

**HUMBERSIDE FIRE AUTHORITY**

**(SPECIAL MEETING)**

**9 SEPTEMBER 2013**

**PRESENT:**

**Representing East Riding of Yorkshire Council:**

Councillors Engall MBE, Hodgson, Ibson, Mole, Moore and Whittle

**Representing Kingston upon Hull City Council:**

Councillors Mathieson, Petrini, Quinn and S Walker

**Representing North Lincolnshire Council:**

Councillors Briggs (Chairperson), Swift, Vickers and Waltham

**Representing North East Lincolnshire Council:**

Councillor Baxter

Chief Fire Officer & Chief Executive, Deputy Chief Officer/Director of Operations, Secretary/Director of People, Director of Finance & Assets/Section 151 Officer, Assistant Chief Officer/Director of Safety, Committee Manager and Ms J Rae (External Audit - KPMG) were also present.

Mr D Hughes, Chairperson of Governance, Audit and Scrutiny Committee attended as an observer.

Apologies for absence were received from Councillors Armstrong, Chapman MBE, Gemmell OBE, Turner, T Walker, Wallace and Wilson.

The meeting was held at the Humberside Fire and Rescue Service Headquarters, Kingston upon Hull. Meeting commenced at 10.30 a.m.

**4244 DECLARATIONS OF INTEREST** – There were no declarations.

**4245 MINUTES – Resolved** – That the minutes of the meeting of the Authority held on 26 July 2013 having been printed and circulated amongst the Members, be taken as read and correctly recorded and be signed by the Chairperson.

*(Councillor Waltham arrived at 10.35am).*

**4246 REVIEW OF GOVERNANCE, AUDIT AND SCRUTINY COMMITTEE** – The Secretary/Director of People submitted a report reminding Members that the Authority on 24 June 2013 had agreed that the Group Secretaries and the Chairperson of the Authority should meet with regard to the following matters concerning the Governance, Audit and Scrutiny Committee:

- The appointment of a Vice Chairperson of that Committee.
- The term of office of Independent Members of the Committee.

That group had however proposed that the review of the Governance, Audit and Scrutiny Committee be brought forward from that previously agreed as Spring 2014. The Chairperson of the Authority had asked that this be put to this Special Meeting of the Authority for consideration. The following reports were appended to the report:

Appendix 1 - Health Check: Review of Corporate Governance – Review of Authority Governance Structure submitted to the Authority on 23 April 2013.

Appendix 2 - Matters Arising – Fire Authority and Governance, Audit and Scrutiny Committee submitted to the Authority on 24 June 2013

The report to the Authority on 23 April 2013 (Appendix 1) set out clearly the rationale for the Governance, Audit and Scrutiny Committee; areas for review, and the assurance provided externally around the Committee. The decision of the Authority was within the report to the Authority on 24 June 2013 (Appendix 2), which in broad terms was to carry out a further review in Spring 2014, given the short period of time that the Committee had been in operation. It was entirely a matter for the Authority to determine its governance arrangements, to ensure that its governance is effective and efficient. However, the previous recommendations of the Secretary/Monitoring Officer were unchanged and it was suggested that a fuller review be undertaken as planned in Spring 2014. That would allow the Committee a full year's operation and enable a more informed review to take place as a result. Alternatively the Authority may now wish to consider earlier than first planned:

- The size, purpose/role of the Governance, Audit and Scrutiny Committee;
- The composition of any such Committee;
- The current membership of the Committee, including the matters arising set out in Appendix 2 to the report.

**Resolved** – That a review of the Governance, Audit and Scrutiny Committee be undertaken in Spring 2014 as previously agreed.

**4247 OPERATIONAL EFFICIENCY PROGRAMME - ENGAGEMENT OUTCOMES** - The Secretary/Director of People submitted a report reminding Members that a Special Meeting of the Fire Authority held on 10 May 2013 Members had approved options to go out to engagement as part of the Operational Efficiency Programme. Formal consultation on an Operational Efficiency Programme would follow in the Autumn, once the Corporate Management Team and the Authority had had an opportunity to consider the outcome of the engagement process. The report was concerned only with the outcomes of the engagement. An overview of the outcomes from the engagement process was attached at Appendix 1 to the report. A separate report was included on the Agenda for this meeting (Minute 4249 below refers) taking into account that engagement with regard to the options that could go out to formal public consultation. As such, the report was to be read in conjunction with that later report. A more detailed engagement pack was available for Members which provided a more detailed data analysis behind the report now submitted. In addition, a room had been set aside in Headquarters for Elected Members (and any other interested person) to view the actual returns and be guided through the engagement process undertaken by a member of the Communication Team (part of the People Directorate).

The Chairperson, on behalf of Members, thanked all those Officers involved in the comprehensive engagement exercise and his appreciation to all those who had participated in the process.

