

MERSEYSIDE FIRE AND RESCUE AUTHORITY

POLICY AND RESOURCES COMMITTEE

30 JULY 2020

MINUTES

Present: Cllr James Roberts (Chair) Councillors Steff O'Keeffe, Barrington, Angela Coleman, Lisa Preston, Lesley Rennie, Jean Stapleton, Andrew Makinson and Les Byrom

Also Present:

Apologies of absence were received from: There were no apologies of absence.

7. CHAIR'S ANNOUNCEMENTS

At the start of the meeting, the Chair of the Committee thanked everyone for attending and welcomed any members of the press or public who were observing the proceedings.

The Chair then introduced the meeting and provided all present with an overview of how this remote meeting would work and some housekeeping.

The Chair confirmed that all Members of the Committee were in attendance, and that they could all hear and be heard; and could see and be seen.

1. Preliminary Matters

Members considered the identification of declarations of interest, any urgent additional items, and any business that may require the exclusion of the press and public.

Resolved that:

- a) no declarations of interest were made by individual Members in relation to any item of business on the Agenda
- b) no additional items of business to be considered as matters of urgency were determined by the Chair; and
- c) no items of business required the exclusion of the press and public during consideration thereof because of the possibility of the disclosure of exempt information.

2. Minutes of the Previous Meeting

The Minutes of the previous meeting of the Policy and Resources Committee, held on 19th December 2019, were approved as a correct record and signed accordingly by the Chair.

In relation to the Minutes of the previous meeting, which make reference to there not being a Community Safety Partnership within St. Helens, Cllr Preston commented that since the last meeting of the Committee, a Community Safety Partnership had now been established within the district.

3. Petition

The petitioner – Mr Brace, was admitted to the meeting and advised by the Chair of the Committee that he had up to 5 minutes to present his petition, as per Standing Order 11.4 within MFRA's Constitution.

Members were informed that once the petition had been presented, they would have up to an additional 5 minutes, to ask any questions that they may have in relation to the petition, which are to be stated and answered without further discussion.

Mr Brace was then invited to present his petition.

Mrs Leonora Brace presented the petition on behalf of Mr John Brace. It was confirmed that as of 29th July 2020, the electronic petition, started by Mr John Brace, had received 6 signatures.

It was highlighted that the petition is calling on Merseyside Fire & Rescue Authority, to change its ways of working in the following 3 areas:

(1) When an individual is owed money by Merseyside Fire and Rescue Authority as a result of a judicial decision in a legal case where Merseyside Fire and Rescue Authority is a party, for Merseyside Fire and Rescue Authority to pay such awards promptly (within a maximum of a month) without the need for further Court enforcement action against Merseyside Fire and Rescue Authority before payment is made.

(2) For Merseyside Fire and Rescue Authority to specifically state in its constitution which post has delegated decision making authority to authorise the payment of payments resulting from (1) up to a specified amount (it is suggested up to £250,000),

and

(3) If Merseyside Fire and Rescue Authority change their solicitor, for the judicial case (tribunal and court) in which Merseyside Fire and Rescue Authority are a party for MFRA to inform the Court or Tribunal and other parties promptly of that change to prevent delays.

It was stated that the petitioners are calling on MFRA's Policy & Resources Committee to consider the 3 matters highlighted, as the Terms of Reference for the Committee, includes the determination of new policies.

The Chair of the Committee thanked the petitioners for presenting their petition and asked Members for any questions they wished to raise.

No questions were raised by Members and the petition was noted.

4. REVENUE & CAPITAL OUTTURN 2019/20

Members considered Report CFO/042/20 of the Director of Finance, concerning the Authority's year-end financial position for 2019/20.

Members were informed that the report provides a summary of the budget and actual outturn position in relation to the approved 2019/20 Revenue, Capital, and Reserve budgets.

Some background information on the 2019/20 budget plan and budget assumptions, was highlighted to Members, and they were informed that those key assumptions remained robust throughout the year.

Members were advised that changes to the original budget and the Medium Term Financial Plan, were monitored closely throughout the year and that quarterly financial review updates are provided to Members, with the last report covering the period up to the end of December 2019.

The budget adjustments in the last quarter of 2019/20, and a summary of the movements for the year, were highlighted to Members, which in summary, are as follows:

- The Medium Term Financial Plan and 2019/20 key budget assumptions, remained robust throughout the year.
- The revenue budget stood at £60.282m throughout the year.
- The original £17.7m capital budget was adjusted throughout the year, mainly to reflect the rephrasing of schemes from 2018/19 into 2019/20; and the rephrasing of schemes from 2019/20 into future years.
- Members approved an increase in the General Reserve from £2m to £3m during the year, with £23m of committed reserves at the start of the year.

