



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

**Minutes of the meeting held at Nottinghamshire Fire and Rescue Service
Headquarters, Bestwood Lodge Drive, Arnold, Nottingham, NG5 8PD on Friday 15
October 2021 from 10:02am to 10:52am**

Membership

Present

Councillor John Clarke (Chair, items 11-16)

Councillor Toby Neal (Chair, item 17)

Councillor Callum Bailey

Councillor Steve Battlemuch

Councillor Eddie Cubley

Absent

Councillor John Lee

Colleagues, partners and others in attendance:

Candida Brudenell - Assistant Chief Fire Officer

Leila Henry - Head of Risk Assurance and Operational Training

Adrian Mann - Governance Officer

Ian Pritchard - Joint Head Quarters Programme Support Manager

Becky Smeathers - Head of Finance and Treasurer to the Fire Authority

11 Apologies for Absence

Councillor John Lee

12 Declarations of Interests

Councillor John Clarke declared a Disclosable Pecuniary Interest in item 17 because he is the Leader of Gedling Borough Council. He left the meeting prior to the discussion of and voting on this item.

13 Minutes

The Committee confirmed the minutes of the meeting held on 2 July 2021 as a correct record and they were signed by the Chair.

14 Revenue, Capital and Prudential Code Monitoring Report to 31 August 2021

Becky Smeathers, Head of Finance and Treasurer to the Fire Authority, presented a report on the 2021/22 financial performance of the Service and Prudential Code monitoring to the end of August 2021. The following points were discussed:

- (a) the current revenue position is close to budget, with a slight overspend of £23,000. However, inflation is now starting to grow, and the unions representing the non-uniform fire and rescue service staff nationally have rejected the latest pay award offer, meaning that there is some uncertainty in the budget that may lead to additional pressures. The pay for firefighter and support roles is set at a national level and, although agreement has been reached for the firefighter pay awards (which represents the majority of the Service's staffing costs), negotiations for the non-uniform pay will continue. Given that the Government requested a pay freeze for public sector workers, it seems unlikely that the pay awards will be accounted for in the upcoming national spending review. The Authority had to increase its Council Tax ask as part of this budget – with around three quarters of the Service's income coming from Council Tax and Business Rates, and around one quarter from the national grant;
- (b) the budget for next year is being developed, with provision for both general and wage inflation. Increasing ICT costs will be brought through into the Medium-Term Financial Strategy (MTFS) for December, along with a ten-year capital plan. The Service could be subject to a high level of pressure in relation to the capital programme in the medium term, so it will be reviewed as part of the budgeting process, and it may be necessary to extend the period between building new fire stations. However, no major cuts or additional funding requirements are anticipated, currently;
- (c) in terms of the capital programme, the project to replace the Eastwood Fire Station is due to commence in 2022/23, but feasibility work for this project needs to begin in 2021/22 to enable works to start in 2022/23. As such, a budget of £16,000 needs to be brought forward to fund the associated costs;
- (d) the project to move to a new joint headquarters with Nottinghamshire Police is proceeding to timetable and within the budget envelope, on the basis of a fixed-price agreement with the contractor. However, there are a number of planned projects where tendering and procurement processes have not yet been carried out that will be affected by potential increases in inflation and building costs, so this will need to be reflected in the MTFS;
- (e) there is a Special Appliances budget of £150,000 for the purchase of replacement Aerial Ladder Platforms, but the project is now on hold as a special vehicle review is taking place, so the budget needs to be carried forward into 2022/23. In addition, a review of the ICT Replacement Programme has found that some IT equipment at fire stations had not been accounted for. This equipment is becoming obsolete and requires replacing as a matter of urgency, so it is anticipated that £125,000 will be needed to fund this project;
- (f) in terms of the prudential code monitoring, borrowing remains within the limits set by the Authority, and stands currently at £28.9 million. Due to the potential for interest rates to rise, the planned borrowing of £2 million for capital financing costs has been brought forward.

To mitigate against rising costs, the Service is now holding larger stocks of important supplies, and the Procurement team is monitoring the supply situation closely.

Resolved:

- (1) to approve the early commencement of feasibility work for the Eastwood Fire Station capital project, requiring £16,000 of expenditure to be brought forward into 2021/22;**
- (2) to approve the slippage of expenditure of £150,000 in the Special Appliances capital budget into 2022/23;**
- (3) to approve an increase to the ICT Replacement Equipment capital budget of £125,000, to be funded from underspends of £20,000 from the Performance Management System budget, £30,000 from the Business World Upgrade budget, and £75,000 from the Hucknall Fire Station budget.**

15 Corporate Risk Management, Including Management of Operational Road Risk

Leila Henry, Head of Risk Assurance and Operational Training, presented a report on the Corporate Risk Management Process. The following points were discussed:

- (a) the risks relating to the Coronavirus pandemic have been de-escalated, but remain high. Governance and performance management processes for a pandemic situation are in place, and measures to prevent the spread of infection remain active, particularly for station-based staff. The staff response to Coronavirus was very strong, with very few cases of infection – the majority of staff absence during the pandemic was due to the requirement to self-isolate following contact, rather than as a result of catching the virus. With winter approaching, staff also have access to flu vaccinations. Recovery processes are progressing well and the situation continues to be monitored, with the business continuity group meeting on a monthly basis;
- (b) the availability of resources has been escalated as a risk due to supply chain disruption and the increasing cost of gas. Supplies of smoke detectors have been re-stocked. The recent fuel supply problems had a minimal impact upon the Service, due to its bunkered fuel stores;
- (c) in terms of staffing sustainability, some key support roles have become vacant and, due to the relatively small size of the organisation and its support teams, this could have an operational impact – particularly in specialist areas such as ICT. Work is underway to develop resilience internally, and structures for cover are being established in collaboration with other fire and rescue services. A significant project to provide assurance and mitigation in response to problems with the mobile data terminals on appliances is in place, to ensure the safety of crews;
- (d) the Corporate Risk Register includes specific reference to operational road risk because, around five years ago, a number of high-cost collisions involving appliances travelling to incidents led to the insurer withdrawing cover. To mitigate this risk, a dedicated working group was put in place to reduce the number of vehicle collisions. This includes the high-cost potential incidents when appliances are responding to incidents, but also the low-

cost but high frequency collisions that can occur during the low-speed manoeuvring of appliances – so crews have been trained to guide drivers down narrow roads with on-street parking to limit damage as much as possible. To date, the working group has achieved a 41% reduction in vehicle collisions, resulting in a saving of £50,000 in insurance costs;

- (e) the Committee extended its thanks to all staff who have played a part in bringing about the large reduction in operational road risk incidents, as this represents a substantial achievement.

The Committee noted the report.

16 Exclusion of the Public

Resolved to exclude 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, 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.

- **Chair**

As Councillor John Clarke, Chair of the Committee, declared a Disclosable Pecuniary Interest and left the meeting, Councillor Toby Neal chaired the rest of the meeting.

17 Update on the Land and Legal Title of the Headquarters at Bestwood Lodge

Councillor John Clarke declared a Disclosable Pecuniary Interest in this item because he is the Leader of Gedling Borough Council. He left the meeting prior to the discussion of and voting on this item.

Ian Pritchard, Joint Head Quarters Programme Support Manager, presented a report on the actions taken to resolve any issues relating to the land and legal title of the Service's Headquarters at Bestwood Lodge.

The Committee noted the report.