



## **Nottinghamshire & City of Nottingham Fire & Rescue Authority**

**MINUTES of the meeting held at Nottinghamshire Fire and Rescue Service Headquarters  
- Bestwood Lodge Drive, Arnold, Nottingham, NG5 8PD on 17 December 2021 from  
10.30 am - 11.28 am**

### **Membership**

#### Present

Councillor Michael Payne (Chair)  
Councillor Toby Neal (Vice Chair)  
Councillor Callum Bailey  
Councillor Steve Battlemuch  
Councillor John Clarke  
Councillor Robert Corden  
Councillor Eddie Cubley  
Councillor Bethan Eddy  
Councillor Sybil Fielding  
Councillor Nicola Heaton  
Councillor Tom Hollis  
Councillor Patience Uloma Ifediora  
Councillor Roger Jackson  
Councillor Gul Nawaz Khan  
Councillor Johno Lee  
Councillor Nick Raine  
Councillor Jason Zadrozny

#### Absent

Councillor Scott Carlton  
Commissioner Caroline Henry

### **Colleagues, partners and others in attendance:**

John Buckley	Chief Fire Officer
Candida Brudenell	Assistant Chief Fire Officer
Becky Smeathers	Head of Finance and Treasurer to the Fire Authority
Malcolm Townroe	Clerk and Monitoring Officer to the Fire Authority
Catherine Ziane-Pryor	Governance Officer

*Although not listed on the agenda, it is noted that there is a consensus of members requesting that the Authority formally request to Central Government that a return to virtual meetings is permitted (through a temporary change in legislation) during the on-going pandemic so that elected members and associated officers are not unduly put at risk of contracting and/or spreading COVID-19. It is acknowledged that the same request has been raised by the LGA and discussion is ongoing.*

### **35 Apologies for Absence**

Police and Crime Commissioner Caroline Henry  
Councillor Scott Carlton

### **36      Declarations of Interest**

Chief Fire Officer John Buckley, and Assistant Chief Fire Officer Candida Brudenell, declared personal interests in agenda item 8, Principal Officer Pay Review (minute 42) and stated their intention to withdraw from the meeting during the Authority's consideration of the item.

### **37      Minutes**

The minutes of the meeting held on 24 September 2021 were confirmed as a true record and signed by the Chair.

### **38      Chair's Announcements**

- a) It was very sad to hear of the passing of Councillor Maureen Dobson, who was very active within her constituency and a friend of the Fire Service, particularly the Collingham Fire Station. The thoughts of the Chair, Chief Fire Officer and members of the Authority are with her family and friends at this time. The Chief Fire Officer and the local Collingham crew will be attending her funeral next week;
- b) with regard to COVID-19, and in line with government advice, where possible, staff are working from home. Additional restrictions to mitigate the risk of infection include face coverings. During the meeting it is requested that face coverings are worn at all times unless speaking. 10 members of staff have been redeployed to the NHS for the next few weeks to help support the vaccine booster programme. The thanks of the Service, goes out to both the individuals and their colleagues who are enabling those individuals to be redeployed to support the vital booster programme.
- c) the HMICFRS inspection of the service concluded in November and it is anticipated that the report, which is expected to be released in May 2022, will show an improvement to the Service. On Wednesday, The State of Fire report was laid in Parliament along with tranche one service reports. An analysis will present be presented to the Fire Authority at its February meeting;
- d) the joint Fire and Police Service Headquarters building will be handed over to the Service by the end of the year and staff will start a phased move from January for the next few months. The Fire Authority will continue to meet at the Bestwood Lodge site until after the AGM. A formal opening ceremony is proposed, to which members will be invited;
- e) during November, the Nottinghamshire Fire and Rescue Service's (NFRS) Annual Awards Ceremony was held in the Albert Hall in Nottingham and was attended by the Lord Lt, Sir John Peace. Fire Fighters, Fire Service Officers, and members of the public were recognised for a variety of achievements at the event which provides the opportunity to recognise the work of the Service and pay tribute to those who serve and support communities. The families of staff are also recognised for supporting and enabling staff to do the work they do;

- f) on behalf of all Authority members, all staff are wished a happy Christmas and thanked for their valuable contribution to help in so many different ways during the last 18 months of the COVID-19 pandemic.

