



Minutes of the Meeting of  
the TYNE AND WEAR FIRE AND  
RESCUE AUTHORITY held in the  
Fire and Rescue Service  
Headquarters, Barmston Mere on  
MONDAY 17 FEBRUARY 2020 at  
10.30am.

**Present:**

Councillor Taylor in the Chair

Councillors Burdis, Butler, Dodds, Forbes, Flynn, Haley, Hunter, Oliver, Pickard, Stephenson and Woodwark.

**Part I**

**Apologies for Absence**

Apologies for absence were submitted to the meeting on behalf of Councillors Duggan, Kilgour, Purvis and Samuels together with C K McGuinness, PCC, CFO Lowther and Tracy Palmer.

**Declarations of Interest**

There were no declarations of interest.

**Minutes**

69. RESOLVED that:-

- (i) the minutes of the Authority, Part I held on 20 January 2019 be confirmed and signed as a correct record, subject to the reference to Councillor Woodward being amended to Councillor Woodwark;

- (ii) the minutes of the meeting of the Human Resources Committee, Part I held on 7 October 2019 be noted for information;
- (iii) the minutes of the meeting of the Policy and Performance Committee held on 25 November 2019 be noted for information; and
- (iv) the minutes of the meeting of the Appointments Committee, Part I held on 28 November and 7 November 2019 be noted for information.

### **Proposed Amendments to the Local Pension Board Terms of Reference**

The Strategic Finance Manager submitted a report on proposed amendments to the Local Pension Board's Terms of Reference.

The attention of Members was drawn to section 3 of the report which highlighted the proposed amendments. The Strategic Finance Manager reported that it was in the interests of the Board to extend the duration a member could remain on the board to two terms of three years in order to secure expertise and continuity. He added that it was also proposed to add a notice period of two months for any member wishing to leave the Board to allow for succession planning and to mitigate the risk of members leaving without time for replacements to be trained.

The Strategic Finance Manager advised that the most significant change to the Terms of Reference was a change to the composition of the Employer Representatives from 2 Principal Officers and an Elected Member, to that of 3 members of the Senior Management Group. He explained that in accordance with the legislation, the representatives must be employed by the Scheme Manager. He added that however, in line with best practise, it was proposed to retain an Elected Member in the new role of a non-voting Human Resources Committee Observer. The proposed Terms of Reference were appended to the report.

In response to questions from Councillor Flynn and Pickard on when the legislation or guidance had changed to require three representatives employed by the Scheme Manager, the Strategic Finance Manager advised that it had been a requirement when the Board was established three years ago. It had only come to their attention during an audit by West Yorkshire Fire and Rescue Service. He explained that he would share the relevant details from the legislation with Members.

Consideration having been given to the report, it was:-

70. RESOLVED that the amendments to the Terms of Reference of the Local Pension Board be approved.

### **Members' Allowances Scheme for the Financial Year 2020/2021**

The Deputy Clerk to the Authority and the Strategic Finance Manager submitted a joint report on the arrangements for the Independent Remuneration Panel (IRP) to review the Members' Allowances Scheme for 2020/2021.

The Deputy Clerk to the Authority reminded Members that previously the Authority had agreed to continue to use the IRP appointed by Sunderland City Council, and to undertake reviews on an annual basis. She reported that arrangements were being made for the Panel to meet over the coming weeks and Authority members would have the opportunity to submit comments for its consideration. She explained that as the review and Panel's recommendations were unlikely to be available in time for consideration by the Authority prior to the 1 April, the date by which a Scheme for 2020/2021 needed to be adopted, it was recommended that Members continued the terms of the current Scheme, until the detailed review was completed and the recommendations were available.

Councillor Oliver enquired why the IRP had not considered the scheme of allowances when it had met to consider Sunderland Council's Members' Allowances Scheme. The Deputy Clerk explained that the Authorities were two separate entities and it was difficult to get the Panel Members together for a meeting due to their other commitments.

Councillor Oliver expressed concern in relation to any announcements being made prior to the report being released.

Councillor Forbes emphasised that the open and transparent process had been agreed by the Authority and that the allowances would remain the same as for the past year. He explained that it had not been possible to arrange the IRP before 1 April and all Members would have the opportunity to make representations over the coming weeks.

In response to a query from Councillor Woodward on the independence of the Panel, Councillor Oliver clarified that he was fully aware of the process adopted but had concerns that announcements on the allowances would be made before the Authority had agreed the Scheme. Councillor Woodward expressed disappointment that the review could not be completed in time for 1 April, given that it had been requested last year.

