

HUMBERSIDE FIRE AUTHORITY**26 OCTOBER 2018****PRESENT:****Representing East Riding of Yorkshire Council:**

Councillors Finlay, Green, Matthews, Smith and Whittle.

Representing Kingston upon Hull City Council:

Councillors Belcher, Chambers, Dad, Nicola, Rodmell and C Randall (Mrs).

Representing North Lincolnshire Council:

Councillors Briggs (Chairperson), Grant and Sherwood.

Representing North East Lincolnshire Council:

Councillors Barfield, Shepherd, Swinburn and T. Walker.

Chief Fire Officer & Chief Executive, Executive Director Service Support/Section 151 Officer, Director of Human Resources, Director of Emergency Services, Director of Service Support, Monitoring Officer/Secretary, Head of Joint Estates Service and Committee Manager were also present.

Mr M Allingham, Mr D Chapman, Mr A Smith, Mrs A Thomlinson and Mr C Vertigans (Independent Co-opted Members of the Governance, Audit and Scrutiny Committee) also attended as observers.

Apologies for absence were submitted from Councillors Chadwick, Healing, V. Walker and Waltham MBE.

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

(The Chairperson welcomed the Independent Co-opted Members of the Governance, Audit and Scrutiny Committee and all others present.)

5971 ORDER OF BUSINESS – The Chairperson referred to Agenda Item 12 (Re-Engagement of Staff Following Retirement) and stated that as some Members had only just received the report immediately prior to the start of this meeting the item would be adjourned to the next meeting of the Authority. It was agreed that the report should first be discussed at a Member Day and that Members would welcome input from our Representative Bodies.

5972 DECLARATIONS OF INTEREST – There were no declarations.

5973 MINUTES – *Resolved* - That the minutes of the meeting of the Authority held on 28 September 2018 having been printed and circulated amongst the Members, be taken as read and correctly recorded and be signed by the Chairperson.

5974 QUESTIONS BY MEMBERS - The Monitoring Officer/Secretary stated that no questions had been received from Members in accordance with Rule 12, Part 4 of the Constitution.

5975 PETITIONS AND DEPUTATIONS - The Monitoring Officer/Secretary stated that no petitions had been received and no requests for a deputation had been received under Rule 13, Part 4 of the Constitution.

5976 COMMUNICATIONS – There were no items.

5977 MEMBERS' NEWSLETTER – This item was included on the Agenda to allow Members an opportunity to ask questions regarding any items included in the Members' Newsletter that had been emailed recently to all Members of the Authority. There were no questions.

5978 MINUTES OF APPEALS COMMITTEE - Resolved – That the minutes of the Appeals Committee held on 2 October 2018 be received.

5979 MANAGEMENT ACCOUNTS 2018/19 – BASED ON PERIOD ENDING 30 SEPTEMBER 2018 – The Executive Director Service Support/Section151 Officer submitted a report highlighting the current financial position based on information to 30 September 2018. The end of year projections for the revenue budget, the capital programme and the pensions account were as follows:

<u>Category</u>	<u>2018/19 Outturn Projection</u>
HFA	
Revenue Budget	£269k overspend
Capital Programme	£4.573m expenditure against £5.660m allocation
Pensions Account	£14.761m deficit

The report indicated that the Strategic Leadership Team will examine options to bring the revenue budget back into balance for the current financial year and that any measures introduced will be effective from early November and reported through to the December 2018 meeting of the Authority. The remaining reporting cycle frequency for the Management Accounts for 2018/19 will be as shown in the table below:

<u>Period Ending</u>	<u>Authority Meeting</u>
31 December 2018	11 February 2019
28 February 2019	26 April 2019

A copy of the accounts for the period ending 30 September 2018 was published as additional information alongside the Agenda papers for this meeting on the Authority's website.

Resolved – That Members take assurance from the report and the Authority's financial position for the period ending 30 September 2018.

5980 MEDIUM-TERM FINANCIAL PLAN (MTFP) 2019/20 ONWARDS AND SCENARIO PLANNING – The Executive Director Service Support/Section 151 Officer presented a joint report by the Chief Fire Officer & Chief Executive and himself containing the next update on the Authority's Medium-Term Financial Plan (MTFP) for 2019/20 onwards and also setting out the timescales and milestones for a scenario planning exercise. The report reminded Members that a report on the MTFP 2019/20 onwards was considered at the September 2018 Authority meeting (Minute 5953 refers). Further updates had been made to the MTFP since that meeting and the overall position was shown at Appendix 1 to the report now submitted. Particular attention had been paid to ensuring that the MTFP captures the budget pressures that are arising in the current financial year management accounts that were considered elsewhere on the Agenda for this meeting (Minute 5979 above refers). Most prominently the pressures related to wholetime firefighter pay and other costs associated with training and equipping new firefighter recruits. The MTFP was balanced over the medium-term and will be refined again in light of new and updated information and the update will be brought to the December 2018 Authority meeting. The report indicated that the financial environment continues to be highly uncertain and challenging and the occurrence of any of the potential risks below would undermine the balanced MTFP position. Significant financial risks remained as follows:

