

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



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

Chief Fire Officer and Chief Executive
Jason Thelwell

To: The Members of the Executive Committee

**MEMBERS OF THE PRESS
AND PUBLIC**

Please note the content of
Page 2 of this Agenda Pack

31 January 2022

Dear Councillor

Your attendance is requested at a meeting of the **EXECUTIVE COMMITTEE** of the **BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY** to be held in **MEETING ROOM 1, BUCKINGHAMSHIRE FIRE AND RESCUE SERVICE HEADQUARTERS, STOCKLAKE, AYLESBURY, BUCKS, HP20 1BD** on **WEDNESDAY 9 February 2022 at 10.00 AM** when the business set out overleaf will be transacted.

Yours faithfully

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

Graham Britten
Director of Legal and Governance

Health and Safety: Covid-19

There will be limited facilities for members of the public to observe the meeting in person. A recording of the meeting will be available after the meeting, at the web address provided overleaf.

Chairman: Councillor Lesley Clarke OBE

Councillors: Christensen, Hall, Hopkins, Lambert, Marland, McLean and Walsh



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Recording of the meeting

The Authority supports the principles of openness and transparency. To enable members of the press and public to see or hear the meeting, this meeting will be recorded. Please visit: <https://www.youtube.com/channel/UCWmIXPWAscxpL3vIiv7bh1Q>

The Authority also allows the use of social networking websites and blogging to communicate with people about what is happening, as it happens.

Adjournment and Rights to Speak – Public

The Authority may adjourn a Meeting to hear a member of the public on a particular agenda item. The proposal to adjourn must be moved by a Member, seconded and agreed by a majority of the Members present and voting.

A request to speak on a specified agenda item should be submitted by email to gbritten@bucksfire.gov.uk by 4pm on the Monday prior to the meeting. Please state if you would like the Director of Legal and Governance to read out the statement on your behalf, or if you would like to be sent a 'teams' meeting invitation to join the meeting at the specified agenda item.

If the meeting is then adjourned, prior to inviting a member of the public to speak, the Chairman should advise that they:

- (a) speak for no more than four minutes,
- (b) should only speak once unless the Chairman agrees otherwise.

The Chairman should resume the Meeting as soon as possible, with the agreement of the other Members present. Adjournments do not form part of the Meeting.

Rights to Speak - Members

A Member of the constituent Councils who is not a Member of the Authority may attend Meetings of the Authority or its Committees to make a statement on behalf of the Member's constituents in the case of any item under discussion which directly affects the Member's division, with the prior consent of the Chairman of the Meeting which will not be unreasonably withheld. The Member's statement will not last longer than four minutes. Such attendance will be facilitated if requests are made to enquiries@bucksfire.gov.uk at least two clear working days before the meeting. Statements can be read out on behalf of the Member by the Director of Legal and Governance, or the Member may request a 'teams' meeting invitation to join the meeting at the specified agenda item.

Where the Chairman of a Committee has agreed to extend an invitation to all Members of the Authority to attend when major matters of policy are being considered, a Member who is not a member of the Committee may attend and speak at such Meetings at the invitation of the Chairman of that Committee.

Questions

Members of the Authority, or its constituent councils, District, or Parish Councils may submit written questions prior to the Meeting to allow their full and proper consideration. Such questions shall be received by the Monitoring Officer to the Authority, *in writing*, at least two clear working days before the day of the Meeting of the Authority or the Committee.

EXECUTIVE COMMITTEE

TERMS OF REFERENCE

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

AGENDA

Item No:

1. Apologies

2. Minutes

To approve, and sign as a correct record the Minutes of the meeting of the Executive Committee held on 17 November 2021 (Item 2) **(Pages 7 - 20)**

3. Disclosure of Interests

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

4. Matters Arising from the Previous Meeting

The Chairman to invite officers to provide verbal updates on any actions noted in the Minutes from the previous meeting.

5. Questions

To receive questions in accordance with Standing Order SOA7.

6. Great Holm Update

To receive a verbal update. **(Pages 21 - 26)**

7. Budget Monitoring Report April - November 2021

To consider Item 7 **(Pages 27 - 38)**

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

To consider Item 8 **(Pages 39 - 48)**

9. Medium Term Financial Plan (MTFP) 2022/23 - 2026/27

To consider Item 9 **(Pages 49 - 62)**

10. Response to the Provisional Local Government Finance Settlement 2022 to 2023: Consultation

To consider Item 10 (Pages 63 - 92)

11. TVFCS ICCS Contract and Inter Authority Agreement

To consider Item 11 (Pages 93 - 96)

12. Members' Allowances

To consider Item 12 (Pages 97 - 152)

13. Exclusion of Public and Press

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

14. Injury Pension Overpayments

To consider Item 14.

15. Exempt Minutes

To approve, and sign as a correct record the Exempt Minutes of the meeting of the Executive Committee held on 17 November 2021 (Item 15)

16. Date of next meeting

To note that the next meeting of the Executive Committee will be held on Wednesday 23 March 2022 at 10 am.

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

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Buckinghamshire & Milton Keynes Fire Authority

Minutes of the Meeting of the EXECUTIVE COMMITTEE of the BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY held on WEDNESDAY 17 NOVEMBER 2021 at 10.00 AM.

Present: Councillors Christensen, Clarke OBE, Hall, Hopkins, Lambert, McLean, and Walsh

Officers: J Thelwell (Chief Fire Officer), G Britten (Director of Legal and Governance), M Hemming (Director of Finance and Assets), A Stunell (Head of Human Resources) and K Nellist (Democratic Services Officer)

Remotely: M Osborne (Deputy Chief Fire Officer) A Hussain (Deputy Director of Finance and Assets) S Tuffley (Head of Covid-19 Preparedness and Response), C Bell (Head of Protection, Assurance & Development), S Wells (Head of Prevention, Response and Resilience), A Carter (Head of Technology, Transformation and PMO), M Crothers (Programme Manager)

Apologies: Councillor Marland

The Chairman advised the Committee that the meeting was being recorded and would be uploaded on to the Authority's YouTube channel after the meeting.

<https://www.youtube.com/channel/UCWmIXPWAscxpL3vliv7bh1Q>

EX15 MINUTES

RESOLVED –

That the Minutes of the meeting of the Executive Committee held on Wednesday 15 September 2021, be approved, and signed by the Chairman as a correct record.

EX16 IMMEDIATE DETRIMENT FRAMEWORK

The Lead Member for Finance and Assets, Information Security and IT introduced the report and advised Members that there had been changes since the report was written and asked the Director of Finance and Assets to take Members through the changes.

The Director of Finance and Assets advised that firstly he would give Members some background into the changes and the revised recommendations which were on the new page (in front of them).

The Director of Finance and Assets also advised Members that there were some officers at the meeting within the scope of this report, who did not need to declare an interest, but he wanted Members to be aware that some officers present were affected.

The Director of Finance and Assets advised that this report gave the latest position regarding immediate detriment. Essentially, it applied to operational staff who were on the old scheme and transferred into the new scheme between 1 April 2015 and 31 March 2022. At the March meeting of the Executive Committee, based on guidance and legal opinion, the Committee determined to treat those that were due to retire as if they had never left their old scheme. Since then, there had been some further legal cases against London and Nottinghamshire fire and rescue services and as a result, the Local Government Association (LGA) and Fire Brigades Union (FBU) had agreed a framework to enable the Service to deal with McCloud and Sargeant cases.

The Service was already dealing with category one cases - people due to retire, and in this respect the framework had helped to make sure they were treated consistently, across all Services. It also identified category two cases - people who had already retired and would have been transferred to the new scheme before they retired. Eventually, all cases would have to be revisited when legislation was laid.

The Director of Finance and Assets advised Members that since the report was published, HMRC had published new proposals for tax. The main change introduced was that if members got a lump sum more than twelve months after they retired, it was subject to what's called an 'Unauthorised Scheme Sanction Charge', but from 6 April 2022, it would no longer apply. Therefore, the recommendations had changed slightly, as it would be beneficial for some members to wait slightly longer than the timescales in the framework, to make those payments to people who retired more than 12 months ago.

The Director of Finance and Assets also updated Members on the number of cases. Within the report it stated there were thirty cases, which was based on the total number of people who had retired since 1 April 2015 but weren't fully protected members. Some further investigation had been undertaken, and of those thirty people, just over half retired before they tapered across, so would not be subject to immediate detriment, as they already had the correct benefits. Of the remaining thirteen cases, six were ill health retirement, and in terms of priority, would be treated first as they had no choice as to whether

they retired or not. The other seven cases would be deferred until after 6 April 2022 to avoid any charges.

A Member asked how relevant costs would be captured both locally and nationally to support any case to the government for funding.

The Director of Finance and Assets responded by saying that there had been a slight discrepancy between the LGA and the Home Office as to what was charged and when, so the full cost would not be known until the legislation was implemented in October 2023, so it was important to keep a record of all costs. The majority of costs being incurred were simply costs that had been brought forward.

A Member asked what assurances the Authority had received from the Pensions Administrators regarding their capacity to process cases in accordance with the timeline in the framework.

The Director of Finance and Assets responded by saying that this was a question that had been posed to West Yorkshire the Pension Administrator at the local pension board meeting, because West Yorkshire not only administer this Authority's pension scheme, but they also do so for a number of other fire and rescue services. West Yorkshire had said they would do their best to meet the timescales, but they could not guarantee it, simply because of the number of cases they had to deal with.

The Chairman asked that by proposing to undertake the ill health pensions first, would these members be caught out with the HMRC cut-off date, of 6 April 2022.

The Director of Finance and Assets responded by saying that any charges these members would incur as a result of the HMRC rules would be compensated for, and the members would not be disadvantaged.

A Member appreciated that although the financial impact could not be determined at this time, was there a risk that the financial impact might be a major one further down the line.

The Director of Finance and Assets responded by saying that primarily it would be a cash flow issue as the Authority would be bringing forward amounts that would have been paid anyway. With the ill health retirements, it was on a case by case basis. In some cases, they were actually better off being on the new scheme and there would be no payments to be made to those members.

A Member asked were there any previous firefighters who may have passed away during this time, but still have to go through this process. Would their cases be prioritised and would they get penalised in terms of the HMRC rules.

The Director of Finance and Assets responded by saying he was not aware of any cases that fall into that category, but if there were, they would be looked at as a priority and again if there were any charges the Authority would look to compensate that member.

The Chairman asked that the Director of Finance and Assets keep the Lead Member for Finance and Assets, Information Security and IT fully briefed on this matter.

RESOLVED –

1. That the Immediate Detriment Framework be adopted on behalf of the Authority (the Scheme Manager of the Authority's firefighter pension schemes).
2. That the Director of Finance and Assets be:
 - (a) the authorised signatory for any 'Record of Agreed Compensation and Remedy' ('Compensation Record') on behalf of the Authority; and
 - (b) authorised to agree with Scheme members variations to the timescales for dates of payments when in the interests of the Scheme Manager and the Scheme member to do so.

EX17 TVFCS – TRANSFER OF THE SECURE SOLUTIONS AND SERVICES (“SSS”) BUSINESS TO CAPITA (SSS) LIMITED (“CAPITA SSS2) AND SUBSEQUENT SALE OF CAPITA SSS

The Head of Prevention, Response and Resilience advised Members that this report related to the Thames Valley Fire Control Service, and as Members were aware, this Authority entered into an interagency agreement for the provision of the control room which went live in April 2015, along with Oxfordshire County Council and Royal Berkshire Fire and Rescue Service. There were two contracts that underpin the control room, and these were provided by Capita through their Secure Solutions and Services Business. The contracts were the mobilising system contract, and the contract for the provision, maintenance and support of the DS300 Integrated Communication Control System (ICCS).

Earlier this year, the Authority became aware that Capita was looking to undertake an extensive review of this particular portfolio, and this resulted in a new company being formed called Capita SSS Limited. The two contracts currently provided sit within Capita Secure Information Solutions Limited, which was a subsidiary of Capital PLC. The Deed of

Novation was to move those contracts from Capita Secure Information Services into this new company within Capita.

The Head of Prevention, Response and Resilience advised Members that under this interagency agreement, if there were any changes that underpin the arrangements in terms of the control room function, then each respective authority needed to approve it. The same report would be presented to Royal Berkshire Fire Authority and Oxfordshire County Council seeking their approval for the transfer. If there was agreement to both recommendations, the Authority was also agreeing to permit Royal Berkshire Fire Authority and Oxfordshire County Council to allow that Capita SSS Limited to be potentially sold to NEC Software Solutions UK Limited. At the last meeting of the Executive Committee, the decision was taken to extend the mobilising contract to March 2023. This would allow the Authority to fully appreciate what potentially the new provider could offer in terms of the level of service the Authority was accustomed to with Capita. If the new company did not uphold the standards expected, then obviously there was the option to go out to market and look to identify a more appropriate provider.

The Chairman asked if anything was known about the new company NEC Software Solutions UK Limited.

The Area Commander advised that they were someone quite prominent within the emergency services arena and another Member advised that he was aware they were a reputable company.

A Member asked who else was in that marketplace and what reputation do these providers have.

The Head of Prevention, Response and Resilience advised that in terms of the Deed of Novation, the Royal Berkshire Fire Authority and Oxfordshire County Council would be transferring the contract between Capita companies. If it was agreed, and Capita were looking to sell that part of their business, then all the contractual obligations, liabilities in relation to transferring the contract would be that the new provider would be expected to deliver the same service, and that's the level of reassurance that had been provided.

RESOLVED -

1. That approval be given for the Deed or Novation between Oxfordshire County Council, Royal Berkshire Fire Authority, Capita Secure Information Solutions Limited ("CSIS") and Capita (SSS) Limited (in relation to the 'Mobilising System Contract') to be completed.
2. That approval be given for the Deed of Novation between Royal Berkshire Fire Authority Capita Secure Information Solutions Limited ("CSIS"), and Capita (SSS) Limited, in relation to the contract for the

provision, maintenance and support of the DS3000 Integrated Communication Control System (ICCS).

EX18

EXEMPTION FROM STANDING ORDERS RELATING TO CONTRACTS: RESOURCE MANAGEMENT SYSTEM, PREMISES RISK MANAGEMENT SYSTEM AND ASSET MANAGEMENT SYSTEM

The Head of Technology, Transformation and PMO advised that this report related to a number of key systems and as Members would be aware, replacing systems could be a costly and time-consuming process and have a large impact on the teams having to deliver those new systems and balance their business as usual.

The Head of Technology, Transformation and PMO advised Members that over the last five years, the Authority had introduced a number of key systems across the service, including the Premises Risk Management System, which allowed the Service to capture, prevention work, including fire and wellness visits and also protection work. The Resource Management System, which allowed the Service to ensure it had the right resources in the right place and the Asset Management System, which was used by both the stores team and property team to track and maintain the assets across the Service.

The Head of Technology, Transformation and PMO advised Members that the challenged faced was that all these systems were due to come to the end of contract over a period of six months. It was important that the Service made sure it wasn't just renewing contracts, but also to assess it by asking two key questions. Do we still need those systems and was staying with the current supplier the right thing to do? The answer was yes to both questions, they were all business-critical systems and the preference would be to stay with the current suppliers. After looking at options, it was decided to complete a contract modification which allowed the Service to extend the current contract agreement in accordance with the Public Contracts Regulations.

RESOLVED –

It is recommended that in accordance with Standing Orders Relating to Contracts, Standing Order 4(a) that:

- 1) the Resource Management System contract with FireServiceRota be renewed for a further three years until 7 November 2025
- 2) the Premises Risk Management System contract with Active Informatics be renewed for a further three years until 31 March 2026
- 3) the Asset Management System contract with Redkite Systems be renewed for a further two years until 31 March 2025

**EXEMPTION FROM STANDING ORDERS RELATING TO CONTRACTS:
WIDE AREA AND LOCAL AREA NETWORK (WAN/LAN) PROVISION**

The Head of Technology, Transformation and PMO advised Members that the Wide Area Network allowed the Authority to connect all stations to the internet and the Local Area Network was the internal connection within the buildings. The background to this report was that the Service had been working with Buckinghamshire Council under an umbrella contract for the last nine years with Udata. The Service made the decision to assess its options, and it was now still working with Buckinghamshire Council, but in a partnership with BT.

Unfortunately, the move to the new supplier and had been hit by delays to both the Authority and Buckinghamshire Council and both had needed to extend the contract with Udata. Therefore, to ensure that the Service continued to operate, there had to be an emergency extension to the contract for one year at a cost of £118k. The Chief Finance Officer had authorised the renewal of the WAN/LAN contract with Udata for a further year until September 2022.

A Member asked if there was a risk in having to extend past the current extension date.

The Head of Technology, Transformation and PMO advised that at present, the change over date was April 2022 and the Service was towards the top of Buckinghamshire Council's list to transfer over.

A Member asked if the links to the Thames Valley Fire Control Service were on the same WAN/LAN.

The Head of Technology, Transformation and PMO advised that no, the Thames Valley Fire Control Service was managed by Royal Berkshire Fire and Rescue Services' WAN/LAN and was totally separate.

A Member asked that when the Service signed a contract with Buckinghamshire Council, was there a clause that if something went wrong there would be some contribution to costs and also in the new contract with BT was there any compensation if it was delayed.

The Head of Technology, Transformation and PMO advised that as it currently stands, it wasn't costing the Service any additional charges because the Service hadn't paid anything extra to Buckinghamshire Council or BT, all it was doing was moving the start date of the new contract back.

A Member asked what the cost of the new contract was.

The Head of Technology, Transformation and PMO advised that she would email Members this information, rather than discussing at an open meeting.

RESOLVED –

In accordance with Standing Orders Relating to Contracts, Standing Order 4.2 it be noted that the Chief Finance Officer has authorised renewal of the WAN/LAN contract with Updata for a further one year until 24 September 2022.

EX20 BUDGET MONITORING REPORT APRIL – SEPTEMBER 2021

The Deputy Director of Finance and Assets presented to Members the Budget Monitoring Report as at the end of September 2021. Table 1 provided an overview of each directorates budget and forecast outturn. The current expenditure forecast of £31.456m against a budget of £32.277m resulted in an underspend of £821k. However, due the additional funding of £329k in relation to protection grants and local tax income guarantee, the Authority would see a net overall underspend of just over £1.1m. Based on current projections, there was no longer a need to use reserves of £1.1m, instead the Authority was projecting an additional underspend of £38k. Any fluctuations in the figure throughout the financial year would be captured and monitored to ensure the use of reserves were minimised and offset against any underspend identified within the expenditure.

The Deputy Director of Finance and Assets advised Members that with the summary of variances being seen within each directorate, the largest underspend was within Finance and Assets, Delivery, Corporate Development and Planning. Within Finance and Assets, a £256k underspend related to a rebate received with relating to a business rates review carried out. The review carried out by external specialists identified reductions in the rateable value of several stations and was backdated to 2017. The other area with high levels of underspend related predominantly to employee costs.

Table 2 showed the breakdown of favourable and adverse variances relating to direct employee costs. A higher underspend was shown under wholetime relating to new recruits joining the 2015 pension scheme, replacing existing post holders on the 1992 scheme which had a higher employer contribution rate. On-call underspend related to activity and training costs. Underspend seen within Support staff was due to delays in recruitment caused by Covid, and also restructuring taking place resulting in savings in establishment costs.

Table 3 showed the actual spend since March 2020 in relation to the Covid Pandemic and how the Authority had utilised £801k of Covid

funding. Funding had been used to cover additional employee costs, protective equipment, and IT upgrades. The Covid grant had now been fully utilised, and the spend until the end of September was £807k.

The Deputy Director of Finance and Assets advised Members that the Capital Programme budget for 2021/22 was £2.402m. Property capital funds were utilised to carry out planned capital projects as per the condition surveys. The majority of fire appliances and equipment budget would be utilised to purchase red fleet appliances and the related operational equipment. A slippage of £369k had been forecast due to delays in the delivery of 2021/22 fire appliances. The support budget related to ICT hardware purchases and £500k for the WAN/LAN rollout. Scoping works had been completed and hardware requirements agreed which would be installed and completed by the end of September.

A Member asked for the latest update in the efforts to secure precept flexibility.

The Director of Finance and Assets advised Members that since the last meeting, the Budget had been held and Councils had been limited to no more than two percent increase in their precept. As Members were aware, the Authority had been pushing for several years for flexibility to increase the precept by up to £5. The Authority was awaiting the results of the Local Government Finance Settlement, which was where the referendum principles would be finalised. The Local Government Finance Settlement was expected the week commencing Monday 13 December, and a further update would be provided, hopefully, at the next Fire Authority meeting on 16 February 2022.

A Member asked if the underspend on the business rates of £256k was a nett figure.

The Deputy Director of Finance and Assets advised that it was, but stressed it was a one-off payment backdated to 2017.

A Member asked regarding the age of the USAR vehicles, were there any plans to replace them in the future.

The Deputy Chief Fire Officer advised that USAR was part of the New Dimensions Programme that the government funded back in 2002/2003. There was a New Dimensions review taking place at present which was looking at a refresh of USAR, and what that would look like in the future. This was due to be delivered in 2024.

A Member asked what the total On Call budget was.

The Deputy Director of Finance and Assets advised that in this report the on-call budget was not broken down and only the variances were

reported on. The Deputy Director of Finance and Assets would provide Members with an accurate figure following the meeting.

A Member asked why there was a problem with recruiting on-call firefighters at certain stations.

The Deputy Chief Fire Officer advised Members that the Service was constantly recruiting for on call firefighters, using targeted campaigns when required, and contracts had been changed to second, third or fourth line availability, which was quite unique, so people did not have to live within the five minute turn out time of the station.

The Deputy Chief Fire Officer advised Members that this was not just a local issue, but a national one too. There were some stations within Buckinghamshire, where recruitment was not an issue, which was why there were targeted campaigns for others. The Service had also undertaken some joint work with Oxfordshire and Royal Berkshire around on-call recruitment. There was also a new on-call support manager who was looking at where the Service needed to target and also some future campaigns in specific areas to ensure that demand was met locally.

The Chief Fire Officer suggested that Members receive a presentation from the On Call Manager about the work that was ongoing and the problems and issues currently being faced at the next Executive Committee meeting.

All Members were in agreement.

The Chief Fire Officer advised Members that he was hopeful that the comprehensive spending review would give the Authority a three year view of its finances, for the first time in a number of years, and this would enable the Authority to plan. It had been discussed that Members receive, on a quarterly basis, or whenever there was an update in terms of financial reports, and it would be linked to an update on recruitment and retention. This would give Members a clearer picture of where finance was being spent and in what areas.

The Chief Fire Officer also advised Members that there were unique opportunities within the Service for on-call staff not only to be on a range of contracts in terms of response times, but they also had the opportunity to crew wholtime appliances. Recruitment for on-call staff needed to target specific areas, and on a station-by-station basis. The new Communications Manager had been working really closely with Human Resources, looking at different social media platforms for recruitment, and how to approach different communities.

The Chairman would provide the Head of Human Resources with contact details for Buckinghamshire Business First, to approach regarding on-call recruitment.

RESOLVED –

That the provisional outturn forecast for the Authority as of 30 September 2021 be noted.

EX21 EMERGENCY SERVICES MOBILE COMMUNICATIONS PROGRAMME

The Programme Manager advised Members that this report was the latest in a series of updates regarding the Emergency Services Mobile Communications Programme (ESMCP). The last update was provided in February 2021. Since that update, there had been developments regarding the programme's full business case, which was formally approved by the Government's major projects review group in July 2021. The Service was expecting a briefing paper to be released by the programme, however this remained outstanding and was again chased by the South-Central Region. The report also referred to the launch by the Competition and Markets Authority (CMA) of a consultation on a proposal to make a market investigation into the supply of land mobile network services for public safety in Great Britain and the involvement of Motorola in this. The Consultation closed on 2 September and the CMA report was published on 25 October. They confirmed that a market investigation referral should be made, and an inquiry group had now been appointed.

The Programme Manager advised Members that also mentioned in the report was the establishment of an Independent Assurance Panel to provide assurance regarding the strategic director of the programme. This group had been asked to complete a high-level review of the Local User Resource model that formed the basis of the funding support to transition fire and rescue services to the new Emergency Services Network (ESN). One outcome of their report was to establish an ESMCP Resources Board, which comprised representation from the Home Office, the Programme, and the National Fire Chiefs Council (NFCC).

The Board had set up a Task and Finish Group to be chaired by the NFCC ESN Senior User which would meet for the first time in November. The first task to be looked at was the roles of the NFCC led Regional Co-ordination Managers and the Programme Managers who were employed by each region and how they could work together in a different way to deliver national work.

The Programme Manager advised Members that one item of good news was the appointment of a new Regional Programme Manager for

the South Central Region. Paul Channing who previously worked for the NFCC ESMCP team would be joining the region in December.

A Member asked that although this was a national issue, what were the implications locally.

The Programme Manager advised that with regard to the delays to the programme, it was more about resourcing. The current Airwave Network was resilient, there may be issues in the future with the hardware, but at the moment locally the hardware was ok. There were very few Airwave terminals with defects. The main thing was to continue to engage with the programme and be ready to transition when required by providing the necessary resource.

RESOLVED –

That this update be noted.

EX22 EXCLUSION OF PUBLIC AND PRESS

RESOLVED –

It was moved and resolved that the public and press representatives from the meeting by virtue of Paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972, as the report and minutes contains information relating to any individual; and Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as the report and minutes contain information relating to the financial or business affairs of a person (including the Authority); and on these grounds it is considered, at this moment in time, that the need to keep information exempt outweighs the public interest in disclosing the information.

The Deputy Chief Fire Officer, Deputy Director of Finance and Assets, Head of Covid-19 Preparedness and Response, Head of Protection, Assurance & Development, Head of Prevention, Response and Resilience, Head of Technology, Transformation and PMO and the Programme Manager left the meeting.

EX23 EXEMPT MINUTES

RESOLVED –

That the Exempt Minutes of the meeting of the Executive Committee held on Wednesday 15 September 2021, be approved, and signed by the Chairman as a correct record.

The Director of Legal and Governance and the Director of Finance and Assets, left the meeting.

EX24 SENIOR MANAGEMENT TEAM REMUNERATION AND PERFORMANCE REVIEW, AND ANNUAL REPORT ON EMPLOYEE BONUS SCHEME

The Committee considered the report and appendices, details of which were noted in the confidential/exempt minutes.

EX25

DATE OF NEXT MEETING

The Committee noted that the date of the next Executive Committee meeting would be held on Wednesday 9 February 2022 at 10.00am.

THE CHAIRMAN CLOSED THE MEETING AT 11.15 AM.

DRAFT

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Item 6

Great Holm Milton Keynes





Above: Approximate site location (Image courtesy of Google Maps)

Existing access utilised from Haddon and amended to ensure appropriate visibility splays and access

Car park of 32 spaces, including 2 disabled, with a turning area to allow vehicles to exit in a forward gear

High quality landscaped gardens for residents and visitors

A three/four storey care home designed with varying roof heights and materials

Refuse storage and cycle parking.