Councillors Butler and Burdis enquired how the Authority compared against other Metropolitan Fire Authorities and if the comparisons could be shared with Members. The Strategic Finance Manager explained that the comparisons with other authorities was taken into account by the IRP in addition to reviewing the roles and responsibilities of Members. It was agreed that the comparison information would be made available to the Members.

Consideration having been given to the report, it was:-

71. RESOLVED that approval be given for the terms of the current Scheme for the financial year 2020/2021 to continue to apply and the position be reviewed following receipt of recommendations from the Independent Remuneration Panel.

## **Capital Programme 2020/2021 to 2023/24 including Prudential Indicators for 2020/2021 to 2023/2024**

The Chief Fire Officer/Chief Executive (Clerk to the Authority) and the Strategic Finance Manager submitted a joint report to present the proposed Capital Programme for 2020/2021 to 2023/2024, including the Prudential Indicators for the next four year period from 2020/2021 to 2023/2024.

The Strategic Finance Manager in highlighting the report, advised that the Capital Programme and its funding implications were now fully aligned with the Authority's Medium Term Financial Strategy. He reported that the capital requirements of the Authority for 2020/2021 had been reviewed by the Chief Fire Officer through the Authority's Asset Management Group and the proposed Capital Programme and Vehicle Replacement Programme totalled an estimated £9,794,167. He drew attention to the detail behind the summary of the Capital Programme in Appendix 1 to the report.

Authority Members were advised of three one-off additional business critical schemes totalling £1.400m identified by the Chief Fire Officer that would supplement the Capital Programme in 2020/2021. These priority areas included:

- Barmston Mere Training Centre (BTC) – essential structural repairs and decarbonising the facilities to improve the reduction in the Authority's carbon footprint;
- Relocation of Safetyworks!; and
- Essential investment in the replacement of the Authority's Network and Wireless infrastructure.

The Strategic Finance Manager reported that this would see the total Capital Programme increase to £11,194,167 for 2020/21 as a result. He added that at this stage there would be capital schemes totalling a further £5,714,396 projected from 2021/22 to 2023/2024 and section 3 of the report highlighted how the 2020/2021 capital programme would be funded. He explained that £9.169 million would be funded out of earmarked reserves and this would be further explained in the Revenue Budget report later on the agenda. He added that as the Authority's Fire Capital Grant had now been fully exhausted, the majority of the Programme would have to be funded from the Authority's own resources using Capital Reserves and Revenue Contributions to Capital Outlay (RCCO). He reported that the additional RCCO of £1.4m funded out of the Revenue Budget was considered prudent as the 2020/2021 funding settlement had not been confirmed beyond this financial year and there remained considerable uncertainty over the sustainability of resources over the medium term.

The Authority was advised that it would also need to utilise a further £4.958 million of its capital reserves to fund the projected costs of the proposed capital programme over the following three years to 2023/2024, in addition to the £9.169 million already earmarked from reserves for 2020/2021. It was explained that it was symptomatic that in future years that the Authority might have to consider borrowing funds, as its capital reserve became depleted, which would impact on the Authority's Revenue Budget in the future.

Turning to the prudential indicators, the Strategic Finance Manager reported that it was a requirement to follow the Prudential Code published by the Chartered Institute of Public Finance and Accountancy (CIPFA) and drew attention to Appendix B of the report. He highlighted that from an accounting and technical point of view, the indicators showed that the Authority's proposed Capital Programme was affordable, prudent and sustainable.

The Strategic Finance Manager reported that authority was sought to approve the Prudential Indicators for the years 2020/2021 to 2023/2024 as set out in Appendix B, and specifically the Authorised Limit for External Debt of £49.250 million and the Operational Boundary for External Debt of £44.250 million for 2020/2021. He explained that these figures would be reflected in a full report to be presented to Members at the next Authority meeting once the Treasury Management Policy and Strategy Statement for 2020/2021 had been first scrutinised by the Governance Committee, which was in accordance with agreed Authority reporting protocol.

The attention of Authority Members was drawn to the options for calculating the Minimum Revenue Provision (MRP) set out in the guidance in Appendix 1 of the report. The Strategic Finance Manager advised that it was proposed that the Authority uses Option 1 (the regulatory method) for government supported borrowing as detailed in paragraphs 2.9 and 2.12. He assured members that regular monitoring would take place during the year and, where appropriate, reports would be made to the Authority as part of the quarterly capital review reports to ensure that the budget remained balanced and sustainable.

