



Nottinghamshire and City of Nottingham Fire and Rescue Authority

**MINUTES of the meeting held remotely and streamed to YouTube on 27 November 2020
from 10.35 am - 12.18 pm**

Membership

Present

Councillor Michael Payne (Chair)
Councillor Toby Neal (Vice Chair)
Councillor Andrew Brown
Councillor John Clarke
Councillor Vaughan Hopewell
Councillor John Longdon
Councillor Mike Quigley MBE
Councillor Jonathan Wheeler
Councillor Sybil Fielding
Councillor Parry Tsimbiridis
Councillor Jawaid Khalil
Councillor Gul Nawaz Khan
Councillor Salma Mumtaz
Councillor Shuguftah Quddoos
Councillor Nick Raine
Councillor Stephen Garner

Absent

Councillor Jason Zadrozny
Councillor Sue Saddington

Also in attendance: Paddy Tipping, Nottinghamshire Police and Crime Commissioner

Colleagues, partners and others in attendance:

John Buckley - Chief Fire Officer
Craig Parkin - Deputy Chief Fire Officer
Candida Brudenell - Assistant Chief Fire Officer
Malcolm Townroe - Clerk and Monitoring Officer to the Fire Authority
Becky Smeathers - Head of Finance
Charlotte Radford - Treasurer to the Authority
Gavin Harris - Head of Digital Transformation
Damien West - Area Manager for Prevention and Protection
Catherine Ziane-Pryor - Governance Officer

11 Apologies for Absence

Councillor Sue Saddington
Councillor Jason Zadrozny

12 Declarations of Interest

Becky Smeathers, Head of Finance, declared a direct personal interest in agenda item 10, Appointment of Treasurer to the Authority (minute 20) and would withdraw from the meeting for the duration of the item.

13 Minutes

The minutes of the meeting held on 11 September 2020 were confirmed as a true record and will be signed by the Chair.

14 Chair's Announcements

As Chair of the Authority, Councillor Michael Payne made the following announcements:

- a) best wishes are sent to Councillor Sue Saddington for a swift recovery from her operation;
- b) congratulations to Councillor Salma Mumtaz who has been awarded 'Covid-19 Hero' at the LGIU (Local Government Information Unit) 11th Annual Councillor Awards for her work with food banks in Hyson Green, Direct Disability in Basford, and volunteering for front line services at the Queens Medical Centre, alongside continuing her work as a City Councillor. She is an inspiration, especially as a new Councillor;
- c) it is disappointing that the final account audit is not complete and available for formal sign off by the statutory deadline of 30 November. This is wholly due to slippage in the auditors timelines and is in no way a reflection of the quality of accounting by the Fire Service. The issue has been discussed at great length and the Chair, Vice-Chair and Lead Opposition member are to send a letter to the auditors to express extreme concern. It is anticipated that the final audit will be submitted to the February 2021 meeting of the Authority;
- d) the Service continues to respond positively to Covid-19 within the constraints of the pandemic. Staff absence is at a tolerable level, strong operational resilience is in place and prevention and protection activity continues on a risk based approach. The Service continues to support partners, including where possible, East Midlands Ambulance Service;
- e) firefighter recruitment is continuing with 14 staff having been brought in through transfers and on-call migration, with further predicted to follow in the New Year. The financial position of Service is strong, as can be seen in the agenda. Further to the Chancellor's recent spending review, more information will be provided in due course;
- f) particular thanks are given to staff for their ongoing commitment and superb work, along with partner colleagues such as the Police;
- g) there have been two recent fire related fatalities, one in the City during October and the other in Rushcliffe during November, bringing the total of deaths by fire to 4 during this

year. Our thoughts and condolences are with those who died, but also family and friends and those attending and affected by these tragic incidents. These incidents remind us all of our role in not only responding to incidents but also in prevention and protection activity. My thanks are extended to those who attended the incidents with professionalism and commitment;

- h) in the New Year the meeting schedule will be reinstated, with meetings taking place via zoom until further notice. It is important that all members attend the strategic inclusion board following this meeting.

15 Final Accounts 2019/20

Becky Smeathers, Head of Finance, introduced the item and stated that at this stage of the year, the Authority would normally be asked to consider approving the audited accounts. However, the auditors are working to the revised code audit practice which requires more in-depth consideration and are yet to complete their work, being approximately halfway through the process. This delay in completing the audit is a national issue. The provisional outcome was presented to the Policy and Strategy Committee in July, since then, two minor adjustments have been made totalling £16,000 difference relating to a correction of the creditors figure and adjustment to government grants, as outlined within the report. Authority members are invited to scrutinise the accounts.

