surveillance Camera Code of Practice](#).

### Service Policy

CCTV is fitted to our fire engines and other vehicles (including drones) and buildings where we of the view that it is lawful and proportionate to do in order to achieve one or more of the following aims:

- Protecting our buildings and assets
- Preventing and detecting crime
- Minimising insurance losses resulting from damage to our vehicles
- Increasing the safety of visitors and employees
- Managing and evaluating emergency incidents and fire scene investigation

We will not engage in the covert surveillance of employees (colleagues), volunteers, contractors, visitors or members of the public.

We have a clear basis and purpose for the processing of any personal information that may be captured on CCTV systems. This covers what is recorded, how material is stored, how it is used, to whom it may be disclosed and how long it will be retained for.

There are documented procedures (set out in this policy) for how information will be handled, including in response to requests from the police and other law enforcement agencies, official and or legal representatives, insurers, members of the public and our own employees.



We use signs at the entrances to our buildings and on our vehicles to inform people that CCTV is being used. Where it is not practicable to do this (i.e. with drones), we will issue a notification on our website and via social media.

## Scope

This policy applies to all CCTV systems fitted to the Authority's vehicles (including drones and the Command Support Unit) and buildings.

## CCTV usage and retention

### CCTV on vehicles

1. Outward facing CCTV cameras are fitted to all of the Authority's fire engines and some other vehicles, including the Command Support Units. Each fire engine has six cameras, response cars have two cameras and other specialist vehicles have between two and six cameras depending on the vehicle. The CCTV will start recording when a vehicle's engine starts and stop recording approximately 30 seconds after the ignition is turned off. Footage is saved to a hard disk drive within each vehicle and kept for a maximum of 30 days before it is overwritten. Each vehicle fitted with CCTV has an external sign stating that CCTV is in operation.

### CCTV on buildings

2. CCTV is in place to monitor the exterior of several sites and assets.
3. Footage is saved to a hard disk drive within a unit containing an integrated display which is located within each building. The footage is kept for seven days before it is overwritten. Each building fitted with CCTV has a sign stating that CCTV is in operation.

## External requests for CCTV footage

4. External requests for CCTV footage will be managed in line with the processes set out below and the flow charts in Appendices 1 and 2.
5. Any non-insurance related requests for CCTV footage will be logged and co-ordinated by the Authority's Information Officer (see Appendix 1).
6. Any insurance related requests for CCTV footage will be logged and co-ordinated by the Authority's Insurance Team within Finance (see Appendix 2).
7. For any non-insurance related requests for CCTV footage, we will copy footage onto CD up to a limit of two discs. For footage that exceeds this two-disc capacity, it will be the responsibility of the requester to provide us with a suitable storage medium that is compatible with our systems.
8. We will aim to process requests within 20 working days. Where this is not possible, we will inform the requester of the delay along with the approximate timescale.

### Requests from individuals, members of the public and Authority employees

9. We will not release any CCTV to individuals, members of the public or our colleagues (including volunteers). We will only consider release of CCTV footage to an official and or legal representative acting on their behalf (e.g. solicitor, insurer).



10. This is because they have policies and procedures for the secure handling of personal data and, in accordance with the Information Commissioner's Office (ICO) and Home Office codes of practice, we must protect the integrity and security of any data we choose to share with a third party.
11. Any such representative must be able to state proof of entitlement to the CCTV footage, give us a legal reason to provide it, proof of the requester's identification and include a letter of authority to confirm they are acting on the requester's behalf.
12. Requests for CCTV footage can be made to [information.officer@kent.fire-uk.org](mailto:information.officer@kent.fire-uk.org) or by writing to the Information Officer at our headquarters address. Requests will be considered on a case-by-case basis and dealt with by the most appropriate team. Approval for final responses to any such requests will be made by the Information Officer.

### **Requests from insurers or official and or legal representatives**

13. Requests from insurers involving a potential insurance claim against us will be logged and coordinated by the Insurance Team within Finance. They will liaise with Fleet and Equipment Services, Health and Safety, People and Learning, Operations and IT as necessary and pass any claim information to our insurers for them to deal directly with the third party's insurers/legal representatives.
14. Direct requests from official and or legal representatives acting on behalf of third parties will need to show proof of the requester's entitlement to the data and issue a legal reason to provide it (see paragraphs 9 to 12 above). This proof of entitlement should include any letter of authority and, if acting on behalf of someone else, the data subject's identification.

### **Requests from police, courts or other law enforcement agencies**

15. All such requests will be logged and coordinated by the Information Officer in conjunction with Fleet and Equipment Services, Operations and IT. Approval for final responses to any such requests will be made by the Information Officer.
16. Request from police, courts or other law enforcement agencies parties will need to show proof of the requester's entitlement to the data and give us a legal reason to provide it.
17. When copying/downloading CCTV footage for the police, Kent Fire and Rescue Service colleagues will not view the footage or permit or cause anyone else to view the footage (unless a specific reason is given for doing so). This is to prevent employees from being exposed to any potentially upsetting or distressing images. Any exceptions to this will be documented by the Information Officer and agreed with the appropriate IT manager.

### **Internal requests for CCTV**

18. There are a number of designated employees within Kent Fire and Rescue Service who have permission to request and view CCTV footage as a recognised part of their role. These include, but are not limited to, the Fleet and Equipment Services Manager, the Health and Safety Manager, the Driver Training Manager, the Head of Property, the Data Protection Officer, the Information Officer, the Ops Assurance Manager, members of the Finance Team who deal with insurance matters and members of the Professional Standards Team (in relation to investigating complaints).
19. Any employee who requests and/or views CCTV footage must be able to justify their reason for doing so which must be based on it being a recognised and approved aspect of their role.
20. Doing so without appropriate justification and the requisite authority is potentially a disciplinary offence and may also be a criminal offence under the Data Protection Act 2018.

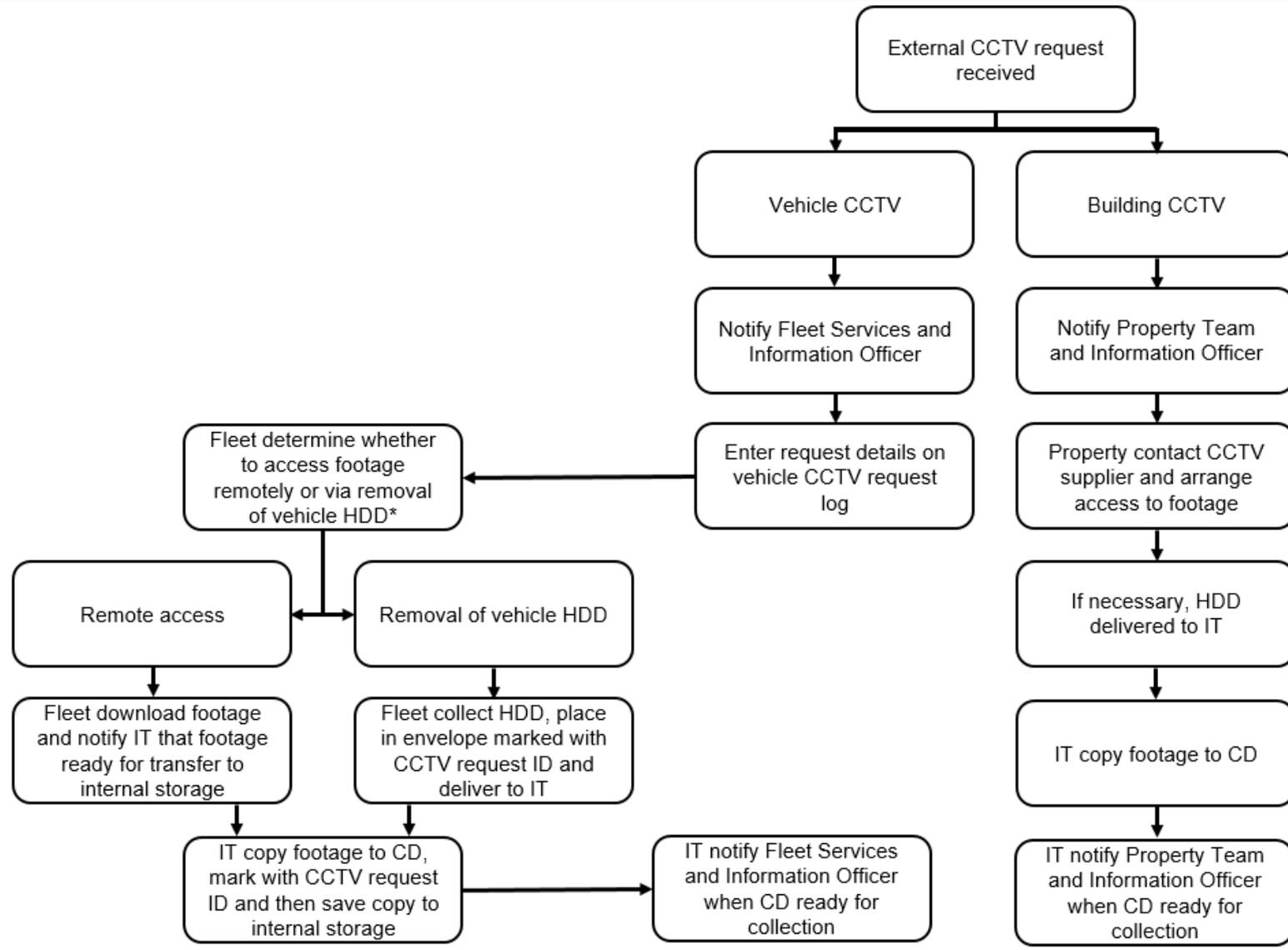


## Further Information

<b>Document Audit Information</b>	
<b>Senior Officer Accountable</b>	James Finch – Data Protection Officer
<b>Authorised by</b>	Corporate Management Board 10/01/2022
<b>Direct enquiries to</b>	Owain Thompson – Policy Manager
<b>Date Implemented</b>	TBC
<b>Review by</b>	TBC
<b>Amendments required to</b>	None
<b>Related documents [if any]</b>	Subject Access Request Policy Data Security and Information Governance Policy Publication and Retention Scheme
<b>Replaced documents</b>	N/A
<b>Security classification</b>	Not protectively marked
<b>Version No</b>	1
<b>Version change summary</b>	New policy

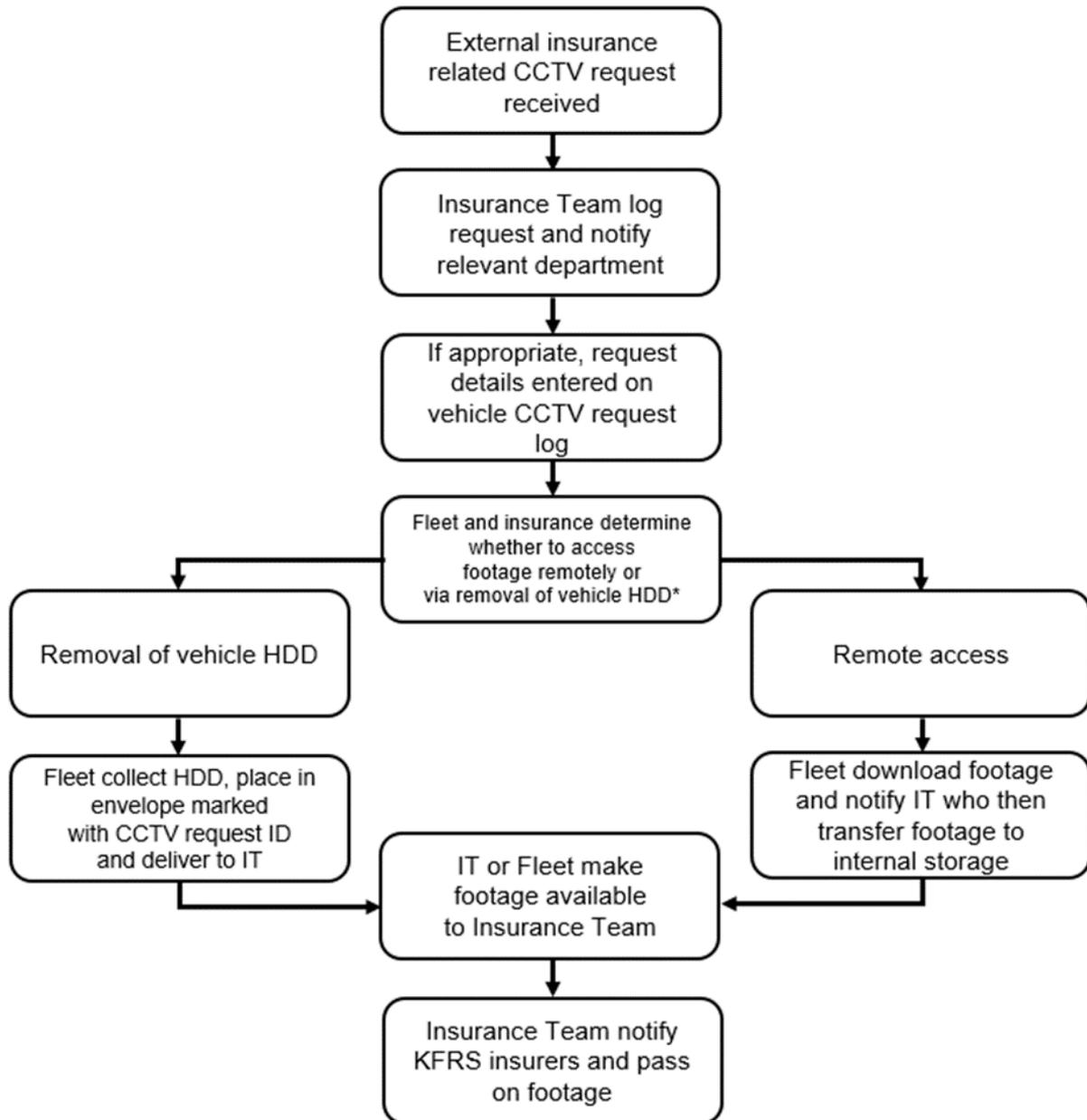


Appendix 1. Process chart for non-insurance related external CCTV requests



\*Decision about remote access or removal of vehicle HDD will primarily be determined by the duration of the requested footage (former for shorter, latter for longer).

Appendix 2. Process chart for insurance related external CCTV requests



\*Decision about remote access or removal of vehicle HDD will primarily be determined by the duration of the requested footage (former for shorter, latter for longer).

Appendix 3. The 12 guiding principles of the [Surveillance Camera Commissioner's Code of Practice](#)

<b>1</b>	<ul style="list-style-type: none"> <li>• What is your system for?</li> <li>• Do you review its use?</li> </ul>
<b>2</b>	<ul style="list-style-type: none"> <li>• Have you carried out a privacy impact assessment?</li> <li>• Do you publish a privacy impact assessment</li> </ul>
<b>3</b>	<ul style="list-style-type: none"> <li>• Do you have signage in place to say surveillance is taking place?</li> <li>• Is there a published point of contact for people to raise queries or complaints with?</li> </ul>
<b>4</b>	<ul style="list-style-type: none"> <li>• Who's responsible for your system?</li> <li>• Are your staff aware of their responsibilities?</li> </ul>
<b>5</b>	<ul style="list-style-type: none"> <li>• Do you have clear policies and procedures in place?</li> <li>• Do your staff know what your policies and procedures are?</li> </ul>
<b>6</b>	<ul style="list-style-type: none"> <li>• How long do you keep images/information?</li> <li>• How do you make sure images/information is deleted once they're no longer needed?</li> </ul>
<b>7</b>	<ul style="list-style-type: none"> <li>• Do you have a policy on who has access to the stored information?</li> <li>• Do you have a policy on disclosure of information?</li> </ul>
<b>8</b>	<ul style="list-style-type: none"> <li>• Do you follow any recognised operational or technical standards?</li> </ul>
<b>9</b>	<ul style="list-style-type: none"> <li>• Do you make sure that the images captured by your system are caught securely?</li> <li>• Are only authorised people given access to the images?</li> </ul>
<b>10</b>	<ul style="list-style-type: none"> <li>• Do you evaluate your system regularly to make sure it's still required?</li> <li>• Could there be an alternative solution to a surveillance camera system?</li> </ul>
<b>11</b>	<ul style="list-style-type: none"> <li>• Can the criminal justice system use the images and information produced by your surveillance camera system?</li> <li>• Do you have a policy on data storage, security and deletion?</li> </ul>
<b>12</b>	<ul style="list-style-type: none"> <li>• Do you use any specialist technology such as ANPR, facial recognition, Body Worn Video (BWV) or remotely operated vehicles (Drones)</li> <li>• Do you have a policy in place to ensure that the information contained on your database is accurate and up to date?</li> </ul>



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# Customer Safety



## Safeguarding Policy

Author	Kellie Major Rebecca Chittenden	Job title	Customer Safety Lead Safeguarding Manager
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### Introduction

Kent and Medway Fire and Rescue Authority (the Authority) has a number of responsibilities in relation to safeguarding. To meet these requirements, it conforms to Local Authority guidance and the National Fire Chiefs Council (NFCC) safeguarding guidance for children young people and adults in relation to safeguarding arrangements.

Safeguarding is the process that organisations put in place to make sure that they protect the safety and welfare of children, young people and adults at risk that they come into contact with during the course of their work. It also includes any specific activities that are undertaken to protect specific children, young people and adults at risk who are suffering, or likely to suffer, abuse.

This policy sets out how the Authority discharges its responsibilities. Everyone who works and volunteers for the Authority has contact with the community, either through emergency situations or customer safety activity. Employees have the responsibility to help safeguard members of the community at risk. Failure by employees and volunteers to correctly report and pass on safeguarding concerns, or not following the county-wide agreed processes for allegations against our colleagues, could lead to the collapse of a criminal investigation or harm of an individual. It is important to remember that the information we have may be part of a bigger picture. Many reviews of tragic cases highlight the failure of services to share information which, had they done so, may have helped to safeguard children, young people or adults at risk.

This policy applies to all employees and volunteers of the Authority and its customers.

### Legal consequences

The Policy conforms with the requirements of the following Acts:

[The Care Act 2014](#) (in particular, sections 42-46)

[Mental Capacity Act 2005](#)

[Safeguarding Vulnerable Groups Act 2006](#)

[Children Act 1989](#) and [Children Act 2004](#)

[Protection of Children Act 1999](#)

[Working Together to Safeguard Children 2018](#)

[The Counter Terrorism and Security Act 2015](#)

[Modern Slavery Act 2015](#)

[Data Protection Act 2018](#)

[Equality Act 2010](#)

[Human Rights Act 1998](#) (in particular Article 8 which protects the right to respect for private life and home)

[Fire and Rescue Services Act 2004](#)

## Service Policy

We understand both our responsibility and duty of care to ensure we have effective arrangements to safeguard and promote the welfare of children, young people and adults including those with complex needs and vulnerabilities, and our employees and volunteers.

The Authority will make Members, employees and volunteers aware of their duty to safeguard children, young people and adults at risk and the procedure for doing so.

Through this policy we aim to provide transparency to the public, so they are aware of the steps that the Authority takes to protect the children and adults at risk who they come into contact with in the community; and to provide clarity for members of the public in the action that will be taken in the event of a safeguarding-related allegation or negative feedback against someone working for or on behalf of the Authority.

The Authority will set out how we work with others. No single agency can have the full picture, therefore, a culture of documenting concerns, potentially over time, multi-agency collaboration and the use of early intervention/help services is key.

## Information

1. When a safeguarding concern is identified the Authority will;
  - Seek immediate assistance from the Police and, if necessary, the Ambulance service where a child or adult is at imminent or serious danger of harm or has already been harmed;
  - Allocate a Designated Safeguarding Officer (DSO) to each safeguarding case who is responsible for creating and following up on an action plan, and making any necessary referrals.
2. The Authority has set out roles and responsibilities in order to fulfil safeguarding duties and to set, procure and deliver the appropriate levels of training required by staff to undertake their role and will provide guidance and training for employees on how to deal with a disclosure and obtaining consent.
3. The Authority's procedure for safeguarding will ensure employees and volunteers understand the process to raise a concern and make this accessible in the form of a Guidance document which is reviewed periodically and updated.
4. The Authority will support employees dealing with safeguarding cases through existing employee assistance mechanisms and supervision if required for the role.
5. When necessary the Authority will share all relevant information with the appropriate agencies without delay and within agreed protocols.
6. The Authority will work jointly with partners and the relevant authorities to safeguard and promote the welfare of children, young people and adults and, where necessary, to help bring to justice the perpetrators of abuse or neglect.

## Roles and responsibilities

Role	Responsibilities
<p>All employees and volunteers</p> <p><i>Competency Level 1</i></p>	<ul style="list-style-type: none"> <li>Responsibility for safeguarding children and adults at risk.</li> <li>Listen to children, young people and adults.</li> <li>Recognise the signs and symptoms and responsibility to pass on a concern and liaise with DSO.</li> </ul>
<p>All Supervisors and Managers</p> <p><i>Competency Level 2</i></p>	<ul style="list-style-type: none"> <li>Ensure safeguarding is a standing item in all team meetings. (Customer Facing Roles Only)</li> <li>Provide line management supervision with safeguarding as a standing item. (Customer Facing Roles Only) Be the first point of call for employees and volunteers to seek advice, supporting them to reflect on any safeguarding cases they have dealt with and referring on to clinical supervision if required.</li> <li>Ensure all employees and volunteers have access to regular training and refreshers.</li> <li>Contribute to reports compiled about safeguarding arrangements and their effectiveness, as and when required.</li> </ul>
<p>HR / Training</p> <p><i>Competency Level 2</i></p>	<ul style="list-style-type: none"> <li>Maintain register of staff and volunteer DBS checks.</li> <li>Administer DBS check requests and safeguarding mandatory training register.</li> <li>Ensure safe recruitment practice is followed.</li> </ul>
<p>Employees with roles within Customer Safety and Building Safety</p> <p><i>Competency Level 2</i></p>	<ul style="list-style-type: none"> <li>Liaise with Safeguarding Manager or DSO and carry out enquiries if requested.</li> <li>Submit priority referrals or liaise with Control Room to raise safeguarding case.</li> <li>Understand threshold levels and services available including those linked to Early Help support and statutory services. Understand the consultation and escalation processes within the Local Authority they work in.</li> </ul>
<p>Firefighters / BST (reception &amp; FRCC)</p> <p><i>Competency Level 2</i></p>	<ul style="list-style-type: none"> <li>Liaise with Safeguarding Manager or DSO and carry out enquiries if requested.</li> <li>Submit priority referrals or liaise with Control Room to raise safeguarding case.</li> </ul>
<p>Designated Safeguarding Officer (DSO)</p> <p><i>Competency Level 3</i></p>	<ul style="list-style-type: none"> <li>Point of contact for all staff for safeguarding advice and guidance within office hours Monday to Friday 9:00-17:00.</li> <li>Identifying if a referral to the Local Authority is required or not.</li> <li>If identified as meeting Local Authority threshold for concern or an actual safeguarding situations a referral will be made to the Local Authority who then have the responsibility to investigate. If the concern is not a situation that requires a referral to the Local Authority, then staff will be advised by the DSO on how to conclude the concern.</li> <li>Make safeguarding enquiries.</li> <li>Make safeguarding referrals.</li> <li>Liaise with other safeguarding professionals.</li> <li>Liaise with Local Area Designated Officer and report any concerns in need of internal investigation to the Safeguarding Manager in the first instance.</li> </ul>
<p>Level 2 DSO/Duty Group Manager</p>	<ul style="list-style-type: none"> <li>Provide safeguarding advice, support and guidance outside office hours to all staff</li> <li>Make immediate safeguarding referrals if required.</li> <li>Make safeguarding enquiries.</li> </ul>

Competency Level 3	<ul style="list-style-type: none"> <li>• Liaise with other safeguarding professionals.</li> <li>• Liaise with Local Area Designated Officer and report any concerns in need of internal investigation to the Safeguarding Manager in the first instance.</li> </ul>
Safeguarding Manager	<ul style="list-style-type: none"> <li>• Operate as the operational lead(s) on Safeguarding / Child &amp; Adult Protection.</li> <li>• Oversee the safeguarding cases held by DSOs.</li> <li>• Chairing DSO monthly meetings.</li> <li>• Review and implement safeguarding training for all employees recognising different levels of required training.</li> <li>• Provide regularly updates on training programmes for staff and volunteers.</li> <li>• Keep DSO/Duty Group Manager/Level 2 DSO training register.</li> <li>• Cascade good practice.</li> <li>• Attend multi agency and partnership meetings with Local Authorities and organisations who can provide support for our customers.</li> <li>• Act as core panel member for Domestic Homicide Reviews, Safeguarding Adult Reviews and Serious Case Reviews.</li> <li>• Keep up to date with Kent and Medway child and adult safeguarding policies and procedures.</li> <li>• Maintain up to date knowledge of relevant legislation.</li> <li>• Completing Self Assessments and reports for the Local Authority and NFCC as required.</li> <li>• Write reports for Corporate Management Board ensuring CMB are fully briefed of ongoing work.</li> <li>• Liaise with Local Area Designated Officer (LADO) and report any concerns to the Assistant Director/Area Manager/Customer Safety Lead. Provide information for any internal investigations as required.</li> <li>• Provide safeguarding support and advice to staff during office hours.</li> <li>• Make safeguarding referrals.</li> </ul>
Customer Safety Lead	<ul style="list-style-type: none"> <li>• Oversee the safeguarding function within the Authority.</li> <li>• Oversee cases held by the Safeguarding Manager providing support and guidance.</li> <li>• Contribute to the QA process for all safeguarding cases held by DSOs.</li> <li>• Analyse information on safeguarding cases and identify trends.</li> <li>• Measure effectiveness considering strategic and organisational arrangements as well as how cases are managed to identify gaps in practice, policies and procedures so that we learn, develop and improve.</li> <li>• Review and implement safeguarding training for all staff recognising different levels of required training.</li> <li>• Ensure attendance at multi-agency and partnership meetings with Local Authorities and organisations who can provide support for our customers.</li> <li>• Keep up to date with Kent and Medway child and adult safeguarding policies and procedures.</li> <li>• Maintain up to date knowledge of relevant legislation.</li> <li>• Act as core panel member for Domestic Homicide Reviews, Safeguarding Adult Reviews and Serious Case Reviews</li> <li>• Oversee the completion of Self Assessments and reports for the Local Authority and NFCC as required.</li> <li>• Engage with peer reviews.</li> <li>• Write reports for Corporate Management Board ensuring CMB are fully briefed of ongoing work.</li> <li>• As required, lead with HR any investigation into safeguarding allegations against a member of staff or a volunteer, except, if the complaint were to be made against the Customer Safety Lead or someone else at the same grade (grade 9) or above. In that instance, the investigation would be led by a member of staff who is more senior than the member of staff that is the subject of the allegation.</li> <li>• Provide safeguarding support and advice to staff during office hours.</li> </ul>

<i>Competency Level 4</i>	<ul style="list-style-type: none"> <li>• Make safeguarding referrals if required.</li> <li>• Write Independent Management Reports.</li> </ul>
<p>Director, Prevention, Protection, Customer Engagement and Safety.</p> <p>Assistant Director, Customer and Building Safety, Customer Engagement and Safety.</p> <p>Area Manager, Customer and Building Safety, Customer Engagement and Safety.</p>	<ul style="list-style-type: none"> <li>• Leadership and accountability to ensure people working on behalf of the service are aware of safeguarding policies and procedures as well as the legal and moral obligations to effectively safeguard.</li> <li>• To ensure that safeguarding is positioned as core business in strategic and operating plans and structures.</li> <li>• To oversee, implement and monitor the ongoing assurance of safeguarding arrangements.</li> <li>• To ensure the adoption, implementation and auditing of policy and strategy in relation to safeguarding.</li> <li>• To provide a strategic link to the Kent and Medway, Children and Adult Safeguarding Boards, attending board meetings where possible.</li> <li>• Monitor Kent and Medway's Children Safeguarding Board's outcomes.</li> <li>• Ensure compliance with Kent and Medway child and adult safeguarding policies and procedures.</li> <li>• Ensure compliance with relevant legislation.</li> </ul>
<i>Competency Level 4</i>	
Chief Executive	<ul style="list-style-type: none"> <li>• To ensure that the role and responsibilities of the board in relation to safeguarding/child protection are met.</li> <li>• To ensure that the organisation adheres to relevant national guidance and standards for safeguarding/child protection.</li> <li>• To promote a positive culture of safeguarding children to include: ensuring there are procedures for safer staff recruitment; whistle blowing; appropriate policies for safeguarding and child protection (including regular updating); and that staff and customers are aware that the organisation takes child protection seriously and will respond to concerns about the welfare of children.</li> </ul>
Corporate Management Board	<ul style="list-style-type: none"> <li>• To ensure and promote appropriate, safe, multi-agency/inter-agency partnership working practices and information sharing practices operate within the organisation.</li> </ul>

The levels of training are based on the intercollegiate document as advised by the NFCC Level 3 and Level 4 Training delivered October 2021.