New planting to soften the development and provide ecological enhancements





Elevation A - Main Entrance



Elevation B to Working Street



Elevation C to Roundabout



February 2022 Update | CGI view of the rear of the care home

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Buckinghamshire & Milton Keynes Fire Authority

Meeting and date: Executive Committee, 9 February 2022

Report title: Budget Monitoring Report April 2021 – November 2021

Lead Member: Councillor David Hopkins

Report sponsor: Mark Hemming, Director of Finance and Assets

Author and contact: Asif Hussain, ahussain@bucksfire.gov.uk, 01296 744421

Action: Noting

Recommendations:

That the provisional outturn forecast for the Authority as of 30 November 2021 be noted.

Executive summary:

The report in Appendix A sets out the Authority's revenue and capital spending position as of 30 November 2021, together with the projected outturn position for the financial year.

As part of the Medium-Term Financial Plan, the budget requirement required £1.113m use of reserves in order to set a balanced budget. Due to a favourable position on the level of funding to be received, underspends in pension costs and a rebate due on rates due to a rates review carried out on our estates has resulted in minimal use of reserves. The current projection for the use of reserves is nil with a net underspend of £0.068m

Financial implications: As set out in the main body of the report.

Risk management: Management of our financial resources is a key risk to the Authority and the performance reports to Committee inform Members of the main financial risks facing the Authority in year.

Legal implications: None.

Privacy and security implications: None.

Duty to collaborate: None.

Health and safety implications: None.

Environmental implications: None.

Equality, diversity, and inclusion implications: None.

Consultation and communication: None.

Background papers:

Medium Term Financial Plan 2021/22 to 2025/26, Fire Authority Meeting 17 February 2021 (see pages 47-92)

<https://bucksfire.gov.uk/documents/2021/02/fire-authority-agenda-and-reports-17-february-2021.pdf/>

Revised Appendices

<https://bucksfire.gov.uk/documents/2021/02/item-7b-revised-appendices-1-and-2.pdf>

Appendix	Title	Protective Marking
A	Appendix A – Budget Monitoring Report April – November 2021	None

1. Revenue Forecasts by Service Area

Table 1 shows the budget and actual expenditure for each Directorate as at the end of November 2021. The budget of £32.277m compared to the forecast outturn of £31.425m gives a forecast yearend underspend of £0.852m. Furthermore, the level of funding is showing a favourable variance of £0.329m which has resulted in an overall net underspend of £1.181m against our expenditure budget. Due to these underspends, we will no longer need to utilise the £1.113m planned use of reserves and therefore we are currently projecting a nil transfer from reserves and a net underspend of £0.069k. We anticipate this figure to fluctuate throughout the financial year subject to actual activity, but we will monitor this closely to ensure the use of reserves is minimised and offset against any underspends identified within the expenditure.

The funding is currently projecting £0.329m above the budgeted level; £0.186m relates to the residual balance of Protection funding as well as additional Protection funding of £0.098m received during 2021/22. Furthermore, due to the Covid-19 Pandemic, the government introduced a local tax income guarantee which will compensate local authorities for 75% of irrecoverable losses in council tax and business rates income in respect of 2020-21. Based on the first payment received, we are anticipating the level of compensation to be better than projected by £0.065m. This additional funding is offset by a reduction in Airwave grant for 2021/22 compared to the original allocation as a result of an error Home Office made in their calculations. Therefore, the forecast for Airwave funding has been reduced to reflect this.

The residual COVID-19 grant balance of £0.143m has been utilised this financial year. A detailed breakdown of the expenditure up to 30th November 2021 is provided in section 3.

The forecasts also reflect the 2% pay award for Support Staff from July 1st, 2021 in line with the final year of the three-year pay deal. The forecast also includes 1.5% pay award for Operational staff (from July 1st, 2021) and Brigade Managers (backdated to January 1st, 2021) as per national agreements.

Table 1

Directorate	Total Budget £	Actual Year to Date £	Forecast Outturn £	Projected Year End Variance £
Corporate Core	1,605,460	886,553	1,490,738	-114,722
Finance & Assets	6,419,300	4,389,749	6,149,912	-269,388
Human Resources	528,430	385,205	469,358	-59,072
Delivery, Corp. Dev. Planning	21,693,770	13,741,781	21,312,457	-381,313
Statutory Acc. & Contingency	2,030,240	162,103	2,002,500	-27,740
Total Expenditure	32,277,200	19,565,391	31,424,965	-852,235
Total Funding	-31,164,200	-21,228,166	-31,493,656	-329,456
Use of Reserves	-1,113,000	0	0	1,113,000
Net Position	0	-1,662,775	-68,691	-68,691

Variance by Directorate

Corporate Core £0.115m under – The underspend of £0.066m within Legal & Governance and £0.049m within Corporate Management predominantly relates to staffing costs being less than budgeted.

Finance & Assets £0.269m under – The underspend is mainly attributable to rebate due on rates. This contributes to an underspend of £0.256m whereby a business rates review which was carried out by an external organisation and the challenge resulted in a reduction in rateable values for most of our estates. Most of this is a one-off saving as it relates to backdated payments from 2017 as this was the furthest, we could backdate our claim. In addition to this, there are underspends within employee costs as a result of vacant positions and underspends within supplies and services. The team structures have been reviewed within the Directorate and the residual saving from the review will be offered as a saving as part of the 2022/23 Medium Term Financial Plan (MTFP) process.

Human Resources £0.059m under – The underspend of £39k relates to staffing costs due to vacant position; not all employees taking part in the LGPS pension schemes and an employee working less than the budgeted 100% FTE. Additional £20k underspend is seen under other supplies and services elements.

Delivery, Corporate Development & Planning £0.381m under – The overall underspend for the directorate is primarily due to underspends seen within pension costs, On-call activity and Wholetime posts which are not top of pay scale. As a result of new recruits joining the 2015 pension scheme which has lower employer contributions than the 1992 pension scheme, underspends are also seen within the pension budgets. As part of the pension legislation, all Wholetime staff will need to transfer into the 2015 pension scheme from April 2022 and therefore the budget will be updated and reduced as part of the MTFP process. On-call Firefighter activity relating to attendances are lower than projected levels which also contribute towards the underspend. With the current Wholetime (WT) Firefighter recruitment, we are projecting the recruitment of 18 WT trainee Firefighters who are expected to join in the last quarter of 2021/22 and is reflected in the outturn position.

Statutory Accounting and Contingency £0.028m under – The underspend relate to funds set aside for pay awards relating to employees earning below £24k. We no longer need to utilise this budget as this additional cost relating to the pay award was covered from existing underspends.

Funding - The level of funding is forecast to exceed the original budget by £0.329m, which relates to the residual protection funding of £0.186m from 2020/21 and additional £0.098m for the current year. Furthermore, we are anticipating receiving additional funding in relation to local tax income guarantee which is forecast to be circa £0.065m better than projected. This additional funding is offset by a reduction in Airwave grant for 2021/22 compared to the original allocation as a result of an error Home Office made in their calculations.

2. Direct Employee Variances

Table 2 shows the breakdown of all the favourable (-) and adverse (+) variances for each sub-heading within the direct employees subjective as at the 30 November 2021.

Subjective	Salary (Including Training costs) £	Allowances £	NI £	Pension £	Total £
Wholetime	45,015	-45,372	111,070	-277,101	-166,388
On-Call	53,880	-214,175	30,287	-28,442	-158,450
Support	-182,330	-620	-22,863	-78,605	-284,418
Technicians	-28,494	0	-3,992	-4,947	-37,433
Sessional	-13,610	-13,356	-1,217	0	-28,183
Agency	34,441	0	0	0	34,441
Grand Total	-91,098	-273,523	113,285	-389,095	-640,431

Wholetime – The underspend of £0.166m predominantly within pensions, which relates to new recruits joining the 2015 scheme and replacing existing post holders who may have been on a 1992 scheme which have higher employer contributions. From April 2022, all Wholetime staff will be budgeted on the 2015 scheme as per the pension regulations.

On Call – Underspends predominantly seen within allowances which is based on activity/training in year.

Support Staff – There is a net underspend on support staff budgets across the directorates due to a delay in recruitment caused by the COVID-19 pandemic and restructures which have taken place in departments that have resulted in savings in establishment costs.

Agency Staff – Agency staff have been used to partly cover interim vacancies within support staff roles and this offsets the underspend on support staff.

3. COVID-19 Spend Analysis

Table 3

Subjective	2020/21 Actuals £	2021/22 As at Nov-21 Actuals £	Total £
Staffing Costs	471,615*	146,951	618,566
Protective Equipment	115,277	7,921	123,198
Other Costs	71,467	5,314	76,781
Total	658,359	160,186	818,545

* This figure includes all staffing expenditure incurred in relation to COVID-19 since the start of the pandemic (March 2020).

Funding - Central Government have allocated funding of £0.801m of which £0.090m was received in March 2020 and £0.710m over two tranches in 2020/21. This included a successful bid (of £0.034m) by the Authority in relation to a bid submitted in round two of the COVID-19 contingency fund. Table 3 provides a breakdown of the expenditure to date against the total grant funding of £0.801m.

Staffing Costs – All additional employee costs (operational and support staff) incurred as a result of the Pandemic. An example of this has been the use of bank staff to provide the operational resilience when members of staff have had to isolate.

Protective Equipment – All costs in relation to the purchase of personal protective equipment (PPE) to ensure the safety of all employees and providing employees with the appropriate PPE in order to carry out their roles safely. This also includes cleaning materials to be used for all brigade sites by employees/visitors for sanitising and disinfecting areas before and after they are used.

Other Costs – Predominantly costs relating to IT upgrades to allow meetings to take place online and costs relating to signage put up on all sites in relation to COVID-19.

4. Funding

Table 4 details the budget and forecast outturn for each category of funding.

Funding	Total Budget £	Actual Year to Date £	Provisional Year End Variance £	Projected Year End Variance £
Government Funding	-3,544,210	-2,978,164	-3,544,210	0
Specific Grants	-1,459,080	-1,466,452	-1,707,291	-248,211
NNDR	-3,547,020	-1,745,946	-3,628,260	-81,240
Top-up / Pooling Receipts	-1,936,750	-1,253,594	-1,936,750	0
Precept	-20,677,140	-13,784,010	-20,677,145	-5
Use of Reserves	-1,113,000	0	0	1,113,000
Grand Total	-32,277,200	-21,228,166	-31,493,656	783,544

The funding is currently projecting £0.329m above the budgeted level; £0.186m relates to the residual balance of Protection funding (£0.246m) received in 2020/21 which is forecast to be spent or committed by March 2022 as per the conditions of the grant as well as additional Protection funding of £0.098m received during 2021/22. Furthermore, due to the COVID-19 Pandemic, the government introduced a local tax income guarantee which will compensate local authorities for 75% of irrecoverable losses in council tax and business rates income in respect of 2020-21. Based on the first payment received, we are anticipating the level of compensation to be better than projected by circa £0.065m. This additional funding is offset by a reduction in Airwave grant for 2021/22 compared to the original allocation as a result of an error Home Office made in their calculations. Therefore, the forecast for Airwave has been reduced to reflect this.

Due to the underspends seen in the expenditure budget and increased funding shown above, we will no longer need to utilise the £1.113m use of reserves and based on current projections, there will be a nil transfer from reserves. We anticipate this figure to fluctuate throughout the financial year subject to actual activity, but we will monitor this closely to ensure the use of reserves is minimised and offset against any underspends identified in the expenditure.

5. Capital Monitoring

Capital Forecast

The capital programme for 2021/22 is £2.402m, including £0.472m from 2020/21 carry forward capital projects, less £0.050m in-year movement.

Project Name	Original Budget 2021/22 £	Carry Forwards 2020/21 £	In-Year Movements 2021/22 £	Revised Budget 2021/22 £	Actuals Year to Date £	Slippage £	Provisional Outturn £	Projected Year End Variance £
Property	500,000	121,000	-50,000	571,000	111,640	0	571,000	0
Property Review	0	0	0	0	285,104	0	575,000	575,000
Total Property Portfolio	500,000	121,000	-50,000	571,000	396,744	0	1,146,000	575,000
Hydraulic Equipment	65,000	10,000	0	75,000	0	0	75,000	0
Operational Equipment	90,000	25,000	0	115,000	37,265	0	115,000	0
Operational Red Fleet Vehicles	750,000	310,500	0	1,060,500	242,162	535,500	525,000	0
Total Fire Appliances & Equipment	905,000	345,500	0	1,250,500	279,427	535,500	715,000	0
ICT	575,000	5,000	0	580,000	59,156	0	580,000	0
Total Support	575,000	5,000	0	580,000	59,156	0	580,000	0
Grand Total	1,980,000	471,500	-50,000	2,401,500	735,327	535,500	2,441,000	575,000

Capital Funding

The capital programme will be funded as follows:

Funding	Balance at 1 April 2021 £000	Estimated Transfers (in) £000	Estimates Transfers Out £000	Estimate Balance at 31 March 2021 £000
Revenue Contribution to Capital	-2,611	-1,734	2,400	-1,945
Other Capital Contributions	0	-41	41	0
Total Capital Funding	-2,611	-1,775	2,441	-1,945

Property Portfolio

Property Portfolio has a capital budget of £0.571m for 2021/22, which includes carry forward budget from 2020/21 of £0.121m, less in-year movement of £0.050m. The capital funds will be utilised to carry out planned capital projects as agreed at Business Transformation Board, which included £0.050m to be transferred to revenue to support the completion of non-capital works following recent station audits and fire risk assessment. The carry forward budget of £0.121m relates to a number of planned capital investments that were delayed due to COVID-19 pandemic and will now be completed during 2021/22.

The West Ashland build is now complete, and the final account have been agreed. The final payments for the build are included in the "Actuals Year to Date", however, the retention fees on the project are still to be paid. The Authority will also be looking to recover some of the increased costs from the professional design team. The forecast variance for West Ashland total project costs is expected to be offset by additional capital receipts and contributions which will result in a net variance of circa £1m against the forecast expenditure and risks previously reported to Executive Committee.

Fire Appliances & Equipment

Fire Appliances & Equipment has a capital budget of £1.251m for 2021/22, which includes carry forward budget from 2020/21 of £0.346m. The majority of the capital funds will be utilised to purchase red fleet appliances and to purchase operational equipment for these appliances in line with the fleet strategy. The carry forward budget of £0.346m relates to delays in the delivery of the two 2020/21 fire appliances and equipment due to COVID-19 pandemic which were delivered earlier this financial year. A slippage of £0.536m has been forecast, due to delays in the delivery of the 2021/22 fire appliances, which are expected to be delivered in quarter 1 of 2022/23.

Support

ICT has a capital budget of £0.580m for 2021/22, which includes carry forward budget from 2020/21 of £0.005m. this budget will be utilised for the purchase of ICT hardware equipment, as per the ICT replacement strategy. The £0.500m is for the replacement of Wide Area Network (WAN) & Local Area Network (LAN) across all Buckinghamshire and Milton Keynes estates, this capital project is expected to be delivered during 2021/22.

6. Reserves

The table below shows the provisional movement in reserves during the year.

Reserves	Balance at Start of year £000	Projected Movement £000	Balance at End of Year £000
General Fund	-1,500	0	-1,500
Earmarked Reserves (Revenue)*	-2,422	-121	-2,543
Earmarked Reserves (Capital)	-2,611	666	-1,945
Total Reserves	-6,533	545	-5,988

* This figure includes £0.638m, which represents this Authority's share of the joint control room renewals fund (which is held by Oxfordshire)

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Buckinghamshire & Milton Keynes Fire Authority

Meeting and date: Executive Committee, 9 February 2022

Report title: The Prudential Code, Prudential Indicators and Minimum Revenue Provision

Lead Member: Councillor David Hopkins

Report sponsor: Mark Hemming, Director of Finance & Assets

Author and contact: Marcus Hussey mhussey@bucksfire.gov.uk

Action: Decision.

Recommendations:

That the Executive Committee approve the recommendations below for submission to the Fire Authority.

That the Authority be recommended to approve:

1. the Prudential Indicators for 2022/23
2. the Minimum Revenue Provision policy statement

Executive summary:

This report is being presented as the Prudential Indicators (Appendices A and B) and Minimum Revenue Provision policy statement (Appendix C) are required to be approved by the Fire Authority and to support the Medium-Term Financial Plan (MTFP).

The Authority has already made sufficient revenue provision to cover the repayment of its gross borrowing. However, due to prohibitive penalties the early repayment of this borrowing is not currently an option. The Authority has no plans for additional borrowing in the foreseeable future, according to the current MTFP.

It is recommended that the Authorised Limit for 2022/23 continues to be set at £2m higher than the Operational Limit to allow for the effective management of cashflow.

Financial implications:

The decision on the prudential indicators sets out the financial limits within which the Authority will operate in future years. The minimum revenue provision is a statutory charge against the General Fund, estimated at £47k for 2022/23 (no change from 2021/22). The impact of the Prudential Code will allow the Authority to make

informed choices between revenue and capital financing of procured services, to encourage invest to save schemes and will only allow capital investment to proceed where the Authority can fund projects within prudential limits.

Making sufficient minimum revenue provision ensures that when borrowing matures, cash is available to make the repayment. This ensures that the Authority does not need to borrow additional money to repay existing loans.

Risk management:

The Prudential Code was established to ensure that capital investment plans are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. The indicators presented here demonstrate that the current plans for capital investment meet these criteria and present an acceptable level of risk to the Authority.

Minimum revenue provision is a statutory charge to the General Fund, which ensures that an Authority has sufficient cash balances to repay borrowing upon maturity, reducing the refinancing risk.

There are no direct staffing implications.

Legal implications:

The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, SI 2003/3146 make provision for capital finance and accounts under the Local Government Act 2003 requiring the Authority to have regard to the 'Prudential Code for Capital Finance in Local Authorities' when determining, under the Local Government 2003 Act, how much money it can afford to borrow; and require the Authority to determine for the current financial year an amount of minimum revenue provision which it considers to be prudent.

Privacy and security implications:

No direct impact.

Duty to collaborate:

No direct impact.

Health and safety implications:

No direct impact.

Environmental implications:

No direct impact.

Equality, diversity, and inclusion implications:

No direct impact.

Consultation and communication:

No direct impact.

Background papers:

Realignment of Reserve Balances to Facilitate the Medium Term Financial Plan,
Executive Committee, 18 November 2015, agenda item 6:

https://bucksfire.gov.uk/documents/2020/03/181115_exec_committee_papers.pdf/

Appendix	Title	Protective Marking
1	Prudential Indicators	
2	Summary Table of Prudential Indicators	
3	Minimum Revenue Provision Policy Statement	

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Appendix 1 – Prudential Indicators

1.0 Indicators for Affordability

1.1 The ratio of financing costs to net revenue stream

This indicator measures the percentage of the net revenue funding used to finance external debt. As no future borrowing is planned and a decision was made to reallocate reserves to reduce the capital financing requirement in 2015/16, the ratio of financing costs to net revenue stream will remain consistently low:

Indicator	Actual 2020/21	Estimate 2021/22	Estimate 2022/23	Estimate 2023/24	Estimate 2024/25
Ratio of financing costs to net revenue stream	0.8%	1.0%	0.9%	0.9%	0.7%

2.0 Indicators for Prudence

2.1 Gross borrowing and the Capital Financing Requirement

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

Gross borrowing at the start of 2020/21 financial year was £6.797m. The figures shown below indicate the maximum level of borrowing during the year (i.e. repayments will reduce the limit for the following year):

Indicator	Actual 2020/21	Estimate 2021/22	Estimate 2022/23	Estimate 2023/24	Estimate 2024/25
Gross borrowing (£000)	6,797	6,797	6,797	6,177	5,177
Capital financing requirement (£000)	1,590	1,543	1,496	1,449	1,402

3.0 Indicators for Capital Expenditure

3.1 Capital Expenditure

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

Indicator	Actual 2020/21	Estimate 2021/22	Estimate 2022/23	Estimate 2023/24	Estimate 2024/25
Capital expenditure (£000)	4,206	2,435	2,962	1,616	1,505

3.2 Capital Financing Requirement (CFR)

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

Indicator	Actual 2020/21	Estimate 2021/22	Estimate 2022/23	Estimate 2023/24	Estimate 2024/25
Capital financing requirement (underlying need to borrow for a capital purpose) (£000)	1,590	1,543	1,496	1,449	1,402

4.0 Indicators for External Debt

4.1 Authorised Limit

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

Indicator	Actual 2020/21	Estimate 2021/22	Estimate 2022/23	Estimate 2023/24	Estimate 2024/25
Authorised limit for borrowing (£000)	8,797	8,797	8,797	8,177	7,177
Authorised limit for other long-term liabilities (£000)	1,590	1,543	1,496	1,449	1,402
Authorised limit for external debt (£000)	10,387	10,340	10,293	9,626	8,579

4.2 Operational Boundary

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

The actual external debt for the year ending 31 March 2021 was **£8.387m**.

Indicator	Actual 2020/21	Estimate 2021/22	Estimate 2022/23	Estimate 2023/24	Estimate 2024/25
Operational boundary for borrowing (£000)	6,797	6,797	6,797	6,177	5,177
Operational boundary for other long-term liabilities (£000)	1,590	1,543	1,496	1,449	1,402
Operational boundary for external debt (£000)	8,387	8,340	8,293	7,626	6,579

5.0 Indicators for Treasury Management

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

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

5.2 Upper limit on fixed interest rate exposures

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

Indicator	Actual 2020/21	Estimate 2021/22	Estimate 2022/23	Estimate 2023/24	Estimate 2024/25
Upper limit on fixed interest rate exposures	100%	100%	100%	100%	100%

5.3 Upper limit on variable interest rate exposures

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

Indicator	Actual 2020/21	Estimate 2021/22	Estimate 2022/23	Estimate 2023/24	Estimate 2024/25
Upper limit on variable interest rate exposures	20%	20%	20%	20%	20%

5.4 Maturity structure of fixed rate borrowing

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

Indicator	Actual 2020/21		Estimate 2021/22		Estimate 2022/23		Estimate 2023/24		Estimate 2024/25	
	Lower Limit	Upper Limit	Lower Limit	Upper Limit	Lower Limit	Upper Limit	Lower Limit	Upper Limit	Lower Limit	Upper Limit
Maturity structure of fixed rate borrowings										
Under 12 months	0%	0%	0%	9%	0%	16%	0%	0%	0%	0%
12 months and within 24 months	0%	9%	0%	15%	0%	0%	0%	0%	0%	0%
24 months and within five years	0%	15%	0%	0%	0%	16%	0%	19%	0%	19%
five years and within 10 years	0%	24%	0%	24%	0%	22%	0%	27%	0%	27%
10 years and within 20 years	0%	11%	0%	11%	0%	0%	0%	0%	0%	0%
20 years and within 30 years	0%	0%	0%	0%	0%	36%	0%	42%	0%	42%
30 years and within 40 years	0%	41%	0%	41%	0%	10%	0%	12%	0%	12%
40 years and above	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

5.5 Total principal sums invested for periods longer than 364 days

The purpose of this indicator is for the Authority to contain its exposure to the possibility of loss that might arise as a result of it having to seek early repayment or redemption of principal sums invested. The Authority currently has no investments over a period longer than 364 days.

Indicator	Actual 2020/21	Estimate 2021/22	Estimate 2022/23	Estimate 2023/24	Estimate 2024/25
Total principal sums invested for periods longer than 364 days (£000)	0.00	0.00	0.00	0.00	0.00

5.6 Credit Risk

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

Appendix 2 – Summary Table of Prudential Indicators

For reference, the following table summarises the key indicators detailed in Appendix 1 in a single table:

	Indicator	Actual 2020/21	Estimate 2021/22	Estimate 2022/23	Estimate 2023/24	Estimate 2024/25
Indicators for Affordability						
1.1	Ratio of financing costs to net revenue stream	0.8%	1.0%	0.9%	0.9%	0.7%
Indicators for Prudence						
2.1	Gross borrowing (£000)	6,797	6,797	6,797	6,177	5,177
Indicators for Capital Expenditure						
3.1	Capital expenditure (£000)	4,206	2,435	2,982	1,616	1,505
3.2	Capital financing requirement (underlying need to borrow for a capital purpose) (£000)	1,590	1,543	1,496	1,449	1,402
Indicators for External Debt						
4.1	Authorised limit for external debt (£000)	10,387	10,340	10,293	9,626	8,579
4.2	Operational boundary for external debt (£000)	8,387	8,340	8,293	7,626	6,579
Indicators for Treasury Management						
5.2	Upper limit on fixed interest rate exposures	100%	100%	100%	100%	100%
5.3	Upper limit on variable interest rate exposures	20%	20%	20%	20%	20%
5.5	Total principal sums invested for periods longer than 364 days (£000)	0.00	0.00	0.00	0.00	0.00

The actual external debt for the year ending 31 March 2021 was £8.387m. The projected external debt for the year ending 31 March 2021 is £8,340m (both figures include the finance lease liability).

The following indicators are not shown above:

- 5.1 – the Authority has adopted CIPFA’s Treasury Management Code for 2020/21
- 5.4 – details of the maturity structure of fixed rate borrowing
- 5.6 – narrative regarding credit risk

Appendix 3 – Minimum Revenue Provision (MRP) Policy Statement

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

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

(a) CFR Method

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

(b) Asset Life Method

Since 1 April 2008, where capital expenditure on an asset is financed wholly or partly by borrowing or credit arrangements, MRP is to be determined by reference to the life of the asset, based on an equal instalment method. This amount is projected to be nil for 2022/23.

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

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



Buckinghamshire & Milton Keynes Fire Authority

Meeting and date: Executive Committee, 9 February 2022

Report title: Medium Term Financial Plan (MTFP) 2022/23 to 2026/27

Lead Member: Councillor David Hopkins

Report sponsor: Mark Hemming, Director of Finance and Assets

Author and contact: Asif Hussain, ahussain@bucksfire.gov.uk, 01296 744421

Action: Decision

Recommendations:

- 1(a) Note and have due regard to the report and Statement of the Chief Finance Officer (see section 8 of Annex A).
- 1(b) Approve a Council Tax precept of £72.16 for a band D equivalent property (equal to an increase of 9.6p per week) and the revenue budget as set out in Appendix 1.
- 1(c) Approve the capital programme as set out in Appendix 2.
- 1(d) Transfer the £600k from the referendum reserve to the revenue contribution to capital reserve.

Executive summary:

The main report (Annex A) presents the proposed revenue and capital Medium Term Financial Plan (MTFP) for the financial years 2022/23 to 2026/27. The MTFP is closely linked to the Financial Strategy (update provided in December 2021) which is the link between the organisation's long-term service objectives and its financial capacity. Buckinghamshire Fire and Rescue Service (BFRS) long-term service objectives are set out in the Public Safety Plan (PSP) and Corporate Plan.

The provisional settlement was announced on 16 December 2021 and is included in the funding assumptions. Final confirmation is expected in February 2022. One key change in the provisional settlement this year is that the government proposes to provide the lowest charging quartile of fire and rescue authorities (FRAs) with the flexibility to increase their band D precepts by £5 in 2022/23 without the need to hold a referendum. This is to assist those FRAs in addressing immediate pressures and to maintain a sustainable income baseline for future years. BFRS is included within these 8 FRA's and has the option to increase Council tax precept by £5.

