



Report title

Financial Position as at the end of September 2014 (Quarter 2)

Meeting

Resources Committee

Date

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Report by

Director of Finance and Contractual Services

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Public

Summary

This report presents the financial position as at the end of September 2014 (quarter 2). It provides information on financial performance against revenue and capital budgets.

Recommendations

That the Committee agrees to:

1. Note the content of the report;
2. Extend the Commissioner's delegation for contingency arrangements to increase the limit on expenditure to £25m in connection with the industrial action being taken by the Fire Brigades Union (FBU) nationally in relation to its dispute on pensions with the Government, subject to the agreement of the Director of Finance and Contractual Services where the expenditure on any one item exceeds £20k; and
3. Decide which option of those set out in paragraph 23 of the report it wishes to adopt for authorising additional expenditure in respect of potential legal proceedings relating to Lakanal.

Introduction / Background

1. This report considers the financial position as at the end of September 2014, including a forecast of outturn at the financial year end. The financial position is reported regularly to Resources Committee and the GLA.
2. All departments review their actual income and expenditure on a regular basis, and provide an updated forecast of outturn and explanation of variances, against all their budgets, to the Finance Department on a monthly basis. These returns then form the basis of monthly reporting to the Corporate Management Board and from there on to the Resources Committee on a quarterly basis.

Summary financial position

3. The 2014/15 budget was agreed by the Authority at its meeting on 27 March. The Authority's net revenue budget of £398,271k, included payments into the general reserve of £3,940k, funding from earmarked reserves of £852k, and total savings of £34,545k.
4. The forecast outturn for 2014/15, based on actual income and expenditure to 30 September 2014, is for an overspend of £1,666k. This shows a reduction of £2,079k from the forecast overspend reported to Resources Committee in September (FEP 2310) which reflects the work undertaken to challenge areas of spend across the organisation. It also reflects the fact that this forecast includes the financial impact of the latest period of strike action (from 31 October to 4 November) which shows an anticipated net saving of £410k after accounting for deductions from pay. This occurred outside of the period under review in this report but is included here for completeness.
5. The overspend is planned to be met from reserves. Officers are also looking to see if there are any further areas of spend that could be stopped or reduced and what the implications of this might be. This is to potentially mitigate against the overspend increasing as a result of further industrial action. It should be noted that these opportunities diminish as the year progresses.
6. As previously reported to the Resources Committee, the main cause of the forecast overspend is the expenditure on business continuity arrangements, to provide cover during periods of strike action. This is notwithstanding the underspend forecast as a result of the latest round of strikes.
7. There have been a number of updates to the forecast of outturn in addition to that related to strike action that have reduced the overall overspend position. The main ones are included below:
 - additional income of £1,185k relating to the Metropolitan Fire Brigade Act 1865 charges following the completion of work with insurers;
 - a decrease in forecast spend on FRS staff of £225k due to continuing vacancies;
 - the release of £241k from the central contingency in light of the pay awards made this year, actual inflation requirements and actual salary progression increases;
 - a decrease in forecast spend on interest payable of £150k as borrowing in year was secured at a lower rate than was anticipated and for a shorter term in anticipation of capital receipts;
 - a decrease in forecast spend on compensation of £137k due to the costs of the Lakanal House civil claims now being met by insurers and;
 - a further additional variances on income budgets of £196k.
8. The movements above are partly offset by an increase of £413k on operational staff pay costs due to the cost of staff above establishment, following a revision of the profile of leavers to achieve the LSP5 reductions.

9. These forecasts are discussed in more detail from paragraph 12 of this report.

Capital

10. The capital programme for 2014/15, reported to Resources Committee in July (FEP2282), has a budget of £61,922k, which includes a contingency of £1,360k and the finance lease liability for the PFI property schemes of £24,542k, leaving a net capital programme of £36,020k. The current forecast net capital outturn as at 30 September 2014 is £33,302k, which is £2,718k less than budget. The financial position on the capital programme is considered in more detail from paragraph 42 of this report.

Tables and Appendices to this report

11. A summary of the financial position for the revenue budget is provided in Table 1. The latest position on reserves is set out in Table 2. Appendix 1 contains additional detail on the financial position and sets out the actuals and forecasts against all budgets based on actuals to the end of September 2014. Appendix 2 reports on the progress against the capital programme for 2014/15. Appendix 3 provides an analysis of outstanding debt relating to charges for Shut in Lift and Automatic Fire Alarm attendances.

Table 1. Summary Financial Position

	30-Sept-14			31-Mar-15			Forecast Outturn Variance at June 2014	Movement between variance figures
	Current Budget	Current Spend	Current Variance	Revised Budget	Forecast Outturn	Forecast Outturn Variance		
	£000s	£000s	£000s	£000s	£000s	£000s		
							%	£000s
Operational staff	122,431	124,878	2,447	241,780	247,721	5,941	5,528	413
Deductions for Strike Action	0	(2,328)	(2,328)	0	(4,243)	(4,243)	(2,337)	(1,906)
Funding for additional staff	3,282	0	(3,282)	6,135	0	(6,135)	(6,135)	0
Other staff	23,822	24,370	548	48,747	48,589	(158)	47	(205)
Employee related	20,877	20,889	12	22,816	23,016	200	316	(117)
Pensions	11,120	10,864	(256)	21,701	21,201	(500)	(500)	0
Premises	17,965	17,518	(448)	30,343	30,319	(24)	(12)	(12)
Transport	12,606	12,393	(213)	20,037	19,499	(538)	(390)	(148)
Supplies and services	14,749	13,635	(1,114)	23,529	23,507	(23)	18	(41)
Third party payments	1,219	1,153	(66)	1,608	1,571	(37)	(24)	(13)
Capital financing costs	1,725	1,451	(274)	10,633	10,483	(150)	0	(150)
Central contingency against inflation	0	0	0	918	237	(682)	(440)	(241)
Business Continuity	0	6,603	6,603	0	8,994	8,994	7,438	1,556
Total revenue expenditure	229,796	231,427	1,630	428,248	430,894	2,645	3,510	(864)
Income	(26,127)	(26,529)	(402)	(30,108)	(31,087)	(979)	236	(1,215)
Net revenue expenditure	203,669	204,897	1,228	398,140	399,807	1,666	3,746	(2,079)
Use of general reserves	0	0	0	3,940	3,940	0	0	0
Use of earmarked reserves	0	0	0	(3,573)	(3,573)	0	0	0
Financing Requirement	203,669	204,897	1,228	398,508	400,174	1,666	3,746	(2,079)
Financed by:								
Specific grants	(3,564)	(3,651)	(88)	(9,333)	(9,333)	0	0	0
GLA funding	0	0	0	(389,175)	(389,175)	0	0	0
Net Financial Position	200,105	201,246	1,141	0	1,666	1,666	3,746	(2,079)

Reasons for the Revenue Position

Staff

12. The budget for operational staff is forecast to overspend by £5,941k. The main factor in this overspend is due to implementing the majority of the staff reductions in LSP5 through natural wastage. The cost of this is forecast at £6,615k against an original estimate of £6,177k, based on there being an average of 130 staff over establishment during the year (original estimate 104 staff). The GLA has provided additional funding in 2014/15 to cover the estimated cost of retaining staff over the establishment of £6,135k. The overspend on being over establishment is partly offset by deductions made from operational staff pay following the strikes held in 2014/15 (£4,243k) (and currently reflected in the net cost of those strikes in paragraph 14), and lower average employer pension contribution rates for operational staff (£770k). There are also forecast overspends of £96k on allowances and overtime budgets.
13. The Fire and Rescue Service (FRS) staff budget is forecast to underspend by £91k (0.2% of the FRS staff budget) due to vacancies. As a result, the FRS vacancy margin of £585k is now forecast to be contained within existing FRS budgets. The control staff budget is forecast to underspend by £67k, due to vacancies.

Business Continuity

14. There is a forecast overspend of £8,994k on spend on business continuity for industrial action in 2014/15. The forecast outturn includes expenditure of £7,366k on industrial action and spend on preparation costs of £1,628k. Deductions made from operational staff pay to the end of September from strikes held in 2014/15 total £2,328k, with additional deductions from the strike action from 31 October to 4 November forecast at £1,915k. Including the latest strike action the net cost of strike action in 2014/15 is forecast at £4,751k.
15. Weekly briefing notes have been issued to leading Members by the Commissioner on the estimated expenditure commitments being made whilst taking action in preparation for the national strike action by the Fire Brigade Union (FBU). The total cost of industrial action since September 2013 is now forecast at £12,953k, and any further strike action may take costs up to, or beyond, the Commissioner's delegated limit.
16. The Authority continues to incur significant costs in managing strike action by FBU members in the dispute with Government on changes to firefighter pension from April 2015. The Commissioner has been granted delegated authority to manage these costs up to £15m (FEP 2269). There is however no budget allocation against these costs. The limit of this delegation was increased from £10m (FEP 2246) to £15m by the Appointments and Urgency Committee at its meeting on 16 July (FEP 2269). Whilst the latest period of strike action has resulted in a forecast net saving to the Authority the gross costs of the strike were significant due to its greater length compared to previous action during this dispute. Further strikes of this type and duration will very quickly use up the Commissioner's current delegated authority which is based upon this gross cost. Member approval is therefore required to increase the delegation by £10m to £25m in order to provide cover for this. The actual spend incurred will continue to be the subject of weekly briefing notes to leading members with an update on its impact on the overall financial position provided in these regular reports.
17. The Authority is not being asked to approve a permanent change to the delegation, but that this increase should apply only in connection with the industrial action being taken by the FBU nationally in

relation to its dispute on pensions with the Government, for as long as the current dispute continues. The requirement to obtain the agreement of the Director of Finance and Contractual Services where the expenditure on any one item exceeds £20,000 will continue.

Firefighter Pensions

18. As previously reported, there is a forecast underspend of £500k on firefighter injury pensions due to pensions inflation being lower than anticipated. A revised inflationary pressure for this budget is included in the 2015/16 Budget in the Budget Update report also on today's agenda (FEP 2337).

Employee Related

19. There is a forecast overspend of £130k on severance. This forecast includes current spend to date, as well as departure costs relating to proposed post deletions to deliver budget savings in 2015/16. More detail on these proposals is included in the 2015/16 Budget report also on today's agenda (FEP 2337). It is proposed that the Pension Early Release Costs reserve be increased by £400k in 2014/15 and a further £400k in 2015/16, with a transfer from the general reserve, as a result of the savings proposals to reduce the severance budget as set out the 2014/15 Budget Report.
20. There is also an overspend of £189k on compensation budgets, this reflects a reduction in forecast spend of £137k since last reported. This is due to the costs in the Lakanal House civil claims now being met by insurers. The overspend is based on expenditure of £615k against a budget of £277k, less use of the earmarked compensation reserve of £150k. It is proposed that the Compensation reserve be increased by £1,000k in 2014/15, with a transfer from the general reserve, to meet the potential pressures on this reserve in future years.
21. On 11 November 2013 the Appointments and Urgency Committee increased the limit of the delegated authority of the Head of Legal and Democratic Services to incur expenditure on counsel's fees from £50k to £200k in the case of potential prosecutions relating to Lakanal. That figure of £200k is still thought to be sufficient despite the need to spend a substantial additional sum on counsel which was not envisaged at the time. However there is now no contingency in the event of any further unexpected expenditure. A report will be brought to a committee meeting should the increase in the expenditure limit prove insufficient.
22. A different matter has arisen in relation to Lakanal. The potential defendants in any prosecutions have been considering taking judicial review proceedings against the Authority in respect of a decision (if made) not to transfer any prosecution proceedings (including a decision whether to prosecute) to the Health and Safety Executive (HSE), on the basis that the Authority faces a conflict of interest arising from its operational conduct on the day of the fire.
23. If the judicial review proceedings go ahead the Head of Legal and Democratic Services will, unless the Committee decides otherwise, treat them as a separate legal matter (not within the scope of the £200k already approved) which come within his delegated authority to spend up to £50k on counsel's fees in respect of any one matter. That existing delegated authority should be sufficient. If the Committee does not wish to treat any judicial review proceedings as a separate matter it is invited to decide whether to increase the £200k by £50k or whether to approve the use of the as yet unspent balance of the £200k (some £72k) on any judicial review subject to the Head of Legal and Democratic Services seeking authority at a later date to incur in excess of £200k if the prosecutions proceed.

