

LANCASHIRE COMBINED FIRE AUTHORITY

RESOURCES COMMITTEE

Wednesday, 29 March 2017, at 10.00 am in the Main Conference Room, Service Headquarters, Fulwood.

MINUTES

PRESENT:

Councillors

F De Molfetta (Chairman)
M Green
A Matthews
R Shewan
D Stansfield (for D O'Toole)
V Taylor

Officers

J Johnston, Deputy Chief Fire Officer (LFRS)
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)
J Harney, Member Services Assistant (LFRS)

41/16 APOLOGIES FOR ABSENCE

Apologies were received from County Councillors T Aldridge, A Barnes, D O'Toole and Councillors F Jackson and T Williams.

42/16 DISCLOSURE OF PECUNIARY AND NON-PECUNIARY INTERESTS

None received.

43/16 MINUTES OF PREVIOUS MEETING

RESOLVED: - That the Minutes of the last meeting held on 30th November 2016 be confirmed as a correct record and signed by the Chairman.

44/16 FINANCIAL MONITORING

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 January showed an underspend of £1.6m, with a forecast breakeven position at year end, after allowing for the transfer of £2.3m

into the capital funding reserve as reported at the February Combined Fire Authority meeting. The transfer to capital funding reserve would be met from forecast underspend as set out in the report, predominantly relating to pay, as well the following areas which were reported at the last Resources Committee, where a virement transferring the budget into the Non DFM budget heading had been actioned:

- Organisational development £0.3m;
- Retained Duty System Strengthening and Improving project £0.6m;
- ICT department staffing budget £0.1m; and
- Wholetime recruits budget £0.2m

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

Area	Over/(Under) spend at 31 Jan	Forecast Outturn	Reason
	£'000	£'000	
Property	(185)	(143)	The underspend related to spend against planned repairs and maintenance as property department capacity was almost fully occupied with the working on the current capital projects. It was expected that this would result in a similar level of underspend by year end. In addition it reflected previous year's investment in property assets. A full stock condition survey had been carried out, the results were expected before the end of March, which would indicate where and how much future investment may be required. The repairs and maintenance budget for 2017/18 had been reduced by £100k in anticipation of the expected results.
Service Delivery	(234)	(279)	The underspend reflected the continued reductions in spending across many budget headings, for which next year's budget had been reduced, the single most significant element of which was the ongoing underspend on smoke detectors and fire safety consumables as the new Home Fire Safety Check process continued to be embedded within the service. Utilities were also forecast to be

			underspent, reflecting past and ongoing energy efficiency measures. Next year's budget had been adjusted to reflect the out-turn position.
Pay - wholetime	(409)	(422)	<p>The majority of the underspend related to difference between budgeted staffing numbers and actual staffing number.</p> <p>Personnel had continued to leave the Service without accruing full pension benefits, with a further 16 personnel doing this since the budget was set, and we anticipated a further 2 more between now and the year end. (This was not allowed for in the budget for 2016/17 as it was not clear whether this was related to changes to the pension schemes or not, however it was now apparent that this trend would continue and hence next year's budget had been amended to reflect this).</p> <p>A further element of underspend related 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 had been reviewed and updated in next year's budget.</p>
Pay - RDS	(350)	(369)	<p>The underspend related to the shortfall in respect of hours of cover provided, which was higher than allowed for in the budget, reflecting the ongoing issues in terms of recruitment and retention. This was compounded by a greater number of RDS personnel still being in development than forecast, again reflecting turnover rates.</p> <p>However we had carried out RDS recruitment exercises in November and March to alleviate the potential issue.</p> <p>The Retained budget also included an additional £600k in relation to the Strengthening and Improving RDS project, to design an RDS pay scheme which resulted in improved recruitment, retention and availability. As reported to the CFA in February the change had been referred to the Fire Brigades Union regional/national council for</p>

			approval and hence implementation was currently on hold.
Pay – Support Staff	(220)	(283)	The underspend related 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 had been reflected in next year's budget by increasing assumed vacancies to 2.5%.
Non-DFM	35	1,679	The year-end position reflected the transfer of £2.3m revenue underspends into the capital funding reserve as referred to above.

