

## **FIRE AUTHORITY**

**Minutes of the meeting of the FIRE AUTHORITY held at via Webex at 10.30 am on Thursday, 11 February 2021.**

Present: Councillors Galley (Chairman), Lambert (Vice-Chair), Barnes, Dowling, Evans, Hamilton, O'Keeffe, Osborne, Peltzer Dunn, Powell, Pragnell, Scott, Sheppard, Smith, Taylor, Theobald, Tutt and West

Also present: D Whittaker (Chief Fire Officer & Chief Executive), M O'Brien (Deputy Chief Fire Officer), M Matthews (Assistant Chief Fire Officer), A Ghebre-Ghiorghis (Monitoring Officer), D Savage (Assistant Director Resources / Treasurer), L Ridley (Assistant Director Planning & Improvement), H Scott-Youldon (Assistant Director People Services), N Cusack (Assistant Director Operational Support & Resilience), J King (Assistant Director Safer Communities), L Woodley (Deputy Monitoring Officer), P Jassal (Interim Finance Manager), E Curtis, S Milner, M Lloyd, C Fry, C Warland, K Ring, H Oxburgh (Local Democracy Reporter), E Simpkin, A Blanshard.

### **27       Declarations of Interest**

There were none

### **28       Apologies for Absence**

There were none

### **29       Notification of items which the Chairman considers urgent and proposes to take at the end of the agenda/Chairman's business items**

The Chairman informed the Fire Authority that the process to appoint a new Assistant Chief Fire Officer would commence in the next few weeks with the intention to hold interviews in April.

The Chairman then reminded Members that the Local Government Association's (LGA) Fire Conference would be taking place at the beginning of March. Group Leaders were advised to attend if possible along with the Fire Authority's LGA representatives.

### **30       To consider any public questions**

A public question had been received from Mark Todd, on behalf of Unison and shared with all Authority Members in advance of the meeting.

*"Will the Fire Authority commit to protecting our communities by ensuring we have a stable and sustainable income for the future and approving a rise in Council Tax?"*

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This question was considered as part of the preparation for this meeting and was included in the appendices to item 96. A written response would be sent after a decision had been taken by this meeting.

### **31 To receive any petitions**

There were none

### **32 Non-confidential Minutes of the Previous Meeting**

**RESOLVED** – That the minutes of the meeting held on 3 September 2020 be approved and signed by the Chairman. (*Copy in Minute Book*)

### **33 Callover**

Members reserved the following items for debate:

96 Fire Authority Service Planning processes for 2021/22 and beyond – Revenue Budget 2021/22 and Capital Asset Strategy 2021/22 to 2025/26

98 Pay Policy Statement 2021-22

99 Customer Relationship Management (CRM) Project – Additional Funding Requirement

100 People Strategy 2021-2025

**RESOLVED** – That all other reports be approved according to the recommendations set out.

### **34 Fire Authority Service Planning processes for 2021/22 and beyond - Revenue Budget 2021/22 and Capital Asset Strategy 2021/22 to 2025/26**

The Fire Authority considered the report of the Chief Fire Officer (CFO) and Assistant Director Resources / Treasurer (ADR/T) which presented Members with the Fire Authority's Revenue Budget 2021/22, Capital Strategy 2021/22 – 2025/26 and Medium Term Finance Plan for 2021/22 – 2025/26 for approval.

The ADR/T presented the report to Members, and informed them of an error in the figures presented at Appendix F(i), an updated version of this appendix would be provided. The Authority's budget proposals for 2021/22 and its five year Medium Term Finance Plan (MTFP) had been considered by the Policy & Resources (P&R) Panel on 21 January 2021. Since that meeting the report had been updated to reflect the latest council tax and business rates information, collection fund positions and the best understanding of how the schemes to compensate authorities for the impact of Covid-19 on Collection Funds and council taxbase would operate. The Local Government Finance Settlement (LGFS) had been finalised by Parliament on 10 February 2021 and had been better than forecast.

