

Public Document Pack



Nottinghamshire and City of Nottingham Fire and Rescue Authority Finance and Resources Sub-Committee

Date: Friday 26 March 2021 **Time:** 10:00am

Venue: To be held remotely and live-streamed to:
<https://www.youtube.com/channel/UCt4VuYp8JJJvXCLRmSRJ1mw/featured>

Members are requested to attend the above meeting to be held at the time, place and date mentioned to transact the following business:

A handwritten signature in black ink, appearing to read "M. J. Cave". The signature is fluid and cursive.

Clerk to the Nottinghamshire and City of Nottingham Fire and Rescue Authority

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7 Exclusion of the Public

To consider excluding the public from the meeting during consideration of the remaining items in accordance with Section 100A of the Local Government Act 1972, under Schedule 12A, Part 1, on the basis that, having regard to all the circumstances, the public interest in maintaining an exemption outweighs the public interest in disclosing the information

8 Exempt Minutes

59 - 62

Exempt Minutes of the meeting held on 15 January 2021, for confirmation

Any councillor who is unable to attend the meeting and wishes to submit apologies should do so via the Personal Assistant to the Chief Fire Officer at Fire Services Headquarters on 0115 8388900.

If you need any advice on declaring an interest in any item above, please contact the Governance Officer shown on this agenda before the day of the meeting, if possible.

Governance Officer: Adrian Mann
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<https://committee.nottinghamcity.gov.uk/ieListMeetings.aspx?CId=216&Year=0>

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**Nottinghamshire and City of Nottingham Fire and Rescue Authority
Finance and Resources Sub-Committee**

**Minutes of the meeting held remotely via Zoom and live-streamed on YouTube on
Friday 15 January 2021 from 10:04am to 11:42am**

Membership

Present

Councillor Toby Neal (Chair, items 10-11)
Councillor Andrew Brown
Councillor Mike Quigley MBE
Councillor Nick Raine

Absent

Councillor John Clarke

Councillor Michael Payne (Chair, items 1-9, substitute for Councillor John Clarke)

Colleagues, partners and others in attendance:

| | |
|-----------------|---|
| John Buckley | - Chief Fire Officer |
| Phil Dent | - Internal Auditor, Nottinghamshire County Council |
| Rob Disney | - Internal Auditor, Nottinghamshire County Council |
| Gavin Harris | - Head of Digital Transformation |
| Helen Henshaw | - External Auditor, Ernst and Young |
| Adrian Mann | - Governance Officer, Nottingham City Council |
| Ian Pritchard | - Joint Head Quarters Programme Support Manager |
| Terry Scott | - Head of Procurement and Resources |
| Becky Smeathers | - Head of Finance and Treasurer to the Fire Authority |

• **Chair**

As Councillor John Clarke, Chair of the Finance and Resources Sub-Committee, was absent, Councillor Michael Payne chaired the meeting.

1 Apologies for Absence

Councillor John Clarke

2 Declarations of Interests

Councillor Michael Payne declared an Other Interest in agenda item 11 because he is a Councillor of Gedling Borough Council, and because the Fire and Rescue Service Headquarters are located within his Gedling Borough Council ward. He left the room prior to discussion and voting on this item.

3 Minutes

The Committee confirmed the minutes of the meeting held on 17 January 2020 as a correct record and they were signed by the Chair.

4 Revenue, Capital and Prudential Code Monitoring Report to 30 November 2020

Becky Smeathers, Head of Finance and Treasurer to the Fire Authority, presented a report on the financial performance of the Service in 2020/21 and the Prudential Code monitoring to the end of November 2020. The following points were discussed:

- (a) the latest revenue budget monitoring position shows very little change in expenditure since November. Currently, it shows a forecast outturn position of £43.967 million, which represents a £1.398 million underspend against the revised budget of £45.365 million. Of this, £748,000 will be allocated to the general reserves, and £274,000 will be earmarked for the Transformation and Collaboration reserve, to be used in future years;
- (b) the level of reserves at the end of the year is anticipated to be £10.7 million, which will put the Service in a strong position to respond effectively to the high degree of uncertainty about the future, in the context of Coronavirus. It is probable that the funds held in the reserves will be needed to support the Service in future years, which are likely to be challenging;
- (c) £376,000 of grants have also been received during this financial year, and the funding will roll forward to the next financial year. All current borrowing and investments are compliant with the requirements of the Prudential Code;
- (d) the current capital budget is £5.873 million, and the forecast outturn position is £4.107 million. Much of the current capital budget relates to the move to a combined headquarters with Nottinghamshire Police, and this project is still progressing well;
- (e) the following amendments to the 2020/21 capital programme are proposed: the addition of a conference room sound system project, costing £57,000, which will be funded from the Covid-19 grant; an increase of £24,000 for the migration of the SharePoint system to a cloud-based product; and an increase of £14,000 for air bag replacement in Service vehicles;
- (f) the investment of £57,000 in new conferencing facilities does represent a high cost but, in response to the current circumstances, it has is being designed to include both individual and group microphones to improve audio quality in meetings held under social distancing requirements, and to be fully integrated with video-conferencing systems, so that meetings can support both in-person and remote participation at the same time. It is anticipated that the provision for socially distanced and remote attendance of meeting will be required for some time in the future. However, due to the intended relocation of the Service headquarters, it is proposed to install the new conferencing system at the Highfields Fire Station, and an appropriate site survey is being organised;
- (g) the Committee noted the report and thanked the Service's Finance Team for their hard work in steering the organisation through a very difficult year.

Resolved to approve the following amendments to the 2020/21 capital programme:

- (1) the addition of a conference room sound system project, costing £57,000, which will be funded from the Covid-19 grant;**
- (2) an increase of £24,000 for the migration of the SharePoint system to a cloud-based product;**
- (3) an increase of £14,000 for air bag replacement in Fire and Rescue Service vehicles.**

5 Budget Proposals for 2021/22 to 2024/25 and Options for Council Tax 2021/22

Becky Smeathers, Head of Finance and Treasurer to the Fire Authority, presented a report on the budget proposals for 2021/22 to 2024/25, and the options for Council Tax rates for 2021/22. The following points were discussed:

- (a) there have been a number of areas of change since the Medium Term Financial Strategy was approved in November 2020, as budgets have been developed and actualised. Further grant support from Government has also been confirmed, to alleviate some funding pressures. Budgets have been reduced by up to £600,000 in some areas but, due to the strong performance of on-call firefighters during the Coronavirus period and the wide range of support provided to communities by on-call staff (a number of whom have been more available to work during the Coronavirus period, due to being furloughed from their primary employment), further investment is being put in place to roll this work through to next year and enhance on-call provision. Additional investment is being made for new IT systems, and the schedule of planned fleet and property maintenance is being increased, to reduce costs in the long term;
- (b) due to the severe economic hardship imposed by Coronavirus, there are concerns about Councils' ability to collect the full amount of Council Tax in the current crisis, and forecasts of a potentially reduced Council Tax base have been produced. There is still also significant uncertainty in the area of potential income from Business Rates. The Government has been providing financial support to businesses, and the Service has been compensated by the Government to offset the reduction in the collection of Business Rates. Currently, it is unclear for how long this support will continue, so this uncertainty does represent a significant risk to future budgets;
- (c) the Government has indicated its preference to freeze public sector pay increases. However, as the salaries of firefighters and Service support staff are set by independent bodies, a 1% pay award has been allocated (which is slightly greater than inflation), in the interests of responsible budgeting. If the pay award is set a 2%, sufficient reserves are in place to cover these costs. However, due to the uncertainties still present in the budget, a nil increase of the Council Tax rates would contribute to a large shortfall in the budget, which would have a significant impact on the reserves position – meaning that £5.3 million would be required from reserves to achieve a balanced budget for 2024/25. As such, it is proposed to increase the Council Tax requirement by 1.95% (of a possible increase of up to 2%) to achieve a more sustainable deficit of £65,000, and this increase has been used for the current budget forecasts;

- (d) the Committee thanked the Finance Team for their substantial work over the last four years in securing savings in the budget and building the reserves. It commended the outstanding work of Service staff during the Coronavirus period, and regretted that the current emergency could result in a pay freeze;
- (e) the Committee noted that, ultimately, it did not wish to increase the Council Tax burden on citizens struggling during a period of economic hardship – though Councils do have various schemes in place to protect the most vulnerable. It recognised, however, that the Service provides a vital service at good value for money, and does require a suitable level of funding to maintain these services and value. Given the substantial impact on the budget deficit that a nil increase would cause, it considered that a 1.95% increase in Council Tax was a prudent and sensible step to take;
- (f) Councillor Michael Payne moved that, on the basis of the report and following discussion, the Committee should recommend a Council Tax increase of 1.95% to the Fire Authority. Councillor Andrew Brown seconded this motion.

Resolved to recommend to the Fire Authority that, in order to achieve a sustainable funding position for the Fire and Rescue Service, Council Tax is increased by 1.95%.

6 Internal Audit Annual Report 2019/20

Becky Smeathers, Head of Finance and Treasurer to the Fire Authority, and Rob Disney, Internal Auditor from Nottinghamshire County Council, presented a report on the results of the 2019/20 annual internal audit, including the internal audit plan for 2020/21 to 2022/23. The following points were discussed:

- (a) the internal audit report reviewing 2019/20 would normally have been presented much earlier in the financial year, but was delayed due to the Committee not meeting as a consequence of the Coronavirus emergency. The report establishes the key lines of enquiry used to gather evidence and provide a combined opinion for positive assurance that appropriate processes are in place in the organisation for effective governance, risk management and control, across the three 'lines of defence' of front-line management, corporate functions and internal audit. The plan for the Service's next audit is also being established;
- (b) as part of the audit process, the 'Cardiff Checks' methodology was used, which identifies a random invoice from a given batch, so that the whole process that lead to the creation and payment of that invoice can then be reviewed for the effectiveness of its controls. However, the Cardiff Checks are a relatively old system, so a much greater level of data analytics is now being used to gain an overview of the full spread of payment, with focused work following in certain areas. As such, it is possible to achieve a greater level of assurance across a 100% sample size;
- (c) the recharge system for the use of Service fuel depots by Nottinghamshire Police is a new service development. An audit of the recharging considered the potentially high risk areas such as fuel security, consumption recording, recharges, debt recovery and the maintenance of fuel stocks, but effective controls were found to be in place for the mitigation of these risks.

The Committee noted the report.