Members were informed that the revenue outturn position was £58.131m, with a £2.151m net underspend. They were advised that after taking account of year-end reserve requests of £0.650m, the underspend was £1.501m. At the 2019/20 Budget Authority meeting, Members approved a strategy of utilising any savings to fund an increase in debt payments, the minimum revenue provision (MRP), in order to free up future years' budget, to potentially increase spend on frontline

services. Therefore, Members were advised that an additional £1.501m MRP payment has been made, leaving the overall revenue outturn position as consistent with the approved budget.

An explanation of the major revenue variances for 2019/20, was provided to Members, and they were informed that Appendix A provides a detailed analysis of the revenue outturn position.

Members attention was drawn to paragraphs 16 to 18 within the report, which summarised the committed reserves opening and closing position. They were advised that committed reserves have reduced by £4.297m in the year, mainly due to a call-down on the capital reserve to fund the new St. Helens station build.

Members were advised that paragraphs 19 to 21, outlined the capital outturn position and that £3.762m of the planned 2019/20 spend, had now been re-phased into 2020/21; and that Appendix B provides a detailed analysis of the capital outturn position.

Members commented that this has been a most unusual year; and that they were very grateful to all staff for what they have done; and to staff working remotely, doing their best in very difficult circumstances.

Members also commented that through the LGA and the Fire Services Management Committee, lobbying was continuing under the Comprehensive Spending Review, around the amount of funding that FRS's get as a sector; and around what FRS's are now doing in the new environment.

Questions were raised by Members around the costs associated with Covid-19 and potential costs moving forward, in terms of ensuring that we keep our staff safe.

Members were advised that a report was submitted to the last Authority Meeting, around the implications of Covid-19, which highlighted that the Authority had received a Government Grant of £1.4m. Members were informed that so far, spend associated with Covid-19 was below the grant amount; and that it was anticipated that the grant would cover the impact of Covid-19 for 2020/21.

Members were advised that the main areas of spend were to cover a loss in income and the purchase of additional PPE, with some spend also associated with additional resilience payments and ICT. Members were advised that Officers are comfortable that the grant will be sufficient to cover associated costs for this year.

Members were advised however, that beyond this year, there may be an impact with regards to council tax collection rates. At present, the collection rate for Council Tax within the local authorities, is around 96/ 97%. However, it is anticipated that given the financial hardship for some people, they may not pay their Council Tax, resulting in the collection rate being lower and the collection

fund going into deficit. Members were informed that any such deficit would be dealt with when preparing for the 2021/22 budget.

They were also informed that the government has indicated that it will bring in legislation to allow local authorities (including Fire Authorities), to spread any such deficit over a 3-year period.

It was highlighted to Members that any reduction in the Council Tax collection rate may result in a reduction in the size of the council tax base. The current MTFP assumes that the council tax base will increase by 1% each year, with each 1% increase equating to an additional £300k.

Members were assured that the fire sector and Authority will continue to lobby the Government for maintaining financial support for fire and the fire sector have made submissions to the Treasury around additional funding requirements for increased protection activity following Grenfell. They were advised that it is hoped that those submissions would be successful; and MFRA receive at least the current MTFP assumption of a 1% year on year grant increase.

Further comments were made by Members concerning business rates, for which MFRA receives 2% of the local Merseyside total. It was commented that business rates are in turmoil at the moment; and it is also unknown what the impact of that may be on MFRA's financial position.

During consideration of this item, Officers became aware that connection to the YouTube live broadcast had been lost. The meeting was therefore adjourned whilst connection was re-established.

Once connection was re-established, the meeting re-commenced.

The Acting Monitoring Officer advised that the meeting had been suspended as we had been notified that the YouTube connection had been lost. They explained that a link had been re-issued to Members; and for public access via the published agenda.

It was confirmed that prior to the loss of connection, Agenda Item 3 – “Revenue & Capital Outturn 2019/20” had been presented by the Treasurer. Therefore, the meeting resumed at this point and Members were asked to approve the recommendations of this report.

Members Resolved that:

- a) The actual revenue performance against the approved budget, after taking into account year-end reserve adjustments, be noted as being a net underspend of £1.501m.
- b) The use of this underspend to increase the actual 2019/20 minimum revenue provision (debt repayment), with the aim of freeing up future debt servicing budget to allow reinvestment back into front line services, be noted.

- c) Capital re-phasing from 2019/20 into future years of £3.762m, be noted as being necessary.
- d) The establishment of year-end reserves of £0.650m, be noted.

5. Update to Delivery of Apprenticeships

Members considered Report CFO/040/20 of the Deputy Chief Fire Officer, concerning the progress made following the approval of the Development of Apprenticeships, as an employer provider.

Members were provided with an overview of the report, which highlighted that MFRA has been involved in the delivery of apprenticeships since 2015, when it commenced the delivery of Community Safety Advisor apprenticeships.