The Service's most recent report (December 2021) by Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) noted in its summary, "We are encouraged by the service's work to improve value for money, but we still have concerns about the service's funding model as its limited reserves are being used to supplement funding of its response functions." If the Authority were to approve a £5 increase in precept, this would result in approximately £1.15m additional funding compared to a precept increase of 2%.

The additional funding would predominantly be utilised to recruit additional Firefighters to build its response functions. Furthermore, the Fire Authority would be able to increase the revenue contributions to capital which would build the reserves that are used for funding the capital programme, in the process addressing another concern raised within the HMICFRS report.

Key assumptions are detailed in Section 4 of Annex A and are based on information received to date.

The distribution formulas used to allocate government funding need to be revisited and therefore the Department for Levelling Up, Housing and Communities (DLUHC) have provided a one-year settlement. This will give them the opportunity to review these formulas and ensure they are updated and reflected in future funding allocations. Revenue support grant will increase in line with the change in the Consumer Price Index (CPI) between September 2020 and September 2021. Business rates multiplier will be frozen, but services will be compensated the difference between the freeze and the increase expected in line with Retail Price Index. The exception to this is the pension grant funding, which is a flat-cash settlement.

An additional £822m unringfenced Services grant will be distributed to all tiers of government. This grant is for 2022/23 only and the government will work with the sector on how they distribute this funding from 2023/24 onwards. The funding is in recognition of the range of vital services delivered by all tiers of the government across the country. This grant will be unringfenced with local authorities best placed to understand local priorities. Included within this grant is the funding relating to the increase in costs relating to employer National Insurance contributions which the Government confirmed that they would fully fund for the government sector. Indicative figures published 16 December 2021 show that Buckinghamshire Fire and Rescue Service will receive £0.355m, which has been reflected in the projections presented under the heading Services Grant.

Council tax collection funds were adversely impacted since the start of the Pandemic whereby the tax base reduce by 0.65% in 2021/22. However, the latest projections show a recovery in the collection fund with a projected growth of 2.19% in the tax base.

Uncertainty persists regarding pensions following the ruling in December 2018 that the transitional arrangements introduced for the firefighters' schemes in 2015 were discriminatory. At the employment tribunal hearing on 18 December 2019, it was ruled that the claimants, members of the 1992 and 2006 firefighters' pension schemes, are now entitled to be treated as if they have remained members of their original pension scheme. The Executive Committee have adopted the immediate detriment framework in November 2021 and BFRS are currently processing claims from members who want to be treated as if they remained on their original pension scheme. It is expected that this will increase the longer-term costs of the firefighters' schemes, although it is not yet possible to quantify the impact.

As well as the uncertainty regarding pensions noted above, there is also uncertainty regarding the upcoming Fair Funding Review, Urban Search and Rescue funding and funding for Firelink and Emergency Services Mobile Communications Programme.

This year officers continued with the incremental budgeting approach when developing the budget proposal for 2022/23. The budget setting process was scrutinised by Officers and Members to ensure only proposals which added value for money and in line with the Corporate Plan and PSP priorities were approved.

The revenue budget for 2022/23 and indicative figures for future years are shown in Appendix 1.

It should also be noted that the figures for council tax and business rates are provisional. The statutory deadline for the billing authorities to provide this information to the Authority is 31 January 2022. Any changes to the figures will be presented in a revised Appendix 1 at the meeting.

Appendix 2 shows the latest summary of the capital programme for 2021/22 and approved schemes for the following years.

Appendix 3 provides further detail on the level of council tax chargeable for each band if the Authority accepts the recommendation to increase the band D by £5.

Financial implications: All financial implications are shown in the main body of the report.

Risk management: Management of financial resources is a key risk to the Authority. By projecting forward and monitoring the financial plans, BFRS are in a better position to avoid and mitigate the risk of adverse financial consequences.

Legal implications: The Local Government Act 2003 gives the responsible finance officer, namely the Chief Finance Officer of the Combined Fire Authority under s112 of the Local Government Finance Act 1988, the responsibility to report to Members of the Authority on their assessment of the robustness of the estimates used within the budget and on the adequacy of reserves.

Members must have regard to the report of the Chief Finance Officer in respect of the above and the highlighted associated risks before considering the recommendations as set out in the report.

Privacy and security implications: No direct impact.

Duty to collaborate: No direct impact.

Health and safety implications: No direct impact.

Environmental implications: No direct impact.

Equality, diversity, and inclusion implications: No direct impact.

Consultation and communication: None.

Background papers:

Medium Term Financial Plan (MTFP) 2021/22 to 2025/26 and Revised Appendices, Fire Authority, 17 February 2021:

<https://bucksfire.gov.uk/documents/2021/02/item-7b-mtftp.pdf/>

<https://bucksfire.gov.uk/documents/2021/02/item-7b-revised-appendices-1-and-2.pdf/>

Appendix	Title	Protective Marking
Annex A	Medium Term Financial Plan 2022/23 to 2026/27	
Appendices 1-3	Appendix 1 – MTFP Budget Model and Reserves Position Appendix 2 – Capital Programme Summary Appendix 3 – Council Tax Rates	

Annex A – Medium Term Financial Plan (MTFP) 2022/23 to 2026/27

1. Introduction

- 1.1. The purpose of this report is to present the proposed revenue and capital Medium Term Financial Plan (MTFP) 2022/23 to 2026/27.
- 1.2. The MTFP is closely linked to the Financial Strategy which is the link between the organisation's long-term service objectives and its financial capacity. BFRS long-term service objectives are set out in the Public Safety Plan (PSP) and Corporate Plan. The PSP sets out the strategic approach to the management of risk in the communities BFRS serve. The Corporate Plan sets out how BFRS intend to equip and develop the organisation and its people to meet the challenges faced by the service. The MTFP details the resources available to facilitate these plans.
- 1.3. As part of the Fire Authority's Terms of Reference and MTFP, the Authority reviews and sets a balanced budget each year in line with corporate priorities. The MTFP is expressed as a detailed annual budget for the first year, with outline indicative budgets for the following four years.
- 1.4. Under Section 25 of the Local Government Act 2003 the Chief Finance Officer (as S.112 Chief Finance Officer of the Local Government Finance Act 1988) is required to report to Members on:
 - The robustness of the estimates made for the purposes of the calculations of the budget
 - The adequacy of the proposed financial reserves
- 1.5. The Local Government Act 2003 requires that Members have regard to the report in making their decisions (see section 8).
- 1.6. Section 42A of the Local Government Finance Act 1992 also requires the Authority to have regard to the level of reserves for meeting estimated future expenditure when calculating the net budget requirement.

2. Local Government Finance Settlement 2022 to 2023

- 2.1. The distribution formulas used to allocate government funding need to be revisited and therefore the Department for Levelling Up, Housing and Communities (DLUHC) have provided a one-year settlement. This will give them the opportunity to review these formulas and ensure they are updated and reflected in future funding allocations. Revenue support grant will increase in line with the change in the Consumer Price Index (CPI) between September 2020 and September 2021. Business rates multiplier will be frozen, but services will be compensated the difference between the freeze and the increase expected in line with Retail Price Index. The exception to this is the pension grant funding, which is a flat-cash settlement and expected to be included in future years' (2022/23 onwards) settlement funding assessment and subject to review as part of a future multiple year comprehensive spending review
- 2.2. An additional £822m unringfenced Services grant will be distributed to all tiers of government. The grant is for 2022/23 only and the government will work with the sector on how they distribute this funding from 2023/24 onwards. The

funding is in recognition of the range of vital services delivered by all tiers of the government across the country. This grant will be unringfenced with local authorities best placed to understand local priorities. Included within this grant is the funding relating to the increase in costs relating to employer National Insurance contributions which the Government confirmed that they would fully fund for the government sector. Indicative figures published 16 December 2021 show that Buckinghamshire Fire and Rescue Service will receive £0.355m, which has been reflected in the projections under the heading Services Grant

- 2.3. The pension grant funding, which is a flat-cash settlement will be funded for 2022/23.
- 2.4. As part of this year's announcement, the Government published headline changes in core spending power between 2021/22 and 2022/23 for every authority. The headline change published for Buckinghamshire Fire and Rescue Service was an increase of 4.2%.
- 2.5. This headline increase assumes:
 - That the growth in council tax base between 2021/22 and 2022/23 will be 1.0% (actual increase was 2.19%).
 - That the Authority will increase its Band D council tax in 2021/22 by 1.99%.
- 2.6. However, changes in core spending power are expressed in cash-terms. The annual rate of inflation as of November 2021 was 5.1% (CPI) or 7.1% (RPI). A cash-terms increase of 4.2% in this economic context represents a real-terms decrease in core spending power.
- 2.7. If the two assumptions noted in paragraph 2.5 are updated to reflect the actual increase in the council tax base, and to include the recommendation to increase the Band D council tax by £5, the cash-terms increase in core spending power would be 9.2%. Taking into account the inflation rates noted in paragraph 2.6, this would represent a modest real term increase in core spending power.

3. Council Tax and Business Rates

- 3.1. In publicly declaring core spending power figures, the Government has clearly set an expectation that local authorities will continue to increase council tax every year by the maximum amount permissible.
- 3.2. The difference between a £5 increase in the precept and a 2% precept increase for 2022/23 is just over £1.15m for the year. This is approximately equivalent to the cost of employing twenty-three wholetime firefighters.
- 3.3. Council tax was increased by 1.99% in 2020/21 and by 1.99% in 2021/22.
- 3.4. One key change in the provisional settlement this year is that the government proposes to provide the lowest charging quartile of fire and rescue authorities (FRAs) with the flexibility to increase their band D precepts by £5 for one year only in 2022/23. This is to assist those FRAs in addressing immediate pressures and to maintain a sustainable income baseline for future years. BFRS is included within these 8 FRA's and has the option to increase Council tax by £5.
- 3.5. The Authority currently sets a band D equivalent precept of £67.16 per annum (approx. £1.29 per week). This is significantly below the national average (of

£80.06) and is the second lowest precept of any non-metropolitan combined fire authority.

- 3.6. Council tax chargeable for each band should the Authority resolve to increase the band D by £5 is shown in Appendix 3.

4. Risk Factors in Budget Assumptions

- 4.1. The budget proposed for 2022/23 at Appendix 1 has been compiled by looking in detail at current spending and future plans.
- 4.2. This year officers continued with the incremental budgeting approach when developing the budget proposal for 2022/23. The budget setting process was scrutinised by Officers and Members to ensure only proposals which added value for money and in line with Corporate Plan and Public Safety Plan priorities were approved.
- 4.3. At the time of writing the Authority had not yet received formal written notification of the continuation of the USAR grant for 2022/23, but it is expected imminently. However, the potential discontinuation of USAR funding in future years is a significant financial risk facing the Authority at present.
- 4.4. Uncertainty persists regarding pensions following the ruling in December 2018 that the transitional arrangements introduced for the firefighters' schemes in 2015 were discriminatory. At the employment tribunal hearing on 18 December 2019, it was ruled that the claimants, members of the 1992 and 2006 firefighters' pension schemes, are now entitled to be treated as if they have remained members of their original pension scheme. The Executive Committee have adopted the Local Government Association and Fire Brigade Union formulated immediate detriment framework in November 2021 and BFRS are currently processing claims from members who want to be treated as if they remained on their original pension scheme. It is expected that this will increase the longer-term costs of the firefighters' schemes, although it is not yet possible to quantify the impact.
- 4.5. Areas where budgets have changed significantly from previous years have been subject to a series of challenges by Officers and Members. Risks which have been identified are to be covered from the reserves.
- 4.6. The detailed costings are based on the updated budget requirement including the annual uplift assumptions below:

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Pay inflation	1.5/2%	2%	2%	2%	2%	2%
Council tax increase	1.99%	7.45%	1.99%	1.99%	1.99%	1.99%
Council tax base	-0.65%	2.19%	1.6%	1.6%	1.6%	1.6%
Business rates tax base	-8%	2.55%	2%	2%	2%	2%

5. Capital

- 5.1. The revenue impact of the capital programme has been factored into the base revenue budget requirement. This includes an annual revenue contribution to capital (RCCO), details of which are shown in Appendix 1.
- 5.2. The table at Appendix 2 details the approved capital programme for 2021/22, the estimated provisional outturn position and any proposed slippage to the programme. Any slippage is then added to the new budget requests for 2022/23 to give a total capital budget requirement of £3m for 2022/23.
- 5.3. The Authority should also take cognisance of the prudential indicators when approving the capital programme (submitted as a separate paper at this meeting).

6. Scrutiny and Challenge Process

- 6.1. All budget changes have been determined based on a series of challenge panels held by officers and then Members during the MTFP process.

7. Adequacy of Reserves

- 7.1. The Reserves Strategy is now incorporated within the Financial Strategy which was approved by the Fire Authority at its meeting on 9 December 2020 (<https://bucksfire.gov.uk/documents/2020/11/item-7c-fire-authority-9-december-2020.pdf/>). There have been no subsequent events that require the level of the General Fund determined at that time to be adjusted at present.
- 7.2. The latest forecast balances and reserves at year-end 2021/22 are:
 - General Fund Balance - £1.5m
 - Earmarked Reserves - £1.3m*
 - Capital Reserves - £2.5m

* The earmarked reserves balance excludes the amount held by Oxfordshire County Council relating to the Thames Valley Fire Control Service.

8. Statement of the Chief Finance Officer

- 8.1. The purpose of this statement is to comply with the requirements of the Local Government Act 2003 whereby the Chief Finance Officer, in the Fire Authority's case the Director of Finance and Assets and Chief Finance Officer, must report on:
 - The robustness of the estimates made for the purposes of the calculations of the budget and;
 - The adequacy of the proposed financial reserves;
 - In recommending the budget to the Authority, Members must have regard to this report when making decisions in connection with which it is made.
- 8.2. Given the level of the General Fund Balance and earmarked reserves available, the prudent approach to the budget setting process for the next financial year and the controls for budget management, it is my conclusion as Chief Finance Officer for the Authority that there is sufficient capacity in the reserves to cope

with the financial risks the Authority faces for 2022/23 and future years and that the methodology applied provides the necessary assurance to the Authority about the robustness of the estimates used in constructing the budget.

Appendix 1 – MTFP Model

The model below is based on the assumptions detailed in Sections 3 and 4 and all significant budget movements have been subjected to Officer and Member scrutiny as noted in Section 6.1. The statutory deadline for the billing authorities to provide Council Tax and business rates information to the Authority is 31 January 2022. Any changes to these figures will be presented in a revised Appendix 1 at the meeting.

Directorate	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Base Budget	0	32,277	33,689	34,160	35,206	36,257
Pay Adjustment	0	347	463	472	481	491
Inflation Adjustment	0	0	100	100	100	100
Corporate Core	1,605	-20	-28	-45	0	0
Statutory Accounting & Contingency	297	0	0	0	0	0
Delivery, Corporate Development & Planning	21,922	669	443	400	100	0
Human Resources	529	-6	0	0	0	0
Finance & Assets	6,140	381	-40	0	-20	0
RCCO	1,784	41	-467	119	390	492
Net Budget Requirement	32,277	33,689	34,160	35,206	36,257	37,340
Revenue Support Grant/ Business Rates	-7,801	-8,000	-8,147	-8,294	-8,456	-8,618
Services Grant	0	-355	-150	-150	-150	-150
Council Tax Receipts Surplus/Deficit	33	-257	41	0	0	0
Council Tax Support Grant	-336	0	0	0	0	0
Fire Specific Grants	-1,123	-1,110	-1,115	-1,120	-1,125	-1,130
Council Tax Receipts	-20,729	-22,759	-23,581	-24,434	-25,318	-26,234
Pension Grant Funding	-1,208	-1,208	-1,208	-1,208	-1,208	-1,208
Use of Reserves	-1,113	0	0	0	0	0
Total Funding Available	-32,277	-33,689	-34,160	-35,206	-36,257	-37,340
Shortfall/(Surplus) for Year	0	0	0	0	0	0
Cumulative Savings Requirement	0	0	0	0	0	0

Appendix 1b – Reserves Position

Reserves Position	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
General Fund Balance	-1,500	-1,500	-1,500	-1,500	-1,500	-1,500
Other Earmarked Reserves (excluding Control Room Res.)	-1,304	-1,304	-1,304	-1,304	-1,304	-1,304
Earmarked Capital Reserves	-2,484	-4,347	-4,089	-4,061	-4,448	-5,327
Total	-5,288	-7,151	-6,893	-6,865	-7,252	-8,131

Appendix 2 – Capital Programme

The table below summarises the capital programme from 2021/22 through to 2026/27 and is based on the revenue contribution to capital levels shown in Appendix 1:

Capital Programme	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Property	500	500	500	500	500	500
Hydraulic Equipment	65	65	65	65	65	65
Operational Equipment	90	1,155	90	90	90	90
Operational Red Fleet Vehicles	750	500	750	750	750	750
ICT	575	206	211	100	75	75
Slippage (Approved at July 2021 Exec)	472	-	-	-	-	-
In-year Movements	-50	-	-	-	-	-
Current Year Slippage Forecast	-536	536	-	-	-	-
Forecast O/S	636	-	-	-	-	-
Total Expenditure	2,502	2,962	1,616	1,505	1,480	1,480
Funding b/fwd	-2,611	-2,484	-4,347	-4,089	-4,061	-4,448
In Year Funding	-2,375	-4,825	-1,358	-1,477	-1,867	-2,359
Funding (Available)/Deficit	-2,484	-4,347	-4,089	-4,061	-4,448	-5,327

Appendix 3 – Council Tax Rates

If the band D equivalent council tax were increased by £5 for 2022/23, the following rates would apply to properties in each band:

Bands	Proportion of Band D Charge	Per Week (£)	Per Month (£)	Per Year (£)
A	6/9	0.92	4.01	48.11
B	7/9	1.08	4.68	56.12
C	8/9	1.23	5.35	64.14
D	9/9	1.38	6.01	72.16
E	11/9	1.69	7.35	88.20
F	13/9	2.00	8.69	104.23
G	15/9	2.31	10.02	120.27
H	18/9	2.77	12.03	144.32

This would represent an annual increase of £3.34 per annum on a band A, £5 per annum on a band D and £10 per annum on a band H property.

The following table shows the increase in each band (rounded to the nearest pence).

Bands	Increase Per Week (£)	Increase Per Month (£)	Increase Per Year (£)
A	0.06	0.28	3.34
B	0.08	0.33	3.88
C	0.09	0.37	4.44
D	0.09	0.41	5.00
E	0.12	0.51	6.12
F	0.14	0.61	7.22
G	0.16	0.69	8.34
H	0.19	0.84	10.00

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Buckinghamshire & Milton Keynes Fire Authority

Meeting and date: Executive Committee, 9 February 2022

Report title: Response to the Provisional Local Government Finance Settlement 2022 to 2023: Consultation

Lead Member: Councillor David Hopkins

Report sponsor: Mark Hemming, Director of Finance and Assets

Author and contact: Mark Hemming - mhemming@bucksfire.gov.uk

Action: Noting

Recommendations: That the response to the consultation be noted.

Executive summary:

The Consultation was published on 16 December 2021, with a deadline for responses of 13 January 2022. In accordance with the Scheme of Delegation to Officers, the response was discussed with the Chairman and Lead Member before submission. This paper details the content of the submission for the attention of the Committee.

The Consultation sought views on a number of areas, including the distribution of Revenue Support Grant, council tax referendum principles and proposals for the new “Services Grant”. The most pertinent area of the Consultation for the Service is Question 2, regarding council tax referendum principles.

Sections 3.2 and 3.3 of the Consultation note that there is “a £5 referendum principle for the 8 lowest-charging fire and rescue authorities.” (para. 3.2.1, Appendix 1) and that this “is to assist them in addressing immediate pressures and to maintain a sustainable income baseline for future years.” (para. 3.3.1, Appendix 1). The response submitted to the Consultation noted that this was particularly welcome.

The Consultation also sought views other areas not directly relevant to the Service, so a response of ‘no comment’ was submitted in relation to those questions.

Financial implications: The financial implications of the provisional settlement have been factored into the medium-term financial plan, which is also being presented to the Executive Committee on 9 February 2022.

Risk management: No direct impact

Legal implications: The Chief Fire Officer may make a formal response on behalf of the Authority to a Government Consultation Paper provided that such a response is subsequently referred to the appropriate committee for their attention.

Privacy and security implications: No direct impact

Duty to collaborate: No direct impact

Health and safety implications: No direct impact

Environmental implications: No direct impact

Equality, diversity, and inclusion implications: No direct impact

Consultation and communication: No direct impact

Background papers: None

Appendix	Title	Protective Marking
1	The Provisional Local Government Finance Settlement 2022-23: Consultation	
2	Response to the Consultation	

Coronavirus (COVID-19) (/coronavirus)

Latest updates and guidance

1. Home (<https://www.gov.uk/>)
 2. Regional and local government (<https://www.gov.uk/regional-and-local-government>)
 3. Local government spending (<https://www.gov.uk/regional-and-local-government/local-government-spending>)
 4. Provisional local government finance settlement 2022 to 2023: consultation (<https://www.gov.uk/government/consultations/provisional-local-government-finance-settlement-2022-to-2023-consultation>)
- Department for Levelling Up, Housing & Communities (<https://www.gov.uk/government/organisations/department-for-levelling-up-housing-and-communities>)

Open consultation

Provisional local government finance settlement 2022 to 2023: consultation

Published 16 December 2021

Contents

[Scope of the consultation](#)

[Basic Information](#)

[About this consultation](#)

1. [Summary of proposals](#)
2. [Distribution of the Settlement Funding Assessment](#)
3. [Council tax](#)
4. [Distribution of Social Care Resources](#)
5. [2022/23 Services Grant](#)
6. [Other Grants – New Homes Bonus, Rural Services Delivery Grant and Lower Tier Services Grant](#)
7. [Equalities Impacts of these Proposals](#)

[Annex A: Personal data](#)

[Annex B: Address details and list of consultation questions](#)

[Annex C: Glossary of technical terms](#)



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Scope of the consultation

Topic of this consultation:

This consultation seeks views on the proposals for the local government finance settlement for 2022/23.

Scope of this consultation:

This consultation seeks views on proposals for the local government finance settlement for 2022/23, in particular from representatives of local government, before determining the final amount of Revenue Support Grant and its allocation to receiving authorities and the specified body. [\[footnote 1\]](#)

The consultation notifies representatives of local government of the general nature of the basis of distribution of Revenue Support Grant, and of the general nature of the basis of calculation of 'tariff' and 'top up' payments through this consultation document and accompanying documents, in particular the draft Local Government Finance Report for 2022/23. [\[footnote 2\]](#)

Geographical scope:

These proposals relate to England only.

Impact assessment:

Since the government does not envisage that the proposals within this consultation document will have an impact on business, no impact assessment has been produced.

Basic Information

Body/bodies responsible for the consultation:

Local Government Finance Directorate within the Department for Levelling Up, Housing and Communities.

Duration:

This consultation will last for 4 weeks from 16 December to 13 January 2022.

Enquiries:

For any enquiries about the consultation please contact: lgfsettlement@communities.gov.uk.

How to respond:

If possible, we request responses through the following [online form](https://consult.communities.gov.uk/local-government-finance/lgf-settlement-2223/) (<https://consult.communities.gov.uk/local-government-finance/lgf-settlement-2223/>).

Alternatively, you can email your response to the questions found in Annex B of this consultation document to lgfsettlement@communities.gov.uk.

When you reply it would be very useful if you confirm whether you are replying as an individual or submitting an official response on behalf of an organisation and include:

- your name
- your position (if applicable)
- the name of organisation (if applicable)
- an address (including post-code)
- an email address
- a contact telephone number

About this consultation

This consultation document and consultation process have been planned to adhere to the Consultation Principles issued by the Cabinet Office.

Representative groups are asked to give a summary of the people and organisations they represent, and where relevant who else they have consulted in reaching their conclusions when they respond.

Information provided in response to this consultation may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Environmental Information Regulations 2004 and UK data protection legislation. In certain circumstances this may therefore include personal data when required by law.

If you want the information that you provide to be treated as confidential, please be aware that, as a public authority, the Department is bound by the information access regimes and may therefore be obliged to disclose all or some of the information you provide. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information, we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Department for Levelling Up, Housing and Communities will at all times process your personal data in accordance with UK data protection legislation and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties. A full privacy notice is included below.

Individual responses will not be acknowledged unless specifically requested.

Your opinions are valuable to us. Thank you for taking the time to read this document and respond.

Are you satisfied that this consultation has followed the Consultation Principles? If not or you have any other observations about how we can improve the process please contact us via the [complaints procedure \(https://www.gov.uk/government/organisations/department-for-levelling-up-housing-and-communities/about/complaints-procedure\)](https://www.gov.uk/government/organisations/department-for-levelling-up-housing-and-communities/about/complaints-procedure).

1. Summary of proposals

1.1 Introduction

1.1.1 This consultation paper sets out the government's proposals for the 2022/2023 local government finance settlement.

1.1.2 This chapter provides a summary of the proposals contained within the 2022/23 provisional settlement.

1.2 Spending Review 2021 and updating the system

1.2.1 On 27 October 2021, the government announced the outcome of Spending Review 2021. This Spending Review will provide local government with a strong foundation for the next three years, with around £1.6 billion of additional grant in each year of the Spending Review period, including for the Supporting Families Programme, and additional funding to tackle cyber security challenges facing councils. This will be delivered outside of the Local Government Finance Settlement and further detail will follow in due course. The Supporting Families Programme is also not part of the local government finance settlement and further detail will follow in due course.

1.2.2. To prioritise certainty for 2022/23, we propose delivering a one-year local government finance settlement. At the national level, our proposals result in an increase in Core Spending Power for local authorities in England of up to £3.5 billion. This is an increase from £50.4 billion in 2021/22 to up to £53.9 billion in 2022/23; a real terms increase of over 4%. Within this, councils will have access to an additional £700 million of new grant specifically for social care. Including the flexibility available through the Adult Social Care precept, we are making available over an additional £1 billion of resource for social care. In addition, the increase in core spending power includes £162 million for Adult Social Care reform.

1.2.3. This additional funding also includes a one off '2022/23 Services Grant' worth £822 million. This grant is for 2022/23 only and we will work with the sector on how we distribute this funding from 2023/24 onwards. The funding will go to all tiers of local government in recognition of the range of vital services delivered by councils across the country. This grant will be unringfenced with local authorities best placed to understand local priorities. Authorities with social care responsibilities can use this funding for adults and children's social care.

1.2.4. The proposals in this document relate to 2022/23 and are focused on stability. The government is committed to ensuring that funding allocations for councils are based on an up-to-date assessment of their needs and resources. The data used to assess this has not been updated in a number of years. Over the coming months, we will work closely with the sector and other stakeholders to update this and to look at the challenges and opportunities facing the sector before consulting on any potential changes.

1.2.5. As part of this, we will look at options to support local authorities through transitional protection. Councils should note that one-off 2022/23 Services Grant funding provided in the Local Government Finance Settlement in 2022/23 will be excluded from potential transitional protections.

1.3 Summary of proposals included in the 2022/23 provisional settlement

1.3.1 Chapter 2 – Distribution of Settlement Funding Assessment (SFA): this chapter outlines the government's proposals for distributing core settlement resources in 2022/23.

