Nottinghamshire & City of Nottingham Fire & Rescue Authority

MINUTES of the meeting held at Joint Fire / Police HQ, Sherwood Lodge, Arnold, Nottingham, NG5 8PP on 16 December 2022 from 10.32 am - 12.18 pm

Membership

Present	Absent
Councillor Michael Payne (Chair)	Councillor Steve Battlemuch
Councillor Patience Uloma Ifediora (Vice Chair)	Councillor Robert Corden
Councillor Callum Bailey	Councillor Johno Lee
Councillor John Clarke MBE	Councillor Nick Raine
Councillor Sybil Fielding	Councillor Jason Zadrozny
Councillor Nicola Heaton	
Councillor Tom Hollis (from minute 38)	
Councillor Gul Nawaz Khan	
Councillor Mike Quigley MBE	
Councillor Dave Trimble	
Councillor Nigel Turner	
Councillor Roger Upton	
Councillor Jonathan Wheeler	
Police and Crime Commissioner Caroline Henry	

Colleagues, partners and others in attendance:
Craig Parkin – Chief Fire Officer
Mick Sharman – temporary Assistant Chief Fire Officer
Becky Smeathers - Head of Finance and Treasurer to the Authority
Malcolm Townroe – Clerk and Monitoring Officer to the Authority
Catherine Ziane-Pryor – Governance Officer

35 Apologies for Absence

Councillor Steve Battlemuch
Councillor Robert Cordon
Councillor Johno Lee
Councillor Nick Raine
Councillor Jason Zadrozny – other Council Business

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36 Declarations of Interest

None.

37 Minutes

The minutes of the meeting held on 23 September 2022 were confirmed as a true record and signed by the Chair.

38 Chair's Announcements

London Fire Brigade cultural review. The publication of the London Fire Brigade cultural review is a fair reflection and provides a poor picture of the cultural challenges within the service. The opportunity is now provided to every service to learn from this review, it is believed that there are still challenges ahead for cultural changes around diversity with the aim for staff to be supported and work as one team. The strategic inclusion board will discuss the LFB review following this meeting and consider what can be learnt from the report;

Note of thanks from the Private Secretary to the King. A note of thanks has been received from the Private Secretary to the King, passing on the Kings thanks for the condolences and thoughtful words sent on behalf of the Service and Authority and welcoming the assurance that he can rely on our support;

Lobbying the Fire Minister. The Chair had arranged a meeting with the Fire Minister regarding the ongoing cuts to the Service and to put the case for Nottinghamshire across in advance of the funding announcement, which will hopefully be published next week.
It was emphasised that this Authority has cross-party support for the joint lobbying, and councillors of all parties made time to put across the point, along with members of the Fire Brigades Union.
It was incredibly disappointing that the only MPs to attend were Alex Norris, Nadia Whittome and Lilian Greenwood, all from the City. It was further disappointing that not a single representative from the government attended, nor sent a representative, including from the office of the Fire Minister.
However, elected members will continue to push for Central Government to have a better understanding of the impact of continuously reduced funding. All those that did attend are gratefully thanked.

Heartfelt Thanks and Merry Christmas. This has been a testing year but this is an outstanding Fire and Rescue Service and heartfelt thanks are extended to everyone in the Service for their work. It was good to celebrate heroic colleagues and members of the public in the Fire Service Awards in November. It was very welcome that the Service was recognised as 'Good' by HMICFRS. A Merry Christmas to all staff and members of the Authority, particularly for working together for the benefit of the Service.

40 Governance Update

Malcolm Townroe, Clerk and Monitoring Officer to the Authority, presented the report which seeks to update members on activity following recent changes during the past year.

The following points were highlighted and members' questions responded to:

a) The governance review is ongoing in consultation with the Chief Fire Officer and Chair of the Authority, and further updates will be submitted to future meetings;

a) Following consultation with the Chair, the Chief Fire Officer has utilised his powers within the revised scheme of delegation and commenced Phase 2 of the workforce review;

b) The work of the Independent Remuneration Panel has progressed, as set out within the report, but in regard to members allowances it has been complicated by the recent award of a flat rate pay increase, rather than a percentage figure, which is not an appropriate approach to members' allowances. A report will be submitted to the February meeting of the Authority with an update;

c) The measures in place regarding business continuity now that the post of Deputy Chief Fire Officer has been replaced with a second Assistant Chief Fire Officer role need to be formalised and the proposal is set out in the report;

d) It is also suggested that members consider the savings available to the Service if adopting a digital first approach to agenda.