### **39 Medium Term Financial Strategy 2022/23 to 2025/26 and Budget Guidelines 2022/23**

Becky Smeathers, Head of Finance and Treasurer to the Authority, presented an update to the Medium-Term Financial Strategy (MTFS) which predicts a budget position for 2022/2023 and requests that the Authority set general guidelines within which the Finance and Resources Committee will develop a detailed budget proposal for 2022/2023.

Highlighted points included:

- a) it is proposed that once the Authority has confirmed the MTFS, which includes the Capital Strategy, Flexible Use of Capital Receipts Strategy, and the Reserves Strategy, the Finance and Resources Committee will scrutinise the budgets at their January meeting, prior to council tax consultation in February;
- b) inflation is proving an uncertain and challenging pressure on the general economy, particularly with regard to fuel and gas prices, some of which have increased by 28%, which impacts on every area of Service activity. An anticipated inflation increase of up to 5% for the Consumer Price Index, which will impact on pay inflation, which is significant to the budget as 80% of the service spend is on pay;
- c) the Service has budgeted for a 2% pay award, but there is potential that the award may be 3%. With just 1% increase equating to £330,000, as a worst case scenario, if a 5% increase were to be awarded this would have a significant impact on the budget and potentially substantially contribute to budget overspend;
- d) uncertainty remains regarding the impacts of pension issues. A memorandum of understanding between the Local Government Association and Trade Unions was adopted in November with guidelines issued by the Treasury. Although the Treasury has since withdrawn the guidance, in the absence of an alternative, both parties continue to work to the guidelines to ensure that progress is made. There is a risk that this may result in financial costs if a new process varies greatly from the previous guidance, but they are not believed to be significant;
- e) Central Government is only offering a one-off service grant of £740,000 settlement for one year and not providing grant information for a three-year period, which is the period for which the Service is expected to budget for. This adds another layer of uncertainty for budget planning;
- f) the report sets out scenarios for a worst case, a likely case, and a best case scenario of external influences which will impact on the Service budget;
- g) Service investments are considered every year as part of the budget process.
- h) Reserves are reviewed every year and funds released from earmarked reserves which are no longer required. For 2022/2023 the review of earmarked reserves has identified £1.9 million of available reserves to provide budget pressure support and to support an efficiency programme.

Members of the Authority commented as follows:

- i) until fairly recently it appeared that the Service was in a secure financial position, however with the national impact of inflation and new uncertainty regarding pension issues, this may no longer be the case, although consideration by financial professionals and the Finance and Resources Committee may provide some solutions;
- a) it is acknowledged that the Secretary of State will be reviewing Local Government budgets, but it is disappointing that Central Government have opted to provide grant information only for a one-year settlement and not a three-year settlement period, as this does not assist with forward planning of budgets, particularly when the Service is expected to budget for three years with an un-known income. With cross-party support, it is requested that the Chair and Chief Fire Officer formally notify Central Government of this issue;
- b) the calm and considered approach to budget setting in difficult circumstances is welcomed and the work of Becky Smeathers, the Finance Team, and members of the Finance and Resources Committee is commended.