Premises

24. There is a small forecast underspend on premises costs of £24k, a decrease of £12k from the underspend of £12k previously reported. As previously reported, the overall position includes overspending on building maintenance (now £228k) and underspending on consultancy services (now £252k) due to work on the PFI programme. Paragraph 36 to 38 of this report sets out the risk to this position which will continue to be monitored.

Transport

25. There is a forecast underspend of £349k on vehicle running costs, a slight increase of £57k since last reported. As previously reported, this is primarily due to a one-off forecast underspend of £240k due to funds previously set aside for insurance claims being in excess of the final settlements agreed. Again as previously reported, there is a forecast underspend on fuel spend at stations which reflects the average cost of fuel being lower than budgeted, but there has been an increase in the underspend to £109k.

Supplies and Services

26. There is a small forecast underspend on supplies and services of £23k, a reduction of £41k since last reported. As previously reported, there are forecast underspends on equipment, furniture and materials budgets, now £71k, and on catering equipment, of £50k, following management action, including making better use of existing stocks, to reduce expenditure, and a forecast overspend on professional services, now £91k, mainly due to the EFCC arrangements (FEP 2321).
27. Additionally there is a forecast overspend of £106k on operational equipment due to additional costs incurred for the service and repair of five pumping appliances for ongoing training of EFCC personnel, as reported in FEP2321. There is also an additional forecast underspend of £72k on staff reimbursement budgets, including members allowances (£30k), subsistence and other reimbursements at stations (£32k) and on refreshments for LIFE courses (£10k).

Capital Financing Costs

28. There is an underspend of £150k on interest payable as borrowing in year was secured at a lower rate than was anticipated, and for a shorter term in anticipation of capital receipts.

Central Contingency against Inflation

29. There is a revised forecast underspend on the central contingency of £682k, an increase of £241k since last reported. This underspend follows a general review of this contingency in light of the pay awards made this year, actual inflation requirements and salary progression increases. The Fire Brigades Union have made a claim for an increase in the allowance for London Weighting (LW) for operational staff of 3.1% (2.1% above the budgeted increase of 1%). The revised forecast does not include an allowance for any increase above 1%. The forecast underspend of £682k is funding the overall Authority position. If this underspend is used to part fund the additional LW pay award of 2.1%, this would result in an increase in the Authority wide overspend.

Income

30. Income budgets are forecast to recover £979k more than budgeted. The forecast income has increased by £1,215k since last reported. This forecast increase is almost entirely due to an increase in income from insurance companies through charges under the Metropolitan Fire Brigade (MFB) Act of 1865.

This additional income of £1,185k follows a regular review of insurance company returns, and includes a one-off payment following a settlement with Transport for London (£410k) and companies reporting an increase in the values insured (£775k). The 2015/16 budget report, also on today's agenda (FEP 2337), includes an additional income budget of £700k.

31. There are further additional variances on income budgets. There is additional income of £78k forecast from the London Ambulance Service, from them occupying part of Southwark Training Centre. There is a reduction in forecast income from charges for attending lift incidents of £100k, as the number of chargeable incidents has reduced, from over 200 per month in 2012/13, to an average of 107 per month in 2014/15. There is also a reduced forecast on Interest receivable of £156k as a result of lower than expected reduced rates available for investments in the market resulting from less demand from banks for short term cash given their access to cash at very low rates from the Bank of England

2015/16 Budget Update

32. The Budget Update report (FEP 2337) which is also on today's agenda provides an update to the 2015/16 budget process and the proposed budget submission to the Mayor. That report advises that based on the funding levels proposed by the Mayor, there is a forecast budget gap for LFEPA of £7.4m in 2015/16 and £14.0m in 2016/17. That report also proposes savings of £4.3m in 2015/16 which would reduce the budget gap to £3.2m.

Position on Reserves

33. The latest position on reserves is set out in Table 2 below. This reflects the movements agreed as part of the 2014/15 budget process, and the forecast overspend of £1,666k being met from the general reserve. The balance on the general reserve is forecast to be £11,925k at the end of 2014/15, and this is above the stated minimum general reserve position of £9,954k (calculated as 2.5% of the revised net revenue budget of £398.1m).
34. As set out in paragraph 19 and 20 above, it is proposed that the Pension Early Release Costs reserve be increased by £400k in 2014/15 and a further £400k in 2015/16 as a result of the savings proposals to reduce the severance budget as set out in the 2014/15 Budget Report. It is further proposed that the Compensation reserve be increased by £1,000k in 2014/15 to meet the potential pressures on this reserve in future years. These transfers would need to be reviewed should there be any further strike action in the pensions dispute.

Table 2. LFEPA Reserves for the 2013/14 Financial Year

£000s	Opening Balance at 01/04/14	Payments into Reserve	Underspend/ (Overspend) in 2014/15	Use of Reserves in 2014/15	Transfer between Reserves	Anticipated Balance at 31/03/15
Compensation	150			(150)	1,000	1,000
Firefighters' Pension	652					652
Hazardous Material Protection	435					435
Hydrants	337			(300)		37
London Resilience	1,496					1,496
National Operational Guidance Programme	3,376			(1,557)	(813)	1,007
Pension Early Release Costs	0				400	400
Property PFI	245			(30)		215
Review of Property Services	260			(51)		209
Review of Workwear	128					128
Salix	195			(195)		0
Sustainability	235					235
Vehicle & Equipment Contract	1,723			(1,290)		433
General	10,238	3,940	(1,666)		(587)	11,925
Total	19,470	3,940	(1,666)	(3,572)	0	18,172

Risk

Business Continuity

35. The forecast for business continuity assumes that there will be no further strikes called in this financial year. The latest period of strike action (from 31 October to 4 November) has a forecast net saving of £410k after accounting for deductions from pay. However, the periods of strike action in July and August had net costs, after accounting for deductions from the pay of staff on strike, of £1,298k and £1,194k respectively. Therefore two more rounds of similar strike action to those in July and August would see reserves fall below the minimum level, and exposed to significant pressure if the dispute were to continue. Additional savings would then be required in future years in order to restore them.

Property PFI

36. The Financial Close and Contract Award Report (FEP 2042) noted that the Authority retains the risk of unforeseen ground conditions, contamination and archaeological finds beneath the existing buildings. The Authority also retains the risk for asbestos within the existing buildings not identified in the contract surveys. This risk of expenditure applies throughout the construction phase. During the first phase of the construction programme asbestos has been discovered at three of the stations during demolition and claims for compensation have been submitted by Blue3 as a result. These claims are currently being discussed with Blue3 and the project team is considering options to mitigate this risk for the phase 2 stations.

37. Due to the delay in starting the build programme, there have been changes to Phase 1 completion dates. This will have a potential impact on the government grant on PFI credit and also on the expected unitary payment in 2014/15.

Disposal of stations closed in the Fifth London Safety Plan (LSP5)

38. There is a separate report on this agenda setting out recommendations for the disposal of the stations closed as a result of LSP5 (FEP 2341/X). If these recommendations are accepted, the anticipation is that the majority of stations will be disposed of this financial year. The timing of their actual disposal will have an impact on the financial position in respect of both the on going costs of securing the empty premises and the date at which capital receipts are realised.

Control and Mobilising Solution (CAMS)

39. The CAMS Project has been delayed due to the supplier not being able to meet the delivery dates for the project milestones. Compensation payments have been agreed with the contractor however further work is required to identify additional costs to be incurred to maintain existing arrangements in the interim period. This corporate project has a status of amber. This along with the work being done with the contractor to ensure the project delivers was discussed at Strategy Committee on 16 September (FEP 2308).

Operational Staff - London Weighting

40. The Fire Brigades Union have made a claim for an increase in the London Weighting allowance (LW) for operational staff of 3.1%. This is an additional 2.1% above the budget provision of 1%, and would result in a financial pressure of £496k in the current financial year,

Employment appeal tribunal

41. During the course of the 2014/15 financial year, a litigation claim arising from the deduction of monies from salaries as a result of Crew Manager Starred (CM*) refusing to act up during the strike in 2010 is expected to be concluded. A provision has been set aside based on the expected outcome of the hearing. However the risk remains that the Authority could be unsuccessful in the hearing which would allow 368 dormant unlawful deduction of wages claims to be pursued in the county court, which could cost the Authority in the region of £250k net plus interest.

Capital

42. The budget for the 2014/15 capital programme is £61,922k, as reported to Resources Committee (FEP2282). The programme includes a contingency of £1,360k and PFI Property schemes with a value of £24,542, which are externally delivered and reported separately, leaving a net capital programme for 2014/15 of £36,020k.
43. The forecast capital spend is £33,302k, which is £2,718k less than the budget. There has been movement in the forecast of £2,327k from the quarter 1 position, and this relates to the following items, which are discussed in more detail below. The full capital programme is included at Appendix 2.

Re-phasing of approved capital budgets

- Re-phasing to 2015/16 (£250k) for MDT Replacement Project (ICT)
- Re-phasing to 2015/16 (£486k) for CAMS Project (ICT)
- Re-phasing to 2015/16 (£93k) for Energy Conservation Budget

- Re-phasing to 2015/16 (£1,984k) for Fleet Replacement Programme

Budget savings

- Appliance Bay Floor Budget (£109k)
- Window Replacement Budget (£115k)
- Building Control ICT Project (£80k)

New Project - funded by external grant

- New project - Installation of electric vehicle charge points at various sites £790k

Re-phasing of Approved Capital Budgets

44. It was originally envisaged that the development of the software solution for the replacement MDTs would be initiated in 2014/15. However, due to changes in both requirements and technology, together with the opportunities this has presented, the scoping exercise now requires wider consultation than originally anticipated. As a consequence the project will now be unable to commit expenditure in the current year, given the specification and procurement lead times. Therefore the £250k allocated to 2014/15 is to be re-phased to 2015/16.
45. The timing of the Control and Mobilising System (CAMS) project budget was revised in quarter one (FEP2310) following discussions with the supplier where an agreement was reached where it was anticipated that £924k would need to be brought forward from 2015-16 to 2014-15 to finance milestone payments. However following further discussions with the supplier, an agreement has now been reached which means that a forecast spend of £486k for milestone payments has been rescheduled to the 2015/16 financial year. This change from the first quarter is due to an amendment to the extension and timing of the payment for the novated current mobilising contract. The current projected overall spend is still within the approved budget of £10,650k (FEP1896).
46. In order to be able to deliver the Electrical Vehicle Chargepoints project by the end of this financial year, the proposed Photovoltaic/ Combined Heat and Power (PV/ CHP) installation project for Lewisham fire station has been delayed to 2015/16 and the budget of £93k carried forward to next year. All Electrical Vehicles Chargepoints need to be installed by 31st March 2015, in order to obtain the grant funding.
47. £1,984k of the programmed capital spend of £19,656k for the fleet and operational equipment replacement items has been deferred to 2015/16. This is a result of the mid year review undertaken with Babcock to assess what is achievable in the current year given the implementation of the new contract, reductions in fleet requirements as part of the budget savings exercise (e.g. reduction of 6 cars), progress of specifications, market capacities and expected lead times for new vehicles and equipment.

Budget Savings in 2014/15

48. There has been budget saving of £109k in the appliance bay floor resurfacing budget due to lower tender prices received for the works at Ruislip Fire Station compared to pre-tender estimates for these works. The required works started on 28 July 2014 and are planned to be completed by mid November 2014.
49. A saving of £115k against the 2014/15 budget has arisen due to deferment of the window replacement works at Park Royal to 2015/16. The cost of these works will be funded from the existing 2015/16 capital budget. Only the scheme at New Malden will proceed this financial year. Works at New Malden fire station are anticipated to commence in late January with completion in March 2015.

New Project

50. The Authority has received grant approval to install electric vehicle charging points at 79 sites across LFEPA estate as set out in FEP 2288. The grant funding covers 75% of the cost of installation (£790k) and will be paid in arrears once the installation is complete. The remaining 25% of the cost will be covered by a contribution from the supplier of the electric charging points. Therefore, there is nil cost to the Authority for this scheme provided all of the charging points are installed and operational by 31 March 2015.