Members of the Authority and officers commented as follows:

e) With regard to Service continuity, the worst-case scenario needs to be considered whereby the Chief Fire Officer is unavoidably unavailable, so a named post immediately, and automatically steps in. In an emergency situation time could be precious and it could take too long to convene a meeting with the Chair. The arrangements need to be set out clearly in advance of any situation;

f) Both current Assistant Chief Fire Officers are already capable of running the organisation, and would do so as necessary. However, it is stipulated in policy that in preparation of any executive decisions requiring urgent decision at a time when the Chief Fire Officer is unavailable or incapacitated, a named post to back fill is required. Members are being requested to give their opinion of how delegations, if any, are formally agreed;

g) It is understood that a named officer would create a hierarchy, but responsibility needs to be clear in the Service and Authority members need to know who will make decisions. Convening a committee to determine who should lead on what will take time, and there is concern that a formal agreement may not be reached;

h) The proposed arrangements are acceptable in circumstances when there is no immediacy, and the Chair, Vice-Chair and Clerk should be allocated this task, and it reflected in the constitution. This way the Authority can hold the Chair and Vice-Chair to account. Arrangements need to be in place for when an immediate response is required;

i) The constitution will need to be amended to clearly reflect the arrangements and determine what to do if there is disagreement;

j) There needs to be a clear distinction between the operational arrangements on a day to day basis and the formal arrangement of putting someone in the role of temporary Chief Fire Officer in case something happens to the Chief;

l) Each Council appears to have a different electronic system with differing security which doesn't always allow the document from another council/authority to be accessed, so accessing papers electronically will be harder. Whilst each Local Authority issues an electronic device to elected members, it is not necessarily possible to access online district papers on a device issued by the County Council, and visa-versa. There is no expectation that the Fire Authority would provide further devices, but this illustrates the potential complications of moving towards a digital only approach. It would be welcomed if paper copy were to remain an option;

m) Members of the Authority need to lead by example with the digital first approach, but if a digital first approach were to be taken to save on costs, there should still be some flexibility of digital by default, and the ability to have paper copy agendas retained;

n) A digital first approach is agreed in principle, but maybe it should be considered following the May AGM, with the suggestion that the Policy And Strategy Committee consider a digital approach with the new intake of councillors in the new municipal year and make recommendations;

o) A digital first approach is supported, but there are concerns with regard to accessing exempt information. In addition there will be a requirement for members to have full access to Wi-Fi, which isn't always the case, including in some Fire Service premises. Utilising G4 provision will cost the Service or Councils a lot of money so consistent access to Fire Authority papers and communications will be vital;

p) Members with visual impairment can find reading digital documents difficult so would prefer paper copy. Paper copy is also more manageable for large documents. The need to achieve savings is wholly understood, but the option for elected members to pay for their own paper copies should also be considered as the financial and environmental savings available from a digital first approach are acknowledged.

Resolved to:

1) note the proposals with regard to further reviewing the Authority's Governance arrangements;

2) note the activity undertaken by the Chief Fire Officer under the revised scheme of delegation following consultation with the Chair of the Authority;

3) note the update on the work being undertaken by the Independent Remuneration Panel;

4) approve the business continuity arrangements recommended to be put in place at paragraph 2.4 of the report, in the event that the Chief Fire Officer were to become incapacitated or unavailable to the Authority for any length of time;

5) approve the principal of the adoption of a digital first approach to Authority reports at a date to be agreed following further review by the Policy and Strategy Committee.

41 Medium Term Financial Strategy 2023/24 to 2026/27 and Budget Guidelines 2023/24

Becky Smeathers, Head of Finance and Treasurer to the Authority, presented the report, which provides an update to the Medium-Term Financial Strategy (MTFS), informs Members of the likely budget position for 2023/24, and requests that the Fire Authority set general guidelines within which the Finance and Resources Committee will develop a detailed budget proposal for 2023/24.

It is noted that a revised page 54 of the agenda pack has been circulated within the agenda supplement, correcting some minor typographical errors.