In response to an enquiry from Councillor Stephenson in relation to the relocation of Safetyworks!, the Strategic Finance Manager advised that a new landlord owned the premises and they wanted a more long term lease arrangement which would not be suitable for the Authority. He explained that it was also apparent that the premises were no longer a suitable location as they were not compliant with the Disability Discrimination Act requirements in terms of access and car parking. He explained that the Authority would be given a nine-months' notice to quit which in reality should give the Authority approximately a two-year window in which to complete the relocation.

Councillor Haley wished to clarify for Council Taxpayers that whilst a £5 million new fire station had a lifespan of 60 years, the replacement fire vehicle programme of £8 million only had a ten year lifespan. He explained that with a depleted capital reserve and without a contribution to funding by the government in the future for the most visible assets of the Authority, borrowing costs would then impact adversely on the Revenue Budget and possibly Council Tax levels. The Strategic Finance Manager concurred that the budget would not be sustainable unless there was a turnaround by the government to providing capital funding which would then possibly reduce the need to borrow in the future and could help protect the limited capital reserves of the Authority. He emphasised that there could be no other sources of funding and the Authority would have to turn to borrowing which would transfer the cost pressures to the revenue budget. He added that it was difficult to plan and predict the levels of service with only a one year settlement.

In response to Councillor Flynn's enquiry, the Strategic Finance Manager advised that it would be possible to access the Public Works Loan Board through Sunderland City Council in the event the Authority had to resort to borrowing.

Councillor Woodward remarked that it was a recurring theme in the reports on the agenda of how difficult it would be for the Authority to plan for services 3, 4 or 5 years into the future when it only received a one-year settlement. He had noted from the report that the number of capital planning programmes seemed to decrease as the programme moved forward. The Strategic Finance Manager explained that there would be more schemes to come on board in the future and service planning would become apparent in due time. The capital programme would be more buoyant and horizon planning would be in place to include the replacement fire pumps in ten years' time for example as the current Capital Programme was only a snapshot of the next 4 years.

Councillor Oliver reported that the public would expect the Authority to utilise its reserves to give a balanced budget. He added that as for the future capital planning, it could only be speculation as government funding may or may not happen.

Councillor Haley referred back to the Public Works Loan Fund interest rates and highlighted that they had increased significantly for local authorities. He commented that it was fact that the fire pumps would need to be replaced and to finance that the Authority would have to resort to borrowing which was now more expensive due to the Authority's depleted reserves.

Consideration having been given to the report, it was:-

72. RESOLVED that:-

- (i) approval be given to the Capital Programme and Vehicle Replacement Programme for 2020/2021 as set out in Appendix A and also approve the additional schemes identified by the Chief Fire Officer as detailed in Section 2.2 of the report;
- (ii) the Prudential Indicators for the years 2020/2021 to 2023/2024, as set out in Appendix B, be approved and specifically the Authorised Limit for External Debt of £49.250 million and the Operational Boundary for External Debt of £44.250 million for 2020/2021; and
- (iii) the Annual Minimum Revenue Provision Statement, as specified in Section 2.12 of Appendix 1, be approved.

### **Revenue Budget 2020/2021 and MTFs 2020/2021 to 2023/2024**

The Chief Fire Officer/Chief Executive (Clerk to the Authority) and the Strategic Finance Manager submitted a joint report to present for consideration and approval by Members:-

- the Revenue Estimates for 2020/2021;
- the Authority's Council Tax Requirement for 2020/2021;
- the Council Tax Precept required to be levied on the District Councils in Tyne and Wear for 2020/2021, and
- an updated Medium Term Financial Strategy Statement for 2020/2021 to 2023/2024.

The Strategic Finance Manager reported that at the time of writing the report the Final Local Government Finance Settlement for 2020/2021 had still not been announced and the figures included in the report assumed no changes from those figures set out in the Provisional Settlement reported to the Fire Authority in January from the outcome of the one-year Spending Round. He advised that the final settlement had now been received and it was disappointing to note that despite the Authority's submission to Ministers, there was no additional funding forthcoming and therefore there were no changes required to the report.

The attention of Members was drawn to section 2 of the report which highlighted that the Authority's Core Spending Power remained the lowest of all fire authorities at 2.79%. The detailed proposals were included in Appendix 1 to the report.

The Strategic Finance Manager highlighted that the 2020/2021 updated budget position had improved by almost £0.309 million since that indicated in the Provisional Local Government Finance Settlement report presented to Authority in January. He advised that the main impact had been a number of positive outcomes received from the District Councils in respect of higher Council Tax and Business Rates Surpluses. He explained that the combined impact of taking all of these changes into consideration, allowed the Authority to propose a revenue budget for 2020/2021 of £49.961 million and a Council Tax Requirement of £24.523 million.

