

# Public Document Pack

## LANCASHIRE COMBINED FIRE AUTHORITY

### RESOURCES COMMITTEE

Wednesday, 30 November 2016 in Main Conference Room, Service Headquarters, Fulwood commencing at 10.00 am.

IF YOU HAVE ANY QUERIES REGARDING THE AGENDA PAPERS OR REQUIRE ANY FURTHER INFORMATION PLEASE INITIALLY CONTACT DIANE BROOKS ON TELEPHONE NUMBER PRESTON (01772) 866720 AND SHE WILL BE PLEASED TO ASSIST.

### AGENDA

#### PART 1 (open to press and public)

#### Chairman's Announcement – Openness of Local Government Bodies Regulations 2014

Any persons present at the meeting may photograph, film or record the proceedings, during the public part of the agenda. Any member of the press and public who objects to being photographed, filmed or recorded should let it be known to the Chairman who will then instruct that those persons are not photographed, filmed or recorded.

1. APOLOGIES FOR ABSENCE

2. DISCLOSURE OF PECUNIARY AND NON-PECUNIARY INTERESTS

Members are asked to consider any pecuniary and non-pecuniary interests they may have to disclose to the meeting in relation to matters under consideration on the agenda.

3. MINUTES OF THE LAST MEETING HELD ON 28 SEPTEMBER 2016 (Pages 1 - 8)

4. TREASURY MANAGEMENT MID-YEAR REPORT 2016/17 (Pages 9 - 18)

5. FINANCIAL MONITORING 2016/17 (Pages 19 - 28)

6. RECRUITMENT UPDATE (Pages 29 - 34)

7. OHSAS 18001 HEALTH & SAFETY AND ISO 14001 ENVIRONMENTAL MANAGEMENT SYSTEMS ASSESSMENT AUDIT REPORTS (Pages 35 - 38)

8. DATE OF NEXT MEETING

The next meeting of the Committee will be held on 29 March 2017 at 10:00 am in the Main Conference Room at Lancashire Fire and Rescue Service Headquarters, Fulwood.

Further meetings are: scheduled for: 28 June 2017 and 27 September 2017.  
proposed for: 29 November 2017.

9. URGENT BUSINESS

An item of business may only be considered under this heading where, by reason of special circumstances to be recorded in the Minutes, the Chairman of the meeting is of the opinion that the item should be considered as a matter of urgency. Wherever possible, the Clerk should be given advance warning of any Member's intention to raise a matter under this heading.

10. EXCLUSION OF PRESS AND PUBLIC

The Committee is asked to consider whether, under Section 100A(4) of the Local Government Act 1972, they consider that the public should be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraph of Part 1 of Schedule 12A to the Local Government Act 1972, indicated under the heading to the item.

PART 2

11. HIGH VALUE PROCUREMENT PROJECTS (Pages 39 - 44)

12. URGENT BUSINESS PROCEDURE (Pages 45 - 46)

13. URGENT BUSINESS (PART 2)

An item of business may only be considered under this heading where, by reason of special circumstances to be recorded in the Minutes, the Chairman of the meeting is of the opinion that the item should be considered as a matter of urgency. Wherever possible, the Clerk should be given advance warning of any Member's intention to raise a matter under this heading.

## LANCASHIRE COMBINED FIRE AUTHORITY

### RESOURCES COMMITTEE

Wednesday, 28 September 2016, at 10.00 am in the Main Conference Room, Service Headquarters, Fulwood.

#### MINUTES

#### PRESENT:

##### Councillors

F De Molfetta (Chairman)  
T Aldridge (Vice-Chair)  
A Barnes  
S Holgate  
A Matthews  
D O'Toole  
R Shewan  
V Taylor  
T Williams

##### Officers

K Mattinson, Director of Corporate Services (LFRS)  
B Warren, Director of People and Development (LFRS)  
J Bowden, Head of Finance (LFRS)  
D Brooks, Principal Member Services Officer (LFRS)

#### 18/16 APOLOGIES FOR ABSENCE

Apologies were received from Councillor Fred Jackson and County Councillor Michael Green.

#### 19/16 DISCLOSURE OF PECUNIARY AND NON-PECUNIARY INTERESTS

None received.

#### 20/16 MINUTES OF THE LAST MEETING HELD ON 29 JUNE 2016

RESOLVED: That the Minutes of the meeting held on 29 June 2016 be confirmed as a correct record and signed by the Chairman.

#### 21/16 REVISIONS TO THE STATEMENT OF ACCOUNTS 2015/16

The Committee approved the draft Statement of Accounts for the financial year ended 31 March 2016 at the June meeting, prior to the audit being carried out by Grant Thornton. The Statement of Accounts had now been updated to reflect two misstatements and one disclosure change identified during the audit as now presented.

The Director of Corporate Services advised that the changes requested by Grant Thornton were made to the accounts and the updated version would be presented to the Audit Committee on 29 September 2016 for information, alongside the full Audit Findings Report.

RESOLVED: - That the Committee re-approve the revised Statement of Accounts.

22/16 FINANCIAL MONITORING 2016/17

The report set out the current budget position in respect of the 2016/17 revenue and capital budgets and performance against savings targets.

Revenue Budget

The overall position as at the end of August showed an under spend of £0.933m. The current underspend was the result of the Authority continuing to monitor variances for emerging savings opportunities which may be reflected in the forthcoming budget setting process.

The Committee was provided with detailed information regarding the position within individual departments, with major variances being summarised below: -

Area	Overspend / (Under spend) £'000	Reason
Fleet & Technical Services	32	The overspend related to the timing of committed spend against breathing apparatus, operational equipment and breathing apparatus, as goods and services were ordered for delivery later in the financial year, and hydrant repair commitments.
Property	(157)	The underspend related to spend against planned repairs and maintenance as property department capacity was almost fully occupied with working on the current capital projects. It was likely that this would result in a similar level of underspend by year end which would be reported in November.
IT	28	The current overspend predominantly related to the timing of annual software licences paid during the first part of the year, which would reduce as the year continued.  In addition, the national Emergency Services Mobile Communications Project (ESMCP) to replace the Airwave mobilising radio system was now underway, and as such LFRS had been allocated government funding to create up to 4 fixed term project roles to facilitate our transition to the replacement system in due course. The Committee was asked to endorse the creation of these posts for this purpose.

Service Delivery	(98)	The underspend reflected the continued reductions in spending across many budget headings, for which next year's budget would be adjusted, and the single most significant element of which was the ongoing underspend on smoke detectors as the new Home Fire Safety Check process continued to be embedded within the service.
Pay	(648)	<p>In terms of the underspend to date, this was broken down as follows:</p> <ul style="list-style-type: none"> <li>• Wholetime pay (£278k underspend) related to a combination of the timing of costs of ad hoc payments such as overtime and public holidays, which would be monitored closely for the rest of the financial year and the differences between the expected staffing numbers versus the actual staff in post. In addition, following retirements to the end of August and 5 personnel leaving without accruing full pension benefits, there were 20 vacant posts which would continue to create underspends until the Lancaster wholetime pump was removed on 1 October. The wholetime budget allowed for the recruitment of up to 30 staff in the second half of the year, to make up the anticipated shortfall in staff as retirements continued. This recruitment exercise had been open to existing Retained Duty System (RDS) staff only.</li> <li>• Retained pay (£220k underspend) related to vacant hours of cover across many fire stations, plus timing of spend for retained training courses scheduled for later in the financial year. The current Wholetime recruitment could potentially create further reductions in hours of cover dependent on the number of RDS appointed and their subsequent ability to carry out dual roles.</li> </ul> <p>Note the Retained pay budget also included an additional £600k in relation to the Strengthening and Improving RDS project, which was phased in at the end of the year pending identification and approval of specific requirements in due course.</p> <ul style="list-style-type: none"> <li>• Support staff pay (£150k underspend) related to various vacant posts, for which recruitment was currently underway, including posts relating to the additional £100k budget added into ICT to create additional capacity.</li> </ul>

## Capital Budget

The Capital Programme for 2016/17 stood at £8.063m, as approved at the last Resources Committee. A review of the programme had been undertaken to identify progress against the schemes as set out below: -