The following points were highlighted and members' questions responded to:

a) since the report was published last week there have been several changes which will impact the MTFS including:

   i. Central Government issued a Local Government Finance Policy Statement which set out the government's intentions for the local government finance settlement. This included a £5 referendum principle on Band D Council Tax bills for all Fire and Rescue Authorities;

   ii. The Bank of England announced an interest rate increase yesterday to 3.5%. CPI inflation has fallen from 11.1% in October to 10.7% in November;

b) The budget deficit figure will be in the region of a £3.2 million with uncertainty remaining around pay. The Fire Brigades Union has approached its members regarding industrial action early next year, so it doesn't seem likely that a settlement figure will be provided in the near future. It is a concern it could not be set before the Authority is required to set the budget at the February Fire Authority meeting, but it has been assumed that a 6% pay award may be achieved in this current year, and 5% in 2023/24. A 1% pay award accounts for approximately £350,000 expenditure for the Authority. In the papers, the assumed pay offer is that which is currently on the table, of 5%, and assumed for the most likely scenario dropping back to 4% for next year, but that too remains uncertain;

c) There are a few areas waiting for further information, such as updates from business rates following a revised valuation. The costs to the Authority could be as much as £0.5 million;

d) Fire authorities now have the ability to increase council tax by £5. If this is approved by the Authority, it would raise income by an additional £1.6 million ;

e) The worst-case scenario, most likely case scenario, and a best-case scenario are outlined in the report. If members approve the £5 council tax increase in February, the Service can avoid the worst case scenario position. The most likely case scenario, results in a deficit of £2.145 million;

f) The Capital Strategy includes a 10 year capital plan. The debt cost ratio increases quite significantly as the years progress. There is currently a debt ratio maximum of 8% of income, as set by Fire Authority, and there is no recommendation to increase that percentage;

g) Recent increases in interest rates will have a significant impact on costs. This year interest rates are increased significantly from assumptions that the budget was set on last year;

h) Some capital expenditure, mostly around estates, has been delayed by two years to provide a little bit of flexibility, but depending on how interest rates may change, it may be possible to bring that work forward again. Some expenditure would be beneficial on the estates, but equipment and appliances were prioritised to make sure that firefighters have the most up-to-date equipment available to them;

i) With regard to the Reserves Strategy, last year a minimum level of general fund reserves of £4.5 million was set. Members' concerns that the levels of reserves are significantly higher than some other authorities are noted, but the general fund risk register identifies that there are a significant number of risks and economic uncertainty at the moment, including potential industrial action and the unknown increase of pay awards. As a result, it is proposed that minimum reserve levels remain the same;

j) Earmarked reserves need to be reviewed annually. Last year £1.8 million of earmarked reserves were released to create two new reserves of £936,000 for budget deficit support and £900,000 to support the Future25 efficiency programme;

k) This year, it is proposed to allocate some further funding to communications development around the control mobilising system. With new contract issues, it would be prudent to have an increased level of reserves;

l) Not pay related budgetary pressures have increased, most significantly, pressures are around fuel, gas and electric, but also major increases in the business rates. However, the Service has managed to contain these increases within budgets. Any further increases that cannot be contained within current budgets will need to be funded from General Fund Reserves;

m) It is anticipated that Nottinghamshire will lose financially following the revised national business rate refresh which was originally anticipated for 2025/26. There is now some uncertainty around this date and the impact is not reflected in the programme;

n) The Service will receive Section 31 Grant relating to business rate reliefs which is included in the net expenditure. This reached £1.9 million in 2022/23, and is expected to increase by CPI;

o) The Home Office want the Pension grant to be moved into the base settlement, possibly with the support grant, and if so, it will then increse in line with the revenue support grant;

p) The Home Office is undertaking a review of productivity and efficiency within the Fire sector and are developing a model to help compare performance;

q) There will be some challenges ahead. The yearly settlement regarding the pay offer is unlikely to be resolved before January but the Service needs to set the budget before the new financial year and is dependent on the pay settlement confirmation;

r) Members will be given further information as it emerges and informed of the impact on the Service.

Members of the Authority commented as follows:

s) The proposed joint cadet scheme to be operated with the Police would be very welcome as a lovely collaboration idea, and is supported;

t) When considering the financial need, demand also needs to be considered. In policing it's probably clearer with regard to callouts and predicted crime rates, but it's much harder when looking at prevention work. It would be interesting to examine patterns and areas where the Service is stretched;

u) Knowing what the Central Government annual settlement would be for a three-year period would be helpful in helping to realistically plan budgets ahead. The year at a time approach isn't helpful and makes it very difficult to effectively plan ahead with such an unknown element so a 3, 4 or 5 year settlement would be more realistic;

v) The ability to charge £5 council tax precept is very welcome for the Service, but members are very much aware that this would be adding to the financial pressures on citizens resulting from high inflation and the rise in living costs, particularly when it's likely that the councils will also increase their council tax precept by £5, and the Police by £15;