Members of the Authority commented as followings:

- a) whilst the quality of the Service's accounts is not doubted, for which thanks are given to Becky Smeathers and the Finance Team, it is neither appropriate or acceptable for the Authority to approve unaudited accounts;
- b) members are frustrated and support a letter of extreme concern to the auditors regarding their poor behaviour;
- c) if clearly identified as such, it is acceptable to approve the publishing of the un-audited accounts (to ensure transparency to citizens), but the audited accounts will need to be submitted for approval at a future Authority meeting;
- d) this delay is costing Councils £900 per day so Central Government needs to resolve this problem.

Following discussion and the advice of the Clerk and Monitoring Officer, the recommendation was amended.

Resolved :

- 1) in the spirit of transparency, to approve the publishing of the unaudited statement of accounts for 2019/20, which are noted;**
- 2) for the audited accounts to be presented for approval to a future meeting of the Authority;**
- 3) to note the financial results for the 2019/20 year for Nottinghamshire Fire Safety Limited, as attached to the report.**

16 Treasury Management Annual Report 2019/20

Becky Smeathers, Head of Finance, presented the report which provides an update on the 2019/20 Treasury Management activity which has been completed in line with the Treasury Management Strategy.

Points highlighted included:

- a) there had been some movement in preparation of potential COVID-19 related issues, but these issues did not materialise;
- b) investment income was lower than predicted and some investments were transferred to short-term investments to ensure cash was available if there were significant issues with regard to potential cash flow issues arising from the inability to collect Council Tax due to COVID-19;
- c) with regard to borrowing, two loans totalling £3m were entered into during March 2020 to take advantage of the particularly beneficial interest rates and protect the Service against potential cash flow issues. As a result, it is predicted that the Service will not need to borrow as much as anticipated during this financial year.

Resolved to note the update on Treasury Management Activity during the 2019/20 financial year, as required under the Local Government Act 2003.

17 Medium Term Financial Strategy 2021/22 to 2024/25 and Budget Guidelines 2021/22

Becky Smeathers, Head of Finance, delivered a presentation to accompany the report which requests approval for an update to the medium Term Financial Strategy mainly as a result of COVID-19 impact.

The report outlines how COVID-19 has impacted financially on the economy and the Service funding streams to date and how proposed amendments to the reserves strategy will assist with future budgeting, along with presenting scenarios for setting of the Council Tax.

Points highlighted included:

- a) the report was issued last week whilst the Government's Comprehensive Spending Review was announced earlier this week and as a result, the Service needs to respond by updating the Medium Term Financial Strategy;
- b) with a 11.3% contraction in the economy expected for 2020 which it is hoped will recover by the end of 2021 (calendar years, not financial), Central Government agreed to fund 75% of irrecoverable Council Tax and Business Rate losses so the Service is likely to recover £375,000 by the end of the year;
- c) the Central Government imposed a Public Sector pay freeze which will affect green book staff but not firefighter pay which is set by the National Joint Council;

- d) a marginal Fire and Rescue Sector funding increase of 4.5% is predicted next year but this includes the grants previously mentioned and the pension grant is expected to be built into the base line grant, so in effect the increase is minimal;
- e) reserves have been reviewed and amendments are proposed to the strategy including utilising reserves to help pick up activity during the recovery stage;
- f) the national economic impact of COVID-19 includes a drop by 20% of GDP;
- g) interest rates are predicted to remain at stable at 0.1% which is beneficial for the funds borrowed, but not loaned;
- h) there is uncertainty regarding the period after March 2021 as currently there is a cliff-edge for when the business rate holiday and furlough schemes ends and no details any further support measures have been announced;
- i) there are significant financial risks related to Brexit, but it is not yet known to what extent and how large an impact there will be;
- j) although the worst case scenario of a 5% cut in base grant is not now expected, there is however a budget deficit this year of £1,227,00 which is likely to decrease in future years as council tax collection improves;
- k) a more detailed report will be submitted to the Finance and Resources Committee in January, including actual grant figures, whereas it is currently only possible predict government grants at this point in the year;
- l) the revenue budget is predicted to be tight for several years to come.

The Chair of the Authority, Councillor Michael Payne, was joined by the Lead Opposition Member, Councillor Andrew Brown, in thanking Becky Smeathers and the Finance Team for their thorough work and comprehensive explanation, along with the members of the Finance and Resources Committee and a good cross-party relationship for helping steer the Service through a very difficult period and ensuring that the Service was in a good position last year, prior to the current pressures.