#### Competence level required by role:

Level 1	All employees and volunteers working for the Authority.
Level 2	All employees and volunteers who, within their role, have contact (however small) with customers of any age, children and young people, their families, parents/carers or the adults who may pose a risk to children.
Level 3	All employees who are working with children, young people and adults who could potentially contribute to assessing, planning, intervening or evaluating the needs of an adult, a child or young person and/or parental capacity. May be responsible for case management and making decisions about safeguarding concerns. Designated Safeguarding Officers, Safeguarding Officer and Duty Group Managers when dealing with Safeguarding concerns out of hours.
Level 4	Specialist roles – Named Professionals: Director Prevention, Protection, Customer Engagement and Safety; Assistant Director, Customer and Building Safety; Area

Manager, Customer and Building Safety; Customer Safety Lead, Safeguarding Manager; Continuous CPD required.

BOARD Chief Executive and Board members.

## Related policies and guidance documents

7. The Authority will alert the Local Authority LADO to any cases in which it is alleged that a person who works with children has:

- Behaved in a way that has harmed, or may have harmed, a child
- Possibly committed a criminal offence against a child, or in relation to a child
- Behaved towards a child or children in a way that indicates that she/he is unsuitable to work with children.

Further reference can be found in the Managing Allegations Policy.

8. The Authority has recruitment policies in place adhere to safer recruitment guidance and practice. The Recruitment and Selection Procedure can be [found here](#).

9. All roles accountable for safeguarding within the Service will be Enhanced DBS checked. These roles are:

- Director, Prevention, Protection, Customer Engagement and Safety.
- Assistant Director, Customer and Building Safety.
- Area Manager, Customer and Building Safety.
- Customer Safety Lead
- Safeguarding Manager
- Safeguarding Officer
- All Designated Safeguarding Officers who are responsible for case management.

10. The Authority recognises the important role employees can play in the identification of malpractice or wrong doing. The Authority will not tolerate any harassment or victimisation (including informal pressures) and will take appropriate action to protect employees when they raise a concern in good faith. The Speak Up Policy can be [found here](#)

Document Audit Information	
<b>Senior Officer Accountable</b>	Director, Prevention, Protection, Customer Engagement and Safety.
<b>Authorised by</b>	Director, Prevention, Protection, Customer Engagement and Safety.
<b>Direct enquiries to</b>	Safeguarding Manager

	Customer Safety Lead
<b>Date Implemented</b>	
<b>Review by</b>	January 2025
<b>Amendments required to</b>	None
<b>Related documents [if any]</b>	<a href="#">Recruitment and Selection Procedure</a> <a href="#">Speak Up Policy</a> <a href="#">G27 How to Raise a Safeguarding Concern</a> <a href="#">G28 Safeguarding Terms and Definitions</a> <a href="#">Managing Safeguarding Allegations Against Staff</a> <a href="#">Safeguarding People Impact Assessment</a>
<b>Replaced documents</b>	Safeguarding Service Order
<b>Security classification</b>	Not Protectively Marked
<b>Version No</b>	4
<b>Version change summary</b>	To clarify the training levels required, amend key terms and terminology used within the policy. To add details of Enhanced DBS checks and updated references to related documents.

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# Commercial and Procurement



## Social Value Policy

Authors	Mary Dawson David Smith	Programme Manager – National Commercial Reform Category Manager - Ops
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### Introduction

This Policy sets out the Authority's commitment to ensuring that the principles of the Public Services (Social Value) Act 2012 are applied in a way that enables the Authority to maximise economic, social and environmental benefits for our communities in Kent and Medway from our work. The Covid-19 pandemic has further highlighted inequalities in Kent and Medway, with a disproportionate impact on many already disadvantaged communities. It is therefore more important than ever to take positive action.

The Social Value Act requires public bodies to consider opportunities for social value when procuring all goods and services.

Social value can be defined as increasing the social, economic and environmental wellbeing of the people we serve. When the concept of social value is included within our procurement activity, it is important to consider more than just the cost and direct benefits of a contract, but what value a contract might add to our communities. Social Value aims to move beyond making decisions based on financial cost or price alone. Instead, it advocates seeking 'value for money' in its widest sense by considering potential social benefits (involving people, culture and interactions), economic benefits (such as money flow and financial resources) and environmental benefits (involving the place in which people live, the planet and use of resources). In summary, this may be in terms of;

- Promoting local skills and employment for all;
- Supporting the growth of responsible local business;
- Fostering healthier, safer and more resilient communities;
- Providing cleaner and greener spaces by promoting sustainable procurement and safeguarding the planet,
- Promoting new ideas and social innovation.

Considering Social Value during decision-making is not a replacement for evaluating the financial return or quality of core objectives, but an opportunity to do more social good alongside the generation of the wider benefit. The embedding of Social Value principles in service, investment and commissioning appraisals can result in more effective approaches to achieving the Authority's strategic objectives and tackling our most difficult challenges. The positive social impact of the investment should be fully evaluated alongside service quality and the investor return on investment.

This document sets out the policy on the Authority's approach to Social Value and is closely aligned to the Authority's Commercial and Procurement Strategy 2021 – 2025, specifically its priority "to consider inclusion and social value impacts and initiatives in all procurement opportunities", in conjunction with the Government's Social Value Model.

### Scope

This Policy applies to all colleagues, volunteers and Members of the Authority.

## Service Policy

Social Enterprise UK defines Social Impact as “The effect of an activity on the social fabric of the community and wellbeing of the individuals and families”, and **Social Value** is what is created.

The Authority recognises the leverage created through spend with suppliers, and turn that leverage into specific commitments to deliver positive impacts for the benefit our Customers and communities within Kent and Medway.

The Authority will therefore:

- Seek to deliver economic, social and environmental benefits in line with the Social Value Model for our communities within Kent and Medway.
- Collaborate with our supply community and charitable organisations to facilitate and encourage new, innovative and positive outcomes with regards to Social Value initiatives.
- When procuring contracts: Develop our requirements in a way that is proportionate and maximises the delivery of Social Value benefits, including suitable contractual obligations and monitoring procedures to ensure initiatives are delivered as promised.
- Seek to recognise the role that Small Medium Enterprises can play in delivering our contracts (either directly, or as sub-contractors to our suppliers).
- Seek Social Value contributions from existing suppliers.
- Measure, record and report on the value that our approach to Social Value delivers (monetary value and non-monetary benefits), recognising that non-monetary benefits can be extremely valuable to society.
- Have due regard for our primary responsibility to achieve value for money for public funds, and avoid a net increase in costs as a result of seeking additional Social Value.
- The Authority will also consider the inclusion of Social Value initiatives that may benefit other communities across the UK when leading on collaborative national projects.

We will communicate this policy to our colleagues, supply chain partners, other Fire and Rescue Services Sector and relevant interested parties, and review it on an annual basis to ensure agreed outcomes have been met and lessons learned captured to facilitate continuous improvements to the efficiency and effectiveness of this policy.

## Legal consequences

The Public Services (Social Value) Act became law on 8 March 2012 and requires Public Sector organisations to consider the potential for suppliers to deliver services that enhance the area and people with whom they are working. This Act therefore places an obligatory emphasis on Social Value questions in tender documentation.

Our drive to achieve greater equality and inclusion is central to our approach to Social Value. This approach is underpinned by the public sector Equality Duty, which applies when we consider Social Value as part of a commissioning exercise or activity. The Equality and Inclusion Policy sets out how the Authority will meet the statutory obligations defined within the Equality Act 2010, which are to:

- Eliminate discrimination;
- Advance equality of opportunity; and
- Foster good relations between different people.

This Social Value policy is also complemented by the Authority's commitment to eradicating modern slavery.

## Our Key Social Value Objectives

1. A new Social Value Model was launched from 1 January 2021 by the Government's Commercial Function that focusses on the following five Social Value priorities for procurement, also known as 'themes';
  - Supporting COVID-19 recovery;
  - Tackling economic inequality;
  - Fighting climate change;
  - Equal Opportunity;
  - Wellbeing;
2. These priorities support the Government's commitments to meeting the United Nations Sustainable Development Goals 2015 to end poverty and protect the planet, support compliance to The Equality's Act 2010 and the elimination of Modern Slavery, creating new jobs, promoting skills, and growing and diversifying supply chain opportunities in line with its Industrial and Civil Society Strategies.
3. There are 8 policy outcomes which flow from these themes whilst also supporting our Customer Safety Plan of Working Together, Saving Lives and Reducing Harm. This model will be used by the Authority to review and select with internal customers and other stakeholders those themes most appropriate when procuring contracts.

Themes	Theme Description	Link to Customer Safety Plan	8 Policy Outcomes
Theme 1	Supporting Covid 19 Recovery	Promoting Behaviours Objective and working with partners to tackle social isolation.	1. Help local communities to manage & recover from the impact of Covid 19.
Theme 2	Tackling Economic Inequality	Supporting Businesses Objective of helping businesses stay in business and safeguarding vulnerable people.	2. Create new businesses, new jobs and new skills. 3. Increase supply chain resilience and capacity.
Theme 3	Fighting Climate Change	Environment and Assets Strategy	4. Effective stewardship of the environment.
Theme 4	Equal Opportunity including the delivery of the Authority's Equality, Diversity and Inclusion commitments	Equality, Diversity and Inclusion and Modern Slavery Policies.	5. Reduce disability employment gap. 6. Tackle workforce inequality. Additionally supporting the Authority's Equality, Diversity and Inclusion commitments as detailed in the Authority's Equality, Diversity and

			Inclusion Strategy 2021-2025 and Modern Slavery Policy.
Theme 5	Wellbeing	Promoting Behaviours Objective of having Community Engagement/Station Open days.	7. Improve health & wellbeing. 8. Improve community cohesion.

## How we will apply Social Value to decision making

4. The Government's Commercial Function mandates that central government departments give a minimum of 10% of the overall weighted score to social value questions in tenders. The Authority is currently not bound by this mandate, but shall discuss with its customers as to the most appropriate weighting on a case by case basis.
5. We will take a rigorous and pragmatic approach to applying Social Value that's dependent on the type of decision being made. Some key principles should always be applied;
  - **Aligned:** Social Value measures should always be aligned with the 8 Policy Outcomes
  - **Relevant:** Assessments should be based solely on the Social Value that could reasonably be expected to flow from delivering the core objectives of a decision. We should consider engagement with our communities for any major decisions.
  - **Proportionate:** The resources that the Authority and stakeholders spend on identifying, assessing and monitoring Social Value should be proportionate to the additional Social Value that could be secured.
  - **Accessible and inclusive:** Social Value application and evaluation processes must be designed to be as straightforward and accessible as possible. Particular efforts should be made to encourage and support applications from a diverse range of individuals and organisations.
  - **Transparent:** A framework should be defined, documented and published (as appropriate), setting out: how Social Value will be assessed, how any scoring will be applied and how this will contribute to the overall decision. The Authority will also ensure Social Value is included in early supplier engagement to assist in the design of specifications and tender evaluation, and secure buy-in from external partners, bidders & suppliers. An audit trail of decisions should also be retained. Wider discussions with other external agencies and blue light partners will assist in identifying collaborative opportunities for developing and delivering additional Social Value initiatives.
  - **Monitored:** Delivery of Social Value commitments should be monitored by the Budget Manager/Contract Manager, supported by the Commercial and Procurement Team and reported to the Corporate Services Strategy Board.

## Training

### Our People:

6. A primary factor in building and sustaining a successful approach to Social Value is the extent to which our people recognise and embrace the concept, and then help turn the concept into specific actions and outcomes. Our aim is to make the concept of Social Value something that everyone wants to actively and fully participate in, not something that they feel they must do. To give Social Value the focus and platform needed to help deliver a successful and sustainable programme of activity the Commercial and Procurement Team will work with the People Team to inform and train every one of the benefits and opportunities for the delivery of Social Value. It will provide learning

materials to help everyone understand the concept of Social Value, how to recognise opportunities for its inclusion within our tenders based on their expertise and knowledge of their work streams and external partners. In addition, ensure that Budget Managers/Contract Managers develop the skills sets necessary to manage Social Value commitments within their contracts with suppliers.

7. Social Value Toolkits, assessment templates and practical guidance will be developed and made available by the Commercial and Procurement Team to support and guide users through the Authority's processes for applying Social Value to decision-making.

### Commercial and Procurement Team

8. Specific training will be provided for members of the Commercial and Procurement Team to further develop their skills and knowledge of Social Value. This will include training on how Social Value should be included within our tender documentation through the development of specific questions appropriate to the Social Value theme(s) and how Social Value commitments from suppliers are subsequently monitored and delivered throughout the contract management phase to ensure that all suppliers meet their contractual obligations.

### Governance

9. To achieve maximum impact Social Value must be seen as an extension of our business as usual activity (rather than a standalone pursuit). It is important we collectively fully adopt the principles of Social Value in order that we can fulfil our policy promises.

**Monitoring:** While all Social Value commitments the Authority makes should be delivered, monitoring and reporting on our delivery is crucial in cases where Social Value commitments have influenced the allocation of public funds (e.g. when awarding a contract). Third parties (such as suppliers) should therefore be monitored and held to account for the delivery of Social Value commitments they have made to the Authority.

**Reporting:** Our performance against our policy shall be reported into the Corporate Services Strategy Board and recorded for audit purposes.

An annual statement will be prepared and published to demonstrate the difference that the Authority has made as a result of its Social Value approach to delivering its services to our Customers.

### Compliance with this Policy

10. The adherence to the Social Value Policy is the responsibility of everyone within the Authority.

### Publication

11. Each Social Value statement must be approved by Corporate Management Board, and the Authority, dated with the financial year it refers to and be made public on the Authority's website and include a link to the statement in a prominent place on the website's home page.

### Supporting Information

Details	Link to material
Public Services (Social Value) Act 2012	<a href="https://www.legislation.gov.uk">Public Services (Social Value) Act 2012 (legislation.gov.uk)</a>
Kent and Medway Fire and Rescue Authority's EDI Strategy Policy 2021-2025	<a href="#">Our EDI Challenges for 2021- 2025 (sharepoint.com)</a>
Kent and Medway Fire and Rescue Authority EDI Policy	<a href="#">To be updated</a>

Kent and Medway Fire and Rescue Authority's Modern Slavery Policy	<a href="#">Modern Slavery Policy V1.0 Jan21.pdf</a>
Kent and Medway Fire and Rescue Authority's Customer Safety Plan –2021-2031	<a href="#">Customer Safety Plan 2021-2031   Kent Fire and Rescue Service (fire-uk.org)</a>
Environment and Assets Strategy 2021-2025	
The Social Value Model 2021	<a href="#">Social-Value-Model-Edn-1.1-3-Dec-20.pdf (publishing.service.gov.uk)</a>
United Nations Sustainable Development Goals 2015	<a href="#">Take Action for the Sustainable Development Goals – United Nations Sustainable Development</a>
The Equality's Act 2010	<a href="#">Equality Act 2010 (legislation.gov.uk)</a>
Industrial and Civil Society Strategies.	<a href="#">Policy paper overview: Civil Society Strategy: building a future that works for everyone - GOV.UK (www.gov.uk)</a>

<b>Document Audit Information</b>	
<b>Senior Officer Accountable</b>	Tina Butler
<b>Authorised by</b>	James Finch
<b>Direct enquiries to</b>	Mary Dawson / David Smith
<b>Date Implemented</b>	
<b>Review by</b>	
<b>Amendments required to</b>	None
<b>Related documents [if any]</b>	Commercial and Procurement Strategy 2021 to 2025 Customer Safety Plan 2021 to 2025
<b>Replaced documents</b>	None
<b>Security classification</b>	None
<b>Version No</b>	1.0
<b>Version change summary</b>	

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# People and Learning



## Social Media Policy

Author	Dominika Kimber	The current job title of the main author.	People Change and Strategy Manager
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### Introduction

We recognise social media is a key communications tool and many staff enjoy using platforms in their personal time. Compliance with this policy safeguards us from reputational damage and protects you from the less positive aspects of social media, such as trolling and hate crime.

This policy applies to everyone who works and volunteers for us, including all employees, volunteers, and stakeholders including consultants, contractors, and any agency staff. In addition, all Members of the Authority are encouraged to follow the principles set out within this policy, but are also reminded that the code of conduct of their respective authorities applies to them.

The purpose of this guidance is to encourage and enable everyone to use social and other digital media appropriately, and to remove any risk associated with identifying your role and employment with KFRS online.

### Legal Consequences

The law surrounding use of social media is very complex and it balances obligations placed on you under your contract of employment with your rights to a private life and the freedom of expression.

Key statutory acts relating to this policy include:

#### **Equality Act 2010**

You can be deemed to have acted 'in the course of your employment' if your conduct and actions are closely related to your employment. If your acts cannot be regarded as part of your ordinary course of employment or are in breach of our procedures, these will be seen as unauthorised and you are likely to be liable.

#### **Human Rights Act 1998**

Article 8 gives a 'right to respect for private and family life, home and correspondence'. Case law suggests that everyone has a reasonable expectation of privacy in the workplace.

Article 10 European Convention on Human Rights provides, that everyone has the right to freedom of expression, including freedom to hold opinions.

Although you have freedom of expression, you also have a duty to behave responsibly and to respect other people's rights.

Public authorities may restrict this right if they can show that their action is lawful, necessary and proportionate for example if you express views that encourage racial or religious hatred.

#### **Investigatory Powers (Interception by Businesses etc for Monitoring and Record-keeping Purposes) Regulations 2018**

The Investigatory Powers Regulations 2018 allow employers to investigate or detect the unauthorised use of internal telecommunication system, including internet use. If these steps are necessary, you will be told that monitoring of the internet will occur.

## Data Protection Act 2018

The [ICO Employment Practices Code](#) states that employers must be clear with their employees if they intend to monitor social media accounts. Covert monitoring will only be justified in very exceptional situations. We will not routinely monitor personal social media accounts unless such monitoring forms part of an investigation into allegations of breach of our policies or Code of Ethical Conduct.

## General Data Protection Regulation

The General Data Protection Regulation (GDPR) requires employers to be transparent about the personal data that they hold and how it is used.

Information obtained from monitoring an employee's internet use will normally amount to personal data. If the organisation considers it justifiable and reasonable to monitor a personal social media account, we will inform the employee of this fact, the legal basis for processing as well as what type of monitoring is carried out, including the nature, extent and reasons for any monitoring. An impact assessment will also be carried out where processing is likely to result in a high risk to an employee's rights and freedoms.

## Disciplinary Policy and Code of Ethical Conduct

Organisation's expectations and standards of conduct as outlined within the Disciplinary Policy and Code of Ethical Conduct, form an integral part of the Social Media Policy and will be considered in investigation or any alleged breaches.

Service policy, digital and social media can help us to communicate and support our customers and how we engage with them on important issues. Through social media we reach many different customers and we strive to ensure that our messages and content is inclusive and relevant to everyone. Digital and social media allows us to have conversations and receive feedback on the services we provide, community events, safety campaigns, and any service news. We share content that is aligned to our values and the role we play in educating and keeping our customers safe.

Using social media comes with great responsibility as those who use it are in effect publishers in their own right, and therefore are subject to publishing law, including defamation and libel

## Information

### Definition of social media

1. For the purpose of this policy, social media is a type of interactive online media, including websites and applications that enable users to create and share content or to participate in social networking in a public forum. This policy applies to all social media platforms, including but not limited to; Facebook, Twitter, YouTube, NextDoor, TikTok, Snap Chat, LinkedIn, Facebook Workplace, WhatsApp and other instant messenger technologies.

### Identifying yourself as a Kent Fire and Rescue Service employee on social media

2. Nobody who works or volunteers for us is permitted to state on their personal social media accounts/platforms, their link to the service. Do not include any mention of Kent Fire and Rescue Service in your profile/account names, bios or imagery depicting Kent Fire and Rescue Service uniform, personal protective equipment, vehicles or anything else which identifies that you work or volunteer for the service. We have a duty of care to minimise the risk of employees and volunteers being exposed to work-related online trolling, and not disclosing your link with the service

significantly reduces that risk. This does not however restrict you from engaging with, or sharing content from, the official corporate Kent Fire and Rescue Service accounts to your own platforms.

3. The only social media platforms where you can identify yourself as working for Kent Fire and Rescue Service, is LinkedIn and Facebook Workplace - professional networking sites which are representative of employment/volunteering and your career.
4. Nobody who works or volunteers for us is permitted to discuss incidents or other service business on any social media platform – other than within team instant messaging groups set up for the purpose of discussing work matters (see more about instant messaging, such as WhatsApp below).
5. Your contribution to professional discussions on platforms set up for this purpose, for example on the closed National Fire Chiefs' Council Workplace Facebook page, is important for sharing professional views and progressing professional debates. However, you must remember that at all times you are representing our views and values.

### **WhatsApp and other messenger technologies**

6. If you are using a group instant messaging platform like WhatsApp or any other similar technology, for the purpose of communicating with your colleagues outside of working hours, or to discuss work related matters, these communications can be seen as work related and carried out in the course of employment. Therefore you must abide by the rules in this policy when communicating with colleagues using such platforms. Consequently, as far as reasonably practicable, you should always ensure that you use corporate communications channels for any official written business. In addition, personal data about KFRS colleagues (including volunteers) is not permitted be shared on WhatsApp or any other messaging tools. Personal data relates to information specifically about an individual used to learn something about them in relation to the workplace and or make decisions about their employment. This personal data must only be shared in writing over organisational channels such as the Service's Outlook email system. This is to ensure that colleagues' personal data is processed in accordance with the requirements of the UK's General Data Protection Regulation (UK GDPR) and that KFRS has the ability to access that personal data.
7. If you use instant messaging platforms to communicate with your workplace colleagues, you are also expected to:
  - Be mindful of the time when you communicate any official work-related information and respect the fact that some users might be resting or be off duty. Do not issue instructions outside of ordinary working hours, unless in the case of emergency or if the group is specifically created for the purpose of out of hours communications.
  - Intervene if you disagree with any content that you feel does not meet the expectations outlined in this policy.
  - Not to exclude colleagues from unofficial instant messaging platform discussions such as on WhatsApp, which are created for groups or teams, for work related or social purposes, as this might be seen as discriminatory.
  - Report to your manager immediately if a message intended for a personal recipient is unintentionally shared on a work instant messaging group, to avoid the possibility of it being misinterpreted or cause any offence.
  - Remember that the messages you send can be used as evidence in tribunals or court.
  - Before sharing any content in an instant messaging group environment, consider:
    - Is it necessary?
    - Is it appropriate for the audience?
    - Is the time of day you are looking to send a message appropriate or fair?

### **Code of Ethical Conduct**

8. It is very important to remember that all users of social media are bound by the Code of Ethical Conduct. The code sets out the core values of integrity, honesty, objectivity and impartiality as well

as the standards of behaviour we expect at work and can be found on the human resources section of the intranet. These should be observed when using social media.