- a uniform percentage increase in Revenue Support Grant (RSG) allocations from 2021/22, based on the change in the Consumer Price Index (CPI) between September 2020 and September 2021. We will also continue compensation to avoid so-called 'negative RSG' and roll in two existing New Burdens grants into RSG.
- a freeze in Baseline Funding Levels (BFLs) at 2021/22 levels, to match the freeze in the business rates multiplier.
- an increase in grant for the under-indexation of the multiplier, to compensate for the freeze in the business rates multiplier compared to growth in line with RPI.

1.3.2 Chapter 3 – Council Tax: this chapter details the government’s intentions for council tax referendum principles in 2022/23.

- a core council tax referendum principle of up to 2% for shire counties, unitary authorities, London boroughs, the Greater London Authority (GLA) and fire and rescue authorities.
- a bespoke council tax referendum principle of up to 2% or £5, whichever is higher, for shire district councils
- an Adult Social Care (ASC) Precept of 1% for all authorities responsible for ASC services.
- ability to add any unused parts of the 3% ASC Precept flexibility available in 2021/22.
- a referendum principle of £10 for police authorities.
- a £5 referendum principle for the 8 lowest-charging fire and rescue authorities.
- setting no council tax referendum principles for Mayoral Combined Authorities (MCAs)
- setting no council tax referendum principles for town and parish councils.

1.3.3 Chapter 4 – Distribution of Social Care resources: this chapter sets out the government’s proposals for making specific funding available for social care services.

- increasing the Social Care Grant allocations from 2022/23 by £636 million, bringing the total value of the grant to £2.35 billion. £556 million of this new funding will be allocated using our ASC Relative Needs Formula (RNF). A further £80 million will be used to equalise the variation in yield from the ASC Precept.
- increasing the LGDEL contribution to the improved Better Care Fund (iBCF) in line with the September 2020 to September 2021 increase in the Consumer Price Index (CPI).
- including the Department for Health and Social Care’s Market Sustainability and Fair Cost of Care Fund within Core Spending Power in 2022/23. This £162 million fund is to support Local Authorities prepare their markets for reform and move towards paying providers a fair cost of care. It will be allocated using our existing ASC RNF.

1.3.4 Chapter 5 – 2022/23 Services Grant: this chapter explains the government’s proposals for a new one-off grant to support the delivery of all local authorities’ services in 2022/23.

- creating of a new grant worth £822 million. This will be a one-off grant for 2022/23. We will work closely with the sector on how to best distribute this money for 2023/24 onwards. We will distribute this funding using the 2013/14 shares of the Settlement Funding Assessment. [\[footnote 3\]](#)
- this funding would be excluded from any proposed baseline for transitional support as a result of any proposed system changes.

1.3.5 Chapter 6 – Other Grants - this chapter explains the government’s proposals for the New Homes Bonus (NHB), Rural Services Delivery Grant (RSDG) and the Lower Tier Services Grant (LTSG).

- a new round of NHB payments in 2022/23, which will not attract new legacy payments. 2022/23 allocations of NHB will be paid for by a £554 million top-slice of RSG.
- no changes to the calculation process from 2021/22. The final outstanding NHB legacy payment will be honoured in 2022/23 allocations.

- maintain the existing quantum of the RSDG at £85 million and maintain the same approach to distribute these resources as used for 2021/22.
- the LTSG will allocate £111 million to local authorities with responsibility for lower tier services. Most of the distribution will be based on assessed relative needs for lower tier services. Alongside this, the minimum funding floor from 2021/22 will be updated to ensure that no authority sees an annual reduction in Core Spending Power (CSP).[\[footnote 4\]](#)

1.3.6 Chapter 7 – Equalities Impacts of these proposals: this chapter invites views and evidence on the impact that the government’s proposals may have on persons who share a protected characteristic. It also refers to a draft policy impact statement published alongside this consultation, assessing the impact of the 2022/23 settlement on persons who share a protected characteristic.

1.4 Additional information

1.4.1 An online survey link and return address for responses to this consultation, along with a full list of consultation questions, is included in [Annex B](#), and a glossary of technical terms can be found in [Annex C](#).

1.5 Allocations for proposals

1.5.1 The supporting tables accompanying this consultation show the allocations for the proposals for individual local authorities. These proposals represent the government’s intentions, and the figures are presented on the basis of available information.

1.5.2 Data changes, new information or errors identified by either the department or local authorities between the publication of this consultation paper and the calculation of the final settlement may lead to changes to individual local authority allocations. The government encourages local authorities to check their individual allocations.

2. Distribution of the Settlement Funding Assessment

2.1 Introduction

2.1.1 This chapter outlines the government’s proposals for distributing the Settlement Funding Assessment (SFA) in 2022/23, which is comprised of Revenue Support Grant (RSG) and Baseline Funding Levels (BFLs).

2.2 Business Rates Retention

2.2.1 When the Business Rates Retention scheme was introduced in 2013/14, the government committed that BFLs and Business Rates Baselines, which are used to determine tariffs and top-ups, would be fixed in real terms until the system was reset. The government therefore proposes not to alter the existing mechanism for determining tariff and top-up payments in 2022/23.

2.2.2 At Spending Review 2021 the government announced that it would freeze the business rates multiplier in 2022/23, saving businesses in England an estimated £4.6 billion over the next five years. In 2022/23, the government plans to freeze BFLs at their 2021/22 levels for all authorities except authorities with increased Business Rates Retention arrangements. BFLs for authorities with increased Business Rates Retention arrangements shall be the sum of their 2021/22 BFL and the value of the grant(s) that these authorities will forgo in 2022/2023.

2.2.3 Local authorities will, as usual, be compensated for the shortfall in income from the freezing of the business rates multiplier in 2022/23 and 2021/22 and for the switch to CPI from RPI for the purposes of uprating, via the under-indexation section 31 grant. Top-ups and Tariffs will also be adjusted as in previous years, for the freezing of the multiplier.

2.2.4 2021/22 BFLs included the elimination of so-called 'negative RSG' and as such this will continue in 2022/23. This is consistent with the government's previous commitment, made during the implementation of the business rate retention scheme in 2013/14, that authorities' retained business rates baselines would be fixed in real terms until the business rates system was reset. [\[footnote 5\]](#)

2.2.5 Local authorities in 100% business rates retention Devolution Deal areas and the Greater London Authority will continue to benefit from increased levels of business rates retention in 2022/23.

2.3 Distribution of Revenue Support Grant

2.3.1 In the interests of providing stability in local authority allocations, we are not proposing to change the distribution of RSG from that used in 2021/22. Instead, the government proposes to increase 2021/22 RSG levels in line with the September 2020 to September 2021 change in the Consumer Price Index (CPI).

2.3.2 To simplify the funding landscape, government intends to roll in the Electoral Registration grant worth £1.2 million per year and the Financial Transparency of Local Authority Maintained Schools grant, worth £0.8 million per year, into the Revenue Support Grant. The current distribution of each will no longer be used. Government intends to distribute this funding using the 2013/14 shares of Settlement Funding. To note, this additional funding is on top of the increase by CPI outlined in 2.3.1 which means the overall increase in RSG for 2022/23 compared to 2021/22 will be slightly higher than CPI.

Question 1: Do you agree with the government's proposed methodology for the distribution of Revenue Support Grant in 2022/23, including the rolling in of two New Burdens grants?

3. Council tax

3.1 Council tax

3.1.1 The government remains committed to striking a balance between giving local authorities the flexibility to determine their own level of council tax and ensuring local residents have the final say on excessive increases.

3.2 Council tax referendum principles

3.2.1 The government proposes the following package of referendum principles for 2022/23 which will be subject to the approval of the House of Commons alongside the final local government finance settlement:

- a core council tax referendum principle of up to 2% for shire counties, unitary authorities, London boroughs, the Greater London Authority (GLA) and fire and rescue authorities.
- a principle of up to 2% or £5, whichever is higher, for shire district councils
- an Adult Social Care (ASC) precept of 1% for all authorities responsible for ASC.

- ability to add any unused parts of the 3% ASC Precept flexibility available in 2021/22,
- a £5 referendum principle for the 8 lowest-charging fire and rescue authorities.
- a referendum principle of £10 for Police and Crime Commissioners (PCC), including the GLA charge for the Metropolitan Police and the PCC component of the Greater Manchester and West Yorkshire Mayoral precepts.
- no other council tax referendum principles for Mayoral Combined Authorities (MCAs).
- no council tax referendum principles for town and parish councils.

3.3 Council tax referendum principles for fire and rescue authorities

3.3.1 The government proposes to provide the lowest charging quartile of fire and rescue authorities with the flexibility to increase band D precepts by £5 for one year only in 2022/23. This is to assist them in addressing immediate pressures and to maintain a sustainable income baseline for future years.

3.3.2 This flexibility is not currently outlined in our Core Spending Power figures we have published. Following consideration of responses to this consultation, if the proposal is taken forward the flexibility will be included in the allocations for which we will seek the approval of the House of Commons at the final settlement.

3.4 Council tax referendum principles for mayoral combined authorities

3.4.1 Devolution has led to the creation of nine mayoral combined authorities (MCAs) with powers such as transport and planning. To date, the government has not set referendum principles for MCAs, except where the Mayor exercises police and crime commissioner functions, in which case the PCC principle has applied to the resulting precept. This has been in the expectation that mayors would charge a level of council tax that is affordable and proportionate to their needs.

3.4.2 The government proposes to continue this approach in 2022/23. In line with the referendum principle for police and crime commissioners, we propose to set a £10 threshold for the PCC component of the Greater Manchester and West Yorkshire Combined Authorities' precepts.

3.5 Council tax referendum principles for town and parish councils

3.5.1 The government has not previously set referendum principles for town and parish councils. This approach was contingent on the sector taking all available steps to mitigate the need for council tax increases and the government seeing clear evidence of restraint.

3.5.2 In 2021/22, the average Band D parish precept increased by 2.8%, the smallest for ten years. In expectation that parish and town councils continue to show restraint when charging council tax, the government proposes to continue with no referendum principles for the sector in 2022/23. It will however take careful account of the increases set in 2022/23 when reviewing the matter ahead of next year's settlement.

3.6 Council tax referendum principle for the Greater London Authority (GLA)

3.6.1 The Mayor of London is currently considering his approach to the future funding of Transport for London. The government will consider any proposals he makes about the future level of the GLA precept in response to this consultation.

Question 2: Do you agree with the proposed package of council tax referendum principles for 2022/23?

4. Distribution of Social Care Resources

4.1 Social Care

4.1.1 This year the government is proposing to provide councils with £700 million in new grant specifically for social care. This new grant funding combined with the 1% ASC precept and the rolled over flexibility from last year for local authorities with social care responsibilities means that councils will have access to over £1 billion of dedicated funding for social care pressures.

4.1.2 Of the £700 million of additional grant, £636 million is proposed for an increase to the Social Care Grant and the remainder as an inflationary uplift to the improved Better Care Fund. Councils will be able to make further investment in social care services from other unringfenced grants and wider revenue growth.

4.1.3 In addition, as announced on 7 September 2021 in 'Build Back Better: Our Plan for Health and Social Care', the government is proposing to allocate £162 million through the ASC RNF to support Local Authorities prepare their markets for reform and move towards paying providers a fair cost of care.

4.2 Social Care Grant

4.2.1 The government proposes to increase allocations of the Social Care Grant to £2.35 billion from 2022/23. This is an increase of £636 million compared to 2021/22.

4.2.2 This proposal includes an £80 million increase to the equalisation component against the Adult Social Care precept. The remaining £556 million will be allocated directly through the existing ASC RNF formula.

4.2.3 Our equalisation methodology is a balanced approach which recognises that the distribution of resources generated through the ASC precept does not match the pattern of assessed need. The proposed methodology is the same as that used for this grant in 2021/22. The government has published a separate table of [Social Care Grant allocations](https://www.gov.uk/government/publications/social-care-grant-allocations-2022-to-2023) (<https://www.gov.uk/government/publications/social-care-grant-allocations-2022-to-2023>).

4.2.4 The government proposes that this grant will not be ringfenced, and conditions on reporting requirements will not be attached. In particular, it will be for local authorities to determine how much of it should be spent on Adult Social Care and how much should be spent on children's social care.

Question 3: Do you agree with the government's proposals for the Social Care Grant in 2022/23?

4.3 Improved Better Care Fund

4.3.1 Government proposes to roll-forward the 2021/22 distribution of the improved Better Care Fund. The grant will continue to be required to be pooled as part of the Better Care Fund.

4.3.2 Alongside maintaining the existing distribution formula, government proposes to increase the 2022/23 improved Better Care Fund by £63 million. This will be an inflationary uplift on 2021/22 allocations in line with the September 2020 to September 2021 change in the Consumer Price Index (CPI).

Question 4: Do you agree with the government's proposals for iBCF in 2022/23?

4.4 Market Sustainability and Fair Cost of Care Fund

4.4.1 Government outlined at Spending Review 2021 that social care reform funding would be part of Core Spending Power. In 2022/23, this will be the Market Sustainability & Fair Cost of Care Fund worth £162 million.

4.4.2 Government proposes to distribute this funding using the existing ASC RNF.

4.4.3 The Department for Health and Social Care have separately published [further detail on the purpose and conditions of this funding \(https://www.gov.uk/government/publications/market-sustainability-and-fair-cost-of-care-fund-2022-to-2023/market-sustainability-and-fair-cost-of-care-fund-purpose-and-conditions-2022-to-2023\)](https://www.gov.uk/government/publications/market-sustainability-and-fair-cost-of-care-fund-2022-to-2023/market-sustainability-and-fair-cost-of-care-fund-purpose-and-conditions-2022-to-2023) on 16 December. Any further questions on this grant should be direct to: asc.engagement@dhsc.gov.uk.

Question 5: Do you agree with the government's proposals for distributing the Market Sustainability and Fair Cost of Care Fund in 2022/23?

4.4.4 For many councils, adults and children's social care are key priorities and the largest areas of spending. Councils are not expected to rely solely on this earmarked funding to meet the inflationary and demographic pressures facing these services; they also have access to funding from unringfenced grant, including the 2022/23 Services Grant, and from council tax.

5. 2022/23 Services Grant

5.1 2022/23 Services Grant

5.1.1 Government proposes to introduce a one off 2022/23 Services Grant worth £822 million for 2022/23.

5.1.2 This new grant will be distributed through our existing formula for assessed relative need across the sector, using 2013/14 shares of Settlement Funding Assessment.^[footnote 6] This will provide funding to all tiers of local government in recognition of the vital services, including social care, delivered at every level of local government.

5.1.3 This grant includes funding for local government costs for the increase in employer National Insurance Contributions.

5.1.4 The government proposes that this grant will not be ringfenced, and conditions on reporting requirements will not be attached. This is so local authorities can provide support across the entire sector in recognition of the vital services delivered at every level of local government.

5.1.5 Government has a clear intention for this grant to be one off for 2022/23. We have prioritised using an available distribution for 2022/23 but intend to work closely with local government on how to best use this funding from 2023/24 onwards. This funding would be excluded from any proposed baseline for transitional support as a result of any proposed system changes.

Question 6: Do you agree with the government's proposals for a one-off 2022/23 Services Grant distributed using 2013/14 shares of the Settlement Funding Assessment?

6. Other Grants – New Homes Bonus, Rural Services Delivery Grant and Lower Tier Services Grant

6.1 Background on New Homes Bonus

6.1.1 The New Homes Bonus was introduced in 2011 to provide an incentive for local authorities to encourage housing growth in their areas by rewarding local authorities for net additional homes added to the council tax base. It is paid annually from a top-slice of RSG.

6.1.2 The government has decided to maintain the current approach to the NHB payments in 2022/23.

6.2 New Homes Bonus in 2022/23

6.2.1 The government is proposing to roll-over last year's policy on NHB for a new round of NHB payments in 2022/23. New legacy commitments ceased to be made in allocations from 2020/21, and the government confirmed in February 2021 that it did not intend to reintroduce the concept of legacy payments. These payments will not attract new legacy commitments on those allocations.

6.2.2 The allocations for 2022/23 will be funded through a £554 million top slice of the Revenue Support Grant.

6.2.3 The government is not intending to change the calculation of NHB payments in 2022/23, and the methodology will therefore be the same as in 2021/22. The NHB payments will be calculated as units for reward above a payments baseline of 0.4%, multiplied by the average band D council tax payment, with an additional payment made for affordable homes. In two-tier areas, the annual payment will be split: 80% for shire districts and 20% for shire counties.

6.2.4 The government intends to honour previously announced legacy payments in the 2022/23 allocations. This means paying one outstanding round of legacy payments of £221m from the 2019/20 allocation.

Question 7: Do you agree with the government's proposals for New Homes Bonus in 2022/23?

6.3 Rural Services Delivery Grant

6.3.1 The government proposes to roll-forward the 2021/22 allocations of the £85 million Rural Service Delivery Grant for 2022/23, with the distribution and quantum of the grant unchanged.

6.3.2 In 2021/22, allocations were distributed to the top quartile of local authorities on the basis of the 'super-sparsity' indicator. This ranks authorities by the proportion of an authority's population living in sparsely populated Output Areas, according to Census data. We propose to use the same approach for 2022/23.

Question 8: Do you agree with the government's proposals for the Rural Services Delivery Grant in 2022/23?

6.4 Lower Tier Services Grant

6.4.1 The Lower Tier Services Grant was introduced in the 2021/22 local government finance settlement for local authorities with responsibility for lower tier services.

6.4.2 The government proposes to keep the Lower Tier Services Grant for another year, maintaining the value of the grant from 2021/22 into 2022/23. We propose to keep the grant at £111 million.

6.4.3 We also propose to extend last year's funding floor for one additional year. In doing so we propose to update to ensure no authority sees an annual reduction in Core Spending Power in 2022/23 compared to 2021/22 Core Spending Power.

6.4.4 We will update the exact allocations for the funding floor at the final settlement, to reflect any changes in allocations between the provisional and the final local government finance settlement.

[\[footnote 7\]](#)

Question 9: Do you agree with the government's proposals for the Lower Tier Services Grant, with an updated minimum funding floor in 2022/23 so that no authority sees an annual reduction in Core Spending Power?

7. Equalities Impacts of these Proposals

7.1 Draft policy Impact Statement

7.1.1 A [draft policy impact statement \(https://www.gov.uk/government/publications/provisional-local-government-finance-settlement-2022-to-2023-draft-policy-impact-statement\)](https://www.gov.uk/government/publications/provisional-local-government-finance-settlement-2022-to-2023-draft-policy-impact-statement) focused on the impact of proposals on people who share protected characteristics of the 2022/23 local government finance settlement has been published alongside this consultation document.

Question 10: Do you have any comments on the impact of the proposals for the 2022/23 settlement outlined in this consultation document on persons who share a protected characteristic, and on the draft policy impact statement published alongside the consultation document? Please provide evidence to support your comments.

Annex A: Personal data

The following is to explain your rights and give you the information you are be entitled to under UK data protection legislation.

Note that this section only refers to personal data (your name, contact details and any other information that relates to you or another identified or identifiable individual personally) not the content otherwise of your response to the consultation.

1. The identity of the data controller and contact details of our Data Protection Officer

The Department for Levelling Up, Housing and Communities (DLUHC) is the data controller. The Data Protection Officer can be contacted at dataprotection@communities.gov.uk or by writing to the following address:

Data Protection Officer
Department for Levelling Up, Housing and Communities
Fry Building
2 Marsham Street
London
SW1P 4DF

2. Why we are collecting your personal data

Your personal data is being collected as an essential part of the consultation process, so that we can contact you regarding your response and for statistical purposes. We may also use it to contact you about related matters.

3. Our legal basis for processing your personal data

The Data Protection Act 2018 states that, as a government department, DLUHC may process personal data as necessary for the effective performance of a task carried out in the public interest. i.e., a consultation. This consultation fulfils the mandatory statutory requirements to consult under sections 78(5), 78A(3) and paragraph of Schedule 7B of the Local Government Finance Act 1988.

The collection of your personal data is lawful under article 6(1)(e) of the UK General Data Protection Regulation as it is necessary for the performance by DLUHC of a task in the public interest/in the exercise of official authority vested in the data controller. Section 8(d) of the Data Protection Act 2018 states that this will include processing of personal data that is necessary for the exercise of a function of the Crown, a Minister of the Crown or a government department i.e. in this case a consultation.

4. With whom we will be sharing your personal data

Other government departments including:

1. Attorney General's Office
2. Cabinet Office
3. Department for Business, Energy and Industrial Strategy
4. Department for Digital, Culture, Media and Sport
5. Department for Education Department for Environment
6. Food and Rural Affairs
7. Department for International Trade
8. Department for Transport

9. Department for Work and Pensions
10. Department of Health and Social Care
11. Foreign, Commonwealth and Development Office
12. Her Majesty's Treasury
13. Home Office
14. Ministry of Defence
15. Ministry of Justice
16. Northern Ireland Office
17. Office of the Advocate General for Scotland
18. Office of the Leader of the House of Commons
19. Office of the Leader of the House of Lords
20. Scotland Office UK
21. Export Finance
22. Wales Office

DLUHC may appoint a 'data processor', acting on behalf of the department and under our instruction, to help analyse the responses to this consultation. Where we do, we will ensure that the processing of your personal data remains in strict accordance with the requirements of the data protection legislation.

5. For how long we will keep your personal data, or criteria used to determine the retention period

Your personal data will be held for two years from the closure of the consultation

6. Your rights, e.g. access, rectification, restriction, objection

The data we are collecting is your personal data, and you have considerable say over what happens to it. You have the right:

- a. to see what data we have about you
- b. to ask us to stop using your data, but keep it on record
- c. to ask to have your data corrected if it is incorrect or incomplete
- d. to object to our use of your personal data in certain circumstances
- e. to lodge a complaint with the independent Information Commissioner (ICO) if you think we are not handling your data fairly or in accordance with the law. You can contact the ICO at <https://ico.org.uk/> (<https://ico.org.uk/>), or telephone 0303 123 1113.

Please contact us at the following address if you wish to exercise the rights listed above, except the right to lodge a complaint with the ICO:

dataprotection@communities.gov.uk

or

Knowledge and Information Access Team
Department for Levelling Up, Housing and Communities
Fry Building
2 Marsham Street
London SW1P 4DF

7. Your personal data will not be sent overseas

8. Your personal data will not be used for any automated decision making

9. Your personal data will be stored in a secure government IT system

We use a third-party system, Citizen Space, to collect consultation responses. In the first instance your personal data will be stored on their secure UK-based server. Your personal data will be transferred to our secure government IT system as soon as possible, and it will be stored there for two years before it is deleted.

Annex B: Address details and list of consultation questions

We request responses through the following [online form \(https://consult.communities.gov.uk/local-government-finance/lgf-settlement-2223\)](https://consult.communities.gov.uk/local-government-finance/lgf-settlement-2223).

If the survey link is inoperable, written responses may be sent by email or post to: lgfsettlement@communities.gov.uk.

Or

Local Government Finance Settlement Team
Department for Levelling Up, Housing and Communities
2nd floor, Fry Building
2 Marsham Street
London
SW1P 4DF

When replying to this consultation please confirm whether you are replying as an individual or submitting an official response on behalf of an organisation and include:

- your name
- your position (if applicable)
- the name of organisation (if applicable)
- an address (including post-code)
- an email address
- a contact telephone number

Question 1: Do you agree with the government's proposed methodology for the distribution of Revenue Support Grant in 2022/23, including the rolling in of two New Burdens grants?

Question 2: Do you agree with the proposed package of council tax referendum principles for 2022/23?

Question 3: Do you agree with the government's proposals for the Social Care Grant in 2022/23?

Question 4: Do you agree with the government's proposals for iBCF in 2022/23?

Question 5: Do you agree with the government's proposals for distributing the Market Sustainability and Fair Cost of Care Fund in 2022/23?

Question 6: Do you agree with the government's proposals for a one-off 2022/23 Services Grant distributed using 2013/14 shares of the Settlement Funding Assessment?

Question 7: Do you agree with the government's proposals for New Homes Bonus in 2022/23?

Question 8: Do you agree with the government's proposals for Rural Services Delivery Grant in 2022/23?

Question 9: Do you agree with the government's proposal for the Lower Tier Services Grant, with a new minimum funding floor in 2022/23 so that no authority sees an annual reduction in Core Spending Power?

Question 10: Do you have any comments on the impact of the proposals for the 2022/23 settlement outlined in this consultation document on persons who share a protected characteristic, and on the draft policy impact statement published alongside the consultation document? Please provide evidence to support your comments.

Annex C: Glossary of technical terms

Baseline Funding Level

The amount of an individual local authority's 2013-14 Settlement Funding Assessment provided through the local share of the Estimated Business Rates Aggregate.

Business Rates Baseline

An authority's BRB determined on an individual basis at the outset of the business rates retention scheme. It is calculated by dividing the local share of the Estimated Business Rates Aggregate (England) between billing authorities on the basis of their proportionate shares, before the payment of any major precepting authority share.

Business rates retention

Business rates are a tax on non-domestic properties. Billing authorities have a responsibility to issue bills and collect rates in their areas. Since 2013-14, local government has retained 50% of its business rates – worth around £12.5 billion – which is distributed across the sector.

Core Spending Power

A measure of the revenue funding available for local authority services. This includes council tax; business rates; Revenue Support Grant; New Homes Bonus; Adult Social Care grants; and, other grants.

Council tax referendum principles

These mark levels of council tax increases (either in percentage or cash terms) above which a local authority must hold a referendum which allows residents to approve or veto the increase. The comparison is made between the authority's average band D council tax level for the current financial year and the proposed average band D for the next financial year.

Devolution Deals

Introduced in 2014, Devolution Deals are a bespoke arrangement tailored to certain local authorities. Devolution Deals give local government greater powers and more autonomy over budgeting.

Equalisation

The process through which a proportion of Social Care Grant funding is used to take account of the impact of the distribution of the Adult Social Care council tax precept.

Local Government Departmental Expenditure Limit (LG DEL)

The departmental budget derived from central government resources for the purposes of local government.

New Homes Bonus

The New Homes Bonus acts as an incentive to increase housing supply and spur growth. The level of funding for an area reflects additional housing supply in that area. Most authorities receive some form of New Homes Bonus funding from central government.

Precept

A council tax charge from local authorities which do not issue bills themselves. These include county councils, police and crime commissioners, fire and rescue authorities, the Greater London Authority, combined authority mayors, and town and parish councils. Billing authorities – usually shire district councils or unitary authorities – collect council tax on behalf of precepting authorities and pass the proceeds to them.

Revenue Support Grant

Billing and major precepting authorities receive Revenue Support Grant from central government in addition to their local share of Business Rates Aggregate.

Rural Services Delivery Grant

Funding provided in recognition of the possible additional costs of delivery services in sparsely populated areas.

Safety net

Mechanism to protect any authority which sees its business rates income drop, in any year, by more than 7.5% below their baseline funding level (with baseline funding levels being updated by the small business rates multiplier for the purposes of assessing eligibility for support).