Employee costs - Most notably: pay awards; the discussions at a national level relating to the role of a firefighter; and employer pension contributions for the firefighter pension scheme. There is increasing evidence (and no formal announcement for Fire and Rescue Services yet) that the increase in the employer pension contribution rate could increase significantly from 2019/20. The rate is dictated nationally by HM Treasury and could increase from circa 17% of pay to over

30%. This would result in an additional pressure for HFRS of circa £3m per year. This is a major concern and has also created a high level of debate within Policing which has already received a notification of this level of increase. It is unclear whether grant from Government will be made available to meet some or all of the financial impact. Members will be kept updated on this key issue as it develops over the coming days and weeks.

Comprehensive Spending Review (CSR) 2020 - Little detail is currently available on how the CSR 2020 will unfold but there are already significant financial pressures within most Government Departments. Local Authorities and Fire and Rescue Services have been afforded little protection from austerity in the past 8/9 years. The Executive Director Service Support/Section 151 Officer stated that notification had now been received that financial settlement will be announced by the Government on 6 December 2018, the day before the next Authority meeting.

Fire Funding Formula Review - The Government has announced a review of the grant mechanism that is used to distribute funding from Government to Fire and Rescue Services. The impact of this could be a reduction in grant funding for some services and an increase in grant funding for others.

Brexit - Two aspects might impact here with a possible deterioration in public finances at a national level and also an increase in supplier costs for certain items and commodities.

The report reminded Members that the Service had a strong track record of managing its finances through what has been a very challenging period of austerity and that £11m of efficiencies were identified and delivered between 2011 and 2018. The Service must, however, continue to prudently plan for the medium-to-long term. In light of the position that was set out in the report, it was proposed that a robust Scenario Planning Exercise is undertaken between now and July 2019. This process will fit with the cyclical review of the Service's Integrated Risk Management Plan (IRMP). The Scenario Planning Exercise will cover the following:

- An exercise to reprioritise funding where required to meet short-to-medium pressures.
- Options from across the Service to meet a 5%, 10% and 15% reduction in funding from Government. The Executive Director Service Support/Section 151 Officer informed Members that the proposed range of options to be considered might need to be widened.
- Continuation of the Horizon Scanning exercise that commenced in August 2018 to assess the challenges and opportunities that the Service may face over the next 10 years to 2030.

The broad timescales and milestones for the Scenario Planning Exercise were set out in Appendix 2 of the report. The Terms of Reference will be drawn-up as part of the Project Initiation Process. The outcomes of the Exercise will feed into the MTFP process for 2020/21 onwards and also provide mitigation against the major financial uncertainties that lie ahead beyond 2020. Any early outcomes that impact the allocation of funding to priorities for 2019/20 will be incorporated into the MTFP process for 2019/20 onwards. Ultimately the Exercise will aim to ensure that the Service can withstand significant financial shocks and also resource key areas of activity to ensure the continuation of an efficient and effective service to its communities. The Chief Fire Officer & Chief Executive stated that events were fast moving and that information will be forwarded to Members as soon as it is available and that if necessary the proposed Member Day on 26 April 2019 might be brought forward, or an additional Member Day might be arranged. The Chief Fire Officer & Chief Executive also informed Members of discussions at a recent meeting of the National Fire Chiefs Council and stated that the NFCC were already in discussion with the Treasury regarding the possible financial implications for Fire and Rescue Services nationally. The Chief Fire Officer

& Chief Executive stated that Humberside Fire and Rescue Service would be looking to have a communication strategy in place for when the financial situation becomes clearer.

A Member suggested that rather than the outcomes of the scenario planning exercise being discussed at a Member Day on 26 April 2019 a Special Meeting of the Authority should be held with the outcomes as a single Agenda item.

Resolved – That Members note the position on the Medium-Term Financial Plan for 2019/20 onwards and the initiation of scenario planning for 2019/20 onwards.