Members were then advised that the Council Tax Base and the Surplus / Deficit on Collection Funds had now been received from the five District Councils within Tyne and Wear. The Council Tax Base for 2020/2021 was 292,047, a 1.4% increase, which alone would increase Council Tax precept income by £0.332 million. This had been taken into account in the MTFS and budget position for 2020/2021. There was also a one-off net surplus on the Council Tax Collection Fund for 2019/2020 of £0.412 million, which improved the financing of the 2020/2021 budget.

The Strategic Finance Manager reported that the Authority's local share of business rates income, as notified by the five District Councils within Tyne and Wear for 2020/2021, totalled £3.929 million. He explained that this compared unfavourably to the Government assessed business rates income total of £4.088 million included in the settlement. He advised that fortunately, the Authority had planned for a more realistic income collection of £3.932 million. He advised that in addition to this, the Authority would receive income of £0.077 million in relation to the Authority's share of the net surplus position on the business rates element of the Collection Fund for 2019/2020. In effect, therefore, the actual Business Rates income was £0.074 million more than that estimated in the MTFS, but £0.082 million short of the Government's estimate.

Authority Members were advised that taking all Government funding, precept income and the local share of business rates into consideration, it was possible to construct a balanced budget on the assumption that a 1.99% increase in the Precept (within the capping criteria of 2%) was approved by members. The proposed increase in Council Tax in 2020/2021 would result in a 'basic' Band D Council Tax of £83.97, an increase of £1.64 from the previous years' precept of £82.33. It was noted that 70% of the properties in Tyne and Wear fell within Council Tax Bands A and B and therefore the proposed increase equated to an increase of £1.09 for Band A and £1.28 for Band B properties.

The Strategic Finance Manager assured Members that the Authority's statutory obligations had been met. He reminded Members that the Chief Fire Officer undertook a base budget review of all delegated Budgets on an annual basis, with the intention of ensuring resources were directed at key strategic priorities as informed by the Community Safety Strategy, as well as identifying efficiency savings, which had been built into the updated Medium Term Financial Strategy (MTFS). He advised that no prudential borrowing had been included within the medium term financial position. He added that however, because of the one-off nature of the surpluses on the Collection Funds 2020/2021 reported by the district councils and the inflationary increase in government funding not being guaranteed pending the outcome of the Spending Review 2020, the Authority was able to increase the Revenue Contribution to Capital Outlay (RCCO) in year by a one-off £1.400 million which would be used to invest in business critical schemes identified by the Chief Fire Officer. This would help to support the Authority's Capital Programme in the absence of any further capital grant funding from government. He assured Members that the position would be monitored continuously to ensure that the use of the Authority's resources reflected best value and could be adapted to enable strategic priorities of the Authority to proceed in future years as the funding position became clearer.

Authority Members were advised that the focus of the new Integrated Risk Management Plan (IRMP) would be adjusted to redirect resources in to priority areas. Options for Day Crewing Close Call (DCCC) and their impact on the current response model would need to be considered and addressed in 2020/2021. A further report on proposed IRMP actions would be made to Members in the new financial year.

The Strategic Finance Manager reported that the estimated balance of the General Fund as at 31st March 2020 and 31st March 2021 remained at £3.943 million. He drew attention to the Financial Risk Analysis attached to the report and highlighted that a level of uncommitted general balances of between £3.5 million to £4.0 million was considered reasonable. The current balance represented 7.9% of the proposed revenue budget for 2020/2021 and was within the range specified.

The Strategic Finance Manager referred to the Statement of the Estimated Earmarked Reserves and Provisions and their planned usage in 2020/2021 and advised that the reserves had been subject to a thorough review by senior management of the Authority, including himself, to ensure they were robust, appropriate and would meet the assessed financial risks of the Authority. The Statement detailed that reserves would be depleted by approximately £11 million in the next financial year.



The Strategic Finance Manager emphasised that the trend for using reserves would be set to continue due to unforeseen impacts on the budget in relation to pay awards. He advised that it was unlikely that there would be any spare resources to bolster the budget in the future.

Councillor Butler enquired whether the Government had factored the increase in the Council tax in the Core Spending Power and if they were instructing authorities to increase to the limit of the cap. The Strategic Finance Manager explained that the Government had assumed that authorities would increase their precepts, Business Rates and Council Taxes to the limit of the cap. He advised that it was entirely up to each authority what they set the precept or Council Tax at and a referendum on the level would only be required if an authority proposed to exceed the cap.