7 External Audit Plan 2019/20

Becky Smeathers, Head of Finance and Treasurer to the Fire Authority, and Helen Henshaw, External Auditor from Ernst and Young, presented a report on the external auditors' audit plan for the intended work on the Service's 2019/20 financial statements and value for money arrangements. The following points were discussed:

- (a) normally, members would have approved the external audit plan following its preparation in March 2020 and prior to the audit commencing, but this was not possible for the 2019/20 audit, due to Coronavirus. It was intended for the audit to be completed by the statutory deadline of the end of November 2020, but this was not achieved due the current challenging audit environment, where less than 50% of Public Sector audits had been signed off by this deadline. The audit is now in its latter stages of completion, and it is expected that the final report will be submitted to the February meeting of the Fire Authority – though work is still ongoing;
- (b) the external audit assesses areas of significant risk in the Service's financial statements, including the potential for misstatements due to error or fraud, mistakes in the statements such as capital expenditure being accounted for within the fixed assets, and the up-to-date valuation of land and buildings. For example, identifying accurately the value of a fire station to the organisation in the context of the financial statements (which is not the same as identifying its realisable value through a sale) can be a complex issue, and errors in accounting can occur due to this complexity. Pension scheme liabilities remain a substantial risk and, due to the results of recent court cases, are subject currently to a high degree of estimate and uncertainty;
- (c) the audit also addresses value for money within the organisation, reviewing financial resilience across the next few years (where the current strong reserves position is positive), the establishment of a joint headquarters with Nottinghamshire Police and the associated governance implications for decision-making and finances, and the response to the 2019 Service inspection;
- (d) materiality has been set at £1.34 million, which represents 2% of the prior year's gross expenditure on the provision of services. Performance materiality has been set at £670,000, which represents 50% of materiality, to achieve the right level of detail at the accounts level;
- (e) the duty to prescribe fees for external audit is a statutory function delegated to Public Sector Audit Appointments (PSAA) by the Secretary of State for Housing, Communities and Local Government, and the PSAA will approve the final fee charged to the Authority. However, this final fee is yet to be confirmed, and will be affected by a range of factors;
- (f) the Committee noted that the Chair of the Fire Authority had written to the external auditor on 6 January to raise concerns about the delay to the completion of the audit, and to seek assurance that it would be completed by February, and as to the proposed final fees. It recognised the unusual difficulties caused by Coronavirus for the carrying out of the audit, but felt that the delay was contributed to by staffing shortages at Ernst and Young, which could have been mitigated more effectively. It remained concerned and disappointed that full assurance has not been provided in response to the letter

regarding the completion date of the audit and the final costs. It considered that, given the significant public interest in the performance of the Service, better assurance should have been provided, and it requested that these comments are fed back to Ernst and Young appropriately.

The Committee noted the report.

8 Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services Update

John Buckley, Chief Fire Officer, presented a report on the Service's response to the outcomes of the latest inspection by Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services. The following points were discussed:

- (a) the 2019 inspection highlighted 25 areas for improvement (AFI) for the Service to consider. Each improvement area was allocated to a lead officer, with clear milestones and expected outcomes to deliver the improvement required. In relation to the Finance and Resources Sub-Committee, the remaining AFI to be completed is number 15, where "The Service needs to accelerate its plans to improve ICT so that it makes best use of available technology to support operational effectiveness and efficiency";
- (b) this action is now largely complete, as a great deal of work has been carried out to improve IT systems, which provided a substantial benefit during the Coronavirus pandemic. Remote working processes have been implemented successfully, and improvements have been achieved in effective data management. A dedicated staff trainer for IT is in place, and it is intended to develop full cloud working within the next three years;
- (c) unfortunately, the action relating to the recording of competency and training through an integrated learning management system has been delayed, as no single, standard system is available that meets all of the Service's requirements. As such, work is underway to reduce the three systems in use currently down to two, within 2021/22;
- (d) the Committee thanked the Service personnel for their impressive work in addressing the recommendations of the inspection, and the effective reporting mechanisms that had been put in place to keep the members of the Fire Authority informed as to progress.

The Committee noted the report.

9 Exclusion of the Public

The Committee decided to exclude the public from the meeting during consideration of the remaining agenda items in accordance with Section 100A(4) of the Local Government Act 1972 on the basis that, having regard to all the circumstances, the public interest in maintaining the exemption outweighed the public interest in disclosing the information, as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act.

- **Chair**

Councillor Michael Payne declared an Other Interest in agenda item 11 because he is a Councillor of Gedling Borough Council, and because the Fire and Rescue Service headquarters are located within his Gedling Borough Council ward. He left the room prior to discussion and voting on this item.

As Councillor Michael Payne, Chair of the Finance and Resources Sub-Committee, was absent, Councillor Toby Neal chaired the meeting.

10 Exempt Minutes

The Committee confirmed the exempt minutes of the meeting held on 17 January 2020 as a correct record and they were signed by the Chair.

11 Land and Legal Title of the Headquarters at Bestwood Lodge

John Buckley, Chief Fire Officer, and Ian Pritchard, Joint Head Quarters Programme Support Manager, presented a report on the land and legal title of the Service's headquarters at Bestwood Lodge.

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

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NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority
Finance and Resources Committee

REVENUE, CAPITAL AND PRUDENTIAL CODE MONITORING REPORT TO 31 JANUARY 2021

Report of the Chief Fire Officer

Date: 26 March 2021

Purpose of Report:

To report to Members on the 2020/21 financial performance of the Service and Prudential Code monitoring to the end of January 2021.

Recommendations:

It is recommended that Members:

- Note the content of this report.
- Approve the increase of £46k to the HR system upgrade capital project to include document scanning. The additional expenditure will be funded from the Business Solutions budget (£20k) and from underspends elsewhere in the capital programme.

CONTACT OFFICER

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1. BACKGROUND

- 1.1 Budget monitoring is a key aspect of financial management for the Fire Authority. Regular reporting of spending against the revenue budgets is a check that spending is within available resources and if necessary, allows for financial resources to be re-assigned to meet changing priorities.
- 1.2 This report covers those areas with a higher risk of significant variance. An assessment of this risk has been made in the light of the size of the budgets selected and/or previous experience of variances, as well as the emergence of actual variances. It is vital that an overview of the budgetary position during the year is maintained, so that appropriate action can be taken in respect of significant variances and the budget is managed as a whole.
- 1.3 Monitoring against the revised prudential indicators is also included in this report, as required in the Prudential Code published by the Chartered Institute of Finance and Accountancy (CIPFA).

2 REPORT

REVENUE BUDGET

- 2.1 The revenue monitoring position is set out in Table 1 below. It shows a forecast outturn position of £44.127m, which is a £1.238m underspend against the revised budget of £45.365m. In summary this relates to:
 - £323k relates to Section 31 grants which have not all yet been fully allocated (see paragraphs 2.15 – 2.18). Unspent funding at the year-end will be transferred to earmarked reserves.
 - £915k relates to general underspends (mostly relating to vacancies in wholetime pay pending recruitment). Of this, £274k will be an adjustment to earmarked reserves and the remaining £641k will increase the balance on the general fund.

Table 1 – Summary Expenditure and Funding Position

| | 2020/21 Budget £'000 | Revised Budget £'000 | Forecast Outturn £'000 | Variance £'000 |
|---|-------------------------------------|-------------------------------------|---------------------------------------|---------------------------|
| Net Expenditure | 45,165 | 45,365 | 44,127 | (1,238) |
| RSG/Council Tax/Business Rates | (44,891) | (44,891) | (44,891) | 0 |
| General Fund Reserves | 0 | 0 | 641 | 641 |
| Covid-19 Grant Reserve | 0 | 0 | 178 | 178 |
| Grenfell Infrastructure Improvements Grant Reserves | 0 | 0 | 63 | 63 |
| Building Risk Review and Protection Uplift Grant Reserves | 0 | 0 | 82 | 82 |
| Earmarked Reserves | (274) | (474) | (200) | 274 |
| Total | 0 | 0 | 0 | 0 |

- 2.2 The underspend position has reduced from the £1.523m reported to Fire Authority in November. Some minor projects that were planned for 2021/22 have been brought forward to 2020/21 to offset the underspend. These included the purchase of replacement Occupational Health software, replacement gym equipment and updated software to give better functionality for the drone which is jointly operated with the police.
- 2.3 A more detailed analysis of expenditure can be found at Appendix A. Major variances on specific budgets are shown below.
- 2.4 **WHOLETIME PAY:** total wholetime pay is forecast to underspend by £1,045k. This has been caused by a higher than anticipated level of vacancies due to the wholetime training course being delayed until April 2021. The impact of the under establishment is being partially offset by 14 individuals migrating from on-call during September and October. A further 6 individuals will be migrating from on-call on a temporary basis from the end of February or the beginning of March. This is to support the ridership whilst some wholetime staff are seconded to the Covid-19 vaccination programme. Even with these additional posts, unfilled posts are anticipated to reach 9 by the end of the financial year. The underspend has reduced compared to the amount reported in November. This is due to £389k of the budget being transferred to fund a number of non-pay related projects, including building maintenance, scanners and guide lines as previously approved by Fire Authority.
- 2.5 Overtime was originally planned to help cover the vacancies. However, as the number of Covid-19 cases has increased across the County this is no

longer considered to be a viable solution as the mixing of watches increases the risk of the spread of Covid-19 across the workforce.

- 2.6 **ON-CALL PAY:** overall, on-call pay is anticipated to overspend by £250k against the original budget, but £228k of this directly relates to additional costs that are due to the Covid-19 pandemic, such as community activity, mass testing, the vaccination programme, and supporting East Midlands Ambulance Service. These costs can either be offset by the Covid -19 grant or are being funded by partner organisations. There was also a high level of payments brought on by the increased availability as people being furloughed from their primary employment in the Spring lockdown.
- 2.7 **NON-UNIFORMED PAY:** non-uniformed pay is expected to overspend by £138k (after compensating for secondment income and posts being funded from grants). The budget assumed that staff would receive a pay award of 2%. The final agreed increase was 2.75%, which resulted in additional costs of £50k. Some temporary posts that were to be funded from earmarked reserves are now being funded from the revenue budget to preserve the earmarked reserves to fund transformational projects in future years.
- 2.8 **PENSION COSTS:** there is a net forecast underspend of £35k relating to ill health charges and injury pension costs.
- 2.9 **TRAINING COSTS:** the forecasted underspend of £141k relates to the reduction in external training due to Covid-19 and the likelihood that future training will be undertaken online rather than face to face.
- 2.10 **PREMISES COSTS:** the forecasted overspend is £105k. The underspend has reduced from the amount reported in November due to an additional £200k being transferred to the premises budgets for maintenance. Much of the remainder is funded from Covid-19 grant.
- 2.11 £44k of the overspend is due to business rates being higher than expected at budget time. Contract cleaning costs are expected to increase by £42k during 2020/21 due to the enhanced cleaning regimes that have been brought in to help prevent the spread of Covid-19. This will be funded from the Covid-19 grant. The amount spent on cleaning materials will increase by around £26k. This will also be funded from the Covid-19 grant.
- 2.12 **TRANSPORT COSTS:** are forecasted to overspend by £184k. Travel related expenses have significantly reduced due to Covid-19 (£122k) and fuel is anticipated to underspend by £70k. There is an overspend on fleet maintenance of £342k. A new schedule of maintenance has been introduced which better reflects the needs of the fleet. 2021/22 maintenance budgets have been amended accordingly. Savings identified from the new maintenance contract will not be fully realised in the year due to backlog of maintenance works. The budget for Fleet Modification is expected to overspend by £47k. This is due to a number of officers opting to terminate their car leases earlier than expected which has an impact on blue lights, sirens and radios removal and refitting in new vehicles.

