

ESSEX FIRE AUTHORITY

Essex County Fire & Rescue Service



MINUTES OF A MEETING OF THE ESSEX FIRE AUTHORITY POLICY AND STRATEGY COMMITTEE HELD ON WEDNESDAY 22 JUNE 2016 AT 10.15 AM

Present:

Councillor A Hedley	Chairman
Councillor B Aspinell	
Councillor D Blackwell	
Councillor J Chandler	
Councillor C Guglielmi	
Councillor A Holland	Vice-Chairman
Councillor C Kent	
Councillor A Naylor	
Councillor Lady P Newton	

The following Officers were present in support throughout the meeting:

Adam Eckley	Acting Chief Fire Officer and Acting Chief Executive
Dave Bill	Director of Protection, Prevention and Response
Mike Clayton	Finance Director and Treasurer
Roy Carter	Service Solicitor and Deputy Clerk and Deputy Monitoring Officer
Shirley Jarlett	Clerk and Monitoring Officer
Hannah Cleary	Seconded Member Support Officer (for agenda items 7 and 8)
Fiona Lancaster	Committee Officer

Councillors M Hoy and A Turrell were also in attendance.

Apologies for absence were received from Councillor M Danvers and Mark Stagg, Director of Transformation.

1. Declarations of Interest

Councillors A Holland and C Guglielmi declared a personal interest in agenda item 4 (2015/16 Accounts and Governance Statement) in that they are Directors of EFA (Trading) Ltd (minute 3 below refers).

2. Minutes (part I)

The minutes of the meeting held on 16 March 2016 were agreed as a correct record and signed by the Chairman.

3. 2015/16 Accounts and Governance Statement

Councillors A Holland and C Guglielmi declared a personal interest in this item (minute 1 above refers).

The Committee considered report EFA/082/15 by the Acting Chief Fire Officer and Acting Chief Executive and the Finance Director and Treasurer which stated that, under The Accounts and Audit Regulations, the Fire Authority was required to approve an Annual Governance Statement, which may be included in the statement of accounts and published by 30 June. The report provided a review of the key governance arrangements and a summary of the key issues from the accounts for 2015/16.

The following points arose from consideration of the report:

- Members noted that there were no significant changes from previous years' Accounts. The Committee was also reassured that the External Auditors had been fully involved with the technical amendments to the Authority's accounting policies.
- Members noted that the Governance Statement had been reviewed by the Audit, Governance and Review Committee in April. The Committee had also reviewed the effectiveness of the arrangements for Internal Audit and the reviews carried out in the past year. Further improvement was required in the area of risk assurance and work was already underway to embed compliance with risk management reviews.
- The Committee discussed the provision shown on the balance sheet as a debt to the Government and asked when a decision could be expected from the Home Office. The Acting Chief Fire Officer and Acting Chief Executive reminded Members that the Authority's position had been made clear, and that it was now expecting to receive a decision by the end of July. The delays had been exacerbated by the Elections. The Committee was reassured that the Authority had made provision to pay if requested to do so.
- Members were reassured that there had been no new rule changes by the Government for 2016/17.

Resolved:

1. That, following the review at the meeting, the Annual Governance Statement be agreed.
2. That the Review of Accounting Policies be agreed.
3. That the use of estimates in the accounts be agreed.

4. That it be noted that the Finance Director and Treasurer has signed and dated the Accounts for 2015/16.
5. That the Chairman of the Authority and the Acting Chief Fire Officer and Acting Chief Executive be authorised to sign the Annual Governance Statement.

4. Budget Review – May 2016

The Committee considered report EFA/083/16 by the Finance Director and Treasurer which reviewed expenditure against budget as at 31 May 2016 and identified major variances to the budget for the period.