Settlement Funding Assessment

A local authority's share of the local government spending control total comprising its Revenue Support Grant and its baseline funding level for the year in question.

Small business non-domestic rating multiplier

If your property in England has a rateable value below £51,000, your bill will be calculated using the small business multiplier, which is lower than the standard one. This is the case even if you do not get small business rate relief

Spending Review

The Spending Review sets out the long-term spending limits for all government departments, typically covers the next three or four years

Spending Round

The Spending Round sets out the short-term spending limits for all government departments, typically covers a full calendar year.

Tariffs and top-ups

Calculated by comparing at the outset of the business rate retention scheme an individual authority's business rates baseline against its baseline funding level. Tariffs and top-ups are self-funding, fixed at the start of the scheme, then indexed in line with the change in the small business rating multiplier.

Tariff authority

An authority with, at the outset of the scheme, a higher individual authority business rates baseline than its baseline funding level, and which therefore pays a tariff.

Top-up authority

An authority with, at the outset of the scheme, a lower individual authority business rates baseline than its baseline funding level, and which therefore receives a top-up.

-
1. As required by section 78(5) of the Local Government Finance Act 1988.
 2. As required by section 78A(3) of the Local Government Finance Act 1988 and paragraph 12 of Schedule 7B to the same Act.
 3. The share of 2013/2014 Settlement Funding Assessment for authorities that have restructured since 2013/2014 is calculated in a manner consistent with previous Local Government Finance Reports. For Isle of Wight and Hampshire Fire's 2021/2022 restructuring, we have calculated their fire tier funding for 2013/2014 and allocated this to Hampshire Fire authority.
 4. The New Burdens we propose to roll into RSG for 2022/23 will be excluded from the calculations for the minimum funding floor.
 5. Please refer to section 5.1 of the [2019-20 Local Government Finance Settlement Technical Consultation \(https://www.gov.uk/government/consultations/local-government-finance-settlement-2019-to-2020-technical-consultation\)](https://www.gov.uk/government/consultations/local-government-finance-settlement-2019-to-2020-technical-consultation) for an explanation of the issue of negative Revenue Support Grant.
 6. The share of 2013/2014 Settlement Funding Assessment for authorities that have restructured since 2013/2014 is calculated in a manner consistent with previous Local Government Finance Reports. For Isle of Wight and Hampshire Fire's 2021/2022 restructuring, we have calculated their fire tier funding for 2013/2014 and allocated this to Hampshire Fire authority.
 7. In particular, the government would note that we have outlined our intention to increase the value of the Under Indexation Grant to compensate to RPI. This may mean that some local authorities require less floor funding to be at flat cash, which will free up a small amount of money to reallocate across all lower tier authorities. The Core Spending Power figures published at provisional settlement show under-indexation in line with the Consumer Price Index but will be updated to RPI for the final settlement.
-

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Local Government Finance Settlement Team
Via email - lgfsettlement@communities.gov.uk

Our ref: LGFS-22-23
Enquiries to: Mark Hemming
Ext no:
Direct line: 01296 744687
Date: 10 January 2022
E-mail: mhemming@bucksfire.gov.uk

Provisional Local Government Finance Settlement 2022 to 2023

Dear LGF Settlement Team

This letter represents the response from Buckinghamshire Fire and Rescue Service to the Provisional 2022-23 Local Government Finance Settlement. The Service also refers the Department for Levelling Up, Housing and Communities (DLUHC) to the response from the National Fire Chiefs Council (NFCC).

The Service's response to the Provision Settlement can be summarised as follows:

1. The Service welcomes the proposals set out in the 2022-23 Provisional Settlement.
2. The Service particularly welcomes the £5 principle for the lowest precept raising Fire and Rescue Authorities (FRAs). The Service urges Government to ensure that the principle remains in place for the lowest precept raising FRAs, and while the Service understands that final decisions are for future settlements, a statement of intention for future years council tax flexibilities would aid financial planning.
3. One-off funding is understandable if DLUHC intends on conducting a Fair Funding Review. Whilst the Service understands that future allocations cannot be guaranteed at this stage, the Government should guarantee that funding which has been allocated to FRAs will remain within the sector, particularly FRAs' allocations in the 2022-23 Services Grant.
4. A return to multi-year spending reviews is most welcome and a return to multi-year settlements must follow from 2023-24.

Investment in Fire Protection

The following text was included in the NFCC response to the 2020-21 Technical and Provisional Settlement consultations as well as the response to the 2021-22 Settlement consultation. We believe that it is of primary importance that we continue to highlight the situation regarding protection activity as this is clearly an issue that needs to be prioritised going forward.

"The Hackitt enquiry and HMICFRS have highlighted the significant reduction in the number of fire safety audits in recent years. Across England in 2010-11 there were 84,575 fire safety audits, which by 2018-19 had decreased to 49,327. Whilst the proportion of audits resulting in a satisfactory rating has improved from 56%



to 67% it is unknown whether this is the result of improving fire safety or fewer audits. Clearly there is a need to invest in fire protection activity to increase activity in this area and outcomes for businesses and high-risk properties.

Due to local Integrated Risk Management Planning the way in which Fire and Rescue Services deliver their fire protection activity can vary, with a mixture of delivery by firefighter crews and specialised business safety officers. Cost per audit will also vary as a result, with estimations being between £580 and £1,150 per completed audit. As an illustration, just returning to 2010-11 activity levels requires an additional 35,248 audits, which would equate to an additional investment in excess of £30m. According to Home Office statistics, between 2010 and 2018 there was a reduction in FTE firefighters of 22%; in 2010 there were approximately 42,000 firefighters whilst in 2018 there were 32,000. As a result, the ability for Fire and Rescue Services to delivery business safety activity using firefighter crews has diminished.”

Whilst additional funding announced in the 2022-23 Settlement is welcome, it is difficult to use 'one-off' funding for work that is required on an ongoing basis.

Service Delivery Pressures

The Service has continually highlighted service delivery pressures in previous settlement responses. The Home Office publishes response times annually and consistent data is available going back to 2009-10. In 2009 there were 41,953 full time equivalent firefighters and average response times to dwelling fires with casualties and/or rescues was 6 minutes and 52 seconds in 2009-10. In 2019 the number of FTE firefighters had fallen to 31,995 (a 24% reduction of almost 10,000 firefighters); and response times to dwelling fires with casualties and/or rescues had risen to 7 minutes and 37 seconds (an increase of 10.9%, 45 seconds). Comparing FTE firefighters with response times between 2009 and 2019 shows a strong negative correlation ($R^2=0.80$, $p<0.001$) [see FIRE0101 and FIRE1101 Home Office data].

This serves to paint just part of the picture regarding the risk profile pressures facing the fire and rescue service. It is of course vital that the horrors of the Grenfell Tower tragedy are not forgotten and to note that reductions in firefighter numbers directly impact the availability of personnel to support national resilience capabilities. At present, if a fire of the scale of Grenfell Tower occurred anywhere other than London, it would be a significant challenge for any FRA to resource – even with mutual assistance. Regarding fire and rescue operations post-Grenfell, FRAs faced additional requirements for inspections in high rise properties, even before legislative change.

The sector needs to respond to the inspection process, with findings that whilst responding to emergencies is a strength, Fire Protection is a concern and often under resourced whilst the inconsistent capability to respond to national incidents is highlighted. Long-term investment is required to work together across the sector to deliver improved outcomes.

Covid-19

The Service is grateful to the government for the support with additional costs associated with pandemic response. It should be noted however that the relatively small size of FRA budgets, compared with large local authorities, means that lost collection



fund income, even with the 75% income guarantee, has been a significant pressure for the sector.

Quantum

Generally, the Service recognises the need for increased social care funding, however this must not be delivered at the expense of FRAs' budgets. Therefore, the Service welcomes the fact that proposed increases in social care funding are being met through an increased quantum of local government funding and politely highlights the need for an increased quantum to continue to be the source of any further social care (or other) funding increases.

Fire Pensions Grant

The Service continues to call for the transfer of the Fire Pensions Grant into FRAs' baseline funding, removing the uncertainty which exists when such a significant portion of funding is not guaranteed beyond each year. Continued work conducted by the NFCC shows that FRAs' reserves would very quickly run out should this significant funding stream ever cease.

Multi-Year Settlements

The Service welcomes the focus that the government has clearly placed on stability and certainty within these proposals and expects that this will be consistent across departments. The Service understands that DLUHC has issued a one-year settlement to allow the possibility of conducting the Review of Relative Needs and Resources. Whilst the last few years have been unprecedented, one-year settlements should not be the norm. A return to multi-year Spending Reviews is most welcome and a return to multi-year settlements must follow from 2023-24.

Question 1: Do you agree with the government's proposed methodology for the distribution of Revenue Support Grant in 2022/23, including the rolling in of two New Burdens grants?

Yes. It is of utmost importance that core funding is protected in real terms. The Service asks the Government to guarantee the Sector's funding looking ahead, even if individual FRA allocations are subject to the Review of Relative Need and Resources.

Question 2: Do you agree with the proposed package of council tax referendum principles for 2022/23?

The Service particularly welcomes the £5 principle for the lowest precept raising FRAs. Sensible approaches to shire districts' and police and crime commissioners' referendum principles have been in place for some time, and the Service urges government to ensure that the £5 principle for the lowest eight FRAs remains in place. Whilst the Service understands that final decisions are for future settlements, a statement of intention for future years council tax flexibilities would aid financial planning.



Question 3: Do you agree with the government's proposals for the Social Care Grant in 2022/23?

Question 4: Do you agree with the government's proposals for iBCF in 2022/23?

Question 5: Do you agree with the government's proposals for distributing the Market Sustainability and Fair Cost of Care Fund in 2022/23?

Generally, the Service recognises the need for increased social care funding, however this must not be delivered at the expense of FRAs' budgets. Therefore, the Service welcomes the fact that proposed increases in social care funding are being met through an increased quantum of local government funding and politely highlights the need for an increased quantum to continue to be the source of any further social care (or other) funding increases.

Question 6: Do you agree with the government's proposals for a one-off 2022/23 Services Grant distributed using 2013/14 shares of the Settlement Funding Assessment (SFA)?

The Service agrees that the methodology (SFA) proposed for the 2022-23 Services Grant is suitable and welcomes the additional unringfenced funding. The sector was grateful for early clarification that increased National Insurance costs (due to the Government's Health and Social Care Levy announcement in September) would be compensated. Given the lack of data regarding the specific additional costs that local authorities and FRAs would face due to this announcement, SFA is the most sensible distribution to use.

It is important to note however, that increased NI costs are not one-off. The one-off nature of the 2022-23 Services Grant adds significant uncertainty regarding NI costs for the sector from 2023 onwards.

Understanding that this decision was made by DLUHC in part because of its intention to conduct the Fair Funding Review, the Service asks that the Government commits to protecting the 2022-23 Services Grant funding received by the Fire and Rescue Sector, if not for individual FRAs. It is the view of the Service that whatever the outcome of the Review, the fire sector's increased NI costs must be protected and that the best way to do this would be to announce the intention to protect the total 2022-23 Services Grant allocated to the Sector.

Question 7: Do you agree with the government's proposals for New Homes Bonus in 2022/23?

No comment.

Question 8: Do you agree with the government's proposals for Rural Services Delivery Grant (RSDG) in 2022/23?

The Service is disappointed that RSDG has not been revised. The current methodology fails to recognise pockets of rurality within larger authorities. This means that many FRAs have local authorities within their geographies receiving RSDG, but at FRA-level this rurality is averaged out by other (densely populated) areas.



Question 9: Do you agree with the government's proposal for the Lower Tier Services Grant, with a new minimum funding floor in 2022/23 so that no authority sees an annual reduction in Core Spending Power?

No comment.

Question 10: Do you have any comments on the impact of the proposals for the 2022/23 settlement outlined in this consultation document on persons who share a protected characteristic, and on the draft policy impact statement published alongside the consultation document? Please provide evidence to support your comments.

In addition to those pressures that are specific to the FRS (outlined above) the fire service is also facing pressures like those in the wider public sector. One of the most significant demands on the public sector is an aging population; for FRAs this is highlighted by the stark differences in fire-related deaths for different ages.

In 2019-20, 51% of fire-related death victims were aged over 65 and 22% were aged over 80. Whilst there were just three fire-related deaths for the 17 million people in England aged 24 or under, there were 152 for the 17 million people aged 55 or over, a death rate approximately 50 times higher; for residents over 80 the fire-related fatality rate was 95 times the fatality rate for under 25s [see ONS MYEs and FIRE0503 Home Office data].

The Government's recent Health and Social Care White Paper indicated the government's intent for more people in care to be able to live in their own homes and live as independently as possible. This admirable intent will require more home safety visits and increases the number of dwellings occupied by people who are less likely to be able to put out a fire and increases the risk for FRAs. Further prevention and protection work will be required, and this must be recognised in future funding.

Summary

It is therefore vitally important that the Sector's funding is protected in real terms and in that regard the Service strongly welcomes the Provisional Settlement announcement. The £5 flexibility is most welcome. To aid certainty looking forward the Service asks for a statement of intention regarding future council tax flexibility as well as a guarantee to the Fire and Rescue Sector that 2022-23 Service Grant funding will be protected, even if individual FRA allocations change.

Yours sincerely

Jason Thelwell QFSM
Chief Fire Officer and Chief Executive

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Buckinghamshire & Milton Keynes Fire Authority

Meeting and date: Executive Committee, 9 February 2022

Report title: TVFCS ICCS Contract and Inter Authority Agreement

Lead Member: Councillor Lesley Clarke OBE

Report sponsor: Deputy Chief Fire Officer Mick Osborne

Author and contact: Area Commander Steve Wells, swells@bucksfire.gov.uk,

Action: Decision

Recommendations:

1. That extending the TVFCS DS3000 Integrated Communication Control System (ICCS) contract for one year, from April 2022 to March 2023 be agreed.
 2. That Buckinghamshire and Milton Keynes Fire Authority (the Authority) remains a member and party to the inter authority agreement (IAA) relating to the steady state operation of Thames Valley Fire Control Service (TVFCS) be agreed.
-

Executive summary:

The purpose this report is to enable:

- a) the recommendation to be received from the TVFCS Joint Committee made on the 16 December 2021, pursuant to the IAA, to agree a contract extension of the ICCS contract of one year from April 2022 – March 2023; and
- b) the Executive Committee to formally record if the Authority wishes to continue its participation in the TVFCS.

ICCS

When TVFCS 'went live' in April 2015 there were two ICCS contracts with Capita Secure Information Solutions Limited, which had been entered into by Oxfordshire County Council (OCC) and Royal Berkshire Fire Authority (RBFA) respectively.

Following a recommendation from the TVFCS steady state transition plan in 2016, these contracts were brought into a single ICCS contract which ran from April 2017 until January 2021.

This necessitated a further extension to this contract to cover the period from January 2021 until March 2022, thereby aligning the ICCS contract end date to the break in the 'Vision 4' mobilising system contract. However, due to complicating factors at the time, predominately arising from resource and capacity issues resulting

from the response to the coronavirus pandemic. This decision was not brought before this Authority or others, as set out in clause 17.3 of the IAA.

However, the award was made from a compliant framework agreement and budget provision was reported through the existing maintenance and support line budget papers for 2021\22. Members are asked to note this retrospectively.

The ICCS contract is currently being novated to Capita (SSS) Limited in accordance with the approval of the Executive Committee given on the 17 November 2021.

The ICCS contract requires review and an additional contract term put in place to further align this provision to the Vision contract until April 2023. A previous decision was taken at the Executive Committee meeting held on the 15 September 2021 to extend the 'Vision 4' Mobilising system contract for one year, from April 2022 to March 2023.

Continued participation in TVFCS beyond its fifth anniversary

The IAA contains a review clause which was designed to provide OCC, RBFA and the Authority the opportunity after the fifth anniversary of the IAA and as part of the review of the TVFCS mobilising system for each to formally consider whether to exercise its right to withdraw from the IAA.

In light of the date when TVFCS 'went live' this report allows the Executive Committee the opportunity to exercise its right to withdraw from the IAA or confirm that it wishes to continue with the IAA, as the case may be.

Financial implications:

In accordance with Schedule 7 (Financial Arrangements for the TVFCS) of the IAA, one of the receipts made into the TVFCS Revenue Account under this agreement comprises:

- payments of Annual TVFCS Contribution

The Annual TVFCS Contribution payable by each Authority shall be the total Annual Net TVFCS Revenue Budget apportioned in accordance with the Cost Apportionment Model.

Any changes in cost are incorporated into the Buckinghamshire Fire and Rescue Service (BFRS) budget, which will be presented at the Authority meeting in February 2022.

If the decision were taken to withdraw from the TVFCS in accordance with the IAA, the Authority would either need to seek an alternative collaborative partner to provide an effective control room capability or undertake the function itself.

There is every likelihood the costs associated with either option, will be significantly greater than the current annual TVFCS contribution. It is perhaps important to remember that the combined cost to the tax payer in 2015 for each of the Thames

Valley Fire and Rescue Services to operate their own control rooms, was in the region of £3.613m per annum. The proposed TVFCS Revenue Budget for 2022/23 is £2,513m per annum.

Risk management:

The agreement to previously extend the contract of the ‘Vision 4’ mobilising system by one year and potentially the ICCS contract from April 2022 – March 2023 will ensure the necessary technical support arrangements are in place. Thereby enabling TVFCS to provide an efficient, effective and resilient service which is integral toward delivering our statutory fire and rescue functions.

Following the sale of Capita SSS Limited to NEC Software Solutions UK Limited on the 3 January 2022, officers will be bringing forward recommendations to the TVFCS Joint Committee in July 2022, setting out whether to further extend the contract in line with the agreement or seek to commence a full replacement.

Should the decision be taken to withdraw from the TVFCS, officers’ experience, supported by sector wide learning, indicates a full replacement tender or new collaborative partnership, would need to be appropriately resourced and take at least 2 years to conclude, especially as any change of provider would require significant testing and implementation work.

Withdrawing from the TVFCS would undermine many of the aims and benefits associated the TVFCS programme.

Legal implications:

RBFA and OCC are parties to the ICCS contract. The legal implications of terminating or extending the contract are set out in the contract and procurement teams from each Service have been engaged to ensure services comply with the relevant legislation and have indicated that Authorities can proceed as per the terms defined in the contract.

The ICCS Contract is defined in the agreement requiring the unanimous consent of the three fire and rescue authorities for its extension or renewal (per clauses 17.3, 17.5 and Schedule 6; and Schedule 5, para 1.2.15).

The Authority has the right, at the formal review of the mobilising system or at any time after that, to withdraw from the IAA (per clauses 25.1 and 25.1.1) by giving not less than 2 years’ written notice to OCC and RBFA.

Privacy and security implications:

No privacy or security implications arise from the recommendations.

Duty to collaborate:

TVFCS is a collaborative shared service between BFRS, Oxfordshire Fire and Rescue Service (OFRS) and Royal Berkshire Fire and Rescue Service (RBFRS) defined in the

IAA. Officers will review collaborative opportunities with the Police and Ambulance Services through the collaboration governance boards.

Health and safety implications:

There are no Health, Safety or Wellbeing implications arising from this report.

Environmental implications:

There are no environmental implications arising from this report.

Equality, diversity, and inclusion implications:

There are no equality and diversity implications identified at this time.

Consultation and communication:

Detailed within the IAA, the three fire and rescue authorities created a joint committee (the “Joint Committee”) under section 102 of the Local Government Act 1972 and the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012.

The IAA sets out the basis on which the Joint Committee is established and the agreed arrangements for its operation.

The interests of the Authority are represented on the Joint Committee for 2021/22 by Councillors Lesley Clarke OBE (the Joint Committee’s current vice-chairman) and Steven Lambert.

Background papers:

Buckinghamshire and Milton Keynes Fire Authority meeting held on the 22 October 2014 (item 8, pages 21 to 39)

https://bucksfire.gov.uk/documents/2020/03/fire_authority_agenda_221014.pdf/

Agenda for the Thames Valley Fire Control Service Joint Committee – 16 December 2021 (item 8, pages 33 to 37, para 3.12)

<https://decisionmaking.rbfrs.co.uk/ieListDocuments.aspx?CId=159&MId=1748&Ver=4>

Buckinghamshire & Milton Keynes Fire Authority Executive Committee – 15 September 2021 (Item 7)

<https://bucksfire.gov.uk/documents/2021/09/item-7-tvfcs-mobilising-agreement-ex-150921.pdf/>

Agreement relating to the steady state operation of the TVFCS (with consolidated amendments as approved by resolution of the TVFCS Joint Committee 25 July 2016)]

<https://bucksfire.gov.uk/documents/2021/09/legal-agreement-relating-to-the-steady-state-operation-of-the-thames-valley-fire-control-service.pdf/>



Buckinghamshire & Milton Keynes Fire Authority

Meeting and date: Executive Committee, 9 February 2022

Report title: Members' Allowances

Lead Member: Councillor Lesley Clarke OBE, Chairman

Report sponsor: Graham Britten, Director of Legal and Governance

Author and contact: Katie Nellist knellist@bucksfire.gov.uk

Action: Decision

Recommendations:

1. That the Authority be recommended to adopt a Scheme for Members' Allowances for 2022/23 (**Appendix C**) with either
 - a) 0% increase in allowances; or
 - b) 1.5% increase in allowances.

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

The Independent Remuneration Panel of the scheme for Milton Keynes Council undertook a review in November 2021 and this is attached at **Appendix A**.

The Independent Remuneration Panel of the scheme for Buckinghamshire Council undertook a review in January 2020 and this is attached at **Appendix B**.

The Authority agreed at its meeting on 14 December 2011 that the index linking for the period 2012/13 to 2014/15 – for basic and special responsibility (and co-optee) allowances – be the pay award for the Authority's staff on National Joint Council (NJC) for Local Authorities' Fire and Rescue Services, Scheme of Conditions of Service (Grey Book). The application of this index linking had been endorsed annually by the Authority since 2014/15 until 2021/22.

Although there had been a Grey Book 2% pay award effective from 1 July 2020, the Authority agreed in February 2021 to suspend the indexation for the year 2021/22, resulting in a 0% increase in Members' allowances.

The NJC agreed an increase of 1.5% with effect from 1 July 2021 (NJC Circular 4/21, 28 June 2021) for the Authority's staff on National Joint Council (NJC) for Local Authorities' Fire and Rescue Services, Scheme of Conditions of Service (Grey Book).

The draft Scheme of Allowances for 2022/23 is attached at **Appendix C** and shows two options; a 0% increase (suspending the indexation again for the year 2022/23) and a 1.5% increase in line with the NJC Grey Book pay award.

Paragraphs 20 and 21 of the Scheme of Allowances provide that:

“20. The scales for all allowances are maxima and there is no obligation on any Member to claim any or all of the allowances.

21. A Member shall give notice in writing to the Chief Finance Officer that he/she elects to forego any part of his/her entitlement to an allowance under the scheme.”

Financial implications: The current budget for Members’ Allowances (Basic and Special Responsibility Allowances) is £72,780, including National Insurance.

Costs will be incurred in publishing a notice that the Authority has made a Scheme of Members’ Allowances in a newspaper circulating in its area. The cost is estimated to be in the region of £800 (*£745.20 last year*).

Risk management: The recommendation will have no adverse effect on the Authority’s business.

Legal implications: The making or amendment of the Members’ Scheme of Allowances is a function reserved to a meeting of the Authority. An amendment may be made by the Authority in year. Regulation 10(4) of Local Authorities (Members’ Allowances) (England) Regulations 2003 provides that “A scheme may make provision for an annual adjustment of allowances by reference to such index as may be specified by the authority and where the only change made to a scheme in any year is that effected by such annual adjustment in accordance with such index the scheme shall be deemed not to have been amended.”

Privacy and security implications: No issues arising from the recommendations.

Duty to collaborate: The making of a scheme of allowances is the responsibility of each individual authority defined in the Local Authorities (Members’ Allowances) (England) Regulations 2003. The methodology for doing so is prescribed exclusively by those regulations.

Health and safety implications: No issues arising from the recommendations.

Environmental implications: No issues arising from the recommendations.

Equality, diversity, and inclusion implications: The Authority’s Scheme of Members’ Allowances does not include any element for meeting costs incurred by a Member who has to arrange care in order to carry out their function as a Member of the Fire Authority.

The Local Authorities (Members’ Allowances) (England) Regulations 2003 exclude the Authority from including such a provision in its Scheme. However, with the exception of co-opted members, all Members are appointed by either Buckinghamshire Council or Milton Keynes Council and are entitled to claim “dependent carers’ allowances” from their appointing authority. There are currently no co-opted members on the Authority.

Consultation and communication: A notice that the Authority has made a Scheme of Members Allowances will be published in a local newspaper and the updated Scheme of Members’ Allowances can also be inspected at Headquarters, during standard office hours. Copies of the Scheme may be purchased at a cost of £2.50 or downloaded for free at www.bucksfire.gov.uk

Background papers: [CIRCULAR NJC/4/21 Pay Award 2021](#)

Appendix	Title	Protective Marking
A	Milton Keynes Council report of the Independent Panel of Members’ Allowances November 2021	
B	Buckinghamshire Council report of the Independent Panel of Members’ Allowances January 2020.	
C	Draft Scheme for Members’ Allowances 2022/23 including for illustrative purposes the 1.5% increase option.	

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milton keynes council



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**The report of the Independent Remuneration Panel  
appointed to review the allowances paid to Councillors  
of Milton Keynes Council**

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November 2021

CONTENTS

1.	INTRODUCTION AND BACKGROUND	2
2.	CURRENT SCHEME	2
3.	PRINCIPLES UNDERPINNING OUR REVIEW	3
3.1	THE PUBLIC SERVICE PRINCIPLE.....	3
3.2	THE FAIR REMUNERATION PRINCIPLE.....	3
4.	CONSIDERATIONS AND RECOMMENDATIONS	4
4.1	BASIC ALLOWANCE.....	4
4.2	SPECIAL RESPONSIBILITY ALLOWANCES (SRAs).....	7
4.3	CO-OPTEEES’/ INDEPENDENT PERSONS ALLOWANCE	122
	TRAVELLING AND SUBSISTENCE ALLOWANCE	122
4.5	DEPENDANTS’ CARERS’ ALLOWANCE	123
4.6	PARENTAL LEAVE	133
4.7	INDEXING OF ALLOWANCES.....	145
4.8	REVOCATION OF CURRENT SCHEME OF ALLOWANCES / IMPLEMENTATION OF NEW SCHEME	145
5.	OUR INVESTIGATION	156
5.1	BACKGROUND	156
5.2	COUNCILLORS’ VIEWS ON THE LEVEL OF ALLOWANCES.....	15
6.	APPROVED COUNCILLOR DUTIES	156

Appendix 1	Basic Allowance/Special Responsibility Allowances/Co-optees’ Allowance/Dependants’ Carers’ Allowance / Mayoral Allowances – Summary of Recommendations	16
Appendix 2	IRP Review of Councillor Allowances Responses to the Questionnaire 2021	Available on request
Appendix 3	Comparative data of allowances paid to councillors of the other unitary councils (South East Employers, Members Allowances Survey 2020)	
Appendix 4	Comparative data of allowances from the Milton Keynes Family Group of Councils	

1. INTRODUCTION AND BACKGROUND

- 1.1.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 ("the 2003 Regulations"), as amended, require all local authorities to appoint an independent remuneration panel (IRP) to advise on the terms and conditions of their scheme of councillors' allowances.
- 1.1.2 Milton Keynes Council formally appointed the following persons to undertake this process and make recommendations on its future scheme.