Councillor Woodwark queried the differing Collection Funds of the five District Councils. The Strategic Finance Manager reported that all precepting authorities received a share of the Collection Funds and the level of collection could not be predicted and in the event of a loss there would be a deficit in the budget. He explained that there were approximately 300,000 properties with the conversion rate applied in the Council Tax Base and this limited resources in comparison to less deprived areas of the country. He hoped that the Fair Funding Review would take these anomalies into account to equalise out resources more fairly between authorities.

Councillor Haley drew attention to the MTFs set out at Appendix E of the report and requested clarification in relation to the Revenue Support Grant being abolished and the effect of the allocation of business rates. The Strategic Finance Manager advised that without knowing what the future Government funding might be, he had tried to reflect what the position could look like. The position and potential impacts on the budget would be clearer in the Autumn of 2020 once the Comprehensive Spending Review had been completed. He clarified that of the 75% of business rates that could be retained by local authorities, the Fire Authority would be permitted 2% of that share. He added caution that this would have to be taken in the context that some Government grants would be ceasing. The Authority might find itself in a neutral or marginal loss position and it would then be up to the Government to set a top up grant or a tariff. He advised that a report would be submitted to the Authority as soon as the position was clarified.

Councillor Stephenson expressed dismay that the Government had not listened to the Authority's submission for funding. She reported that austerity was far from over looking at the deprivation in the region. She advised that strategies for working, using advanced technologies, would need to be developed as the technologies of the current fire engines might become obsolete sooner. She was saddened that the Government was portraying budgets to build a bridge between England and Northern Ireland, rather than prioritising residents' safety.

Councillor Oliver reported that he intended to support the recommendation to increase the precept by 1.99%. He reported that austerity was over and the Authority had coped well with the deficit left in 2010, with performance remaining excellent despite the funding cuts. He believed that there was no evidence that the funding cuts had had a detrimental effect on the residents in Tyne and Wear and residents had given an above national average satisfaction rate for the service at 89%. He added that the FRS had continued to be one of the fastest responding services in England and Wales and was still rated outstanding overall by HM Inspectors.

Councillor Forbes reported that no one could deny the damage to public services of ten years of funding cuts. He commented that agonising decisions had had to be taken as the government had shifted the burden of funding from central government to local Council Tax payers, firefighters had lost their jobs and over ten thousand home safety checks had been lost in the last year alone.

Councillor Pickard agreed and reported that had it not been for good performance of the Authority, partnerships and the Brigade officers and trade unions, the full extent of the IRMP savings would have had to be implemented and would have had a devastating effect on the FRS. He concurred that difficult decisions had had to be made and the Authority had gone as far as it could without jeopardising community safety.

Councillor Woodward expressed concerns that the current funding systems clearly did not work across the country and what the future would hold as it was difficult to predict with this one-off funding uplift.

Councillor Butler referred to Councillor Oliver's comments and commented that the frontline firefighters would have an entirely different viewpoint on the impact of ten years of funding cuts. He asked if lives would have to be lost before funding was boosted.

Councillor Flynn highlighted that the FRS had been a victim of its own success and was concerned about the impact and stress the funding cuts had placed on staff. He commented that if the Government thought the Authority did not need the additional funding, they were completely missing the point.

Consideration having been given to the report and the Chair having drawn attention to the recommendations contained in the report, the Authority Members present, unanimously agreed the recommendations and it was:-

**73. RESOLVED that:-**

- (a) the revised estimate for 2019/2020, as summarised at Appendix A, be noted;
- (b) the proposed Revenue Estimates for 2020/2021, as summarised at Appendix A, be approved;
- (c) the Projected Pensions Account 2020/2021 detailed at Appendix B be noted;

- (d) the associated risks and their mitigation as set out in Appendix C be noted;
- (e) the updated position on the General Reserves and Earmarked Reserves as set out in Appendix D be approved;
- (f) the updated Medium Term Financial Strategy Statement for 2020/2021 to 2023/2024 detailed at Appendix E be noted;
- (g) the Council Tax base of 292,047 (known as Item T) for the year 2020/2021, as notified by the billing authorities within Tyne and Wear under the new regulations, be noted;
- (h) the following amounts for the Authority for the year 2020/2021 be approved which represents a Council Tax increase of 1.99% for 2020/2021, in accordance with Sections 42A to 47 of the Local Government Finance Act 1992 as amended:
  - (i) £54,284,940 - being the aggregate of the amounts which the Authority estimates for the items set out in Section 42A(2)(a) to (d) of the Act;
  - (ii) £29,761,754 - being the aggregate of the amounts which the Authority estimates for the items set out in Section 42A(3)(a) to (b) adjusted for item of the Act;
  - (iii) £24,523,186 - being the amount by which the aggregate at (i) above exceeds the aggregate at (ii) above, calculated by the Authority in accordance with Section 42A(4) of the Act, as its Council Tax Requirement for the year, Item R in the formula in Section 42B of the Act;
  - (iv) £83.97 - being the amount at (iii) (Item R) above divided by the Council Tax Base (Item T), calculated by the Authority in accordance with Section 42B(1) of the Act, as the basic amount of its Council Tax for the year.