Capital Budget

The Capital Programme for 2016/17 stood at £8.823m. A review of the programme had been undertaken to identify progress against the schemes as set out below: -

	Committed spend to Jan 17 £m	Forecast Slippage Into 1718 £m	
Pumping Appliances	0.269	(0.696)	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; since the last report we were now aware that delivery of these had been delayed to during May 2017. We were forecasting a £14k overspend on this as final contract prices were marginally higher than anticipated. This had been built into future capital budgets.
Other vehicles	0.126	(0.436)	Committed spend to date related to various support vehicles which had either been delivered or had been ordered. The slippage related to:- <ul style="list-style-type: none"> the remaining planned support vehicles replacements, which were ordered and would be delivered in the new financial

			<p>year, or were being reviewed prior to replacement;</p> <ul style="list-style-type: none"> the replacement of 2 driver training vehicles (DTVs) for which specification options were currently being considered with a likely procurement date in the new financial year.
Operational Equipment/Future Firefighting	0.523	(0.425)	<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 reflected the purchase of various items, including:</p> <ul style="list-style-type: none"> an Unmanned Aerial Vehicle (UAV) or drone, which was now operational; the purchase of flood suits for all operational staff along with various items of flood rescue equipment; the purchase of stabilisation struts for operational use during rescues involving crashed vehicles, or collapsed/damaged property; We were currently regionally reviewing the potential use of body worn cameras for operational use for learning from incidents, and for staff protection in certain locations. <p>In addition, the Fire Authority had given approval to purchase technical rescue jackets for non-fire related incidents, however this was unlikely to result in spend during the current financial year so would slip forwards to 2017/18.</p>
Building Modifications	2.149	(2.975)	<p>The majority of committed spend to date related to:</p> <ul style="list-style-type: none"> the purchase and refurbishment of the property adjacent to Lancaster fire station in order to facilitate the redevelopment of the site; stage payments for the refurbishment of Carnforth fire

			<p>station which was completed in February; and</p> <ul style="list-style-type: none"> stage payments for the build of the Multi-Compartment Fire Fighting prop at Training Centre. <p>The forecast slippage related to:-</p> <ul style="list-style-type: none"> the remainder of the budget for the provision of a replacement for Lancaster Fire Station, incorporating a joint Fire & Ambulance facility, following the purchase of the adjacent site, for which the contract was awarded and works had commenced. <p>Discussions remained on-going with the Council in respect of the strip of land that we currently leased for car parking spaces to enhance the overall scheme.</p> <ul style="list-style-type: none"> completion of the remaining items of capital works at the Training Centre site; the relocation of the Fleet workshop to Training Centre, with a final design being developed and considered alongside other proposed works on the Training Centre site included within the 2017/18 capital budget.
IT systems	0.063	(0.630)	<p>Committed spend to date related to the final stages of the phased implementation of the replacement asset management system which began during the last financial year, and the upgrade of the Community Risk Management Information System (CFRMIS).</p> <p>The slippage related to:-</p> <ul style="list-style-type: none"> Initial costs of the national Emergency Services Mobile Communications Project (ESMCP) to replace the Airwave wide area radio system – with further

			<p>budgetary provision included in the 2017/18 capital budget;</p> <ul style="list-style-type: none"> • 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, for which the specification was currently being drafted; • The replacement of various systems, in line with the ICT asset management plan, however these were reviewed prior to starting the replacement process.
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Members were also provided details that 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. Following discussions the Home Office had agreed that the underspend on the capital grant which related to the construction of Day Crewing Plus (DCP) accommodation at Skelmersdale, £45k, could be carried forward to offset increased costs at Lancaster.

Delivery against savings targets

The current position on savings 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 year to date, plus savings in respect of procurement activities during the same period. We had already exceeded our savings target for the financial year.

RESOLVED: - That:

- i) the financial position be noted; and
- ii) the virements to adjust for underspends previously identified to part fund the transfer to capital reserves at the end of the year be endorsed.

45/16 PENSION BOARD - FIREFIGHTERS' PENSION SCHEMES - UPDATE

As part of the Pension reforms emanating from Lord Hutton's review, Lancashire Combined Fire Authority (LCFA) established a local Pension Board in February 2015 to assist the Scheme Manager (LCFA delegated to the Director of People & Development) in securing compliance with the Firefighters' Pension Scheme regulations and associated legislation and guidance.

The Pension Board comprised two officers to represent the employer and two Union officials to represent the Pension members.