Stewart Bailey – Local resident and Managing Director, Virtual Viewing
Ruby Parmar- Local Resident and Former PWC Director
Mark Palmer – Development Director, South East Employers (Chair)
Clive Parker- Local Resident and former Local Government Officer, provided administrative support to the Panel

- 1.1.3 Our terms of reference were in accordance with the requirements of the 2003 Regulations, together with "Guidance on Consolidated Regulations for Local Authority Allowances" issued jointly by the former Office of the Deputy Prime Minister and the Inland Revenue (July 2003). Those requirements are to make recommendations to the Council as to:

- (a) the amount of basic allowance to be payable to all councillors.
- (b) the level of allowances and whether allowances should be payable for:
 - (i) special responsibility allowances.
 - (ii) travelling and subsistence allowance.
 - (iii) dependants' carers' allowance.
 - (iv) parental leave and.
 - (v) co-optees' allowance.and the amount of such allowances.
- (c) whether payment of allowances may be backdated if the scheme is amended at any time to affect an allowance payable for the year in which the amendment is made.
- (d) whether adjustments to the level of allowances may be determined according to an index and if so which index and how long that index should apply, subject to a maximum of four years before its application is reviewed.

2. CURRENT SCHEME

- 2.1.1 The last review of councillors' allowances was undertaken by the IRP for the Council in 2017.
- 2.1.2 The Scheme currently provides that all councillors are each entitled to a total basic allowance of £10,924 per annum, with effect from April 2021. In addition, some councillors receive special responsibility allowances for undertaking additional duties.
- 2.1.3 Councillors may also claim the cost of travel and subsistence expenses and for expenditure on the care of children or dependants whilst on approved duties.

3. PRINCIPLES UNDERPINNING OUR REVIEW

3.1 The Public Service Principle

- 3.1.1 This is the principle that an important part of being a councillor is the desire to serve the public and, therefore, not all of what a councillor does should be remunerated. Part of a councillor's time should be given voluntarily. The consolidated guidance notes the importance of this principle when arriving at the recommended basic allowance.¹ Moreover, we found that a public service concept or ethos was articulated and supported by all of the councillors we interviewed and in the responses to the questionnaire completed by councillors as part of our review.
- 3.1.2 To provide transparency and increase an understanding of the Panel's work, we will recommend the application of an explicit Public Service Discount (or PSD). Such a PSD is applied to the time input necessary to fulfil the role of a councillor. Further explanation of the PSD to be applied is given below in section 4.

3.2 The Fair Remuneration Principle

- 3.2.1 Alongside the belief that the role of the elected Councillor should, in part, be viewed as unpaid voluntary service, we advocate a principle of fair remuneration. The Panel in 2021 continues to subscribe to the view promoted by the independent Councillors' Commission:

Remuneration should not be an incentive for service as a councillor. Nor should lack of remuneration be a barrier. The basic allowance should encourage people from a wide range of backgrounds and with a wide range of skills to serve as local councillors. Those who participate in and contribute to the democratic process should not suffer unreasonable financial disadvantage as a result of doing so.²

- 3.2.2 We are keen to ensure that our recommended scheme of allowances provides reasonable financial compensation for councillors. Equally, the scheme should be fair, transparent, logical, simple, and seen as such.
- 3.2.3 Hence, we continue to acknowledge that:
- (i) allowances should apply to roles within the Council, not individual councillors.
 - (ii) allowances should represent reasonable *compensation* to councillors for expenses they incur and time they commit in relation to their role, not *payment* for their work; and
 - (iii) special responsibility allowances are used to recognise the *significant* additional responsibilities which attach to some roles, not merely the extra time required.
- 3.2.4 In making our recommendations, we have therefore sought to maintain a balance between:
- (i) the voluntary quality of a councillor's role.

¹ The former Office of Deputy Prime Minister – now the Department for Communities, Housing and Local Government, and Inland Revenue, *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraph 68.

² Rodney Brooke and Declan Hall, *Members' Remuneration: Models, Issues, Incentives and Barriers*. London: Communities and Local Government, 2007, p.3.

- (ii) the need for appropriate financial recognition for the expenses incurred and time spent by councillors in fulfilling their roles; and
- (iii) the overall need to ensure that the scheme of allowances is neither an incentive nor a barrier to service as a councillor.

3.2.5 The Panel also sought to ensure that the scheme of allowances is understandable in the way it is calculated. This includes ensuring the bandings and differentials of the allowances are as transparent as possible.

3.2.6 In making our recommendations, we wish to emphasise that any possible negative impact they may have is not intended and should not be interpreted as a reflection on any individual councillor’s performance in the role.

4. CONSIDERATIONS AND RECOMMENDATIONS

4.1 Basic Allowance

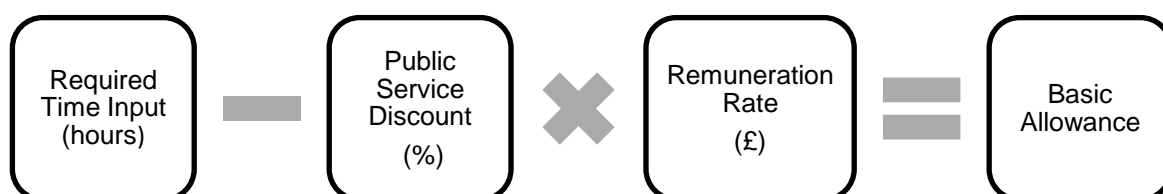
4.1.1 A Council’s scheme of allowances must include provision for a basic allowance, payable at an equal flat rate to all councillors. The guidance on arriving at the basic allowance states, “Having established what local councillors do, and the hours which are devoted to these tasks the local authorities will need to take a view on the rate at which, and the number of hours for which, councillors ought to be remunerated.”³

4.1.2 In addition to the regular cycles of Council and committee meetings, a number of working groups involving councillors may operate. Many councillors are also appointed by the Council to a number of external organisations.

4.1.3 We recognise that councillors are responsible to their electorate as:

- Representatives of a particular ward.
- Community leaders.
- Decision makers for the whole Council area.
- Policy makers for future activities of the Council.
- Scrutineers and auditors of the work of the Council; and
- Regulators of planning, licensing and other matters required by Government.

4.1.4 The guidance identifies the issues and factors an IRP should have regard to when making a scheme of allowances.⁴ For the basic allowance we considered three variables in our calculation: the time required to execute the role effectively; the public service discount; and the rate for remuneration.



4.1.5 Each of the variables is explained below.

³ The former Office of Deputy Prime Minister – now the Department for Housing, Communities and Local Government, and Inland Revenue, *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraph 67.

⁴ The former Office of Deputy Prime Minister – now the Department for Communities and Local Government, and Inland Revenue, *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraphs 66-81.

Required Time Input

- 4.1.6 We ascertained the average number of hours necessary per week to undertake the role of a councillor (with no special responsibilities) from questionnaires and interviews with councillors and through reference to the relevant information. In addition, we considered further information about the number, range, and frequency of committee meetings.⁵
- 4.1.7 Discounting attendance at political meetings (which we judged to be centred upon internal political management), we find that the average time commitment required to execute the role of a councillor with no special responsibilities is 21 hours per week.

Public Service Discount (PSD)

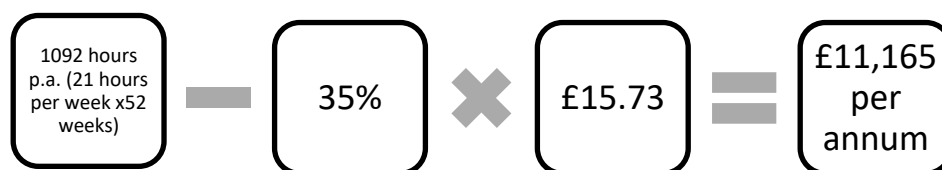
- 4.1.8 From the information analysed, we found councillors espoused a high sense of public duty. Given the weight of evidence presented to us concerning, among other factors, the levels of responsibility, the varied nature of the role, the need for learning and development, and the increasing accessibility and expectations of the public, we recommend a Public Service Discount of 35 per cent to the calculation of the basic allowance. This percentage sits within the mid-range of PSDs applied to basic allowances by councils in the region.

Remuneration Rate

- 4.1.9 After establishing the expected time input to be remunerated, we considered a remuneration rate. We came to a judgement about the rate at which the councillors ought to be remunerated for the work they do.
- 4.1.10 To help identify an hourly rate for calculating allowances, we utilised relevant statistics about the local labour market published by the Office for National Statistics. We selected the average (median), full-time gross⁶ wage per hour for the Milton Keynes Council area £15.73⁷ per hour.

Calculating the basic allowance

- 4.1.11 After determining the amount of time required each week to fulfil the role (21 hours), the level of PSD to be applied (35%) and the hourly rate to be used (£15.73), we calculated the basic allowance as follows:



- 4.1.12 The gross Basic Allowance before the PSD is applied is **£17,177.16**. Following the application of the PSD this leads to a basic allowance of **£11,165.15** per annum.
- 4.1.13 This amount is intended to recognise the overall contribution made by councillors, including their work on council bodies, and ward work and attendance on external bodies.

⁵ The summary responses to the questionnaires are available on request.

⁶ The basic allowance, special responsibility allowance, dependants' carers' allowance, and co-optees' allowance are taxable as employment income.

⁷ The Nomis official labour market statistics: Hourly Pay – Gross median (£) For full-time employee jobs by place of residence: UK December 2020.

4.1.14 We did also note the levels of basic allowance currently allocated by other unitary councils in the South East and part of the Milton Keynes family group of Councils, (see table below and Appendix 3 & 4).

Council	Unitary Councils: Basic Allowances (£) 2021 ⁸
Brighton and Hove City Council	13,360
Bedford Council	10,425
Bolton Council	11,644
Bracknell Forest Council	8,697
Buckinghamshire Council	13,000
Bury Council	8,947
Coventry City Council	14,490
Isle of Wight Council	8,001
Kirklees Council	14,002
Luton Council	7,500
Medway Council	10,733
Milton Keynes Council	10,924
Peterborough City Council	10,508
Portsmouth City Council	11,483
Reading Borough Council	8,447
Royal Borough of Windsor and Maidenhead	8,306
Slough Borough Council	7,779
Southampton City Council	13,057
Swindon Council	8,797
Telford Council	9,703
Thurrock Council	9,200
Trafford Council	6,940
Warrington Council	8,321
West Berkshire Council	7,697
Wokingham Borough Council	7,784

4.1.15 The Panel wished to ensure the level of basic allowance does not constitute a barrier to candidates from all sections of the community standing, or re-standing, for election as councillors. The Panel was of the view that the 2017 review had begun to make recommendations to ensure that the current basic was in accordance with the principle of fair remuneration and the 2020 review has further enhanced this approach through the introduction of a transparent and clear formula for calculating the Basic Allowance. Such a formula will also assist a future Panel in recommending a Basic Allowance

WE THEREFORE RECOMMEND that the Basic Allowance payable to all members of Milton Keynes Council be £11,165 per annum

⁸ Figures drawn from the South East Employers, Members' Allowances Survey 2021 (October 2021) and the Milton Keynes Council Family Group of Councils.

4.2 Special Responsibility Allowances (SRAs)

- 4.2.1 Special Responsibility Allowances are awarded to councillors who perform significant additional responsibilities over and above the roles and expenses covered by the basic allowance. These special responsibilities must be related to the discharge of the council's functions.
- 4.2.2 The 2003 Regulations do not limit the number of SRAs which may be paid, nor do they prohibit the payment of more than one SRA to any one councillor. They do require that an SRA be paid to at least one councillor who is not a member of the controlling group of the Council. As the guidance suggests, if the majority of councillors receive an SRA, the local electorate may rightly question the justification for this.⁹
- 4.2.3 We conclude from the evidence we have considered that the following offices bear *significant* additional responsibilities:
- Leader of the Council
 - Deputy Leader of the Council
 - Cabinet Members
 - Main Opposition Group Leader
 - Smaller Opposition Group Leader
 - Chair of Scrutiny Management Committee
 - Chairs of Scrutiny Committees
 - Chairs of Task and Finish Groups
 - Chair of Development Control Committee
 - Chair of Licensing Committee
 - Chair of Audit Committee
 - Chair of Standards Committee
 - Chair of a Corporate Parenting Committee
 - Mayor
 - Deputy Mayor
 - Co-Opted Members

One SRA Only Rule

- 4.2.4 To improve the transparency of the scheme of allowances, we feel that no councillor should be entitled to receive at any time more than **one SRA**. If a councillor can receive more than one SRA, then the public are unable to ascertain the actual level of remuneration for an individual councillor from a reading of the Scheme of Allowances.
- 4.2.5 Moreover, the One SRA Only Rule avoids the possible anomaly of the Leader receiving a lower allowance than another councillor. If two or more allowances are applicable to a councillor, then the higher-valued allowance would be received. The One SRA Only Rule is common practice for many councils. Our calculations for the SRAs are based on this principle, which should be highlighted:

WE THEREFORE RECOMMEND that that no councillor shall be entitled to receive at any time more than one Special Responsibility Allowance and that this One SRA Only Rule be adopted into the Scheme of Allowances.

⁹ The former Office of Deputy Prime Minister – now the Department for Housing Communities and Local Government, and Inland Revenue, *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraph 72.

The Maximum Number of SRA's Payable

4.2.6 In accordance with the 2006 Statutory Guidance (paragraph 72) the Panel is of the view that the Council should adhere to the principle that no more than 50% of Council Members (30) should receive an SRA at any one time.

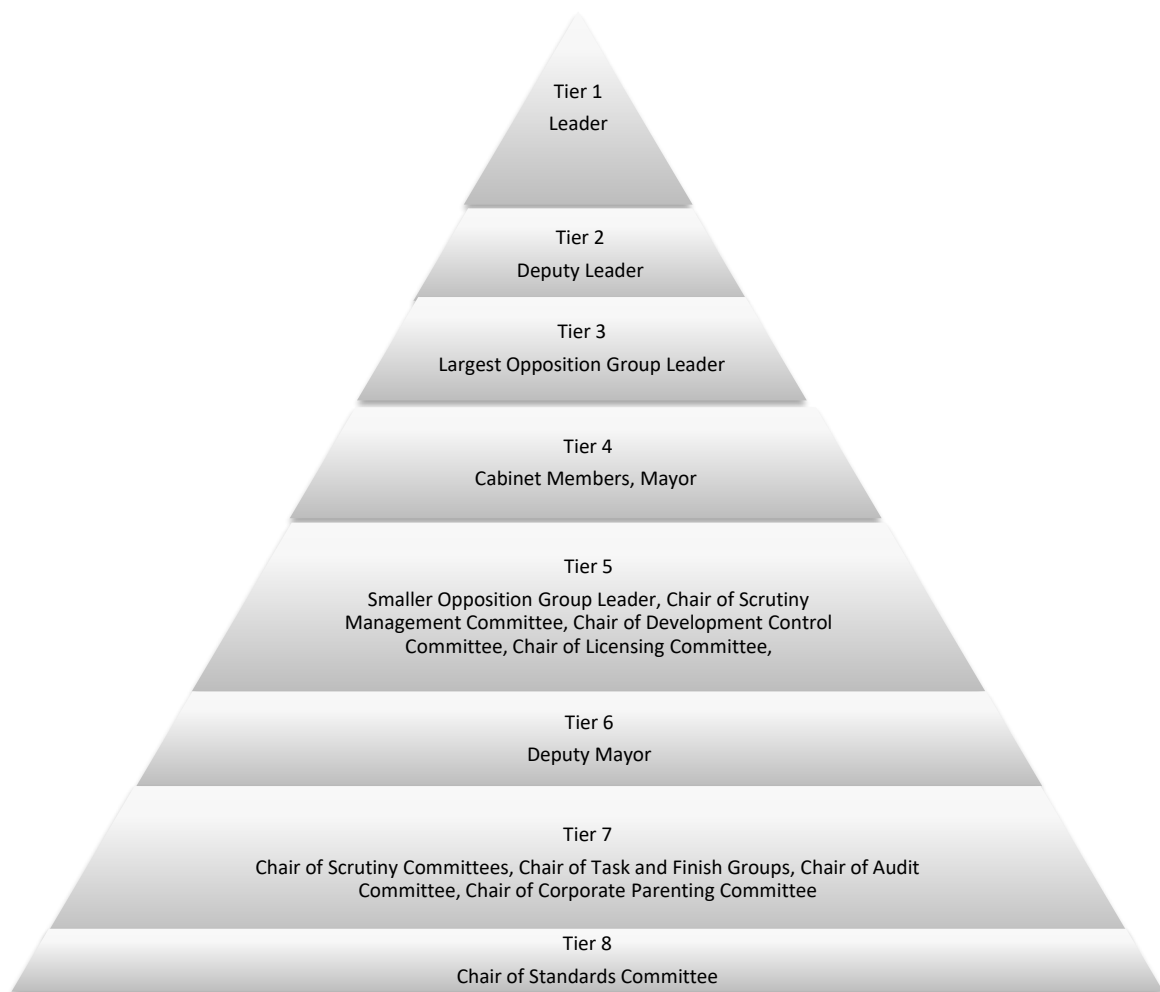
WE THEREFORE RECOMMEND that the Council should adhere to a maximum number of SRA's payable at any one time that does not exceed 50% of Council Members (28 Members).

Calculating SRAs

4.2.7 The Panel supported the criteria and formula for calculating the Leader of the Council allowance based on a multiplier of the Basic Allowance; this role carries the most significant additional responsibilities and is the most time consuming.

4.2.8 We applied a multiplier of the basic allowance to establish the Leader's SRA. Other SRAs are then valued downwards as a percentage of the Leader's allowance. This approach has the advantage that, when future adjustments to the SRAs are required, changing the Leader's SRA will have a proportionate and easily calculable effect on the other SRAs within the scheme.

We grouped together in Tiers those roles that we judged to have a similar level of responsibility. The outline result of this approach is illustrated in a pyramid of responsibility:



4.2.4 The rationale for these eight tiers of responsibility are discussed below.

Leader (Tier One)

- 4.2.9 The Council elects for a four-year term of office a Leader who is ultimately responsible for the discharge of all executive functions of the Council. The Leader is the principal policy maker and has personal authority to determine delegated powers to the rest of the Cabinet. The Leader is also responsible for the appointment (and dismissal) of members of the Cabinet and their respective areas of responsibility.
- 4.2.10 The multiplier we applied to calculate the Leader's SRA is 300% (3 x times) the basic allowance. If the recommended option of a basic allowance with a PSD of 35% is adopted, this results in a Leader's Allowance of £33,495.

WE RECOMMEND that the Leader of the Council should receive a Special Responsibility Allowance of 300% of the basic allowance, £33,495.

Deputy Leader (Tier Two)

- 4.2.11 The Deputy Leader usually acts on the Leader's behalf in their absence. From the information we gathered, we continue to consider this additional responsibility should be reflected in the level of allowance. Therefore, we recommend the Deputy Leader's SRA be set at 50% of the Leader's SRA. If our recommendations concerning the basic allowance and the Leader's SRA are adopted, this results in an allowance of £16,748.

WE RECOMMEND that the Deputy Leader receive a Special Responsibility Allowance of 50% of the Leader's Allowance, £16,748.

Main Opposition Group Leader (Tier Three)

- 4.2.12 From the evidence gathered, including questionnaire responses, face to face interviews and the Council's Role Profiles, we consider the Main Opposition Group Leader to be a significant role and the 2003 Regulations require that the Main Opposition Group Leader receive a Special Responsibility Allowance. The Leader of the Main Opposition Group has to both ensure democratic accountability and the holding to account of the administration but also manage and develop a Group of significant size.
- 4.2.13 Currently the Main Opposition Group Leader receives a Special Responsibility Allowance based on a per Group Member basis, currently £658 per Member. The Panel was of the view that the SRA for the Main Opposition Group Leader should be calculated on the same basis as the other SRA's, a percentage of the Leader's Allowance. Based on the size and complexity of the role the Panel is of the view that the Main Opposition Group Leader should receive an allowance of 45% of the Leader's Allowance, £15,073.

WE RECOMMEND that the Main Opposition Group Leader receive a Special Responsibility Allowance of 45% of the Leader, £15,073.

Cabinet Members and Mayor (Tier Four)

- 4.2.14 Cabinet Members appointed by the Leader of the Council have significant delegated decision-making responsibilities and currently the Cabinet Member Special Responsibility Allowances are based on a pool that is currently capped at a total of £68,666 for Cabinet Members excluding the Leader and Deputy Leader. The 'Pool' cap based on a current six Cabinet Members leads to an allowance of £9,809 per Cabinet Member. However, if the Leader was minded to introduce further Cabinet roles (Maximum of eight Cabinet Members) to respond to new and growing Local Government responsibilities then the 'Pool' cap will lead to the current Cabinet Members allowances been reduced.

4.2.15 The panel was of the view that the current 'Pool' approach to calculating the SRA's for Cabinet Members should be replaced with the same criteria as used for calculating the other SRA's namely a percentage of the Leader's Allowance. The Panel was of the view that this will provide the Leader with greater flexibility to appoint a Cabinet that is best able to respond to the current and future challenges. The panel is therefore of the view that the Special Responsibility Allowance for a Cabinet Member should be 35% of the Leader's Allowance, £11,723.

WE RECOMMEND that a Cabinet Member should receive an allowance of 35% of the Leaders Allowance, £11,723.

4.2.16 The role of Mayor is highly visible across the Council area and undertakes a high number of civic engagements that raise the profile of the Council. The current Mayoral Allowance is in line with that paid to Cabinet Members. The Panel was of the view that the Mayoral Allowance should continue to be at the same rate as a Cabinet Member. We therefore recommend that the role of Mayor continue to be recognised at Tier Four and receive an allowance of £11,723, 35% of the Leader's Allowance.

4.2.16 The Panel was also of the view that in line with all the other Special Responsibility Allowances the Allowance for both the Mayor and Deputy Mayor should be paid on a monthly basis rather than in two equal instalments in June and November.

WE RECOMMEND that the Mayor should continue to receive an allowance in line with the recommendation for a Cabinet Member, 35% of the Leader's allowance, £11,723. WE ALSO RECOMMEND that the allowance for the Mayor and Deputy Mayor should be paid on a monthly basis in line with all the other Special Responsibility Allowances rather than in two equal instalments.

Smaller Opposition Group Leader, Chair of Scrutiny Management Committee, Chair of Development Control Committee and Chair of Licensing Committee (Tier Five)

4.2.17 The Leaders of Smaller Opposition Groups continue to be a role of significant importance and the Panel was therefore of the view that the Leader of the Smaller Opposition Group should receive a Tier Five allowance, 25% of the Leader's Allowance, £8,374. In line with the recommendation made for the SRA for the Main Opposition Group Leader the Panel recommend that the allowance should now be expressed as a percentage of the Leader's Allowance rather than the current position of being based on the number of Members in each group (£658 per Group Member). However, the Panel were also of the view that in order to qualify for a Smaller Opposition Group Leader SRA, the Group size should comprise a minimum of 15% of the Council membership, which is currently 9 Councillors.

4.2.18 The Panel was of the view that Overview and Scrutiny continues to be a pivotal part of the Council's governance arrangements in ensuring internal and external accountability and holding the Cabinet to account. Statutory Guidance published by the then Department for Housing Communities and Local Government further strengthened the role and profile of overview and scrutiny, and this will be reflected in Milton Keynes Council. The Panel therefore recommends that the Chair of the Overview and Scrutiny Management Committee should receive a Tier Five allowance, 25% of the Leader's Allowance, £8,374.

4.2.19 The Development Control Committee continues to have a high impact across the Council area and has a high workload that includes regular site visits and a high number of meetings. The Panel therefore recommends that the Chair of the Development Control Committee should receive a Tier Five allowance, 25% of the Leader's Allowance, £8,374.

4.2.20 The Panel was made aware that the number and frequency of meetings of the Licensing and Regulatory Committee have reduced over the last year's. However, Special Responsibility Allowances are not based only on the frequency of meetings but also, on the complexity of the role. The Panel therefore recommends that the Special Responsibility Allowance for the Chair of the Licensing and Regulatory Committee should also be a Tier Five allowance, 25% of the Leader's Allowance, £8,374.

WE RECOMMEND that the Smaller Opposition Group Leader (subject to the size of the Group comprising 15% of the Council membership), the Chair of the Overview and Scrutiny Management Committee, Chair of the Development Control Committee and Chair of the Licensing Committee should all receive a Tier Five Allowance, 25% of the Leader's Allowance, £8,374.

Deputy Mayor (Tier Six)

4.2.21 The role of Deputy Mayor like that of the Mayor continues to be a high-profile role that has a significant impact across the Council area and a high workload based on the number and frequency of civic engagements. The Panel is of the view that the role of Deputy Mayor should continue to receive an allowance based on 50% of the Mayoral Allowance, £5,862.

WE RECOMMEND that the Deputy Mayor continues to receive a Tier Six Allowance, 50% of the recommended Mayoral Allowance, £5,862.

Chair of Scrutiny Committees, Chair of Task and Finish Groups, Chair of Audit Committee and Chair of a Corporate Parenting Committee (Tier Seven).

4.2.22 Like the Overview and Scrutiny Management Committee the Panel was of the view that the Scrutiny Committees had a highly important role in ensuring accountability, reviewing and developing policy; and this importance should be reflected in the allowance for the Chair of the Scrutiny Committees. The Panel was therefore of the view that the Chair of the Scrutiny Committees should receive a Tier Seven allowance, 15% of the Leader's Allowance, £5,024.

4.2.23 The Panel also recognised the importance of the Task and Finish Groups in undertaking in-depth reviews and investigations in respect of issues deemed of high importance by both councillors, partners and the public. The Panel is therefore of the view that the Chairs of the Task and Finish Groups should receive a pro rata (depending on the length of time the Group is in place) Tier Seven allowance, 15% of the Leader's Allowance, £5,024.

4.2.24 The Audit Committee was recognised as a high-profile committee that had a key role in terms of financial management and effective governance. The Panel was of the view that the Chair should continue to receive a Special Responsibility Allowance but that this allowance should be in line with roles such as Chair of a Scrutiny Committee. The Panel therefore recommends that the Chair of Audit Committee should receive a Tier Seven allowance, 15% of the Leader's Allowance, £5,024.

4.2.25 The Chair of the Corporate Parenting Panel does not currently receive a Special Responsibility Allowance despite the high workload and external impact of the role. The role of corporate parent is a key but often not well recognised role and currently the Panel is not recognised as a formal committee within the governance structure of the Council. During the interviews and within the responses to the questionnaire the important role of the Chair of the Corporate Parenting Panel was highlighted. Only few comparative Councils e.g., Peterborough City Council recognise the role of the Chair of a Corporate Panel/Committee through an allowance. However, the Panel was of the view that the role of Chair of the Corporate Parenting Panel should receive a Tier Seven Special Responsibility Allowance, 15% of the Leader's Allowance, £5,024.

