

Minutes of the Meeting of
the TYNE AND WEAR FIRE AND
RESCUE AUTHORITY held in the
Fire and Rescue Service
Headquarters, Barmston Mere on
TUESDAY 15 NOVEMBER 2016
at 10.30am.

Present:

Councillor T Wright in the Chair

Councillors Bell, Dodds, Haley, Harrison, Kilgour, Maughan, Perry, Renton and Stephenson.

Part I

Announcements

The Chairman announced that Princess Anne would be attending the Firefighter Memorial the following week.

The 'Community Safety Campaigns' training session scheduled to take place after the meeting had been cancelled.

The annual visit to Belgium had been a huge success and the Chairman reported that he was extremely proud of the positive comments received.

The Chairman advised that Councillor Mary Turton had resigned from the Authority due to family commitments. Sunderland City Council would therefore consider an appointment at its next Council meeting.

Members observed a one minute silence in respect of former Councillor Neville Padgett who had sadly passed away.

The Chief Fire Officer advised the Authority that there would be a new road network (dual carriageway) at the front of the building and therefore the entrance would be changed. ACFO Griffiths anticipated that works would start at the end of the month.

Apologies for Absence

Apologies for absence were submitted to the meeting on behalf of Councillors Burdis, Forbes, Middleton, Pickard and Oliver.

Declarations of Interest

There were no declarations of interest.

Minutes

34. RESOLVED that: -

- (i) the minutes of the meeting of the Authority, Part I held on 17 October 2016 be confirmed and signed as a correct record;
- (ii) the minutes of the meeting of the Policy and Performance Committee held on 11 July 2016 be noted for information; and
- (iii) the minutes of the meeting of the Governance Committee held on 26 September 2016 be noted for information.

LGA Annual Fire Conference 7th and 8th March 2017

The Chief Fire Officer, Chief Executive (Clerk to the Authority) submitted a report advising Members that the Annual Fire Conference of the Local Government Association (LGA) was scheduled to be held in Gateshead (Hilton Hotel) on 7th and 8th March 2017.

The Chief Fire Officer advised Members that it was envisaged that the Fire Minister and Shadow Fire Minister would both attend and speak to the conference. As the host Fire and Rescue Authority, Tyne and Wear were to be provided with two free places.

The cost of the conference was £395.00 per person. As the conference was in Tyne and Wear, an invitation was extended to all Members of the Authority, as opposed to normal practice of nominating two Members.

The Chairman commented that feedback last year was extremely positive and paid a particular thanks to staff involved.

35. RESOLVED that all Members be invited to attend the conference and that confirmation from those wishing to attend be forwarded to the Chief Fire Officer.

Annual Audit Letter 2015/2016

The Strategic Finance Manager submitted a report detailing the Annual Audit Letter for 2015/2016 issued by the External Auditors, Mazars LLP (attached at Appendix A of the report).

ACFO Griffiths advised Members that the Annual Audit Letter was extremely positive, providing a strong endorsement of the financial management and governance arrangements in place across the Authority.

The External Auditor had issued an unqualified opinion on the Authority's financial statements and an unqualified Value for Money conclusion, details of which were included in the Audit Completion Report.

Gavin Barker referred members to the Annual Audit Letter and explained that officers had prepared good quality draft financial statements and that there were very few errors identified. The audit had progressed well and there were no significant difficulties encountered.

Auditors were able to gain sufficient assurance from their work to mitigate the audit risk in relation to financial pressures from reduced funding and the continued need to identify plans to deliver future savings and improvements, although noted that the scale of the financial challenge was significant.

The Authority had delivered significant savings in recent years, aiming to do this whilst minimising the impact on service delivery. Further savings were planned for 2016/17 although there was a shortfall in available resources which was being funded from reserves.

Challenges for the future included:

- implementing existing Integrated Risk Management Plan (IRMP) actions, and in particular, the recent management and organisation review;
- Maximising the benefits of working with other emergency services and partners; and
- Identifying further IRMP actions in a context where there could be a few 'easy wins' given the measures that had already taken place.

36. RESOLVED that the contents of the report be noted and endorsed.

Gavin Barker left the meeting.

Capital Programme 2016/2017 – Second Quarterly Review

The Chief Fire Officer and Chief Executive (Clerk to the Authority) and the Strategic Finance Manager submitted a joint report to review the current year's Programme and reflect any further changes necessary to those that were presented to the Authority as a consequence of the First Capital Programme Review on 13th June 2016.

Members were advised that the Capital Programme was showing a reduction in total of £170,923 from £3,299,868 at the First Review stage, to £3,128,945.