Potential Risks/ Changes to the Capital Programme

51. The capital budget is subject to review and change throughout the year. Initial project specification is key as it is important to keep variations to projects to a minimum, as once a project has been agreed and commenced any change will invariably result in additional costs. However even the best managed projects can be subject to re-phasing or deferral due to a number of unforeseen issues, such as contractor capacity/failure, bad weather and revised operational need. This can also impact on funding requirements that in turn have a debt charge (cost of borrowing) revenue impact.
52. All capital projects will require third party collaboration to varying degrees over the project life. The following major projects that make up 76% of the programme depend heavily on external parties' actions and therefore can be subject to variation with the potential for delays in project delivery and revised cash flow requirements.

Vehicle Replacement Programme

53. The design and specification of the replacement vehicles and equipment is now underway pending the start of the new contract in November. Key risks relate to the contractor sourcing appropriate vehicle build options within a timeframe that meets fleet replacement requirements and which may in turn impact the Authority's cash flow.

Control and Mobilising Solution (CAMS)

54. Supplier performance is always a key risk to the delivery of any project, this is particularly so when engaged on complex and specialist technical projects. As the contract financial model requires updating due to the amendment in the go-live date, there is a risk that capital monies will be re-profiled. In addition, there is a risk that some capital monies allocated to ICT will be required into 2015/16. However, at present both these risks will not change the overall spend but will be a re-phasing of monies. This corporate project has a status of amber. This along with the work being done with the contractor to ensure the project delivers was discussed at Strategy Committee on 16 September.

West Norwood New Build

55. As had already been experienced on this project, new build projects are at risk of delay due to inclement weather conditions, unforeseen ground conditions and contractor performance.

Wide Area Network and ISP

This project was agreed by Members (FEP2313) at the September Resources Committee. The complex tenders are currently being worked up and it is envisaged that a procurement framework could be used for this project. Depending on the procurement route taken, it is possible that there maybe spend in 2014/15 for this project. Currently, the budget for these schemes has been allocated to 2015/16 financial year.

Installation of electric vehicle charge points

56. This project is externally funded and in order to access the funding the project needs to complete before 31 March 2015. If there are any delays to the project resulting from risks such as poor contractor performance or delays in obtaining any planning permission or landlord approval, the grant funding from the Office for Low Emission Vehicles (OLEV) would only be paid for where the electric (plug-in) installation has been carried out. If the installations are completed after the 31st March 2015 the funding could be lost, resulting in an additional financial pressure of around £7.5k for each outstanding electric (plug-in) installation. These costs could be passed to the contractor if they are responsible for the late installation.

Debtors

57. An analysis of debtors relating to Shut in Lift and Automatic Fire Alarm charges is provided in Appendix 3. This includes a graph showing the value of outstanding debt, with movement over the last 12 months. Overdue amounts total £211k for Shut in Lift charges and £93k for Automatic Fire Alarms. The appendix also includes the top (worst) five organisations in each of the two categories of charges, with the number and value of outstanding charges, as well as the average age of the debt.
58. The collection of income for shut in lifts and automated fire alarm charges remains very challenging. This is due to the organisation receiving the charge not having requested the service provided. Some significant progress has been made internally to collect better information from crews that attend incidents, such as recording lift numbers for shut in lift charges. However significant challenges remain in collecting payment, and these can include administrative type problems, such as organisations refusing to pay invoices without a purchase order, to disputes on the liability for paying the charge.
59. Since last reported to the Resources Committee, Homes for Islington have dropped out of the top (worst) five organisations due to invoices paid but London Borough of Camden (newly included) now form part of the top five. Further action is continuing with two specific debtors under the shut in lift category, that were discussed at Resources Committee in September - the London Borough of Wandsworth and Lewisham Homes. Lewisham Homes have paid 36 invoices totalling £11.2k and an agreement has been reached to waive the remaining invoices. Brigade officers met with LB Wandsworth and reached agreement that 11 invoices would be waived where they were arguably not chargeable. 11 invoices remain outstanding (in the sum of £3,426) but despite what appeared to be a fruitful meeting, LB Wandsworth have since sought to appeal the 11 remaining invoices. The appeal process was completed on Tuesday 4 November 2014, the outcome of which is that the 11 invoices should still be paid. Officers have written to LB Wandsworth and they have been given 7days to pay.

Head of Legal and Democratic Services comments

60. The Head of Legal and Democratic Services has reviewed this report and has no comments.

Director of Finance and Contractual Services comments

61. This report is presented by the Director of Finance and Contractual Services and there are no further comments.

Sustainable Development Implications

62. There are no direct sustainable development implications.

Staff Side Consultations Undertaken

63. No staff-side consultations have been undertaken on this report.

Equalities Implications

64. This report has no equality implications.

List of Appendices to this report:

1. Financial Position, 2014/15 Forecast Outturn
2. Capital Programme 2014/15
3. Outstanding Shut in Lift and Automatic Fire Alarms

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985	
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List of background documents	
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|---|--|
| 1. FEP 2225 2014/15 Budget | |
| 2. FEP 2282 Review of Financial Outturn for 2013/14 | |
| 3. FEP 2310 Financial Position as at the end of June 2014 (Quarter 1) | |

Proper officer	Director of Finance and Contractual Services
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Financial Position, 2014/15 Forecast Outturn

Appendix 1

	As at 30 September 2014				As at 31 March 2015					As at 30 June 2014	
	Current Budget	Current Spend	Current Variance		Original Budget	Revised Budget	Forecast Outturn	Forecast Outturn Variance		Forecast Outturn Variance at June 2014	Movement between variance figures
	£	£	£	%	£	£	£	£	%	£	£
Operational Firefighters	122,430,618	124,877,786	2,447,168	2.0%	241,213,047	241,780,067	247,721,354	5,941,287	2.5%	5,527,942	413,345
Deductions for strike action	0	(2,327,531)	(2,327,531)	0.0%	0	0	(4,242,731)	(4,242,731)	0.0%	(2,336,547)	(1,906,184)
Funding for additional staff	3,282,225	0	(3,282,225)	(100%)	6,135,000	6,135,000	0	(6,135,000)	(100%)	(6,135,000)	0
Operational Firefighters	125,712,843	122,550,255	(3,162,588)	(2.5%)	247,348,047	247,915,067	243,478,623	(4,436,444)	(1.8%)	(2,943,605)	(1,492,839)
FRS Staff	21,083,345	21,567,572	484,226	2.3%	41,113,013	43,226,788	43,136,085	(90,703)	(0.2%)	133,917	(224,620)
Control Staff	2,738,794	2,802,843	64,049	2.3%	5,894,745	5,520,525	5,453,191	(67,334)	(1.2%)	(86,890)	19,556
Total Other Staff	23,822,139	24,370,414	548,275	2.3%	47,007,758	48,747,313	48,589,276	(158,037)	(0.3%)	47,028	(205,064)
Other Pensions Payment	495,000	570,634	75,634	15.3%	990,000	990,000	990,000	0	0.0%	0	0
Severance	50,000	19,998	(30,002)	(60.0%)	200,000	200,000	330,392	130,392	65.2%	0	130,392
Training	19,023,042	19,102,021	78,979	0.4%	454,146	19,308,995	19,248,694	(60,301)	(0.3%)	(2,076)	(58,225)
Recruitment	100,350	61,541	(38,809)	(38.7%)	152,800	182,800	146,697	(36,103)	(19.8%)	(2,103)	(34,000)
Employee Related Insurance	160,000	148,502	(11,498)	(7.2%)	190,000	160,000	160,000	0	0.0%	0	0
Compensation	213,407	197,436	(15,971)	(7.5%)	276,813	426,813	615,385	188,572	44.2%	325,164	(136,592)
Medical & Welfare Expense	896,580	851,450	(45,131)	(5.0%)	1,793,161	1,793,161	1,770,161	(23,000)	(1.3%)	(4,500)	(18,500)
Capitalised Staff Charges	(61,350)	(62,173)	(823)	1.3%	(245,400)	(245,400)	(245,400)	0	0.0%	0	0
Total Employee Related	20,877,029	20,889,408	12,379	0.1%	3,811,521	22,816,369	23,015,929	199,560	0.9%	316,485	(116,925)
Firefighter Pension	11,119,796	10,863,654	(256,142)	(2.3%)	21,700,880	21,700,880	21,200,880	(500,000)	(2.3%)	(500,000)	0

Financial Position, 2014/15 Forecast Outturn

Appendix 1

	As at 30 September 2014				As at 31 March 2015					As at 30 June 2014	
	Current Budget	Current Spend	Current Variance		Original Budget	Revised Budget	Forecast Outturn	Forecast Outturn Variance		Forecast Outturn Variance at June 2014	Movement between variance figures
	£	£	£	%	£	£	£	£	%	£	£
Scheme											
Building Maintenance	4,791,573	4,753,322	(38,251)	(0.8%)	7,441,224	7,028,855	7,257,181	228,326	3.2%	222,478	5,848
Grounds Maintenance	67,306	61,995	(5,311)	(7.9%)	114,813	114,813	114,813	(0)	(0.0%)	0	(0)
Security	1,021,190	1,012,746	(8,444)	(0.8%)	801,752	797,942	797,942	0	0.0%	0	0
Energy Costs	764,834	768,194	3,360	0.4%	2,552,205	2,632,205	2,632,205	0	0.0%	0	0
Rents	4,427,460	4,386,201	(41,259)	(0.9%)	6,521,216	5,920,216	5,920,217	1	0.0%	1	0
Property Rates	4,817,631	4,408,549	(409,082)	(8.5%)	8,855,076	8,855,076	8,855,076	0	0.0%	0	0
Water Services	123,001	138,658	15,656	12.7%	238,515	238,515	238,515	0	0.0%	0	0
Fixtures & Fittings	128,377	138,149	9,771	7.6%	310,271	302,076	302,188	112	0.0%	73	39
Cleaning and Domestic Supplies	1,066,523	1,059,450	(7,074)	(0.7%)	2,151,311	2,095,320	2,095,321	1	0.0%	(110)	111
Premises Insurance	358,942	353,491	(5,451)	(1.5%)	432,000	432,000	432,000	0	0.0%	0	0
Other Property Services	398,644	437,196	38,552	9.7%	935,107	1,926,201	1,673,729	(252,472)	(13.1%)	(234,472)	(18,000)
Total Premises	17,965,482	17,517,950	(447,531)	(2.5%)	30,353,489	30,343,218	30,319,187	(24,031)	(0.1%)	(12,029)	(12,001)
Running Costs	2,202,697	1,974,926	(227,771)	(10.3%)	2,731,384	2,727,729	2,378,970	(348,759)	(12.8%)	(291,690)	(57,069)
Vehicle and Equipment Contract	8,170,348	8,179,849	9,501	0.1%	18,643,943	14,051,242	13,958,153	(93,089)	(0.7%)	(51,000)	(42,089)
Passthroughs	599,922	596,221	(3,700)	(0.6%)	660,246	729,543	705,376	(24,167)	(3.3%)	(24,167)	0
Contract Hire & Operating Leases	1,029,577	1,043,209	13,632	1.3%	1,294,300	1,321,680	1,276,445	(45,235)	(3.4%)	(35,235)	(10,000)
Travel	603,474	598,964	(4,510)	(0.7%)	1,263,766	1,206,419	1,180,064	(26,354)	(2.2%)	12,544	(38,898)
Total Transport	12,606,018	12,393,169	(212,848)	(1.7%)	24,593,639	20,036,612	19,499,008	(537,604)	(2.7%)	(389,548)	(148,056)
Hydrants	534,350	429,458	(104,892)	(19.6%)	511,400	788,700	788,700	0	0.0%	14,275	(14,275)