**Resolved** – That the outcomes of the engagement process as set out in the report now submitted be noted and be taken into consideration alongside the report on the Operational Efficiency Programme – Options for Consultation to be considered later in this meeting (Minute 4249 below refers).

**4248 EXCLUSION OF PRESS AND PUBLIC – Resolved** – That the press and public be excluded from the meeting during consideration of the following items (Minutes 4249-4250) on the grounds that it is likely to involve the disclosure of exempt information as defined in paragraphs 2, 3 and 4 of Part 1 of Schedule 12A of the Local Government Act 1972.

*(In making its decision the Authority confirmed that having regard to all the circumstances it was satisfied that the public interest in maintaining the exemption outweighed the public interest in disclosing the information).*

**4249 OPERATIONAL EFFICIENCY PROGRAMME – OPTIONS FOR FORMAL CONSULTATION** – The Assistant Chief Officer/Director of Safety submitted a report reminding Members that they had received detailed presentations, at a number of Member Days, on a range of options for the Operational Efficiency Programme and on 10 May 2013 had approved the options to go out for engagement. The outcomes of that engagement were reported elsewhere on the Agenda for this meeting (Minute 4247 above refers). The options engaged upon had previously been presented to Members in detail with particular focus on providing information regarding the predicted effect of implementation on the following:

- First engine response standard performance.
- Second engine response standard performance.
- Risk of dwelling fire fatalities
- Risk of fire fatalities in other buildings
- Risk of special service fatalities
- Finances

Further information on each option was also provided which included:

- General service-wide information
- Station specific information
- The effect on the workload of other stations
- The peak times that fires occur in station areas
- Mapping of where the most fires occur
- Mapping of the fire engine travel times from stations

The report indicated that the options could not all be implemented as any decision to implement one would have an effect on other options. There were a number of options split into geographical groupings and within those groupings only one option could be implemented. There were also a number of combination options, and additional options suggested by stakeholders during the engagement stage, which could be implemented in addition to some of the options in the geographical groupings. A summary of all those options that could be considered and the predicted impact was set out in Appendix 1 to the report. A detailed analysis relating to any suggested options which could be implemented was set out at Appendix 2 to the report. An assessment of potential future risk, particularly that caused by increases in domestic dwellings, was included at Appendix 3 to the report. Risk to communities had been progressively reduced during the past ten years by highly effective prevention work. That had seen an almost halving of emergency calls but very little reduction in the number of fire engines deployed. Whilst many of the options were predicted to increase risk those predicted increases still meant that the risk would be below the level considered acceptable ten years ago.

The financial savings relating to each of the options was included with the summary at Appendix 1 to the report. If all of the options which had the maximum financial savings resulting from them were implemented then the overall saving to the budget would be circa £4.6 million. However, other considerations such as risk and the effect on response standards would be considered by Members, alongside the financial savings, when taking decisions regarding consultation and implementation so the actual savings might be considerably less than that figure. The Authority over the period of the first Comprehensive Spending Review (CSR) (2011/12 to 2014/15) will have lost circa 20% of its external financing from Government. The expectation was that a further 10% reduction would take place in the 2015/16 financial year. Those changes over the entire period amounted to a fall in funding of circa £7.7M by the close of 2015/16. The financial projections for the Authority had been updated based on the latest information in the 2013 Budget and the CSR for 2015/16 announced in June 2013. A report on 2014/15 onwards would be submitted to the Authority on 27 September 2013 but in broad terms the picture was as follows:

2014/15 - £563k deficit;  
2015/16 - £2.7M deficit;  
2016/17 - £5.5M deficit.

The Authority should be able to balance the budget for 2014/15 with a small contribution from reserves should they wish to do so. The years 2015/16 onward looked far more challenging and therefore further efficiencies would require implementing during 2014/15 to assist with the balancing of the budget for the future years. It was worth remembering that any recurring revenue efficiencies implemented in 2014/15 would help balance the budget in future years e.g. £2.5M of efficiencies implemented in 2014/15 would leave only a £200k deficit in 2015/16 (£2.7M less £2.5M) and a £3M deficit in 2016/17 (£5.5M less £2.5M). There was some uncertainty around the projection for 2016/17 given that no indication was available from Government on funding for that year at this stage and of course the General Election likely to take place early 2015 could also change the picture either positively or negatively for the 2016/17 year. There was greater certainty however on the position for 2014/15 and 2015/16 as a result of recent announcements from Government as part of the 2013 Budget and the 2015/16 CSR issued in June 2013. The position would be kept under review and would evolve as during the Autumn and new information is received. Updates would be brought to Members throughout that period starting with the Authority on 27 September 2013. Therefore, whilst significant savings could be made, in time, through the Operational Efficiency Programme it was likely that further savings in excess of £900k would have to be made by other means by 2016/17. However, there was scope within the programme to deal with the projected budget deficit of £2.7 million in 2015/16 if sufficient options were implemented from 2014 onwards. That would mean that further savings from this programme and further potential savings from non-operational areas, could be considered over a longer period of time in order to meet what would be a £2.8m projected deficit by 2016/17.