It was anticipated that membership would be reviewed once the extent of the Pensions Board activities became clear.

The report outlined that the National Scheme Advisory Board had not itself become fully established as the true workload had not materialised and that any revision or review of membership would not be fully informed.

It was proposed that the current arrangements continued until a meaningful workload was determined.

RESOLVED:- That the Committee endorsed continuation of the current arrangements; subject to this being considered further after another year's operation.

46/16 CODE OF CONDUCT UPDATE

The Director of People and Development reported since the Code of Conduct was approved by Members at the Resources Committee on 27 November 2015, (resolution 23/15 refers) it had now been updated to reflect the STRIVE (Service, Trust, Respect, Integrity, Valued & Empowered) behaviours adopted throughout the Service and following a request for clarification the requirement to declare a conviction or caution had been made explicit.

County Councillor Green felt that the Relationships section should include that LFRS employees should not be expressing their political opinions publically and that it should be clear that it would not be appropriate for any elected member appointed to the Combined Fire Authority to be employed by the Service.

The Director of People and Development confirmed that staff had recently received guidance on the use of Social Media. This set out that if they could be identified as a member of staff there were a number of activities they could not engage with which included being political. He agreed to consider amending the wording in light of these points.

RESOLVED:- That the Committee note and endorse the updated Code of Conduct; subject to any amendments arising from County Councillor Green's points.

47/16 EQUALITY, DIVERSITY AND INCLUSION POLICY

The Director of People and Development advised Members that an Equality, Diversity and Inclusion Policy had been developed which was part of Lancashire Fire and Rescue Service's (LFRS) drive to improve performance on equality issues.

The Policy clearly identified individual responsibilities and defined LFRS' commitments in terms of the following:

- Equality: Not treating everyone the same but about fairness, respect and giving people an equal and fair chance of opportunity to fulfill their potential.
- Diversity: Recognising, valuing and taking account of people's difference, backgrounds, knowledge, skills and experiences. In the context of this policy it also means encouraging and using difference to create a productive

workforce, celebrate difference and recognising the contribution that every individual can make.

- Inclusion: Positively striving to meet the needs of different people and taking deliberate action to create an environment where everyone feels respected and able to achieve their full potential.

The Service should also be cognisant of Unconscious Bias. The Policy also set out LFRS' approach to monitoring and training. To further the development of the policy, training for staff was currently being refreshed and this would be made available for all staff to complete.

The Director of People and Development advised that he would bring to subsequent meetings annual reports on what has been achieved in the year including a high level action plan.

RESOLVED:- That the Committee note and endorse the Equality, Diversity and Inclusion Policy.

48/16 DATE OF NEXT MEETING

The next meeting of the Committee would be held on Wednesday 28 June 2017 at 1000 hours in the Main Conference Room at Lancashire Fire and Rescue Service Headquarters, Fulwood.

Further meeting dates were noted for 27 September 2017 and 29 November 2017.

49/16 URGENT BUSINESS

50/16 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 under the heading to the item.

51/16 HIGH VALUE PROCUREMENT PROJECTS

(Paragraph 3)

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 and endorse the recommendations as outlined in the report.

52/16 REPORT ON TRANSACTION OF URGENT BUSINESS - DISPOSAL OF SURPLUS

LAND

(Paragraph 3)

It was reported for information that, in pursuance of the arrangements approved by the Authority, the following matters, which could not await the next meeting had been authorised by the appropriate Chief Officer following consultation with the Chairman and Vice-Chairman.

Approval to dispose of surplus land at Penwortham.

RESOLVED: - That the Committee note and endorse the report.

53/16 REQUEST FOR EXTENSION OF PAID SICK LEAVE

(Paragraph 1)

The Director of People and Development presented a report to Members on the circumstances relating to a proposed extension of sick pay at half rate beyond the 6 month period specified in the National Joint Council for Local Authority Fire and Rescue Services.

RESOLVED: - That the Committee approve not to agree the request for the extension of full sick pay on the grounds that there were no exceptional circumstances.

54/16 URGENT BUSINESS - INSURANCE RENEWAL APRIL 2017

(Paragraph 3)

The report set out the arrangements for the Authority's insurance programme.

RESOLVED: - That the Committee note and endorse the recommendations as outlined in the report.

M NOLAN
Clerk to CFA

LFRS HQ
Fulwood