Financial Position, 2014/15 Forecast Outturn

Appendix 1

	As at 30 September 2014				As at 31 March 2015					As at 30 June 2014	
	Current Budget	Current Spend	Current Variance		Original Budget	Revised Budget	Forecast Outturn	Forecast Outturn Variance		Forecast Outturn Variance at June 2014	Movement between variance figures
	£	£	£	%	£	£	£	£	%	£	£
Operational Equipment	598,639	639,581	40,943	6.8%	1,209,479	1,246,578	1,352,715	106,137	8.5%	51,427	54,710
Smoke Alarms	420,367	383,613	(36,754)	(8.7%)	703,000	701,867	701,000	(867)	(0.1%)	(867)	0
Equipment. Furniture & Materials	373,126	300,092	(73,034)	(19.6%)	677,790	670,187	599,211	(70,976)	(10.6%)	(72,823)	1,847
Lost & NFWT Operational Equipment	118,557	109,249	(9,308)	(7.9%)	115,406	118,557	106,557	(12,000)	(10.1%)	(12,000)	(0)
Catering Equipment	73,086	55,226	(17,859)	(24.4%)	140,354	142,282	92,009	(50,273)	(35.3%)	(50,209)	(64)
Clothing & Laundry	2,933,953	2,882,758	(51,195)	(1.7%)	3,310,343	3,308,844	3,318,424	9,580	0.3%	43,856	(34,276)
General Office Expenses	224,883	216,966	(7,916)	(3.5%)	425,021	425,721	427,177	1,456	0.3%	3,791	(2,335)
Professional Services	3,622,511	3,576,981	(45,529)	(1.3%)	24,130,297	6,651,548	6,742,397	90,849	1.4%	89,010	1,839
Postal Services	70,625	69,230	(1,395)	(2.0%)	93,230	92,855	92,877	22	0.0%	0	22
Telecommunications & Radio	1,614,132	1,156,039	(458,093)	(28.4%)	3,257,684	3,257,684	3,262,634	4,950	0.2%	3,013	1,937
Computing	3,352,356	3,054,707	(297,649)	(8.9%)	4,727,566	4,647,019	4,637,183	(9,836)	(0.2%)	2,132	(11,968)
Staff Reimbursements	359,877	324,470	(35,406)	(9.8%)	687,420	669,373	597,031	(72,342)	(10.8%)	(44,096)	(28,246)
Grants and Subscriptions	117,437	113,802	(3,635)	(3.1%)	178,565	179,365	181,032	1,667	0.9%	3,667	(2,000)
Other Insurance	225,000	219,558	(5,442)	(2.4%)	195,000	225,000	225,000	0	0.0%	0	0
Advertising	63,557	57,784	(5,773)	(9.1%)	50,205	121,822	118,063	(3,759)	(3.1%)	(3,759)	0
Other	46,252	45,255	(998)	(2.2%)	193,118	281,851	264,680	(17,171)	(6.1%)	(9,370)	(7,801)
Total Supplies and Services	14,748,706	13,634,770	(1,113,937)	(7.6%)	40,605,878	23,529,254	23,506,691	(22,563)	(0.1%)	18,047	(40,610)
Other Agencies	256,188	258,903	2,715	1.1%	276,700	276,700	276,700	0	0.0%	0	0

Financial Position, 2014/15 Forecast Outturn

Appendix 1

	As at 30 September 2014				As at 31 March 2015					As at 30 June 2014	
	Current Budget	Current Spend	Current Variance		Original Budget	Revised Budget	Forecast Outturn	Forecast Outturn Variance		Forecast Outturn Variance at June 2014	Movement between variance figures
	£	£	£	%	£	£	£	£	%	£	£
Other Local Authorities	867,214	797,404	(69,810)	(8.0%)	884,600	1,213,121	1,175,823	(37,298)	(3.1%)	(24,488)	(12,810)
Audit & Bank Charges	95,800	96,916	1,116	1.2%	118,600	118,600	118,600	0	0.0%	0	0
Total Third Party Payments	1,219,202	1,153,223	(65,979)	(5.4%)	1,279,900	1,608,421	1,571,123	(37,298)	(2.3%)	(24,488)	(12,810)
Debt Repayment	0	0	0	0.0%	5,836,500	5,836,500	5,836,500	0	0.0%	0	0
External Interest	1,725,112	1,450,709	(274,403)	(15.9%)	4,796,358	4,796,358	4,646,000	(150,358)	(3.1%)	0	(150,358)
Total Capital Financing Costs	1,725,112	1,450,709	(274,403)	(15.9%)	10,632,858	10,632,858	10,482,500	(150,358)	(1.4%)	0	(150,358)
Central Contingency	0	0	0	0.0%	3,032,487	918,310	236,544	(681,766)	(74%)	(440,486)	(241,280)
Business Continuity	0	6,602,984	6,602,984	0.0%	0	0	8,993,879	8,993,879	0.0%	7,438,279	1,555,600
Total revenue expenditure	229,796,326	231,426,537	1,630,210	0.7%	430,366,456	428,248,303	430,893,640	2,645,338	0.6%	3,509,682	(864,343)
MFB Act Income	(21,375,000)	(22,194,294)	(819,294)	3.8%	(21,375,000)	(21,375,000)	(22,560,000)	(1,185,000)	5.5%	0	(1,185,000)
Customer & Client Receipts	(4,586,732)	(4,265,988)	320,745	(7.0%)	(8,420,443)	(8,232,369)	(8,192,587)	39,782	(0.5%)	235,888	(196,106)
Interest	(165,748)	(79,595)	86,153	(52.0%)	(500,600)	(500,600)	(345,000)	155,600	(31.1%)	0	155,600
Bad Debts	0	10,681	10,681	0.0%	0	0	10,681	10,681	0.0%	0	10,681
Total Other Income	(26,127,480)	(26,529,195)	(401,715)	1.5%	(30,296,043)	(30,107,969)	(31,086,906)	(978,937)	3.3%	235,888	(1,214,825)
Net revenue expenditure	203,668,846	204,897,342	1,228,495	0.6%	400,070,412	398,140,334	399,806,735	1,666,401	0.4%	3,745,570	(2,079,168)

Financial Position, 2014/15 Forecast Outturn

Appendix 1

	As at 30 September 2014				As at 31 March 2015					As at 30 June 2014	
	Current Budget	Current Spend	Current Variance		Original Budget	Revised Budget	Forecast Outturn	Forecast Outturn Variance		Forecast Outturn Variance at June 2014	Movement between variance figures
	£	£	£	%	£	£	£	£	%	£	£
Contributions to/ (from) General Reserves	0	0	0	0.0%	3,940,000	3,940,000	3,940,000	0	0.0%	0	0
Contributions to/ (from) Earmarked Reserves											
Compensation Reserve	0	0	0	0.0%	0	(150,000)	(150,000)	0	0.0%	0	0
Hydrants Reserve	0	0	0	0.0%	0	(300,000)	(300,000)	0	0.0%	0	0
National Operational Guidance Project Reserve	0	0	0	0.0%	(851,569)	(1,556,610)	(1,556,610)	0	0.0%	0	0
Property PFI Reserve	0	0	0	0.0%	0	(30,498)	(30,498)	0	0.0%	0	0
Review of Property Services	0	0	0	0.0%	0	(50,500)	(50,500)	0	0.0%	0	0
Salix Reserve	0	0	0	0.0%	0	(195,022)	(195,022)	0	0.0%	0	0
Vehicle & Equipment Contract Reserve	0	0	0	0.0%	0	(1,290,106)	(1,290,106)	0	0.0%	0	0
Financing Requirement	203,668,846	204,897,342	1,228,495	0.6%	403,158,844	398,507,598	400,173,999	1,666,401	0.4%	3,745,570	(2,079,168)
Financed by:											
Specific grants	(3,563,656)	(3,651,273)	(87,618)	2.5%	(13,983,844)	(9,332,598)	(9,332,598)	0	0.0%	0	0
GLA funding	0	0	0	0.0%	(389,175,000)	(389,175,000)	(389,175,000)	0	0.0%	0	0
Net Financial Position	200,105,191	201,246,068	1,140,878	0.6%	0	0	1,666,401	1,666,401	0.0%	3,745,570	(2,079,168)

	2014/15 Budget (FEP2282) July 2014 Resource Comm	Forecast Outturn Qtr 2 2014	Forecast Outturn Variance	Forecast Outturn Qtr 1 2014	Movements between variance figures	Note
CAPITAL PROGRAMME	£'000s	£'000s	£'000s	£'000s	£'000s	
APPROVED ICT PROJECTS						
Upgrade Operating System	132	132	0	132	0	
Firelink project	19	19	0	19	0	
Telephone System (2+8) replacement at Fire Stations	40	40	0	40	0	
ICTS – Data Warehouse	600	600	0	600	0	
Redevelopment of the Intranet	153	153	0	153	0	
Control & Mobilisation System Replacement (CAMS)	4,688	5,126	438	5,612	(486)	1
ICT – Building Control IT	80	0	(80)	80	(80)	2
Mobile Data Terminals Replacement	250	0	(250)	250	(250)	3
Personal Radio Replacement	200	200	0	200	0	
ICT PROJECTS	6,162	6,270	108	7,086	(816)	
ESTATE PROJECTS						
Rebuild or Refurbishment at West Norwood Fire Station	2,206	2,283	77	2,283	0	4
Refurbishment of East Ham Fire Station	400	0	(400)	0	0	5
Alteration works to Union St HQ	0	400	400	400	0	6
Refurbishment of Plumstead Fire Station	1,432	548	(884)	548	0	7
Refurbishment of Acton Fire Station	150	150	0	150	0	
Business Continuity for PFI Projects (Phase 1)	0	0	0	0	0	
Business Continuity for PFI Projects (Phase 2)	30	30	0	30	0	
Business Continuity for PFI Projects – Purchase of Mobilising Equipment	40	40	0	40	0	
Business Continuity for PFI Projects – Installation of ICT hardware at Orpington temporary station and new stations	188	188	0	188	0	
Heating at various stations	900	900	0	900	0	
Window replacement at various stations	200	85	(115)	200	(115)	8
Rewiring replacement at various stations	103	103	0	103	0	
London Resilience Yards and Forecourts Project	31	31	0	31	0	
Walthamstow Fire Station	92	92	0	92	0	
Sustainability Projects						
Energy Conservation/ Invest to Save Projects	883	532	(351)	625	(93)	9
Building Energy Efficiency Programme 2 (BEEP2)	875	875	0	875	0	