	Committed spend to Aug 16 £m	
Pumping Appliances	0.964	Committed spend to date related to the purchase of 5 pumping appliances for the 2016/17 programme, which had been ordered and were currently in build, anticipated delivery was by March 2017.
Other vehicles	0.130	<p>Committed spend to date related to various support vehicles from the 2015/16 and 2016/17 capital programmes which had either been delivered or had been ordered.</p> <p>The balance of the budget related to:-</p> <ul style="list-style-type: none"> <li>• the remaining planned support vehicles replacements, which were being reviewed prior to replacement;</li> <li>• the replacement of 2 driver training vehicles (DTVs) for which specification options were currently being considered.</li> </ul>
Operational Equipment / Future Firefighting	0.118	This £1m budget was set aside to meet the costs of innovations in firefighting equipment, and the spend to date reflected the purchase of an Unmanned Aerial Vehicle (UAV) or drone, which was now operational, and the costs of trialling a new vehicle type to use as a water tower. In addition, the initial purchase costs of flood suits would shortly be charged against this budget.
Building Modifications	1.527	<p>The majority of committed spend to date related to the purchase of the property adjacent to Lancaster fire station in order to facilitate the redevelopment of the site.</p> <p>The balance of the budget related to:-</p> <ul style="list-style-type: none"> <li>• the remainder of the budget for the provision of a replacement for Lancaster Fire Station, incorporating a joint Fire &amp; Ambulance facility, following the purchase of the adjacent site, we were expecting tender responses back during October;</li> </ul>

		<ul style="list-style-type: none"> <li>• completion of the remaining items of capital works at the Training Centre site in order to make the site fit for purpose for the next five years, in addition the budget allowed for the relocation of the Fleet workshop to Training Centre.</li> </ul>
IT systems	0.012	<p>Committed spend to date related to the final stages of the phased implementation of the replacement asset management system begun during the last financial year.</p> <p>The balance of the budget related to:-</p> <ul style="list-style-type: none"> <li>• Initial costs of the national Emergency Services Mobile Communications Project (ESMCP) to replace the Airwave wide area radio system – with further budgetary provision included in the 2017/18 draft capital programme;</li> <li>• the replacement of the wide area network (WAN) to allow a solution to be in place when current service contracts were due to end during 2017/18;</li> <li>• The replacement of various systems, in line with the ICT asset management plan, however these were reviewed prior to starting the replacement process.</li> </ul>

Members were also provided details which set out the capital programme and the expenditure position against this, as reflected above. The costs to date would be met largely by revenue contributions, with capital grant funding the costs to date of Lancaster Redevelopment.

#### Delivery against savings targets

The current position on savings targets identified during the budget setting process, was reported. The performance to date was ahead of target due to a combination of the underspend on salaries for the first five months, plus savings in respect of procurement activities during the same period. It was anticipated that we would meet our efficiency target for the financial year.

RESOLVED: - That the Committee

- i) Endorse the creation of up to an additional four Emergency Services Mobile Communications Project roles within the Information Technology department budget; and
- ii) Note the financial position.

23/16 SELF SUFFICIENT LOCAL GOVERNMENT - 100% BUSINESS RATES RETENTION

The current business rates retention scheme was introduced in 2013. Within the current scheme 50% of local business rates were retained, in theory providing a strong incentive for local authorities to grow business rates in their area and thereby generate additional funding.

The main points of the current scheme were considered by Members. It was noted that in 2016/17 our local retained business rates were £4.7m (less than 10% of our total budget) and our top up grant was £9.7m. A move to 100% retention of business rates would have little impact on the position as we would still be a top up authority requiring specific government grant to maintain funding levels. Furthermore the proposal would still retain a safety net and periodic resets.

It was also noted that within the draft 4 year settlement, business rate income was assumed to grow by 2.0% in 2017/18, 3.0% in 2018/19 and 3.2% in 2019/20, which was significantly higher growth than we had seen within Lancashire over the last 3 years, which averaged just 1.2%.

At the time of the initial consultation in 2012 we argued that Fire Authorities should not be included in the scheme as they had very little, if any, impact on business rates. We did not believe this position had changed significantly and therefore still felt that we should be excluded from this system and should be funded from specific grant similar to the Police.

Furthermore, as business rates in Lancashire had historically grown by less than the national average then removing us from this should in theory provide greater funding in future years, assuming that any grant funding was linked to national indices. It should also improve funding certainty, reducing the risk to future funding should a large business pull out of the area, such as British Aerospace, or should a major business be successful in winning an appeal against their rating value.

Given the consultation had closed on 26 September a response had been agreed with the Chairman and Vice-Chairman of Resources as now presented.

RESOLVED: - That the Committee note the report and endorse the response to the consultation document as agreed by the Chairman and Vice-Chairman of Resources.

24/16 DATE OF NEXT MEETING

The next scheduled meeting of the Committee was agreed for Wednesday 30 November 2016 in the Main Conference Room, Service Headquarters, Fulwood, commencing at 1000 hours.

Further meeting dates were noted for 29 March 2017 and 28 June 2017 and agreed for 27 September 2017.



25/16 EXCLUSION OF PRESS AND PUBLIC

RESOLVED: - That the press and members of the public be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraph of Part 1 of Schedule 12A to the Local Government Act 1972, indicated at the heading to the item.

26/16 HIGH VALUE PROCUREMENT PROJECTS

Members considered a report that provided an update on all contracts for one-off purchases valued in excess of £50,000 and high value procurement projects in excess of £100,000 including: new contract awards, progress of ongoing projects and details of new projects with an anticipated value exceeding £100,000.

RESOLVED: That the Committee note the report.

27/16 URGENT BUSINESS (PART 2) - PRESTON FIRE STATION

Members considered a report received from the Director of Corporate Services.

RESOLVED: - that the recommendation outlined in the report be approved.

28/16 URGENT BUSINESS (PART 2) - WHOLE TIME RECRUITMENT

The Director of People and Development advised Members of the current position regarding the recruitment of whole time firefighters. It was agreed that a report would be presented to the next Resources Committee meeting in November.

RESOLVED: - That the current position be noted.

M NOLAN  
Clerk to CFA

LFRS HQ  
Fulwood

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## **LANCASHIRE COMBINED FIRE AUTHORITY RESOURCES COMMITTEE**

Meeting to be held on 30 November 2016

### **TREASURY MANAGEMENT MID-YEAR REPORT 2016/17 (Appendix 1 refers)**

Contact for further information:

Keith Mattinson - Director of Corporate Services – Telephone Number 01772 866804

#### **Executive Summary**

The report sets out the Authority's borrowing and lending activities during 2016/17, which are in line with decisions taken during the year to date, based on anticipated spending and interest rates prevailing at the time.

#### **Recommendation**

The Resources Committee is asked to note and endorse the report.

#### **Information**

In accordance with the CIPFA Treasury Management Code of Practice (2011) and to strengthen members' oversight of the Authority's treasury management activities, the Resources Committee receives regular updates on treasury management issues including a mid-year report and a final outturn report. Reports on treasury activity are discussed on a quarterly basis with Lancashire County Council Treasury Management Team and the Authority's Director of Corporate Services and the content of these reports is used as a basis for this report to the Committee.

#### **Economic Overview**

The economic position and future outlook has been significantly influenced by the vote to leave the EU in the referendum on 23rd June 2016. This led to many economic commentators reducing their forecasts of economic growth. The risk of reduced growth was judged by the Bank of England to be severe, prompting the Monetary Policy Committee to initiate substantial monetary policy easing at its August meeting to mitigate the worst of the downside risks. This included a cut in Bank Rate to 0.25%, further gilt and corporate bond purchases (QE) and cheap funding for banks to maintain the supply of credit to the economy. Although the impact of the vote to leave the EU is highly speculative it is likely that the uncertainty on future trade relations will impact on growth and future reduction in rates are possible.