WE RECOMMEND that the Chair of the Scrutiny Committees, Chair of the Task and Finish Groups, Chair of the Audit Committee and Chair of the Corporate Parenting Panel should receive a Tier Seven allowance, 15% of the Leader's Allowance, £5,024. In respect of the allowance for the Chair of the Task and Finish Groups the allowance will be on a pro-rata basis, depending on the length of time the Group is in place.

Chair of Standards Committee (Tier Eight)

- 4.2.26 The Panel recommends that the Chair of the Standards Committee receive a Tier Eight allowance, 10% of the Leader's Allowance, £3,340.

WE RECOMMEND that the Chair of the Standards Committee receive a Tier Eight allowance, 10% of the Leader's Allowance, £3,340.

4.3 Co-optees'/ Independent Persons Allowance

- 4.3.1 An IRP may recommend the payment and level of an allowance for those who serve on the committees or sub-committees of a Council but are not members of the Council. We recognise that in so doing, an element of the contribution made by the co-optees/Independent Persons should be voluntary. We therefore continue to recommend that co-optees of the Council are entitled to an allowance plus travel, subsistence and other expenses in accordance with the scheme applicable to councillors.

WE RECOMMEND that the Co-optees should continue to receive an allowance of £640 per annum. The role will also receive travel, subsistence and other expenses in accordance with the scheme applicable to councillors.

4.4 Travelling and Subsistence Allowance

- 4.4.1 A scheme of allowances may provide for any councillor to be paid for travelling and subsistence undertaken in connection with any of the duties specified in Regulation 8 of the 2003 Regulations (see paragraph 5.10). Similarly, such an allowance may also be paid to co-opted/Independent Persons of a committee or sub-committee of the Council in connection with any of those duties, provided that their expenses are not also being met by a third party.

WE RECOMMEND that travelling and subsistence allowance should be payable to councillors and co-optees in connection with any approved duties. The amount of travel and subsistence payable shall continue to be at the maximum levels payable to council staff in line with HM Revenue and Customs' rates. We propose no changes to the current travel and subsistence allowances.

WE FURTHER RECOMMEND that a travel allowance for electric vehicles should be introduced based on the HM Revenue and Customs' rate of 45p per mile. Finally, a bicycle allowance should also be approved, and both these new rates should be promoted to Councillors.

4.5 Child and Dependant Carers' Allowance

- 4.5.1 The child and dependant carers' allowance should ensure that potential candidates are not deterred from standing for election and should enable current councillors to continue despite any change in their personal circumstances. The current scheme awards reimbursement for Child Care at the rate of the National Living Wage and more specialist care is a rate of £10 per hour, the cost of a Milton Keynes Council Home Help Carer. The current scheme also limits any claim up to a maximum of five hours when undertaking Approved Councillor duties.

- 4.5.2 The Panel is of the view that the Child and Dependant Carers' Allowance should continue to be reimbursed at two rates for basic Childcare and more specialist care. With regards to childcare the Panel recommends that this should be linked to the Real Living Wage as recommended by the Living Wage Foundation, currently £9.50 per hour. This is a single rate that replaces the age-related criteria in the current scheme. With regard to more specialist care the Panel is of the view that this should be reimbursed at the actual cost incurred by the councillor upon production of receipts. In respect of specialist care provision medical evidence that this type of care provision is required should also be provided and approved by an appropriate officer of the Council. The panel further recommends that the five-hour maximum claim in any twenty-four-hour period is removed.

WE THEREFORE RECOMMEND that the Child and Dependant Carers' Allowance should be based on two rates childcare and specialist care. The childcare rate should be linked to the Real Living Wage as recommended by the Living Wage Foundation, currently £9.50 per hour (reviewed on an annual basis). Specialist care should and be based at cost upon production of receipts and in the case of specialist care a requirement of medical evidence that this type of care be required, the allowance should have no daily or monthly maximum claim when undertaking Approved Councillor Duties.

WE ALSO RECOMMEND that the Council should actively promote the allowance to prospective and new councillors both before and following an election. This may assist in supporting greater diversity of councillor representation.

4.6 Parental Leave

- 4.6.1 There is no uniform national policy to support councillors who require parental leave for maternity, paternity, or adoption leave. According to the Fawcett Society (Does Local Government Work for Women, 2018) a *'lack of maternity, paternity provision or support'* is a real barrier for women aged 18-44 to fulfil their role as a councillor.
- 4.6.2 We are of the view that support should be provided for parental leave although we do not wish to stipulate an exact policy/procedure. The Panel is aware that the Local Government Association (Labour Group) has developed a model policy that has been adopted by a growing number of councils across the southeast region.
- 4.6.3 There is no legal right to parental leave of any kind for people in elected public office. However, as a way of improving the diversity of Councillors, the Panel would recommend that the Members' Allowance Scheme should be amended to include provisions that clarify that:
- All Councillors shall continue to receive their Basic Allowance in full for a period up to six months in the case of absence from their Councillor duties due to leave relate to maternity, paternity, adoption shared parental leave or sickness absence
 - Councillors entitled to a Special Responsibility Allowance shall continue to receive their allowance in full for a period of six months, in the case of absence from their Councillor duties due to leave related to maternity, paternity, adoption, shared parental leave or sickness absence
 - Where for reasons connected with sickness, maternity leave, adoption leave, paternity leave or shared parental leave a Councillor is unable to attend a meeting of the Council for a period of six months, a dispensation by Council can be sought in accordance with Section 85 of the Local Government Act 1972

- If a replacement to cover the period of absence under these provisions is appointed by Council or the Leader (or in the case of a party group position the party group) the replacement shall be entitled to claim a Special Responsibility Allowance pro rata for the period over which the cover is provided.
 - If a Councillor stands down, or an election is held during the period when a Councillor is absent due to any of the above and the Councillor is not re-elected or decides not to stand down for re-election, their Basic Allowance any Special Responsibility Allowance will cease from the date they leave office.
- 4.6.4 The Panel is conscious that these provisions do not replicate the LGA policy, but that policy introduces elements that are more akin to employees which in terms of employment legislation does not include Councillors. We feel that our recommendations more simply and adequately reflect the situation relating to Councillors and clarify for them what they can expect. Councillors however may wish to further develop the above recommendations so that they reflect the LGA (Labour Group) policy.
- 4.6.5 The Panel was aware that in July 2019 a decision was taken on Parental Leave Policies for Councillors and that it was recommended that a cross party working group be established to create and agree a parental leave policy and the Panel supports this approach.
- 4.6.6 The Panel would also like to thank the representation undertaken by members of the Fawcett Society and the information and documents provided that assisted the Panel In its recommendations.

WE RECOMMEND that the approach outlined is adopted as a basis of a policy to support parental leave for councillors. Should a policy on Parental Leave for Councillors be approved it should be actively promoted to prospective and current Councillors alongside the Dependants' Carers Allowance. This should form part of a wider 'Be A Councillor' (LGA led initiative) programme led by the Council and supported by political groups; to enhance and further increase the diversity of councillor representation.

4.7 Indexing of Allowances

- 4.7.1 A scheme of allowances may make provision for an annual adjustment of allowances in line with a specified index. The present scheme makes provision for the basic allowance, the special responsibility allowances and Co-optees allowance to be adjusted annually at a rate of 2%. Increasingly, Councils are taking the approach that the increase should be in line with staff salaries. However, the negotiations relating to staff pay increases, often take well into the financial year in question.

WE RECOMMEND that the basic allowance, each of the SRAs and the Co-optees' Allowance be increased annually from April 2023 for a period of up to three years, in line with the percentage increase in staff salaries, from the previous financial year. After this period, the Scheme shall be reviewed again by an independent remuneration panel.

4.8 Revocation of current Scheme of Allowances / Implementation of new Scheme

- 4.8.1 The 2003 Regulations provide that a scheme of allowances may only be revoked with effect from the beginning of a financial year, and that this may only take effect on the basis that the authority makes a further scheme of allowances for the period beginning with the date of revocation.

WE THEREFORE RECOMMEND that the new scheme of allowances to be agreed by the Council be implemented with effect from the beginning of the 2022/23 municipal year, at which time the current scheme of allowances will be revoked.

5. OUR INVESTIGATION

5.1 Background

- 5.1.1 As part of this review, a questionnaire was issued to all councillors to support and inform the review. Responses were received from 14 of the 57 current councillors (25% response). The information obtained was helpful in informing our deliberations.
- 5.1.2 We interviewed ten current councillors using a structured questioning process. We also interviewed two members of the Fawcett Society. We are grateful to all our interviewees for their assistance.

5.2 Councillors' views on the level of allowances

- 5.2.1 A summary of the councillors' responses to the questionnaire are attached as Appendix 2.

6. APPROVED COUNCILLOR DUTIES

- 6.1.1 The Panel reviewed the recommended duties for which allowances should be payable and recommend that no changes be made.

WE THEREFORE RECOMMEND: That no changes are made to the Approved Duties as outlined in the Members' Allowance Scheme.

Mark Palmer (Chair of the Independent Remuneration Panel)
Development Director, South East Employers
November 2021

Appendix 1: Summary of Panel's Recommendations

Allowance	Current Amount for 2020-21	Number	Recommended Allowance (35% PSD)	Recommended Allowance Calculation
Basic (BA)				
Total Basic:	£10,924	57	£11,165	

Special Responsibility:				
Leader of the Council	£31,836	1	£33,495	300% of BA
Deputy Leader	£15,918	1	£16,748	50% of Leader's Allowance
Largest Opposition Group Leader	£658 per Group member	1	£15,073	45% of Leader's Allowance
Cabinet Members	£9,809	6	£11,723	35% of Leader's Allowance
Mayor	£11,672	1	£11,723	35% of Leader's Allowance
Chair of Licensing & Regulatory Committee	£8,489	1	£8,374	25% of Leader's Allowance
Chair of Development Control Committee	£8,489	1	£8,374	25% of Leader's Allowance
Chair of Scrutiny Management Committee	£7,959	1	£8,374	25% of Leader's Allowance
Smaller Opposition Group Leader	£658 per Group Member	1	£8,374	25% of Leader's Allowance
Chair of Scrutiny Committees	£4,776	6	£5,024	15% of Leader's Allowance
Chair of Task and Finish Groups	£4,776		£5,024 ¹	15% of Leader's Allowance
Chair of Audit Committee	£5,836	1	£5,024	15% of Leader's Allowance
Chair of Corporate Parenting Panel	No SRA	1	£5,024	15% of Leader's Allowance
Chair of Standards Committee	£3,183	1	£3,340	10% of Leader's Allowance
Deputy Mayor	£5,836	1	£5,862	50% of Mayor's Allowance
Co-opted Members	£640		£640	

1. Chair of Task and Finish Groups Special Responsibility Allowance to be paid on a pro-rata basis dependent on the length of time the Group is in place.

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Buckinghamshire Council
Report of the Independent Remuneration Panel
9 January 2020

1. Background

1.1 Buckinghamshire Council established an Independent Remuneration Panel (the Panel), in order to advise the Council on a scheme of allowances for councillors reflecting the governance arrangements and responsibilities introduced by the Local Government Act 2000.

1.2 This report has been prepared by the Panel for Buckinghamshire Council comprising of:

Hazel Bentall
Nigel Palmer
Dr Bill Reid
Mark Tosh

1.3 The Local Authorities (Members' Allowances) (England) Regulations 2003 (the Regulations) apply to local authorities including unitary, district and county councils.

1.4 The Regulations require a relevant authority to make a scheme providing for the payment of a basic allowance (BA) to each member of that authority. The BA must be the same for each member of the authority.

1.5 A relevant authority's scheme of allowances may also provide for the payment of special responsibility allowances (SRAs) to such members of the authority as have special or additional responsibilities. The specified categories of special or additional responsibilities which may be included in a scheme of allowances include:

- i) Acting as leader or deputy leader of a political group within the authority;
- ii) Acting as a member of an executive where the authority is operating executive arrangements within the meaning of part 2 of the Local Government Act 2000;
- iii) Presiding at meetings of a committee or sub-committee of the authority;
- iv) Representing the authority at meetings of or arranged by any other body;
- v) Acting as a member of a committee or sub-committee of the authority which meets with exceptional frequency or for exceptionally long periods;
- vi) Acting as the spokesman of a political group on a committee or sub-committee of the authority; and

- vii) Carrying out such other activities in relation to the discharge of the authority's functions as require of the member an amount of time and effort equal to or greater than would be required of him or her by any of the above mentioned activities.

1.6 SRAs need not be the same and may reflect the different expectations, time and effort involved in particular roles.

1.7 Member allowance schemes may also provide for the payment of a dependent carers' allowance and also for members' travelling and subsistence whilst acting in connection with their duties as a member of the authority.

1.8 Before a relevant authority may make or amend a scheme of allowances it must have regard to recommendations made in relation to the scheme by an independent remuneration panel.

2. Buckinghamshire Council

2.1 Following the parliamentary approval of the Buckinghamshire (Structural Changes) Order 2019, Buckinghamshire Council will come into effect on 1 April 2020 and the current district councils of Aylesbury Vale, Chiltern, South Bucks and Wycombe and Buckinghamshire County Council will cease to exist.

2.2 Elections for the 147 seats on Buckinghamshire Council will be held on 7 May 2020.

2.3 For the period 1 April to 11 May 2020 (11 May 2020 being the date on which the 147 newly elected councillors take office) "the Interim Period", the 202 current members of the five sovereign councils mentioned above will continue as members of Buckinghamshire Council. As the current councils will no longer exist, their respective schemes of members' allowances will cease and allowances will no longer be payable, pursuant to the Regulations.

2.4 Therefore, in addition to making recommendations on a scheme of allowances for the new cohort of councillors to be elected in May, the Panel has also been asked to consider what approach should be taken to the provision of allowances during the Interim Period.

2.5 A scheme for the payment of a BA must be adopted by the Shadow Council for Buckinghamshire Council. It may also adopt a scheme for the payment of SRAs and other allowances. Members must have regard to the recommendations of the Panel in relation to a scheme of allowances before adopting any scheme. Therefore, councillors themselves acting as a relevant authority make the final decision about what allowances are to be available.

2.6 Regulation 20 (2) requires that an independent remuneration panel shall consist of at least three members none of whom:

- (a) Is also a member of an authority in respect of which it makes recommendations or is a member of a committee or sub-committee of such an authority; or
- (b) Is disqualified from being or becoming a member of an authority.

2.7 The four members of the Panel are individuals, none of whom are disqualified from being or becoming a member of a relevant authority.

2.8 The Panel has been asked to formulate recommendations for a scheme of members' allowances for Buckinghamshire Council for the Interim Period.

2.9 The Panel met on 12 November 2019 and 9 January 2020, and corresponded regularly throughout the process through electronic methods.

2.10 The Panel was provided with the following evidence:

- (i) relevant guidance and legislation (Allowances Regulations);
- (ii) benchmarking data of similar sized unitary authorities and current Buckinghamshire Councils' current allowances;
- (iii) information relating to the composition of Buckinghamshire Council;
- (iv) emerging governance structure for Buckinghamshire Council and anticipated roles of members, including the proposed structure and role of scrutiny within the new Council; and
- (v) a summary of the proposed committees included within the governance structure.

2.11 A questionnaire was sent to all of the Shadow Buckinghamshire Councillors seeking views on the average amount of time spent on council business, what level of BA may be appropriate for members of Buckinghamshire Council and other aspects relating to members' allowances. 46 responses were received, although not all respondents provided a response to all of the questions.

2.12 Members of the Shadow Executive provided a proposed scheme for the Panel to consider.

2.13 The Panel was supported by:

Sarah Ashmead, Deputy Chief Executive of Buckinghamshire Council
Cath Whitehead, Head of Legal at Wycombe District Council and Deputy Monitoring Officer for the Shadow Buckinghamshire Council
Mathew Bloxham, Democratic and Electoral Services Manager for Chiltern and South Bucks District Councils (C&SB)
Leslie Ashton, Senior Democratic and Electoral Services Officer for C&SB
Jack Pearce, Democratic and Electoral Services Officer for C&SB

2.14 The Panel recognises and acknowledges that the evidence provided is based upon emerging work in relation to the development of the Constitution and governance structure for Buckinghamshire Council and the best predictions of workloads and roles.

2.15 The Panel had regard to the extent to which the initial 202 members of Buckinghamshire Council may be engaged in the normal business of a relevant authority in the Interim Period and whether proposals for the scheme of allowances should differ in the Interim Period.

2.16 The Panel notes that the reorganisation of the five councils provides a unique opportunity to update the allowances.

3. Recommendations for Interim Period – 1 April to 11 May 2020

3.1 The Panel was advised that there were not any full council meetings scheduled to take place during the interim period. A small number of committees may meet during the interim period in order to deal with any urgent matters, and the Shadow Executive Committee will continue to meet informally and make urgent decisions where required. It is also noted that the pre-election period will have begun prior to 1 April, which may also have an impact upon and limit decision-making activity of the new authority during the Interim Period.

3.2 The Panel noted that there will be an ongoing community representation role for all councillors during the Interim Period. It is further noted that councillors seeking election to the new council will likely be involved in election campaign activities during this period.

3.3 The Panel considers that continuing the payment of a BA in the Interim Period would be in recognition that all councillors will continue to perform their community representation role, whether or not they seek election to the new council.

3.4 The Panel noted that the Shadow Executive would continue to meet informally during the interim period and would very much still be playing a key role in the operation of the new Council, with Shadow Executive Members being responsible for their own specific portfolios.

3.5 Taking account of the anticipated responsibility of the Shadow Executive Committee during this interim period, the Panel considered an SRA should be payable to each member of the Executive, although agreed that the SRA should take into account that key decisions required by the Executive during this period should be minimal.

- 3.6 The Panel received representations from Members that substitute members of the Shadow Executive would also have a role in deputising and being involved in the transition activities being undertaken by the Shadow Executive. However, on the understanding that there will not be a significant number of meetings and members of the Executive would usually attend all meetings, it is felt that a separate SRA is not warranted.
- 3.7 The Panel noted that it would not be lawful to continue the existing Councils' allowances schemes as this would lead to different levels of BA being payable which was not permitted in the regulations.
- 3.8 The Panel recommends to pay a BA to all members of the Shadow Council for the Interim Period based on the representational role only and reflects that all 202 councillors would continue to serve residents taking into account the pre-election period regardless of whether councillors were seeking re-election.
- 3.9 The Panel would further recommend that in the event of meetings being called in the Interim Period, then councillors should be reimbursed for their travelling expenses and a carer's allowance, if required, which should be payable based on its recommendations for the post-Interim Period at paragraphs 6.4 and 8.3.

3.10 The Panel recommends that during the Interim Period:

- (a) The rate of the basic allowance to be paid to members of Buckinghamshire Council shall be set at £360;**
- (b) An SRA of £600 be paid to Shadow Executive Members;**
- (c) Travel subsistence to be paid to members in line with the HMRC Mileage Allowance Payments for undertaking official business during the Interim Period;**
- (d) A dependant carers' allowance be paid to members as set out in paragraph 8.3**

4. Recommendations for Buckinghamshire Council BA to come into effect on 11 May 2020

- 4.1 The Panel carefully considered the benchmarking data provided, the representations put forward by members of the Shadow Executive and responses to the all member questionnaire.
- 4.2 Views of respondents to the questionnaire suggested a varied level of BA, ranging from remaining at the existing County Council rate to being brought in line with other unitary authorities. Many respondents felt that the BA should be performance based, something the Panel agrees with, however legislation

dictates that the BA must be the same for each such member of an authority and as such we are bound to recommending one BA. Respondents reported a wide ranging number of average hours spent per week on Council business. The working hours ranged from 6 to over 26 hours per week, with the majority reporting spending 16 to 20 hours per week on Council business, this could be explained in part by the wide range of roles performed by those councillors who returned the questionnaire. The majority expected that there would be an increase in the number of hours spent on council business in the new council. The reasons cited included that there would be an increased number of services which the new Council would provide. Other reasons cited included more time spent travelling, and fewer members. Several respondents commented that the expected time and workload would very much depend on the number of committees a Councillor was appointed to, and whether they held any positions with additional responsibility.

- 4.3 The Panel accepted that unitary council services would add significantly to councillors' workload. For example, District Councillors would not be experienced with complex services such as Adult and Children's services, whilst County Councillors may not be experienced with Local Planning and Licensing matters. The complexity of these services will add significantly to the workload of those councillors not used to dealing with strategic cross district services.
- 4.4 It was acknowledged that the BA should be set at a level that would attract people from a broad demographic to stand for election and make the role itself more attractive. This will be of further importance if the Council elects to hold meetings during daytime hours as candidates will want to know that they will be appropriately compensated for their loss of paid working time.
- 4.5 The Panel is aware that the BA is an allowance and not a salary and is offered in recognition of members' time and certain expenses incurred on Council business.
- 4.6 Within the sample of similar sized unitary authorities in the benchmarking data, the BA ranges from £10,500 to £14,472.
- 4.7 The Panel was advised that the electoral ratio figures for the new council state that the average electorate per councillor will be 1:3637 whereas currently it is 1:3102, 1:2302, 1:2402, 1:2958 and 1:10913 for Aylesbury Vale, Chiltern, South Bucks, Wycombe and Buckinghamshire County Council respectively. With the significant changes it would now seem that their existing allowances were not in keeping with unitary authorities.
- 4.8 The Panel is aware that the scheme can be set for a maximum period of four years and that the scheme may be linked to an index. The creation of the new Council makes the task of setting allowances a complex one. The Panel recognised that the Council was about to go through a period of significant change and therefore suggested that allowances be reviewed earlier than four

years. It was suggested that Councillors determine when the early review of allowances takes place, but this was likely to be around one to two years' time. After which a review of allowances could then be undertaken every four years to coincide with the election of new members. The Panel is aware that any proposed changes to an agreed scheme of allowances would be subject to the Council having regard to the recommendations of the Panel. If a review of allowances was not carried out after one year the Panel, having considered representations and data comparisons, recommended the annual indexation of allowances to the Consumer Price Index (CPI) or the locally agreed officers' pay award, whichever is lower.

4.9 The Panel recommends that the rate of the basic allowance paid to members:

(a) Be set at £13,000 per annum

(b) That a review of allowances be undertaken by the Panel at a suitable time determined by councillors to check that the scheme continues to be suitable following a period of significant change for the Council. If a review is not undertaken within one year then the basic allowance is to be adjusted by an amount equivalent to the increase in the officers' annual pay award or by CPI, whichever is lower. As the maximum period a scheme may be linked to an index is four years the Panel must meet to review allowances no later than 2024.

5. Special Responsibility Allowances (SRAs)

5.1 The Panel agreed that in principle a clear justified methodology for calculating SRAs was required. It was recommended that SRAs be based on a proportion of the BA. For example, a multiplier of the BA could be used according to the duties and responsibilities associated with each role. The multipliers for each SRA are shown in paragraph 5.16.

5.2 From the questionnaire responses and Shadow Executive representations, the Leader of the new Council would be expected to establish the priorities, behaviours and values for the Buckinghamshire Council for the forthcoming five years. There are currently five sovereign councils with different cultures and bringing them together into a new organisation will be a significant task. There is a significant responsibility to start the Council in the most positive way. Cabinet Members would need to share significant workloads in order to achieve the objectives of the new council. The Cabinet Members would be responsible for individual decision making within their portfolio. The roles of the Leader and Cabinet Member would likely increase in the foreseeable period, particularly in relation to those equivalent roles in the existing sovereign councils. It was noted that the SRA for the Leader proposed by the Shadow Executive had been based on the complexity of the role and took into account the methodology used by the County Council and Wycombe District Council's which was 3.5 x basic

allowance. An SRA for the Leader is therefore recommended at the level shown in paragraph 5.16.

5.3 The Panel acknowledges that the role of the Cabinet Member was significantly more than committee chairman and the emerging governance structure indicates that they would be making individual key decisions. An SRA for Cabinet Members is therefore recommended at the level shown in paragraph 5.16.

5.4 The Panel understands that the Deputy Leader's workload would be different to that of a Cabinet Member since they would be required to deputise for the Leader. A Deputy Leader may also have responsibility for their own portfolio and individual decision making as well as also deputising for the Leader. Up to two Deputy Leaders may be appointed. The Leader would determine how cabinet roles would be allocated. The Panel therefore agreed to recommend that the SRA for Deputy Leader would depend according to the number of Deputy Leaders appointed and whether or not they had a portfolio. An SRA for Deputy Leader is therefore recommended at the level shown in paragraph 5.16.

5.5 The Panel noted that there could be up to 9 Deputy Cabinet Members and they had specific responsibilities set out in the draft Constitution. This included supporting and assisting Cabinet Members for example by deputising for Cabinet Members. This would involve frequently being in the office, attending meetings and briefings. They may for example be required to attend scrutiny committees to answer questions on policy and decisions made. In practice they would also likely take on a proportion of a Cabinet member's workload and would be involved in stakeholder engagement. Decisions delegated to a Corporate Director would also be made in consultation with a Deputy Cabinet Member, in the absence of a Cabinet Member. The Panel agreed that an SRA for Deputy Cabinet Members was appropriate to reflect the associated duties and responsibility. The Panel recommended the SRA as shown in paragraph 5.16.

5.6 The Panel understands that the civic role of Chairman of the Buckinghamshire Council would be significant and will have important links to other partner organisations. The Chairman will have an important role in managing and presiding over regular Council meetings to ensure that Councillors who are not Cabinet Members or Committee Chairman are able to hold office holders to account. Whilst the Panel are not in favour of paying SRAs to vice chairmen in general, the Vice-Chairman of Council is an exception, as, in addition to deputising for the Chairman at meetings of the Council, they will also fulfil a civic role. It is further recognised that each sovereign Council's Chairmen currently attend a large number of events and the amalgamation of all 5 councils would likely lead to a significantly increased workload. The SRAs recommended for the Council Chairman and Council Vice-Chairman is therefore recommended at the level shown in paragraph 5.16.

5.7 The Panel used the emerging governance structure and Constitution to inform its considerations of other SRAs and understands that the roles would evolve.

The Panel understands that scrutiny is a valuable resource which requires investment and is vital in holding the executive to account. There would be six scrutiny committees each with their own range of service areas. Each one would have similar workloads and responsibilities. It was felt that the workload and responsibility of Scrutiny Committee Chairman would be similar to other Committee Chairman and therefore the respective SRAs should be similar as shown in paragraph 5.16.

5.8 The Panel felt that the Chairman of the Strategic Planning Committee and the five Area Planning Committee Chairmen would have particular responsibilities, require additional time commitment and were publicly high profile Committees. For example, Committee decisions could be significant, high profile, publicly sensitive and often contentious. The SRA recommended is shown in paragraph 5.16.

5.9 The Panel noted that there would be one Licensing Committee with two standing sub committees and in noting the roles and responsibilities therefore agreed to recommended an SRA as shown in paragraph 5.16

5.10 It was noted that although the Chairman of the Pension Fund Committee had specific responsibilities this role would be filled by a Cabinet Member who would receive their own SRA. Similarly, the Chairman of the Pay and Senior Appointments Committee would also be filled by a Cabinet Member who would receive their own SRA. The Panel therefore agreed that there be no SRA for the Chairman of the Pension Fund Committee and the Chairman of the Pay and Senior Appointments Committee.