The following points arose from the Committee's consideration of the report:

- The Committee noted that employment costs were under budget as a result of a shortfall in support staff headcount.
- The spend for whole time fire-fighters was marginally above budget. This had been affected by the rate of leavers which had slowed down in the last six months of 2015. Members also noted that the numbers also included retired officer staff costs.
- Members noted the slow start to the year regarding the phasing of budgets, particularly in relation to premises and equipment. Some projects had been deferred until after the completion of the 2020 Programme.

Resolved:

1. That the review of income and expenditure against the budget, together with the actual position with regard to capital expenditure to 31 May 2016 be noted.
2. That a revised budget would be submitted to the Policy and Strategy Committee in September 2016, after the 2020 implementation plan changes were known.

5. HR and Payroll Management Systems Solutions

The Committee considered report EFA/084/16 by the Director of Transformation (presented by the Finance Director and Treasurer) on the strategic approach the Service wished to take in order to support Blue Light Collaboration in the light of reduced central government funding.

Members were reminded that at the last meeting their agreement had been given for preferred Option three (Replacement Project) in the report, but subsequently they had asked for this decision to be re-considered in the light of further information becoming available.

In presenting the report, the Finance Director and Treasurer confirmed that the proposal in Option three was to buy a standard product from a supplier, and that the projected costs of £600k included the cost to buy a new product and to have adequate levels of support staff to implement the new system. The complexity and number of Fire Authority pension schemes meant that the implementation of data rules in connection with these would be where the majority of costs would rest.

The following points arose from consideration of the report:

- Members noted that the Fire Authority had discussed with Essex Police the potential opportunity for future collaboration by allowing both organisations to use one system. Essex Police had confirmed that it was not in a position to support the Fire Authority on its system at this point, and due to the complexities in pay scales, it was unlikely that a common system could be put in place within the next three to four years.
- Members acknowledged that the majority of the work needed to re-configure a new system to handle the complexities with data rules in relation to pay scales and multiple pension schemes would be carried out by the Authority's own staff.
- The Acting Chief Fire Officer and Acting Chief Executive commented that as the SAP was no longer fit for purpose and expensive to maintain it was essential that the Authority moved forward with a new system. A new system could also provide future savings.
- Members questioned what problems could arise with a product supplier if the Authority's own support staff were responsible for the implementation of a re-configured system.
- Members were interested to know what other systems Fire Authorities used and whether these had been bench-marked so that Essex Fire Authority could ensure good value for money when undertaking its own procurement process. The Finance Director and Treasurer commented that there were a number of standard packages available and one would be chosen appropriate to the size of the organisation. Other Fire Authorities used a range of products.
- The possibility of moving to a local Council service provider, and whether another provider would have the appetite or ability to deliver a service for the Fire Authority, particularly for one with multiple levels of complexity relating to pay scales, overtime and pensions.
- There was a general consensus of support for a new system and Members acknowledged that there could be opportunities for the Fire Authority to become a provider of HR and Payroll support to other authorities in the future.

Resolved:

1. That the contents of the report be noted;
2. That, having re-considered the three recommendations provided in EFA Report EFA/042/16 presented to the Policy and Strategy Committee on 16 March 2016, the Members re-confirmed that the approach within Option Three for a HRMS replacement project be supported.

6. Proposed approach for the independent review of progress made against the Lucas Review recommendations

The Committee considered report EFA/085/16 by Councillor A Holland which provided details on a number of recommendations for the consideration of Essex Fire Authority regarding how the progress made since the publication of Irene Lucas' review of culture could be independently assessed in line with recommendation 35 of her report published in September 2015.

Members supported the proposed approach for an independent review of progress, and noted the Terms of Reference and recommended timetable for the review. The Committee also acknowledged the proposed communication of the review's findings.

Resolved:

1. That Sir Ken Knight be appointed to undertake a short, independent review of progress against the Lucas Review recommendations on 27 and 28 July 2016 at Kelvedon Park HQ;
2. That the proposed approach for the review as set out in the report by the Essex Fire Authority be approved.