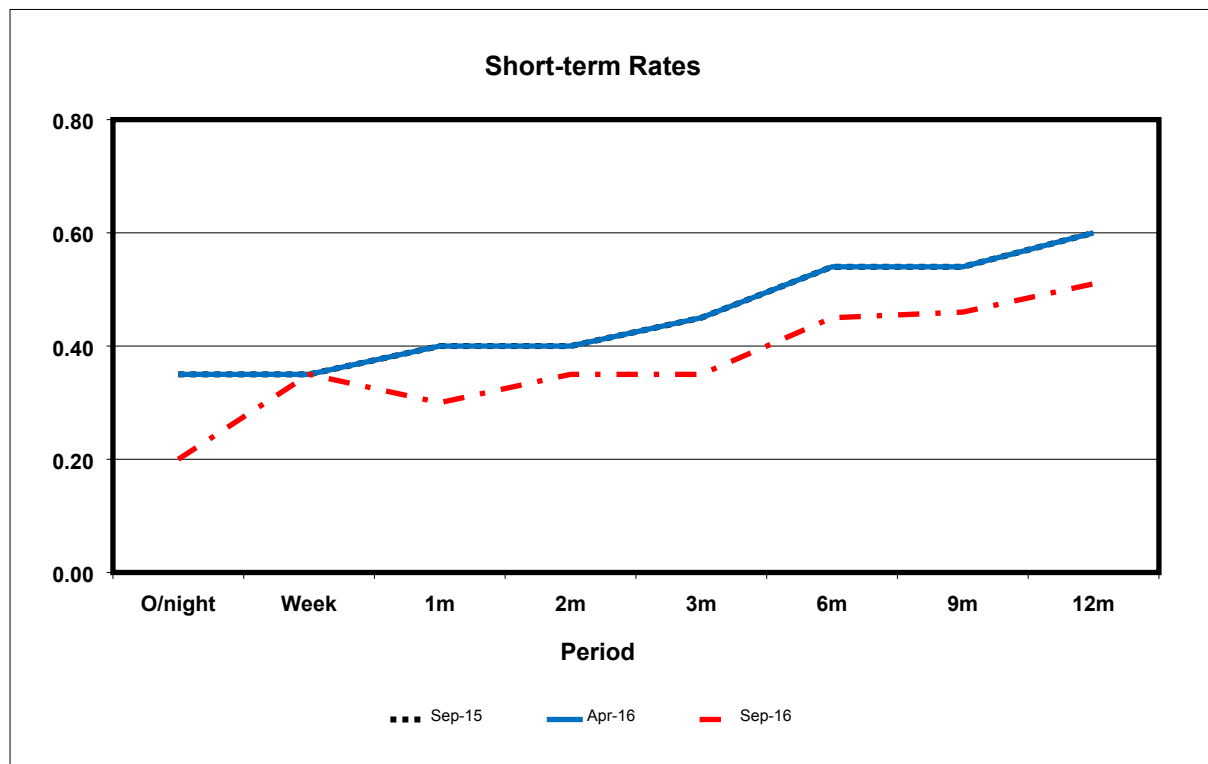
During the first part of the financial year the economy has grown. The first estimate of Q3 GDP released by the ONS showed the UK economy growing by 0.5% over the quarter and 2.3% year-on-year. Both of these figures were slightly above market expectations. The Q2 growth rates were growth of 0.7% over the quarter and 2.1% year on year.

The period has seen some change in inflation. Following BREXIT there has been a fall in the value of sterling which along with the near doubling in the price of oil in 2016 have combined to drive inflation expectations higher. Twelve-month CPI inflation had increased by 0.4% to 1.0% in September. The Bank of England is forecasting that Consumer Price Inflation will breach its 2% target in 2017, the first time since late 2013. However, the rise in inflation is highly unlikely to prompt monetary tightening by the Bank of England, with policymakers looking through import-led CPI spikes, concentrating instead on the negative effects of Brexit on economic activity and, ultimately, inflation

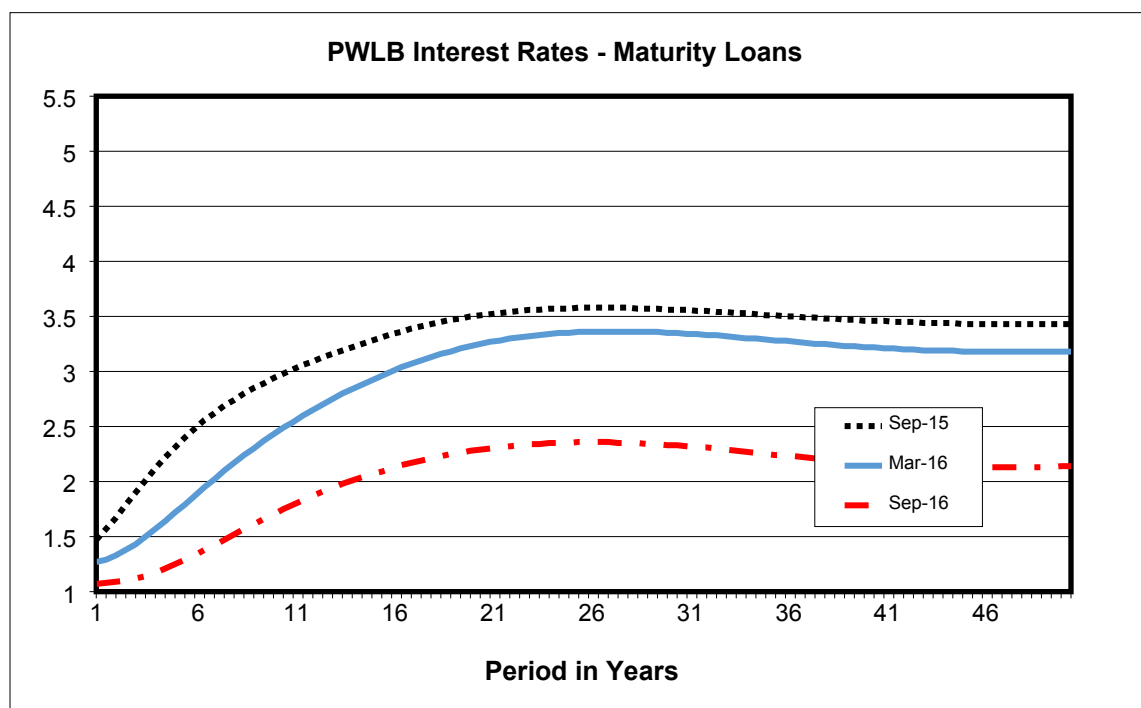
The impact of the new government may also impact on economic conditions. After six years of fiscal consolidation it is seen as likely that the Autumn Statement will include fiscal initiatives to support economic activity. This is most likely to be in the form of infrastructure investment although tax cuts or something similar cannot be ruled out.

### Interest Rate Environment

Short term interest rates continue at the very low levels with the Bank of England reducing the base rate to 0.25% in August which is the first movement in base rate since March 2009. The graphs below show the latest short term rates and longer term borrowing rates available from the PWLB.



Current longer term PWLB rates are shown below.



### Outlook for Interest Rates

The table below shows Arlingclose, the County Council's Treasury Management advisors, forecast for interest rates. They consider that over the medium term, economic and political uncertainty will likely dampen investment intentions and tighten credit availability, prompting lower activity levels and potentially a rise in unemployment. In the short term they feel the most likely scenario is for the base rate to remain constant but if there is to be a move it is likely to be a further reduction.

Period	Bank Rate	3 month LIBID	12 month LIBID	20-year Gilt Rate
Q4 2016	0.25	0.25	0.60	1.25
Q1 2017	0.25	0.25	0.50	1.25
Q2 2017	0.25	0.25	0.50	1.25
Q3 2017	0.25	0.30	0.50	1.25
Q4 2017	0.25	0.30	0.50	1.25
Q1 2018	0.25	0.30	0.50	1.25
Q2 2018	0.25	0.30	0.50	1.25
Q3 2018	0.25	0.30	0.60	1.30
Q4 2018	0.25	0.30	0.70	1.35
Q1 2019	0.25	0.30	0.85	1.35
Q2 2019	0.25	0.30	0.90	1.40
Q3 2019	0.25	0.30	0.90	1.40