2.13 **SUPPLIES AND SERVICES COSTS:** Supplies and Services are forecasted to overspend by £224k, some of which is funded from the Covid-19 grant. This net overspend is comprised of the following variances:

- The budgets for smoke alarms and community safety equipment are expected to underspend by £41k due to the reduction in the number of safe and well visits. It is hoped that normal visits will commence soon as restrictions are lifted, and additional resources have been allocated to safe and well visits to catch up on the backlog.
- The breathing apparatus budget is expected to overspend by £44k due to the purchase of new fire hoods, however this expenditure will be funded from the Grenfell grant (see paragraph 2.17).
- The budgets for ICT software, hardware and software maintenance contracts are expected to overspend by £90k. £15k of this expenditure relates to a project to upgrade the software for the drone to increase its availability. This project was initially planned for 2021/22 but has been brought forward. The remaining £75k overspend relates to work to facilitate effective home working which is being funded from the Covid-19 grant.
- The budget for external audit fees is expected to overspend by £63k as there has been a significant increase in the fees charged by Ernst & Young, although this is currently being challenged. The revised fees are due to an increase in work required because of changes to the audit regulatory framework.

2.14 **THIRD PARTY PAYMENTS** £89k of the £103k overspend is for joint control charges from Derbyshire Fire and Rescue. This is due to additional staff being employed to cover long-term sickness. It is assumed at this stage this cover will continue for six months.

2.15 **GOVERNMENT GRANTS:** The Service has received additional funding for Covid-19 of £1,058k. £191k was included in the 2019/20 outturn and a further £867k has been received in 2020/21. The grant can only be allocated to additional expenditure, so any redirection to staff from other duties, for example, cannot be claimed. The estimated spend as at the end of January is shown in Table 2 below.

Table 2 – Expenditure to be funded from Covid-19 Government Grant

| Expenditure | Actual to Jan £'000 | Estimated spend 20/21 £'000 |
|---|----------------------------|------------------------------------|
| Non-Uniformed Pay | 87 | 122 |
| Operational Pay and Overtime | 6 | 7 |
| On Call Firefighters Other Work | 96 | 126 |
| Cleaning Materials / Decontamination Supplies | 61 | 80 |
| Operational Equipment Uniforms and PPE | 52 | 65 |
| Other | 68 | 103 |
| ICT Infrastructure and Licencing | 145 | 186 |
| Total | 515 | 689 |

2.16 Grant allocation is undertaken and monitored by the Strategic Leadership Team. Work is being undertaken to identify key areas of work that will address the ongoing risks of Covid-19 to ensure that the grant is used with best effect. In particular, grant has been used to support:

- Undertaking over 370 shifts for EMAS;
- Work related to the setting up and running of the temporary mortuary;
- Delivering over 12,200 food parcels and medical supplies to members of our community;
- Helping to set up the mass testing centres within the County;
- The vaccination programme - to date NFRS staff have delivered over 25,100 vaccinations to the public.

2.17 The Service has received a £101k Grenfell Infrastructure Improvements grant, which is to fund the delivery of outcomes against the relevant findings from the Grenfell phase 1 inquiry. So far £38k of expenditure has been funded from this grant. Work is now increasing significantly as more national guidance is being produce and the unspent balance will be carried forward to 2021/22 to support this work. This has been reflected in the estimated outturn for the earmarked reserves.

2.18 The Service has also received two other Grenfell related grants for Building Risk Review (£60k) and Protection work (£92k). Again, any unspent grant at year end will be transferred into earmarked reserves.

2.19 **CAPITAL CHARGES:** the total forecast overspend is £71k, but this will be funded from the Covid-19 grant as it relates to Covid-19 related capital expenditure funded from revenue contributions.

2.20 There is a forecasted deficit of £78k on interest receivable following a significant drop in interest rates. There was significant market uncertainty during the early part of the year. To protect the services cashflow, cash

was kept in shorter term investments which attract lower rates of interest. Interest charges on debt are expected to overspend by £48k. This is due to the taking out loans earlier than originally anticipated. Two loans totalling £3m were taken from the Public Works Loans Board in March 2020 which took advantage of the fall in loan rates brought about by the economic impact of the pandemic. This had the additional advantage of securing the Authority's cash flow position at the beginning of the Covid-19 pandemic. This borrowing, whilst within the Authority's prudential limits, was taken ahead of schedule. As a result of this, the interest costs had not been factored into the budget.

- 2.21 **SALES, FEES & CHARGES:** there is a forecast surplus of £248k. £198k relates to income that is due to be received from partner organisations in respect of work carried out by NFRS staff on Covid-19 related activities. This income will fund the cost of the activities carried out. There is a surplus of £35k relating to the sale of the Authority's trading company, plus a forecast surplus of £33k relating to income received for the compound license and site cabin at Hucknall.

RESERVES

- 2.22 Details of the use of reserves during 2020/21 can be found in Appendix B.
- 2.23 Expected levels of reserves at 31 March 2020 are £10.5m as detailed in Table 3 below.

Table 3 – Anticipated Movement in Reserves 2020/21

| Reserves | Balance 01/04/20 £'000 | Anticipated Use 2020/21 £'000 | Expected Balance 31/03/21 £'000 |
|---|---------------------------------------|--|--|
| Contributions from earmarked reserves | 4,329 | (122) | 4,207 |
| Expected transfers to reserves (unallocated grants) | 177 | 323 | 500 |
| General Fund ¹ | 4,989 | 641 | 5,630 |
| Total | 9,495 | 842 | 10,337 |
| ESMCP ² Regional Reserve | 255 | (78) | 177 |
| Total | 9,750 | 764 | 10,514 |

¹ Provisional general fund figure

² Emergency Services Mobile Communications Programme

- 2.24 The Emergency Services Mobile Communications Programme (ESMCP) regional reserve has been shown separately to those reserves held by the Authority to reflect that the funds are to be allocated regionally and do not belong to Nottinghamshire Fire and Rescue Service (NFRS).

- 2.25 The general reserve is predicted to be £5.6m at the end of the financial year. This is above the minimum level of £4.5m agreed by Fire Authority in November 2020. This provides the Authority with an element of security and flexibility given the financial uncertainties in 2021/22 and beyond.
- 2.26 The original budget approved by members in February 2020 reflected the planned use of £274k of earmarked reserves. This related to expenditure from the Transformation and Collaboration Reserve which was approved by Fire Authority in December 2019. The purpose of the reserve is to support the Strategic Plan in line with the Transformation and Efficiency Strategy. £1.5m of the reserve has been allocated out to projects by the Strategic Leadership Team (SLT) to date. However, the 2020/21 expenditure on these projects will now be funded from underspends which will help sustain the earmarked reserve so that it can provide funding for transformational projects in future years.

CAPITAL PROGRAMME

- 2.27 The revised capital budget for 2020/21 is £5.968m. The total capital spend to date is £2.149m and the forecast outturn expenditure is £3.866m. The current capital programme is shown at Appendix C. The most significant areas of variances are detailed below.

ICT

- 2.28 The ICT programme (£1,036k) has been developed from the Digital Strategy. It includes replacement equipment and software and supports the specific schemes which underpin the strategy. Expenditure is expected to be in the region of £3,858k by the end of the year.
- 2.29 The HR upgrade – during the upgrade it was identified that the document scanning solution was a requirement within iTrent at a cost of £46k. Funding from the Business solutions budget of £20k has been used to partially offset this additional expenditure, with the remainder coming from underspends elsewhere in the programme.
- 2.30 The Business Process Automation budget has enabled the Service to procure new cloud-based software solution including an enhanced estates management solution and an updated version of the ICT Service Desk system. The budget of £83k is expected to be fully spent by the end of the year.
- 2.31 The Mobile Computing budget has been used to finance the purchase mobile computing devices and mobile phones. The budget is estimated to underspend by approximately £30k due to the provision of external funding from BT as part of the new mobile telephony contract which could not be estimated prior to the completion of the procurement process in December 2020.

- 2.32 The Cyber Security budget has been fully utilised to purchase an advanced threat detection solution called Darktrace. This cloud-based security tool has further strengthened our defences against malicious cyber-attacks for the next 2 years. The IS27001 alignment of security project has an allocated earmarked reserve of £52k and expenditure for this project will be met from transformation and collaboration reserve as the expenditure is incurred.
- 2.33 The SharePoint software support for security updates will soon no longer be supported by Microsoft. The project needs to be replaced and migrated to the cloud. As part of the Joint Headquarters Programme, an attempt is being made to move as many of the On-Premise systems to the Cloud or other locations.
- 2.34 ICT expenditure related to Covid is currently forecasted at £87k. Expenditure of £30k on equipment was approved to help the organisation cope with home working during lockdown. £57k of the Covid-19 Government Grant has been allocated to purchase a sound system to improve conferencing facilities at Head Quarters to assist with socially distanced meetings. The system will be transferred to the new Head Quarters when it opens.
- 2.35 The replacement equipment budget included a project to improve digital storage in preparation for the Head Quarters move. An alternative solution has now been found which will save £100k which is likely to be slipped to 2021/22 to fund other projects. The remainder of the Replacement Equipment is to be utilised to procure new computing equipment such as new Tablet PCs and Desktop PCs as part of a Service wide equipment refresh.
- 2.36 The Tri service control project (£171k) is being reviewed as it is linked to the rostering project in 2021/22. It is likely that this funding will require slipping at year end.

ESTATES

- 2.37 The joint Headquarters project is progressing well. Building work is on schedule however a redesign of the Electrical and Mechanical elements may lead to some additional costs and programme extension which are yet to be determined. The refurbishment of the existing Sherwood Lodge Accommodation is under design review which should be completed and ready for tender in May 2021. The planning for the decant from Bestwood Lodge is underway with options for the site disposal being explored. Additional works linked to this project to relocate NFRS Stores and the Incident Command Training Centre will commence in late 2021.
- 2.38 Worksop Station - The design for the new station is underway and the tendering process commenced on 15 February 2021. Additional costs have been identified mainly due to the inclusion of renewable energy devices (Air Source Heat Pump) and self-generated electrical power. The site also requires piled foundations due to deep buried made-up ground. It may be necessary to request an increase the budget for the project once the outcome of the tender process is known.

- 2.39 The London Road project is completed and the underspent budget of £12k is not required.

EQUIPMENT

- 2.40 The service has received additional funding of £101k from central government, because of the Grenfell Tower enquiry, this will be used to fund the purchase of the smoke hoods which have now been delivered (£38k).
- 2.41 The structural personal protection equipment (PPE) and lightweight jackets are now operational, the underspend of £52k is not required.
- 2.42 The CCTV project has gone out to tender and bids have been received, the contract is due to be awarded. The majority of expenditure will be committed in this financial year, but some vehicles may have the CCTV upgrade/installation in the first quarter of the new financial year. It is anticipated at this stage that £100k will be required to slip into 2021/22.
- 2.43 Air bag replacement: trials have taken place with an alternative system is being purchased as a result. The alternative system costs £76k based on our requirements and quantities needed, resulting in a £8k underspend.

TRANSPORT

- 2.44 The fleet replacement programme is derived from the Fleet Strategy and reflects current and future expected demand.
- 2.45 The Command Support Unit (CSU) is mobilised to assist with communications, command and control at incidents which require the attendance of five operational pumping appliances or more. At these incidents, it is key that the ICT and other communications equipment function correctly. The CSU has been modified to ensure that the technology and communications software are sufficiently up to date to ensure it meets national resilience requirements. The upgrade has cost £70k and has been funded from an Earmarked Reserve created from funding received for national resilience purposes. This project is now complete.
- 2.46 The light vehicles for the pool have been ordered, due to lead time 14 vehicles (£204k) will now not be delivered until 26th April 2021. In addition, the Principal Officer car and Renault Van are now due to delivered in the new year (£61k), all other vehicles are currently expected to be delivered by the end of the year. Therefore, at this stage it is anticipated that £265k will be required to slip into 2021/22.
- 2.47 The rescue pump project has been delayed due to covid £148k will be slipped into 2021/22.