5981 ABSENCE MANAGEMENT UPDATE QUARTER 2 2018/19 – The Director of Human Resources submitted a report, further to Minute 5957, providing a brief update with regard to absence management for the second quarter of 2018/19. The report showed that for the second quarter in a row, absence remained below the targets agreed, and also provided a comparison of absence figures from this quarter with the same period last year which again showed significant improvements. A full analysis will be available to Members in the Quarterly Performance Report which will be submitted to the December 2018 Authority meeting. Attached at Appendix 1 to the report was the Quarter 1 National Data which was reported to Cleveland FRS by a number of Services, including Humberside. Whilst not directly comparable for a number of reasons, primarily calculation and omission of some Service's data, it provided a useful guide as to HFRS progress against the national picture. Appendix 2 to the report provided a comparison of local Quarter 1 absence management with the national data available, which showed a broadly favourable picture save for that of Support staff, where the Service had further work to do. The report included tables showing the following performance management data:

Table 1: Showed the performance this quarter against target by staff group and demonstrated a strong performance so far this year, with all staff groups being below target.

Table 2: Showed the reasons for absence for all staff groups during the quarter and showed that, once again, mental health conditions were the top reason for absence. This might be related to the significant work undertaken by the Service in raising awareness of mental health and encouraging staff to be open about the impact of mental ill health on individuals. Staff might well be more prepared to declare that their ill health is related to mental conditions, rather than mask with other conditions due to stigma.

Table 3: Showed the comparison of long-term and short-term absence against medical condition and showed that mental ill health accounts for the highest levels of long term absence. Further work is being undertaken in how the Service can better support those with mental ill health, following on from the comprehensive work undertaken.

Table 4: Showed a comparison of absence in the same quarter last year with this year. This showed a significant improvement in all areas of the Service and builds on the successes of Quarter 1.

Table 5: Showed a summary of duty days lost in Quarter 2 2018 in comparison with the same quarter last year, which again showed a significant improvement.

Following the introduction of the Case Review Board earlier this year, this had been further embedded this quarter and was now starting to show real progress in encouraging consistent management of absence. This approach also gives support to Managers in developing the skills to manage absence appropriately and offers support to the coaching approach taken with the introduction of the HR Service Partners. High levels of activity and focus had been placed on the management of absence over the last 12 months, with a detailed Absence Management Action Plan being developed and implemented. This had led directly to improved performance in all areas.

Resolved – (a) That Members welcome the content of the report and recognise the progress made in managing absence fairly, consistently and appropriately in the Service and that actions taken are having a positive impact on absence management figures, and

(b) that Members congratulate the Human Resources Team on the work undertaken in achieving the improved performance now reported.

5982 HER MAJESTY’S INSPECTORATE OF CONSTABULARY AND FIRE & RESCUE SERVICES (HMICFRS) – The Chief Fire Officer & Chief Executive reminded Members that a team from HMICFRS had attended HFRS for the Discovery Week of the inspection process from 24-28 September 2018 and outlined a number of Key Lines of Enquiry drawn up by the Inspection Team for the inspection. The Team had also received a Strategic Briefing by the Strategic Leadership Team (SLT) on 17 October 2018 which focussed on the Authority’s Strategic Plan. As Members were aware the inspection week was scheduled to commence on 5 November 2018. It was anticipated that SLT will receive an initial Debrief on the inspection on 14 November 2018 but that it was likely that the draft report would not be received before March 2019.

The Chairperson, on behalf of Members, expressed thanks to all the Teams that had been involved in the inspection process.

Resolved – That the report be received.

5983 RECRUITMENT UPDATE - The Director of Human Resources stated that as Members were aware, for the past 6/8 months, the Service had been undertaking positive action work to try to encourage a wider range of applications to become firefighters so that the Service better reflects its communities. The Director of Human Resources reported that following the recent recruitment process eleven out of the top 30 candidates going forward to the physical/medical assessment stages of the recruitment process were women, and that six of the top 10 candidates were women. This was considered to be tremendous step forwards given that there had been no applications from women in the previous recruitment round. The recruitment course for these 30 applicants would commence on 4 March 2019.

Resolved – That the report be received.

5984 EXCLUSION OF THE PRESS/PUBLIC - Resolved – That the press and public be excluded from the meeting for consideration of the following item (Minute 5985) on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 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).

5985 EAST HULL FIRE STATION CLOSEDOWN STRATEGY - The Director of Service Support and the Head of Joint Estates Services presented a joint report providing options for the future disposal or use of East Hull Fire Station which was closed in June 2018 following the re-provision of the Station within the new Integrated Care Centre (ICC) on the former David Lister School site as a collaboration with Health Services in the area of Community Care and Safety. The building and site at Southcoates Lane, Hull were now surplus to requirements and a decision was now required on the future of this asset.

Members stated that the Station site was an important community asset and that it was important that meaningful discussion with community representatives should be held so that there is a clear view of the community’s views regarding the future of the site.

Resolved – That Members agree in principle to dispose of the site subject to the outcome of consultations on ‘Option A’ in the report.

Meeting closed at 11.46am