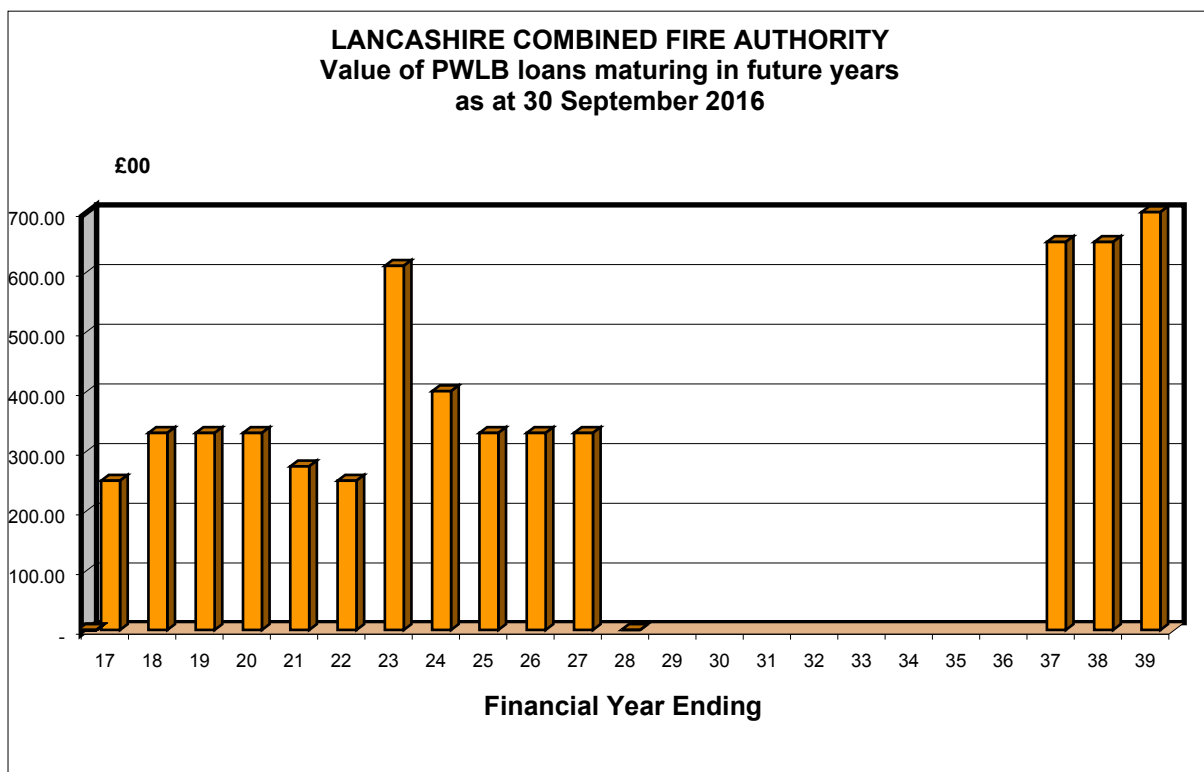
## Borrowing

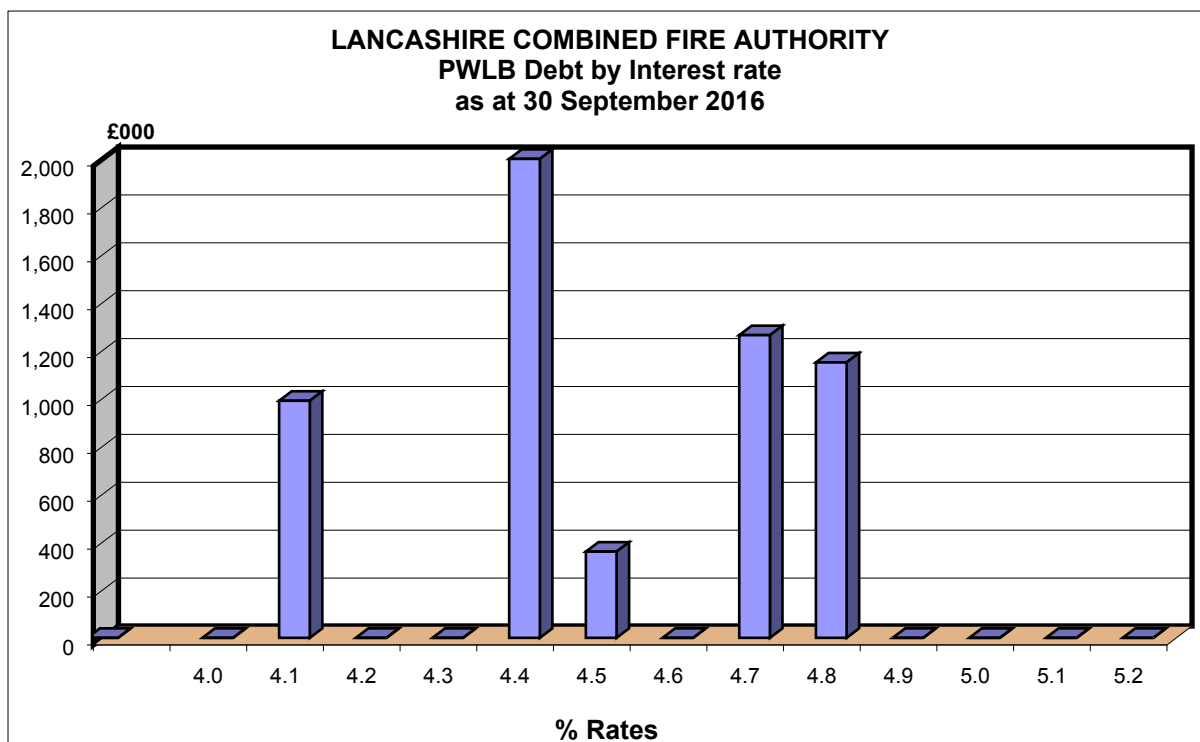
There has been no new borrowing undertaken in the first six months of the year. This is in line with the continuation of the policy of using cash balances to fund capital expenditure which has resulted in no new borrowing being undertaken since 2007.

All of the Fire Authority's existing borrowing is from the Public Works Loan Board. The long term debt outstanding at the beginning of the year was £5.764m which has remained unchanged in the first half of the year. The next scheduled repayment of £0.250m is in December 2016 reducing the debt to £5.514m by year end.

The Authority is required to make a minimum revenue provision for the repayment of debt. This cash could be used to repay the debt early but the PWLB will charge an expensive premium for early repayment loss of interest and this has not been considered to be a cost effective option in this year. With the low level of interest rates, at present the repayment of this debt is prohibitively expensive. However in a few years' time, as the total debt falls due to scheduled repayments and as interest rates rise, premium payments for debt redemption may become more manageable. The actual timing of the repayment will depend upon the cost of the premiums but the current plan is to be in a position to clear the debt by 2018/19.

The charts below show the current maturity profile of the Authority's borrowings, along with an analysis of the debt by interest rate.





## Investments

Both the CIPFA Code and the CLG Guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving low investment returns and having the value of reserves eroded by inflation.

The Authority principally invests in a call account provided by Lancashire County Council which pays the base rate. Each working day the balance on the Authority's Current Account is invested in this to ensure that the interest received on surplus balances is maximised. During the period all new investments were placed with the County Council via this arrangement. At 30<sup>th</sup> September there was a balance of £36.965m with the average balance invested in LCC for the period was £31.099m.

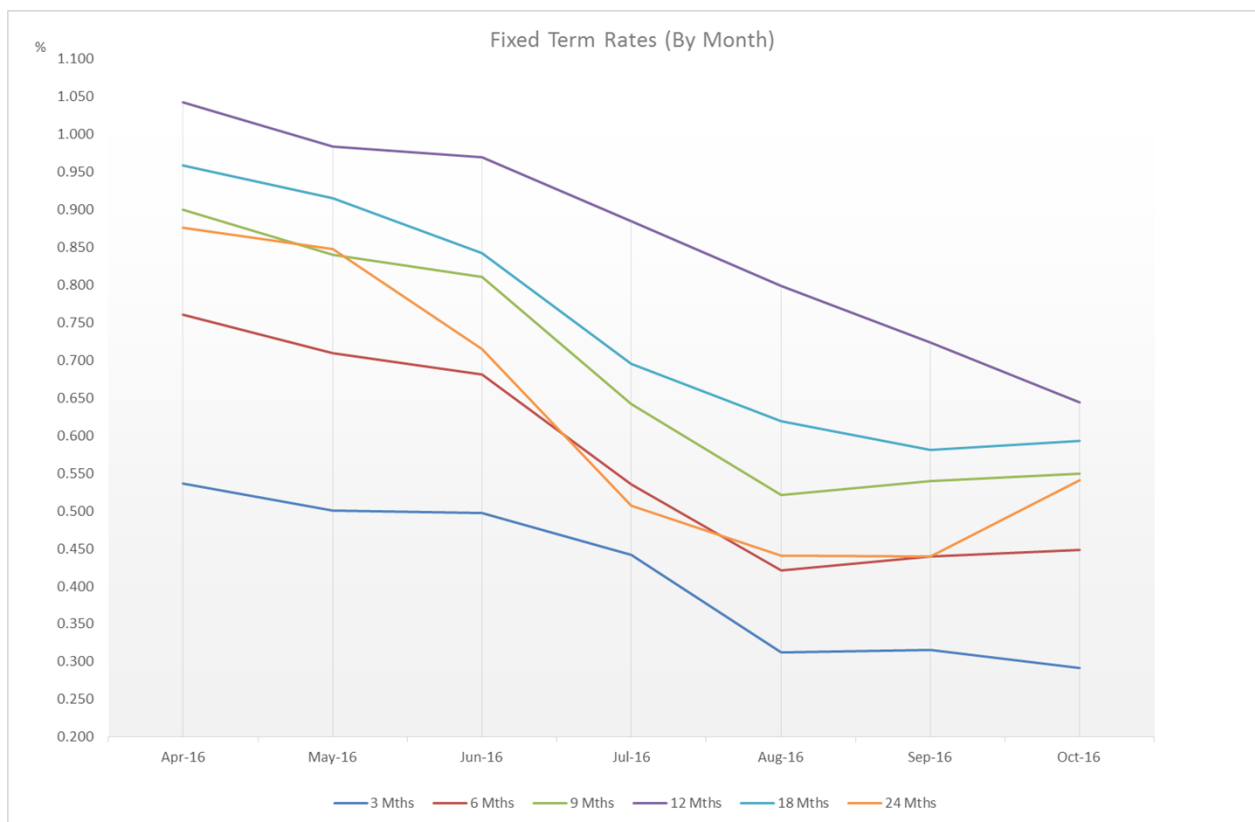
In addition the Authority still has two long term investments that have been placed with UK local authorities as outlined below:

Start Date	End Date	Principal	Rate	Annual Interest	Interest 2016/17
30/6/14	28/6/19	£5,000,000	2.4%	£120,000	£120,000
31/7/14	31/7/17	£5,000,000	1.6%	£80,000	£80,000

Therefore the total investment held at 30 September is £46.965m

The overall the rate of interest earned during this period was 0.80% which compares favourably with the benchmark 7 day index which averages 0.43% over the same period.