Resolved

- 1) to approve the Medium Term Financial Strategy (MTFS) as set out in Appendix A to the report;**
- 2) to approve the Capital Strategy and Flexible Use of Capital Receipts Strategy contained within the MTFS;**
- 3) to approve the Reserves Strategy contained within the MTFS;**
- 4) to approve the proposed minimum level of general fund reserves of £4.5m as set out in the Reserves Strategy;**
- 5) to approve the re-allocation of the Capital Earmarked Reserve as detailed in the Reserves strategy and set out in the table below:**

Earmarked Reserve	£
Capital Reserve	(1,038,419)
Covid Recovery Reserve	600,000
Community Fire Safety Innovation Fund	24,279
Transformation and Collaboration	413,140

- 6) to task the Finance and Resources Committee with providing guidance to the Fire Authority in February in respect of:
- i. the options for Council Tax limited to either a Council Tax freeze or an increase in Council Tax within the referendum limit;
 - ii. the options for addressing any budget deficit to enable the Fire Authority to approve a balanced budget, as required by law.

18 Revenue, Capital and Prudential Code Monitoring Report to 30 September 2020

Becky Smeathers, Head of Finance, presented the report which updates members on the financial performance of the Service in the year 2020/21 to the end of September 2020, and provides a Treasury Management mid-year review.

The following points were highlighted:

- a) there have been some delays to budget monitoring due to the Services response to and impact of COVID-19, but overall the budget has been fairly accurate;
- b) whole-time recruitment has been delayed until April 2021, and whilst this has resulted in one-off savings of nearly £1.3m, it has been necessary to request that some on-call staff move to whole-time posts, but this creates other issues including the potential for the Service to be short of staffed by the end of the year;
- c) to try and protect operational staff, there have been changes and watches now work within 'bubbles', but this does have additional impact on availability and the ability to request overtime to cover staff vacancies;
- d) an underspend of £241,000 is showing on the government's COVID-19 grant but this has been allocated with some to be spent in the next financial year;
- e) any underspend will be moved across to general fund at the year-end and used for resilience for future years until council tax collection rates pickup. In addition, underspend will also be used for maintenance and equipment, as outlined in the report.

Members welcomed the position of the budget at this stage in the year and acknowledged the work of staff in ensuring that the Service is and remains in a financially stable position.

John Buckley, Chief Fire Officer, reassured members that with regard to staffing numbers and the resulting underspend, that absence levels are within tolerance (even lower than usual) and on-call availability remains good. Trade unions have been involved with the temporary staffing re-structure discussions and in these exceptional circumstances, crews of 4 are operating

whereas usually appliances are crewed with 5. This is being carefully monitored and mitigating measures in place where necessary.

Resolved to

- 1) note the report;**
- 2) approve £255,000 temporary virements from wholetime pay to:**
 - i. the reactive maintenance budget (£100k) and the planned maintenance budget (£100k);**
 - ii. to equipment to cover the costs of replacement hose inflation equipment (£20k) and Red Kite scanners (£35k).**

19 Annual Governance Statement 2019/20

Becky Smeathers, Head of Finance, presented the Annual Governance Statement, which is to be included within the Authority's Annual Statement of Accounts, and if approved by the Authority will be signed by the Chair and Chief Fire Officer.

The report looks at the 2019/20 governance, during which the Business Continuity Management arrangements were thoroughly tested and proved robust although they will be reviewed and updated.

Her Majesty Inspectorate's 'State of the Nation Review' requires a new code of ethics for all Fire and Rescue Services, so next year's report will look very different.

Resolved to approve the Annual Governance Statement for 2019/20.

20 Appointment of Treasurer to the Authority

Prior to consideration of this item, Becky Smeathers, Head of Finance, withdrew from the meeting for the duration of the item, having declared a direct personal interest in the item under minute 12.

John Buckley, Chief Fire Officer, presented the report which seeks approval to cease the Service Level Agreement with the Office the Police Crime Commissioner as of 31 December 2020, and to appoint Becky Smeathers as Head of Finance and Treasurer to the Fire Authority with affect from 1 January 2021. It is noted that there is neither costs nor savings attached to this recommendation.

On behalf of the Authority and also on a personal level, the Chair expressed heartfelt thanks to the out-going Treasurer, Charlotte Radford for her service to the Fire Authority and support at a difficult time, adding that her experience and advice had been much appreciated. Thanks were also extended to the Police Crime Commissioner in supporting the Authority by enabling Charlotte to take on the role of Treasurer.

Charlotte Radford responded that Becky Smeathers had easily demonstrated that she was more than capable of taking on the role, adding that members could be assured that Becky

provided them with the level of information needed to make informed decisions. Charlotte thanked Becky and the Finance Team for their work and making her role as Treasurer easier.