(v) Valuation Bands

	£
<b>A</b>	<b>55.98</b>
<b>B</b>	<b>65.31</b>
<b>C</b>	<b>74.64</b>
<b>D</b>	<b>83.97</b>
<b>E</b>	<b>102.63</b>
<b>F</b>	<b>121.29</b>
<b>G</b>	<b>139.95</b>
<b>H</b>	<b>167.94</b>

being the amount given by multiplying the amount at (iv) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation and divided by the number which that proportion is applicable to dwellings listed in valuation band D, calculated by the Authority in accordance with Section 47(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- (i) it be noted that under Section 52ZB of the Local Government Finance Act, the increase in the Authority's relevant basic amount of council tax for 2020/2021 is not excessive in accordance with the principles determined under Section 52ZC(1) of the Act (i.e. no referendum is required).
- (j) approval be given in accordance with Section 40 of the Local Government Finance Act 1992, the billing authorities within the area of this authority be issued with precepts in the amount of £24,523,186 for the financial year beginning 1<sup>st</sup> April 2020, the amount of the respective precepts to be issued to each billing authority's area in accordance with Sections 42A to 48 of the 1992 Act.

### **HMICFRS Inspection of Fire and Rescue Services in England 2018/19**

The Chief Fire Officer/Chief Executive (Clerk to the Authority), the Strategic Finance Manager and the Personnel Advisor to the Authority submitted a joint report to advise of the 'Her Majesty's Inspectorate of Constabulary and Fire and Rescue Service (HMICFRS) 'State of Fire and Rescue: Annual Assessment of Fire and Rescue Services in England 2019' report, incorporating an overview from the 2018/19 inspection programme.

ACFO Baines highlighted that the report provided a summary of the report, 'State of Fire and Rescue: The Annual Assessment of Fire and Rescue Services in England 2019' published on 15 January 2020 and which was previously circulated to Authority Members. He reminded Members that during 2018/19 HMICFRS had conducted their first cycle of inspections of all 45 Fire and Rescue Services in England, over three tranches, with the final (tranche 3) inspection reports published in December 2019. He reported that the Tyne and Wear Fire and Rescue Service (TWFRS) was inspected in tranche 2 and had been judged as 'Good' across the three pillars of inspection, namely: Effectiveness, Efficiency and People.

ACFO Baines reported that the State of Fire and Rescue report highlighted that there was much that Services should be proud of, acknowledging that the FRS had many strengths and was admired by the public. He advised that the determination and dedication to protect life and property was described as 'second to none', which was a positive reflection on the professionalism, passion, and commitment of all the FRS staff.

ACFO Baines advised that report recognised that the FRS had been able to diversify into other activities to the benefit of the wider community due to the reduction in the number of fire incidents. He added that this had been something that Tyne and Wear had worked hard to do for several years to improve the safety of its communities.

Authority Members were advised that the report acknowledged the considerable financial disparity regarding the funding position between Services, recognising that some Services had been protected from budget reductions, whilst others had had to make considerable savings, which could be detrimental to the services provided to the public. Members and Officers of the Authority had lobbied regarding the disparity in funding and levels of cuts for a number of years and were continuing this work to seek a fair funding formula.

ACFO Baines drew attention to report which called for the need for reform and improvement across the sector. The report further noted barriers to Services becoming more efficient and effective, including; the lack of consensus as to what firefighter and FRS should do; references unclear demarcation between political oversight and operational leadership, and a considerable influence of trade unions. He highlighted the reforms and improvements highlighted in the report detailed at paragraph 3.4 and in drawing a range of themes together, Sir Thomas Winsor had made four recommendations, namely that:-

1. By June 2020, the Home Office, in consultation with the fire and rescue sector, should review and with precision determine the roles of a) fire and rescue services and b) those who work within them.
2. By June 2020, The Home Office, the Local Government Association, the National Fire Chief's Council and trade unions should consider whether the current pay negotiation machinery requires fundamental reform. If so, they should include the need for an independent review body and the future of the 'grey book'.
3. By September 2020, the Home Office should consider the case for legislating to give Chief Fire Officers operational independence. In the meantime it should offer clear guidance, possibly through an amendment to the Fire and Rescue National Framework for England, on the demarcation between those responsible for governance and operational decision making by the CFO.
4. By December 2020, the National Fire Chief's Council, with the Local Government Association, should produce a code of ethics for the Fire and Rescue Services. The code should be adopted by every service in England and considered as part of each employee's progression and annual performance appraisal.