The chart below shows the current interest rates for different investment maturities. In order to increase the rate earned on current balances, the authority would need to place fixed investments of at least 24 months duration.



Attached at appendix 1 is a forecast cash flow for the year. This shows that further sums could be placed on fixed term investments. However, to obtain a better interest rate return than the call account would involve fixing investment for at least 3 months. This position is kept under constant review and suitable opportunities will be taken.

All investments are made in accordance with the current Treasury Management Strategy and the CIPFA treasury management code of practice.

### Prudential Indicators

In order to control and monitor the Authority's treasury management functions, a number of prudential indicators are determined against which performance may be measured. The indicators for 2016/17 are shown in the table below alongside the current actual.



	<b>2016/17 Pls</b>	<b>Actual to 30.9.16</b>
<b>Adoption of the CIPFA Code of Practice for Treasury Management</b>	Adopted	Adopted
<b>Authorised limit for external debt</b>	£m	£m
A prudent estimate of total external debt, which does not reflect the worst case scenario, but allows sufficient headroom for unusual cash movements		
Borrowing	7.800	5.764
Other long-term liabilities	14.900	14.886
Total	22.700	20.650
<b>Operational boundary for external debt</b>		
A prudent estimate of debt, but no provision for unusual cash movements. It represents the estimated maximum external debt arising as a consequence of the Authority's current plans		
Borrowing	6.800	5.764
Other long-term liabilities	14.900	14.886
Total	21.700	20.650
<b>Upper limit for fixed interest rate exposure</b>		
Borrowing	100%	100%
Investments	100%	21.3%
<b>Upper limit for variable rate exposure</b>		
Borrowing	25%	Nil
Investments	100%	78.7%
<b>Upper limit for total principal sums invested for over 364 days (per maturity date)</b>	25.000	10.000
<b>Maturity structure of debt</b>	<b>Upper/ Lower Limits</b>	<b>Actual</b>
Under 12 months	30% / nil	4.34%
12 months and within 24 months	30% / nil	5.73%
24 months and within 5 years	50% / nil	16.20%
5 years and within 10 years	80% / nil	33.31%
10 years and above	90% / nil	40.42%

### Financial Implications

Included within report above

### Human Resource Implications

None

## **Equality and Diversity Implications**

None

## **Business Risk Implications**

The Treasury Management strategy is designed to minimise the Authority's financial risk associated with investment decisions, whilst maximising the return on any investments made. As such the adoption of the CIPFA's Code of Practice on Treasury Management and the monitoring arrangements in place ensure that any risks faced by the Authority are managed.

However, it must be acknowledged that there will always be a balance between risk and return and hence the strategy does not completely eliminate the risk of any further default on investments in the future.

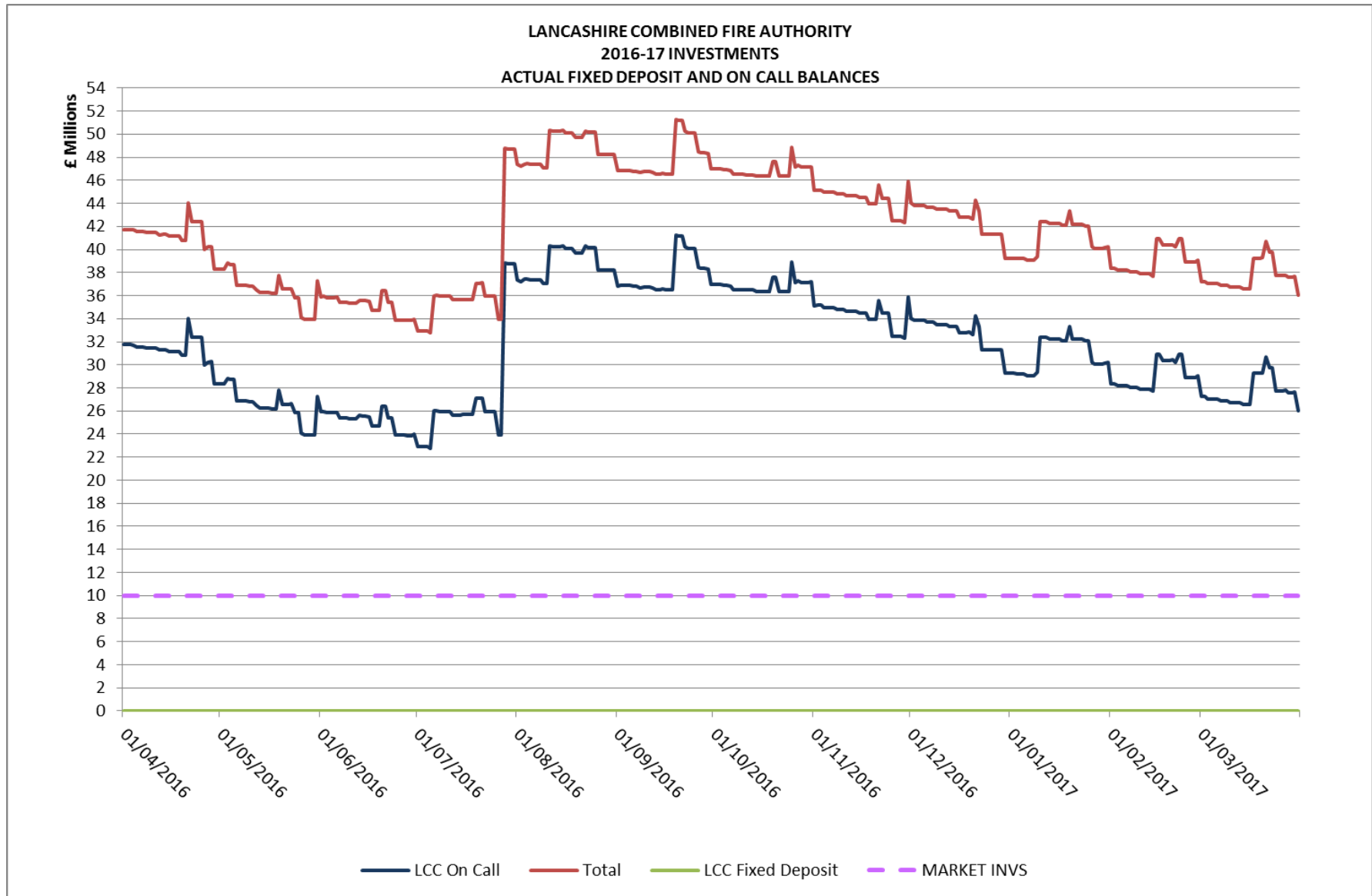
## **Environmental Impact**

None

## **Local Government (Access to Information) Act 1985**

### **List of Background Papers**

Paper	Date	Contact
Treasury Management Strategy 2016/17	February 2016	Keith Mattinson, Director of Corporate Services
Reason for inclusion in Part II, if appropriate:		



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**LANCASHIRE COMBINED FIRE AUTHORITY  
RESOURCES COMMITTEE**

Meeting to be held on 30 November 2016

**FINANCIAL MONITORING 2016/17  
(Appendices 1 and 2 refer)**

Contact for further information:

Keith Mattinson - Director of Corporate Services – Telephone Number 01772 866804

**Executive Summary**

The report sets out the current budget position in respect of the 2016/17 revenue and capital budgets and performance against savings targets.

**Recommendation**

The Committee is requested to note the financial position, and approve the change to the capital programme.

**Information**

Revenue Budget

The overall position as at the end of October shows an under spend of £1.4m. We continue to monitor variances for emerging savings opportunities which will be reflected in the forthcoming budget setting process. We are currently forecasting a year end underspend of around £2.3m based on known areas of underspend.

The position within individual departments is set out in Appendix 1, with major variances relating to non-pay spends and variances on the pay budget being shown separately in the table below: -

Area	Over/(Under) spend at 31 Oct	Forecast Outturn	Reason
	£'000	£'000	
Training & Operational Review	(55)	(253)	The underspend to date relates to savings in respect of bringing the training centre catering provision back in house, which has been reflected in the 2017/18 budget, following the first full year's results. In addition, work is on-going to refine the various work streams relating to the additional £0.3m investment in organisational development however these have not yet concluded, therefore this will be underspent at year end.