5.11 After considering the Committee structure, the Committees' associated roles and responsibilities, as detailed in the draft Constitution, the Panel recommended that the Chairman of each of the following Committees each have the same SRA as shown in paragraph 5.16.

- Audit and Governance Committee
- Standards and General Purposes Committee

5.12 Most respondents to the questionnaire advocated that members should only be entitled to claim one SRA regardless of how many SRAs they are entitled to. This is a rule that is common amongst local authority member allowances schemes.

5.13 It was noted that there would be 16 Community Boards and there would be a review of the operation of them early in the new Council's life. It was recommended that an SRA for Chairman of each Community Boards was justified. The recommended level is shown in paragraph 5.16.

5.14 An update on the Community Governance Review was noted, and the SRA for the High Wycombe Town Committee Chairman would therefore remain as shown in paragraph 5.16

5.15 The Panel heard that the role of minority group leaders would be important for the management of the new council. For the purposes of the Regulations a group is more than one member, but there is no requirement for an SRA to be paid to any Group Leader. The Panel considered what number ought to constitute a group for the purposes of the awarding of an SRA and took into account the large size of council membership. The Panel considers that were an allowance to be split proportionally, any registered group's Leader should be entitled to a share to reflect their additional workload.

5.16 The Panel recommends that the following special responsibility allowances be paid in recognition of the additional workload, levels of responsibility and accountability placed upon the following roles:

- **Leader £45,500 (3.5 x BA)**
- **Deputy Leader £26,000 (2 x BA) if they hold a portfolio**
- **Deputy Leader £13,000 (1 x BA) if they do not hold a portfolio**
- **Cabinet Members £19,500 (1.5 x BA)**
- **Deputy Cabinet Members £6,500 (0.5 x BA)**
- **Chairman of the Council £13,000 (1 x BA)**
- **Vice-Chairman of the Council £6,500 (0.5 x BA)**
- **Chairman of Strategic Planning Committee £9,750 (0.75 x BA)**
- **Chairmen of Area Planning Committees £9,750 (0.75 x BA)**
- **Chairman of Licensing Committee £3,900 (0.3 x BA)**
- **Chairman of Audit and Governance Committee £7,800 (0.6 x BA)**
- **Chairmen of the Overview and Scrutiny Committees £7,800 (0.6 x BA)**
- **Chairman of Pension Fund Committee £ nil**
- **Chairman of Pay and Senior Appointments Committee £ nil**
- **Standards and General Purposes Committee £7,800 (0.6 x BA)**
- **Chairman of Community Boards £1,000**
- **Chairman of High Wycombe Town Committee £3,420 (if required)**
- **Group Leaders SRA £17,000 split proportionally dependent upon group size (e.g. Group Leader SRA = £17,000 divide by 147 x number of group members)**

5.17 The Panel further recommends that:

- a) **No SRAs be paid to Vice-Chairmen of Committees with the exception of the Vice-Chairman of Council**
- b) **Members may not receive more than one SRA**
- c) **That a review of allowances be undertaken by the Panel at a suitable time determined by councillors to check that the scheme is suitable following a period of significant change for the Council. If a review is not undertaken within one year then SRAs be adjusted by an amount**

equivalent to the increase in the officers' annual pay award or by CPI, whichever is lower. As the maximum period a scheme may be linked to an index is four years the Panel must meet to review allowances no later than 2024.

6. Travel Allowances

6.1 The Panel notes that each of the relevant councils currently pays approved amounts under HMRC mileage allowance payments (MAPs). Anything payable above MAP approved amounts result in a taxable benefit to the claimant. The Panel further notes that to introduce taxable benefits into the travel allowances scheme would be a disproportionate bureaucratic burden on the authority.

6.2 The MAP approved amounts are currently:

- (a) Car – 45p per mile up to 10,000 and 25p per mile thereafter (including electrically powered);
- (b) Passenger payments – up to 5p per mile per passenger (up to a maximum of four) to be claimed only for passengers who would otherwise be eligible for travelling allowance;
- (c) Motorcycle – 24p per mile (including electrically powered);
- (d) Bicycle – 20p per mile (including electrically assisted e.g. ebike);
- (e) In relation to public transport (including rail and bus) – standard fare; and
- (f) Parking fees – actual cost

6.3 The Panel note and agree with Shadow Executive representations that sustainable methods of transport should be encouraged where possible, including use of electric/hybrid transportation.

6.4 The Panel recommends the travel allowances be paid to members:

(a) In line with MAP for undertaking official business; and

(b) Travelling to the Buckinghamshire Council offices for meetings and official business.

7. Subsistence allowances

7.1 Subsistence allowances includes the costs of:

- (a) Accommodation (if a member is required to stay overnight); and
- (b) Meals and other 'subsistence' while travelling

7.2 The Panel wishes to emphasise that subsistence should be only claimable for undertaking official business outside of the new unitary council area.

7.3 The Panel recommends the following subsistence allowances be paid to members in the case of an overnight stay away from the usual place of residence:

- (i) Breakfast £6.50 (more than 4 hours away before 11am)**
- (ii) Lunch £9 (business journeys entailing working away from normal place of work between 12 and 2pm)**
- (iii) Dinner £11.50 (can be claimed when required to work outside of usual rostered requirements and away from normal place of work after 8.30pm)**

8. Carers' allowance

8.1 The Panel reviewed the carers' allowance currently included in the sovereign councils' allowances schemes and acknowledges the importance of setting this at such a level so as to avoid deterring anyone seeking to become a councillor.

8.2 The Panel considered setting a ceiling, however understood that members would claim only where necessary and the monitoring officer could monitor this.

8.3 The Panel recommends that a dependant carers' allowance (not payable to a member of the claimant's own household) be recompensed at:

- (a) An hourly rate equivalent to 100% of the national living wage to be linked to changes at national level (£8.21 as at December 2019) for childcare**
- (b) An hourly rate of actual cost for adult/elderly/disabled dependent care, to be paid at the discretion of the Monitoring Officer**

9. Co-opted Members

9.1 The Panel understands that Buckinghamshire Council will have co-opted members who are members of committees such as the Thames Valley Police and Crime Panel. The Panel recognises these are important roles, but as members shall be receiving a basic allowance, the Panel felt that a separate SRA is not warranted.

10. Foregoing and donating allowances

10.1 The Panel recommends that members may, if they wish, forego all or any part of their entitlement to BA or any SRA by giving notice in writing to the Monitoring Officer of Buckinghamshire Council.

10.2 The Panel also supports any members who wish to donate any of their allowances through a 'Give as you earn' scheme.

10.3 **The Panel recommends that where a member ceases to be a member of Buckinghamshire Council, or ceases to occupy a role attracting an SRA, that the member only receives pro-rata payment for the period that they are entitled to receive an allowance. The authority may require that such part of any allowance as relates to any such period be repaid to the authority where an overpayment is made.**

11. Emerging Governance Structure

- 11.1 The Panel received evidence that the governance structure would continue to evolve over time and that these would be matters for the Buckinghamshire Council and not the shadow council. Specifically, this would include how the culture of the new council would evolve.
- 11.2 The Panel has made its recommendations on the information made available to it as of January 2020 and recognises change will occur as the new Council evolves.
- 11.3 Given that change was likely during the formative years of the Council, the Panel recommends an early review of allowances is undertaken at a time considered appropriate by members. For example, after one or two years following the current review. If the early review takes place after one year then the Council could index link allowances to CPI or the officer's annual pay award, whichever is the lower. Following the early review, a scheme of allowances could then be index linked for up to four years to tie in with the election cycle for the new Council. It is further recognised that following a Boundary Commission review during the first 5 years of the Council, it is likely the number of members would reduce for the elections in 2025, at that point a further review would be necessary to establish how responsibilities would change.

12. Member Performance, Accountability and Transparency

- 12.1 The Independent Remuneration Panel is mindful that a key objective behind the formation of the new unitary Buckinghamshire Council is to realise cost savings and reduce the overall financial burden on the residents of the County. The original unitary business case set a budget of £1,927,000 to cover Members' Allowances, however the Secretary of State's decision to set the number of members at 147 has substantially eroded the targeted savings of £635,000.
- 12.2 The scheme put forward by Members totalled £2,409,420. This provides a saving when compared to the current total of allowances paid by all existing councils. The Scheme recommended by the Panel totals £2,371,220. The actual amount will depend on how roles are actually filled.
- 12.3 The flat rate Basic Allowance scheme in operation allows Members to receive not inconsiderable remuneration by automatic right as they are permitted to receive allowances by simply being a Member. The only legal requirement is that a Member must attend a formal meeting of the Council not less than once every six months.
- 12.4 The Panel is keen to establish the principle of enhanced transparency and accountability for the payment and receipts of allowances by all Members of the Buckinghamshire Council. It is recognised that it is difficult to develop

meaningful performance measures and even more difficult to enforce any such measures but there should be a means to hold Members to account if they are not undertaking the duties that are reasonably expected of them. It may well be a reiterative process that takes time to become effective. The Panel proposes that its recommendations on the scope and levels of allowances should only be accepted as part of a wider package that includes taking up the accompanying recommendations on Member performance. The Panel does not accept that the Council can take up one without the other. It will also be a further means by which the Panel in the future can assess the effectiveness of Members.

- 12.5 The Panel considers that electors would expect that a Member should only be entitled to claim the full basic allowance, or where relevant special allowance, should that Member attend a minimum of, for example, between 50% and 60% of Full Council meetings, Committee meetings or Scrutiny meetings that they are appointed to over each financial year. The Panel recognises that such a measure could only be put into effect through a voluntary claw-back scheme.

Enhancing Performance, Accountability and Transparency

- 12.6 The Panel is convinced of the need to ensure that its recommendations relating to levels of allowances are intrinsically linked to the Council adopting mechanisms to enhance Member performance, accountability and transparency. The mechanisms are presented below in a hierarchical fashion, increasing in severity as one goes down the list.

Publishing Attendance Records

- 12.7 As part of the general statement of performance the Panel believes that remuneration should involve a degree of sharpened accountability by the publication in appropriate forums such as Council web pages, local libraries, and parish halls, etc, of Members' attendance records. The Panel understands that the Buckinghamshire Council does intend to publish attendance records on the website. The Panel recommends that the publication of attendances by Members should include provision for valid absences, such as attending constituent duties, illness and/or representing the Council externally.

Member Statement of Activities

- 12.8 The Panel also recommends that Members have the opportunity to fill in a pro forma on a periodic basis to allow them to give an account of their activities outside the Council, including an analysis of case work that they undertake in their wards, as well as attendance at formal meetings. All Members are likely to have access to a laptop and the Council intranet, with their own webpage, accompanied by appropriate training. It is relatively simple for each Member to write and publish their activity statements on their web page. These activity statements could then be used by electors and other interested parties to

evaluate the performance of Members in areas of activity that cannot be captured by the publication of attendance records.

Member Role Profiles – a Compact with the Electorate

12.9 The Panel recommends that the Council adopt Member Role Profiles. These Role Profiles should form the basis of a role and accountability statement, an increasingly common practice in many authorities. They should be utilised to make explicit the respective roles, duties, responsibilities and competencies expected from Members and post holders. They should contain minimum performance measures that Members are expected to reach such as: the scope and type of committees etc, that a Member is expected to be on, such as a Scrutiny Panel.

- The minimum number of meetings a Member is expected to attend, e.g. at least 50% or 60%?
- That they should be expected to attend an approved duty at least every 3 rather than 6 months so they cannot meet their attendance requirements by frontloading within an intensive period.
- That Members are expected to take part in an individual Training and Development programme with the aim of increasing their own personal skills and capacity. Through the extensive publicity of Members duties and expected inputs, other elected Members and the public can be informed on what is to be expected from being elected.

12.10 To give further effect to the role profiles, a Compact with the Electorate' could be developed which Members are asked to sign. Such compacts are ultimately difficult to enforce but it makes an explicit link between allowances received and a specific set of tasks and duties a Member is expected to undertake. Members cannot claim they did not know what they are expected to do and moreover it provides moral leverage for the rest of the Council to utilise.

Allowance Claw-back Scheme

12.11 Some authorities have a claw back scheme. For legal reasons it has to be adhered to on a 'voluntary' basis. Essentially this mechanism 'fines' a Member if they do not meet a target of attending a set percentage of meetings (often 50-60% or more). It is pointed out that in the few authorities where claw back has been adopted it is rarely invoked and appears to have limited value. Nonetheless, the Panel received evidence that the Council would appreciate having such a mechanism as part of the allowances' scheme even if it has to be

voluntary arrangement. Thus, the Panel recommends the Council adopt a claw back mechanism. As a voluntary process the claw back is probably best implemented through the group system. The Panel also recommends that the minimum standards the Council adopts for claw back to be activated should not be seen as a substitute for non-performance. Members should not be paying the claw back fine as way of circumventing their duties.

12.12 The Panel recommends that the Council puts in place the following measures to enhance performance, accountability and transparency:

- a) The publication of attendance records for Members at Full Council, Committee meetings and Scrutiny committees**
- b) Provision to Members of the opportunity to publish a periodic statement of activities**
- c) Adoption of role profiles for each Member in order to make clear both to the Members and electors what is expected of them**
- d) Introduction of an allowance claw-back scheme.**

13. Town and Parish Council allowances

- 13.1 In addition to considering a scheme for Buckinghamshire Council, the Panel also considered recommendations to Town and Parish Councils across Buckinghamshire.
- 13.2 All Towns and Parishes were contacted by email in September 2019 and invited to submit representations and details of their respective schemes. 24 responses were received.
- 13.3 From the responses received it is evident that many Parish Councils pay no allowances and that the role of a Town or Parish Councillor is very much community based and time spent performing Parish Councillor duties was often viewed as voluntary. There is a wide range of towns and parishes across Buckinghamshire, with large town council's including Aylesbury, Buckingham and Chesham, amongst others through to small, rural, parishes who serve a relatively small electorate.
- 13.4 None of the responses indicate a need for any significant change to any respective scheme, although two respondents did make the panel aware that parishes would likely face increased pressures from services being devolved from Buckinghamshire Council.
- 13.5 The Panel believes that a sensible way to set a scheme would be to base recommended allowances around percentages of the unitary basic allowance which increases on the size of the electorate. This has been an approach used previously.
- 13.6 Towns and Parishes may choose to adopt recommendations for all members, or for the Chairman only. Where all members of a Parish receive a BA, the Chairman could receive a higher amount, up to twice that of the recommended basic allowance.
- 13.7 The Panel wishes to make clear that it is not recommending all towns and parishes pay an allowance to its members but recommends that those who do have regard to the panel's recommendations.
- 13.8 Further, the Panel recommends that Town and Parish Councils pay travel and subsistence allowances at the same rates as Buckinghamshire Council.

13.9 (i) The Panel recommends that where Towns and Parishes choose to implement a scheme of allowances they have regard to the below table. Towns and Parishes may choose to adopt recommendations for all members, or for the Chairman only. Where all members of a Parish receive a BA, the Chairman could receive an amount up to twice that of the recommended allowance.

Electorate	% of Unitary Basic (£13,000)	Amount per Councillor £ (up to)
0-2500	1.5	£195
2501 - 5000	2.5	£325
5001 - 10000	3.5	£455
10001 - 15000	4.5	£585
15001 - 20000	5.5	£715
20001 - 25000	6.5	£845
25001 and above	9	£1,170

(ii) The Panel recommends that Towns and Parishes follow the Buckinghamshire Council scheme when setting travel and subsistence allowances.

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**BUCKINGHAMSHIRE AND MILTON
KEYNES FIRE AUTHORITY**

***MEMBERS' SCHEME OF ALLOWANCES
2022/23***

THE BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY

MEMBERS' SCHEME OF ALLOWANCES

Introduction

1. This Scheme is governed by the Local Authorities (Members' Allowances)(England) Regulations 2003 and the Local Authorities (Members' Allowances)(England) (Amendment) Regulations 2003 – “the regulations.”
2. Elected Members of the Buckinghamshire and Milton Keynes Combined Fire Authority may claim basic allowances, special responsibility allowances, travelling allowances and subsistence allowances for approved duties in accordance with the provisions of this scheme.
3. Appointed (non elected) members may claim co-optees allowance, travelling allowances and subsistence allowances for approved duties specified in this scheme.
4. "Year" means the 12 months ending with 31 March.
5. The Scheme has four Schedules attached which are:
 - (a) Schedule 1 - Special Responsibility Allowances
 - (b) Schedule 2 - Payment of Travelling and Subsistence Allowances
 - (c) Schedule 3 - Duties Excluded from the Allowances Scheme
 - (d) Schedule 4 - Rates of Allowances

Creation and Amendment of the Scheme

6. This scheme comes into effect on 1 April 2022.
7. For subsequent changes in basic allowances, special responsibility allowances and co-optees allowances, new rates will be payable from the date the amendment takes effect as set out either in this scheme or the Regulations.

8. The Fire Authority will be responsible for amending the scheme and in doing so will have regard to any recommendations to its constituent councils of the independent remuneration panels set up by them.

Basic Allowances

9. The Fire Authority will pay equally to each Member of the Authority a basic allowance of an amount specified in Schedule 4.
10. Where the term of office of a Member begins or ends in the course of a financial year entitlement will be apportioned in accordance with the Regulations. The apportionment will not take place where a Member's term of office lasts less than one month.
11. Basic Allowances are payable monthly and are subject to tax and national insurance deductions.

Special Responsibility Allowances

12. The Fire Authority will pay each year to the Members of the Fire Authority who have special responsibilities by reason of the office(s) they hold the special responsibility allowances set out in Schedule 1.
13. Where a Member takes up or relinquishes any post that carries a special responsibility allowance in the course of a financial year the entitlement will be apportioned in accordance with the Regulations. The apportionment will not take place where a Member's term of office lasts less than one month.
14. Special responsibility allowances are payable in monthly instalments and are subject to tax and national insurance deductions. Where a Member is eligible for more than one special responsibility allowance (whether payable by the Fire Authority or another authority for Fire Authority duties) only the highest one will be payable, with the exception that a Lead Member may claim one Lead Member's Allowance in addition to one other Special Responsibility Allowance payable.

Approved Duties

15. Travelling and Subsistence Allowances are payable monthly and are only payable to Elected Members of the Fire Authority for the approved duties set out in Schedule 2.

Co-optees Allowance

16. A Co-optees Allowance may be paid to appointed members (i.e. non-Elected Members whether voting or not) for the performance of any approved duty as defined by this document.
17. The allowance will be payable in monthly instalments and are subject to tax and national insurance deductions.

Travelling and Subsistence Allowances

18. The term "Member" for the purpose of travelling and subsistence allowances applies to any person who is a Member of the Fire Authority, or who is a member of any committee, sub-committee or panel of the Fire Authority, and so includes appointed non-elected members of those bodies. The payment of these allowances is dependent upon the performance of an "approved duty" which is an attendance as a member at a meeting, or the carrying on of a duty, set out in Schedule 2.
19. The rates for travel and subsistence allowances are specified in Schedule 4.

Allowances are Maxima

20. The scales for all allowances are maxima and there is no obligation on any Member to claim any or all of the allowances.
21. A Member shall give notice in writing to the Chief Finance Officer that he/she elects to forego any part of his/her entitlement to an allowance under the scheme.

Social Functions and Occasions

22. Elected Members on occasions are invited, or feel it necessary to attend functions, or occasions which have a social element. No allowances are paid to Members of the Fire Authority on these occasions unless the Member is undertaking the performance of a positive duty and one of significant size, e.g. making a speech or distributing prizes when travel and subsistence allowances may be paid. Merely to attend because the member is interested or represents people in the district is insufficient to justify payment of any allowances.

Conference Expenses

23. If attendance at a conference has been approved by the Authority, conference expenses which are obligatory and outside the control of the Member, will be paid in advance on request or will be reimbursed. These expenses will include the conference fee. The actual cost of accommodation, meals and the like, will only be met or reimbursed if it is part of the inclusive charge for the conference or it is a requirement of the conference or its organisers that the Member should stay at a particular hotel.
24. Travel and subsistence allowances are payable where appropriate.

Telephones

25. A mobile phone will be provided to the Chairman of the Fire Authority, with the cost of supply, rental and business calls being met by the Fire Authority.

Avoidance of Duplication

26. A claim for an allowance under this scheme must include, or be accompanied by, a statement signed by the claimant that no other claim has been or will be made for the matter to which the claim relates.

Records of Payments

27. Records of payments made to Members are available for inspection free of charge by any local government elector of the Fire Authority.
28. A person entitled to inspect a record may make a copy of any part of it.
29. Details of total payments made to each Member for allowances under this scheme will be published as soon as practicable after the end of the year to which they relate.

Expense Claims

30. All information requested for the expense claim must be provided, including the number of miles, the locations travelled from and to and the reason for travel. (It is always advisable for Members to make

contemporaneous notes in their diary to assist in the completion of claims).

31. Claims for expenses should only be made when actually incurred, i.e. rail/bus, taxis, hotel accommodation. Receipts must be provided.
32. Claims for the same expenses (mileage, travel and subsistence etc) must not be made from more than one body.
33. Payments for basic and special responsibility allowances will be paid monthly in arrears and travel and subsistence payments will be paid monthly in arrears on the submission of a claim through the HR and Payroll Portal.
34. No claim from a Member for traveling or subsistence allowances which is submitted more than three months after the costs were incurred and no later than the end of April for the preceding financial year will be entertained, except in exceptional circumstances and approved in writing by the Chief Finance Officer.

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SCHEDULE 1

SPECIAL RESPONSIBILITY ALLOWANCES FROM APRIL 2022

Special Responsibility Allowance per annum

• Position	£ (No Increase)	£ (1.5% increase)
• Chairman	12,708	12,899
• Vice-Chairman	4,259	4,323
• Chairman – Executive Committee	5,243	5,322
• Chairman – Overview and Audit Committee	3,434	3,486
• Chairman – Human Resources Sub-Committee*	1,719	1,745
• Group Leaders	3,813	3,870
• Lead Members	3,314	3,364

*If constituted by the Executive Committee

SCHEDULE 2

PAYMENT OF TRAVELLING AND SUBSISTENCE ALLOWANCES

The duties in this Section have been approved for the payment of travel and subsistence allowances:

- (a) Attendance at a meeting of the Fire Authority;
- (b) Attendance at a meeting of any committee or sub-committee of the Fire Authority;
- (c) Attendance at a meeting of any section, panel, working party or other meeting authorised by the Fire Authority or a committee or sub-committee of the Fire Authority or a joint committee of the Fire Authority and one or more other authorities to which the member has been specifically appointed provided that it is a meeting to which Members of at least two political groups have been invited.
- (d) Attendance at a meeting of an association of authorities of which the Fire Authority is a member and to which the member has been appointed by the Fire Authority to represent it.
- (e) Attendance at ad hoc meetings with other authorities, organisations or bodies authorised by a committee or sub-committee of the Fire Authority, or the Director of Legal and Governance on the advice of the relevant Chairman or Vice-Chairman if this is not practicable.
- (f) Attendance at briefing meetings to which Members of at least two political groups have been invited authorised by a committee or sub-committee of the Fire Authority, or the Director of Legal and Governance on the advice of the relevant Chairman or Vice-Chairman if this is not practicable.
- (g) Attendance at seminars and conferences arranged by the Fire Authority, a committee or sub-committee of the Fire Authority, or the Director of Legal and Governance on the advice of the relevant Chairman or Vice-Chairman if this is not practicable, about any of its functions.
- (h) Attendance at specific visits arranged by the Fire Authority, a committee or sub-committee of the Fire Authority, or the Director of Legal and Governance on the advice of the relevant Chairman or Vice-Chairman if this is not practicable, about any of its functions and where Members of at least two political groups have been invited.

- (i) Attendance at a meeting of any body or authority upon which the member has been appointed by the Fire Authority or a committee or sub-committee of the Fire Authority to represent it.
- (j) Attendance in connection with the discharge of any function of the Fire Authority conferred by or under any enactment and empowering or requiring the Fire Authority to inspect or authorise the inspection of premises.
- (k) Attendance at meetings of bodies where the Fire Authority makes appointments, where the Fire Authority has a major influence at national, regional, county or district level. These bodies are listed below:
- (i) Local Government Association
 - (ii) Fire Commission
- (l) Attendance at any disciplinary, grievance, dismissal or appeals sub-committee or panel.
- (m) The following duties if approved by the Fire Authority or a Committee:
- Attendance at briefing meetings held for the purpose of, or in connection with, the discharge of the functions of the Fire Authority or any of its committees or sub-committees.
 - Attendance at the official opening of new Fire Authority establishments or projects.
 - Attendance by the Chairman and Vice-Chairman of the Fire Authority and of committees at official functions in a representative capacity.
 - Duties undertaken by Chairmen and Vice-Chairmen of the Fire Authority, committees or subcommittees acting in an official capacity.
 - Members' delegations to Government Departments.
 - Town Centre Management Meetings and Parishes.
- (n) Meetings organised by the Chief Fire Officer, Chief Finance Officer or Director of Legal and Governance or their nominated representatives with external bodies or persons to further the business and aims of the Fire Authority which the relevant officer certifies requires the attendance of members on the grounds of urgency which prevents approval being obtained from the Fire Authority, a committee or sub-committee.

Note: In authorising attendances in accordance with the above, no member, official or officer of the Fire Authority shall act in a discriminatory manner reflecting party political preference. Members, officials and officers should take care to ensure that their actions can not be construed as having been discriminatory.

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SCHEDULE 3

DUTIES EXCLUDED FROM THE ALLOWANCES SCHEME

The duties in this Section are those for which the Fire Authority has decided that no allowances will be paid.

- Members' surgeries
- Political activities

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SCHEDULE 4

RATES OF ALLOWANCES

From April 2022 the following rates of allowances will apply

Basic Allowance:

(No Increase)	(1.5% increase)
£1,272 per annum	£1,291 per annum

Special Responsibility Allowances:

See Schedule 1

Co-optees Allowance

(No Increase)	(1.5% increase)
£318 per annum	£323 per annum

Travel Allowances (in line with HMRC Mileage Allowance Payments)

(a) Car

The rate for travel by a Member's own private motor vehicle, or one belonging to a member of his/her family or otherwise provided for his/her use, other than a solo motor cycle, shall be 45 pence for the first 10,000 miles and 25 pence for each mile after that.

(b) Motorcycle

The rate for travel by a Member's own motorcycle, or one belonging to a member of his/her family, or otherwise provided for his/her use, shall be 24 pence per mile.

(c) Bicycle

The rate for travel by a Member's own bicycle, or one belonging to a member of his/her family, or otherwise provided for his/her use, shall not exceed 20p a mile.

(d) Public Transport

Members can claim the full cost of travelling on public transport at standard class rates whilst carrying out Approved Duties, provided a valid receipt, bus ticket etc is produced to substantiate the claim.

Subsistence

The rate of subsistence allowance shall not exceed the amounts which can be claimed under the Buckinghamshire Council Members' Allowances Scheme applicable at the time when the cost is incurred.

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