9. You should not use personal social media sites during your working hours. Use of personal devices to access social media should be limited to allocated break times.
10. You can access the internet on work devices, for the purposes of shopping and personal research, but this can only be done during allocated break times and with your manager's permission.
11. The creation of work/team related social media profiles is not permitted. The corporate Kent Fire and Rescue Service social media accounts are the only profiles that should exist to officially represent the organisation.
12. If you use social media as part of your job (this should only be members of the engagement team), you must adhere to the following principles:
  - Make sure that the communication benefits the organisation.
  - Use social media in both an ethical and lawful manner.
  - Obtain engagement team lead's permission before embarking on a public campaign using social media.
  - Sense check the content before you publish anything.

### **Using social media in a professional capacity**

13. You are only permitted to disclose your link to Kent Fire and Rescue Service on LinkedIn and in professional networking groups. Any communications made in a professional capacity through these social media channels must not:
  - Breach confidentiality, e.g. reveal confidential intellectual property or discuss our internal workings. This includes information that refers to an individual or information about an individual that would render them recognisable within the description.
  - Do anything that could be considered discriminatory or bullying/harassing in nature, e.g. offensive/derogatory remarks, posting offensive images or any posting considered likely to incite violence or offend others, breach the law or condone unlawful activity. This includes gossip, banter or use of inappropriate language or emojis in messages, pictures or videos, including communications with workplace colleagues via IM platforms, during or outside working hours.
  - Bring the organisation into disrepute, e.g. by criticising a stakeholder, partner or customer.
  - Breach copyright, e.g. using images without consent, making defamatory or libellous comments about individuals or other organisations or posting images or links to inappropriate content
  - Any other behaviour which has potential to damage the reputation of Kent Fire and Rescue Service.
  - Breach of data protection e.g. disclosing information about individuals without their consent or processing personal data in such way that would breach data protection principles.
  - Breach data protection of the organisation or anyone who is associated with us.

### **Using social media in a personal capacity**

14. Social media is a public forum and the same considerations apply to its use as would apply to speaking in public or writing for a publication either in an official or private capacity. In social media the boundaries between professional and personal are often more blurred, so it's important to be particularly careful as boundaries which apply at work might be different to those which are appropriate on social media, where your audience is much wider and beyond your control and your posts are not only permanent but can also be shared/re-posted.
15. You should be aware of privacy limitations when posting material on social media and the extent to which that information is in the public domain. Once posted, the material, although only shared with limited followers or friends, can still be published and copied elsewhere. Thus, the posting

could be shared more widely without the original poster's permission or knowledge. You are responsible for configuring your own privacy settings and reviewing them regularly.

16. When using social media in a personal capacity, you must be aware that your activity can damage the reputation of the organisation if you are recognised as being one of our employees or if your activity is considered relevant to your employment or in breach of Kent Fire and Rescue Service's Code of Ethical Conduct. This could also lead to your dismissal.
17. You are not permitted to state that you work for Kent Fire and Rescue Service on your social media profiles and must never discuss your work activities, e.g. discussing an operational incident or customer.
18. You should also consider your own personal security. This includes content which might compromise your safety, for example information about your hobbies or leisure activities.
19. You should not disclose official information on social media nor should you take part in commenting on any political or other public activity which could compromise or might be seen to compromise the government of the day or any future government.
20. You should make it clear that your views are your own, however the use of a disclaimer will not override the need for you to follow the principles outlined in this policy or offer you any protection in case your activity is considered as disciplinary misconduct. Serious breaches of these principles could be considered to be gross misconduct and would result in disciplinary action which may lead to dismissal.
21. Any communications in a personal capacity through social media (please refer to the definition of social media) must not:
  - Breach confidentiality, e.g. revealing confidential intellectual property, personal information about individuals, or discuss our internal workings.
  - Do anything that could be considered discriminatory or bullying/harassing in nature, e.g. offensive/derogatory remarks, posting offensive images or any posting considered likely to incite violence or offend others, breach the law or condone unlawful activity.
  - Bring the organisation into disrepute, e.g. by criticising any stakeholders, partners or customers, making defamatory or libellous comments about individuals or other organisations or posting images or links to inappropriate content.
  - Any other behaviour which has potential to damage the reputation of KFRS.
  - Breach of data protection e.g. disclosing information about individuals without their consent or processing personal data in such way that would breach data protection principles.
  - Breach copyright, e.g. using images without consent.
22. You must not encourage behaviour in others through social media that could link to safeguarding issues, e.g. bullying, grooming or exploitation, theft of personal information, encouraging self-harm or violence, or glorifying activities such as excessive drinking or drug-taking. These kinds of post will be investigated and could be considered as gross misconduct which will result in disciplinary action against you and potential dismissal.
23. Complicity with inappropriate posts sent to you e.g. if you are tagged in inappropriate pictures or views which are in breach of expectations outlined within this document and failing to address these comments or re-posting, might be considered as misconduct or gross misconduct and could result in dismissal.
24. You may accept payment or other inducements for your own material on social media as long as it has been produced in your own time; does not relate to your employment with us; and that you have sought and received permission from us to engage in this type of other/outside employment.
25. We reserve the right to request the removal of content from personal accounts if the account or its submission is considered a risk to our reputation or to any of our staff.
26. We are mindful of your right to a private life and this includes your activity on social media, as long as there is no connection between your private life and your employment. For example, if we receive a complaint in relation to your social media activity, we will consider the actual impact of it

on our reputation. If we establish a sufficient link between your activity and your employment and risk to our reputation, your conduct will trigger disciplinary investigation and is likely to amount to misconduct or gross misconduct, which could result in dismissal. We might also have a duty to other employees to conduct a disciplinary process, for example where bullying or harassment of one employee by another occurs through social media.

### **Use of social media in the staff recruitment process**

27. The human resources team and managers should only conduct searches on social media when these are relevant to an applicant's skills, or claims that they have made on their application, e.g. use of social media in a previous role, claim that they have created a site or blog that links to the skills required for the role.
28. There will be no systematic or routine checking of prospective employees' online social media activity prior to, or post, employment. However, once any individual signs their contract of employment they are bound by the principles outlined in this policy and within the Code of Ethical Conduct.

### **Misuse of social media**

29. You should be aware that any use of social media websites through Kent Fire and Rescue Service devices (whether or not accessed for work purposes) may be monitored and, where breaches of this policy are found, action may be taken under the Disciplinary Policy.
30. Misuse of social media websites can, in certain circumstances, constitute a criminal offence or otherwise give rise to legal liability against the individuals concerned and/or Kent Fire and Rescue Service. Staff should be aware that if misuse is considered to be criminal in nature, we will report this to the Police.
31. The uploading, posting, forwarding or posting of a link to any of the following types of material on a social media website, whether in a professional or personal capacity, may amount to gross misconduct and result in summary dismissal. (This list is not exhaustive):
  - Pornographic material (e.g. writing, pictures, films or video clips of a sexually explicit or arousing nature)
  - A false and defamatory statement about any person or organisation.
  - Material which is offensive, obscene, criminal, discriminatory, derogatory or may cause embarrassment to us, our customers or our staff.
  - Confidential information about Kent Fire and Rescue Service or our business or any of our staff or customers (without express authority to disseminate).
  - Any other statement which is likely to create any liability (whether criminal or civil, and whether for the employee or the organisation).
  - Material in breach of copyright or other intellectual property rights, or which invades the privacy of any person.
  - Any other activity that can damage Kent Fire and Rescue Service's reputation or that destroy or is likely to destroy trust and confidence in you.
32. Where evidence of misuse is found a more detailed investigation will be undertaken in accordance with the Disciplinary Policy. This will involve the examination and disclosure of monitoring records to those nominated to undertake the investigation and any witnesses or managers involved in the investigation. If necessary, such information may be handed to the Police in connection with a criminal investigation.

### **Further Information**

33. If you are in any doubt about what you should or should not post on social media, particularly about your work, or if you discover online content that may harm our reputation, you should contact the engagement team.

## Appendix A - Top things to remember when using social and digital media.

- ✓ **Common sense:** social media helps us work openly and connect with the people we serve – making adverse or discriminatory comments in what you think is your personal time will have an impact on your work if you are identified as working for Kent Fire and Rescue Service.
- ✓ Adhere to the **Code of Ethical Conduct:** apply the same standards online as are required offline, whether acting in an official or personal capacity.
- ✓ **Doubts?** If in doubt, do not post it.
- ✓ **Accuracy:** check the accuracy and sensitivity of what you are posting before publishing.
- ✓ Always **check who someone is** before responding. For example, it may not always be obvious if we are being approached by a blogger or journalist, in which case we should refer them to our engagement team.
- ✓ **Permanent:** remember once something is posted online it is very difficult to remove it.
- ✓ Care should be taken to **avoid sharing personal details** of both members of the public and ourselves via social media and other digital channels. Identity theft and personal security are real issues – one of the reasons why you are not permitted to state your link to the service on social media.
- ✓ Check security and privacy settings on your profiles.
- ✓ **Never disclose commercially sensitive, private or confidential information.**
- ✓ Do not upload, post or forward any **content belonging to a third party** unless you have that third party's consent.
- ✓ **Don't escalate heated discussions**, try to be conciliatory, respectful and quote facts to lower the temperature and correct misrepresentations. Never contribute to a discussion if you are angry or upset; return to it later when you can contribute in a polite, calm and rational manner.
- ✓ **Always consider others' privacy** and avoid discussing topics that may be inflammatory e.g. politics and religion.
- ✓ **Avoid publishing your contact details** where they can be accessed and used widely by people you did not intend to see them, and never publish anyone else's contact details.

- ✓ Before your first contribution on any social media site, **observe the activity on the site** for a while before launching in yourself to get a feel for the style of contributions, the nature of the content and any 'unwritten' rules that other contributors might follow.
- ✓ If you notice **any content posted on social media about us** (whether complimentary or critical) please report it to your line manager or the Engagement team.

## Further Information

- Policy on a page
- People Impact Assessment

<b>Document Audit Information</b>	
<b>Senior Officer Accountable</b>	Dominika Kimber
<b>Authorised by</b>	Karen Irvine
<b>Direct enquiries to</b>	Dominika Kimber
<b>Date Implemented</b>	July 2021
<b>Review by</b>	July 2025
<b>Amendments required to</b>	None
<b>Related documents</b>	<ul style="list-style-type: none"> <li>• Disciplinary Policy</li> <li>• Code of Ethical Conduct</li> </ul>
<b>Replaced documents</b>	None
<b>Security classification</b>	None
<b>Version No</b>	3.0
<b>Version change summary</b>	3.0 General review and update of the policy triggered by the scheduled review date



# Customer Engagement and Safety

## Customer Feedback Policy

Author	Richard Stanford-Beale	Job title	Customer Experience and Behaviour Change Lead
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### Introduction

The Authority seeks to ensure that all customers have the best possible experience of the services it provides, whether that's in a traumatic emergency situation, within their own homes to keep them safe, in education, at an event or within a business setting. In order to maintain excellent service and ensure continuous improvement it is essential that the authority makes it as easy as possible for customers to provide feedback and that it learns from the feedback obtained.

Although the Authority prides itself on achieving high levels of customer satisfaction it is inevitable that sometimes things can go wrong. It is, therefore, important that any negative feedback is investigated to ensure things are put right and lessons learnt where necessary.

This Policy sets out the process by which the Authority obtains all types of customer feedback and how it is dealt with. This Policy is applicable to all Members of the Authority, employees, volunteers and contractors working for or on behalf of the Authority.

### Legal Consequences

This Policy complies with the following legislation:

None

### Service Policy

The Authority's Policy is to ensure that feedback received by the Authority is dealt with fairly and properly. The Authority is committed to transparency and an analysis of feedback received will be reported to the Authority in a publicly-available report annually. Feedback is used to identify ways of improving the Authority's services or the manner in which these services are delivered.

The Policy aims to fulfil the following objectives:-

- a. Customers are encouraged to give feedback and made aware of the procedure for doing so;
- b. Customers feel that feedback is being treated confidentially, fairly and seriously, regardless of whether the outcome brings complete satisfaction;
- c. Employees, volunteers, contractors and elected Members are aware of this Policy and how best to deal with feedback;
- d. The Authority responds to feedback appropriately, quickly and in a courteous and efficient manner;

- e. Customers are aware of their rights if they are not satisfied with how feedback is handled by the Authority;
- f. The Authority learns from all feedback and takes appropriate measures to improve services where appropriate;
- g. The reputation of the Authority as a customer-focused and high performing organisation is maintained.

## Scope

1. This Policy applies to all feedback from customers about any service provided by The Authority, however it is obtained. This Policy covers positive feedback (compliments), negative feedback (complaints) and comments received.
2. This Policy does not apply to internal services provided to colleagues in connection with their employment.
3. Allegations which involve children, young people or adults at risk fall outside this Policy and are dealt with by the Managing Allegations Policy. Complaints specifically about data protection fall outside of this Policy and are dealt with under the Data Protection and Information Security Policy.
4. This Policy would not normally apply to challenges or objections concerning the enforcement of fire safety regulations, such as the issuing of an enforcement notice or activity occurring from an audit of a business premises, or a subsequent failure to comply with legislation. In these circumstances, the complainant will be directed to the appeals process outlined in the relevant legislation. Feedback about the conduct or behaviour of staff undertaking these actions does fall within the scope of this Policy.
5. Where feedback relates to a member of staff, it may also be necessary to consider the nature of the feedback under the Authority's Disciplinary Policy and/or Code of Ethical Conduct, and also in conjunction with the Authority's Speak-up Policy.

## Definitions

### Customer

6. In the context of this Policy a customer refers to any member of the public, business or any individual receiving a service from the Authority or anyone having any other cause to make a complaint, or provide any form of feedback.

### Complaint

7. A complaint is an expression of dissatisfaction, however made, about the standard, actions or lack of action undertaken by the Authority or its staff when in the employ of Kent Fire and Rescue Service, which affects any member of the public, groups of individuals or an organisation.

### Complainant

8. A complainant is any customer making a complaint.

### Vexatious Complainant

9. A vexatious complainant is an unreasonable or unreasonably persistent complainant who, because of the frequency or nature of their contacts within the Authority, hinders the Authority's consideration of their, or other people's complaints. A customer who makes repeated complaints on the same subject, or one who refuses to accept a reasonable outcome from an investigation or

is abusive to staff, may have their complaint deemed vexatious, following an investigation/appeal. Note this applies to the complaint and not the customer.

### **Founded Complaint**

10. A founded complaint is one where the Investigating Officer has determined that the Authority was at fault and has tangible evidence to uphold the complaint.

### **Unfounded Complaint**

11. An unfounded complaint is one where the Investigating Officer has determined that the Authority was not at fault in any way (examples would be a misunderstanding, or the complainant not being aware of a relevant Policy).

### **Partially Founded Complaint**

12. A partially founded complaint is one where the Investigating Officer has determined that the Authority was partially at fault.

### **Comments**

13. Comments are queries, statements or requests about a particular activity or circumstance that do not raise a complaint. This could be a question about how or why the Authority is doing something, or it could be a suggestion of how it could do something differently. This may include requests to change something at the point of service delivery where the request can be rectified immediately by the member of staff or manager responsible for the service.

### **Compliment**

14. A compliment is any feedback received by the Authority which records appreciation for work or actions undertaken by an individual(s) in the employ of the Authority or relating to action undertaken by Kent Fire and Rescue Service or the Authority.

## **Performance monitoring**

15. Corporate Management Board shall ensure that at all times customer feedback is within the job description of a member of the Board. It will receive regular reports on feedback received to ensure any trends are identified where appropriate. The Authority shall receive an annual report on feedback from the public, including levels of satisfaction, the number of complaints and the number of appeals during each financial year and the outcomes from each.
16. The Authority will record the level of feedback and take note of trends in performance. It will consider whether data indicates any areas of concern for particular groups of customers or whether a protected characteristic may be impacting on the services it provides where data allows such comparisons to be made. Data will be aggregated or anonymised to ensure that no personal data is reported to the Authority at its public meetings.
17. The Authority will maintain a database of all **feedback**. Records shall be kept for a duration of seven years in accordance with the Authority's publication scheme, and then destroyed.

## **Encouraging feedback**

18. The Authority encourages feedback on the services it provides from all customers. Its employees openly and proactively encourage customers at the point of service delivery to provide feedback.
19. The Authority provides transparent guidance on how to provide feedback. Guidance is made available in accessible formats including on the Authority's website. Employees provide assistance and guidance to customers on how to provide feedback and staff will not try and influence the feedback provided. Customers expressing dissatisfaction will always be given the opportunity to make a complaint.
20. The Authority will take action to remove or reduce barriers to accessibility as soon as identified to ensure equality of access to all its customers.

## Format of feedback

21. The Authority accepts feedback via a number of channels to ensure accessibility and equity, this includes electronic and verbal channels. If feedback is deemed to be a complaint then the customer may be asked to confirm the details in writing and offered advice or support in order to do so as appropriate.
22. Where the customer is unable or chooses not to make the complaint in writing then the Authority shall satisfy itself that the customer's complaint has been correctly understood and may confirm the complaint in writing to the customer. Customers are not required to put complaints in writing especially if doing so would prevent them from being able to complain.
23. Feedback which is anonymous will be treated equally seriously although the customer may not be advised of the outcome. Complaints made under the Authority's Whistleblowing Policy will be investigated in the same way as a complaint made by someone from outside the organisation.

## Process

### Receiving feedback

24. It is essential that all feedback is accurately compiled to ensure a true picture of customer feedback can be gained and reported in accordance with this Policy.
25. All complaints, however received, must be forwarded to [feedback@kent.fire-uk.org](mailto:feedback@kent.fire-uk.org) as soon as practically possible, preferably on the same day as they are received. No correspondence should be entered into by the recipient.
26. A verbal complaint received at an operational incident will be dealt with under the direction of the Incident Commander in the first instance and at an appropriate time. A note of the complaint shall be emailed to [feedback@kent.fire-uk.org](mailto:feedback@kent.fire-uk.org) at the earliest opportunity.
27. Feedback which is not deemed to be a complaint, for example comments and compliments shall also be forwarded to [feedback@kent.fire-uk.org](mailto:feedback@kent.fire-uk.org) and logged. Feedback other than complaints may be compiled and submitted periodically.

### Acknowledgment

28. Complaints should be dealt with as soon as practicable and an acknowledgment shall be sent to the complainant within three working days. This is undertaken centrally and not by the recipient of the complaint.
29. The person receiving negative feedback can sympathise with the complainant but shall not admit liability or blame on behalf of the Authority. The recipient should avoid entering into written correspondence. At this stage the complaint is only an allegation which will require proper investigation.

### Investigation of Complaints

30. On receipt of a complaint an Investigating Officer shall be appointed. The Investigating Officer is the person responsible for dealing with a complaint and ensuring that the procedure is followed. If the complaint refers to the actions of a member of staff, the Investigating Officer will always be a more senior officer.
31. Where appropriate the Investigating Officer shall send a letter or email to the complainant setting out the details of the complaint to ensure the nature of the complaint has been correctly understood, this is particularly important if the complaint was made verbally.
32. Where feedback requires more detailed investigation it should normally be dealt with within **twenty working days**. However, if this is not possible, the complainant should be kept informed of progress after each three week period.

33. If the Investigating Officer is unable to gather evidence, for example if the complainant does not co-operate with the investigation, then the available evidence will be assessed to determine whether the complaint is founded, unfounded or partially founded.

### **Notification of outcome**

34. On completion of any investigation, a letter or email should be sent by the Investigating Officer to the complainant confirming the action taken by the Authority. This will confirm whether the complaint was founded, unfounded or partially founded.
35. If the complaint is founded and it is identified that a change to the Authority's policies, procedures or training programme is required, then the issue will be referred to the Head of Section as appropriate for discussion.

### **Right to appeal**

36. Complainants have the right to appeal about the outcome of a complaint. Appeals must be made within 20 working days of the original response to the complaint being sent to the complainant. Any request for an appeal outside this timeframe will not be processed.
37. The complainant shall be encouraged to make any such appeal in writing, and if necessary will be offered advice or support in order to do so. Failure to put an appeal in writing does not remove the right of appeal.
38. When received, the appeal will be forwarded to [feedback@kent.fire-uk.org](mailto:feedback@kent.fire-uk.org). An appeals officer, who was not involved in investigating the original complaint, will be appointed. Their role is not to reinvestigate the complaint, but to confirm that the Authority's Policy has been correctly applied. However, as part of the appeals process, new information which may have a bearing on how the complaint was interpreted may come to light. In such cases, the outcome of the complaint should be reviewed.
39. The outcome of the appeal will be notified to the complainant within 20 working days of the appeal being received. At this stage, the appeal may be declared as founded and the original finding of the complaint will be overturned. Alternatively, the original finding may be upheld. At this stage, the Authority may also declare the complaint vexatious.

### **Right to escalate**

40. If a complainant is not satisfied with the handling of their complaint after an appeal has been conducted, the Authority has no further mechanism in place to assist them and they will be directed to the Local Government and Social Care Ombudsman and the Office of the Information Commissioner for issues relating to the Freedom of Information Act or data protection.

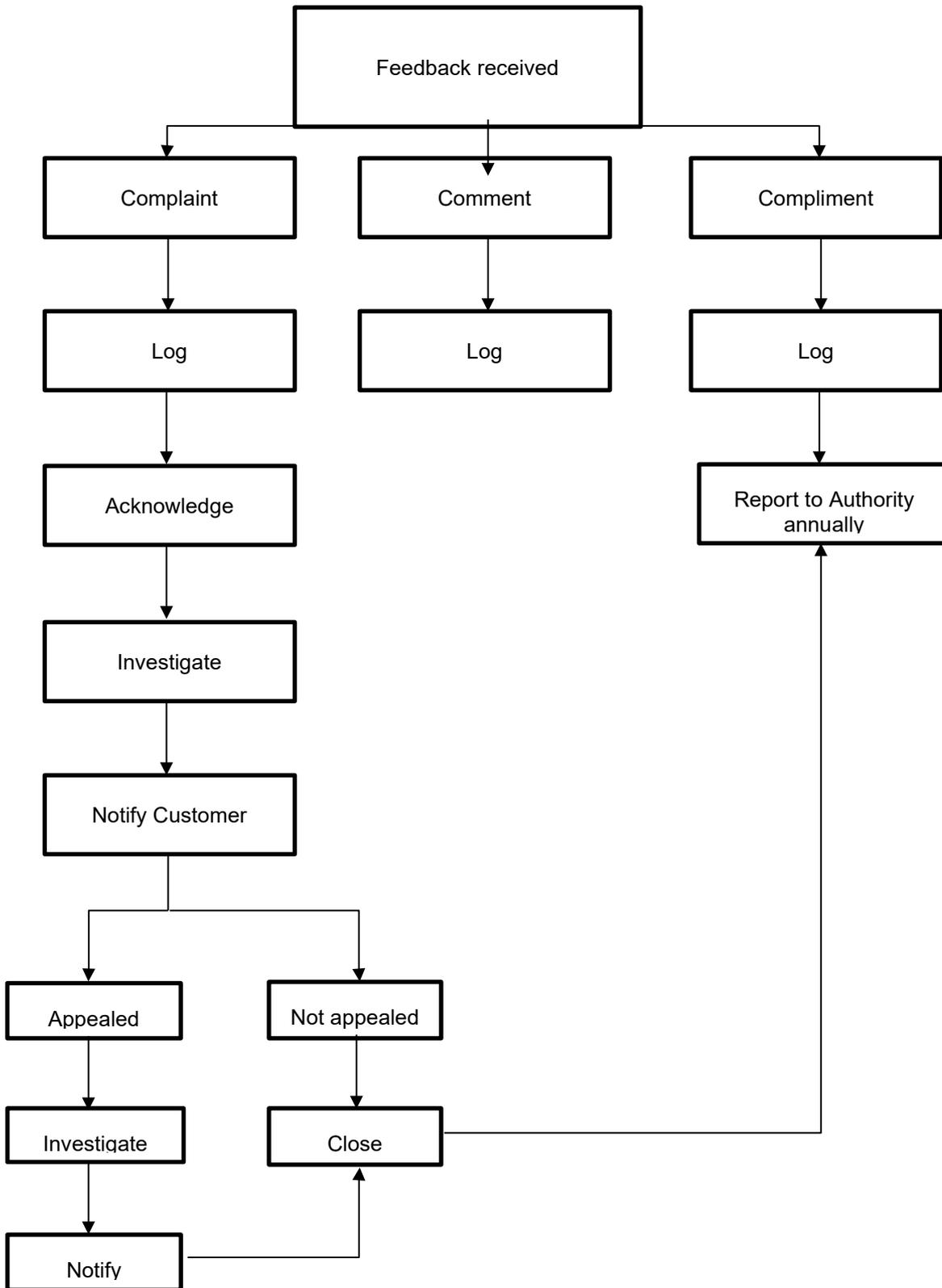
### **Complaints on the grounds of potential discrimination**

41. The Authority seeks to ensure that it is able to provide services which meet the needs of everyone in the community it serves. However, the Authority recognises that there may be occasions when it does not get this right. This Policy will be used to deal with feedback alleging discrimination. This will include complaints of discriminatory behaviour, including harassment. This may include complaints that a Policy, process, procedure or practice is discriminatory (e.g. "institutional discrimination"). Common grounds for discrimination are race, gender, disability, sexual orientation, religion, belief, age or social and economic background.
42. The Authority recognises that it could receive complaints of a discriminatory nature relating to another local authority or agency. Under these circumstances the feedback will be taken and passed on to the appropriate organisation. Information on complaints of a discriminatory nature will be collected to enable the level and nature of such complaints to be closely monitored and appropriate action plans developed to address identified areas of action.