The following was then brought to Members' attention:

- Estates – the replacement appliance bay doors programme had now been completed with a saving of £6,000 on the £75,000 budgeted cost.
- Operational Equipment – there was an anticipated underspend on the Targeted Response Vehicle modifications project of approximately £15,000.
- Estates Development Works – the final retention payment was due to be made for the works at Marley Park Community Fire Station and the total project had been had been completed with a saving of £46,670.
- Control Mobilising System – the final milestone payment had been agreed on the Control System with an underspend on the project of £160,520.
- Additional Project – An additional project had been added to the Programme to reconfigure the lounge at Barmston Mere Training Centre. This would enable this area to be hired out as office space. The estimated cost of the project was £57,267.

With regards to the Prudential Indicators, the Authority was operating within its Authorised Borrowing Limit and there were no areas of concern.

The Authority would be writing to the Minister of State for Policing and the Fire Service to confirm the position with regard to future capital grant funding allocations for the Fire Service and to clarify whether capital funding would be made available by the Home Office to the Fire Service, as the Police Service continued to receive separate capital grant funding allocations. Members would be advised of the response in due course.

In response to a question from Councillor Bell in relation to the Estates Development Works, Helen Tait (Finance and Procurement Manager) confirmed that further reports would be submitted to the Authority in due course and in addition to this, further information could be provided to Councillors Bell and Perry.

Councillor Haley commented that a presentation on proposed capital programme spend would be useful.

Councillor Stephenson questioned what the service did with old rope rescue equipment and was advised that the Authority did have a disposal programme in place. Historically they had also been sent to Ghana to help with their emergency services.

37. RESOLVED that the reported variation since the First Quarterly Review and the position seeking clarification on future capital grant allocations for the Authority be noted, and approval be given to the revised Capital Programme for 2016/2017, as set out at Appendix A to the report.

Revenue Budget 2016/2017 – Second Quarterly Review

The Chief Fire Officer and Chief Executive (Clerk to the Authority) and the Strategic Finance Manager submitted a joint report advising Members of the issues relating to the 2016/2017 Revenue Budget position at the half way point of the financial year.

Helen Tait (Finance and Procurement Manager) advised Members that variances had been identified which produced a projected net saving of £0.317m at outturn.

Members were reminded that the Revenue Budget 2016/17 was agreed on the basis that the temporary use of reserves of £0.289m would be utilised until further budget savings could be found.

Members were referred to a summary of the position which was set out at Appendix A of the report, and showed the projected costs compared to the original budget position for the main budget headings. Variations included:

- Employee costs – projected net underspend on the overall employees' budget of £0.307m
- Premises – small projected underspend of £2,000
- Transport – projected overspend of £11,000
- Supplies and Services – projected overspend of £57,000
- Income – projected net over achievement of income of £36,000.

The general fund balance of £3.943m was not expected to change in year.

A discussion ensued in relation to the £307,000 savings on employee costs and Helen explained that these were mainly due to reduced employer pension costs, which had arisen because of the impact of temporary staffing arrangements, transitional movements between pension schemes, and employees opting out of the pension scheme, as well as lower injury pension costs than originally budgeted.

In response to a question from Councillor Perry asking whether an individual was able to 'buy back' years if they opted out the pension scheme and then wished to re-join, Helen advised that it depended on the individual case and that this was at no cost to the Authority, as the employee also had to cover the employer costs.

38. RESOLVED that the position with regard to the Revenue Budget for 2016/2017 as set out in the report and summarised at Appendix A be noted.

Budget Planning Framework 2017/2018

The Chief Fire Officer and Chief Executive (Clerk to the Authority) and the Strategic Finance Manager submitted a joint report recognising that the Authority had agreed to accept the Government's multi-year settlement guarantee covering Revenue Support Grant for 2016/2017 to 2019/2020. In addition, the report identified the key factors influencing the development of the Authority's financial plans into the medium term and set out the Budget Planning Framework for 2017/2018.

Members were advised that the Medium Term Financial Strategy remained unchanged. Reductions already made to the base budget meant that the budget gap identified was becoming increasingly difficult to address.

The Chancellor would deliver this Autumn Statement on 23rd November 2016, and Members were asked to note the concern that the government may view Brexit as an event that justified a review of the 4 year settlement offer made in February 2016. A letter had therefore been sent to the Minister seeking assurance that the 4 year settlement would not be adversely affected and a response was awaited.

With regards to Council Tax, the Medium Term Financial Plan reported in September 2016 had assumed a 1.99% increase in the council tax precept every year up to and including 2019/2020.

Spending pressures were detailed at section 7 of the report which included:

- Pay
- National Living Wage
- Pensions
- Apprenticeship Levy
- Energy Prices; and
- Capital Financing

Members were advised that all reviews in the current IRMP 2014-2017 had now been progressed and were at various stages of implementation. It was expected that IRMP savings of £5.5m were still to be made within the period 2016/2017 to 2019/2020. These actions along with other budget efficiencies identified of £2.7m, would mean that planned savings totalling £8.2m were forecast to be achieved up to 2019/2020. After taking into account the projected savings, there was still a budget gap of £1.8m to address, provided there were no further government funding reductions announced in addition to those already agreed in the 4 year funding settlement.