PRUDENTIAL CODE MONITORING

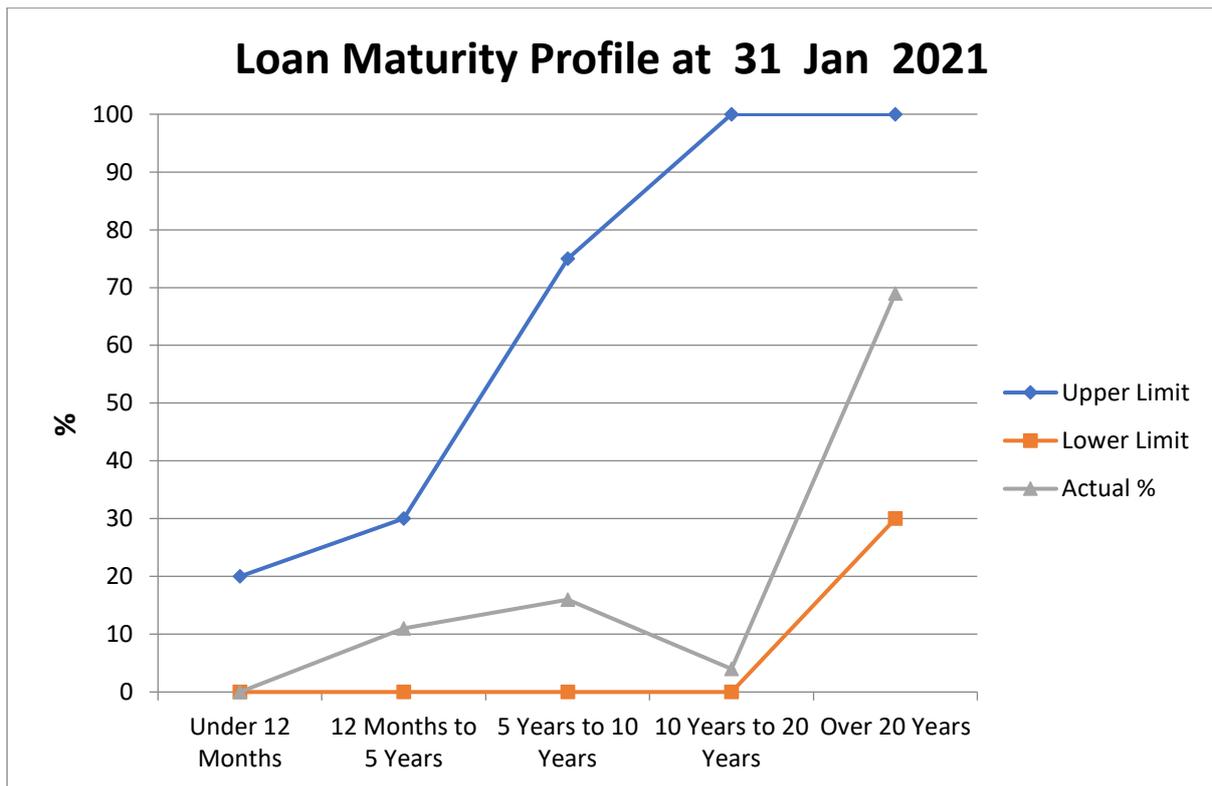
- 2.48 The Fire Authority approved the prudential indicators for 2020/21 at its meeting on 28 February 2020. Amendments were made to the authorised limits and 12-month maturity profile at Policy and Strategy Committee on 1 May 2020 to address the financial impact of Covid-19. The Prudential Code requires that performance against these indicators is reported to Members
- 2.49 The approved indicators along with performance as at 31 January 2021 are shown in the table below. There are some indicators which cannot be calculated until the year end expenditure is known.

Table 4 - Prudential Code Monitoring

| Prudential Indicator | Approved Indicator | As at 31 Jan 2021 |
|--|-------------------------|-------------------|
| Estimate of Ratio of Financing Costs to Net Revenue Stream | 5.3% | Year End Only |
| Estimate of Total Capital Expenditure to be Incurred | £5,576,000 | Year End Only |
| Actual Borrowing | | £25,599,417 |
| Estimate of Capital Financing Requirement | £29,073,000 | £29,073,000 |
| Operational Boundary | £33,850,000 | £33,850,000 |
| Authorised Limit | £37,035,000 | £37,035,000 |
| Upper limit for fixed rate interest exposures | 100% | 100% |
| Upper limit for variable rate interest exposures | 30% | 30% |
| Loan Maturity: | <u>Limits:</u> | |
| Under 12 months | Upper 30% Lower 0% | See Graph |
| 12 months to 5 years | Upper 30% Lower 0% | See Graph |
| 5 years to 10 years | Upper 75% Lower 0% | See Graph |
| Over 10 years | Upper 100% Lower 0% | See Graph |
| Over 20 years | Upper 100% Lower 30% | See Graph |
| Upper Limit for Principal Sums Invested for Periods Longer than 365 Days | £2,000,000 | 0 |
| Upper limit for internal borrowing as a % of the Capital Financing Requirement | 20% | 12.00% |

2.50 The total borrowing at the end of January 2021 was £25.5m which is within the operational and authorised limits set out in table 4. Borrowing activity has remained within these boundaries throughout the period covered by the report. There has been no borrowing activity since the start of the financial year.

2.51 The loan maturity profiles are all within the limits set. These are best demonstrated by graph:



2.52 Investments as at 31 January 2021 totalled £11m. Investment rates are monitored within the benchmarking group supported by Link Asset Services. There are seven councils and NFRS within the group. As at the end of December 2020, NFRS weighted average rate of return was 0.16%, compared with a group average of 0.21%.

3. FINANCIAL IMPLICATIONS

The financial implications are set out in the body of the report.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

There are no human resources or learning and development implications arising directly from this report. Some of the efficiency targets will have had

staffing implications which were considered as part of the decision-making process at the time.

5. EQUALITIES IMPLICATIONS

An equality impact assessment has not been undertaken because this report is not associated with a policy, function or service. Its purpose is to explain variances to the approved budget which reflects existing policies.

6. CRIME AND DISORDER IMPLICATIONS

There are no crime and disorder implications arising from this report.

7. LEGAL IMPLICATIONS

There are no legal implications arising directly from this report.

8. RISK MANAGEMENT IMPLICATIONS

Budget monitoring and the regular receipt of financial reports is key to managing one of the most significant risks to the organisation, that of financial risk. The process of budget monitoring is a key risk management control measure, as are the management actions which are stimulated by such reporting.

9. COLLABORATION IMPLICATIONS

This report identifies several areas where collaboration is taking place between NFRS, other fire authorities, East Midland Ambulance Service and Nottinghamshire Police. Opportunities for collaboration around asset use and ownership are continually being investigated.

10. RECOMMENDATIONS

It is recommended that Members:

- 10.1 Note the content of this report.
- 10.2 Approve the increase of £46k to the HR system upgrade capital project to include document scanning. The additional expenditure will be funded from the Business Solutions budget (£20k) and from underspends elsewhere in the capital programme.

11. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

John Buckley
CHIEF FIRE OFFICER

**REVENUE BUDGET MONITORING POSITION
AS AT 31 JANUARY 2021**

| Budget Area | Annual Budget £'000 | Revised Budget £'000 | Exp to Date £'000 | Forecast Outturn £'000 | (Under) / Over Spend Against Revised budget £'000 |
|--|--------------------------------|---------------------------------|------------------------------|-----------------------------------|--|
| Employees | 36,495 | 35,712 | 29,483 | 35,231 | (481) |
| Premises | 2,564 | 2,799 | 2,306 | 2,918 | 119 |
| Transport | 1,637 | 1,637 | 1,549 | 1,821 | 184 |
| Supplies & Services | 3,570 | 3,764 | 2,520 | 3,987 | 223 |
| Third Party | 783 | 783 | 445 | 886 | 103 |
| Support Services | 191 | 191 | 108 | 191 | 0 |
| Capital Financing Costs | 2,573 | 2,549 | 2,085 | 2,668 | 119 |
| Fees and Charges | (405) | (405) | (300) | (653) | (248) |
| Other Income | (2,244) | (1,665) | (3,011) | (2,922) | (1,257) |
| Net Cost | 45,165 | 45,365 | 35,185 | 44,127 | (1,238) |
| Financed by: | | | | | |
| Government Funding | (12,699) | (12,699) | (9,056) | (12,699) | 0 |
| Non-Domestic Rates | (3,778) | (3,778) | (2,648) | (3,778) | 0 |
| Council Tax | (26,074) | (26,074) | (20,859) | (26,074) | 0 |
| Pension Grant | (2,340) | (2,340) | (2,340) | (2,340) | 0 |
| Earmarked Reserves | (274) | (474) | (186) | (200) | 274 |
| Transfer to Reserves (unallocated grants) | 0 | 0 | 0 | 323 | 323 |
| Transfer to General Reserve | 0 | 0 | 0 | 641 | 641 |
| Funding Total | (45,165) | (45,365) | (32,474) | (44,127) | 1,238 |
| Total | 0 | 0 | (2,832) | 0 | 0 |

ESTIMATED RESERVE POSITION AT 31 MARCH 2021

| Reserve | Opening Balance 01/4/20 £'000 | Movement During 2020/21 £'000 | Closing Balance 31/3/21 £'000 |
|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Resilience Crewing and Training | 333 | (83) | 250 |
| Prevention Protection and Partnerships | 252 | (1) | 251 |
| Business Systems and Development | 59 | 0 | 59 |
| Capital Reserve | 1,038 | (1,038) | 0 |
| ESN reserves | 1,327 | (93) | 1,234 |
| Transformation and Collaboration | 1,387 | 413 | 1,800 |
| Operational | 188 | 0 | 188 |
| Covid-19 Recovery | 0 | 600 | 600 |
| Covid-19 Grant | 177 | 178 | 355 |
| Grenfell Infrastructure Improvements | 0 | 63 | 63 |
| Protection Uplift and Building Risk Review | 0 | 82 | 82 |
| Total | 4,761 | 121 | 4,882 |
| General Reserve | 4,989 | 641 | 5,630 |
| Total Reserves | 9,750 | 762 | 10,512 |