Capital Programme 2014/15

Appendix 2

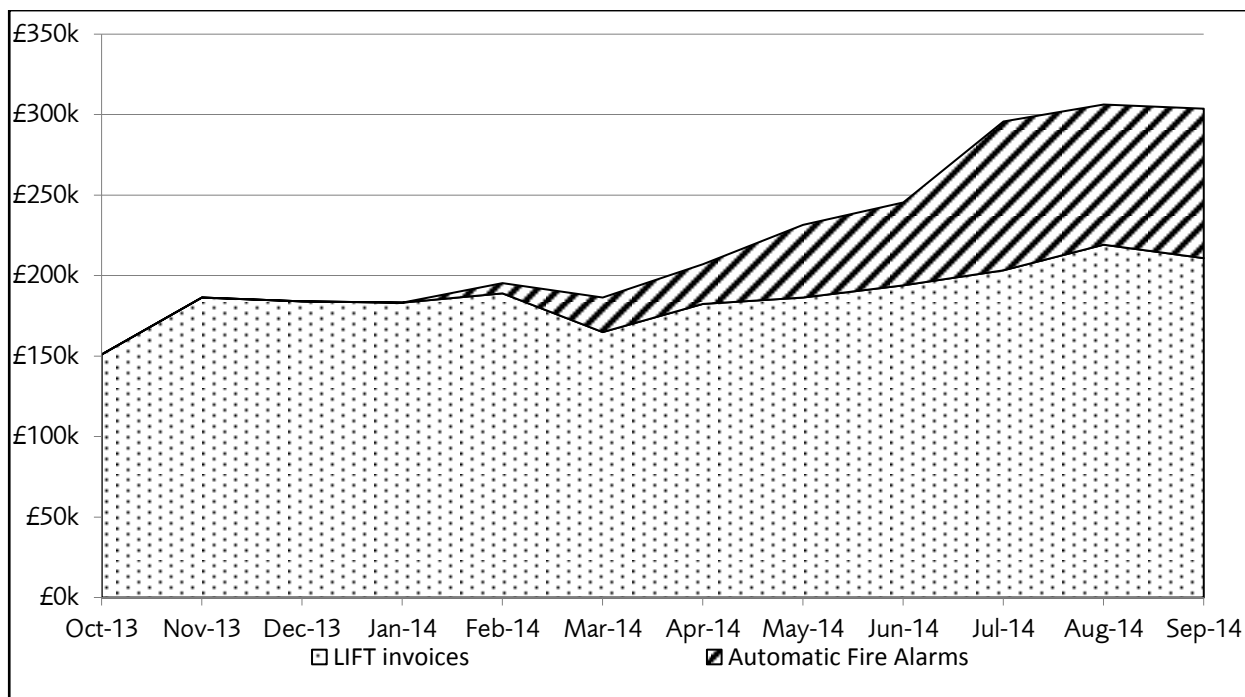
	2014/15 Budget (FEP2282) July 2014 Resource Comm	Forecast Outturn Qtr 2 2014	Forecast Outturn Variance	Forecast Outturn Qtr 1 2014	Movements between variance figures	Note
CAPITAL PROGRAMME	£'000s	£'000s	£'000s	£'000s	£'000s	
Minor Improvement Programme	769	769	0	769	0	
Corporate Property Project	50	50	0	50	0	
Appliance Bay Floors Resurfacing Programme Phase3	200	91	(109)	200	(109)	10
Appliance Bay Doors (Phase 3)	200	200	0	200	0	
Brigade wide Survey for Asbestos & Removal	50	50	0	50	0	
Fire Safety Works at Fire Stations	1,111	861	(250)	861	0	11
Refurbishment of Rear yards & Forecourts at Fire Stations	42	42	0	42	0	
Development costs	250	250	0	250	0	
ESTATE PROJECTS	10,202	8,570	(1,632)	8,887	(317)	
OTHER						
Replacement of Fleet (FEP2103)	19,656	17,672	(1,984)	19,656	(1,984)	12
Electric Vehicle Charging Points (FEP2288)	0	790	790	0	790	13
OTHER TOTAL	19,656	18,462	(1,194)	19,656	(1,194)	
CAPITAL EXPENDITURE EXCL CONTINGENCY	36,020	33,302	(2,718)	35,629	(2,327)	
Contingency	1,360	0	(1,360)	0	0	
CONTINGENCY	1,360	0	(1,360)	0	0	
CAPITAL EXPENDITURE TOTAL	37,380	33,302	(4,078)	35,629	(2,327)	
Long-term Liabilities	24,542	24,542	0	24,542	0	
TOTAL CAPITAL PROGRAMME	61,922	57,844	(4,078)	60,171	(2,327)	

Commentary on outturn movement above £50k

Note	Project	Comment	Variance 2014-15 Revised Budget & Projected Outturn £000s
1.	Control and Mobilising Solution (CAMS)	The project has been delayed due to the supplier not being able to meet the delivery dates for the project milestones. It was originally planned that the new system would be operational in July 2014 but it is now envisaged that it will now be July 2015. Following discussions with the supplier the cash flow timings have been revised with £438k being brought forward from 2015/16 to fund milestone payments. The overall projected spend for the project is within the approval budget £10,650k - FEP1986.	438
2.	Building Control ICT Project	Following a cost benefit review, it has been decided that this project will no longer proceed.	(80)
3.	MDT Replacement Project	Due to changes in both requirements and technology, together with the opportunities this has presented, the scoping exercise for the new Mobile Data Terminals (MDT) now requires wider consultation than originally anticipated. As a consequence the project will now be unable to commit expenditure in the current year, given the specification and procurement lead times and as a consequence the £250k allocated to 2014/15 is to be re-phased to 2015/16.	(250)
4.	West Norwood Fire Station - new build	Additional works are required to divert the newly identified Thames Water supply pipe in order to allow for the construction of the new forecourt and cross over.	77
5.	East Ham Fire Station refurbishment	The East Ham refurbishment project due to commence this FY is to be deferred. The recent feasibility study showed that other than some structural work to part of the building (being completed as part of the minor works programme), the rest of the building fabric, mechanical & electrical and other building services do not require immediate attention. Consequently the 2014/15 budget £400k has been allocated to the Union Street alterations.	(400)
6.	Union ST HQ – Alteration works	Works are required to Union St HQ in order to facilitate the sub-letting of the building to LPFA and other interested parties.	400
7.	Plumstead Fire Station – refurbishment	The project has been re-phased in accordance with the latest consultant profiling for the project and is subject to the option of either providing a temporary location for fire station whilst the refurbishment works are carried out or identifying a suitable alternative site for the relocation of the station. £884k slipped to 2015/16.	(884)

Note	Project	Comment	Variance 2014-15 Revised Budget & Projected Outturn £000s
8.	Window Replacement works	Deferral of the window replacements at Park Royal fire station. These works will now take place in 2015/16 within the existing 2015/16 capital budget.	(115)
9.	Energy Conservation Projects	<p>The originally 2013/14 planned works at Twickenham and Millwall Fire Stations will now be undertaken in 2014/15. Initially the budget was carried forward to 2014/15 but it is now possible to fund these works from the original 2014/15 capital budget allocation – budget savings £258k.</p> <p>In order to ensure the delivery of the Electrical Car Charging Points project before 31st March 2015, the proposed PV/CHP project at Lewisham fire station has been deferred to 2015/16 and the budget carried forward to fund the proposed works. Slippage to 2015/16 £93k</p>	(351)
10.	Appliance Bay Floor Budget	The tender prices for the appliance bay floor works at Ruislip Fire Station are lower than the estimated budget allocated for these works. This has resulted in a £109k saving in the 2014/15 capital budget.	(109)
11.	Fire Safety works.	The previously reported slippage of fire safety works from 2013/14 to 2014/15, combined with the significant amount of further fire safety works already planned for this year, was considered to be challenging in terms of work load and programming. It is, therefore, considered prudent to slip some of this work back now to reduce the risk of an underspend against the profile for 2014/15. £250k slipped to 2015/16.	(250)
12.	Replacement of Fleet & Operational Equipment	Babcock have reviewed the planned purchases for 2014/15 and have provided lead times based on the current market pressures. This has resulted in some of the planned purchases moving into the 2015/16 financial year and £1,984k has been re-phased to 2015/16 to cover this expenditure.	(1,984)
13.	Electric Vehicle Charging Points	The Authority has received grant approval to install electric vehicle charging points at 79 sites across the LFEPa estate. The grant funding covers 75% of the cost of installation and will be paid in arrears once the installation is complete. The remaining 25% of the cost of installation will be covered by a contribution from the supplier of the electric charging points. Therefore, there is nil cost to the Authority for this scheme provided all of the charging points are installed and operational by 31 st March 2015.	790
	TOTAL		(2,638)

At the end of September 2014, there is £211k shut in lift income outstanding for over 30 days and £93k automatic fire alarms (AFAs) income outstanding for over 30 days. The graph below shows the increase in the amount outstanding for these two categories of income over the last 12 months.



The table below shows the five organisations with the largest value of outstanding invoices for Shut in Lift and automatic fire alarms. The information shown is as at the 30 September 2014.

	Amount Outstanding (£)	No of Outstanding Invoices	Average Age of Debt (days)
Shut in Lift			
Lewisham Homes	24,312	77	659
London Borough of Camden	7,920	23	174
London Borough of Tower Hamlets	7,308	21	255
London Borough of Ealing	7,134	22	316
London Borough of Wandsworth	6,851	22	1075
Total (25% of outstanding LIFT income)	53,525	165	550
Automatic Fire Alarms			
University College London Hospital (UCLH)	13,224	38	111
Central and North West London (CNWL) NHS Foundation Trust	12,180	35	133
University College London (UCL)	8,004	23	90
Barts and the London NHS trust	7,308	21	104
St Georges Healthcare	7,308	21	73
Total (52% of outstanding AFAs income)	48,024	138	106

Shut in lifts

Lewisham Homes have now paid £11,232 and agreement has been reached to credit or waive the remaining invoices. LBs of Camden and Tower Hamlets have paid numerous invoices but are generally slow payers, and so payment of the outstanding amounts is expected. Paperwork is now being prepared to refer the outstanding invoices from LB Ealing to Legal for further action. Brigade officers met with LB Wandsworth and reached agreement that 11 invoices would be waived where they were arguably not chargeable. 11 invoices remain outstanding (in the sum of £3,426) but despite what appeared to be a fruitful meeting, LB Wandsworth have since sought to appeal the 11 remaining invoices. The appeal process was completed on Tuesday 4 November 2014, the outcome of which is that the 11 invoices should still be paid. Officers have written to LB Wandsworth and they have been given 7 days to pay.

Automatic Fire Alarms

The UCL Hospital is refusing to pay and next steps are being considered. The CNWL NHS Trust and St Georges Healthcare are both making payments, and so are expected to clear the outstanding balances. The UCL is refusing to pay and a meeting took place between legal officers to discuss a way forward. The Brigade has set out its interpretation of Section 18A- C Fire and Rescue Services Act 2004, which provides the statutory power to charge for attendance at AFAs and UCL are now seeking further advice. The Barts and London NHS Trust have yet to pay any invoices but this is, at the moment, due to challenges in their administrative arrangements.



Report title

Quarterly Monitoring of Performance Indicators in the London Safety Plan for 2014/15 (Resources)

Meeting

Resources Committee

Date

13 November 2014

Report by

Deputy Commissioner

Document Number

FEP 2340

Public

Summary

This is the quarter two 2014/15 monitoring report for the key performance indicators in the Fifth London Safety Plan (LSP5), related to Authority Aims 4-6 (People, Resources and Principles).

Recommendation

That the report be noted.

Introduction

1. This is the monitoring report for the 12 months period to September 2014, covering the Authority's activities around People, Resources and Principles.
2. A copy of the corporate performance digest, containing the full suite of corporate performance information for the period will be circulated to all Members of the Committee, along with the papers for this meeting.
3. At the last meeting, the Committee agreed to change the frequency of this report to six monthly (which will mean reports for Q1 and Q3). However, at the last meeting, the Committee agreed that "with reference to the RIDDOR statistics, future reports include a distinction between events involving FRS and operational staff, and a breakdown of the operational events into the categories: 'operational'; 'training'; 'near-misses'; 'road traffic accidents'; and 'other' (if required)." In view of the Committee's interest in this matter, a report has been produced for Q2 to include a breakdown of RIDDOR events (i.e. who is having these events and in what situations they are occurring) and this can be found in Appendix 1; this data will also be included in future reports. A report will then be produced for Q3 to align performance reporting with the new six monthly frequency.

Performance targets and monitoring

4. The information on Q2 performance is summarised in table 1, with comparative data for the two previous years. The five year trend indicator reflects the change in performance since 2010/11. Full details of performance for each indicator, together with comments from the lead officer concerned, are set out in Appendix 1.
5. Indicators and targets have been set for 2013 to 2016 as part of the Fifth London Safety Plan (LSP5) which was approved by the Authority on 18 July 2013.
6. Targets were generally set having regard to the performance in 2011/12 (the last full year of data when the LSP5 was prepared). As performance for some indicators will fluctuate on an annual basis, the objective of target setting over the last few years has been to set targets based on longer term performance trends rather than respond to the actual performance in a recent year. Targets are reviewed by the Committee on an annual basis (usually in March each year).

Performance highlights

7. More detailed commentary for the key resources indicators for 2014/15 is set out in Appendix 1, but the performance highlights are as follows:
 - **Invoice payments** for all undisputed invoices continues to represent excellent performance, and has achieved the annual target (99.7 per cent paid within 30 days; target 98 per cent). Payment of undisputed invoices received from Small and Medium Enterprises (SMEs), has also shown significant improvement, with annual performance now exceeding the 95 per cent target (at 98.5 per cent); overall invoice payment performance has improved by 3.2 per cent over the last five years, and for SME invoices, it has improved by 13 per cent over the same period.
 - **Sickness absence** amongst operational staff was 4.64 per cent, compared to the target of 3.65 per cent. Sickness for non-operational (FRS) staff was 3.43 per cent against a target of 2.48 per cent. Control staff sickness was 7.02 per cent against a target of 4.70 per cent. The introduction of the revised sickness management policy has had a very positive effect on reducing short term sickness, but long term sickness remains an issue.