Property	(198)	(169)	The underspend relates to spend against planned repairs and maintenance as property department capacity is almost fully occupied with the working on the current capital projects. It is expected that this will result in a similar level of underspend by year end. In addition it reflects previous year's investment in property assets. A full stock condition survey is currently underway, which will indicate where and how much future investment may be required. The repairs and maintenance budget for 2017/18 has been reduced by £100k in anticipation of the expected results.
Service Delivery	(227)	(366)	The underspend reflects the continued reductions in spending across many budget headings, for which next year's budget has been reduced, the single most significant element of which is the ongoing underspend on smoke detectors and fire safety consumables as the new Home Fire Safety Check process continues to be embedded within the service. Utilities are also forecast to be underspent, reflecting past and ongoing energy efficiency measures. Next year's budget will be adjusted to reflect the out-turn position.
Pay wholetime -	(425)	(786)	The majority of the underspend relates to difference between budgeted staffing numbers and actual staffing number. Personnel have continued to leave the service without accruing full pension benefits, with a further 14 personnel doing this since the budget was set, and we anticipate a further 4 more between now and the year end. (This was not allowed for in the original budget proposal as it was not clear whether this was related to changes to the pension schemes or not, however it is now apparent that this trend will continue and hence next year's budget will be amended to reflect this.) Whilst recruitment has taken place in year this is lower than originally allowed for in the budget and is also later in the year, resulting in an underspend. This situation is further compounded by the fact that the new recruits have all come from the retained duty system personnel meaning that the recruit's course is considerably shorter, 4 weeks instead of 13, resulting in a further underspend.

			<p>The final element of underspend relates to a combination of the timing of costs of ad hoc payments such as overtime and public holidays, and the mix of personnel in each of the pension schemes. All of these have been reviewed and updated as part of next year's budget setting exercise.</p>
Pay - RDS	(284)	(777)	<p>The underspend relates to the shortfall in respect of hours of cover provided, which are higher than allowed for in the budget, reflecting the on-going issues in terms of recruitment and retention. This is compounded by a greater number of RDS personnel still being in development than forecast, again reflecting turnover rates.</p> <p>The current wholetime recruitment could potentially create further reductions in hours of cover as 27 RDS staff has now begun their wholetime recruits course dependent on their subsequent ability to carry out dual roles. However we have further RDS recruitment exercises planned to alleviate the issue. This will be reflected in future forecast updates.</p> <p>The Retained budget also includes an additional £600k in relation to the Strengthening and Improving RDS project. However in order to achieve the maximum benefits from the investment we have undertaken a lengthy process to develop options, in conjunction with RDS personnel, which has delayed the implementation of any change and hence has led to an underspend on this.</p> <p>It is worth noting that the RDS Pay review has one of its key objectives to design a scheme which results in improved recruitment, retention and availability. This is nearing completion, currently being out to consultation, with any proposed changes due to be implemented at the start of the new financial years, subject to the outcome of the consultation process and Authority approval of a final scheme. It is proposed that an earmarked reserve is created as part of the year end process to meet any protection costs associated with the final scheme, full details of which will be identified once a scheme is agreed.</p>

Pay – Support Staff	(210)	(370)	The underspend relates to turnover of various specialist and administrative roles during the year, when we had assumed that as all previous staffing reviews had been implemented prior to the start of the year there would be minimal changes. This has been reflected in next year's budget by increasing assumed vacancies to 2.5%. In addition, specialist roles relating to the creation of additional capacity within ICT have proved difficult to recruit to.
Non-DFM	15	599	The year-end position reflects the additional transfer to reserves relating to the redevelopment of Lancaster Fire Station and Fleet workshop, as referred to below.

We are still finalising budget options for next year, for presentation to the Authority in December, and this will incorporate options relating to the treatment of the anticipated year end underspend.

### Capital Budget

The Capital Programme for 2016/17 stood at £8.223m, however additional budget has been added to reflect potential additional costs related to Lancaster redevelopment and relocation of Fleet garage, as set out below. Allowing for this the revised capital budget stands at £8.823m. A review of the programme has been undertaken to identify progress against the schemes as set out below: -

	Committed spend to Oct 16 £m	Forecast Slippage Into 1718 £m	
Pumping Appliances	0.964	-	Committed spend to date relates to the purchase of 5 pumping appliances for the 2016/17 programme, which have been ordered and are currently in build, we anticipate these will be delivered by March 2017. We are forecasting a £14k overspend on this as final contract prices were marginally higher than anticipated. This has been built into future capital budgets.
Other vehicles	0.132	(0.416)	Committed spend to date relates to various support vehicles which have either been delivered or have been ordered. The slippage relates to:- <ul style="list-style-type: none"> <li>the remaining planned support vehicles replacements, which are ordered and will be delivered in the new financial year, or are being reviewed prior to replacement.</li> </ul>



			<ul style="list-style-type: none"> <li>the replacement of 2 driver training vehicles (DTVs) for which specification options are currently being considered with a likely procurement date in the new financial year.</li> </ul>
Operational Equipment / Future Firefighting	0.340	(0.390)	<p>This £1m budget was set aside to meet the costs of innovations in firefighting equipment, and the spend to date and year end position reflects the purchase of various items, including:</p> <ul style="list-style-type: none"> <li>an Unmanned Aerial Vehicle (UAV) or drone, which is now operational.</li> <li>the committed costs of trialling a new vehicle type to use as a water tower due for delivery in December.</li> <li>the purchase of flood suits for all operational staff along with various items of flood rescue equipment.</li> <li>the purchase of stabilisation struts for operational use during rescues involving crashed vehicles, or collapsed/damaged property.</li> <li>We are currently regionally reviewing the potential use of body worn cameras for operational use for learning from incidents, and for staff protection in certain locations.</li> </ul> <p>In addition, we are exploring the use of technical rescue jackets for non-fire related incidents regionally, however this is unlikely to result in spend during the current financial year so will slip forwards to 2017/18.</p>
Building Modifications	1.636	(2.317)	<p>The majority of committed spend to date relates to the purchase of the property adjacent to Lancaster fire station in order to facilitate the redevelopment of the site. In addition we have made the first stage payments for both the refurbishment of Carnforth fire station and the build of the Multi-Compartment Fire Fighting prop at Training Centre.</p> <p>The forecast slippage relates to:-</p> <ul style="list-style-type: none"> <li>the remainder of the budget for the provision of a replacement for Lancaster Fire Station, incorporating a joint Fire &amp; Ambulance facility, following the purchase of the adjacent site, for which the contract is expected to be formally awarded by mid-December. The lowest tender in relation to this is subject to clarification. Discussions have also been</li> </ul>

			<p>on-going with the Council in respect of the strip of land that we currently lease for car parking spaces and whilst it is not essential to the development the purchase of this would enhance the overall scheme. The potential increase in costs is reflected in the revenue contribution to capital outlay highlighted earlier.</p> <ul style="list-style-type: none"> <li>• completion of the remaining items of capital works at the Training Centre site.</li> <li>• the relocation of the Fleet workshop to Training Centre, with a final design and costings being developed in relation to this. In order to provide greater future proofing the scope of the design has increased, with the latest cost estimate being £0.4m. The increase in costs is reflected in the revenue contribution to capital outlay highlighted earlier.</li> </ul>
IT systems	0.060	(0.630)	<p>Committed spend to date relates to the final stages of the phased implementation of the replacement asset management system began during the last financial year, and the upgrade of the Community Risk Management Information System (CFRMIS).</p> <p>The slippage relates to:-</p> <ul style="list-style-type: none"> <li>• Initial costs of the national Emergency Services Mobile Communications Project (ESMCP) to replace the Airwave wide area radio system – with further budgetary provision included in the 2017/18 draft capital programme</li> <li>• the replacement of the wide area network (WAN) to allow a solution to be in place when current service contracts are due to end during 2017/18</li> <li>• The replacement of various systems, in line with the ICT asset management plan, however these are reviewed prior to starting the replacement process.</li> </ul>

Appendix 2 sets out the capital programme and the expenditure position against this, as reflected above. The costs to date will be met largely by revenue contributions, with capital grant funding the costs to date of Lancaster Redevelopment.

### **Delivery against savings targets**

The following table sets out the savings targets identified during the budget setting process, hence removed from the 2016/17 budget, and performance to date against this target: -

	Annual Target	Target at end of Oct	Savings at end of Oct
	£m	£m	£m
Staffing, including Emergency Cover Review outcomes, Prevention & Protection Review outcomes, functional saving reviews plus management of vacancies	1.512	0.683	1.598
Reduction in capital financing charges	0.284	0.166	0.166
Reduction in service delivery non pay budgets including the smoke detector budgets	0.145	0.084	0.185
Removal of the contribution to Greater Manchester FRS in respect of their Urban Search And Rescue team	0.122	0.071	0.071
Reduction in Fleet repairs and maintenance and fuel budgets	0.068	0.040	0.039
Reduction in Property repairs and maintenance and utilities budgets	0.034	0.020	0.180
Procurement savings (these are savings on contract renewals, such as waste collection and stationery contracts)	-	-	0.114
Balance – cash limiting previously underspent non pay budgets	0.337	0.196	0.196
Total	2.502	1.261	2.550

The performance to date is ahead of target, a combination of the underspend on salaries for the year to date, plus savings in respect of procurement activities during the same period. It is anticipated that we will meet our efficiency target for the financial year.