APPENDIX C

CAPITAL - BUDGET MONITORING REPORT – JANUARY

| CAPITAL PROGRAMME | Approved Budget 2020/21 | Approved Changes to Budget 2020/21 | Revised Budget 2020/21 | Expenditure | (Under)/ Over Budget | Estimated Outturn to the end of March 2021 | Outturn Variance |
|--|--------------------------------|---|-------------------------------|--------------------|-----------------------------|---|-------------------------|
| ICT & COMMUNICATIONS | | | | | | | |
| HR System Upgrade | 51 | | 51 | 97 | 46 | 97 | 46 |
| Business System Development | | 20 | 20 | | -20 | 20 | |
| Business Process Automation | 50 | 33 | 83 | 38 | -45 | 83 | |
| Mobile Computing | 75 | 25 | 100 | 22 | -78 | 70 | -30 |
| HQ - Link ICT Replacement | 100 | | 100 | 39 | -61 | 100 | |
| Cyber Security | 20 | 17 | 37 | 37 | | 37 | |
| ICT SharePoint | | | | | | | |
| Internet/Intranet | | 50 | 50 | 5 | -45 | 50 | |
| Performance Management System | | 9 | 9 | | -9 | 9 | |
| ESMCP Grant from DCLG (ESN) | | 41 | 41 | | -41 | 41 | |
| Tri-Service Control Project | | 171 | 171 | 6 | -165 | 6 | -165 |
| Unit4 Business World Upgrade | | 37 | 37 | 8 | -29 | 8 | -29 |
| Covid Related Projects | | 87 | 87 | 87 | | 87 | |
| Replacement Equipment | 250 | | 250 | 134 | -116 | 150 | -100 |
| | 546 | 492 | 1,036 | 488 | -562 | 758 | -278 |
| ESTATES | | | | | | | |
| Joint Headquarters Project | 2,500 | 239 | 2,739 | 1,070 | -1,669 | 1,939 | -800 |
| Air Conditioning - London Road | | 40 | 40 | | -40 | 28 | -12 |
| Workshop Fire, Police and Ambulance Station Project | 500 | 100 | 600 | 134 | -466 | 200 | -400 |
| Newark Fire Station | | 10 | 10 | 4 | -6 | 5 | -5 |
| Hucknall Fire Station | 11 | 158 | 169 | 3 | -166 | 169 | |
| | 3,011 | 547 | 3,558 | 1,212 | -2,346 | 2,341 | -1,217 |
| EQUIPMENT | | | | | | | |
| CCTV - vehicles | 40 | 160 | 200 | | -200 | 100 | -100 |
| Structural PPE | | 230 | 230 | 178 | -52 | 178 | -52 |
| Helmets | | 170 | 170 | 172 | 2 | 172 | 2 |
| Lightweight Fire Coat | | 74 | 74 | 30 | -44 | 30 | -44 |
| Air Bag Replacements | 70 | 14 | 84 | | -84 | 76 | -8 |
| | 110 | 648 | 758 | 380 | -378 | 556 | -202 |
| TRANSPORT | | | | | | | |
| Vans & Other Light Vehicles | 226 | 172 | 398 | | -398 | 133 | -265 |
| Resilience Crewing and Training - Earmarked Reserves | | 70 | 70 | 70 | | 70 | |
| Rescue Pumps | 95 | 53 | 148 | | -148 | | -148 |
| | 321 | 295 | 616 | 70 | -546 | 203 | -413 |
| | 3,988 | 1,980 | 5,968 | 2,149 | -3,833 | 3,858 | -2,110 |

| TO BE FINANCED BY | Actual | Estimated Outturn |
|---|-------------|----------------------|
| Revenue contributions to capital | 5 | 92 |
| Community Fire Safety - Innovation Fund | 70 | 70 |
| Capital Receipts - Property | 220 | 520 |
| Borrowing | 1,840 | 3,162 |
| Earmarked Reserve | 14 | 14 |
| Total | 2149 | 3,858 |



NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority
Finance and Resources Committee

CORPORATE RISK MANAGEMENT INCLUDING MANAGEMENT OF OCCUPATIONAL ROAD RISK

Report of the Chief Fire Officer

Date: 26 March 2021

Purpose of Report:

To provide Members with an overview of the Corporate Risk Management Process including the current version of the Corporate Risk Register.

Recommendations:

It is recommended that Members note:

- The most recent version of the Corporate Risk Register and the work ongoing to mitigate the risk to the Authority.
- The circa £50K savings achieved during the insurance tender renewal process, with new insurances due to commence from April 2021.

CONTACT OFFICER

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(0115) 967 0880 corporatecomms@notts-fire.gov.uk

1. BACKGROUND

- 1.1 The Authority has a robust risk management process which enables the consideration of key external and internal risks as part of the management decision-making process.
- 1.2 By establishing a systematic approach to identifying, assessing and managing risk, Nottinghamshire Fire and Rescue Service (NFRS) intends to continually improve the Authority's governance, increase accountability and enhance overall performance.
- 1.3 This report provides Members with an oversight of the corporate risk management process and the key risks to which the Authority is exposed.
- 1.4 The Authority's Corporate Risk Register details those risks that are significant enough to warrant management by a Principal Officer. Specific risk control measures are put in place to reduce the likelihood and/or impact of a risk occurrence where this is felt to be practicable and/or appropriate.
- 1.5 The arrangements in place for Management of Occupational Road Risk (MORR) have previously been reported separately to Finance and Resources Committee. This information has now been consolidated into this Corporate Risk Management report.

2. REPORT

- 2.1 The Authority's current Corporate Risk Register is attached at Appendix A.
- 2.2 The risks contained within this register are those that the Service has identified as being the most significant in terms of impacting on the Service priorities. Members will note the activities in place and planned to mitigate those risks.
- 2.3 Due to interim governance arrangements implemented as a consequence of Covid-19, the Corporate Risk Register was last reported to the Finance and Resources Committee in October 2019. Throughout this period the Corporate Risk Register has remained under review by the Strategic Leadership Team.
- 2.4 Covid-19 continues to pose a significant risk to the Authority, and a new risk has been created (Ref 14) to encompass the implications and key workstreams that are ongoing to mitigate the impacts that Covid-19 has had and will continue to have on the Service.
- 2.5 In addition, risk number 1 (ability to set a balanced budget) has been updated to reflect the risk that Covid poses to the Service. Financial risks associated with reduced council tax and business rates collection rates, coupled with increased expenditure due to Covid-19 have been mitigated to a large extent by supplementary Central Government funding. The Service has used the

funding to good effect to support additional voluntary activities including vaccination and mass testing provision in communities. However, future funding levels remain at risk and changes will be addressed in the Medium Term Financial Strategy going forward.

- 2.6 Risk 2 has been updated to reflect the current uncertain position relating to the pension remedy for the firefighter pension scheme (McCloud).
- 2.7 Risk 6 (preventable deaths) has also been updated due to Covid-19 to reflect the implications associated with a reduced number of Fire Prevention activities that have been undertaken for the period March – date. It is important to note however that the triage system in place for safe and well visits and post incident community engagement ensures that those at highest risk from fire continue to receive proactive fire safety interventions as normal.
- 2.8 The Service continues to monitor the impacts of the EU Exit from the European Union in conjunction with Local Resilience Partners, however to date there has been little impact observed.
- 2.9 The Service continues to prioritise delivery against planned recruitment and training timetables to ensure sufficient staff numbers within the operational workforce. Recruitment and training practices are being delivered in a Covid-secure manner to enable this to happen.
- 2.10 Covid-19 has robustly tested business continuity and resilience arrangements across the Service. Learning from the HMICFRS Covid inspection which was conducted in October 2020 helped to identify good practice in place, and improvements that can be made to the Service's business continuity planning arrangements. Increasing resilience mitigates a range of risks identified on the corporate risk register including those related to Mobilising (Ref 3), Availability or resources (Ref 9) and Covid-19 (Ref 14).
- 2.11 During the Financial year 2021-22 the Authority insurance provision has been re-tendered, with new insurances due to start from 1 April 2021. Despite a hardening of the insurance market it is positive that the tendering process has resulted in a £50K saving based on the previous financial year. These savings were mainly attributable to reductions in casualty and motor premiums as a consequence of improved risk management practices and an improvement in claims history.
- 2.12 Work has continued since the last reporting period on the management of occupational road risk (Ref 10). Initiatives have included enhanced vehicle collision investigation arrangements and the implementation of e-learning encompassing hazard perception and awareness for drivers.
- 2.13 Covid-19 restrictions have resulted in the delay to some planned initiatives including 'Road Risk Roadshows' delivered by the Service Driver Trainers. The Service has also finalised the road risk reduction action plan in conjunction with the Service Insurers for 2021/22 which maintains the focus on driver behaviours and education.

- 2.14 For the period January to December 2020 a total of 44 vehicle collisions were reported. This is a reduction of 20% on the previous total of 55 collisions for the same period in 2019.

3. FINANCIAL IMPLICATIONS

- 3.1 A total of £1.058m funding has been received from Central Government as part of the Covid-19 grant funding.
- 3.2 The minimum level of General Fund reserves is reviewed each year and set according to the perceived financial risk. For 2021/22 the minimum level was increased from £3.9m to £4.5m to reflect the current increased financial risks. General Fund reserves are expected to be £5.6m at 31 March 2021.
- 3.3 Savings of circa £50K have been achieved through retendering of the Authority insurances. The savings are mainly attributable to reductions in casualty and motor premiums as a consequence of improved risk management practices and an improvement in claims history.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

There are no human resources or learning and development implications arising from this report.

5. EQUALITIES IMPLICATIONS

- 5.1 An equality impact assessment (EIA) has not been undertaken because this report consolidates existing work streams that may themselves be subject to an EIA.
- 5.2 There are a range of risks identified on the Corporate Risk Register which are mitigated by workstreams relating to equality and inclusion including employee engagement, workforce sustainability and preventable deaths.
- 5.3 Equality and Inclusion workstreams identified on the Corporate Risk Register include the following:
- Engagement with Equalities Steering Group and the Employee Engagement Network;
 - Recruitment practices and occupational health and wellbeing interventions that proactively drive the equality and inclusion agenda at NFRS;
 - Proactive targeting of prevention activities at those communities and individuals most at risk of harm from fire and other risk factors.

These are discussed in more detail in the Service's People Strategy, Workforce Plan and Community Safety Strategy.

6. CRIME AND DISORDER IMPLICATIONS

There are no crime and disorder implications arising from this report.

7. LEGAL IMPLICATIONS

There are no legal implications arising from this report.

8. RISK MANAGEMENT IMPLICATIONS

The failure of the Authority to effectively manage the risks to which it is exposed poses a risk, particularly where there is a systemic failure. Risk management is a key element of the corporate governance framework and it is imperative that risk identification and management is both up-to-date and embedded in the decision-making, governance and scrutiny processes of the Authority.

9. COLLABORATION IMPLICATIONS

There are no collaboration implications arising from this report.

10. RECOMMENDATIONS

It is recommended that Members note:

- 10.1 The most recent version of the Corporate Risk Register and the work ongoing to mitigate the risk to the Authority.
- 10.2 The circa £50K savings achieved during the insurance tender renewal process, with new insurances due to commence from April 2021.

11. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

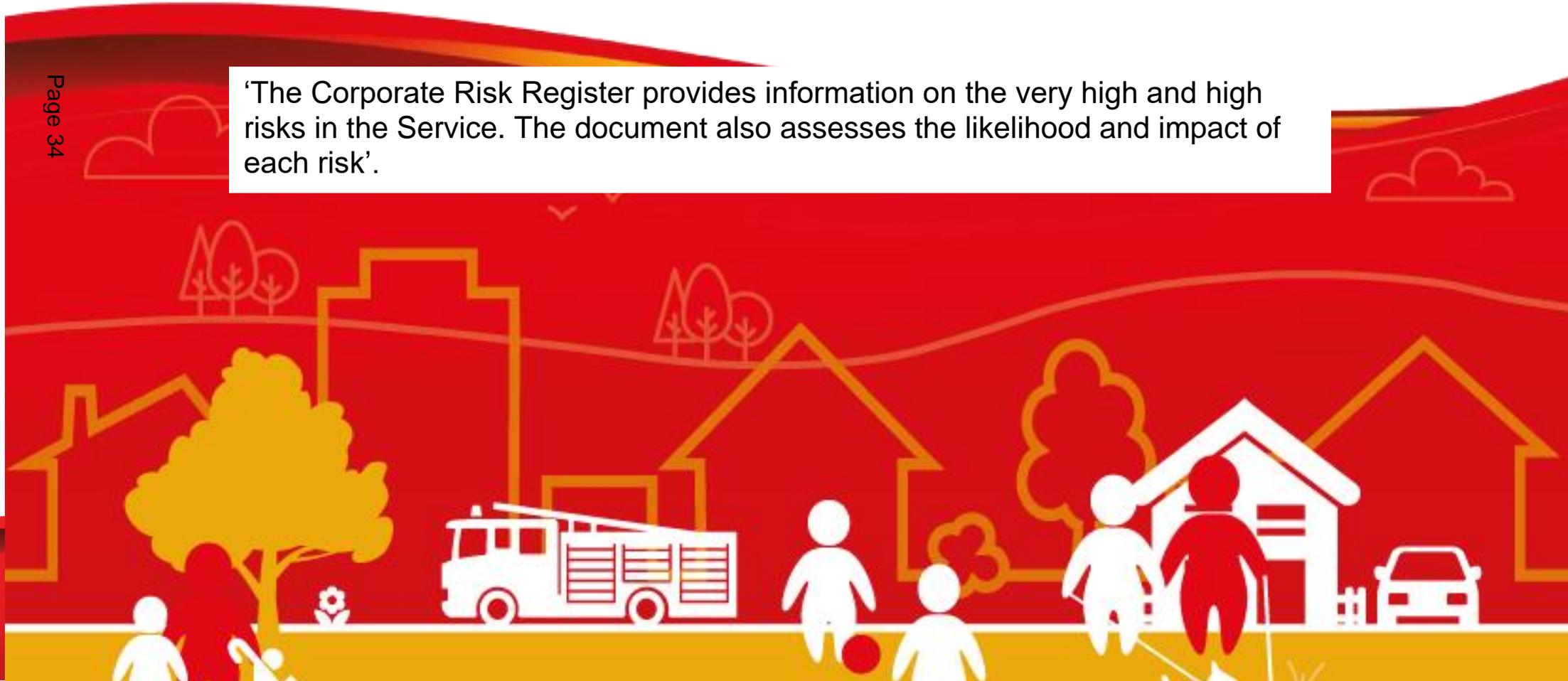
None.

John Buckley
CHIEF FIRE OFFICER

Risk Register

March 2021

‘The Corporate Risk Register provides information on the very high and high risks in the Service. The document also assesses the likelihood and impact of each risk’.





Document Control

| | |
|---------------------------|---|
| Title | Corporate Risk Register. |
| Person responsible | Risk and Assurance Manager |
| Date last updated | 01/03/2021 |
| Status | released |
| Location | https://nottsfire.sharepoint.com/sites/service-assurance/SitePages/Risk-Management-and-Insurance.aspx |

Revision Record

| Summary of changes | Date of change |
|--|-----------------------|
| Risk 1 – general update to take account of changing financial environment | 03/03/2021 |
| Risk 2 – Update to Pensions risk due to McCloud remedy developments | 03/01/2021 |
| Routine Review of Corporate Risk Register | 01/03/2021 |
| Risk 14 – New risk created related to Covid-19 response and recovery to encompass implications and actions | 04/06/2020 |
| Risk 6 – updated for impact of Covid-19 | 21/05/2020 |
| Risk 1 – Updated for impact of Covid 19 | 07/05/2020 |
| Risk 10 – Insertion of installation of hands free Airwave radio kits into key projects | 21/04/2020 |
| Risk 2 New Risk. Firefighter’s Pension Scheme – impact of McCloud remedy. Renumbering Was Risk 2 now Risk 3, was Risk 3 now Risk 4, was Risk 4 now Risk 5, was Risk 5 now Risk 6, was Risk 6 now Risk 7, was Risk 7 now Risk 8. | 13/03/2020 |
| Risk 8 reviewed by Head of Digital Transformation. | 31/01/2020 |
| Renumbering Was Risk 9 now Risk 7, was Risk 10 now Risk 8, was Risk 11 now Risk 9, was Risk 12 now Risk 10, was Risk 13 now Risk 11, was Risk 14 now Risk 12. | 28/01/2020 |
| Risk 8 Closed. Review of the risk rating to an acceptable level – Medium. No longer presents a high risk to the Service | 28/01/2020 |
| Risk 7 Closed. 92% of actions closed on the Working at Height Action Plan. Risk Reduced to acceptable level. | 28/01/2020 |
| Risk 3 Insert Risk Outcomes of Firefighter pension tribunal and implications for NFRS e.g. Pensions Administrator provisions. Key Project – Upcoming positive action new project for 2020/21. L&D Assurance function in place with Service Delivery. | 28/01/2020 |



| | |
|---|------------|
| Risk 1 Control Business planning process identifies impact of savings on Services Key project insertion Transformation and efficiency strategy under development. | 28/01/2020 |
| Risk 2 Removed Joint Fire Control project. Now complete as of July 2019. The project is now live business as usual. New Control Tri-Service operational board attended by AM response to represent NFRS interests. | 28/01/2020 |
| Risk 9 & 10 moved to DCFO to reflect organisational responsibilities. All risks renumbered in a sequential order. | 26/09/2019 |
| Risk 5 – iMatch Software implementation complete as of 05/06/18- update Narrative updated on each by Risk Owners Head of Finance 23/07/2019, Deputy Chief Fire Officer 12/08/2019 Assistant Chief Officer 30/07/2019 | 20/08/2019 |
| Risk 4 – Key project ownership amended from AM Delivery to AM Response | 17/06/2019 |
| Risk 4 – insert RedKite PDS audit. Remove risk relating to implementation of new crewing structures. Insert risk relating to management of dual contract hours Risk 2 – insert risk associated with Joint Fire Control project | 18/02/2019 |
| Risk 1 – general update to take account of changing financial environment | 03/03 |

Corporate Risk Register

| Risk Owner: Head of Finance (on behalf of the CFO) | | | | | | | | | | |
|--|--|---|---|---|-------|--|---|---|-------|--|
| Ref | Risk Title | Risk Description | L | I | Score | Owner Assurance Commentary | L | I | Score | Key Projects |
| 1 | Inability to set a balanced budget and to contain spending within existing budgets | <p>Medium term risk of not being able to set a balanced budget as part of the budget setting process.</p> <p>Financial impact of Covid19 – reduced income levels both in 2021/22 and future years due to impact on national and local economy and particularly on Business Rate and Council tax collection funds.</p> <p>General reliance on Section 31 grant in 2021/22 budget (including Firefighter Pension Grant)</p> <p>Ongoing Cost uncertainties due to Brexit .</p> <p>Unforeseen increases in costs.</p> <p>Poor budget management results in significant overspend or underspend.</p> | 4 | 3 | 12 H | <p>Medium term financial strategy;</p> <p>Budget monitoring reported regularly to SLT and Finance and Resources Committee. Reserves Strategy approved by Fire Authority in November 2020. Reserves contain elements to cover key risk areas and unexpected expenditure and overspends. Internal audit of financial management including budgetary control.</p> <p>Rigorous budget monitoring procedures in place. Business Planning process identifies impact of savings on Services.</p> <p>Transformation and Efficiency Strategy approved by Fire Authority on 28 February 2020.</p> <p>£1.057m grant received to cover impact of Covid 19 in 2020/21</p> | 3 | 3 | 9 H | <p>Additional funding from Government to support Covid costs and immediate impact on Collection Funds</p> <p>Future budgets dependent on IRMP and Fire Cover Review.</p> <p>Comprehensive Spending Review</p> <p>Implementation of McCloud remedy (see Risk 2)</p> |



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| 2 | Firefighter's Pension Scheme – impact of McCloud remedy and other ongoing legal cases. | <p>Lack of national clarity and guidance making implementation very difficult. Immediate Detriment cases may have to be addressed before national guidance is available and new legislation approved. Increased complexity and additional associated workload for NFRS staff and pension administration will have impact on ability to provide a timely and accurate pension administration service.</p> <p>Increased risk of legal claims against NFRS.</p> <p>The costs of implementing the remedy are likely to be significant and some of these are expected to fall to individual Fire Authorities.</p> | 5 | 4 | 20VH | <p>This is a national issue with the Fire Service being led by the Local Government Association (LGA). The complexities of the remedy increase the likelihood of a national skills shortage in this area.</p> <p>Appointment of new Pension Scheme Administrators – West Yorkshire Pension Fund (WYPF). WYPF provide services to 19 Fire Services and have significant specialist knowledge which NFRS has access to.</p> <p>Purchasing of additional shared pension expertise with Leicestershire and Derbyshire Fire Services</p> | 4 | 4 | 16 VH | <p>Implementation of McCloud remedy. Appointment of new firefighter pension fund administrators. Monitoring of situation by Scheme Manager and Local Pension Board. Regular updates to Fire Authority. Involvement of Head of Finance and scheme administrators at national level.</p> |
|---|--|--|---|---|------|---|---|---|-------|--|



| Risk Owner: Deputy Chief Fire Officer | | | | | | | | | | |
|---------------------------------------|------------|---|---|---|-------|---|---|---|-------|---|
| Ref | Risk Title | Risk Description | L | I | Score | Owner Assurance Commentary | L | I | Score | Key Projects |
| 3 | Mobilising | <p>Service is unable to receive and act on emergency calls in contradiction of statutory duty</p> <p>Joint Fire Control project has the potential to create risk associated with mobilisation that requires management via governance and contract monitoring arrangements.</p> | 4 | 5 | 20 VH | <p>Tri-Service Control has business continuity plans in place for failure of mobilising system and other disruptive events. These plans are practiced on a regular basis due to numerous live events.</p> <p>Some additional assurance is required from the Tri-Service Control Manager that effective 'fall back' business continuity arrangements are in place and exercised between the new Joint control room and Leicestershire FRS. The robustness and resilience of communications equipment between control rooms, stations and appliances must be maintained.</p> <p>Joint Control SLA in place. Joint Control currently exceeding agreed performance indicators.</p> <p>Additional resources agreed to support Joint Control, as part of the first 12month of transition.</p> | 4 | 4 | 16 VH | <p>Tested BCPs exist where alternative mobilising arrangements are in place, reliance on communication equipment is critical and therefore such equipment must be maintained operationally robust and resilient.</p> <p>Familiarity and BCP confidence has developed within control rooms, continual support and communication to be provided to control staff.</p> <p>Testing and exercising schedule now in place.</p> <p>The review of resilience crewing arrangements is ongoing. This links to Joint Fire Control Risk Register.</p> |