## Vexatious complaints

43. Complainants will be advised when the Authority considers that the nature of the correspondence is becoming Vexatious.
44. If, following an appeal, a complaint is declared vexatious, no further investigation of the complaint will be made, and the Authority will close the Complaint. Any further complaint made by the complainant on another issue shall be treated as a new complaint, and not as a vexatious complaint.

Appendix 1: Feedback quick reference guide



## Further Information

<b>Document Audit Information</b>	
<b>Senior Officer Accountable</b>	Jon Quinn – Director Customer Engagement, Safety, Prevention and Protection
<b>Authorised by</b>	Corporate Management Board – 10 January 2022
<b>Direct enquiries to</b>	Customer Experience and Behaviour Change Lead
<b>Date Implemented</b>	1 March 2022
<b>Review by</b>	1 March 2025
<b>Amendments required to</b>	None
<b>Related documents [if any]</b>	Managing Allegations Policy Speak-up Policy Disciplinary Policy Data Protection and Information Security Policy
<b>Replaced documents</b>	Feedback and Allegations Policy
<b>Security classification</b>	Not protectively marked
<b>Version No</b>	1.0
<b>Version change summary</b>	New policy to replace Feedback and Allegations Policy.

# Resilience Team



## Emergency Planning and Contingencies Policy

Author	Steven Lewis	Current Job Title	Resilience Manager
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### Introduction

The Civil Contingencies Act 2004 places certain duties on the Authority. This includes the undertaking of risk assessments, the production and maintenance of emergency plans for preventing emergencies and for reducing, controlling or mitigating the effects of an emergency. Additionally there is a duty to produce and maintain Business Continuity Plans for dealing with emergency situations that threaten the ability of the Authority to maintain the delivery of its services.

The Authority is committed to the principle of Integrated Emergency Management (IEM) as outlined in the guidance document 'Emergency Preparedness'. IEM ensures greater overall resilience in the face of a broad range of disruptive challenges in anticipation of events that have the potential to have a serious impact on human welfare, the environment, the security of our community and the delivery of critical services. The Authority has a number of framework documents in its IEM documentation with established processes by which major emergency plans and service continuity plans are produced, tested and implemented. The implementation of relevant frameworks demonstrates compliance with our duties under the Civil Contingencies Act 2004 and enhances our organisational resilience. Furthermore it will ensure we successfully embed the principles of risk management and service continuity into day-to-day management practices.

The lessons from the COVID pandemic, starting January 2020 and ongoing at time of this policy publication have been taken into account in the drafting of this policy and changes have been made to subordinate organisational procedures as a result.

### Legal Consequences

This document sets out the Authority's Policy in complying with the Civil Contingencies Act 2004, its supporting Regulations and the guidance set out in the Cabinet Office guidance document, 'Emergency Preparedness'.

### Service Policy

The Authority will establish and maintain an the Emergency Planning (EP), Business Continuity (BC) and Managing Significant Events framework within which the Authority can deliver its functions so far as is reasonable or desirable for the purpose of preventing the emergency; reducing; controlling or mitigating its effects; or taking other action in connection with it and facilitating the return to normal in the event of a business disruption.

The Authority will have overall responsibility for ensuring that the Frameworks make provision for:

- Undertaking risk assessments and using these assessments to inform both emergency planning and business continuity planning
- Establishing and maintaining plans for preventing emergencies; reducing, controlling or mitigating the effects of emergencies; and for ensuring that the Authority can continue to exercise its functions in the event of an emergency or disruption to its business.

- Establishing and maintaining a programme for developing, exercising and reviewing emergency plans and business continuity plans to ensure their effectiveness.
- Establishing a process for ensuring any lessons learnt are acted upon as appropriate and that they are shared and fed back into the planning process
- Establishing and maintaining a programme for training key staff and provide an overview to Authority Members relating to how we discharge the duties set out within this policy.
- Establishing and maintaining a communications plan for advising the public of risks before an emergency and warning and keeping it informed in the event of an emergency
- Being an active member of the Kent Resilience Forum (KRF) and support joint planning, training and exercising with all other Category 1 and Category 2 responders as designated under the Act.

<b>Document Audit Information</b>	
<b>Senior Officer Accountable</b>	Chris Else
<b>Authorised by</b>	TBC
<b>Direct enquiries to</b>	Steven Lewis
<b>Date Implemented</b>	January 2022
<b>Review by</b>	January 2025
<b>Amendments required to</b>	List any existing documents that need to be amended once this document is agreed.
<b>Related documents [if any]</b>	<ul style="list-style-type: none"> <li>• Emergency Planning (EP) framework</li> <li>• Business Continuity (BC) framework</li> <li>• Managing Significant Events framework</li> <li>• Critical Incident OIN</li> </ul>
<b>Security classification</b>	Protectively marked (TBC)
<b>Version No</b>	6
<b>Version change summary</b>	Amendments made to include new Managing Significant Events framework following CMB sign off. Policy has been transferred into the Services new template.

# Operational Services



## Automatic Fire Alarm Policy

Author	Jon Quinn	Director Prevention, Protection, Customer Engagement and Safety
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### Introduction

The Authority receives a large number of calls as a result of automatic fire alarm systems, but over 98% of these calls are known to be false alarms. Calls from automatic fire alarm systems cause a significant disruption to building users and potentially divert firefighters away from incidents where it is confirmed someone's life is at risk. The Authority has had call management processes in place for automatic fire alarm calls for some years and has been successful in reducing the number of false alarms. From April 2012 these arrangements were strengthened further and as a result all calls reporting an automatic fire alarm sounding are challenged and filtered by the Authority's control employees. For the majority of premises, the caller is asked to confirm if there is a fire or signs of a fire before the Authority will send an emergency response.

This policy is applicable to all Members in relation to their role in performance scrutiny and all employees in terms of application of the policy by the Authority.

### Legal Consequences

Effective management of calls relating to Automatic Fire Alarms relies on clear policy and procedures as well as appropriate training and experience to allow call handlers to make appropriate judgements based on risk.

### Service Policy

The Authority will call manage all emergency calls relating to automatic fire alarm systems. This means that the Authority will not automatically respond to automatic fire alarm systems but will apply a filtering system to reduce the number of false alarms it attends

In the majority of premises callers reporting an automatic fire alarm system sounding are required to confirm that there is a fire or signs of fire other than the alarm, before Control employees will mobilise an emergency response.

The Authority consider a false alarm initially to be a 'near miss' when investigating the reason why it may have occurred and will continue to provide advice and support to businesses and premises managers in order that automatic fire alarm systems are well managed so that the number of false alarms continues to decline.

The Authority will continue to respond to automatic fire alarm incidents over its borders passed to it by other Fire and Rescue Authorities where a mutual aid (Sections 13 and 16) agreement is in place.

### Information

1. The Authority will not normally send any emergency resource to investigate an automatic fire alarm system sounding. If it decides to respond to an automatic fire alarm call it will normally send the same response as it would to a fire.

2. Callers reporting an automatic fire alarm system sounding via a care-line or callers reporting a self-contained (domestic) smoke alarm sounding will be asked if they can confirm that it is a false alarm. If they are unable to confirm a false alarm then the call will be treated as a fire-call and an emergency response will be sent.
3. Where the Authority has undertaken an assessment of individual premises which highlights a specific need for a response to automatic fire alarms then callers from that site will be asked if they can confirm that the call is a false alarm. If they are unable to confirm a false alarm then the call will be treated as a fire-call and an emergency response will be sent.
4. In regards the assessment of individual premises the Authority will take into consideration technological advancements in fire alarm systems that are proven to have a very low error rate, in addition to life risk.

### **Roles & Responsibilities**

5. All employees working in the Authority's control centre will adhere to the policy set out above and the specific operating procedures relating to their posts.
6. The Group Manager Service Delivery (specialist teams) will ensure that control employees receive adequate guidance, training and support in order that they can adhere to the automatic fire alarm policy and operating procedures.
7. The automatic fire alarm policy will be regularly reviewed to ensure its effectiveness in reducing false alarms and managing risk.

### **Political Leadership**

8. The Authority will review performance against the automatic fire alarm Policy to ensure it supports the objectives set out in the Customer Safety Plan.

### **Guidance for Control Employees**

9. The Automatic Fire Alarm operating procedure provides further guidance for Control employees.

<b>Document Audit Information</b>	
<b>Senior Officer Accountable</b>	Jon Quinn – Director Prevention, Protection, Customer Engagement and Safety
<b>Authorised by</b>	Director Prevention, Protection, Customer Engagement and Safety
<b>Direct enquiries to</b>	Mark Woodward – Assistant Director Customer and Building Safety
<b>Date Implemented</b>	1 January 2022
<b>Review by</b>	31 December 2025
<b>Amendments required to</b>	None
<b>Related documents [if any]</b>	Filtering system criteria People Impact Assessment
<b>Replaced documents</b>	AFA Policy Version 4
<b>Security classification</b>	Not protectively marked
<b>Version No</b>	Version 5
<b>Version change summary</b>	AFA Policy reviewed and updated accountabilities

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By: Director, Finance and Corporate Services

To: Kent and Medway Fire and Rescue Authority - 18 February 2022

Subject: APPOINTMENT OF EXTERNAL AUDITORS

Classification: Unrestricted

## **FOR DECISION**

### **SUMMARY**

Back in 2016 Members agreed to accept the Public Sector Audit Appointments' (PSAA) invitation to opt into the sector led appointment of external auditors. As part of this process Grant Thornton were awarded the contract for this region and as such, they remain our current auditors. However, this contract is due to expire in 2022/23 and therefore this report sets out proposals for appointing the external auditor to the Authority, for the five-year period from 2023/24. Further details of options available to the Authority and the changing Audit marketplace can be found at **Appendix 1** to this report and the invitation to opt in letter from the PSAA can be found at **Appendix 2**.

### **RECOMMENDATION**

Members are requested to:

1. Accept the Public Sector Audit Appointments' invitation to opt into the sector-led option for the appointment of external auditors five financial years from 1 April 2023 (paragraph 4 refers).

LEAD/CONTACT OFFICER: Director, Finance and Corporate Services – Alison Kilpatrick  
TELEPHONE NUMBER: 01622 692121 ext. 8262  
EMAIL: alison.kilpatrick@kent.fire-uk.org  
BACKGROUND PAPERS:

## Background

1. In 2016 Members agreed to accept the Public Sector Audit Appointments' (PSAA) invitation to opt into the sector led appointment of external auditors. As part of this process Grant Thornton were awarded the contract for this region and as such, they remain our current auditors until they have completed the audit of 2022/23 financial accounts and value for money assessment.
2. PSAA is now undertaking a procurement process for the next appointing period, covering audits between the financial years 2023/24 to 2027/28. Given the length of time that is taken for the appointment process, it is now the appropriate time to consider the current options available to make such appointments. As such this report considers those options and sets out a proposed recommendation.
3. Essentially, Members have the option to either arrange their own procurement and make the appointment themselves or in conjunction with other bodies, or they can join and take advantage of the national collective scheme administered by PSAA.
4. **Proposal – Appendix 1** attached to this report sets out details, rationale and the market considerations to be considered in relation to appointing the Authority's external auditors. This concludes that the sector-wide procurement conducted by PSAA will produce better outcomes and will be less burdensome for the Authority than a procurement undertaken locally, due to:
  - collective procurement reduces costs for the sector and for individual authorities compared to a multiplicity of smaller local procurements
  - if national appointment arrangements are not utilised, then the Authority will need to establish its own auditor panel with an independent chair and independent members to oversee a local auditor procurement and ensure arrangements are in place for the ongoing management of the audit contract
  - it is the best opportunity to secure the appointment of a qualified, registered auditor as there are only nine accredited local audit firms, and a local procurement would be drawing from the same limited supply of auditor resources as PSAA's national procurement
  - supporting the sector-led body offers the best way of ensuring there is a continuing and sustainable public audit market into the medium and long term.
5. Consequently, this report proposes that the most appropriate approach would be to utilise the services of PSAA and to be part of the sector wide appointment process. However, it is a requirement under the local audit regulations that this decision must be made by the full Authority and not by any other committee, hence why this report has

been presented to this meeting as opposed to the Audit and Governance Committee. In order to opt into the national scheme from 2023/24, the Authority must return their completed opt-in documents (**attached at Appendix 2**) to PSAA by no later than the 11 March 2022.

## **IMPACT ASSESSMENT**

6. There is a risk that current external audit fee levels could increase when the current contracts end. It is clear that the scope of audit has increased, requiring more audit work. There are also concerns about capacity and sustainability in the local audit market.
7. Opting into a national scheme provides maximum opportunity to ensure fees are as realistic as possible, whilst ensuring the quality of audit is maintained, by entering into a large-scale collective procurement arrangement.
8. If the national scheme is not used some additional resource may be needed to establish an auditor panel and conduct a local procurement. Until a procurement exercise is completed it is not possible to state what, if any, additional funding resource may be required for audit fees from 2023/24 onwards

## **RECOMMENDATION**

9. Members are asked to agree that:
  - 9.1 Accept the Public Sector Audit Appointments' invitation to opt into the sector-led option for the appointment of external auditors five financial years from 1 April 2023 (paragraph 4 refers).

## **Procurement of External Audit for the period 2023/24 to 2027/28**

Under the Local Government Audit & Accountability Act 2014 (“the Act”), the Authority is required to appoint an auditor to audit its accounts for each financial year. The Authority has three options;

- To appoint its own auditor, which requires it to follow the procedure set out in the Act.
- To act jointly with other authorities to procure an auditor following the procedures in the Act.
- To opt in to the national auditor appointment scheme administered by a body designated by the Secretary of State as the ‘appointing person’. The body currently designated for this role is Public Sector Audit Appointments Limited (PSAA).

In order to opt in to the national scheme, the Authority must make a decision at a meeting of the Full Authority.

### **1. The Appointed Auditor**

The auditor appointed at the end of the procurement process will undertake the statutory audit of accounts and Best Value assessment of the Authority in each financial year, in accordance with all relevant codes of practice and guidance. The appointed auditor is also responsible for investigating questions raised by electors and has powers and responsibilities in relation to Public Interest Reports and statutory recommendations.

The auditor must act independently of the Authority and the main purpose of the procurement legislation is to ensure that the appointed auditor is sufficiently qualified and independent.

The auditor must be registered to undertake local audits by the Financial Reporting Council (FRC) employ authorised Key Audit Partners to oversee the work. As the report below sets out there is a currently a shortage of registered firms and Key Audit Partners.

Auditors are regulated by the FRC, which will be replaced by a new body with wider powers, the Audit, Reporting and Governance Authority (ARGA) during the course of the next audit contract.

The Authority therefore has very limited influence over the nature of the audit services it is procuring, the nature and quality of which are determined or overseen by third parties.

### **2. Appointment by the Authority itself or jointly**

The Authority may elect to appoint its own external auditor under the Act, which would require the Authority to;

- Establish an independent auditor panel to make a stand-alone appointment. The auditor panel would need to be set up by the Authority itself, and the members of the panel must be wholly or a majority of independent members as defined by the Act. Independent

members for this purpose are independent appointees, excluding current and former elected members (or officers) and their close families and friends. This means that elected members will not have a majority input to assessing bids and choosing to which audit firm to award a contract for the Authority's external audit.

- Manage the contract for its duration, overseen by the Auditor Panel.

Alternatively, the Act enables the Authority to join with other authorities to establish a joint auditor panel. Again, this will need to be constituted of wholly or a majority of independent appointees. Further legal advice would be required on the exact constitution of such a panel having regard to the obligations of each Authority under the Act and the Authority would need to liaise with other local authorities to assess the appetite for such an arrangement.

### **3. The national auditor appointment scheme**

PSAA is specified as the 'appointing person' for principal local government under the provisions of the Act and the Local Audit (Appointing Person) Regulations 2015. PSAA let five-year audit services contracts in 2017 for the first appointing period, covering audits of the accounts from 2018/19 to 2022/23. It is now undertaking the work needed to invite eligible bodies to opt in for the next appointing period, from the 2023/24 audit onwards, and to complete a procurement for audit services. PSAA is a not-for-profit organisation whose costs are around 4% of the scheme with any surplus distributed back to scheme members.

In summary the national opt-in scheme provides the following:

- the appointment of a suitably qualified audit firm to conduct audits for each of the five financial years commencing 1 April 2023;
- appointing the same auditor to other opted-in bodies that are involved in formal collaboration or joint working initiatives to the extent this is possible with other constraints;
- managing the procurement process to ensure both quality and price criteria are satisfied. PSAA has sought views from the sector to help inform its detailed procurement strategy;
- ensuring suitable independence of the auditors from the bodies they audit and managing any potential conflicts as they arise during the appointment period;
- minimising the scheme management costs and returning any surpluses to scheme members;
- consulting with authorities on auditor appointments, giving the Authority the opportunity to influence which auditor is appointed;
- consulting with authorities on the scale of audit fees and ensuring these reflect scale, complexity, and audit risk; and
- ongoing contract and performance management of the contracts once these have been let.

#### **4. Pressures in the current local audit market and delays in issuing opinions**

Much has changed in the local audit market since audit contracts were last awarded in 2017. At that time the audit market was relatively stable, there had been few changes in audit requirements, and local audit fees had been reducing over a long period. 98% of those bodies eligible opted into the national scheme and attracted very competitive bids from audit firms. The resulting audit contracts took effect from 1 April 2018.

During 2018 a series of financial crises and failures in the private sector led to questioning about the role of auditors and the focus and value of their work. Four independent reviews were commissioned by Government: Sir John Kingman's review of the Financial Reporting Council (FRC), the audit regulator; the Competition and Markets Authority review of the audit market; Sir Donald Brydon's review of the quality and effectiveness of audit; and Sir Tony Redmond's review of local authority financial reporting and external audit. The recommendations are now under consideration by Government, with the clear implication that significant reforms will follow. A new audit regulator (ARGA) is to be established, and arrangements for system leadership in local audit are to be introduced. Further change will follow as other recommendations are implemented.

The Kingman review has led to an urgent drive for the FRC to deliver rapid, measurable improvements in audit quality. This has created a major pressure for audit firms to ensure full compliance with regulatory requirements and expectations in every audit they undertake. By the time firms were conducting 2018/19 local audits during 2019, the measures they were putting in place to respond to a more focused regulator were clearly visible. To deliver the necessary improvements in audit quality, firms were requiring their audit teams to undertake additional work to gain deeper levels of assurance. However, additional work requires more time, posing a threat to the firms' ability to complete all their audits by the target date for publication of audited accounts. Delayed opinions are not the only consequence of the FRC's drive to improve audit quality. Additional audit work must also be paid for. As a result, many more fee variation claims have been needed than in prior years.

This situation has been accentuated by growing auditor recruitment and retention challenges, the complexity of local government financial statements and increasing levels of technical challenges as bodies explore innovative ways of developing new or enhanced income streams to help fund services for local people. These challenges have increased in subsequent audit years, with Covid-19 creating further significant pressure for finance and audit teams.

None of these problems are unique to local government audit. Similar challenges have played out in other sectors, where increased fees and disappointing responses to tender invitations have been experienced during the past two years.

#### **5. The invitation**

PSAA is now inviting the Authority to opt in for the second appointing period, for 2023/24 to 2027/28, along with all other eligible authorities. Based on the level of opt-ins it will enter into

contracts with appropriately qualified audit firms and appoint a suitable firm to be the Authority's auditor. Details relating to PSAA's invitation are provided in **Annex 2** – the opt in invitation issued by PSAA.

## **6. The next audit procurement**

The prices submitted by bidders through the procurement will be the key determinant of the value of audit fees paid by opted-in bodies. PSAA will:

- seek to encourage realistic fee levels and to benefit from the economies of scale associated with procuring on behalf of a significant number of bodies;
- continue to pool scheme costs and charge fees to opted-in bodies in accordance with the published fee scale as amended following consultations with scheme members and other interested parties (pooling means that everyone within the scheme will benefit from the prices secured via a competitive procurement process – a key point of the national collective scheme);
- continue to minimise its own costs, around 4% of scheme costs, and as a not-for-profit company will return any surplus funds to scheme members. In 2019 it returned a total £3.5million to relevant bodies and in 2021 a further £5.6million was returned.

PSAA will seek to encourage market sustainability in its procurement. Firms will be able to bid for a variety of differently sized contracts so that they can match their available resources and risk appetite to the contract for which they bid. They will be required to meet appropriate quality standards and to reflect realistic market prices in their tenders, informed by the scale fees and the supporting information provided about each audit. Where regulatory changes are in train which affect the amount of audit work suppliers must undertake, firms will be informed as to which developments should be priced into their bids.

The scope of a local audit is fixed. It is determined by the Code of Audit Practice (currently published by the National Audit Office)<sup>1</sup>, the format of the financial statements (specified by CIPFA/LASAAC) and the application of auditing standards regulated by the FRC. These factors apply to all local audits irrespective of whether an eligible body decides to opt into PSAA's national scheme or chooses to make its own separate arrangements. The requirements are mandatory; they shape the work auditors undertake and have a bearing on the actual fees required.

There are currently nine audit providers eligible to audit local authorities and other relevant bodies under local audit legislation. This means that a local procurement exercise would seek tenders from the same firms as the national procurement exercise, subject to the need to manage any local independence issues. Local firms cannot be invited to bid. Local procurements must deliver the same audit scope and requirements as a national procurement, reflecting the auditor's statutory responsibilities.

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<sup>1</sup> MHCLG's Spring statement proposes that overarching responsibility for Code will in due course transfer to the system leader, namely ARGA, the new regulator being established to replace the FRC.

## **7. Assessment of options and officer recommendation**

If the Authority did not opt in there would be a need to establish an independent auditor panel to make a stand-alone appointment. The auditor panel would need to be set up by the Authority itself, and the members of the panel must be wholly or a majority of independent members as defined by the Act. Independent members for this purpose are independent appointees, excluding current and former elected members (or officers) and their close families and friends. This means that elected members will not have a majority input to assessing bids and choosing to which audit firm to award a contract for the Authority's external audit.

Alternatively, the Act enables the Authority to join with other authorities to establish a joint auditor panel. Again, this will need to be constituted of wholly or a majority of independent appointees. Further legal advice would be required on the exact constitution of such a panel having regard to the obligations of each Authority under the Act and the Authority would need to liaise with other local authorities to assess the appetite for such an arrangement.

These would be more resource-intensive processes to implement for the Authority, and without the bulk buying power of the sector-led procurement would be likely to result in a more costly service. It would also be more difficult to manage quality and independence requirements through a local appointment process. The Authority is unable to influence the scope of the audit and the regulatory regime inhibits the Authority's ability to affect quality.

The Authority and its auditor panel would need to maintain ongoing oversight of the contract. Local contract management cannot, however, influence the scope or delivery of an audit.

The national offer provides the appointment of an independent auditor with limited administrative cost to the Authority. By joining the scheme, the Authority would be acting with other councils and Local Authority bodies to optimise the opportunity to influence the market that a national procurement provides.

The recommended approach is therefore to opt in to the national auditor appointment scheme.

## **8. The way forward**

Regulation 19 of the Local Audit (Appointing Person) Regulations 2015 requires that a decision to opt in must be made by a meeting of the Authority (meeting as a whole), except where the authority is a corporation sole.

The Authority then needs to respond formally to PSAA's invitation in the form specified by PSAA by the close of the opt-in period (11 March 2022).

PSAA will commence the formal procurement process in early February 2022. It expects to award contracts in August 2022 and will then consult with authorities on the appointment of auditors so that it can make appointments by the statutory deadline of 31 December 2022.

## **9. Risk Management**

The principal risks are that the Authority:

- fails to appoint an auditor in accordance with the requirements and timing specified in local audit legislation; or
- does not achieve value for money in the appointment process.

These risks are considered best mitigated by opting into the sector-led approach through PSAA.

## **10. Legal implications**

Section 7 of the Local Audit and Accountability Act 2014 requires a relevant Council/Authority to appoint a local auditor to audit its accounts for a financial year not later than 31 December in the preceding year.

Section 8 governs the procedure for appointment including that the Council/Authority must consult and take account of the advice of its auditor panel on the selection and appointment of a local auditor. Section 8 provides that where a relevant Council/Authority is a local Council/Authority operating executive arrangements, the function of appointing a local auditor to audit its accounts is not the responsibility of an executive of the Council/Authority under those arrangements.

Section 12 makes provision for the failure to appoint a local auditor. The Council/Authority must immediately inform the Secretary of State, who may direct the Council/Authority to appoint the auditor named in the direction or appoint a local auditor on behalf of the Council/Authority.

Section 17 gives the Secretary of State the power to make regulations in relation to an 'appointing person' specified by the Secretary of State. This power has been exercised in the Local Audit (Appointing Person) Regulations 2015 (SI 192) and this gives the Secretary of State the ability to enable a sector-led body to become the appointing person. In July 2016 the Secretary of State specified PSAA as the appointing person.

## **11. Financial Implications**

There is a risk that current external audit fee levels could increase when the current contracts end. It is clear that the scope of audit has increased, requiring more audit work. There are also concerns about capacity and sustainability in the local audit market.

Opting into a national scheme provides maximum opportunity to ensure fees are as realistic as possible, while ensuring the quality of audit is maintained, by entering into a large scale collective procurement arrangement.

If the national scheme is not used some additional resource may be needed to establish an auditor panel and conduct a local procurement. Until a procurement exercise is completed it is not possible to state what, if any, additional resource may be required for audit fees from 2023/24.

22 September 2021

Ann Millington  
Kent and Medway Town Fire Authority  
The Godlands  
Straw Mill Hill  
Tovil  
Maidstone  
ME15 6XB[

Copied to: Alison Kilpatrick, (S151 Officer)

Dear Ann,

### **Invitation to opt into the national scheme for auditor appointments from April 2023**

I want to ensure that you are aware the external auditor for the audit of your accounts for 2023/24 has to be appointed before the end of December 2022. That may seem a long way away but, as your organisation has a choice about how to make that appointment, your decision-making process needs to begin soon.