### **Financial Implications**

As outlined in the report

### **Business Risk Implications**

None

### **Environmental Impact**

None

**Equality and Diversity Implications**

None

**Human Resource Implications**

None

**Local Government (Access to Information) Act 1985  
List of Background Papers**

Paper	Date	Contact
None		
Reason for inclusion in Part II, if appropriate:		

**BUDGET MONITORING  
STATEMENT**

Oct 2016

	Total Budget	Budgeted Spend to Oct 2016	Actual Spend to Oct 2016	Variance O/Spend (U/Spend )	Variance Pay	Variance Non- Pay	Forecast Outturn at Oct 2016
DFM Expenditure	£000	£000	£000	£000	£000	£000	£000
Training & Operational Review	3,255	1,833	1,766	(67)	(12)	(55)	(253)
Fleet & Technical Services	2,358	1,401	1,405	5	4	1	22
Executive Board	998	595	585	(11)	5	(15)	(36)
Corporate Communications	285	176	171	(5)	3	(8)	(21)
Human Resources	502	310	292	(17)	(7)	(10)	(11)
Occupational Health Unit	234	142	118	(24)	26	(50)	(85)
Central Admin Office	427	248	228	(21)	(24)	4	6
Finance	142	83	82	(1)	(1)	(0)	(0)
Procurement	731	419	382	(37)	(13)	(24)	(41)
Property	1,460	882	679	(203)	(5)	(198)	(169)
Safety Health & Environment Prince's Trust Volunteers Scheme	156 0	91 148	86 201	(5) 53	5 -	(9) 53	(7) (4)
Service Development	3,673	2,197	2,110	(87)	(52)	(34)	(50)
Control	1,092	819	820	0	-	0	1
Information Technology	2,287	1,283	1,267	(16)	(59)	43	14
Service Delivery	32,039	18,769	17,756	(1,013)	(786)	(227)	(366)
External Funding	-	18	19	1	0	1	2
Special Projects	6	4	8	4	-	4	1
Pay							(2,025)
<b>TOTAL DFM EXPENDITURE</b>	<b>49,646</b>	<b>29,417</b>	<b>27,975</b>	<b>(1,442)</b>	<b>(916)</b>	<b>(526)</b>	<b>(3,023)</b>
<b>Non DFM Expenditure</b>							
Pensions Expenditure	1,257	803	874	71	-	71	122
Other Non-DFM Expenditure	4,708	1,255	1,271	15	1	15	599
<b>NON-DFM EXPENDITURE</b>	<b>5,965</b>	<b>2,058</b>	<b>2,145</b>	<b>87</b>	<b>1</b>	<b>86</b>	<b>721</b>
<b>TOTAL BUDGET</b>	<b>55,611</b>	<b>31,475</b>	<b>30,120</b>	<b>(1,355)</b>	<b>(915)</b>	<b>(440)</b>	<b>(2,302)</b>

## APPENDIX 2

CAPITAL BUDGET 2016/17	Revised Programme	Nov Resources	Revised Programme	Projected to Date	Actual Expenditure	Variance to Date	Year End Forecast	Slippage	Estimated final Cost	Over/ (Under) Spend
<b>Vehicles</b>										
Pumping Appliance	0.950	-	0.950	0.950	0.964	0.014	0.964	-	0.964	0.014
Other Vehicles	0.550	-	0.550	0.329	0.132	(0.197)	0.134	(0.416)	0.550	(0.000)
	1.500	-	1.500	1.279	1.096	(0.183)	1.098	(0.416)	1.514	0.014
<b>Operational Equipment</b>										
Operational Equipment	1.000	-	1.000	0.583	0.340	(0.243)	0.610	(0.390)	1.000	-
	1.000	-	1.000	0.583	0.340	(0.243)	0.610	(0.390)	1.000	-
<b>Buildings Modifications</b>										
STC Redevelopment	0.852	0.200	1.052	0.497	0.020	(0.477)	0.200	(0.852)	1.052	-
Day Crewing Plus	0.008	-	0.008	0.008	0.008	0.000	0.008	0.000	0.008	-
Lancaster Replacement	3.692	0.400	4.092	2.154	1.527	(0.627)	2.027	(2.065)	4.092	-
Other works	0.468	-	0.468	0.184	0.081	(0.103)	0.461	-	0.461	(0.007)
	5.020	0.600	5.620	2.843	1.636	(1.206)	2.696	(2.917)	5.613	(0.007)
<b>ICT</b>										
IT Systems	0.703	-	0.703	0.432	0.060	(0.372)	0.063	(0.630)	0.693	(0.010)
	0.703	-	0.703	0.432	0.060	(0.372)	0.063	(0.630)	0.693	(0.010)
<b>Total Capital Requirement</b>	<b>8.223</b>	<b>0.600</b>	<b>8.823</b>	<b>5.138</b>	<b>3.132</b>	<b>(2.005)</b>	<b>4.466</b>	<b>(4.353)</b>	<b>8.820</b>	<b>(0.003)</b>
<b>Funding</b>										
Capital Grant	2.640	-	2.640	2.270	1.527	(0.744)	2.027	(0.567)	2.593	(0.047)
Revenue Contributions	2.930	0.600	3.530	2.867	1.605	(1.262)	2.440	(1.090)	3.530	-
Earmarked Reserves	0.200	-	0.200	-	-	-	-	(0.200)	0.200	-
Capital Reserves	2.453	-	2.453	-	-	-	-	(2.496)	2.496	0.043
<b>Total Capital Funding</b>	<b>8.223</b>	<b>0.600</b>	<b>8.823</b>	<b>5.138</b>	<b>3.132</b>	<b>(2.005)</b>	<b>4.466</b>	<b>(4.353)</b>	<b>8.820</b>	<b>(0.003)</b>

## LANCASHIRE COMBINED FIRE AUTHORITY RESOURCES COMMITTEE

Meeting to be held on 30 November 2016

### RECRUITMENT UPDATE

Contact for further information:

Bob Warren, Director of People & Development – Tel: 01772 866804

#### **Executive Summary**

Following the recommencement of wholetime recruitment after a significant period without recruitment, this paper outlines the outcome of the Retained Duty System (RDS) exercise and the learning points being taken forward.

The Authority had endorsed considering expressions of interest from RDS staff first before full external recruitment providing that the individuals met the required Point of Entry Selection Test (POEST) standard as a one off.

In future campaigns, the full standard would need to be met.

The outcome was 27 immediately successful candidates and 5 deferred to the next intake from the RDS cohort.

The process identified areas to be addressed to improve outcomes and measures that the Service needed to take, specifically

- Earlier Workforce Planning (if financially justified);
- Improvements to open advertisement process;
- Positive Action requirement;
- Future consideration of Apprenticeships;
- Emphasis on ongoing RDS recruitment;
- Encouragement of dual contract working.

#### **Recommendation**

Members are asked to note and endorse the report.

#### **Information**

Following an extended period of no wholetime recruitment in light of the financial challenges and reductions in establishment, the Service embarked on a wholetime recruitment campaign for 2016/17 with a target of up to 30 individuals. It is the intention to continue recruitment in future years to address our future requirements, matching the leaver profile and organisational changes.

Previous papers have outlined the approach and issues taken. This report outlines the outcomes and lessons to be taken forward into future campaigns.

### Access for RDS staff

As outlined in previous papers, the Service believed it was desirable to allow our existing RDS workforce the opportunity to transfer to the whole time provided they met the required standards. As a result a bespoke process for RDS was undertaken as a “one off”.

In view of the significant changes in the demands and role of a firefighter since the previous recruitment, the whole process needed to be refreshed. The processes and criteria that have emerged meant that the ability of our existing RDS workforce to meet the criteria needed to be relaxed to recognise their current position, experience and commitment.

The process that was implemented resulted in 27 of the RDS individuals meeting the criteria and being offered positions in the wholetime duty system. A further 5, whilst meeting the POESTs, gave a degree of concern in respect of their ability to meet the immediate onerous demands of the initial training, so they have been advised in respect of addressing their stamina and strength issues and will be included in the next cohort of new entrants.

The other RDS candidates, that for various reasons have not met the wholetime standard, have been offered feedback and advice on where they need to improve their performance.