**Resolved:**

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

	Balance 31-Mar-22	Require 2022/23	Requir 2023/24 2025/2	To be Reallocated
	£	£	£	£
LPSA Reward Grant	8,500	0	0	(8,500)
On Fire Fund - Fire Safety	59,713	0	0	(59,713)
Resilience Crewing and				
Training	289,801	0	0	(289,801)
New Threats / MTFA	51,441	0	0	(51,441)
Mobile Data Terminals	200,000	100,00	0	(100,000)
Covid recovery reserve	600,000	0	0	(600,000)
Transformation and				
Collaboration	1,438,419	661.58	0	(776,833)
Headquarters move system				
improvements	0	0	0	50,000
Budget Pressure Support	0	0	0	936,287
Efficiency Programme	0	0	0	900,000
<b>Total</b>	<b>2,647,873</b>	<b>761,58</b>	<b>0</b>	<b>0</b>

- 6) to task the Finance and Resources Committee with providing guidance to the Fire Authority in February in respect of:**
  - a) the options for Council Tax limited to either a Council Tax freeze or an increase in Council Tax within the referendum limit;**
  - b) the options for addressing any budget deficit to enable the Fire Authority to approve a balanced budget, as required by law;**
- 7) to include in the response to the Local Government Finance settlement consultation the Authority's cross-party disappointment at only being informed of the value of current year's settlement when the Service is expected to provide budgets for the next 3 years.**

#### **40 Treasury Management Mid-Year Review 2021-22**

Prior to consideration of this item the Chair informed the Authority that following Councillor Hollis highlighting the importance of ensuring that the ethical standards within the organisation are extended to include consideration when selecting investments, this approach is now being proactively applied.

Becky Smeathers, Head of Finance and Treasurer to the Authority, presented the report which updates members on the Treasury Management Activity during the first half of the 2021/2022 financial year.

The following points were highlighted:

- a) all financial activity has taken place within the agreed criteria and limits;**
- b) whilst interest rates are rising, this will be reflected in investment income, but it should be noted that all borrowing has taken place at a fixed rate. Whilst the Service tries not to borrow too much in advance, £2 million was borrowed to finance the Capital Programme to take advantage of current low interest rates;**
- c) the Service currently holds £13.5 million in investments. The Treasury Management Strategy will be reviewed with regard to ethical standards;**
- d) the Service is limited as to where it can invest and relies on the advice of consultants which assist in closely monitoring the opportunities available and grades them with regard to risk. Currently, no investment is for longer than a one year commitment to ensure the Service can access funds swiftly if required. As a result, the return is lower than some longer term investments available. All investments are continuously monitored.**

**Resolved to note the update on Treasury Management Activity during the 2021/22 financial year as required under the Local Government Act 2003.**

## **41 National Scheme for Auditor Appointments**

Becky Smeathers, Head of Finance and Treasurer to the Authority, presented the report which requests that the Authority consider options for appointing an external auditor for a five-year period from 2023/2024.

The following points were highlighted:

- a) the Authority has several options regarding the appointment of external auditors for the next five years;
  - i. it can appoint its own external auditors;
  - ii. it can work in conjunction with another Authority to appoint external auditors;
  - iii. it can opt into the amended National Audit Scheme arranged by Public Sector Audit Appointments;
- b) this authority and others have had issues over the past 2 to 3 years with the external auditor previously appointed, however, some of this is in part due to changes in audit regulations and lack of staff and/or firms to undertake public sector audits;
- c) there is concern that if the Authority opted to appoint its own external auditor, that this may not be achievable so it is recommended that the Authority join the National Audit Scheme.

Members of the committee commented that although the past few years had been an auditing rollercoaster, with publicly aired concerns on the performance schedule of the current appointed auditors, the recommendation to continue to opt into the National Audit Scheme should be supported.

**Resolved to accept the Public Sector Audit Appointments invitation to opt into the sector-led option for the appointment of external auditors for five financial years from 1 April 2023.**

## **42 Principal Officer Pay Review**

Prior to consideration of this item, John Buckley, Chief Fire Officer, and Candida Brudenell, Assistant Chief Fire Officer, withdrew from the room, having declared personal interests in minute 36, and did not return until the item was concluded.

Malcolm Townroe, Clerk and Monitoring Officer to the Authority, presented the report which sets out the mechanism to review principal officer pay every two years by benchmarking against the family group of 18 other Fire and Rescue Authorities.