We are pleased that the Secretary of State has confirmed PSAA in the role of the appointing person for eligible principal bodies for the period commencing April 2023. Joining PSAA's national scheme for auditor appointments is one of the choices available to your organisation.

In June 2021 we issued a draft prospectus and invited your views and comments on our early thinking on the development of the national scheme for the next period. Feedback from the sector has been extremely helpful and has enabled us to refine our proposals which are now set out in the [scheme prospectus](#) and our [procurement strategy](#). Both documents can be downloaded from our website which also contains a range of useful information that you may find helpful.

The national scheme timetable for appointing auditors from 2023/24 means we now need to issue a formal invitation to you to opt into these arrangements. In order to meet the requirements of the relevant regulations, we also attach a form of acceptance of our invitation which you must use if your organisation decides to join the national scheme. We have specified the five consecutive financial years beginning 1 April 2023 as the compulsory appointing period for the purposes of the regulations which govern the national scheme.

Given the very challenging local audit market, we believe that eligible bodies will be best served by opting to join the scheme and have attached a short summary of why we believe that is the best solution both for individual bodies and the sector as a whole.

I would like to highlight three matters to you:

1. if you opt to join the national scheme, we need to receive your formal acceptance of this invitation by Friday 11 March 2022;

2. the relevant regulations require that, except for a body that is a corporation sole (e.g. a police and crime commissioner), the decision to accept our invitation and to opt in must be made by the members of the authority meeting as a whole e.g. Full Council or equivalent. We appreciate this will need to be built into your decision-making timetable. We have deliberately set a generous timescale for bodies to make opt in decisions (24 weeks compared to the statutory minimum of 8 weeks) to ensure that all eligible bodies have sufficient time to comply with this requirement; and
3. if you decide not to accept the invitation to opt in by the closing date, you may subsequently make a request to opt in, but only after 1 April 2023. We are required to consider such requests and agree to them unless there are reasonable grounds for their refusal. PSAA must consider a request as the appointing person in accordance with the Regulations. The Regulations allow us to recover our reasonable costs for making arrangements to appoint a local auditor in these circumstances, for example if we need to embark on a further procurement or enter into further discussions with our contracted firms.

If you have any other questions not covered by our information, do not hesitate to contact us by email at [ap2@psaa.co.uk](mailto:ap2@psaa.co.uk). We also publish answers to [frequently asked questions](#) on our website.

If you would like to discuss a particular issue with us, please send an email also to [ap2@psaa.co.uk](mailto:ap2@psaa.co.uk), and we will respond to you.

Yours sincerely  
Tony Crawley  
Chief Executive

Encl: Summary of the national scheme

## Why accepting the national scheme opt-in invitation is the best solution

### Public Sector Audit Appointments Limited (PSAA)

We are a not-for-profit, independent company limited by guarantee incorporated by the Local Government Association in August 2014.

We have the support of the LGA, which in 2014 worked to secure the option for principal local government and police bodies to appoint auditors through a dedicated sector-led national body.

We have the support of Government; MHCLG's Spring statement confirmed our appointment because of our "strong technical expertise and the proactive work they have done to help to identify improvements that can be made to the process".

We are an active member of the new Local Audit Liaison Committee, chaired by MHCLG and attended by key local audit stakeholders, enabling us to feed in body and audit perspectives to decisions about changes to the local audit framework, and the need to address timeliness through actions across the system.

We conduct research to raise awareness of local audit issues, and work with MHCLG and other stakeholders to enable changes arising from Sir Tony Redmond's review, such as more flexible fee setting and a timelier basis to set scale fees.

We have established an advisory panel, which meets three times per year. Its membership is drawn from relevant representative groups of local government and police bodies, to act as a sounding board for our scheme and to enable us to hear your views on the design and operation of the scheme.

### The national scheme for appointing local auditors

In July 2016, the Secretary of State specified PSAA as an appointing person for principal local government and police bodies for audits from 2018/19, under the provisions of the Local Audit and Accountability Act 2014 and the Local Audit (Appointing Person) Regulations 2015. Acting in accordance with this role PSAA is responsible for appointing an auditor and setting scales of fees for relevant principal authorities that have chosen to opt into its national scheme. 98% of eligible bodies made the choice to opt-in for the five-year period commencing in April 2018.

We will appoint an auditor for all opted-in bodies for each of the five financial years beginning from 1 April 2023.

We aim for all opted-in bodies to receive an audit service of the required quality at a realistic market price and to support the drive towards a long term competitive and more sustainable market for local audit. The focus of our quality assessment will include resourcing capacity and capability including sector knowledge, and client relationship management and communication.

### What the appointing person scheme from 2023 will offer

We believe that a sector-led, collaborative, national scheme stands out as the best option for all eligible bodies, offering the best value for money and assuring the independence of the auditor appointment.

The national scheme from 2023 will build on the range of benefits already available for members:

- transparent and independent auditor appointment via a third party;
- the best opportunity to secure the appointment of a qualified, registered auditor;
- appointment, if possible, of the same auditors to bodies involved in significant collaboration/joint working initiatives, if the parties believe that it will enhance efficiency;
- on-going management of any independence issues which may arise;
- access to a specialist PSAA team with significant experience of working within the context of the relevant regulations to appoint auditors, managing contracts with audit firms, and setting and determining audit fees;
- a value for money offer based on minimising PSAA costs and distribution of any surpluses to scheme members - in 2019 we returned a total £3.5million to relevant bodies and more recently we announced a further distribution of £5.6m in August 2021;
- collective efficiency savings for the sector through undertaking one major procurement as opposed to a multiplicity of smaller procurements;
- avoids the necessity for local bodies to establish an auditor panel and undertake an auditor procurement, enabling time and resources to be deployed on other pressing priorities;
- updates from PSAA to Section 151 officers and Audit Committee Chairs on a range of local audit related matters to inform and support effective auditor-audited body relationships; and
- concerted efforts to work with other stakeholders to develop a more sustainable local audit market.

We are committed to keep developing our scheme, taking into account feedback from scheme members, suppliers and other stakeholders, and learning from the collective post-2018 experience. This work is ongoing, and we have taken a number of initiatives to improve the operation of the scheme for the benefit of all parties.

Importantly we have listened to your feedback to our recent consultation, and our response is reflected in [the scheme prospectus](#).

## **Opting in**

The closing date for opting in is 11 March 2022. We have allowed more than the minimum eight-week notice period required, because the formal approval process for most eligible bodies is a decision made by the members of the authority meeting as a whole [Full Council or equivalent], except police and crime commissioners who are able to make their own decision.

We will confirm receipt of all opt-in notices. A full list of eligible bodies that opt in will be published on our website. Once we have received an opt-in notice, we will write to you to request information on any joint working arrangements relevant to your auditor appointment, and any potential independence matters which may need to be taken into consideration when appointing your auditor.

## **Local Government Reorganisation**

We are aware that reorganisations in the local government areas of Cumbria, Somerset, and North Yorkshire were announced in July 2021. Subject to parliamentary approval shadow elections will take place in May 2022 for the new Councils to become established from 1 April 2023. Newly established local government bodies have the right to opt into PSAA's scheme under Regulation 10 of the Appointing Person Regulations 2015. These Regulations also set out that a local government body that ceases to exist is automatically removed from the scheme.

If for any reason there is any uncertainty that reorganisations will take place or meet the current timetable, we would suggest that the current eligible bodies confirm their acceptance to opt in to avoid the requirement to have to make local arrangements should the reorganisation be delayed.

## **Next Steps**

We expect to formally commence the procurement of audit services in early February 2022. At that time our procurement documentation will be available for opted-in bodies to view through our e-tendering platform.

Our recent webinars to support our consultation proved to be popular, and we will be running a series of webinars covering specific areas of our work and our progress to prepare for the second appointing period. Details can be found on [our website](#) and in [the scheme prospectus](#).

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By: Chief Executive

To: Kent and Medway Fire and Rescue Authority – 18 February 2022

Subject: REVIEW OF MEMBER ALLOWANCES AND ADOPTION OF THE ALLOWANCES SCHEME

Classification: Unrestricted

## **FOR DECISION**

### **SUMMARY**

To report the outcome of the review of the Authority's Member Allowance Scheme and to recommend that the Authority formally adopts the proposed Scheme.

Members are requested to:

1. Approve the recommendations of the review as detailed in **Appendix 1** to this report (paragraph 3 refers).
2. Approve the Member Allowances Scheme as set out in **Appendix 2** to this report (paragraph 4 refers).
3. Consider the proposals for a more comprehensive review of Member Allowances once further detail is known around the implications of the White Paper (paragraph 4 refers).
4. Note the update in membership of the Audit and Governance Committee (paragraphs 5 and 6 refers).

LEAD/CONTACT OFFICER: Cler to the Authority – Marie Curry

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EMAIL: [marie.curry@kent.fire-uk.org](mailto:marie.curry@kent.fire-uk.org)

BACKGROUND PAPERS: None

## COMMENTS

### Background

1. At its last meeting, the Authority decided to review its Member Allowance Scheme and Jenny Waterman was appointed as Independent Adviser to undertake the review.
2. The reasons for reviewing the Scheme at this time are as follows:-
  - (a) notwithstanding any inflation arrangements which may apply, the Local Authorities (Members' Allowances) (England) Regulations 2003 requires authorities to review their Schemes at least once every four years.
  - (b) the Regulations require the Authority to 'have regard' to the recommendations made to Kent County Council (KCC) and Medway Council by the Independent Remuneration Panels (IRPs) established by those Councils. Both Council's IRPs have recently reviewed their Schemes.
  - (c) a change in the Authority's committee structure by the introduction of an Audit and Governance Committee and any impacts this would have on the workload of its membership.

### Recommendations of the Review

3. Jenny Waterman completed her review and her report setting out the findings and recommendations are attached at **Appendix 1** to this report. The recommendations can be summarised as follows:-
  - (a) Basic Allowance to remain unchanged other than inflationary increases being applied;
  - (b) the Special Responsibility Allowance (SRA) for the Chair to remain unchanged other than inflationary increases being applied;
  - (c) the SRA for the Vice Chair to remain unchanged other than inflationary increases being applied;
  - (d) the SRA for the Opposition Leaders to remain unchanged other than inflationary increases being applied;
  - (e) review the extra workload experienced by those on the Audit & Governance Committee at the time of the more detailed Allowances review.
  - (f) inflationary increases remain unchanged and applied once details of the 'Green Book' staff settlement are confirmed.
  - (g) travel and Subsistence Allowances to remain unchanged.

- (h) no Dependents' Carers' Allowance to be introduced at this point but keep under review.
4. In light of the information presented, Members are therefore requested to agree the adoption of the Member Allowances Scheme as detailed in **Appendix 2** to this report. Additionally, to consider a more comprehensive review of allowances which will be undertaken as a result of any significant changes made to Members' responsibilities once the Government's Fire Authority Reform proposals are clearer. This further review would include more detailed benchmarking of other relevant Fire Authority Members' Allowances and wider Member consultation.

### **Audit and Governance Committee**

5. Members will recall that it was agreed at the Authority meeting on 27 April 2021 to recruit an Independent Member to Chair the Audit and Governance Committee in line with the Chartered Institute of Public Finance and Accountancy's (CIPFA) recommended good practice. Following that meeting a recruitment process was undertaken by an external recruitment provider. It was fair to say that despite best efforts in publicising the position as well as extending the deadline for applications, the interest in the role was limited. As a result of this and the timing of the first meeting of the Committee, it was agreed, in discussion with the Chair of the Authority, that there would not be a further extension of the deadline for applications. The first meeting of the Committee was held on 25 November 2021 and from that a Chair and Vice Chair for the Committee was appointed from its current membership.
6. Members will be aware of the relatively recent independent review by Sir Tony Redmond, on local authority financial reporting and external audit, which highlighted a number of recommendations. One such area which the Government is keen to support is the improvement of audit committee arrangements and delivery of good practice through the development and production of strengthened guidance on audit committees. Consequently, the Chartered Institute of Public Finance and Accountancy (CIPFA) is leading work in this area, with support and input from the LGA, PSAA, and others, with the view of releasing revised guidance this Spring. This guidance will emphasise the important role that audit committees have in ensuring that accounts are prepared to a high standard and that issues identified by audit firms are resolved swiftly. It will also include guidance on the appointment of independent members, who can often play a key part in ensuring the apolitical role of the audit committee.

### **IMPACT ASSESSMENT**

7. The Authority is required by law to review its Member Allowances Scheme at least once every four years, and, in doing so, to 'have regard' to the recommendations made by KCC and Medway Council by their IRPs. This Authority's latest review not only complies fully with the statutory requirements but, in the interests of public accountability and transparency, has been conducted by an Independent Person.

## RECOMMENDATIONS

8. Members are requested to:
  - 8.1 Approve the recommendations of the review as detailed in **Appendix 1** to this report (paragraph 3 refers).
  - 8.2 Approve the Members' Allowances Scheme as set out in **Appendix 2** to this report (paragraph 4 refers).
  - 8.3 Consider the proposals for a more comprehensive review of the Scheme once further detail is known around the implications of the White Paper (paragraph 4 refers).
  - 8.4 Note the update in membership to the Audit and Governance Committee (paragraphs 5 and 6 refers).

## REPORT BY JENNY WATERMAN, INDEPENDENT PERSON, OF A REVIEW OF THE KENT AND MEDWAY FIRE & RESCUE AUTHORITY MEMBERS' ALLOWANCES SCHEME

### 1. Background

- 1.1 At its meeting on 14<sup>th</sup> October 2021, the Authority appointed me, as its Independent Person, to undertake a review of the KMFRA Members' Allowances Scheme as is required under the Local Authorities (Members' Allowances) (England) Regulations 2003. These regulations require authorities to review their schemes at least once every four years.
- 1.2 The last review of the Authority's scheme took place in 2017 but, as the regulations require the Authority to have regard to the recommendations made to Kent County Council (KCC) and Medway Council by their respective Independent Remuneration Panels (IRP's), and KCC's IRP was postponed until late in 2021, it was decided that to allow me sufficient time for a review of any recommendations from this Panel, the outcome of this Authority's Members' Allowances Review would be reported at its meeting in February 2022.

### 2 Members' Allowances Scheme 2021/22

- 2.1 The current KMFRA Members' Allowances Scheme effective 1 April 2021-31 March 2022 is as follows:-

Allowances	£ per annum	% of Chair's Allowance
Basic	£1511.66	n/a
Special Responsibility Allowances		
Chair	£19,823.93	100%
Vice Chair	£7,929.57	40%
Opposition Group Leader*	£5,947.17	30%

\* Plus £300 for every member above 2.

### 3 Methodology/Scope of the Review

- 3.1 In undertaking this review, I took account of the following:

- The Local Authorities (Members' Allowances) (England) Regulations 2003;
- That a Government White Paper on Fire Authority Reform is imminent. One of the three strands under consideration is the governance of Fire Authorities. It is unclear whether this will have significant ramifications in terms of Fire Authority composition and, consequently, Members' responsibilities. This, in turn, could have implications for the Allowances that are appropriate for the Authority to pay to its Members.
- That previous committees (e.g. Planning & Performance) have now been disbanded and a new Audit & Governance Committee has been formed. This

committee has been operating since November 2021. There is currently no fixed Special Responsibility Allowance assigned to membership of that Committee;

- How well the current scheme is considered to be working
- The recent reviews undertaken by the IRP's of the Members' Allowances Schemes for both Kent County Council and Medway Council. I noted that Medway Council's last review was undertaken in 2019 with changes effective 1 April 2020, so the comparative data is a little out of date.
- A website review of other 7 other Fire Authorities Members' Allowances Schemes.

3.2 I also spoke to the following to ascertain how well the scheme was working in practice, the extent to which it was meeting its aims and whether there were any current issues that need addressing :-

- Nick Chard- Chair KMFRA
- Stuart Tranter-Vice Chair KMFRA
- Vince Maple - Co leader of the KMFRA Labour Group and Chair of the KMFRA Audit & Governance Committee
- Karen Constantine- Co leader of the KMFRA Labour Group and Member of the KMFRA Audit & Governance Committee
- Ann Millington - Chief Executive KFRS and Alison Kilpatrick, Director Finance and Corporate Services KFRS

3.3 The key relevant changes that have been agreed by KCC are as follows:-

- No change to the Basic Allowance, Special Responsibility Allowances and Dependents' Carers' Allowances for 2021/22;
- Changing the inflationary increase. The current scheme links the change to the percentage change of the total staff pay progression pot. However, it was felt that this has had the unfortunate effect that increases to the allowances have been proposed which are larger than the percentage increase in pay of the majority of their staff. This was felt to be unfair and sending the wrong message. Whilst the IRP recommend keeping the current method in relation to TCP, it was agreed that it is more appropriate to index-link any changes to the annual award for staff achieving 'Successful' in the TCP process, subject to the following control measures:-
  - Each year the average increase across eight Government Pay Review Bodies of the preceding year will be calculated.
  - The annual change will be the average of this Pay Review percentage and the percentage award for the TCP 'Successful' rate.
  - This will apply for the first time for the 2022/23 scheme and annually until the end of the four-year scheme.
  - Annual changes to the scheme will be agreed as part of agreeing the annual budget of the Council KCC

- That consideration should be given as how to better promote the Dependents' Carers' Allowance

3.4 That effective 1 April 2020, Medway Council took a decision to link their Allowances to the median Council staff hourly pay for the next four years. This was in response to detailed benchmarking that indicated that their Members' Allowances were on the low side.

3.5 Given that the White Paper on Fire Authority Reform is expected imminently, I do not consider that a wide-ranging review of the Member Allowances Scheme is appropriate at this point. Consequently, I decided not to canvass views from all Members on the Member Allowances Scheme at this stage but recommend that a more comprehensive consultation should be undertaken once the implications of the White paper are clearer, or by no later than April 2024, in the event that the White Paper is delayed.

**RECOMMENDATION-** In view of the expected White Paper on Fire Authority Reform, I recommend that the scope of this review is tailored accordingly and that once Government Fire Authority Reform proposals are clearer, a more comprehensive review of allowances is undertaken in the light of any significant changes being made to Members' responsibilities. In the event that the White Paper is delayed, I recommend that the more detailed review is undertaken and proposals presented no later than April 2024.

#### **4 Basic Allowance**

4.1 The current Basic Allowance stands at £1511.66 per annum. The website review of other Fire Authorities seems to indicate that this may be on the low side and this will need to be investigated further as to whether this is indicative of varying levels of responsibilities of Members in different Fire authorities when a more fundamental review is undertaken. However, since KCC have decided not to increase their Basic Allowance and that Medway's review data is a little out of date, I think it is appropriate that the Authority's Basic Allowance should remain at the current level and continue to be subject to annual inflationary increases (see 6 below).

**RECOMMENDATION-** The Basic Allowance to remain unchanged other than inflationary increases being applied.

#### **5 Special Responsibility Allowances (SRAs)**

##### **5.1 Chair**

The current SRA for the Chair is set at £19,823.93 and, in the light of KCC's decision not to increase SRA's I would propose that this allowance remains unchanged other than an adjustment for inflation.

**RECOMMENDATION- The SRA for the Chair to remain unchanged and those annual inflationary increases continue to be applied.**

#### 5.1 Vice Chair

The current SRA for the Vice Chair is set at £7,929.57 which is 40% of the SRA for the Chair. In light of KCC's decision not to increase SRA's I would propose that this allowance also remains unchanged and annual inflationary increases continue to be applied.

**RECOMMENDATION- The SRA for the Vice Chair to remain unchanged and that annual inflationary increases continue to be applied.**

#### 5.2 Opposition Leaders

The SRA for Opposition leaders is set at ££5,947.17 plus £300 for every member above 2 and I note that the Labour Group Leader role is currently split and the allowance shared. KCC are currently moving to a different method of calculating their comparable SRA in that they are moving to a fixed allowance for groups above 5 in number. Given the size of membership of KMFRA, I am not recommending that the KCC calculation is mirrored but I am recommending that there is no change in the SRA other than an adjustment for inflation.

**RECOMMENDATION- The SRA for the Opposition Leaders to remain unchanged and those annual inflationary increases continue to be applied.**

#### 5.3 Audit and Governance Committee

I note that there is currently no SRA being applied for being part of the relatively newly formed Audit and Governance Committee. Some expressed the view that the workload of those involved is likely to be considerable and that maybe there should be some recognition of that through an SRA. There was, however, no common agreement on the quantum. Balanced against this, is the fact that I understand the number of Authority meetings that Members are now required to attend has decreased from five a year to three but when this happened there was no corresponding decrease in Basic Allowance. Additionally, I am told that there is likely to be further supplementary guidance on the responsibilities of Audit and Governance Committees coming through in the next few months. I therefore think that we should await to see what implications that guidance has before deciding on applying an SRA to those sitting on that Committee.

**RECOMMENDATION- Review the extra workload experienced by those on the Audit and Governance Committee at the time of the more detailed Allowances review**

### 6 Inflationary Increases of Allowances

6.1 I note that Basic Allowances and SRAs are increased by the same percentage, and on the same dates, as the annual pay award to the Authority's 'Green Book' (non-

uniformed) staff. KCC currently has a different method of calculation and are in the process of making further changes. However, I propose that we do not make further changes at this point but consider further when we undertake a more comprehensive review of Members' Allowances.

- 6.2 I further note that KFRS is awaiting news on the pay settlement for 'Green Book' staff so inflation will be applied when details of the settlement are confirmed but will be back dated to the relevant date (1 April 2021).

**RECOMMENDATION - That inflationary increases remain unchanged and applied once details of the for 'Green Book' staff settlement are confirmed.**

## **7 Travel & Subsistence Allowances**

- 7.1 I note that the current levels of travel allowance are in line with HMRC approved guidelines and that subsistence allowances are not routinely paid.
- 7.2 The IRP for KCC was proposing the introduction of eco-friendly mileage allowances in line with developing practice in other authorities. However, the proposals were not accepted on the basis that the HMRC guidelines are simple, straightforward, equitable and do not discriminate on the basis of the ability to afford a specific kind of car.
- 7.3 Whilst I am not proposing any changes to the KMFRA arrangements at this point, I think the introduction of eco-friendly mileage allowances is an area to keep under review.

**RECOMMENDATION- Travel and Subsistence Allowances to remain unchanged**

## **8 D & I initiatives**

- 8.1 It is important that we continue to look at Member Allowances against the backdrop of ensuring that we attract Members from a diverse range of backgrounds. In this context I looked at The Local Authorities (Members' Allowances) (England) Regulations 2003 which allows for a scheme to be put in place to provide for the payment to members of an authority of an allowance ("dependants' carers' allowance") in respect of such expenses of arranging for the care of their children or dependants as are necessarily incurred in carrying out their responsibilities. However, another consideration is the frequency with which Authority meetings are held. With the introduction of the Audit and Governance committee meetings, Authority meetings have now reduced from five to three a year and it is expected that there will be three Audit and Governance meetings a year. Members will be aware that because of the pandemic the Government did allow authorities to hold public meetings virtually, but that option was withdrawn last May. In summary, Members are required to attend relatively few formal face to face meetings each year, but if the opportunity and legislation allows going forward, the Authority may hold some meetings virtually. Therefore, I do not think that we should introduce a Dependants' Carers' Allowance at this point. We should however keep this issue under review in case the situation changes.

**RECOMMENDATION- No Dependants' Carers' Allowance to be introduced at this point but keep under review**

## **9 Budgetary Considerations**

9.1 The estimated cost for Members allowances in 2021/22 is £74k and this currently includes an assumption for the annual inflationary increase in 2021/22. However, at the time of drafting this report, no annual inflationary uplift has been applied, as agreement has not yet been reached on the 'Green Book' pay award for 2021/22. The Medium-Term Financial Plan includes an assumption for all pay related increases each year, and as such Members allowances are incorporated within that provision.

## **10 Summary of Recommendations**

- A more comprehensive review of allowances to be undertaken in the light of any significant changes being made to Members' responsibilities once the Government's Fire Authority Reform proposals are clearer or no later than April 2024. This further review would include more detailed benchmarking of other relevant Fire Authority Members' Allowances and wider Member consultation.
- The Basic Allowance to remain unchanged other than inflationary increases being applied.
- The SRA for the Chair to remain unchanged other than inflationary increases being applied.
- The SRA for the Vice Chair to remain unchanged other than inflationary increases being applied.
- The SRA for the Opposition Leaders to remain unchanged other than inflationary increases being applied.
- Review the extra workload experienced by those on the Audit & Governance Committee at the time of the more detailed Allowances review.
- That inflationary increases remain unchanged and applied once details of the for 'Green Book' staff settlement are confirmed.
- Travel and Subsistence Allowances to remain unchanged.
- No Dependants' Carers' Allowance to be introduced at this point but keep under review.

**Jenny Waterman**

**24 January 2022**

**KENT AND MEDWAY FIRE AND RESCUE AUTHORITY**

**SCHEME OF MEMBERS' ALLOWANCES PAYABLE FROM 1 APRIL 2022 TO 31 MARCH 2026**

**Basic Allowance for 1 April 2022 to 31 March 2026:** £1,511.66 per annum (subject to any annual inflationary increases)

Notes

- (1) Payable to all Authority Members to cover their time commitment on KMFRA duties and any miscellaneous expenses incurred in pursuit of KMFRA business such as office equipment, stationery, and day-to-day subsistence.
- (2) Members must serve 14 consecutive days on the Authority before they become eligible to receive Basic Allowance. For those who meet that requirement the allowance will be backdated to the date of their appointment.

**Special Responsibility Allowances (SRAs) for 1 April 2022 to 31 March 2026** (subject to any annual inflationary increases):

<b>Post-holder</b>	<b>% of Chairman</b>	<b>Allowance (per annum) £</b>
Chairman	100	£19,823.93
Vice-Chairman	40	£7929.57
Opposition Group Leader	30	£5947.17 plus £300 for every Member above two.