**Resolved** – (a) That, having considered the outcomes of the engagement exercise, the Authority gives its support to the nine options now agreed to go forward to formal twelve week consultation with a view to incremental implementation in line with the Authority's budget shortfalls and staff retirement profile, and

(b) that a report be submitted to the next meeting of the Authority to give Members an opportunity to further affirm those options and agree a consultation plan accordingly.

**4250 VEHICLE AND EQUIPMENT WORKSHOPS IN COLLABORATION WITH HUMBERSIDE POLICE AND YORKSHIRE AMBULANCE SERVICE** - The Chief Fire Officer & Chief Executive submitted a report, further to Minute 4241, with regard to the proposed provision of new vehicle and workshops facilities for the Fire Authority. In September 2012 the Authority had approved the procurement of a new Workshop facility in Hull to consolidate the three existing vehicle and equipment workshops. In December 2012 Humberside Fire and Rescue Service (HFRS) was approached by Humberside Police and asked to consider collaborating in a joint workshop facility as that would lower the cost to the public purse and promote better joint working. At the Member Day on 5th July 2013 Members articulated a desire to work with Humberside Police to provide a joint vehicle and equipment workshop, particularly in the light of the financial implications of Comprehensive Spending Review (CSR) 15. Since then Humberside Police had been in discussion with the Yorkshire Ambulance Service regarding the possibility of a three-Service facility at the Melton site. The Authority on 26 July 2103 agreed to postpone a decision on the options including the Police/Fire collaborative to provide time to test the feasibility of a three-Service collaborative at Melton. During subsequent discussions the Chief Fire Officer and Chief Constable agreed that they would like to work collaboratively at Melton provided the requirements of their respective vehicle fleets can be met. Senior Officers had participated in the feasibility discussions and beyond and the respective Technical Services Managers had met and agreed a layout that will provide a joint workshop meeting all three partners' needs

In many respects the three-Service arrangements were quite different to the original stand-alone proposal at a site in Hull which would have been capable of accommodating an expanding fleet if necessary or perhaps being used to trade in the vehicle maintenance market. The requirement to be able to trade became a significant barrier to discussions with

Humberside Police but Members had discussed the importance of trading at the last Member Day and had accepted that, in the absence of a firm business case, trading should not be a barrier to a collaborative project. Members agreed that the effective and efficient maintenance of the HFRS emergency fleet and emergency equipment was the absolute priority. The facility as described would have to be governed on an equitable basis to ensure that the needs of all partners are considered and maintained. Various models were used successfully by other joint ventures and some form of joint management board would seem appropriate.

The three-Service Melton proposal (Option 2) could not provide everything that was included in the Option 1 proposal but it could meet HFRS' emergency vehicle and equipment servicing needs at significantly lower cost. Having explained the broad outline of the proposal the report compared the three options for a workshop facility currently being considered and contrasted those with what is currently in place.

Option 1 – Bespoke Facility at a site in Hull

Option 2 – Collaboration with Humberside Police and YAS at Melton

Option 3 – Partnership and Shared Management with South Yorkshire Fire & Rescue Service (SYFRS)

Since discussions began with Humberside Police nine months ago the landscape had changed dramatically. Sir Ken Knight had completed his efficiency review, Tobias Elwood MP had reported on blue light interoperability and CSR15 had placed additional pressure on already stretched budgets. Sir Ken Knight had recently stated, "A further step towards joint working with other blue light services is the joint sharing of premises.....I now question if it's timely to consider whether new separate buildings for the blue light services would be considered the exception and the focus for funding being towards joint projects. Such proposals can result in procurement, build and running cost savings."

Members were asked to evaluate the sole procurement of a single-service workshop building against a three-service collaborative that can deliver HFRS' key emergency fleet maintenance requirements at a lower capital cost and with lower running costs; to note that the collaborative proposal will also be eligible for efficiency grant funding, and also consider the simplicity of sole ownership as opposed to the complexity of collaborative working. Finally Members were urged to consider the wider strategic issues surrounding the national blue light interoperability and efficiency agenda. The report concluded that Option 2 offered a fit for purpose facility in a reasonably short timescale and represented good value for money. The functionality of a three-service collaborative had been confirmed and discussions regarding project management and governance were progressing well. It offered the added benefit of meeting the longer term strategic aims of Government and as such was likely to attract efficiency funding.

**Resolved** - That Members approve Option Two as their preferred option and mandate officers to deliver a vehicle and equipment workshop in partnership with Humberside Police and Yorkshire Ambulance Service at Melton.

*Meeting closed at 12.25pm*