w) More national level work is required to resolve some of the broader financial issues of the nation. We're asking a lot from a lot of people – there needs to be a coalition where politics are put to one side to try and sort out this national mess, which is getting very serious;

x) It is frustrating that Central Government is pushing the burden of additional charging to local authority level, whilst reducing direct funding. Some counties surrounding Nottinghamshire are far better placed with many more high-level council tax band properties which bring in greater income, but Nottinghamshire is not the same and although necessary to implement, the majority of properties are band A and B and so will contribute less, maybe £3, which doesn't generate the same level of income;

y) There are concerns that the top-up grant and even pension grant will reduce in future years, placing further financial burden on the Service in future;

z) This Service is the 7th worst financially positioned service in the country with regard to the drop in net core spending power, with a 5.26% decrease since 2010/11, when more affluent services have seen up to a 14.95% increase. Successful lobbying would result in this service improving that position;

aa) The Service cannot be funded on local rates and council tax – Central Government needs to answer as to how they have put this Service in this position.

Resolved to

1) approve the MTFS as set out in Appendix A to the report;

2) approve the Capital Strategy and Flexible Use of Capital Receipts Strategy contained within the MTFS;

3) approve the Reserves Strategy contained within the MTFS;

4) approve the proposed minimum level of general fund reserves of £4.5m as set out in the Reserves Strategy;

5) approve the re-allocation of Earmarked Reserve as detailed in the Reserves strategy and set out in the table below:

	Balance 31-Mar-22 £	Required 2023/24 £	Required 2024/25 to 2026/27 £	To be Reallocate £
ICT Telephony Software	53,000	0	0	(53,000)
Communications development	171,753			(171,753)
Rescue Gloves	50,000	(37,000)	0	(13,000)
Transformation and	553,495	(103,276)	(223,155)	(123,789)
Budget Pressure	936,287	(1,000,000)	(126,076)	189,789
Tri Service Control / Mobilising	178,083	(200,000)	149,836	171,753
Total				0

6) task the Finance and Resources Committee with providing guidance to the Fire Authority in February in respect of:

- **the options for Council Tax limited to either a Council Tax freeze or an increase in Council Tax within the referendum limit;**
- **the options for addressing any budget deficit to enable the Fire Authority to approve a balanced budget, as required by law.**

42 Treasury Management Mid-Year Review 2022/23

Becky Smeathers, Head of Finance and Treasurer to the Authority, presented the report, which provides members with an update on treasury management activity during the first half of the 2022/23 financial year, as is required by legislation.

It is noted that:

a) Investments currently stand at £16 million;

b) Borrowing is at £2.9 million;

c) No further borrowing has been undertaken due to the increse in interest rates and investments holding;

d) The report sets out the prudential limits, against which there are no areas of concern.

Resolved to note the update on treasury management activity during the 2022/23 financial year as required under the Local Government Act 2003.

43 Corporate Risk Management

Craig Parkin, Chief Fire Officer, presented the report which provides the Authority with an overview of the corporate risk management process, including the current version of the Corporate Risk Register.

The following points were highlighted and members' questions responded to:

a) Following its presentation to Finance and Resources Committee, the committee requested that the current Corporate Risk Register (CRR) is presented to the Fire Authority due to the increase in the number of high and very high risks identified;

b) There is a lot of work ongoing to ensure the CRMP and CRR are attuned to each other, but there is still further work to be done;

c) Finance colleagues have referred to the risk register when considering the position with reserves;

d) It is proposed that the Finance and Resources Committee will now receive the report quarterly instead of six monthly due to the fluid state of risk nationally, and determine if there should again be an escalation to full Fire Authority;

e) Risks identified include:

   i. The Futures 2025 programme and setting a balanced budget with a £3.2m deficit as of today;

   ii. The Fire Fighter Pension Scheme is an ongoing 14 year issue with immediate detriment and other claims been brought on behalf of pension scheme members, as reported by HR committee and presenting a cost to the Authority;

   iii. Employee engagement, mainly focused on national issues and pay disputes which may impact the organisation, resulting in the requirement for resilience planning, particularly with 95% of staff belonging to a Trade Union;

   iv. Workforce sustainability across the whole organisation, but particularly with support staff although the establishment currently only has 5 vacant posts following targeted recruitment, whilst operational posts are currently minus 20 due to reductions, temporary savings on budgets, including the holding of vacant posts. Challenges remain with regard to the national labour market;

   v. Tri-Service Risk Register and mobilising assets. Calls can be received and appliances mobilised but there is risk if the system fails.