Notes:

- (1) Members may only receive one SRA at any one time no matter how many offices within the KMFRA that Member may hold.
- (2) Basic Allowance and SRAs will be increased by the same percentage, and on the same dates, as the annual pay award to the Authority's 'Green Book' (non-uniformed) staff.
- (3) Allowances may be rounded up or down where necessary for payment purposes.

## Travel and Subsistence Allowances

### Members' Private Vehicles

Mileage is reimbursed at Her Majesty's Revenue and Customs (HMRC) approved rates. At the date of approval of this scheme these rates were:

Cars:	45p per mile for the first 10,000 miles per annum and 25p thereafter (with an additional 5p per mile for journeys where another Member is carried as a passenger on official business)
Motorcycles:	24p per mile
Bicycles:	20p per mile

### Public Transport

Rail (standard class only), bus and taxi (where no other means of transport available) fares reimbursed as incurred, subject to tickets/ receipts being submitted wherever possible.

### Eligible Duties for Claiming Travel Allowance

- All official Authority meetings, and all Committee, Panel, etc meetings as a Member of that Committee, Panel, etc.
- Other meetings or events relating to the business of the Authority and authorised by the Authority or called by the Chief Executive or Clerk.
- Briefing sessions in respect of official Authority, Committee and Panel meetings attended by KMFRA office-holders in relation to the responsibilities for which they receive SRAs.
- Meetings of all outside bodies to which the Member is appointed by KMFRA, except where those bodies have their own expenses schemes.

### Subsistence

No allowance payable for day-to-day subsistence because an element for this has been included in the Basic Allowance. However, Members may claim direct reimbursement of actual expenditure incurred on non-routine subsistence, eg when away overnight on KMFRA business, subject to receipts being submitted.

## **General Notes**

- (1) Allowances are only payable for the period during which a Member holds office and Members may be required to refund any over-payments of allowances made to them.
- (2) Where a Member of the Authority is also a Member of another authority, that Member may not receive allowances from more than one authority in respect of the same duties.
- (3) Any Member may choose to forgo all or part of his or her entitlement to allowances by giving notice in writing to the Clerk.
- (4) Members' private vehicle mileage is reimbursed at the HMRC approved rates and will change automatically from time to time as those rates change.
- (5) Travel Allowances must be claimed before the end of the financial year in which they become payable, or within six months, whichever is the shorter.

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By: Chief Executive  
To: Kent and Medway Fire and Rescue Authority – 18 February 2022  
Subject: INFORMATION UPDATE  
Classification: Unrestricted

## **FOR INFORMATION**

### **SUMMARY**

This information update covers the following topics:

- A.** Pandemic Update (paragraphs 1 – 4 refer);
- B.** Inspection and National Issues Update (paragraphs 5 - 11 refers and **Appendix 1** refers);
- C.** Performance Update (paragraph 12 and **Appendix 2** refers);
- D.** Operational Update (paragraphs 13 - 26 refer);
- E.** Prevention, Protection, Customer Engagement and Safety Update (paragraphs 27 – 48 refer);
- F.** Freedom of Information update (paragraphs 49 - 55 refer);
- G.** Traffic calming zone update (paragraphs 56 - 58 refer);
- H.** Insurance update (paragraphs 59 – 60 and **Appendix 3** refer).
- I.** Significant safety event protocol (paragraphs 61 - 62 refer);
- J.** Pensions Board Update (paragraph 63 and **Appendix 4** refer).

### **CONCLUSION**

Members are requested to:

1. Consider and note the contents of the report.

## COMMENTS

### Background

#### A. Pandemic Update

*Lead/Contact Officer: James Finch, Assistant Director, Corporate Services*  
01622 692121 ext 8453, [james.finch@kent.fire-uk.org](mailto:james.finch@kent.fire-uk.org)

1. At the time of writing, more than 37.1m adults and vulnerable children have received a COVID booster. Case rates nationally have increased exponentially as a result of the Omicron variant being far more transmissible. More than 0.6m infections were being recorded weekly at the time of writing. This is higher than the infection peak of April 2021. This variant is different however in that although it is more transmissible, it does not so far appear to cause as many hospitalisations and subsequently fatalities. What it is creating though is intense pressures in healthcare settings due to staff absences through isolating due to exposure, or infection. This has led to a number of NHS trusts declaring critical incidents early in the new year.
2. The impact on the Authority from the new variant has been significant but all statutory duties have been maintained, including business safety and customer safety work. Staff absences due to COVID have been closely monitored and the biggest issue appeared to be the requirement to isolate while awaiting a PCR test, rather than actual infection. Changes to guidance scrapping the requirement of a PCR following all positive lateral flow tests, and reducing the isolation period to five days are intended to ease the position there but it too early at the time of writing to confirm if this is the case.
3. Within our own buildings we continue to ask everyone that works for us to take sensible precautions like avoiding gathering in confined spaces and wearing masks when inside unless sat at a desk. Our headquarters site is now reopened following a shut down two weeks before Christmas, and is seeing a gradual increase in usage as those based there trial a more hybridised mix of home working and office based working.
4. We continue to produce and share Covid messages under the #kenttogether banner to encourage the safety of all our customers.

#### B. Inspection and National Issues Update

*Lead/Contact Officer: James Finch, Assistant Director, Corporate Services*  
01622 692121 ext 8453, [james.finch@kent.fire-uk.org](mailto:james.finch@kent.fire-uk.org)

5. **State of Fire:** on 15 December 2021, Her Majesty's Inspectorate of Constabularies and Fire and Rescue Services published its annual "State of Fire" report. This is the last report authored by Sir Tom Windsor before his retirement. In summary the report praises the work of fire and rescue services in promoting safety, and the quality of operational response and preparedness nationally. It does also make some criticisms of both the Home Office and some elements of the national governance machinery for fire and rescue services. In line with previous publications, it reiterates Her Majesty's Inspectorate of Constabularies and Fire and Rescue Services' view that the method of

negotiating pay and conditions of service is outdated and needs replacing. This report goes further however and advocates the removal of the right to strike from firefighters, akin to the Police and Army.

6. The report is also critical of the progress made by the Home Office against the recommendations made in previous reports and is critical of the government overall in terms of continuing funding uncertainties, as reported elsewhere on this agenda. The report is also critical of the diversity of the sector, both in terms of the background of the management teams of fire and rescue services, and of the diversity of the workforce overall. The full report is available at <https://www.justiceinspectors.gov.uk/hmicfrs/publications/state-fire-rescue-annual-assessment-2021>

### **Kent Fire and Rescue Service Round One Inspection Update**

7. In the first inspection, the Inspectorate did not identify any 'causes of concern' (the most serious level) and identified just eight areas for improvement (the least serious level). The breakdown of these across the three pillars is as follows: six are in the Effectiveness pillar; and one each in the Efficiency and People pillars. Although there was no requirement placed on it to do so, as part of its commitment to continuous improvement, the Authority prepared an action plan that specifically addressed each of the eight areas for improvement. This action plan was implemented in 2019 and good progress is being made against this. Members last received an update on the action plan as part of the Customer and Corporate Plan in June 2020 and a further update is provided at **Appendix 1** for Members' information.

### **Inspection Round Two**

8. Because Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services paused the inspection programme in 2020 as a result of the Covid-19 pandemic, the second cycle of inspections did not start until autumn 2021. Once again, all 45 English fire and rescue services have been put into three tranches.
9. **Tranche one results:** at the same time as publishing its state of fire report, the results of the first tranche of the second round of inspections were published, although the publication of Warwickshire's was delayed after the sudden death of the Chief Fire Officer at that Service. The reports have been analysed by the inspection and governance team here in Kent Fire and Rescue Service to look for any common themes. The themes that appear more often in this round of reporting are quality assurance of protection and prevention activities, the Authority's ability to provide fire survival guidance to multiple callers, and Grenfell outcomes and action plans. All these areas should not be challenging for the Authority to show good progress against.
10. New for this tranche of reports is the highlighting of innovate practice and examples highlighted include using video streams from 999 callers at the incident ground ahead of the arrival of firefighters, improving succession planning and innovative ways to encourage colleagues to give feedback or whistleblow. A number of innovations are

away from service delivery and look at IT systems and access to data, and environmental improvements. As Members would expect there are a number of areas where this Authority is at the forefront of change nationally and we will be highlighting these in the forthcoming inspection.

11. **Preparation:** with the Authority having been placed in tranche three, this means that the preliminary ('document request') phase began in January 2022 with fieldwork to follow in June/July 2022 over six weeks. Engagement with the local representative for Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services has begun with a number of visits planned to familiarise themselves with us.

**C. Performance Update**

*Lead/Contact Officer: James Finch, Assistant Director, Corporate Services*  
01622 692121 ext 8453, [james.finch@kent.fire-uk.org](mailto:james.finch@kent.fire-uk.org)

12. **Performance:** The performance update is attached at **Appendix 2** for Members' information. This update provides Members with an overview of the Authority's performance between April and December 2021/22 as well as performance against the three-year average targets for the period 2021-24. Caution should be taken with any projections referenced in this update as we are only five months into the financial year and at the beginning of a new medium term reporting period.

**D. Operational Update**

*Lead/Contact Officer: Mark Rist, Director, Operations*  
01622 692121 ext 8231, [mark.rist@kent.fire-uk.org](mailto:mark.rist@kent.fire-uk.org)

**Recent Incidents of Interest**

13. There have been a number of significant recent incidents which are brought to Members' attention.
14. **Warehouse fire, Sittingbourne – initial call 19:06 25/09/21:** Following calls to reports of a fire in a household waste transfer warehouse, crews from Sittingbourne and Teynham arrived in just under five minutes. On arrival the whole building was alight and the number of resources needed increased to ten fire engines, a height vehicle and a hose layer along with a significant number of officers for command purposes. The fire was in a large warehouse which contained approximately 160 tonnes of assorted waste. Once the fire was brought under control, in liaison with the Environment Agency, a plan to allow the fire to burn out under controlled conditions was introduced. We remained in attendance overnight with six and then three fire engines and the following morning worked with on-site personnel using their machinery to remove the waste from the building and extinguish it. This activity continued throughout the day until we handed the site back to the responsible person just before midnight on 26/09/21. A further visit was made the following morning to ensure no further action was required.
15. **Fatal sheltered housing fire, Dartford – initial call 14:22 01/10/21:** Crews were called to a fire in a self-contained flat in a sheltered housing property where they found

a 75 year old male deceased in the living room. The initial call was received from a neighbour. On arrival the fire had burned itself out but the flat was heavily smoke logged. The fire damage was limited to the armchair and the wall behind it and evidence of smoking materials were found in the vicinity. The Authority's Customer Safety teams had interactions with the gentleman several times since June 2017 and had visited the property four times. The armchair and surrounding carpet had been treated with fire retardant spray, a metal bin provided and a fire retardant blanket. The last visit was in May 2021 where a re-application of the spray was offered but declined. The cause of death will be determined by an inquest, which has been set for early February 2022, but it is expected this will be considered a fire related death.

16. **Fatal road traffic collision, Headcorn – initial call 01:00 10/10/21:** A call was received into the Control room for Kent Police reporting a single vehicle had collided with a tree on the Lenham Road. On arrival, two out of five casualties were trapped in the vehicle and crews worked to release them as quickly as possible. Tragically, four adults were declared deceased at the scene. One casualty was removed to Kings Hospital by HEMS in a critical condition.
17. **Fatal sheltered housing fire, Ramsgate – initial call 04:52 15/10/21:** The alarm for this fire was raised by Careline services following the activation of the connected smoke alarm. Crews rescued a 67 year old female from the bedroom of the property suffering extensive burns. The lady was removed to hospital but sadly passed away from her injuries. The occupier was known to the Authority and had had several interactions with the Customer Safety team as well as Adult Services but sadly had declined all assistance. The cause of death will be determined by an inquest, which has been set for late February 2022, but it is expected this will be considered a fire related death.
18. **Fatal house fire, Maidstone – Initial call 05:29 16/10/21:** Two fire engines were mobilised to this incident initially following a call stating the house was fully involved in fire. When firefighters arrived on scene they found a 75 year old male deceased just inside the doorway of the property and a female with smoke inhalation, who was subsequently taken to hospital for treatment. It is thought the male died whilst attempting to tackle the fire. The fire investigation concluded that the fire started from embers from an open log burner that had ignited logs stored nearby. The fire had smouldered for some time in a closed room and it would have taken quite some time for the smoke to reach the smoke detectors and alert the occupants. They were alerted by the smoke alarms sounding but due to the layout of the house they had to pass through the smoke filled room to escape and in doing so the fire developed significantly before the arrival of crews. The inquest has been set for January 2022 but it is expected this will be considered a fire related death.
19. **Fatal caravan fire, Eastchurch – Initial call 22:11 13/12/21:** 13/12/21 1252 Firefighters attended a report of a caravan alight. Upon arrival they were faced with a fully developed fire in a static caravan, which had started to spread to a neighbouring caravan. Hose reel jets were used to protect the surrounding caravans and prevent the fire from spreading. During this period, two propane cylinders were removed from

outside the affected caravan and moved to a place of safety. Following this, firefighters in breathing apparatus entered the caravan with a thermal imaging camera and located the body of a 69 year old male in the living area. The subsequent fire investigation determined the cause to be accidental, but due to the extent and severity of the damage to the scene the origin of the fire could not be determined other than that the fire probably started in the area of the galley kitchen. The inquest will take place in March 2022 and it is expected that this will be recorded as a fire related death.

20. **Barn fire, Benenden – Initial call 07:10 21/12/21:** 21/12/21. This was a large fire which required a total of 8 fire engines from the Authority in order to bring it under control. In a good display of our interoperability with neighbouring fire services, our colleagues in neighbouring East Sussex also sent two of their fire engines to assist with the firefighting operations. The building itself was an industrial unit that was used as storage and a workshop for a drilling company. Also located next to this was a domestic garage and a holiday let, so that in total the site was measure approximately 40 metres by 40 metres giving it an area of some 1,600 square metres (17,000 square feet). During the course of the incident the Authority's drone was deployed and was of great use in assisting decision making and associated operations, particularly given the size of the site and severity of the fire. The fire is believed to have started due to a fault in a car battery charger and originated in the vicinity of either the garage or storage facility from where it rapidly spread outwards to the remainder of the garage and the industrial unit. Such was the severity of the fire that the industrial unit and the garage were completely destroyed. Whilst no people or animals were present in the buildings or hurt as a result, the garage did contain several cars which were also destroyed. The incident was brought to a close and handed over some nine hours later at just after 16.00 hrs that afternoon.
21. **House fire, Tenterden – Initial call 12:20 27/12/21:** This was a fire in a large, detached, five bedroom house that developed and spread rapidly from the first floor. Upon the firefighters' arrival, the roof of the property was already well alight, which soon after led to its total collapse along with both chimneys. At the height of the incident a total of eight fire engines and a height vehicle were in attendance. The Authority's drone was also deployed to assist with information gathering. As well as dealing with a fast-moving and challenging fire, firefighters rescued a young man from the property who had been overcome by smoke prior to crews' arrival whilst attempting to extinguish the fire. Within two hours of arrival, firefighters had got the incident under control to the extent that they were able to start salvage operations for the occupants. Firefighters then remained at the scene, maintaining a watching brief to ensure the fire was fully extinguished. A subsequent investigation by the Fire Investigation team determined that the most likely origin and cause of the fire was a rechargeable lithium-ion polymer battery for a remote-controlled toy car battery self-igniting. This caught light to furnishings in the room and from there eventually spread to the whole of the first floor and roof.
22. **Fatal road traffic collision, A21 – Initial call 20:21 05/01/22:** Firefighters attended a road traffic collision between an ambulance and a lorry on the A21 near Tonbridge.

Three paramedics were travelling in the ambulance; one died at the scene, the second was flown by helicopter to London with serious injuries and the third was transported to a local hospital. The lorry driver suffered minor injuries. This incident is currently under investigation by Kent Police.

### **On-call Update**

23. Members will recall that the Safety and Wellbeing Plan, agreed at the last meeting for consultation with the public, noted ongoing issues with the availability of on-call fire engines. As was set out in the narrative, officers have been working with on-call firefighters to make rapid changes to practice, which in turn has improved availability.
24. This was especially important over the Christmas and new year period when we anticipated a significant impact on availability over those weeks due to Omicron and the rise in case numbers, combined with the bank holiday periods meaning people may have taken leave or not been on call. We decided to create some resilience in the system through additional payments to on call – a buffer that worked as we saw an increase in on call availability that offset the impacts we had anticipated and subsequently materialised.
25. Changes made included
  - Removal of the designation of 24/7 or “nights and weekends only” to allow stations to provide cover when they can, rather than restrict them.
  - Increased the crewing number on fire engines to go over the minimum required to form a crew as this allows a degree of flexibility to encourage them to provide availability
  - Allowing on-call firefighters to offer additional voluntary availability to assist in crewing shortages both full-time and on-call fire engines, wherever it may be required.
  - Loss of earnings can now be claimed for training off station
  - Removed the requirement to use annual leave first rather than unpaid leave for training courses with on-call firefighters primary employers
  - Allowed trainee on-call firefighters who are sufficiently qualified to ride at their home station as number four in the crew is now able to do additional hours at another on-call station as number 4 to get the pump on the run. We had not been allowing this in the past.
26. All these changes appear to be having a positive impact on availability which will continue to be monitored.

## **E. Prevention, Protection, Customer Engagement and Safety Update**

*Lead/Contact Officer: Jon Quinn, Director, Protection, Prevention, Customer Engagement and Safety*

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27. This section of the report provides Members with an update on the current activities, campaigns and initiatives within the Building Safety; Customer Safety; Customer Experience and Behaviour Change; and Engagement teams.

### **Building Safety**

28. **Fire Risk Auditors Competency Standards:** As part of the competency framework for Fire Risk Auditors, the Institute of Fire Engineers has established standards against which Fire Risk Auditors can be assessed. The Authority has submitted an application for the first five inspecting officers and is progressing registration for the remaining officers.
29. **Risk Information Team:** On 1 October 2021 the Risk Information team, which focuses on providing key information to fire crews to ensure an effective operational response, joined the Building Safety department. This brings together all colleagues who work on the built environment to ensure a holistic approach to assessing risk.
30. **The Fire Safety Act 2021:** The Act has received Royal Assent, however, has yet to come in to effect because the risk-based inspection guidance has yet to be finalised. Once the guidance is published the Act will be in force and the Authority will review its risk based inspection programme to align to the new requirements. Work to prepare for this is currently underway. An update in the form of a presentation is elsewhere on this agenda.
31. **The Building Safety Bill:** The Bill establishes a new regulatory body, the 'Building Safety Regulator' within the Health and Safety Executive. In addition, the Bill will put a legal duty on the duty holder to share information with the Authority about their building in an electronic format. The Authority is currently developing processes to effectively use this information once this legislation comes into force.

### **Customer Safety Update**

32. **Education:** The Education team have delivered 641 sessions between September and December 2021, with more than 36,000 students attending one of our education sessions. This number is predominately primary school aged children. Customers have been requesting face-to-face school visits rather than virtual sessions. Biker Down, a Fire Bike initiative, returned to share road safety and first aid guidance with motorcyclists from across Kent and Medway.
33. **Safe and Well:** The Safe and Well team have carried out 3,276 visits to customers during the period September to December 2021. The team recruited two additional call representatives to support the volume of customer requests.

34. **Safeguarding:** 109 safeguarding cases were raised between the September and December 2021. A new Safeguarding Officer post was created and recruited to in order to support the work of the Safeguarding Manager and Designated Safeguarding Officers.

### **Customer Experience and Behaviour Change Update**

35. The Customer Experience and Behaviour Change team supports a wide range of initiatives and programmes, especially within Prevention, Protection, Customer Engagement and Safety. This has enabled the Authority to continue its innovative approach to customer service and ensures its initiatives are evidence based and evaluated.
36. **Behavioural Science:** The team are working closely with the Engagement team using behaviour science to ensure the effectiveness of public safety campaigns and to support evaluation. For example, research was undertaken to inform the highly innovative campaign to encourage people to have 'smoke free homes' either by stopping smoking entirely or by committing to only smoke outdoors. The initiative has allowed the researchers to work with a number of smokers who answered surveys and took part in an on-line interactive group. The information gained will not only help to evaluate the campaign but will provide valuable insights into smoking behaviours.
37. **Kitchen Fires:** Researchers have begun to explore the causes and behaviours surrounding kitchen fires as these account for the largest proportion of accidental dwelling fires. The findings will inform a future campaign with the aim of influencing behaviour and reducing the number of these types of fire.
38. **Education:** The team is also continuing to undertake research to inform the Authority's schools education programme although progress in implementing changes and carrying our evaluation has been impeded by the impact of Covid 19 on schools.
39. **Institute of Customer Service:** Members will recall that the Authority achieved the ServiceMark, awarded by the Institute of Customer Service, in recognition of its outstanding customer service. However, the assessment undertaken by the Institute and a recent audit have highlighted a number of opportunities to embed a customer centric culture throughout the organisation. Work is ongoing to make these changes, including a revised Customer Feedback Policy, which is elsewhere on this agenda.

### **Engagement Update**

40. **Website and Digital Experience Platform:** The Authority's new website went live in early December 2021, with a fresh look and feel. The website puts our customer at the heart of everything we do. The new site is accessible to all and complies with accessibility regulations. Using customer feedback and insights, the website has been designed as 'mobile first' as the majority of people view the site through a mobile device. Work is continuing to develop the site further and create new customer centric content.

41. **Social Listening:** The Authority is exploring the use of social listening to help with operational incidents and to understand how we can benefit from having access to in-depth digital intelligence. The software allows us to gather vast amounts of information, including live incident customer intelligence gathering, engagement and reputation evaluation, research and customer insight, and data analysis. Over the next few months we'll learn more about how we can benefit from social listening as a fire service. We are the first UK emergency service to be using social listening at this advanced level particularly live incident intelligence.
42. **Events:** During the October school half-term, the Authority successfully delivered three autumn 'Fun in the Dark' safety events at Hawkhurst, Westerham and Lydd. Each event was planned and delivered under COVID safe guidance and with limited attendance numbers, which were booked through our Eventbrite booking system. The Authority delivered five events this year under COVID safe measures, which has allowed us to engage with our customers in full confidence we are doing everything we can to keep everyone safe. This year we plan to deliver more events throughout Kent and Medway.
43. **Volunteers:** The Authority's application for the 'Investing in Volunteers' award is progressing well and is now at the interview stage. A number of colleagues were interviewed before Christmas, along with 18 volunteers in during January. A report will then be compiled by the assessor and will be submitted a review panel with our Action Plan for continuous improvement. We hope to secure the 'Investing in Volunteers' award in Spring 2022.
44. Eight new volunteers joined the organisation in the second half of 2021 and are now fully trained to begin activity. We recruited more volunteers in January/February 2022, and focusing our efforts on recruiting more volunteers to specifically build resilience into the Volunteer Response team.

### **Collaboration Update**

45. **Embracing Difference - Everyone Together:** The Authority hosted its third annual inclusion event on 2 February 2022. This event helped promote our inclusion campaign 'everyone together' which focuses on making Kent Fire and Rescue Service a great place to work and ensure all our services are there for everyone.
46. **KFRS Supports Fire Aid help to Ukrainian firefighters:** The Collaboration team coordinated six decommissioned KFRS fire engines, a lorry and 3,000 sets of old stock PPE through Fire Aid donations to Ukraine in November 2021. Ukraine has recently dealt with severe bush and forest fires leaving crews with little protection after significant amounts of their existing PPE was burned and damaged.
47. **External Awards:** The Collaboration team received awards at the Asian Fire Service Association (AFSA) winter conference in recognition of their commitment to equality, diversity and inclusion and Authority's humanitarian efforts as part of the pandemic Tasking Cell Response. In addition, The Service's Medway Task Force representative

was presented with the 'Partnership Award' and the 'Safeguarding Children Award' at Medway Council's 'Make a Difference Awards Ceremony' in November 2021.

48. **Christmas 2021:** The Collaboration team compiled survival packages for the homeless and delivered them from 4am on Christmas morning. This was also replicated at the Gravesend Gurdwara. The Community Café in Dover, supporting underrepresented groups, had a multi-cultural event for Christmas. The Community Café is joint funded by the Police and Crime Commissioner, Kent Fire and Rescue Service and Kent County Council. The event promoted the Authority's services to non-English speaking communities and supported families that were financially struggling.

**F. Freedom of Information Update**

*Lead/Contact Officer: James Finch, Assistant Director, Corporate Services  
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49. As part of the Authority's commitment to transparency and good governance, a regular update is brought to Members' attention on the number of Freedom of Information requests received by the Authority along with more detailed information about the way such requests have been processed.
50. A total of 154 Freedom of Information requests have so far been received in 2021/22 (up to and including 11/01/2022). For comparison, at the same date in 2020/21 the Authority had received 168 Freedom of Information requests (out of a total of 216 for that year). Apart from one, all Freedom of Information requests responded to so far in 2021/22 have been dealt with within the statutory limit of 20 working days (starting with the first working day after the request was received). The one that exceeded the period was caused by a delay in obtaining the relevant information due to colleagues being on leave. The requester was kept informed of this fact.
51. Five subject access requests have so far been received in 2021/22 (up to and including 11/01/2022). All subject access requests received in 2021/22 have been dealt with within the statutory limit (from the day the Authority receives the request [whether it is a working day or not] until the corresponding calendar date in the next month).
52. **Revised Code of Practice for Freedom of Information Requests:** In 2018, the Cabinet Office published a revised Code of Practice for Freedom of Information requests. The Code of Practice provides guidance for public authorities on best practice in meeting their responsibilities under Part 1 (right of access to information) of the Freedom of Information Act. This Code of Practice is designed to be considered alongside the current guidance on best practice published by the Information Commissioner's Office.
53. Section 8 of this Code of Practice covers publication schemes and provides more specific guidance on two areas which supplements the existing guidance published by the Information Commissioner's Office. These are: Compliance Statistics and Senior Executive Pay and Benefits. With Compliance Statistics, the intention is for authorities to provide more detailed information on their performance in handling Freedom of

Information requests. Unless otherwise stated, the information should be published on a quarterly basis and include the following:

- The number of requests received during the period;
- The number of the received requests that have not yet been processed;
- The number of the received requests that were processed in full (including numbers for those that were met within the statutory deadline, those where the deadline was extended and those where the processing took longer than the statutory deadline);
- The number of requests where the information was granted in full;
- The number of requests where the information was refused in full;
- The number of requests where the information was granted in part and refused in part;
- The number of requests received that have been referred for internal review (reported annually).

