



SUPPLEMENTARY AGENDA

DATE ISSUED **12 February 2016**

LONDON FIRE & EMERGENCY PLANNING AUTHORITY

DATE Wednesday 17 February 2016 TIME 10.00 am

VENUE Committee Rooms 4&5 - City Hall, The Queen's Walk, London, SE1 2AA

In accordance with the provisions of Part VA of the Local Government Act 1972, the Chairman has agreed to admit the following item to the agenda by reason of special circumstances and reasons for urgency, namely to allow the letter from the Mayor's Chief of Staff to the Chairman of the Authority, dated 11 February 2016, relating to LFEP's budget for 2016/17 and in particular FEP 2551A, which is on this Authority meeting's agenda, to be considered alongside that report.

6. **2016/17 Budget Update - FEP 2551 B (Pages 1-4)**

Commissioner/Director of Finance and Contractual Services – Asking the Authority to note the letter from the Mayor's Chief of Staff to the Chairman of LFEP dated 11 February 2016.

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Clerk to LONDON FIRE & EMERGENCY PLANNING AUTHORITY

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Report title

2016/17 Budget Update - Supplementary Report [2]

Meeting

Date

Authority

17 February 2016

Report by

Document Number

Commissioner/Director of Finance and Contractual Services FEP 2551 B

Public

Reason for Urgency

To allow the letter from the Mayor's Chief of Staff to the Chairman of the Authority, dated 11 February 2016, relating to LFEPA's budget for 2016/17 and in particular FEP 2551A, which is on this Authority meeting's agenda, to be considered alongside that report.

Summary

This report presents a letter from the Mayor's Chief of Staff to the Chairman of the Authority dated 11 February 2016.

Recommendation

That the letter from the Mayor's Chief of Staff to the Chairman of LFEPA, dated 11 February 2016 and attached as Appendix A to this report, be noted.

Introduction/Background

1. Following the publication of the Agenda for this meeting a letter has been received by the Chairman of the Authority from the Mayor's Chief of Staff, in relation to the LFEPA's budget for 2016/17 and in particular FEP 2551A, which is on this Authority meeting's agenda. The letter is attached as Appendix A to this report (FEP 2551 B).
2. The letter states that the Mayor strongly supports the officer recommendations set out in the paper FEP 2551A (Option B), primarily on the grounds of financial prudence. It states that the Mayor would be minded to direct LFEPA to adopt these proposals if necessary and is keen to hear LFEPA Members' views by the close of business on Wednesday 17 February.

3. The Authority is asked to note the letter.

Head of Legal and Democratic Services comments

4. The Head of Legal and Democratic Services has reviewed this report and has no further comments to make.

Director of Finance and Contractual Services comments

5. The Director of Finance and Contractual Services has reviewed this report and has no further comments to make.

Sustainable Development implications

6. As per FEP 2551/A

Staff Side Consultations undertaken

7. As per FEP 2551/A

Equalities implications

8. As per FEP 2551/A

List of Appendices to this report:

1. Letter from the Mayor's Chief of Staff

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985	
List of background documents 1. FEP 2551 & FEP 2551A	
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MAYOR OF LONDON

Gareth Bacon AM
Chairman of LFEPA
City Hall

Our ref:

Date: 11th ebruary 2016

Dear Gareth

LFEPA budget for 2016/17

The Mayor has asked me to write to you in relation to the London Fire and Emergency Planning Authority's (LFEPA) budget for 2016/17. The context for doing so is the recently issued LFEPA paper (FEP2551A) on this topic which is being presented to LFEPA's full authority meeting on 17 February. In addition the Assembly's final meeting on the Mayor's budget for the GLA Group for 2016/17 will be held on 22 February.

The LFEPA paper refers to two principal options:

- Option A: recommended by the Chair of LFEPA's Resources Committee; and
- Option B: recommended by the Commissioner and reflecting his professional advice.

By way of background, and comparing the calendar year 2015 with 2010, it is apparent there have been significant reductions in activity levels for the London Fire Brigade (LFB) over the last five years:

- Incidents have reduced by 21% across London;
- Fires have reduced by 24% across London; and
- Fire related deaths have reduced by 41% across London.

Furthermore, in the two and a half year period in which the 13 appliances have been held back from the frontline as a contingency in case of strike action, the Brigade has continued to meet its target response times for incidents across London and to do so quite comfortably. Indeed the removal of the 13 appliances would maintain the level of operational frontline cover in place at the time of the introduction of the Fifth London Safety Plan (LSP5).

Another important factor to consider is the financial savings which LFEPA needs to make in future years. Even under the more financially prudent option, Option B, and after factoring in the impact of the savings planned for 2016-17, an additional £9.1m in savings are still forecast to be required

for 2017-18 with a further £7.5m for 2018-19 (£16.6m in cumulative terms). The need to make these further savings highlight a number of important points:

- A financially prudent approach needs to be adopted to LFEPA's medium term financial planning;
- Some further frontline realignment will be required under the Sixth London Safety Plan (LSP6) but it can be mitigated by adopting an appropriately cautious approach now; and
- LSP6 would be a more appropriate mechanism to develop and implement an operational change as significant as alternate crewing, particularly when the impact of removing the 13 contingency appliances held back as a contingency is already known from two and a half years of operational performance.

As a result, and after contrasting the relative strengths of Option A and Option B, the Mayor strongly supports the officer recommendations set out in the paper; those recommendations being in support of the Commissioner's preferred option, Option B. This is primarily on the grounds of financial prudence. The Mayor notes that Option B brings with it some additional benefits:

- An increase in capacity for the Fire Rescue Units (FRU) in the order of 72 uniformed posts;
- A recurring revenue saving on pensions estimated at £0.4m from 2017/18 thus bolstering future budgets; and
- The establishment of a community safety reserve of £1m for use in 2016/17 to support the most vulnerable in the community.

The Mayor also notes that:

- The paper includes a comprehensive analysis of the consultation responses and provides a commentary on the issues raised by respondents;
- LFEPA will agree its detailed budget next month; and
- The recommendations set out in the paper would require a number of months to be implemented in full.

In the light of the issues set out above, the Mayor is minded to direct LFEPA (should it prove necessary following the decision taken at the 17 February LFEPA full authority meeting) to adopt Option B proposals. The Mayor is keen to hear LFEPA Members' views on these issues prior to proceeding with any direction.

I would therefore be grateful if you could respond to me with those views by the close of business on Wednesday 17 February.

Yours sincerely



Sir Edward Lister
Chief of Staff and Deputy Mayor, Policy & Planning