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The key decision for the Authority was to set the level of council tax for 2021/22. The P&R Panel recommended two options for consideration, either no increase (0%) or an increase of 1.99% (the referendum threshold for fire authorities was 2%). A decision to freeze council tax, even for a single year would have a permanent impact on the Authority's future income. The loss of income resulting from a freeze in council tax for 2021/22 was estimated at £0.551m (2021/22) rising to £0.618m (2025/26). Across the 5 year MTFP the total loss of income would be £2.9m. This would increase the level of future savings required under the best case scenario to £0.9m (2025/26 base) and £5.3m (5 year total) and under the worse case scenario to £3.1m and £10.9m respectively (as detailed in the updated Appendix F(i)).

This decision was to be made when there remained significant uncertainties for funding after 2021/22 which the current Covid-19 pandemic had only exacerbated. New legislation resulting from the Grenfell enquiry was likely to impose fresh demands on the Authority's prevention services and there was no clarity on the extent to which Government would fund additional costs.

The Fire Authority, in line with the joint National Fire Chief Council (NFCC) / LGA Comprehensive Spending Review 2020 submission, had lobbied for a fair and sustainable medium term settlement for the fire service including additional local flexibility to increase council tax by 2% or £5 whichever was the greater, a position that would be difficult to maintain if the Authority did not take the increase in council tax available to it in 2021/22.

The Authority had acted prudently in establishing reserves and balances to meet its assessed risks and to provide one off funding for specific priorities. The level of reserves held would significantly reduce over the life of the MTFP, from £18m to below £3m by 2022/23, bringing forward the need to borrow and reducing the level of financial flexibility the Authority had outside of its Revenue Budget.

Members were reminded that the Integrated Risk Management Plan (IRMP) consultation undertaken in summer 2020 had demonstrated that 80% of the public supported an increase in council tax for the fire service.

The ADR/T in his role as Treasurer confirmed to the Authority that he was satisfied that the budget was based on robust and transparent estimates.

The Chairman of the Policy & Resources Panel informed the Authority that initially he had been supportive of a precept freeze but, once presented with the details, had become concerned about the long term implications of such a gesture. It had been helpful for the Authority to be presented with both options, but he would be supporting a 1.99% increase.

A lengthy discussion followed during which Members thanked officers for the comprehensive report and for providing them with both options. Members were all agreed that this had been an exceptionally challenging year both for the public and for ESFRS. They had all carefully considered both options and were sure that the potential long term risks to ESFRS of a precept freeze

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would be too high and therefore were unanimously supportive of a 1.99% precept rise.

As was required a recorded vote was undertaken with the results as follows:

**FOR –** 18 (*Cllrs Barnes, Dowling, Evans, Galley, Hamilton, Lambert, O’Keefe, Osborne, Peltzer Dunn, Powell, Pragnell, Scott, Sheppard, Smith, Taylor, Theobald, Tutt, West, Lambert*)

**AGAINST –** 0

**RESOLVED –** The Fire Authority Agreed to approve:

1. (a) an increase in council tax of 1.99% and thus approve:
  - (i) the budget proposals set out in this Report and the net budget requirement of £40.704m for 2021/22;
  - (ii) the council tax requirement of £28.303m; and
  - (iii) the council tax and precepts as set out in Appendix F;
2. The capital programme for the next five years and the capital budget of £6.105m for 2021/22 including the plans to use Community Infrastructure Levy, capital receipts, revenue contributions and new borrowing to finance capital expenditure;
3. A one off contribution of £0.210m from the revenue budget to the General Reserves to return it to the policy minimum of 5% of the net revenue budget;
4. The fees and charges set out in Appendix C; and
5. That the Assistant Director Resources / Treasurer, in consultation with the Chief Fire Officer and the Chairman be authorised to make any adjustments to the presentation of the budget to reflect the Final Local Government Settlement.

## **35 Treasury Management Strategy 2021-22**

The Fire Authority considered the report of the Assistant Director Resources/Treasurer (ADR/T) which set out recommendations regarding borrowing limits, prudential indicators and limits, the investment strategy and policy as required by Section 3 (1) of the Local Government Act 2003 and the Prudential Code for Capital Finance 2017.