54. The requirement is for this to be reported on a quarterly basis in line with central Government and the Authority is fully compliant with this. The reporting periods are as follows:

- Q1: April to June
- Q2: July to September
- Q3: October to December
- Q4: January to March

55. An update is brought to Members' attention as part of the Information Update Report that forms part of each agenda for the Authority. This means the data are normally reported five times a year, which exceeds requirements of the Code. **Table 1** presents the current update for 2021/22:

**Table 1: Reporting against the revised Code of Practice 2021/22**

	2021/22			
	Q1	Q2	Q3	Q4*
The number of requests received during the period	55	49	43	7
The number of the received requests that have not yet been processed	0	0	2	3
The number of the received requests that were processed in full	55	49	41	4
The number of requests where the information was granted in full	45	35	32	3
The number of requests where the information was refused in full	3	5	4	0
The number of requests where the information was granted in part and refused in part	7	9	5	1
The number of requests received that have been referred for internal review	1	1	0	0
Number of subject access requests**	1	3	1	0

\* Q4 is currently incomplete as it covers the period from 01/01/2022 to 11/01/2022

\*\*Although this is not a requirement in the Code, it is reported to Members.

### **G. Traffic Calming Zone Update**

*Lead/Contact Officer: James Finch, Assistant Director, Corporate Services  
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56. Members may be aware of a trial by Kent County Council of 20mph new speed limits in Tonbridge and Faversham to promote road safety and cut emissions. The trial has been extended until March 2022, and after public consultation there was support for the scheme in Faversham and less for Tonbridge. It appears likely that both measures will become permanent and may be extended to other Kent County Council areas. It is not clear if Medway will follow suit.
57. Changes to road speeds has an impact on Kent Fire and Rescue Service where a fire station uses on-call firefighters for part of its crewing. Until firefighters are on the fire engine, they cannot exceed the speed limit, and have to observe it when travelling to the station during their on-call periods of work (when they respond from home). During the trial, we have amended our mobilising policies to increase our initial attendance to

any life threatening call, in the case of a house fire increasing for two fire engines to three for the initial mobilisation.

58. Minimal delays in our firefighters responding to the fire station when on-call have been experienced, which is surprising, and may reflect that enforcement is only via traffic signs and not physical measures such as traffic islands or road humps to reduce speeds. There has been a greater delay in the Faversham on-call firefighting team than at Tonbridge, as Faversham's on-call firefighters do provide more day cover when traffic volume is greater plus roadworks that have been taking place close to the fire station which may account for some of the increase. From discussions with Kent County Council around traffic flow, we can surmise that we are likely to see an impact on attached on-call sections, predominantly in towns with higher traffic flow rather than stand alone on-call stations.

#### **H. Insurance Update**

*Lead/Contact Officer: Alison Kilpatrick Director, Finance and Corporate Services  
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59. It was agreed by Members at the July Authority meeting that all future reports would be based on the Fire and Rescue Insurance Company Financial year (our insurance policy year) of 1 November to 31 October and that an Insurance report reflecting this format would be submitted to the Authority each February. This enables a full year's worth of data to be captured and also allows for the impact of insurance renewal to be reported in line with the previous year's Fire and Rescue Insurance Company data and the Authority's performance. There has been an increase in skeletal claims, and we may need to consider whether further training on manual handling needs to be put in place. We are also in the process of obtaining cyber security cover as this is the biggest emerging insurance risk in all sectors.
60. This year's update is attached at **Appendix 3** for Members' information.

#### **I. Significant Safety Event Protocol**

*Lead/Contact Officer: Chris Else, Assistant Director - Resilience  
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61. As Members will remember we have carried out a full debrief process for how the Authority responded to the COVID pandemic and carried on with its statutory duties throughout. We did not wait until the end of the pandemic to do this work because we knew that there were things to learn and implement already. We know we did well to keep our services going during the pandemic as set out in the COVID review by Her Majesty's Inspectorate of Constabularies and Fire and Rescue Services but as a learning organisation that the debrief process resulted in over 60 areas where we believe we could further improve.
62. With this in mind we have reviewed and set out a new approach to enhance our management and co-ordination to any significant event, be that an incident, business

continuity event, health and safety incident or indeed another pandemic. This approach is known as the Managing Significant Events Framework and was launched on 1 January 2022. We will be testing elements of this process further at a exercise in May 2022 and the framework will be embedded as part of our command training. This framework implements the majority of the COVID debrief areas of improvement.

**J. Pensions and Pensions Board Update**

*Lead/Contact Officer: Mark Rist, Director, Operations (Chair of the Pension Board)*  
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63. Members will recall that, in accordance with the Public Service Pensions Act 2013, the Authority established a Pension Board in relation to the Firefighters' Pension Schemes comprising representatives of both the employer and employees. To ensure that Members are kept informed of the issues discussed and can be reassured that the Authority is complying with its duties under the Act, Minutes of the Pension Board meetings are routinely reported to the Authority. Accordingly, the Minutes of the last meeting of the Authority's Pension Board are attached at **Appendix 4** for Members' information.

**IMPACT ASSESSMENT**

64. There are no cost implications arising directly from this report.

**CONCLUSION**

65. Members are requested to:
- 65.1 Consider and note the contents of the report.

**Inspection areas for improvement action plan**

<b>No.</b>	<b>HMICFRS recommendation</b>	<b>Issues identified</b>	<b>Actions taken</b>	<b>Status</b>
1	The Service should review its risk profiles to identify the number of fire engines it requires to meet anticipated operational need.	Mismatch between number of routinely available fire engines and the number stated is needed.	<p><b>Recommendation accepted</b></p> <p>1.1 Most fundamentally in meeting this recommendation, we have reviewed the requirement for 50/50 (day/night) fire engine availability by evaluating planning scenarios in 2022 Safety and Wellbeing Plan.</p> <p>1.2 Investigated opportunities to improve performance against attendance time standards.</p> <p>1.3 Reviewed options around extended turn in times for certain On-Call stations.</p> <p>1.4 Investigated the implementation of 'nearest most appropriate' policy. This would affect attendance times for less urgent calls.</p> <p>1.5 Reviewed the On-Call recruitment plan to increase establishment at on-call stations.</p> <p>1.6 Implemented and reviewed the 'second wave' pilot, which utilises unmatched hours to provide additional resource.</p> <p>1.7 Reviewed key aspects of flexi-rostering, such as the use of banked shifts and options for resilience crewing within flexi-rostering. This covered areas such as: the number of times we had to go outside the station to cover shortfalls; the ability to do a day duty after a night duty; the ability of trainee firefighters to work double shifts.</p>	Completed

No.	HMICFRS recommendation	Issues identified	Actions taken	Status
			<p>1.8 In our latest Safety Plan we have outlined our approach to flexible resourcing which seeks to get the balance between efficiency and effectiveness. Too many fire engines waste public money – too few can impair effective incident response. We are constantly working to get the right balance on this.</p> <p>1.9 Reviewed longer term options for out posting of second pumps from Dartford, Maidstone and Thames-side.</p>	
2	The Service should ensure its firefighters have good access to relevant and up-to-date risk information.	Unreliable MDT (mobile data terminal) technology resulting in crews carrying paper copies of risk information, some of which was out of date.	<p><b>Recommendation accepted</b></p> <p>2.1 A dedicated centralised team, the Risk Information Team, gather, collate and manage all information relating to risk sites throughout Kent and Medway. Information is gathered from other internal departments such as Building Safety and operational crews on station and external partners such as Environment Agency and local resilience forums.</p> <p>2.2 Risk site information is stored electronically on a platform called Dynamics. This is available to relevant personnel via desktop PCs and companion devices carried on fire engines. A summary of the most important risk information is sent through to MDTs on the fire engines when crews are mobilised to an incident at a risk site. Risk based approach methodology informs the frequency of information review.</p> <p>2.3 Refreshed hardware has dealt with any reliability issues</p>	Completed
3	The Service should assure itself that its enforcement plan prioritises the highest risks and includes proportionate	Increased productivity of team required to meet targets for the risk-based inspection programme.	<p><b>Recommendation accepted</b></p> <p>3.1 Revised the risk based inspection programme.</p> <p>3.2 Restructured the Building Safety departments to improve efficiency.</p> <p>3.3 Recruited more Building Safety staff.</p>	In progress

No.	HMICFRS recommendation	Issues identified	Actions taken	Status
	activity to reduce risk.		3.4 Developed the 'Dynamics' database to look at efficiency and productivity.	
4	The Service should assure itself that it allocates enough resources to meet its own targets for responding to building control consultations.	Not meeting target for consultations due to under-resourced team.	<p><b>Recommendation accepted</b></p> <p>4.1 Recruited more staff as part of the restructure of Customer Engagement and Safety.</p> <p>4.2 Built resilience through consultancy framework, thereby KFRS flexibility to use consultants for some pieces of work where appropriate.</p> <p>4.3 As a result of the restructure in Building Safety, Senior Building Fire Safety Inspectors in the Customer Engagement and Safety Team are able to carry out certain consultations.</p> <p>4.4 Effective career succession plan developed to manage and plan for staff nearing retirement.</p> <p>4.5 Government grants for protection work: At the end of quarter three of the current financial year, the Authority had claimed £761,000 of the total grant allocation of £861,000. By the end of the financial year, we anticipate there being a remainder of £43,000 to be spent. The Authority has used the grant money to recruit temporary Fire Safety Inspectors with a view to backfilling vacant posts; ensure all colleagues have met or on the pathway to meeting the NFCC protection competency framework; and invest in new technology as part of the Dynamics project, a database which provides a single view of premises, sites and customer records to share risk information between protection, prevention and operational crews</p>	Completed

No.	HMICFRS recommendation	Issues identified	Actions taken	Status
5	The Service should ensure staff know how to command fire service assets assertively, effectively and safely at incidents.	<p>Not all incident commanders understood the importance of operational discretion.</p> <p>Some commanders did not have a good enough understanding of tactical modes.</p>	<p><b>Recommendation accepted</b></p> <p>5.1 Operational Information Note issued on tactical modes. This specified the removal of 'transitional mode' and reiterated the need to remove outdated literature/command pads. A physical check was carried out in every fire station to ensure all outdated literature which references transitional mode was removed and destroyed. This was followed up with a mandatory 'nil return'.</p> <p>5.2 Re-issued to newly qualified incident commanders the 'Ops Discretion Command Letter' from Chief Executive and put in place a system to ensure these are automatically sent on attainment of incident command qualification. This content to also be included in all new incident command (ICS) courses.</p> <p>5.3 Ops discretion and tactical modes now covered in Ops Effectiveness seminars and command group training.</p> <p>5.4 Podcast developed by ICS lead covering both ops discretion and tactical modes.</p>	Completed
6	The Service should ensure operational staff have good access to cross-border risk information.	<p>No cross-border risk information available to crews on MDTs (mobile data terminals).</p> <p>Commonly, other FRSs have mapping and risk information that extends to 10km OTB.</p>	<p><b>Recommendation accepted although we are not aware of any published standard suggesting a need for cross-border information to a depth of 10kms as suggested by the HMICFRS.</b></p> <p>6.1 Over border risk information from Essex and London available on the MDTs. Cross border information also available via Resilience Direct but this is a manual process and many colleagues at station level do not have access. Respective fire controls still pass information manually when they request appliances from over the border.</p> <p>6.2 The MDTs will display any risk information stored in Dynamics. We are currently looking at two options for over the border risk information:</p>	In progress

No.	HMICFRS recommendation	Issues identified	Actions taken	Status
			<ul style="list-style-type: none"> <li>• A periodic database extract that we can publish in Resilience Direct or send to each neighbouring FRS, which in turn they add into their database or;</li> <li>• An automated bridge, provided by Airbus (suppliers of all of our neighbours' risk information) that will automatically update risk and hydrant records.</li> </ul>	
7	The Service should ensure there is effective monitoring, review and evaluation of the benefits and outcomes of any collaboration.	<p>Not consistently monitoring, reviewing and evaluating all collaboration initiatives to determine value for money.</p> <p>Could be doing more to recover costs for services and facilities we provide.</p>	<p><b>Recommendation partially accepted (KFRS do not agree with HMICFRS on the issue of cost recovery).</b></p> <p>7.1 The Collaboration Team map out existing projects/areas of work, which includes: the areas of benefit; how to measure success of that benefit; how it will be delivered; whether it is being achieved; and, where relevant, evaluation (if information is available). This information is held in a 'benefits tracker', which contains information entered from across KFRS.</p> <p>7.2 Published a policy on premises sharing and cost recovery</p> <p>7.3 KFRS do not agree with HMICFRS regarding cost recovery, so no action has been taken in relation to this.</p>	In progress
8	The Service should ensure it has a system to record and monitor operational staff competence which is accurate and accessible	Inconsistent approach to recording station-based training. Stations have developed their own recording mechanisms; some are adequate but not consistent.	<p><b>Recommendation accepted</b></p> <p>8.1 A single system of recording key skills of Breathing Apparatus skills, driving, incident command, and fitness was always in place. New reporting allows local managers to be assured of the base level of competence of their teams.</p> <p>8.2 single system in place aligned to key training themes for the time period with regular signoff by managers for completion of relevant station based training [can be e-learning or practical drills]. Completion of station based training to promotion processes made clear and set out in policy</p>	In progress

No.	HMICFRS recommendation	Issues identified	Actions taken	Status
			<p>8.3 local paper or spreadsheet based recording ceased, and one system in place</p> <p>NB: required on cycle of annual station based training to complete before can be marked as closed</p>	

### COVID Inspection action Plan

Recommendation	Response
<p>It should determine how it will adopt for the longer-term, the new and innovative ways of working introduced during the pandemic, to secure lasting improvements.</p>	<p>New hybrid contracts to be issued. Plans to reduce estate footprint and repurpose Rochester fire station. Wellbeing support for remote workers increased</p>
<p>It should consider whether the shared plans it uses, such as the Kent Resilience Forum (KRF) pandemic flu plan, are comprehensive enough to meet the specific needs of the service and its community. If not, the service should make sure the plans change to reflect these needs.</p>	<p>Significant incident framework reviewed and updated. Pandemic Plan created.</p>
<p>It should determine what steps it could take to align itself more closely with the National Fire Chiefs Council's (NFCC) guidance on protection.</p>	<p>We do not agree with NFCC guidance on remote audits. We challenged this at the time, sharing our challenge and highlighted we had taken legal advice with NFCC.</p>

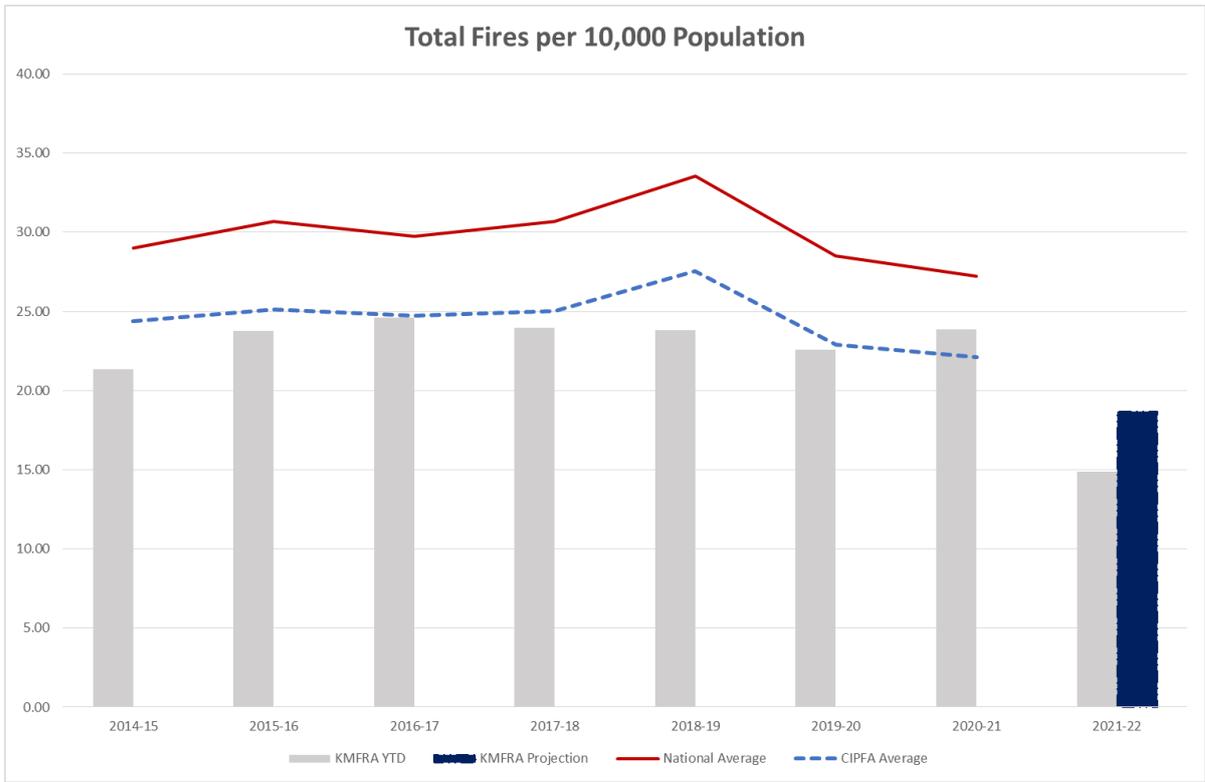
**PERFORMANCE UPDATE**

**Introduction**

1. This report details how the Authority has performed in recent years, is predicted to perform this year and over the medium term period alongside how that compares nationally and within the CIPFA Nearest Neighbour Group<sup>1</sup>, where possible. Members will recall that this year is the start of a new medium term reporting period and therefore predictions for the next three years should be treated with caution.

**Total Fires**

2. The Authority has attended 2,777 fires so far this year which is a decrease of 25% when compared to the same period the previous year. This decrease is attributed to a considerable reduction of accidental grassland and rubbish fires in the period than seen in the previous year which will have been heavily influenced by the weather over the summer period this year. The three year average projection for the 2021-24 period is 3,333 which is lower than the target of 4,210.

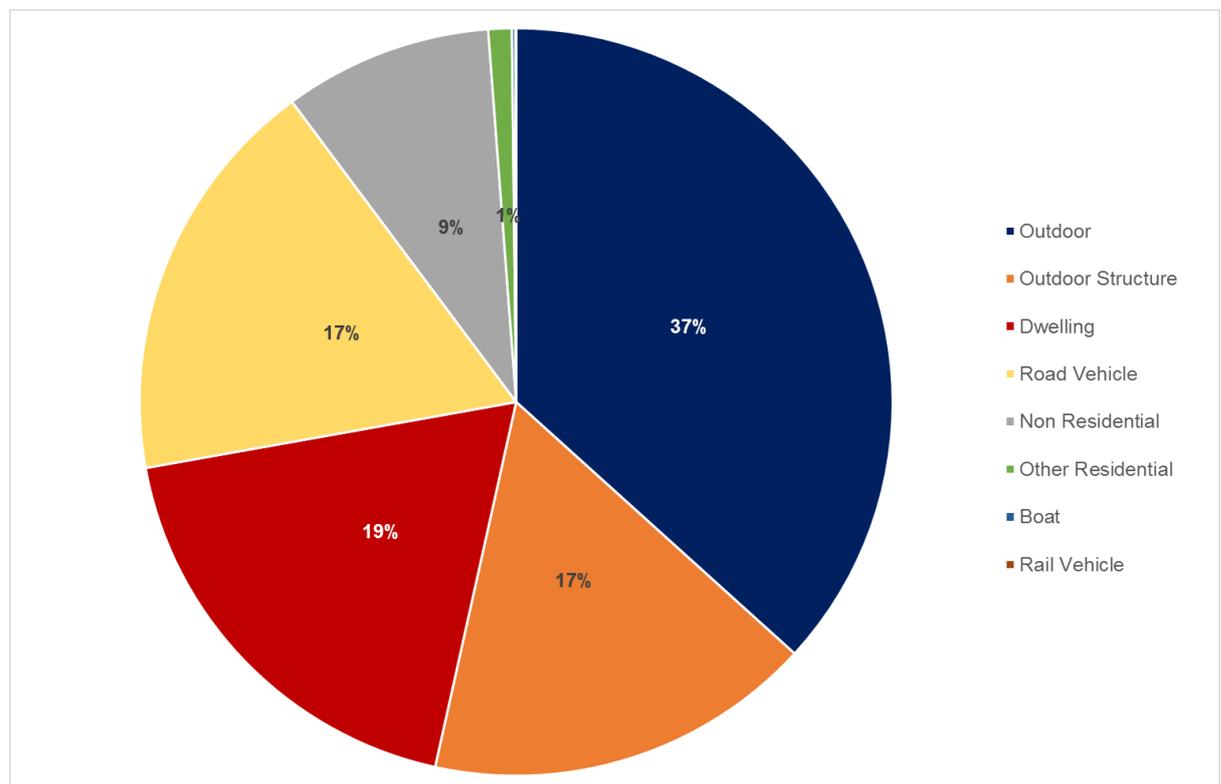


<sup>1</sup> This model was developed by CIPFA to aid local authorities in comparative and benchmarking exercises. This model allows users to generate family groups based upon a wide range of socio-economic indicators. The CIPFA Nearest Neighbours Model adopts a scientific approach to measuring the similarity between authorities, taking factors such as the social and physical characteristics of the authorities into account. The authorities included in our CIPFA group are: Hampshire, Essex, Lancashire, Derbyshire, Staffordshire, Hertfordshire, Suffolk, Devon & Somerset, West Sussex, Cheshire, Nottinghamshire, Humberside, Hereford & Worcester, Northamptonshire and Norfolk.

3. Over the last few years the Authority has seen a consistently higher level of fire activity than that seen in 2014/15, mostly attributed to warm dry summers where outdoor fires are heavily influenced by the weather. The chart above shows that this is not a trend that has only affected this Authority and that it is also true nationally and amongst our CIPFA nearest neighbour cohort, with the exception of 2020/21 where our activity levels increased yet nationally they did not. So far this year the levels of fire activity is significantly lower than both last year and the previous three year average.
4. The table below details the number of fires so far this year split into the different types. Members will recognise that the number of outdoor fires (rubbish and grassland) is low for the summer months than we would generally expect.

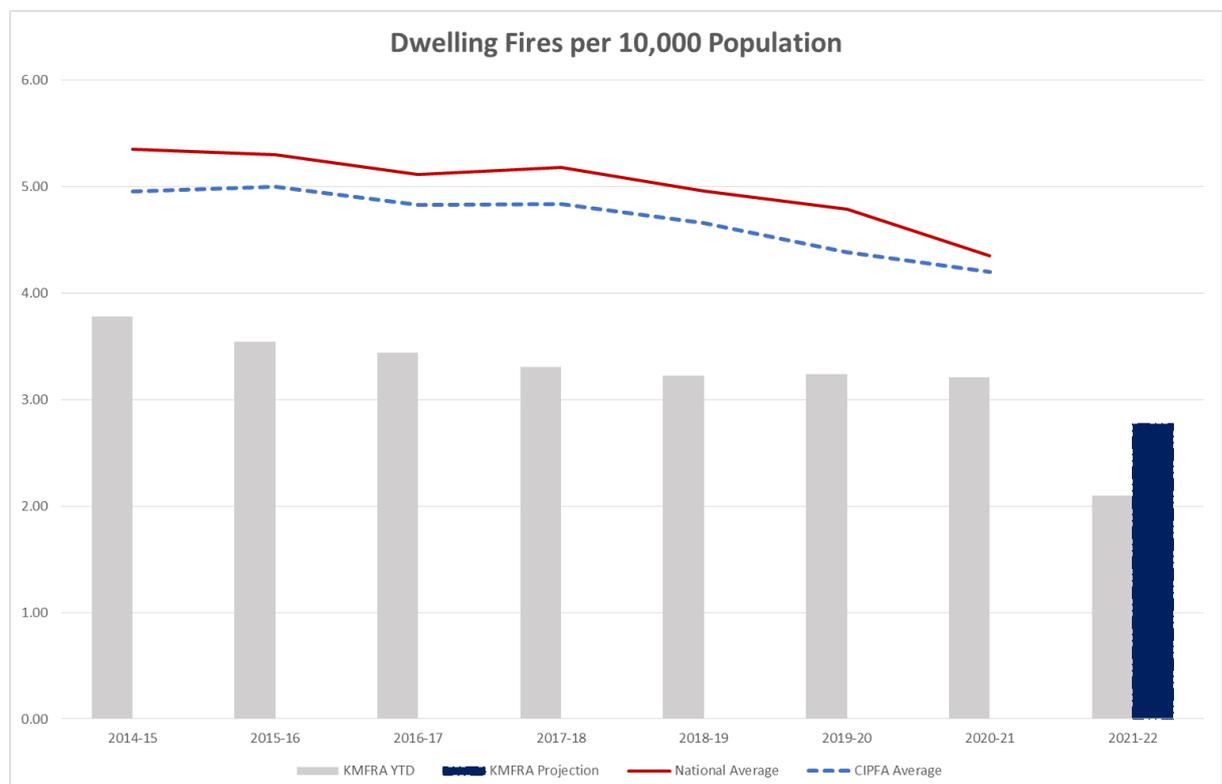
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Outdoor	272	137	105	100	98	109	65	77	58
Outdoor Structure	83	46	57	55	62	58	34	44	25
Dwelling	91	64	32	46	49	49	57	65	67
Road Vehicle	50	51	58	61	42	60	47	76	46
Non Residential	45	36	22	27	18	26	19	25	31
Other Residential	2	6	4	3	--	2	4	3	4
Boat	--	--	2	--	1	--	1	--	--
Rail Vehicle	1	--	--	--	--	--	--	--	--

5. The chart below details the percentage of fires so far this year by the property type affected.



## Dwelling Fires

6. In recent years the Authority has reported the lowest ever number of accidental fires in the home. So far this year 387 incidents have been attended which is lower than the levels seen in the previous three years. The current projection for the medium term period (2021-24) is 508 which is 4.5% better than the target. As we continue through the winter period of the year the number of accidental fires in the home will likely increase but this is a recurring trend and the projections have taken this into account.
7. Unfortunately accessing comparable information for fire services that fit this Authority's local performance indicator definitions is difficult. It is not possible to obtain accidental fires in the home detailed by individual authorities nor is it possible to obtain the number of dwellings in each Authority area. For the purposes of benchmarking ourselves against others we can compare all fires in the home, which although that will include those started deliberately, the numbers are relatively small in comparison to those started accidentally. To ensure the number of incidents is more representative of the size of the community that is served we have used population as the denominator.
8. The chart below shows that a reduction in the number of fires in the home is not a trend that has only been experienced by this Authority and that it is reflected both nationally and with CIPFA.
9. Members will notice that whilst the trend is the same, this Authority is experiencing fewer fires in the home per 10,000 population than both the national average and the CIPFA average. The published data for 2020/2021 details that Kent ranks 2<sup>nd</sup> for the number of fires in the home per 10,000 population out of 45 services.