ACFO Baines referred to the 2018/19 inspection programme methodology and provided further context to the observations and recommendations of Sir Thomas Winsor. He reported that of the 45 Services inspected, 16 received the grade of 'Good' for all three pillars. TWFRS was one of 16 judged as 'Good', being positioned in the top third of FRS's in England. The attention of Members was drawn to Appendix A which set out the full 2018/19 inspection results and to the extracts of the report relating to the three pillars of inspection, together with observations from within the overview of the report which in summary highlighted:-

Pillar 1 – Effectiveness – TWFRS was judged as 'Good' for effectiveness. Operational response was one of the FRS's 'greatest strengths', together with response to national risk (resilience); an area in which TWFRS had performed strongly. That TWFRS had a risk-based inspection programme, which together with the performance of the Fire Safety activities, was acknowledged as a strength by HMICFRS.

Pillar 2 – Efficiency - TWFRS was judged as 'Good' for efficiency. It noted that some FRS were financially strapped, whilst others were inefficient; with some operating in a very tight financial environment, which was having a detrimental impact on the services they provided to their communities. The report acknowledged the current funding model is based on an outdated model, and results in financial disparity.

It noted that FRS's needed to do more to ensure their workforce was productive, stating that the 2:2:4 shift system was not always the most effective and efficient. Collaboration in some cases did not go far enough; and there should a focus on evaluation to determine whether money was well spent; with an observation that significant savings could be achieved through combining FRS.

It was noted that the sector was missing opportunities in the use of data and technology, including in understanding risk, demand and vulnerability. It acknowledged that the NFCC had commenced work to enhance how the sector used data.

### Pillar 3 – People -

This pillar was highlighted as an area for concern and in need of improvement across the FRS, with examples of bullying and harassment in some FRS. There had been some outstanding examples of a positive culture, and whilst not directly mentioned, it was considered that TWFRS was amongst these. However, the culture in some FRS's was described as 'toxic'. Inspectors reported witnessing significant negative characteristics of the watch system creating subcultures; however also noted positive aspects regarding teamwork, outcomes for the public and support for colleagues.

The report also highlighted the positive developments in wellbeing provision through both the Occupational Health Unit and the Trauma Support Team. The TWFRS core values and Leadership Bond were positive in developing the Service's culture and promoting positive behaviours; with the approach continuing to further embed ownership of development and improvement at all levels.

ACFO Baines reported that during 2019 HMICFRS also commissioned 'BMG research' to undertake a study of the public perceptions of local fire and rescue services across England. The public perception survey in Tyne and Wear highlighted 89% of respondents perceived TWFRS to be an effective Service; the national average was 86%.

Authority Members were advised that the second cycle of inspections had been confirmed and would commence in spring 2020, with TWFRS being allocated into inspection tranche 1: spring / summer 2020.

ACFO Baines highlighted that the HMICFRS had identified a significant variation in operational effectiveness, efficiency and Services' approach to people management across the Sector. He advised that it has provided the opportunity to identify improvement opportunities for the TWFRS, which would support the Service in achieving its vision of '*Creating the Safest Community*'. He drew attention to the self-identified Post Inspection Improvement Plan which was formulated following receipt of the HMICFRS Inspection Report, setting out 32 improvement areas, with 85 specific improvement actions. He identified that positive progress against the actions had been made, with action and monitoring by the Senior Management Group (SMG). Of the 85 improvement actions, 54 had been completed to date, with the remaining actions broadly on target for completion, with a clear focus on ensuring the action plan was addressed during preparations for the next round of inspection.

Authority Members were advised that in managing the Services process to prepare for the HMICFRS Inspection and interactions with the Service Liaison Lead, a temporary team had been established creating an additional financial burden for the Service.

Councillor Forbes advised that the report had also been considered by the Policy and Performance Committee. He reported that he was sceptical about the results of the initial inspection and believed it was a work in progress. He remarked how the inspection had not taken into account the affect of the level of financial cuts on performance. He believed that the review had been very superficial with no account of risk or national resilience and the FRS's capabilities had not been given the same weighting or measurement of other authorities.