It was therefore proposed that the following budget planning framework be adopted:

- Budget planning to be based on the high level position outlined at paragraph 3 of the report and updated in light of the Autumn Statement on 23rd November 2016 and the Local Government Finance Settlement expected in December 2016;
- Provision for spending commitments to be included at this stage on the basis set out at section 7 of the report and kept under review;
- Budgets to be prepared on the basis that all spending pressures not specifically identified in the report above as commitments be accommodated within existing budgets;
- All commitments against reserves to be reviewed;
- The position regarding the Council Tax Precept increase of 1.99% per annum for the next 3 years to 2019/20 would need to be considered by Members as part of the budget setting cycle with confirmation of these proposals being sought as soon as practicably possible; and

- Commitments against general balances and earmarked reserves to be updated as necessary throughout the budget process.

39. RESOLVED that:

- (i) the contents of the report and the estimated funding gap based on the most up to date information be noted, recognising that there still remained uncertainty around government funding allocations; and
- (ii) the proposed Budget Planning Framework summarised at Section 9 of the report which would guide the preparation of the Revenue Budget for 2017/2018 be agreed.

Strategic Planning - Organisational Development Strategy

The Chief Fire Officer, Chief Executive (Clerk to the Authority) and Personnel Advisor to the Authority submitted a joint report for Members to receive the Organisational Development Strategy, which set out to streamline the Authority's strategic planning framework in support of the Strategic Community Safety Plan (SCSP).

ACFO Baines advised Members that the Organisational Development Strategy was considered and endorsed by the Authority's HR Committee on 10th October 2016 and was therefore being presented to the Authority ahead of the implementation of the Organisation and Management Review (OMR).

Organisational Development in a practical sense was focused on improving organisational effectiveness by:

- Designing strategy, structures and systems to maximise available resources;
- Supporting employees to gain the skills and knowledge necessary to manage and deploy resources; innovate and lead change; and
- Promoting high performance, high productivity, continuous improvement and a sense of ownership reflecting the Authority's culture and values, and embedding equality, diversity and inclusion across the Service and its community.

The evolution to an Organisational Development Strategy presented a significant step forward for the Service and consolidated a range of strategies encompassing the management and development of people, strategy, planning, risk, infrastructure and communications. The strategies being consolidated included;

- HR Strategy
- Equality Strategy
- Workforce Development Strategy
- L& D Strategy
- D&I Strategy
- External Communications Strategy

- Staff Engagement & Communications Strategy
- ICT Strategy
- Environmental Strategy
- Procurement Strategy
- Asset Management Strategy

Work was underway in preparing managers across the organisation for the implementation of the Organisation and Management Review. As part of this process, department heads were working closely with the Strategic Management Team to develop key outcomes to support the Change Management Action Plan.

40. RESOLVED that:

- (i) the contents of the report be noted;
- (ii) the Organisational Development Strategy be endorsed; and
- (iii) further reports be received as appropriate.

Emergency Services Mobile Communications Programme (ESMCP) - Update

The Chief Fire Officer and Chief Executive (Clerk to the Authority) submitted a report to update Members on the current progress of the national Emergency Services Mobile Communication Programme (ESMCP).

ACFO Lowther reminded Members that the ESMCP would replace the existing communication service delivered by Airwave Services Limited (ASL) with a new national mobile communication service for the emergency services and other organisations that currently used Airwave. The new system would be called the Emergency Services Network (ESN).

A Regional ESMCP Project Board had been established to co-ordinate activities and explore opportunities for collaboration between emergency services.

The prime suppliers involved in the delivery of the new system were:

- Kellogg Brown and Root (KBR) as the Delivery Partner with responsibility for transition, integration between mobile services and user services;
- Motorola providing User Services with responsibility for functionality, security and user accounts; and
- EE providing Mobile Services with responsibility for providing a resilient mobile commercial network.

Members were then advised that TWFRS, along with other emergency services in the North East, were scheduled to start transition to the ESN on the 9th January 2018 with completion by the 9th January 2019.

The period leading up to the start of Transition was known as Mobilisation and there was a significant amount of work to be done by TWFRS to ensure that the control room was ready to support ESN communications. Control rooms would connect to the ESN using an element of the Public Services Network (PSN).

The Programme, through its Delivery Partner KBR, had appointed a Group Transition Manager for the North East and Yorkshire who would work with emergency service leads to manage their transition to the ESN. New support arrangements were also being put in place by the Home Office and Chief Fire Officers Association.

41. RESOLVED that:

- (i) the contents of the report be noted; and
- (ii) further reports be received as necessary.

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

42. 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 contain information relating to any individual or information which was likely to reveal the identity of an individual 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 I, Paragraphs 1, 2 and 4).

(Signed) T WRIGHT
Chairman

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.