- The causes of fires in the home rarely change, with cooking relating incidents accounting for 33% of all the incidents so far this year and a further 14% and 10% being attributed to electrical appliances and smoking materials respectively. Please also be aware that 24 of the 388 incidents can be attributed to candles or oil/incense burners.

### Fatalities and Casualties in Accidental Fires

- As a result of accidental fires, so far this year, eight people have died and 46 people have suffered fire related injuries. There has also been one fatality, three serious injuries and 12 slight injuries reported as a result of deliberate fires this year.
- Identifying trends in casualty data should always be carried out with caution due to the relatively small numbers involved. In comparison to last year, we have had two more fatalities and 20 fewer injuries in accidental fires.
- The table below details the number of fire related casualties by financial year and severity of injury. Please note that the figures listed for 2021/2022 only cover nine months.

	Fatal	Serious	Slight	Total
2014/2015	3	12	64	79
2015/2016	3	12	79	94
2016/2017	5	17	97	119
2017/2018	5	16	104	125
2018/2019	4	11	86	101
2019/2020	5	17	104	126
2020/2021	7	21	59	87
2021/2022	8	13	33	54
<b>Total</b>	<b>40</b>	<b>119</b>	<b>626</b>	<b>785</b>

### Road Traffic Collisions

- The Authority has attended 786 road traffic collisions so far this year which is 272 more than the same period in the previous year. During the lockdown periods in 2020 we saw a significant reduction in the number of road traffic collisions however the level of incidents recorded so far this year are back in line with the levels we would expect. During the months of October, November and December the number of road traffic collisions has been higher than the previous three year average. As a result of these incidents 20 people have died and 102 have been seriously injured.

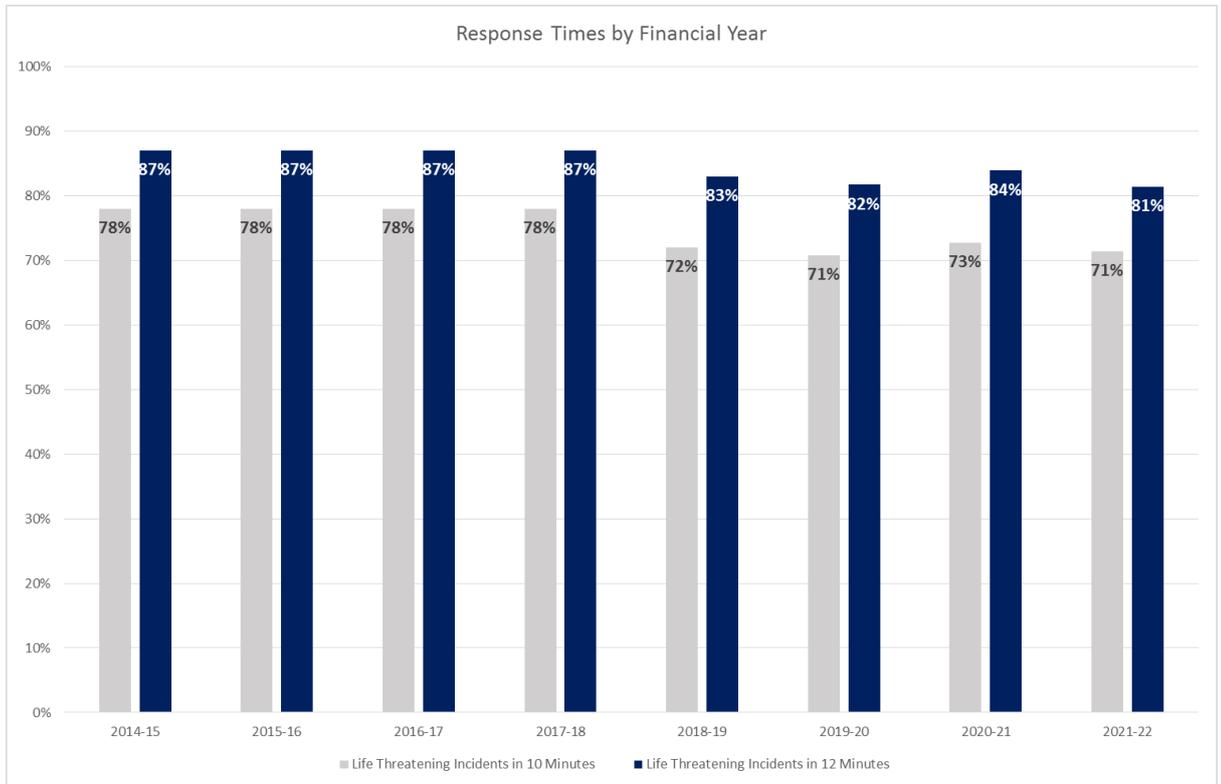
15. Of the road traffic collisions incidents attended this year 74% have required the Authority to make the scene or the vehicle safe, such as dealing with fuel spillages. A further 21% of the incidents required a person/s to be extricated or removed from an affected vehicle.

### **Other Emergency Special Service Incidents**

16. The Authority continue to provide emergency medical response in support of SECAMB. So far this year, 2,616 incidents were responded to and 2,367 were attended. On 287 occasions the Authority's resources were stood down before they arrived.
17. The vast majority of these incidents were attended by a crew in a fire engine, however we do have officers responding in cars which accounted for 608 of the incidents (26%).
18. For those medical incidents where a patient was in cardiac arrest and a defibrillator could be used, a return of spontaneous circulation was recorded on 11 occasions.
19. This year the Authority has responded to assist other agencies, for example to lift a person or assist in the search for a missing person, 1,547 times. In addition to these crews have also responded to 1,182 incidents to gain entry to a property for either the occupier or for our emergency services colleagues.

### **Response Times**

20. So far this year 71% of life-threatening incidents were reached within 10 minutes and 80.9% within 12 minutes. Members will recall that the targets for these indicators were changed for the 2020/21 financial year to 71% and 82% respectively.
21. The Authority attended life-threatening fire incidents within 10 minutes on 74.5% occasions whilst life-threatening road traffic collisions were reached within 10 minutes on 61.9% of occasions. Non-life threatening incidents were attended within 15 minutes on 91% of occasions which is below the target of 92%.
22. The chart below details performance for attending life threatening incidents within 10 minutes and 12 minutes for the last seven financial years and this year to date.



### Availability

23. The Authority aims to have a maximum of 50 fire engines available day and night across Kent and Medway. Members will be aware that the results of consultation on our emergency cover operating model in the Safety and Wellbeing Plan are presented elsewhere in this report.
24. The number of fire engines available is heavily influenced by the availability of on-call firefighters and can therefore fluctuate over a 24 hour period. The table below details the average number of fire engines available during the day (9am-6pm) and in the evening (6pm to 9am). Of the number available, 26 of these are full-time fire engines and the remainder on-call.
25. In anticipation of a significant impact on availability of fire engines over the Christmas period due to the Omicron variant and rising case numbers, combined with the bank holidays meaning people may have taken leave or not been on call, we created some resilience in the system through additional payments to on call. This approach worked as a rise in on call availability was evident which in turn offset the Covid impacts experienced. Over and above this between 5 to ten additional crews worth of fire engines were available within the Authority flexible reserve, supplementing the figures below.

	2018/19	2019/20	2020/21	2021/22
Day	33	34	44	31

Night	51	50	57	47
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### **Customer and Business Safety**

26. The Authority's Customer Safety teams have delivered 8,292 Safe and Well Visits to customers across Kent and Medway. In addition to these visits, 19 telephone assessments have been carried out, and crews have carried out 3,201 Home Fire Safety Visits.
27. Between April and December 2021 Building Safety teams have completed 1,062 audits of premises in the County.
28. The level of building consultations received by the Authority has increased to normal levels so far this year with 1,407 received this year coming in equal parts from both Local Authority and Approved Inspectors.

### **Corporate Health**

29. Between April and December 2021, 4.05% of all contracted hours have been lost due to sickness which is higher than 2020/21 (3.09%). Operational staff lost 5.09% of contracted hours to sickness and corporate teams' staff lost 1.64%. This performance will undoubtedly have been affected by the presence of the Omicron variant and the subsequent increase in Covid cases.
30. RIDDOR-reportable injuries are those that the Authority is required to report to the Health and Safety Executive under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995. There has been 11 RIDDOR-reportable injuries recorded so far this year, which is higher than the four incidents recorded in the whole of the previous year.

## SUMMARY INSURANCE REPORT FOR 2020/21

### Introduction:

1. This report details the Authority's insurance claim costs notified for the period 1 November 2020 to 31 October 2021. The data in this report covers the Authority's main insurance policies: motor claims; property claims, public liability and employer's liability.

### Notes to Accompany the Claims Information

2. The nature of insurance claims involving personal injury means that they can take three to five years from claim to final settlement. Equally some motor claims can take several years to determine and therefore the final costs may not be known at the end of any given reporting period. Where costs are unknown insurers set a "reserve" as an estimate of final costs; these estimates are often on the generous side which may inflate the costs within this report. It should be noted that the number of employer's liability and public liability claims is very small but individual claim costs can vary from hundreds to thousands of pounds and therefore significant annual variances can occur.

**Table 1** below details the insurance policy excess that the Authority carries for each policy.

<b><u>Insurance Policy Excess</u></b>	
<b>Policy</b>	<b>Excess (£)</b>
Motor	50,000
Employers Liability	25,000
Public Liability	25,000
Property	5,000

### 2020/21 Policy Year Claims

3. In 2020-21 'policy year' the Authority received 92 motor, 4 public liability and 2 property claims. **Table 2** details the costs incurred for Motor, Property and Public Liability Claims for 2020/21 Policy year and the costs relating to open Employer's Liability claims as at 31 October 2021. The "reserve" figures detailed below are based on FRIC's current estimate of total costs that could be incurred. As further details of claims are received these figures are revised until such time as the claim is settled.

**Table 2 – Costs Incurred**

Claim Type	Number of Claims	KFRS Reserve £	KFRS Paid £	FRIC Paid £	FRIC Reserve £	Total Cost of Claims £
Motor	92	43,601	32,318	26,050	18,981	120,950
Property Liability	2	4,279	0	0	0	4,279
Public Liability	4	0	1,950	36	6,207	8,193
<b>Total</b>	<b>98</b>	<b>47,880</b>	<b>34,268</b>	<b>26,086</b>	<b>25,188</b>	<b>133,422</b>

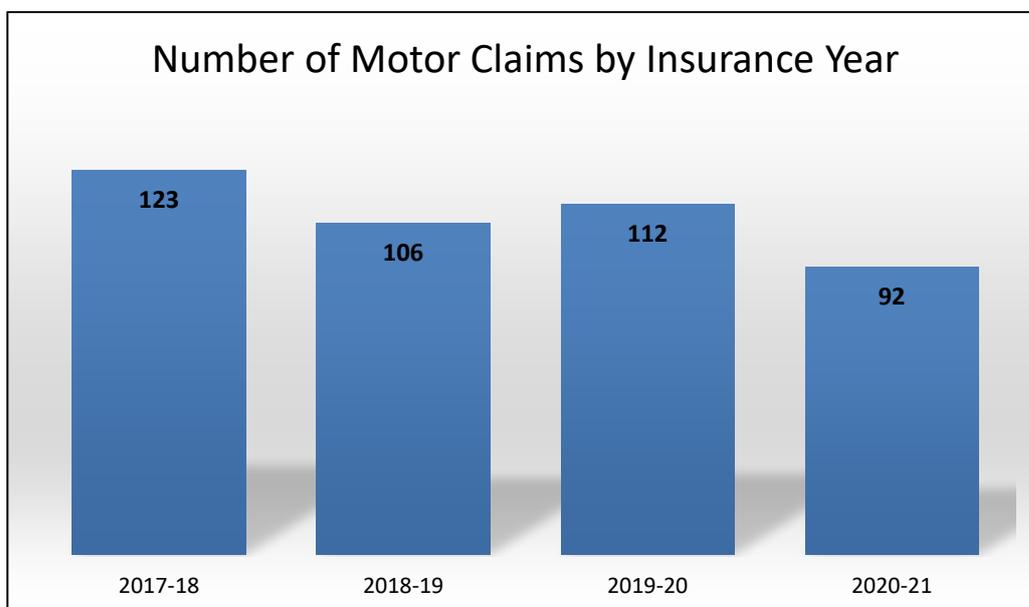
  

Claim Type	Number of Claims	KFRS Reserve £	KFRS Paid £	FRIC Paid £	FRIC Reserve £	Total Cost of Claims £
Employer's Liability Open Claims	3	29,949	0	0	0	29,949
<b>Total</b>	<b>3</b>	<b>29,949</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>29,949</b>

**Motor**

- This policy covers claims arising from vehicles (including emergency vehicles) used on the Authority's business. There were 92 motor claims reported within the 2020/21 policy year, which is lower than the previous three years. Of those reported, 67 (74%) involved a fire engine of which 30 incidents were whilst on blue lights. Some of the incidents are have been unavoidable due to width restrictions or inappropriate parking of the public.

**Table 3 - comparative years motor claims from 2017-18 onwards.**



- The Authority volunteered as one of three FRIC members to be included in a pilot accident investigation project organised by FRIC where the circumstances around motor incidents are reviewed by an independent consultant to identify possible causes and potential preventative

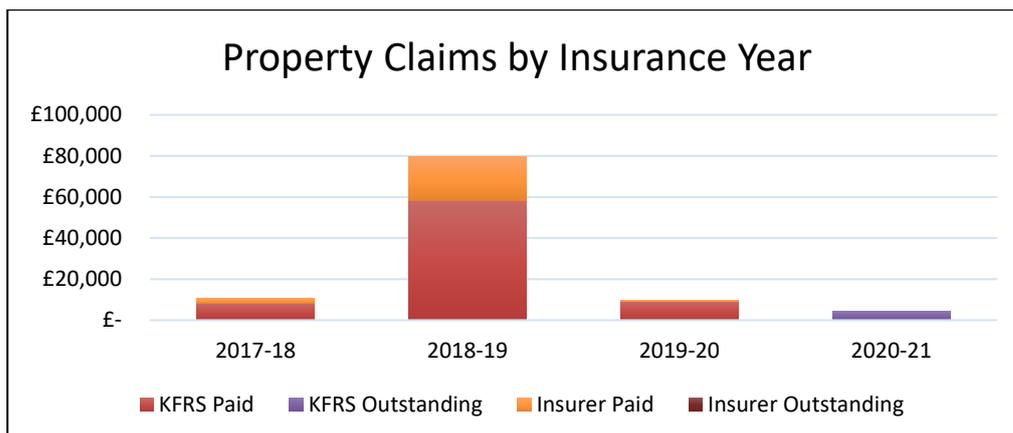
action. The consultants have contacted our drivers shortly after each collision to establish the circumstances surrounding the collision.. The initial project was for 3 months however this has been extended to enable wider scope of data to be analysed.

5. It has become apparent that when more serious collisions occur there is not always a seamless process in place to ensure such collisions are investigated internally. Currently discussions are being held between Fleet, Health and Safety, Driver Training and Insurance teams to review existing processes to ensure all parties are notified with the necessary information to determine if further investigations/ training needs to be carried out. We continue to encourage all vehicle damage to be reported even if minor to enable a true reflection of motor liability.
6. Although the use of CCTV footage continues to assist in identifying liability of motor claims and has been positively used to mitigate some claims of third party vehicle damage, there are still occasions where the CCTV footage is not available due to camera failure. We have also recently experienced an increased trend in third party insurers refusing to agree liability ratios and threatening to instigate court action if FRIC do not concur with their proposed split. CCTV, telematics data and accurate statements have and remain essential to defending such claims and assist in keeping legal costs down.

### Property Claims

7. In comparison to previous years, property claims remain low however there have been two property claims due to structural damage caused by third parties to our KFRS estate (a security height barrier at SHQ and the front facia of Marden Fire Station). The third party acknowledged the damage caused to the barrier which has an estimated reserve of £3.3k. The works to repair the damage have not yet been completed however a claim to recover the costs will be made to the third party contractor on completion of the repair. The cause of damage to Marden Fire Station is unknown, however on inspection it is likely the building has been struck by a large vehicle. Fortunately our property team advise the damage appears to be superficial and so currently a reserve of £1k has been applied. As the excess is £5k the cost of the repairs will need to be absorbed by KFRS.

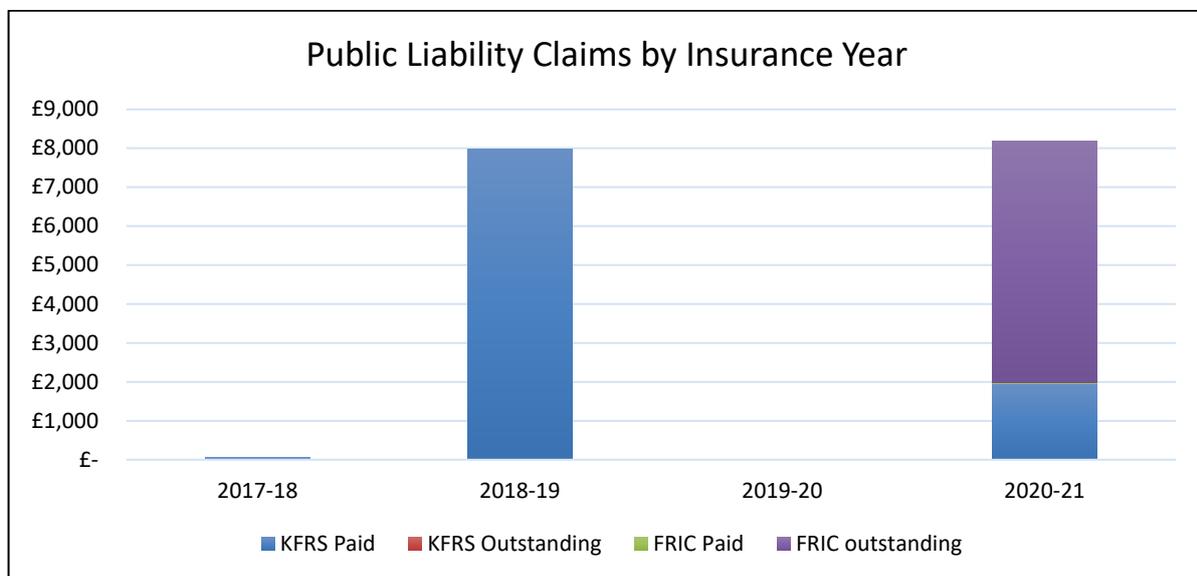
**Table 4** - comparative years property claims from 2017-18 onwards



## Public Liability

8. This policy covers claims against the Authority by the public for injury, loss or damage caused as a result of its activities (excluding motor accidents). The third party has three years to open a claim from the date they become aware of the injury. Public liability claims are generally low in frequency and value but the widely publicised “claims culture” means that the potential remains high and premium therefore reflects this.
9. There have been four Public Liability claims within the 20/21 policy year with two claims occurring at the same property from damage caused whilst attending a gas explosion incident. The third claim related to damage to a third party property whilst gaining entry, and the final claim related to a broken piece of concrete which was likely to have originated from a fire hydrant post, whereby a member of the public tripped causing injury. The Hydrants Team were notified of the incident via the local authority and immediately removed the offending concrete to prevent further injuries. The table below reflects the costs of Public Liability Claims since 2017/18.

**Table 5** - comparative years public liability claims from 2017-18 onwards



## Employer’s Liability

10. This policy covers claims made against the Authority by its employees for injuries sustained in the course of employment. Employees have three years from the date of injury to submit a claim so there is the potential for further claims to be received for 2017/18 onwards. However, for claims due to contaminant exposure such as asbestosis the claimant has three years from the date of diagnosis so claims could relate to exposure from 40 plus years before.
11. There are currently three open claims of which two are new claims within 2020/21. Three claims relating to previous policy years were successfully closed at a total cost to KFRS of £37.8k.

12. KCC Insurance are continuing to deal with 2 claims relating to Firefighters who served in Kent between mid 1960's and 1970's. The relating period of these claims pre dates KFRS becoming a combined authority and therefore liability lies with KCC and so costs are not included in this report. It is likely that further claims may be received in the future which may start to impact KFRS costs

### Insurance Renewal

13. The annual insurance renewal document has become extensive in an attempt for FRIC to identify potential risks for the Member Authorities as accurately as possible. This has also been supported by the production of three risk profiles (Motor, Liability and Emerging Risks). Considerable amounts of data were needed from all areas within KFRS in order to achieve the renewal requirements and the efforts of all of those involved is very much appreciated.
14. On renewal (for 2021/22) FRIC came under a lot of pressure to accept COVID exclusion on the liability product but have successfully resisted any changes for another year. However they advise that this issue is not likely to go away anytime soon as insurers look to limit their risk exposure.
15. The overall FRIC insurance renewal for 2021/22 has cost £622.9k which is an increase of 1.12% on the previous year. Costs relating to primary liability protection, terrorism protection and property protection showed a noticeable increase of 4.5%, 22.9% and 6.4% respectively. This is as a result of the recognised risks associated with our operational activity and also a more detailed assessment of the value of our assets and contents. Our motor protection and claims handling charges showed a reduction to previous years of 3.1% and 17.5% which is based on the costs incurred within 2020/21 and the effectiveness of our claims handling process. Below is a breakdown of the policy increases and reductions on renewal 2021/22 compared to 2020/21.

**Table 6** – Policy Increases and reductions for 2021/22 compared to 2020/21

PROTECTION	DIFFERENCE
Motor	-3.1%
Primary Liability	4.5%
Property	6.4%
Excess Liability	0.5%
Claims Handling	-17.5%
Project Fees	-0.7%

Terrorism	22.9%
MAPS – Legal Cover	-3.6%
<b>Total</b>	<b>1.2%</b>

### **Cyber Security Risk**

16. One of the biggest emerging risks in the Public Sector currently is Cyber Security, with both Hackney and Redcar Council reporting costs in excess of £10m as a result of their recent attacks. An attack of this nature is not only a considerable cost but also extremely debilitating on the operation of business as usual as well as reputational damaging.

**MINUTES OF PENSION BOARD MEETING  
29 NOVEMBER 2021**

**Present:**

Mark Rist (MR)	KFRS (Employer Representative) (Chair)
Matthew Deadman (MD)	KFRS (Employer Representative)
Lawrence Pater (LP)	FOA (Employee Representative)
David Broughton (DBr)	FBU (Deputy Employee Representative)
Jordan McEvoy (JM)	FRSA (Deputy Employee Representative)

**Also In Attendance:**

Marie Curry (MC)	Business Support Manager/ Clerk
David Stanbury (DS)	Pensions Manager (Scheme Manager Representative)

**Apologies:**

Karen Irvine (KI)	Assistant Director, People and Learning
Danny Barrett (DB)	FBU (Employee Representative)
Dylan McEvoy (DM)	FRSA Representative (Employee Representative)

<b>NEXT MEETING</b>	Date: AGM 4 February 2022
	Venue: Skype
	Time: 10am

**1. Declarations of Interest of Items on this agenda**

None.

**2. Minutes of the Pension Board held on 21 September 2021**

Agreed as a true record.

**3. Minutes of the Extraordinary Pension Board meeting held on 22 October 2021**

Agreed as a true record.

**4. Pension Board Action Log - Update on Progress**

DS reported that there were no changes to the action log since the last meeting.

**5. LPP Monthly Report**

DS gave a brief overview of the detail contained within the report. The report is located on the SharePoint site for Board Members to view. Any questions should be directed to DS.

**6. Update on Cases (Standing Item)**

McCloud vs Sargent Case

DS reported that work is now underway in relation to the Immediate Detriment cases. All those affected have been contacted. LPP continuing to support this work.

O'Brian Case

DS said that there is no update to provide since the last meeting.

IDRP Cases

DS reported that there have been no IDRP cases since the last meeting.

Other updates

DS reported that work is continuing on the 23 cases affecting those pensioners already in receipt of a pension in relation to the changes within the 1992 and 2015 Scheme.

DS reported that the individuals affected by the pay back of strike days have now been written to. Individuals have the option to pay back over a 3-month period instead of 1 month as originally stated.

**7. AOB**

No items to cover.