The emphasis continued to be on security and liquidity. The strategy and limits were consistent with the proposed capital programme and revenue budget previously dealt with at this meeting. The Authority was recommended to approve borrowing limits to give flexibility for any future consideration in undertaking new external long-term / replacement borrowing should the need arise.

**RESOLVED –** That the Fire Authority agreed to:

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- (i) approve the treasury management strategy and policy statement for 2021/22 (and adopt for the remainder of 2020/21);
- (ii) determine that for 2021/22 the Authorised Limit for borrowing shall be £15.155m
- (iii) adopt the prudential indicators as set out in the attached Appendix 2; and
- (iv) approve the Minimum Revenue Provision (MRP) Statement for 2021/22 as set out in the attached Appendix 3.

### **36 Pay Policy Statement 2021-22**

The Fire Authority received the Report of the Assistant Director People Services (ADPS) seeking approval of the Fire Authority's Pay Policy Statement for the period 1 April 2021 to 31 March 2022. The Localism Act 2011 imposed a duty on relevant local authorities to prepare pay policy statements for each financial year, beginning in 2012/12, the Fire Authority was required to approve the statement by the statutory deadline of 31 March 2021.

Members were satisfied with the statement, but sought clarification on the re-engagement of employees. The ADPS explained that re-engagement was a process, not undertaken at ESFRS, where an employee retires and is then re-employed. At ESFRS all vacancies were put out to open application to which anyone could apply for the role making the process transparent and fair for all.

**RESOLVED** – That the Fire Authority approved the Pay Policy Statement as set out in Appendix 1 to the Report.

### **37 CRM Project - Additional Funding Requirement**

The Fire Authority considered the Report of the Assistant Chief Fire Officer (ACFO) providing an update on the delivery of the Customer Relationship Management (CRM) project, which aimed to deliver business critical enhancements to prevention, protection and response services, and to seek approval of an additional investment of £1.094m bringing the total project budget to £1.969m to fund its full delivery.

The report outlined the additional funding requirements for the CRM project to enable delivery of business benefits impacting our legal requirement to enforce the Regulatory Reform (Fire Safety) Order and meet legal expectations under the Fire and Rescue Services Act in respect to prevention of fires and ensuring risk information is available to crews, a critical firefighter safety provision. The enhancements will also ensure that the protection, prevention and SSRI related elements of the IRMP can be fully realised. The ACFO added that the Service had not invested specifically in a Prevention Risk Management tool to date, but how important it was that the risk information collected from prevention, protection and response activities, using the upgraded CRM system was easily accessed by the appropriate member of staff at the appropriate time and that without the CRM enhancement, this would not be an efficient and reliable process.

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The ACFO explained that the HMICFRS inspections review had further clarified the expectations of the National Framework for prevention, protection and response and resilience. The original business case for CRM was written three years ago in 2018. Additional functionality, unforeseen at the time of the original business case, was required in order to respond effectively to the Grenfell enquiry outcomes, HMICFRS observations and the recommendations for improvement specifically related to firefighter risk information (Site Specific Risk Information (SSRI) related), Safe and Well/Home Safety Visits and Business Safety inspections. The identified enhancements across the three areas, Minimum Viable Products (MVP's), now required an enhanced investment if the benefits were to be fully realised. This would ensure the Service was able to respond appropriately to areas identified as requiring improvement, continue to meet its current and foreseeable statutory obligations, supply required intelligence to central government, implement key elements of the current IRMP and share risk critical information across teams and partners to support the effective safeguarding of staff and the public.

In response to a comment on the length of time proposed for pay back the Chief Fire Officer (CFO) was confident that all Members of the Fire Authority would understand that investment in IT always had an element of sunk cost, especially when ensuring that there was interaction between a number of different systems. Not all of these investments would have a cashable return.

The Lead Member for IT added that integration between systems had been lacking in the past, but that he was confident that this project was futureproofed in so far as was possible, and he had no hesitation in recommending it to Members for approval.