Members welcomed the increased regularity of monitoring and scrutinising risks to the Service.

Resolved to note:

1) the most recent version of the Corporate Risk Register and the work ongoing to mitigate the risk to the Authority;

2) the high level of risk and uncertainty associated with the current operating environment, and the subsequent impact on risk to both the Authority and the Service.

44 Serious Violence Duty

Mick Sharman, temporary Assistant Chief Fire Officer, presented the report which provides a brief overview of the Serious Violence Duty and the Fire Authority's responsibilities as defined by the 'Duty'.

The following points were highlighted and members' questions responded to:

a) This is a new legal duty which will commence from the end of January 2023 and is aimed at preventing and tackling serious violence, for which the Fire Authority is named and responsible for intervention, particularly with regard to young people;

b) Whilst the Fire Service is a named authority, the PCC have taken a lead role, even though not a named authority, as it is best placed to facilitate and implement the duty;

c) The PCC is working with partners to inform awareness of the duty and how it will be implemented. This is being facilitated by the Serious Violence Reduction Board and the Serious Violence Implementation Group which includes representative of the Fire and Rescue Service;

d) Whilst the duty is new, many elements of activity are already undertaken by the Fire and Rescue Service, such as working with vulnerable people, visiting people in their homes and schools, visiting buildings that house vulnerable people, and schemes such as the fire setters programme;

e) The Service will continue to provide complimentary activities, whilst continuing core duties and look at serious violence within a different context;

f) It's important that frontline individuals understand requirements of the duty and are able to use the referral pathways to report concerns regarding serious violence;

g) A gap analysis has been conducted, but there are areas for improvement, including the way the Service receives and shares data, including interventions. This is being considered by the subgroup, including consideration of how data can be shared with other partners to better enable an intervention and prevention;

h) All staff undertake safeguarding training annually and although initially some were reluctant, saying they were not social workers, since working with partners and occupational therapists, many have seen the value;

i) Data sharing is a big issue. Potentially, there should be a greater appetite for risk on behalf of the victim. There is still cultural learning to take place but partners are committed;

j) Fire is not commonly used as a weapon, but more usually as a method of concealing a crime. Fire investigation is not a standard duty of the Fire Service. Standards are changing around forensic requirements if a case is likely to go to court. As a result, some fire services will not be investigating fires, meaning the ability to share information and

data will be further restricted. There are challenges with regard to assurance, but work is ongoing.

Police and Crime Commissioner, Caroline Henry, congratulated Service staff on the amount of work they have done to achieve the current status, being instrumental in establishing the Reduction Board and ensuring readiness for implementation at the end of January. It is noted that some funding is available from the PCC to support investigation into effective data sharing.

Members commented as follows:

k) Violence is an increasing problem in society and the Police do a good job in difficult circumstances, but we are seeing an increase in violence against firefighters, which is appalling. Emergency workers don't go to work to be attacked;

l) It might be helpful to share the data with the courts as it's frustrating how leniently violent crimes are dealt with, which doesn't necessarily support our staff if they are targeted;

m) The Police do a very good job on the triage for mental health of potentially vulnerable citizens, which may be beneficial if linked with the Fire Service;

n) Data sharing has been an ongoing issue, but where overcome, can provide invaluable information to benefit services and their communities, including financially if resources can be targeted where most required;

o) To be able to address problems effectively, data needs to be shared between all partners to enable a full picture of situations;

p) Following the recent tragic deaths in Clifton, is noted that the references to serious violence don't specifically include the potential for fire as a method of serious violence, so assurance is sought that it is fully incorporated;

q) This is an excellent example not only of collaboration, but good partner relationships, for which Mick Sharman and all involved are thanked.

Resolved to note the Fire Authority's responsibilities under the Serious Violence Duty, and the progress being made by the Service in its preparation to meet the duty.

45 Committee Outcomes

Resolved to note the minutes of the following Committees:

Community Safety Committee 07 October 2022
Finance and Resources Committee 14 October 2022
Policy and Strategy Committee 11 November 2022.

46 Exclusion of the Public

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

public interest in maintaining an exemption outweighs the public interest in disclosing the information.

47 Tri-Service Mobilisation System Update

Mick Sharman, temporary Assistant Chief Fire Officer, presented the report which provides an update on the Tri-Service Mobilisation System.

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