This outcome was a significant improvement on a similar exercise undertaken in 2008.

### Entry Standard

Having a single standard was understood within the Service and provides reassurance to whole-time staff and the representative bodies that standards are not being compromised. The approach taken for RDS staff was they would be assessed against the required criteria. However in terms of the additional criteria identified possible relaxation was allowed where they could demonstrate an ability to undertake that element in their existing role.

The single standard and person specification will now be used for future campaigns.

### Equality & Diversity

Adopting a transfer process for RDS has not had and will not have any impact on the need to have a representative workforce. The catchment area for RDS appliances also limits the potential to become a more representative employer.

It is for this reason that the Service is embarking on positive action activity as part of the twin track approach prior to undertaking an open process when the full requirements will be measured.

Future recruitment is to be undertaken on an open competitive basis with the Service expecting that the entry level standards would be met in full and all staff are clear on the standards required.



Entering open competition will also allow any interested Green Book employees and previous transferees to NWFC to apply if they are interested.

### Impact on RDS Availability

An inevitable consequence of selecting from the RDS establishment is that RDS availability will be impacted and far more detachments would occur to keep appliances on the run.

Attempts have been made to mitigate this by encouraging successful applicants to continue to fulfil their previous RDS contract as a dual contract member of staff.

The recruitment of RDS staff has always been difficult as the motivation behind providing RDS cover is varied and the catchment area is limited. In order to address this, the Service has tried to combine local effort with a campaign approach and runs 3 training courses a year.

The Service has made changes to the RDS remuneration and conditions of service via its salary scheme which alleviates some of these issues and LFRS has the best remunerated RDS staff in the country (and further changes are being developed to improve this position).

It was not possible to pre-plan for these transfers as until the process was completed it was not possible to determine which RDS stations would lose individuals to the wholetime grouping.

In future recruitment the impact will not be as significant as the individuals will be in open competition although they will clearly potentially be at an advantage due to internal knowledge.

It is further hoped that the significant numbers that have been successful will act as an incentive for individuals to join the RDS Service as a route to a full time fire service career.

A concern to the Service was the potential for individuals who worked the RDS system, who were deselected would tender their resignation but this to date has not occurred.

### Workforce Planning

Although it was not possible to predict where the RDS impact would fall, the recruitment of individuals in advance of the requirement in respect of wholetime staff is being considered to alleviate any future issues.

In any event the requirement for workforce planning in a more robust manner has been identified and will form part of the budget setting process.

### Testing Processes

As a result of observations and experience gained, the various stages are being reviewed to ensure validity and objectiveness with clear instructions and assessment.

## Apprenticeships

The position on apprenticeships still requires more detailed consideration and could be an effective vehicle to enhance improvements in our diversity agenda.

## **Business Risk**

Recruitment into RDS positions is challenging for the Service and transferring individuals to the whole-time will impact on RDS appliance availability and/or incur more detachments to keep appliances on the run. However this would be partly offset by encouraging/requiring staff to maintain dual contracts covering at least part of their existing RDS commitment but emphasises the need to focus on RDS recruitment approaches.

Not applying appropriate standards would subject the organisation to risk in firefighter performance and could potentially result in difficult employee issues in the longer term. Hence any easement needed to be fully recorded and justified. Inappropriate standards would invite external criticism.

The whole area of recruitment is subject to challenge and both positive and adverse comment from stakeholders including Government and employees.

## **Environmental Impact**

N/A

## **Equality and Diversity Implications**

The Police and Fire Minister have made clear statements that Fire Services have to perform better in respect of female and BME representation and has recently adversely commented on a local Fire Service on the outcomes of its recent recruitment campaign.

Concentrating on RDS staff limits the potential to attract the best candidates due to the requirement to have a base within 5 minutes of the Station, limits the potential to address the under-representation in the workforce, and is not in line with the principles of equality of opportunity that we must follow going forward, but it does recognise the commitment of a key segment of our workforce, and is likely to encourage future recruitment into the retained service.

## **HR Implications**

Successfully converting RDS employees into whole-time employees should make recruitment into the RDS or for volunteers more attractive for individuals seeking a career in the Fire Service.

It is hoped that clarity over the driving requirement in the whole-time will encourage more RDS staff to nominate themselves as appliance drivers.

The recruitment of staff and the manner and calibre of that recruitment has significant implications for the HR management of individuals throughout their fire service career.

## **Financial Implications**

The financial consequences of the recruitment are contained in the 2016/17 budget. Additional costs in respect of future recruitment will be included in the 2017/18 budget submission.

The current budget proposed does not contain any allowance for the apprenticeship issue.

## **Local Government (Access to Information) Act 1985 List of Background Papers**

Paper	Date	Contact
Reason for inclusion in Part II, if appropriate:		

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## LANCASHIRE COMBINED FIRE AUTHORITY RESOURCES COMMITTEE

Meeting to be held on 30<sup>th</sup> November 2016

### OHSAS 18001 HEALTH & SAFETY AND ISO 14001 ENVIRONMENTAL MANAGEMENT SYSTEMS ASSESSMENT AUDIT REPORTS

Contact for further information: Bob Warren, Director of People and Development.

Tel. 01772 866804

#### **Executive Summary**

In 2011 Lancashire Fire and Rescue Service (LFRS) was successful in certification to ISO 14001 the International Standard for Environmental Management Systems and OHSAS 18001 the Health and Safety Management System standard. Each year surveillance audits are carried out to ensure that the standards continue to be adhered to and to ensure continuous improvements are made. Every three years LFRS has to apply for re-certification to maintain the standards.

Subject to the successful closure of two non-conformances, one for OHSAS 18001 Health and Safety and one for ISO 14001 Environmental both standards were recommended for continued certification. To achieve and maintain these standards at the same time clearly demonstrates that robust systems are in place for both Health and Safety and the Environment.

#### **Recommendation**

The Resources Committee is requested to note the report.

#### **Background**

OHSAS 18001 and ISO 14001 are international best practice standards for how organisations manage Health & Safety and the Environment. The specifications give requirements for an occupational health and safety / environmental management system, to enable an organisation to control its risks and improve performance.

Commencing the 14<sup>th</sup> November 2016 LFRS was audited to continue certification to the above standards. The Vehicle Certifying Agency (VCA) (part of the Department of Transport) was invited to carry out a surveillance audit in LFRS against the two standards following the initial certification achieved in 2011 and re-certification in 2014. The scope for both standards was '**The Provision of Fire, Rescue and Supporting Services across Lancashire**'. This included all operational activity with visits to five fire stations operating different duty systems and Service Training Centre together with a number of supporting departments including Safety, Health and Environment, Corporate Communications and Property.

Continued certification with conditions has been granted for both OHSAS 18001 and ISO 14001. Two minor non-conformances, one for OHSAS 18001 Health and Safety and one for ISO 14001 Environment which both relate to Operational Controls for third parties operating on LFRS premises has been received. Following the successful closure of both non-conformances continued certification will be granted.

As part of the audit process, the auditors identified a number of positive aspects, including:

- “Good compliance to the systems in place has generally been demonstrated throughout the audit”
- “New format risk assessments are giving more information, focussed and effective as well as easy reading.”
- “LFRS have carried out a full and detailed review “Preparing Public for Own Emergencies” prompted by recent flooding events but clearly considering a much wider scope.”
- “A review of training was conducted with readily available records on PDR-Pro to demonstrate Firefighters are trained and maintained in these activities.”
- “Risk assessments and Environmental Risks were clearly understood at the station.”
- “It was very clear that Property records were readily available demonstrating a good understanding of the needs to apply controls and demonstrate this.”
- “A clear selection process is now in place and being rolled out to all contractors used by LFRS.”

As part of the audit, a number of additional areas for improvement were identified and it is intended that all these are developed into an ‘improvement action plan’ and taken forward through the Service’s Health, Safety and Environment Advisory Group.

### **Business Risk**

To be successful in certification to the International standards for health & safety and the environment, which can only be achieved through independent audits, clearly confirms that robust health & safety and environmental systems are in place thus reducing the risk to LFRS and the potential for prosecution.

### **Environmental Impact**

The environmental impact throughout LFRS has reduced significantly with the introduction of the environmental management system. The audit report clearly demonstrates that LFRS environmental impact is reduced to its lowest level with clear identification of positive impact through community safety and operational environmental protection activity.

### **Equality and Diversity Implications**

None identified.

### **Financial Implications**

Costs included in SHE departmental budget.

### **Human Resource Implications**

None identified.

**Local Government (Access to Information) Act 1985**  
**List of Background Papers**

Paper	Date	Contact
OHSAS 18001 Health & Safety and ISO 14001 Environmental Management Systems Assessment Audit Reports	13-02-12	Bob Warren, Director of Personnel and Development
Reason for inclusion in Part II, if appropriate:		

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