Councillor Forbes expressed concern that one of the recommendations from the first tranche of reviews had been to a need to be operationally independent and questioned what that meant. He commented that whilst local politicians were involved with the Authority it was at a strategic level and if services became operationally independent, the government risked FRS's cutting themselves off and the ability to co-ordinate across boundaries if major incidents occurred. He highlighted the recent flooding across the country during the storms.

Councillor Forbes then referred to the recommendation of implementing a code of ethics and found that it was hard to comprehend why that was given more importance than the lack of clarity of future fair funding. He commented that there had been a complete absence of recognition of the difficulties faced now and in the near future and concluded that the inspection regime was purely politically motivated and not fit for purpose especially in relation to the recommended governance changes.

Councillor Forbes commended the TWFRS for still being able to perform well but was concerned at the significant additional financial burden to fund the team to prepare for the next inspection. He requested Members to continue to lobby government for fair funding and all the inconsistencies were ironed out.

Councillor Haley enquired whether the cost of establishing the new team would be built into the base budget. ACFO Baines reported that in the long term it would as there would be continued significant work for the coordination and inspection team.

Councillor Woodward reported that the review highlighted big differences in how differing FRSs, whatever their make-up, were resilient to their local communities. He added that it would be difficult to have a 'one size fits all' system as different areas had anomalies through the funding regime and commented on the difficulties faced by some FRSs that required improvement virtually across the every category. He also commended how well TWFRS had performed in the inspection and how it detailed what the FRS was and what it needed to do to improve.

Councillor Oliver agreed that it was important to feed back to government the concerns of the inspection regime changes and that there had not been a problem with operational independence in Tyne and Wear. ACFO Baines added that it was not known across many FRSs what that actually meant and clarity was being sought from HMI and government on this.

Councillor Pickard congratulated and commented how proud Authority Members were for the achievements of the TWFRS in the inspection and being in the top 16 FRS's. He remarked that it was testament to the dedication and hard working staff and the ability to provide resources.



Consideration having been given to the report, it was:-

74. RESOLVED that:-

- (i) the contents of the report be noted; and
- (ii) further reports be submitted to the Authority as appropriate.

### **Authority Members Development and Awareness Event**

The Chief Fire Officer/Chief Executive (Clerk to the Authority), the Strategic Finance Manager and the Personnel Advisor to the Authority submitted a joint report to invite Fire and Rescue Service Authority Members to attend a development event as part of the ongoing Members' development and awareness of fire and rescue service resilience/ specialist assets and resources available to the communities of Tyne and Wear. Members' development had been previously discussed at Authority meetings (ref: 06/2019).

ACFO Heath highlighted that it was proposed to hold the event on the same day as the Authority meeting scheduled for 15 June 2020. He explained that the event would be arranged either prior to or immediately after the Authority meeting and details of this would be developed in the weeks ahead and circulated to Authority members in due course. He advised that the session would cover the specialist assets and resources of the service and an explanation of their capability.

Councillor Stephenson enquired whether the event could be held on a separate day to the Authority meeting in order to give it the time it deserved as Members often had to leave for other commitments after that the Authority meetings. She added that would be unable to attend on that date.

Councillor Flynn advised that arranging the session on an alternative day would create other problems and it was logical to hold it on the same day as an Authority meeting. He encouraged Members to make arrangements to suit the date as advance notice had been given.

Members welcomed the training and development sessions arranged by the Fire Authority.

The Chair also took the opportunity to remind Members to make time to visit their named fire stations and make themselves known to the fire crews.

Consideration having been given to the report, it was:-

75. RESOLVED that:-

- (iii) the contents of the report be approved; and
- (iv) further reports be submitted to the Authority as appropriate.

## **Local Government (Access to Information) (Variation Order) 2006**

76. RESOLVED that in accordance with the Local Government (Access to Information) (Variation) Order 2006 the public be excluded during consideration of the remaining business as it was considered to involve a likely disclosure of information relating to any individual, which is likely to reveal the identity of an individual, the financial or business affairs of any particular person (including the Authority holding that information) or to consultations or negotiations in connection with labour relations matters arising between the Authority and employees of the Authority (Local Government Act 1972, Schedule 12A, Part 1, Paragraphs 1, 2, 3 and 4). The public interest in maintaining this exemption outweighs the public interest in disclosing the information.

(Signed) T. TAYLOR  
Chair

### **Note:**

The above minutes comprise those relating to items of business during which the meeting was open to the public.

Additional minutes in respect of other items are included in Part II.