Members thanked the ACFO for a very comprehensive report on this hugely important piece of work. There was a suggestion that information on the CRM project be shared with MP's to inform them of its importance and to approach them for support to lobby for extra funding provision from government. Members queried whether opportunities for collaboration had been considered, the ADR/T confirmed that it had been explored, and although none were available at the present time, this would continue both nationally and locally.

The ACFO confirmed to the Fire Authority that the Scrutiny & Audit panel would receive regular reports to allow them to monitor the progress of this project.

**RESOLVED** – That the Fire Authority agreed to:

- i. note the progress on the current SSRI development and completion of the upgrade to Dynamics 365 as part of the CRM project;
- ii. agree to the additional funding for the completion in full of the delivery of the MVP2 CRM modules (Prevention, Protection and Sharing Risk Information enhancements) at a cost of £0.946m funded by sources identified in the report;

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- iii. agree to the additional funding for the completion of the MVP3 CRM modules (Prevention, Protection and Sharing Risk Information enhancements) at a cost of £0.148m from the source identified in the report; and
- iv. note the risks to the funding sources set out in the report and that should they crystalize then the Authority would need to consider reallocation of resources currently committed to other priorities.

### **38 People Strategy 2021-2025**

The Fire Authority considered the Report of the Deputy Chief Fire Officer (DCFO) seeking approval for the ESFRS People Strategy 2021-2025.

The draft People Strategy (Appendix A to this report) had been developed both collaboratively and in support of and aligned to the Integrated Risk Management Plan (IRMP) and the Corporate Plan. The draft strategy had been reviewed by the Senior Leadership Team, other senior officers and Trade Unions. It took into account the findings of the 2019 HMICFRS Inspection and the State of the Fire and Rescue Service Report of January 2020.

Members thanked the Assistant Director People Services (ADPS) for the report and felt that the launch of the new strategy would be a good opportunity to equip managers to support staff. There were queries over the form that staff training would take and also assurance was sought regarding purposeful engagement with staff forums, trade unions, outside groups.

The ADPS confirmed that the People Strategy had been created to fully align with the IRMP and the NFCC's People and Equality, Diversity and Inclusion Strategies. Equality, Diversity & Inclusion (EDI) was woven throughout the Service and external EDI was front and centre to the Safer Communities Strategy. The People Strategy sets out where the Service intends to be in 5 years' time, with the aim to better understand and represent our communities.

With regards to Training delivery, the EDI training was being revised and sessions on behaviours were being rolled out to all staff. The training was currently virtual, but this was a blended approach and not solely e-learning. There was a benefit to virtual provision in our specific circumstances, as the Service was shift based it enabled staff greater flexibility to complete courses.

Members queried what was going to be done to try and ensure that the workforce better represented the diversity of the community it served. The ADPS was mindful that there had been no significant Firefighter recruitment for 10 years and that there was a high retirement profile coming up. Recruitment would be opening in June 2021. The CFO added that ESFRS had already been determinedly recruiting diversity into volunteers and cadets and that there was heavy engagement regarding this matter both locally and nationally.

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Cllr Lambert proposed and Cllr Evans seconded an amendment to recommendation iii to include that the Fire Authority would also receive regular updates, in addition to those sent to the SLT.

Members raised some textual amendments that they felt necessary. Cllr Galley proposed and Cllr Barnes seconded an additional recommendation to allow the CFO to make these changes.

Both amendments were agreed by the Fire Authority and reflected in the resolution below.

**RESOLVED** – That the Fire Authority agreed to:

- i) approve the People Strategy 2021-2025 and the subsequent plan of work;
- ii) note the funding required in order to deliver the deliverables outlined within the strategy;
- iii) note that regular reports on the delivery of the People Strategy will be presented to the Senior Leadership Team and the Fire Authority; and
- iv) delegate authority to the Chief Fire Officer, after consultation with the Chairman and Vice-Chair, to make presentational amendments to the People Strategy which do not alter the substance.

The meeting concluded at 12.46 pm

Signed

Chairman

Dated this

day of

2019