**Resolved to agree the continuation of the current level of pay for the Principal Officers from 1 January 2022.**

#### **43 Chief Fire Officer Appointment**

Councillor Michael Payne, Chair of the Authority and Chair of the Appointments Committee, presented the report and thanked colleagues who had sat on the Appointments Committee.

The following points were highlighted:

- a) the Chief Fire Officer is due to retire on 15 April 2022, will be sorely missed and is thanked for his exemplary service and dedication during his term of office;
- b) in selecting the new Chief Fire Officer, candidates underwent a robust process which is outlined within the report and included contributions from the Clerk, Human Resources colleagues and the specifically engaged Human Resources Advisers;
- c) the post was advertised across a range of Fire and Rescue Service related media, and attracted 2 very strong candidates;
- d) the unanimous cross-party recommendation of the Appointments Committee is to appoint Craig Parkin as Chief Fire Officer with effect from 16 April 2022;
- e) if the appointment is approved, it will create a vacancy of Deputy Chief Fire Officer, but as a strategic workforce review is scheduled, it is proposed that interim arrangements of appointing a temporary additional Assistant Chief Fire Officer to ensure capacity is maintained, are implemented;
- f) the report sets out how the arrangements will work regarding deputising for the Chief Fire Officer, should it be necessary;

John Buckley, Chief Fire Officer, congratulated Craig Parkin and commented that Craig had provided an outstanding account and has grown massively since his initial appointment as Assistant Chief Fire Officer. He has shown deep integrity regarding the City and County and service staff. He is aware of local pressures, cares about communities, works beyond expectations with partners, and will do a fantastic job.

Members of the Authority, congratulated Craig but were concerned that only two candidates had been selected for interview for such an important position. It is noted that there has been significant turnover of 85% of CFOs across the country in the past five years. This may be due to it being very tough job with a lot of responsibility and possibly too the pension uncertainties. The National Fire Chiefs Council is working hard to promote and expand officer development.

**Resolved to:**

- 1) agree the appointment of Craig Parkin as Chief Fire Officer, with effect from 16 April 2022, as recommended by the Appointments Committee;**
- 2) task the Chief Fire Officer with supporting the Authority in the recruitment of a temporary Assistant Chief Fire Officer.**

#### **44 Interim Report of the Independent Remuneration Panel**

Malcolm Townroe, Clerk and Monitoring Officer to the Authority, presented the report which had been marked to follow on the agenda due to issues beyond the control of officers.

Members of the Independent Remuneration Panel had met with the Clerk in difficult circumstances, for which he was grateful, and made two interim recommendations, with the intention to meet early in the New Year to further consider the remainder of the current scheme of allowances.

##### **Resolved:**

- 1) that as recommended by the Independent Remuneration Panel and pending further review Members' allowances continue to be paid on the same basis as the existing scheme and that inflators continue to be applied on an annual basis linked to increases set by the National Joint Council for Local Government Service;**
- 2) that as recommended by the Independent Remuneration Panel the current allowance paid to Opposition Spokesperson/Minority Groups Spokesperson (Groups of 4 or more) be amended so as to apply to Groups of 2 or more.**

#### **45 Committee Outcomes**

The report provides the minutes of the following meetings:

Community Safety Committee, held 08 October 2021  
Finance and Resources Committee, held 15 October 2021  
Human Resources Committee, held 05 November 2021  
Policy and Strategy Committee, held 12 November 2021

##### **Resolved to note the report.**

#### **46 Exclusion of the Public**

**Resolved to exclude the public from the meeting during consideration of the following item in accordance with Section 100A of the Local Government Act 1972 (under Schedule 12A, Part 1, Paragraphs 1 and 3) on the basis that, having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.**

#### **47 Change to Permanent Establishment**

John Buckley, Chief Fire Officer, presented the report which had been considered by the Human Resources Committee.

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