| Ref | Risk Title | Risk Description | L | I | Score | Owner Assurance Commentary | L | I | Score | Key Projects |
|-----|---------------------|---|---|---|-------|--|---|---|-------|--|
| 4 | Employee engagement | <p>Negative employee relations</p> <p>Risk that the Service will be unable to effectively deliver high quality services or improvements due to a lack of employee engagement and/or low morale.</p> <p>National negotiations relating to pay and broadening the role of Firefighters present a risk of industrial relations tension and action which is beyond the control of NFRS.</p> <p>Outcomes of Firefighter pension tribunal and implications for NFRS e.g. pensions administrator provisions</p> <p>Potential for national dispute arising from national pay and conditions negotiations during 2021/22</p> | 3 | 5 | 15 VH | <p>SLT champion positive engagement with staff and representative bodies.</p> <p>Engagement through Panels with the JCNP arrangements.</p> <p>Organisational Development and Communications strategy focus upon staff engagement. This is particularly important in relation to the relocation to a joint HQ with the Police.</p> <p>Continual dialogue with the representative bodies to deescalate any local issues.</p> <p>Maintain overview of national pension remedy outcomes and LGA guidance</p> | 2 | 4 | 8H | <p>Open communications including effective use of technology to publish key decision minutes.</p> <p>Ensure engagement with EEN and other employee forums</p> <p>Review of Inclusion groups e.g. ESG/EEN undertaken to ensure it is fit for purpose complete as of Jan 2020.</p> <p>Ensure adequate resourcing to comply with national requirements</p> <p>2 yearly employee survey to identify areas for improvement and address via action plan.</p> <p>Employee engagement forms part of the workstream for the JHQ project.</p> <p>Plan for potential industrial action – specifically action short of strike.</p> |



| Ref | Risk Title | Risk Description | L | I | Score | Owner Assurance Commentary | L | I | Score | Key Projects |
|-----|--------------------------|---|---|---|-------|---|---|---|-------|--|
| 5 | Workforce sustainability | Inability to maintain sufficient or adequate workforce to meet service requirements, competency of staff, loss of corporate memory and business continuity issues | 4 | 4 | 16 VH | Annual workforce plan, provides an overview of workforce projections and identifies key priority areas. L&D ensures delivery of effective acquisition and revalidation of operational training against national standards. Leadership and management framework e.g. ILM (Inc. Coaching and mentoring). L&D and Service Delivery in process of reviewing core competency requirements and recording. Service Delivery functional matrix in place to provide focus upon People elements. Amalgamation of L&D, Risk and assurance with additional AM capacity. Managers complete business impact analysis to inform issues in BCM plans. Monthly ridership meetings to consider deployment of resources by Area Manager (Response) to maintain appliance availability. Management of ill health and absence levels to ensure optimum attendance levels. 3-year training plan has been developed integrating revalidation of all operational core competencies. | 4 | 3 | 12 VH | <p>Monitoring of workforce numbers, gaps and new skills requirements via SLT. Monitoring of Redkite audit actions by SLT. Report into future of competence recording systems in progress.</p> <p>Development of BCM test and exercise programme coordinated by Risk and Assurance Team.</p> <p>L&D assurance function in place with Service Delivery.</p> <p>Whotetime recruitment process completed for 2020/21 – 28 new appointments. Next recruitment campaign planned for 2022.</p> <p>Occupational Health interventions. Wellbeing Strategy to promote healthy lifestyles and reduce risk of long term ill health. Focus on</p> |



| Ref | Risk Title | Risk Description | L | I | Score | Owner Assurance Commentary | L | I | Score | Key Projects |
|-----|--------------------|--|---|---|----------|---|---|---|----------|--|
| 6 | Preventable deaths | The risk that a person will die in an incident, where the Service failed to put in place an intervention which would have reduced the risk, or where an intervention was ineffective | 4 | 5 | 20 VH | <p>Strategic plan purpose for Creating Safer Communities now in place. Prevention and Protection strategy and local/district business plans within Service Delivery. District profiles that inform Service activity. Partnership working with other agencies to identify and target interventions at high risk individuals and premises/sites. NFCC national campaign support locally. Fire investigations to identify learning. Serious fire incident review panel in place to review incidents and Service actions. Information sharing across Service departments to learn from events. Development within the continuous improvement project for target setting and learning. Engaged in Nottinghamshire Road Safety Partnership meetings to coordinate road safety initiatives. Prevention & Protection activities are evaluated and quality assured. These processes are reported and monitored through the quarterly evaluation and assurance board.</p> <p>Engagement of Occupational Therapist to ensure effective engagement with most vulnerable and referrals to partners</p> <p>Increase in productivity relating to SWVs and Audits – detailed within Strategy.</p> <p>Attendance and information sharing at MASH and City Social Care teams.</p> | 2 | 5 | 10 VH | <p>iMatch Software installation complete and in use. Data led Safe and Well now in use to target resources to risk.</p> <p>Adult Social Care and Exeter database. Partnership mapping review in progress.</p> <p>Upgrade of CFRMIS system 6.3 with better functionality for users.</p> <p>Communications steering group to raise profile incl. e.g. vehicle wrapping for key messages/ accessibility of services/ inclusion and marketing</p> <p>Further referrer training for partners and other agencies to ensure effective referral of vulnerable people -</p> <p>Development of online referral pathways for prevention and</p> |



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| | | | | | <p>April 2020 BCM Update – current number of referrals is reduced from partner agencies. Response to referrals has been amended to focus on only ‘high’ and ‘very high-risk’ individuals due to BCM processes. This presents a greater risk than usual for the eventuality of a preventable death occurring. QA and evaluation processes in place to assure this work.</p> <p>RBIP audits have been replaced with table-top audits in line with NFCC guidance. This presents a greater risk of preventable deaths occurring however is mitigated, in some part, by the continuing work in this area, remotely, and additional resources being directed to JaIT work in Nottingham City.</p> | | | <p>protection concerns from partners & public.</p> <p>Review of Safe & Well questions to ensure effective delivery</p> <p>Review of RBIP to ensure proper assessment of risk in the County.</p> <p>Evaluation of CHARLIE profile to ensure continued relevance.</p> |
|--|--|--|--|--|---|--|--|---|



| Ref | Risk Title | Risk Description | L | I | Score | Owner Assurance Commentary | L | I | Score | Key Projects |
|-----|-----------------------------|--|---|---|-------|--|---|---|-------|--|
| 7 | Health, Safety, and Welfare | The risk arising from the hazards associated with the Service's activities which may cause injury, ill-health or death to employees and/or non-employees and could result in both criminal and civil sanctions, reputational damage and negative effects on service delivery and employee morale | 4 | 5 | 20 VH | <p>The existence of the safety management system and availability of 'competent persons' to advise the Service of its duties.</p> <p>Risk information gathering process provides a structured methodology for assessing the risk from hazards associated with specific operational sites.</p> <p>Risk and Assurance Team facilitates learning from operational incidents operational de-briefs feeding in to Operational Learning Board.</p> <p>Service learning from major events affecting FRSS via NOL/JOL to Service Health, Safety and Welfare Committee</p> <p>Health and Safety and role specific training ensures competence of employees</p> <p>Organisational Learning Policy in place including the EP1 process. Creation of Operational Learning Board meeting to ensure strategic oversight and learning from incidents</p> | 3 | 5 | 15 VH | <p>Co-ordinated risk management approach being adopted to address NOG and training involving peer FRSS to address interoperability and achieve efficiencies available form joint work.</p> <p>Ongoing review of the SMS to refresh and communicate across the organisation.</p> <p>Communications plan to promote SMS. A Communications Plan is currently being devised in line with National campaigns, and internal stakeholders. The communications plan will provide details of projects for H&S team and internal communications will be used to cascade information, as well as positive articles to keep Safety as part of the Service News. E.g. News on MyNet, informative, OAB etc..</p> |



| Risk Owner: Assistant Chief Officer | | | | | | | | | | |
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| Ref | Risk Title | Risk Description | L | I | Score | Owner Assurance Commentary | L | I | Score | Key Projects |
| 8 | Emergency Services Network | The risk that lack of robust operational communications will affect the delivery of public services during the transition to ESN | 4 | 5 | 20 VH | Nationally agreed programme funded by government. Airwave remains in place until successful transition has been achieved. Internal project team established. DCFO East Midlands SRO with Regional Fire Board in place. Regular assessment and reporting to the CFA on future implications. | 3 | 5 | 15 VH | Greater collaboration to assure transition and long-term capability management, seeking multi service support and reduce duplication in activity. ESN action plan to deliver a more robust and secure infrastructure |
| 9 | Availability of resources | The risk that the Service will lose widespread access to key resources – premises, equipment, ICT systems/employees, Airwave TE02 Radio Licence impacting its ability to deliver services | 3 | 5 | 15 VH | Business continuity plans are in place. Service has attained the National Cyber Security Centre (NCSC) Cyber Essentials PLUS standard on its corporate infrastructure. Competent managers. Property Strategy. Transport Strategy. NFRS have a vehicle degradation policy that can be initiated to meet the possible shortfall if appliances that are not available for operational deployment. Service policy framework for employees. ICT Strategy, policies & procedures | 3 | 4 | 12 VH | BCM plans to be reviewed, with testing and exercising on a programmed, auditable basis. Tri-Service partners continue to work with Systel to maintain availability of Control Room solution. Upgrade of Control Room solution as part of the ESN project to ensure LFRS and DFRS are able to retain Airwave CoCo. |

| Ref | Risk Title | Risk Description | L | I | Score | Owner Assurance Commentary | L | I | Score | Key Projects |
|-----|---|--|---|---|-------|---|---|---|-------|--|
| 10 | The use of vehicles on Authority business | <p>The risk of accidents or other events arising from driving-related activity or a shortfall in driving standards.</p> <p>The impact of vehicle accidents or other events on insurance premiums and retained loss costs</p> | 4 | 5 | 20 VH | <p>Management of Road Risk action plan progress reported to SHSWC and Finance & Resources Committee. External Fleet Risk Review completed by insurers Recommendations feed into Road Risk Action Plan. Performance monitoring via SHSWC and line managers. Improvement of vehicle collision investigations to maximise organisational learning and improved management of risk. Greater engagement by line managers over standards and expectations in the workplace for driving-related activities. Wider publication of event information across the Service to highlight the implications of failures in management systems and workplace practices Driver training (quality framework) by L&D function. Insurance cover to mitigate financial losses. Driving Policies in place. The introduction of in-vehicle driving performance monitoring.</p> | 4 | 5 | 20 VH | <p>Integration of driver behaviour training elements into acquisition and revalidation courses delivered through driver training school</p> <p>Delivery of watch based training on a trial basis covering roles and responsibilities for managers, drivers and crew members. Full evaluation to be conducted to assess effectiveness before rolling out.</p> <p>Installation of hands free kits for Airwave radios in Officer cars</p> |



| Ref | Risk Title | Risk Description | L | I | Score | Owner Assurance Control | L | I | Score | Key Projects |
|-----|-----------------|--|---|---|-------|---|---|---|-------|--|
| 11 | Legal knowledge | The risk that the Service will make decisions without full understanding of legal implications | 4 | 5 | 20 VH | <p>Risk and Assurance coordinates the identification of vulnerabilities through the risk management process with departmental leads with support from Contractor.</p> <p>Embed the local code of governance into daily decision making and practice.</p> <p>Formally identify subject matter experts in the organisation and ensure they are enabled to maintain CPD</p> <p>Key roles maintain subject matter expertise/CPD to mitigate risk.</p> <p>Use of external professionals to support the Service on compliance in areas not covered by in-house expertise (East-Midlands LawShare)</p> | 2 | 5 | 10H | Recruit to BCM/ Emergency Planning Officer role has been completed with the new Business Continuity and Emergency Planner due to start April 2021. |



| Ref | Risk Title | Risk Description | L | I | Score | Owner Assurance Control | L | I | Score | Key Projects |
|-----|----------------------|---|---|---|-------|---|---|---|-------|---|
| 12 | Programme governance | The risk that the Service fails to effectively prioritise and resource programmes and projects, resulting in acute capacity issues and potential financial strain | 5 | 4 | 20 VH | <p>Business case process requires authorisation of Strategic Leadership Team as appropriate, who have knowledge of competing demands and priorities.</p> <p>Approved programmes and projects managed through project and programme management framework through SLT governance model. Business planning process in place to ensure clear link between Strategic Plan objectives and the Departmental Business Plan priorities.</p> <p>The Service Project Manager reports on project and programme status to the Strategic Leadership Team monthly.</p> | 2 | 4 | 8H | A new approach to the IRMP process has been approved by the Strategic Leadership Team, is being developed across 2021 and is being implemented in 2022. This incorporates a review of the Service's Business Operating Model and will embed performance management against Strategic KPIs |