[Performance highlights continue on page four]

Table 1: Performance against key performance indicators, 2014/1-5

	2012/13	2013/14	12 months to end Sept. 2014 Q2	Target 2014/15	Trend over 5 years
Aim 4: RESOURCES					
LI 16i : Undisputed invoices paid within 30 days	99.1%	99.4%	99.7%	98.0%	▲
LI 16ii : Undisputed SME ¹ invoices paid within 10 days	93.4%	95.6%	98.5%	95.0%	▲
Aim 5: PEOPLE					
LI 19i : Sickness – operational staff	4.38%	4.31%	4.64%	3.65%	▲
LI 19ii : Sickness – Control staff	6.87%	5.61%	7.02%	4.70%	▲
LI 19iii : Sickness – FRS staff	2.58%	2.86%	3.43%	2.48%	▲
Aim 6: PRINCIPLES					
LI 23i : Road traffic accidents involving brigade vehicles	496	518	503	536	▼
LI 23ii : Safety events reported under RIDDOR ²	137	102	139	115	▼

KEY
Performance
Green – on target
Amber – within 10 per cent of target
Red – more than 10 per cent outside target
Trend
▲ Numbers increasing, good performance trend
▼ Numbers decreasing, good performance trend
▲ Numbers increasing, poor performance trend
▼ Numbers decreasing, poor performance trend
◄ No discernible trend

¹ Small and medium enterprises.

² Safety events reported to the Health and Safety Executive (HSE) under the Reporting of Injuries, Diseases, and Dangerous Occurrences Regulations (RIDDOR) 1995

- The number of **road traffic accidents involving fire brigade vehicles** continues to improve over the long term. The figure of 503 accidents for the 12 months ending Q2 2014/15, this represent an improvement against the same period in 2013/14. A detailed report about health and safety, including performance against targets, is presented to the Committee annually.
- **Safety events reported under RIDDOR** are those more serious events required to be reported to the Health and Safety Executive (HSE), under the Reporting of Injuries, Diseases, and Dangerous Occurrences Regulations (RIDDOR) 2013. Those events reportable under these Regulations are listed for reference, in Appendix 2. The figure of 139 RIDDOR reportable injuries for the 12 months ending September 2014 is an increase over the number of incidents as at the end of 2013/14, but the overall trend is one of long term improvement.

Head of Legal & Democratic Services comments

8. The Head of Legal & Democratic Services has reviewed this report and has no comments.

Director of Finance and Contractual Services comments

9. The Director of Finance and Contractual Services has reviewed this report and has no comments.

Sustainable development implications

10. The corporate indicators selected for this report represents performance against key aspects of five of the six strands of our Sustainable Development Framework. Corporate indicators that represent performance against the sixth strand of our Sustainable Development Framework are addressed in a separate report to the Governance, Performance and Audit Committee. The six strands of the Sustainable Development Framework are:

- Equality and Social Inclusion;
- Climate Change;
- Environment and its Resources;
- Health, Safety and Wellbeing;
- Economic Prosperity; and
- Community Safety.

Equalities implications

11. Alongside the indicators selected for this report, the full suite of corporate performance indicators has targets to measure how well the Authority is achieving its equality objectives. For 2014/15, indicators and targets continue to be focussed on retention and progression of women and those from BME groups within the workforce.

12. The indicators (with targets) are for:

- the proportion of top earners who are women or from a BME group in the different employment groups in the workforce (LI 20);
- those voluntarily leaving the Brigade (including retirement) who are women or from a BME group in the different employment groups in the workforce (LI 21).

13. The performance against these indicators are set out in detail in the report *HR digest* on the agenda for the Committee today, as well as in the Corporate Digest circulated to Members of the Committee with the papers for this meeting. At the end of quarter 2 2014/15, there were 629

BME and 329 women uniformed operational staff in post; that is 12.3 per cent and 6.4 per cent of the workforce (respectively).

Staff Side consultations undertaken

14. There was no specific staff side consultation on this report. Any performance issues which need input from staff side would be dealt with as part of the Brigade's established performance management framework.

List of Appendices to this report:

- 1 Performance against a number of key indicators for the 12 months to September 2014
- 2 Description of RIDDOR reportable events

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985	
List of background documents	
1. Fifth London Safety Plan 2013 – 2016	
2. Corporate performance digest Q2 2014/15	
Proper officer	Rita Dexter, Deputy Commissioner
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Performance indicators and commentary

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All undisputed SME invoices	
Sickness by occupational group	page 10
Operational	
Control	
FRS	
RTAs involving brigade vehicles	page 12
RIDDOR events	page 14

Invoice payments

all undisputed invoices paid within 30 days and within 10 days from SMEs

LI 16i - INVOICE PAYMENTS 30 DAYS

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	target
2010/11	96.5%	96.3%	96.3%	96.4%	96.4%	96.5%	96.5%	96.4%	96.4%	96.6%	96.8%	97.2%	96%
2011/12	97.3%	97.7%	98.0%	98.1%	98.2%	98.3%	98.4%	98.6%	98.7%	98.9%	99.0%	99.0%	97%
2012/13	99.0%	99.0%	99.1%	99.0%	98.9%	98.9%	98.9%	98.8%	98.8%	98.9%	98.9%	99.1%	97%
2013/14	99.1%	99.1%	99.1%	99.2%	99.3%	99.3%	99.3%	99.3%	99.4%	99.4%	99.4%	99.4%	98%
2014/15	99.5%	99.5%	99.6%	99.6%	99.6%	99.7%							98%

LI 16ii - SME INVOICE PAYMENTS 10 DAYS

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	target
2010/11	84.8%	85.3%	85.5%	85.5%	85.5%	85.5%	85.3%	85.4%	85.6%	86.2%	88.3%	89.6%	90%
2011/12	90.0%	90.4%	91.3%	91.8%	91.8%	92.3%	92.7%	93.2%	93.3%	92.7%	92.6%	92.6%	92%
2012/13	92.5%	92.6%	92.5%	92.3%	92.8%	93.0%	92.7%	92.2%	92.1%	92.9%	93.2%	93.4%	95%
2013/14	93.5%	93.2%	92.9%	92.7%	92.7%	92.6%	92.9%	93.4%	93.9%	94.1%	94.5%	95.6%	95%
2014/15	96.8%	97.2%	97.6%	98.1%	98.2%	98.5%							95%

chart 1 : rolling 12 months

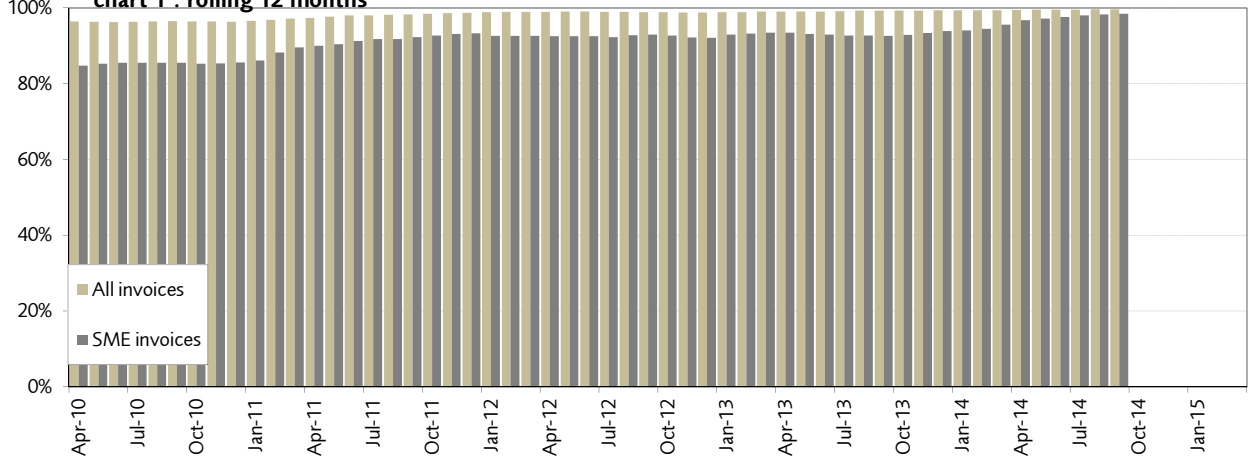
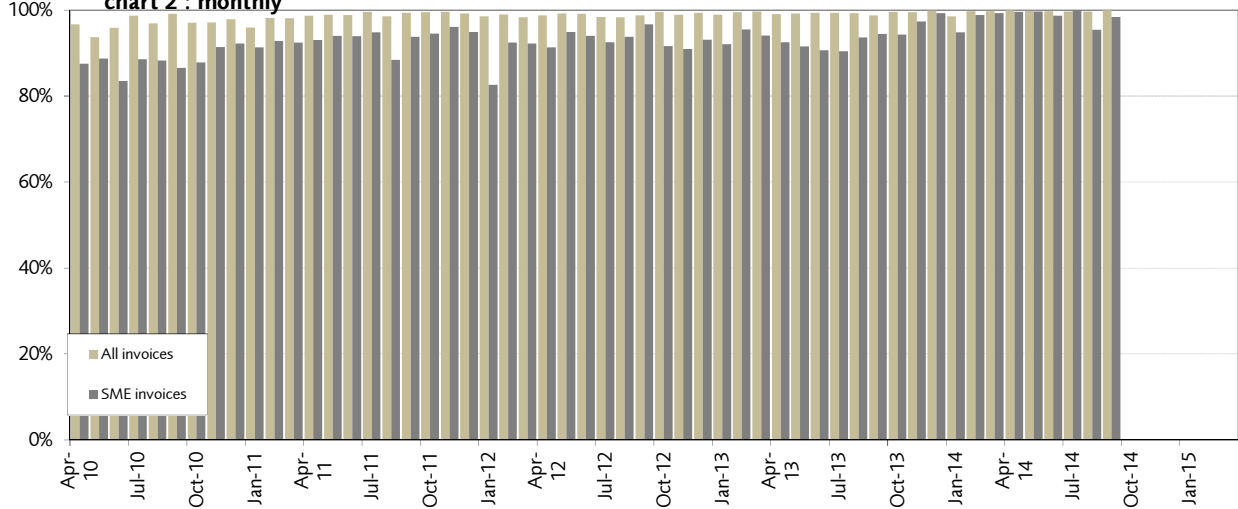


chart 2 : monthly



Indicator Description

This indicator measures how quickly undisputed invoices are paid. LI 16i is for all invoices paid within 30 days and LI 16ii is for payment of invoices from small and medium enterprises (SMEs) within 10 days. The SME target was part of the Mayor of London's economic recovery plan for London.

Performance over the last five years has shown an increasing proportion of invoices paid within 30 days. Performance for the 12 months ending September 2014 continues to be in excess of 99 per cent at 99.7 per cent, and has achieved the set target.

For SME invoices, performance has continued to improve. Performance for the 12 months ending September 2014/15 has reached 98.9 per cent. This represents better than target performance and continues to be in excess of the higher 95 per cent target set in 2012/13.

Performance Management

The process improvements that were put in place in 2013/14 have resulted in a steady improvement in invoice payments performance. In the second quarter, the performance has improved even further for both the prompt payment of invoices within 30 days and those to SMEs in 10 days to the highest levels ever achieved.