7. Progressing the Lucas Review recommendations for Essex Fire Authority Members; specifically in relation to the outcomes of facilitated workshops held February - March 2016

The Committee considered report EFA/086/16 by Hannah Cleary, seconded Member Support Officer, setting out a range of options on how to progress the outcomes from facilitated workshops which had taken place earlier in 2016 with the purpose of supporting the Lucas Review recommendations specifically pertaining to Essex Fire Authority Members.

Members discussed the outcomes of the facilitated sessions as set out in the report and agreed that it was important that the subsequent work to progress these was both Member-led and provided the opportunity for all Members of the Fire Authority to be involved in shaping the resulting findings and recommendations. In light of both of these requirements, the Committee agreed that at least one small working group should be established from the current Essex Fire Authority Membership to review the following four areas, and make relevant and robust findings and

recommendations for subsequent agreement and implementation by the full Fire Authority:

- i) Clarification of the roles and responsibilities of Members and Officers;
- ii) Developing the role of Members in providing appropriate challenge (scrutiny);
- iii) Member induction and ongoing development programme; and,
- iv) Communications and engagement.

Initial scopes for the reviews pertaining to these four areas were set out within the report and also agreed by Members; although it was accepted that the scope of these reviews may expand as work progressed as well as potentially lead to the identification of further topics that could be considered for review by Members.

The working group/s would be supported by the seconded Member Support Officer who would issue an invite to all Members seeking expressions of interest to participate in the ongoing work and arrange a number of meeting dates to commence the reviews; the importance of keeping the full Fire Authority apprised of progress throughout was recognised.

The Committee indicated its continued interest in webcasting meetings. The Acting Chief Fire Officer and Acting Chief Executive reported that webcasting had been used at the June Fire Authority meeting, but that there were quite significant costs involved. This was a topic which would be explored in more depth by the Communications and engagement working group.

Resolved:

1. That the SOLACE action plan as set out at Appendix 1 be noted;
2. That at least one working group be established from the Membership of the Fire Authority to progress the outcomes from facilitated workshops in relation to the below four areas:
 - i) Clarification of the roles and responsibilities of Members and Officers;
 - ii) Developing the role of Members in providing appropriate challenge (scrutiny);
 - iii) Member induction and ongoing development programme; and,
 - iv) Communications and engagement.
3. That the initial scope for the four areas of review as set out in the report be agreed, subject to the potential for expansion of the initial scopes and subsequent identification of further topics as work progresses in the future;
4. That the working group/s will be fully supported by the seconded Member Support Officer. The seconded Member Support Officer will initially seek expressions of interest from Members wishing to participate in the working

group/s and will also ensure that the full Fire Authority are kept apprised of ongoing progress;

5. That any findings and recommendations made by any working group/s are brought to a future meeting of the full Fire Authority for agreement.

8. Date of Next Meeting

It was noted that the next meeting of the Committee would take place on Wednesday 21 September 2016 at 10.00 am.

9. Exclusion of the Press and Public

Resolved:

That having reached the view that, in each case, the public interest in maintaining the exemption (and discussing the matter in private) outweighed the public interest in disclosing the information, the public (including the press) be excluded from the meeting during consideration of the following items of business on the grounds that it involved the likely disclosure of exempt information as specified in paragraphs 1 and 4 of part 1 of Schedule 12A of the Local Government Act 1972.

10. Minutes (part II)

The confidential minutes of the meeting held on 16 March 2016 were agreed as a correct record and signed by the Chairman.

11. Management Review

The Committee considered EFA/087/16 which provided information on the current situation and ongoing activities regarding the management review.

Resolved:

That the report on the current position and ongoing activities be noted.

12. Urgent Business

The Committee noted one Member request in relation to the work of the Principal Officers HR Committee

(Please note that a fuller record is set out in the confidential minutes of the meeting).

The meeting closed at 11.45 am.

Chairman
21 September 2016