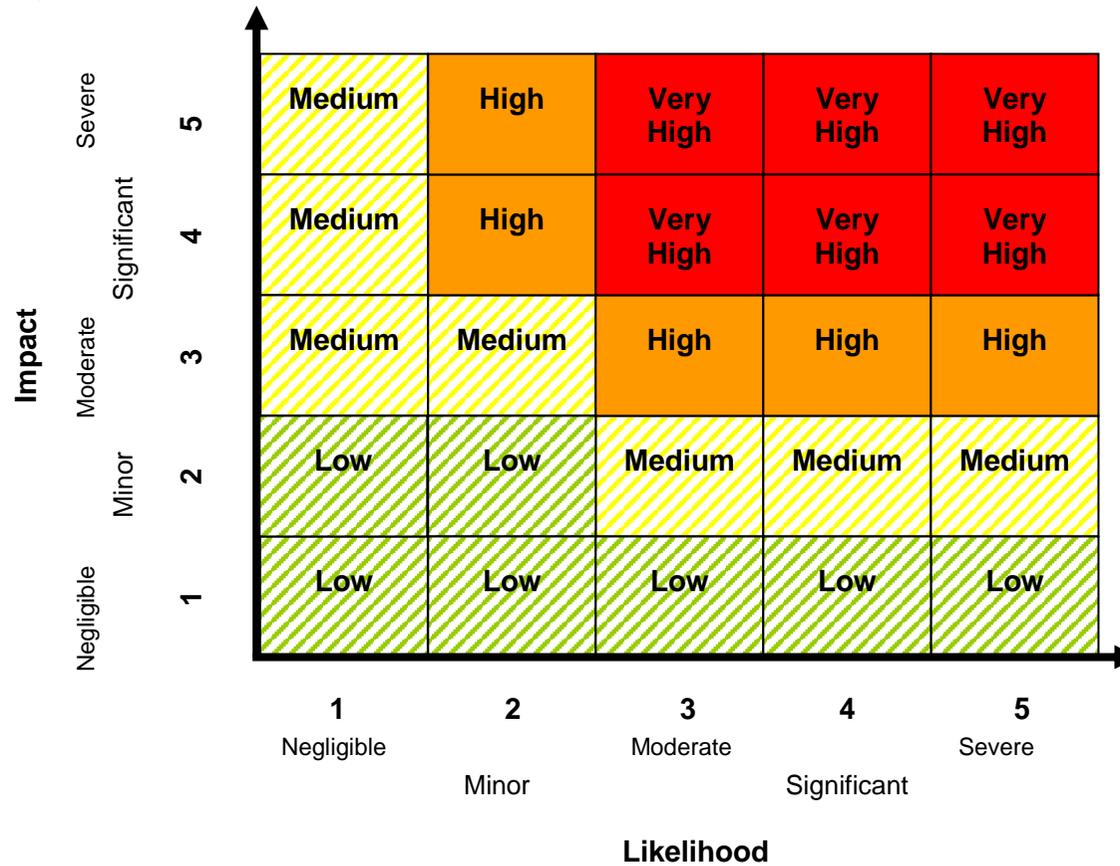
| Ref No. | Risk Title | Risk Description | L | I | Score | Owner Assurance Commentary | L | I | Score | Key Projects |
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| 13 | Environmental impact | <p>The risk that the Service will fail to comply with its environmental duties resulting in the potential for enforcement action.</p> <p>Failure to consider environmental factors when making other business decisions may result in missed opportunities for reducing waste and emissions and purchasing environmentally superior assets or consumables that may deliver financial savings</p> | 3 | 5 | 15 VH | <p>Property Strategy – Energy saving, and generation considered as part of new build/refurbishment projects.</p> <p>Access to competent environmental advice.</p> <p>Environmental Strategy signed off September 2016.</p> <p>Procurement process considers ‘whole life’ implications of equipment and other products bought into service.</p> <p>When procuring services, tender requirements include assessment of environmental management of the service.</p> <p>Collaborative working with the Environment Agency and partners at operational incidents.</p> | 2 | 5 | 10H | <p>Develop environmental performance improvement targets.</p> <p>Develop environmental reporting to all levels of the Service, SLT and the CFA to allow transparency and scrutiny.</p> <p>HSE Advisor / Estates working with Severn Trent water reference run off and drains.</p> <p>Review and update of Environmental impacts.</p> <p>New build construction projects include JHQ, Worksop and Eastwood Fire stations include environmental sustainability as part of design.</p> <p>Procurement of specialist vehicles, pumping appliances and light fleet include consideration of environmental impact as part of vehicle design/selection.</p> |



| Ref No. | Risk Title | Risk Description | L | I | Score | Owner Assurance Commentary | L | I | Score | Key Projects |
|---------|--------------------------------|---|---|---|---------|---|---|---|---------|--|
| 14 | Covid-19 Response and Recovery | <p>The risk that Covid-19 will impact on internal factors which will affect the delivery of core business and development activities.</p> <p>Potential impact of Covid-19 on communities impacting on demands for prevention, protection and response activities.</p> <p>Impacts of Covid-19 on wider external factors which may have a detrimental impact on the Service over the medium to long term.</p> | 5 | 5 | 25 (VH) | <p>Strategic, Tactical and Departmental business continuity management (BCM) plans in place and reviewed in full January/ February 2021.</p> <p>National and sector specific guidance in place.</p> <p>BCM governance structure enables effective response to BCM events.</p> <p>Communications arrangements including crisis communications plan to ensure effective communication with both internal and external stakeholders.</p> <p>Lessons learned log to enable opportunities to be identified as part of Covid-19 recovery.</p> | 5 | 4 | 20 (VH) | <p>Governance structures and information flows to be kept under review to ensure effective over the medium term.</p> <p>Organisational level debrief completed in January 2021 as part of Covid-19 recovery to ensure lessons learned are captured and organisational learning implemented as part of continuous improvement.</p> <p>Monitoring of resources allocated to Covid-19 response and recovery and impact assessment on BAU and development activities required to achieve Y3 corporate plan and Departmental Business Plans.</p> <p>Recovery from Covid-19 included as Year 3 strategic priority.</p> |



Risk Scoring Matrix



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NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority
Finance and Resources Committee

AN UPDATE ON THE ‘AREAS FOR IMPROVEMENT’ FROM THE 2019 HMICFRS INSPECTION

Report of the Chief Fire Officer

Date: 26 March 2021

Purpose of Report:

To present Members with an update on the Service’s response to the 2019 inspection of Nottinghamshire Fire and Rescue Service by Her Majesty’s Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS).

Recommendations:

That Members note the progress made against the outstanding ‘Area for Improvement’.

CONTACT OFFICER

| | |
|-------------------------------------|--|
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1. BACKGROUND

- 1.1 At the meeting of the Fire Authority in July 2019, Members were presented the report from Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) following the recent inspection of Nottinghamshire Fire and Rescue Service (NFRS).
- 1.2 In September 2019, Members were presented with an action plan detailing the 25 'Areas for Improvement' (AFIs) that had been highlighted by HMICFRS and capturing the actions to address these areas.
- 1.3 It was agreed that scrutiny and monitoring of progress of these actions would be facilitated through the Fire Authority Committee structure, with regular progress reports being presented to Members.
- 1.4 Of the 25 AFIs, two were aligned to the Finance and Resources Committee for scrutiny.

2. REPORT

- 2.1 Each of the 25 areas for improvement were allocated to a lead officer with clear milestones and expected outcomes. Within the Service, progress against these timelines was monitored and reported through the monthly Performance and Programme Board, chaired by the Chief Fire Officer.
- 2.2 Over the past 18 months, work has been undertaken to develop the Service in the areas highlighted by HMICFRS. Much of the work that was developed had already been started by the Service or was planned as part of the 2019/20 Business Plans. The Service has continued to focus resources and support to ensure continual improvement of these areas as part of the Service's wider Strategic Plan.
- 2.3 One AFI (AFI 16) has previously been presented to Members and 'closed'.
- 2.4 The final area for improvement under the Finance and Resources Committee governance is AFI 15 – "*The Service needs to accelerate its plans to improve ICT so that it makes best use of available technology to support operational effectiveness and efficiency*". This AFI is progressing against the target date of the 31 March 2021, in line with the forecasted timescale.
- 2.5 To complete AFI 15, the roll out of new Microsoft 'Surface Go' systems is being delivered to all stations and appliances. This will enable both greater mobile working for operational crews and greater utilisation of their time whilst engaging with communities.
- 2.6 Additionally, the Service's migration to 'cloud' based working for its performance system is due to be completed by the proposed deadline. This

will deliver greater features for the user and ensuring that the system is no longer hosted on premises – a key element of the Joint Headquarters project.

- 2.7 Completion of AFI 15 will be presented to Members at the next Finance and Resources Committee.

3. FINANCIAL IMPLICATIONS

There are no financial implications arising from this report.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

There are no human resources or learning and development implications arising from this report.

5. EQUALITIES IMPLICATIONS

An equality impact assessment has not been undertaken because the information contained in this report does not relate to a change in policy or procedure.

6. CRIME AND DISORDER IMPLICATIONS

There are no crime and disorder implications arising from this report.

7. LEGAL IMPLICATIONS

- 7.1 The Fire and Rescue Services Act 2004 places a duty on NFRS in respect of the delivery of its services to communities.
- 7.2 The Local Government Act 1999 places a statutory duty on NFRS to '*secure continuous improvement in the way in which its functions are exercised*'. The reporting of Service Delivery's performance ensures that the Service is focusing on key objectives as set by the Fire Authority and continuous improvement. This ensures that Members can apply effective scrutiny to be satisfied that statutory obligations are being met.
- 7.3 The Police and Crime Act (2017) Chapter 4 Section 11, outlines that the English inspectors must inspect, and report on the efficiency and effectiveness of, fire and rescue authorities in England.

8. RISK MANAGEMENT IMPLICATIONS

There are no risk management implications arising from this report.

9. COLLABORATION IMPLICATIONS

There are no collaboration implications arising from this report.

10. RECOMMENDATIONS

That Members note the progress made against the outstanding 'Area for Improvement'.

11. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

John Buckley
CHIEF FIRE OFFICER

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