Sickness

Operational, Control & FRS staff

LI 19i - SICKNESS - OPERATIONAL STAFF

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	target
2010/11	4.13%	4.12%	4.10%	4.04%	3.98%	3.93%	3.96%	4.16%	4.42%	4.57%	4.63%	4.70%	3.60%
2011/12	4.76%	4.79%	4.87%	4.95%	5.03%	5.07%	5.01%	4.79%	4.55%	4.41%	4.41%	4.38%	3.40%
2012/13	4.32%	4.30%	4.27%	4.24%	4.22%	4.25%	4.28%	4.32%	4.35%	4.45%	4.38%	4.38%	3.05%
2013/14	4.43%	4.45%	4.46%	4.45%	4.39%	4.33%	4.32%	4.32%	4.34%	4.28%	4.27%	4.31%	3.65%
2014/15	4.34%	4.37%	4.41%	4.45%	4.55%	4.64%							3.65%

short term sickness

2013/14	1.68%	1.69%	1.70%	1.73%	1.71%	1.68%	1.71%	1.70%	1.69%	1.69%	1.69%	1.69%
2014/15	1.70%	1.71%	1.73%	1.73%	1.74%	1.73%						

LI 19ii - SICKNESS - CONTROL STAFF

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	target
2010/11	4.76%	5.08%	5.01%	4.91%	4.64%	4.34%	4.35%	4.32%	4.39%	4.35%	4.41%	4.42%	4.00%
2011/12	4.30%	4.37%	4.60%	4.80%	4.88%	5.07%	4.93%	4.86%	4.75%	4.66%	4.52%	4.51%	3.75%
2012/13	4.71%	4.78%	4.58%	4.54%	4.70%	4.99%	5.40%	5.79%	6.25%	6.67%	6.94%	6.87%	3.40%
2013/14	6.74%	6.73%	6.70%	6.78%	6.74%	6.42%	6.31%	6.27%	6.06%	5.72%	5.56%	5.61%	4.70%
2014/15	5.87%	5.89%	6.22%	6.44%	6.76%	7.02%							4.70%

short term sickness

2013/14	1.42%	1.38%	1.42%	1.34%	1.34%	1.30%	1.26%	1.26%	1.20%	1.07%	1.05%	1.02%
2014/15	1.04%	1.02%	1.13%	1.22%	1.28%	1.32%						

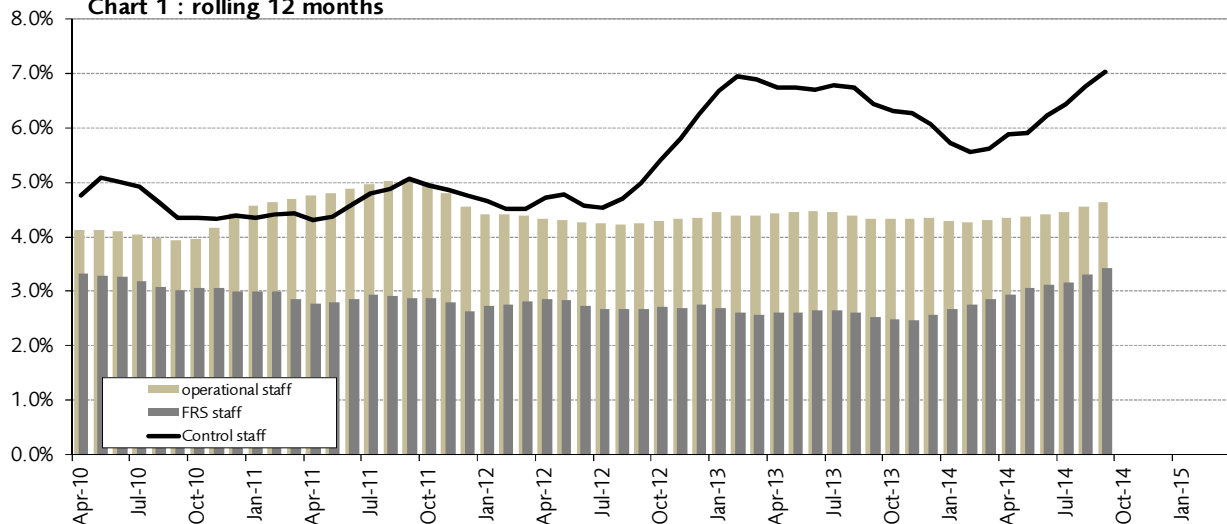
LI 19iii - SICKNESS - FRS STAFF

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	target
2010/11	3.33%	3.29%	3.27%	3.18%	3.09%	3.02%	3.07%	3.07%	3.00%	2.99%	2.99%	2.86%	3.00%
2011/12	2.77%	2.79%	2.85%	2.93%	2.91%	2.88%	2.87%	2.79%	2.63%	2.73%	2.75%	2.81%	2.50%
2012/13	2.86%	2.83%	2.74%	2.68%	2.67%	2.68%	2.72%	2.70%	2.75%	2.69%	2.62%	2.58%	2.35%
2013/14	2.62%	2.62%	2.65%	2.65%	2.61%	2.54%	2.48%	2.47%	2.57%	2.67%	2.76%	2.86%	2.48%
2014/15	2.94%	3.07%	3.12%	3.17%	3.31%	3.43%							2.48%

short term sickness

2013/14	0.92%	0.93%	0.93%	0.94%	0.93%	0.92%	0.92%	0.90%	0.85%	0.83%	0.80%	0.79%
2014/15	0.78%	0.76%	0.79%	0.77%	0.77%	0.79%						

Chart 1 : rolling 12 months



Indicator Description

Sickness across the three occupational groups has increased during the second quarter of 2014/15.

For operational staff, the figure of 4.64 per cent is above the annual target figure for 2014/15, and represents a slightly higher figure than the previous 12 months.

For FRS staff, the figure of 3.43 per cent represents an increase over the previous year as a result of an increase in long-term sickness. Recent performance has dropped, meaning that overall performance for the end of September is above target.

For control staff sickness performance, the figure of 7.02 per cent represents an increase compared to the end of 2013/14, primarily due to an increase in long-term sickness. with a slight increase in short term sickness when compared to September 2013/14.

Data for short term sickness for each occupational group has been included in the presentation. These data cover the period from April 2013 onwards.

Performance Management

For the year ending September 2014, the total value of sickness for operational staff was £11.48m, based on 8.47 shifts (4.64 per cent) lost. For FRS staff, the equivalent figure was £2.02m, based on 8.99 days (3.43 per cent), and for Control staff, the figure was £413k, based on 12.81 shifts (7.02 per cent) lost.

When these figures are adjusted to exclude the sickness of those who have left the organisation in the previous 12 months, sickness rates reduce to 4.04 per cent for Operational staff, and 2.88 per cent for FRS staff. Control sickness rates increase to 7.52 per cent. The additional value of sickness for the staff who left the Authority in the year to September 2014 equates to £1.48m for operational staff, and £324k for FRS staff. There is no additional value for Control leavers as their sickness rate was marginally better than the average for Control.

The 6-monthly Attendance Update report was provided to the 18 September 2014 Resources Committee meeting, and this included more detailed analysis of sickness patterns and trends, and current and future planned initiatives aimed at reducing sickness absence to target levels. We now have three months additional sickness data, July-September 2014, and sickness has increased across all occupational groups in the last quarter, in particular amongst Control and FRS staff, with almost all of the increase resulting from long-term sickness. A series of briefings for managers, in particular of FRS staff, is currently taking place at HQ. This includes an Attendance Update, which reinforces managers' responsibilities in relation to sickness absence; the current upward sickness trend highlights the importance of these briefings. The Stress Audit report on the agenda of today's Committee meeting, and the actions arising from this, assumes greater importance as the main cause of long-term sickness amongst FRS and Control staff is stress anxiety and depression.

There is also a report on the agenda for today's meeting of the Committee which updates on the discussions with the trade unions over the comprehensive review of the Authority's attendance management policy and procedures which was requested by the 18 September Resources Committee meeting.

Health & Safety

RTAs involving LFB vehicles

LI 23i - RTAs INVOLVING FIRE BRIGADE VEHICLES

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	target
2010/11	726	727	713	707	707	722	705	702	695	694	673	679	661
2011/12	671	667	659	639	632	624	628	615	604	586	608	598	685
2012/13	594	590	573	570	561	539	530	520	519	519	507	496	672
2013/14	490	484	497	508	516	505	500	519	510	504	520	523	564
2014/15	528	515	511	494	490	503							536

chart 1: rolling 12 months

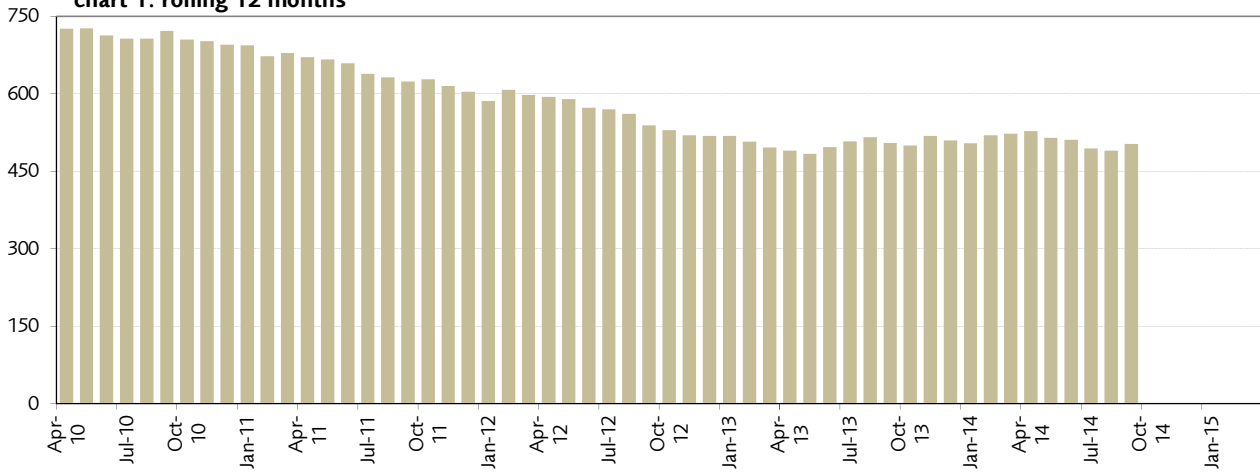
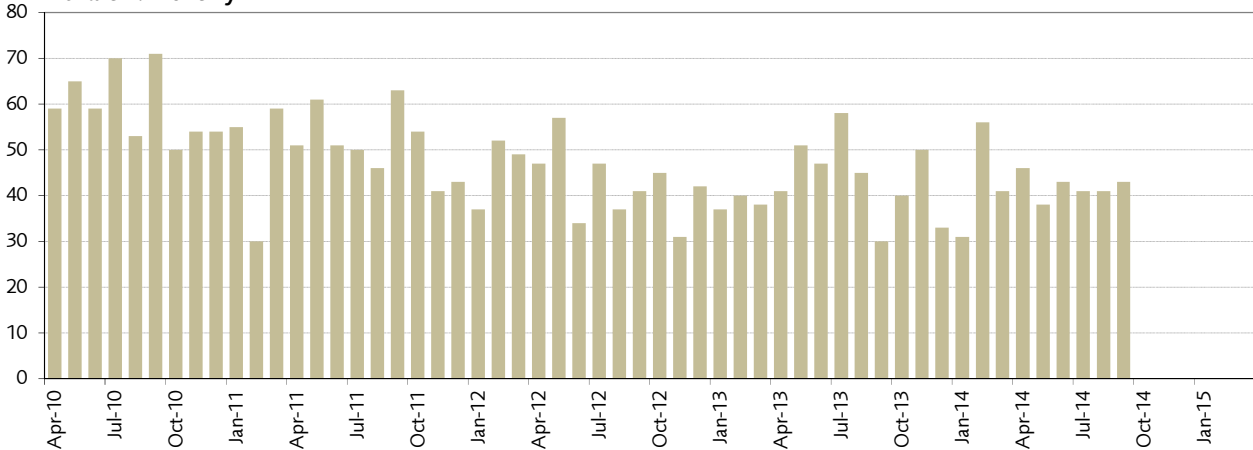


chart 2: monthly



Indicator Description

The tables and graphs display the number of vehicle events (LI23i) recorded across the Brigade. The numbers include all vehicles used by the Brigade, and also include those accidents which were not the fault of a Brigade driver.

The figure for the 12 months to September 2014 (503) represents a continuing improvement in the long term despite a recent performance deterioration; performance since May 2010 has improved by 31 per cent.

Long term improvements in accident numbers are happening across all vehicle types, but pumping appliance accidents, because of the volumes involved, are the big driver for the bottom line improvement in numbers. The number of incidents involving pumping appliances for the 12 months to September 2014 (383) has reduced by over 30 per cent since April 2010 and by four per cent when compared to the same period last year.

Vehicle type	Percentage of total accidents at end of September 2014	Percentage improvement since April 2010	Percentage change (12 months to September 2014)
Pumping appliances	76 per cent	32 per cent	- 4 per cent
Special appliances	14 per cent	20 per cent	+ 36 per cent*
Aerials	3 per cent	30 per cent	- 7 per cent**
Other - to include vans and officer cars	7 per cent	38 per cent	-12 per cent***

* numbers for incidents involving special appliances increased from 52 to 71.