Councillor John Clarke, Chair of the Finance and Resources Committee, also thanked Charlotte for her work with the Authority and fully endorsed the recommendation to appoint Becky Smeathers as Treasurer.

Resolved to

- 1) agree to cease the Service Level Agreement on 31 December 2020 and thank the current Treasurer, Charlotte Radford, and the OPCC for their support of the Fire Authority;**
- 2) appoint Becky Smeathers as the Head of Finance and Treasurer to the Fire Authority with effect from 01 January 2021.**

21 Pay Policy

John Buckley, Chief Fire Officer, presented the report and Pay Policy Statement which is required to be published annually to comply with the Localism Act 2011. The main changes are identified in paragraph 2.12 of the report, and the Pay Policy 2020-21 document is attached as appendix A to the report.

Resolved to approve the Statement of Pay Policy 2021-21 as attached to the report.

22 Proposed Changes to the Permanent Establishment

Craig Parkin, Deputy Chief Fire Officer, presented the report which seeks approval to changes to the permanent establishment to include the establishment of a Digital Systems Learning Officer post. It is noted budget to fund the post has been in place since 2017 and therefore there will be no further financial strain.

The Chair noted that it is crucial for the Service to have the support of this post.

Members of the Authority, made the following comments:

- a) it is stated that the business case for establishing this post was presented to the leadership team, but it should also have been presented to members of the Authority either prior to, or with the report, which was not the case;
- b) it is a point of good business and a matter of good governance for decision makers to have full access to all information prior to making a decision, and this has not been possible;
- c) prior to the reduced meeting arrangements due to COVID-19, the Human Resources Committee would normally have received the report prior to its presentation at Full Authority, but as the Human Resources Committee has not met, this is not been possible. However, informal discussions on the recommendation have been held informally at the Political Group Leaders Meeting. The point raised is considered relevant

and fair and supporting information such as the business case, can be provided for future reports;

- d) the business case should have been included with the report to ensure members are able to make an informed decision and not wholly rely on the recommendation of officers. Governance remains important and members want to ensure that the Authority is not left open to challenge.

Resolved

- 1) to establish the post of Digital Systems Learning Officer with effect from 01 January 2021;**
- 2) for the business case which supports the recommendation to be circulated to members of the Authority and that in future, such information is provided to members.**

On the basis that Councillor Mike Quigley had not received and had the opportunity to consider the business case for the recommendation, he abstained from voting.

23 Review of the Statement of Intent

Craig Parkin, Deputy Chief Fire Officer, introduced the report which presents the reviewed health and safety at work statement of intent, which will be signed by the Chair if approved by the Authority.

Resolved to endorse the content of the updated Written Safety Policy to reaffirm the commitment of the Authority to effective health and safety risk management, employees and others who are affected by the Service's activities.

24 Environment and Sustainability Policy Statement

Craig Parkin, Deputy Chief Fire Officer, presented the report which presents the annually reviewed written environment and sustainability policy statement.

Resolved to endorse the Policy Statement to reaffirm the Authority's commitment to matters relating to environment and sustainability.

25 Annual Report of Information Governance

Candida Brudenell, Assistant Chief Fire Officer, presented the report which provides Authority members with an update on the performance of Information Governance of the Nottinghamshire Fire and Rescue Service for the year 2019/20. It is noted that there have been no major issues.

Resolved to note the report.

26 Joint Fire Control Collaboration Project: Closure Report

John Buckley, Chief Fire Officer, presented the report which updates the Authority of the Joint Fire Control Collaboration Project with Derbyshire Fire and Rescue Service which went live in July 2018.

Although savings have been achieved, some unforeseen but small on-costs have emerged and some elements of the collaboration project could have been better handled, particularly regarding the staff impact and the human element, from which lessons have been learned.

The Joint Fire Control is working well with seamless borders and the Service's resilience was tested with the Whaley Bridge dam incident, which proved the capability of the Joint Fire Control Centre.

Councillor Shuguftah Quddoos, as Chair of the Human Resources Committee, acknowledged that there had been a lot of anxiety amongst affected staff and thanked John Buckley and his team in enabling the transition and providing staff assurance.

Resolved to note the report.

27 Exclusion of the Public

Resolved to exclude the public from the meeting during consideration of the remaining item in accordance with Section 100A of the Local Government Act 1972, under Schedule 12A, Part 1, Paragraph 3, on the basis that, having regard to all the circumstances, the public interest in maintaining an exemption outweighed the public interest in disclosing the information.

28 Area Manager Secondment

John Buckley, Chief Fire Officer, presented the report.

Resolved to approve the recommendations as set out in the report.