** numbers for incidents involving aerial appliances decreased from 15 to 14.

*** number of incidents involving other vehicles decreased from 40 to 35.

Performance Management

Continued efforts are being made to drive down the number of vehicle accidents across the Brigade. To emphasise the importance of reducing vehicle accidents, the Third Officer has decided that the reduction be incorporated into the Service Standards for operational staff.

To maintain strategic focus, this subject is a fixed agenda item at the Third Officer's senior management team meetings, where there is discussion of vehicle accidents to observe any trends and take necessary action.

This also helps maintain a constant approach across the respective operational areas, and allows for DACs to also apply consistency when holding 1-2-1 meetings with their respective Borough Commanders. This has helped to reduce the number of accidents over the last few years. Managers at stations ensure that there are suitable plans in place to prevent, as far as possible, the occurrence of all types of vehicle accidents. Actions taken include:

- risk assessment of vehicle movements on the station;
- establishing a system of follow up, working with those drivers who have recorded two or more accidents in a year;
- reminding all staff of their responsibilities as set out in the firefighter role map; and
- recording all types of training on staff individual training records (ITR).

In this financial year, Fleet team have proposed to apply for a recognition award under the Fleet Operators Recognition Scheme (FORS). This will involve an external audit of our systems for the management of occupational road risk and the review of our existing control measures with recommendations for improvements where applicable.

Health & Safety

RIDDOR events

LI 23ii - RIDDOR events

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	target
2010/11	153	150	143	148	147	149	146	142	148	160	158	155	-
2011/12	157	159	164	150	147	145	143	140	139	130	141	141	-
2012/13	136	141	135	137	140	139	142	149	148	142	137	137	139
2013/14	136	127	126	124	116	109	108	102	97	100	102	102	137
2014/15	111	114	123	131	132	139							115

chart 1: rolling 12 months

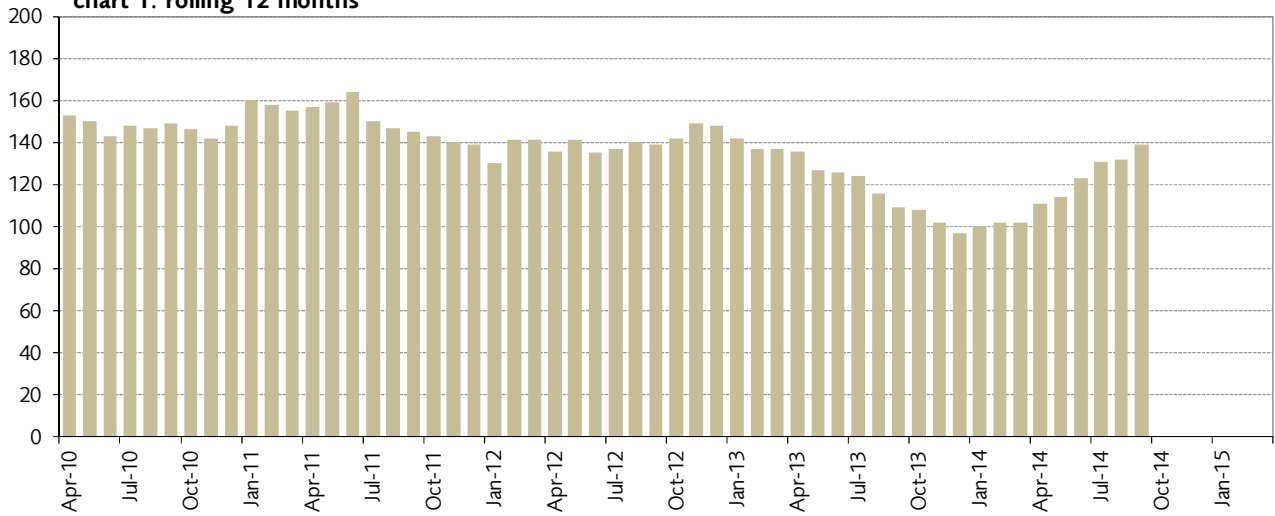
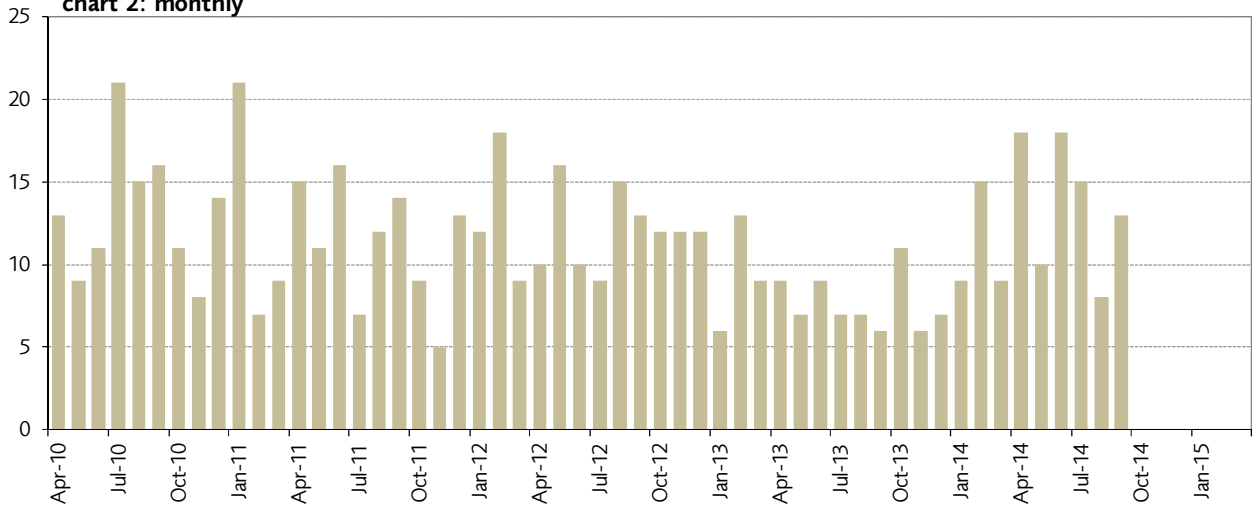


chart 2: monthly



Indicator Description

RIDDOR events are those required to be reported to the Health and Safety Executive (HSE), under the Reporting of Injuries, Diseases, and Dangerous Occurrences Regulations (RIDDOR) 2013. As of October 2013, major injury events have been reclassified as 'specified injuries'. These are defined in the regulations and listed for reference. However, whilst the classification has changed, the number of such events experienced by the Brigade has remained consistent over the last five years. A full list of those events which qualify as major is available in Appendix 2 of Policy Number 369 - Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 policy (RIDDOR 2013). Data shows the majority of RIDDOR injury events fall within the over 7 day injury category.

Following the notable increase in RIDDOR injuries in Q1 2014/15 (46 for the quarter), there has been a reduction in RIDDOR injuries in Q2 2014/15 to 36. Whilst a clear improvement, this has not yet returned to expected levels.

The figure for the 12 months to September 2014 (139) is a higher than the same point in the previous financial year (i.e. the year to September 2013 (109)). Overall, the five year trend is one of improvement; RIDDOR events have fallen by 11 per cent since April 2010.

At the last meeting of the Committee in September 2014 (FEP2312), the Committee specifically requested that future reports include a distinction between events involving FRS and operational staff, and a further breakdown of the operational events into categories. For the RIDDOR events occurring during Q2:

- All RIDDOR injuries (36) reported involved operational staff, none were attributable to FRS personnel;
- 21 events occurred during operations, seven during training activities and eight during general activities (e.g. routine station-based activities, etc);
- There were no reportable dangerous occurrences in this quarter.

From the seven RIDDOR events that occurred during training, 57 per cent (4 injuries) occurred at Babcock led training sessions.

Over the past quarter, 46 'near miss' events have also been reported; 14 near misses occurred during operations, 15 during training activities and 17 during general activities (e.g. routine station-based activities, etc).

Performance Management

The increase in RIDDOR injuries in the first two quarters of 2014/15 has been monitored and subjected to greater analysis by the health and safety team with a view to identifying specific interventions to target a further reduction in RIDDOR injuries. The increase in injuries is specific to operational staff. No clear reason has been identified to explain the increase in RIDDOR injuries, although it has been noted that the increases in RIDDOR injuries are NOT associated with the following:

- There has been no significant change in the number of injuries or near misses overall that would account for the large increase in RIDDOR injuries;
- There has been no significant change in the number of operational events that have been attended;
- When the severity of injuries are reviewed there does not appear to be a trend toward more serious injuries occurring, although staff are taking more time off work following injury;
- There have been no changes in policies, procedures or safe systems of work that have been linked to accident causation and/or injury; and

- There have been no changes to operational or protective equipment that have been linked to accident causation and/or injury.

Accidents are always investigated and the causes identified. Where an event occurs that has corporate implications, the Senior Accident Investigation (SAI) team will lead and provide a report for corporate consideration. Where significant risks are identified these may be subject to thematic audit. A new training course (Lead Accident Investigator) has been implemented in 2013/14, which has increased the number of qualified investigators available. Training of staff in accident investigation will continue through 2014/15.

The Safety Event Reporting Database (SERD) captures critical information about all safety events, which includes accidents, near misses and road traffic incidents. Trends are analysed and monthly reports are provided to the Area Deputy Assistant Commissioners (DACs), so that positive preventive actions can be taken to prevent future events.

A system to monitor the implementation and completion of action plans that result from accident investigations has been put in place to ensure that proportionate steps are taken to prevent the recurrence of injuries.

The four Area DACs meet quarterly with health and safety staff to determine whether events can be attributable to employee behaviour (i.e. by not taking the appropriate care), equipment, and/or facilities failures.

Where corporate trends are identified, the appropriate action can then be applied. For example, ensuring training packages are completed within a specified timescale, or by increasing the frequency of inspection to specific parts of premises.

Service Standards (LFB Policy 812) are now in place and have been incorporated into Borough (departmental) Service Plans, which will encourage proactive management of health and safety risks at station level.

Officers have introduced a premises slips and trips risk assessment programme to proactively identify and record slips and trips risks on LFB premises. A communication strategy has been designed to raise awareness of key issues with staff. It includes the design of several posters and the use of other media such as Hotwire and Shout. The campaign will highlight five main hazards to staff including tripping up on the stairs, getting on and off appliances, trip hazards in the gym, paying attention to warning signs in areas being cleaned and poor housekeeping.

Description of RIDDOR reportable events

Deaths and injuries

If someone has died or has been injured because of a work related accident this may have to be reported.

(a) Work-related accidents:

The accident that caused the death or injury must be connected to the work activity.

(b) Types of reportable injury:

- deaths;
- specified injuries;
- over-seven-day injuries.

(c) People not at work:

- where a member of the public or person who is not at work has died, or;
- injuries to members of the public or people not at work where they are taken from the scene of an accident to hospital for treatment.

(d) Reportable specified injuries are:

- a fracture, other than to fingers, thumbs and toes;
- amputation of an arm, hand, finger, thumb, leg, foot or toe;
- permanent loss of sight or reduction of sight;
- crush injuries leading to internal organ damage;
- serious burns (covering more than 10 per cent of the body, or damaging the eyes, respiratory system or other vital organs);
- scalping (separation of skin from the head) which require hospital treatment;
- unconsciousness caused by head injury or asphyxia;
- any other injury arising from working in an enclosed space, which leads to hypothermia, heat-induced illness or requires resuscitation or admittance to hospital for more than 24 hours.

(e) Over 7 day injuries:

This is where an employee or self-employed person is away from work or unable to perform their normal work duties for more than seven consecutive days (not counting the day of the accident).

Occupational diseases

Employers and the self-employed must report listed occupational diseases when they receive a written diagnosis from a doctor that they or their employee is suffering from a listed condition **and** the sufferer has been doing the work activities listed.

Dangerous occurrences

Dangerous occurrences are certain specified near-miss events. Not every near-miss event must be reported. The list of reportable dangerous occurrences includes:

- the collapse, overturning or failure of load-bearing parts of lifts and lifting equipment;
- plant or equipment coming into contact with overhead power lines;
- explosions or fires causing work to be stopped for more than 24 hours.

Note: Certain additional categories of dangerous occurrences apply specifically to mines, quarries, offshore workplaces and certain transport systems (railways etc.).