Members were advised that the Authority subsequently looked to implement apprenticeships across other service areas, including Computer Aided Design, Catering, Business Administration and Engineering and Vehicle Maintenance.

They were advised however, that with the publication of the Operational Firefighter Apprenticeship Standard, the Service considered how this, and other new apprenticeships could be delivered most effectively.

Members were informed that the attainment of Apprentice Employer Provider status, allows the Service to administer these programmes on behalf of our employees; and that the Service is now listed on the Register of Approved Training Providers, as an Employer Provider.

Members were informed that new Firefighter recruits are now enrolled onto the Operational Firefighter Standard Apprenticeship, which is a 2-year development programme delivered through the recruit course at the Training & Development Academy and during development on stations.

It was highlighted to Members that there have been 3 cohorts of Development Firefighters, equating to 59 learners currently progressing through the development programme.

Members were advised that as an Employer Provider, the Authority can claim the cost of delivering the Apprenticeships (currently up to £12k per learner over the 2 years), through our Digital Apprenticeship Service (levy) account; and as a levy paying employer, we pay approximately £170k per annum, into our levy account.

Members were informed that it is estimated that for the first 5 cohorts of Firefighter Apprenticeship learners, the Authority will have claimed in excess of £1m in delivery funding.

It was also highlighted to Members that the effective use of the levy funds, allows for the current funding to be re-invested in training of the existing

workforce; and will also allow for funds to be set aside to accommodate any future changes to apprenticeship funding rules and programme delivery.

Members were advised that it is requested that funds received for apprenticeship training, are vired to the appropriate departments involved in its delivery, as highlighted within the table at paragraph 16 of the report, in order to bolster and support those areas.

The Staff Implications contained within the report, were highlighted to Members. They were also informed that the Authority will receive OFSTED inspections, similar to schools, with an inspection anticipated before year end, whether that be a virtual inspection or in person.

It was also highlighted to Members that by re-investing the funds received for the delivery of Apprenticeship training, the Service can ensure that appropriate resources are committed to maintaining high quality Firefighter training, which has a direct impact on how we develop our staff and our ability for our people to be the best that they can be.

A question was raised by Members regarding the new 2-year Firefighter Development Programme and how it compares with the traditional route.

Members were informed that it is very similar to the previous NVQ standard. They were informed that the NVQ normally takes around 18 months to complete. However, what the new Apprenticeship route does, is bring individuals into the Training & Development Academy every 3 months, along with their Watch Managers, who are also being trained as assessors, to assess them throughout the 2-year programme.

Members were advised that with the NVQ route, the time taken to complete it can very much depend on which station individuals are based at, as some stations are busier than others. However, the new Apprenticeship route takes away this element, as everyone is being assessed every 3 months, putting all recruits on the same footing, regardless of which station they are posted to.

A further question was raised around whether this change has resulted in any retention issues and if is being monitored.

Members were informed that no issues have been noted at present, however this is something that will be monitored. It was clarified to Members that although the NVQ could be completed within 12 months, equally it can take up to 3 years to complete. It was also commented that very few people complete the NVQ in 12 months and if there were to be more, Officers would be inclined to question why, as they would feel that those individuals would not necessarily have the relevant experience.

It was re-iterated to Members that the Apprenticeship is a lateral 2-year programme and that there has been no indication of issues around retention as yet. Members were assured that this would be monitoring and should any issues arise in the future, these would be reported back to Members.

Members raised a question in relation to paragraph 13 of the report around training costs, and asked to be provided with an example of costs that would not be covered by the levy and for information around the general training budget.

Members were informed that the overall training budget, is for the training of all staff, across the whole organisation. They were advised that OFTED are very specific that any money provided, is utilised in support of those apprenticeships, and are very keen on monitoring that. They were advised that Watch Managers who are recruit trainers, are often utilised within other areas of training as well, so it is important that only the elements of their role that are directly supporting the recruits, would be funded by the levy.

Members were advised that every hour that anyone spends working with the recruits, is recorded, to ensure that the Authority are claiming back exactly what is entitled.

Members Resolved that:

- a) The current position of the Service on the delivery of apprenticeships, be noted.
- b) The adjustment of budgets for apprenticeship delivery, to the relevant departments to reflect costs incurred, be approved.

6. Learning and Development Contract

Members considered Report CFO/043/20 of the Deputy Chief Fire Officer, concerning the extension of the current contract the Authority holds with Brathay Services Ltd (“Brathay”), for the provision of specialist team building training for one year, due to the inability of the Authority to move to market due to the implications and restrictions posed by the actions in relation to COVID-19.

Members were informed that the Authority currently has a 3-year contract for the provision of specialist team building programmes, with the option to extend by a further year.

They were advised that within this contract, the Authority has, in conjunction with Brathay Services Ltd, developed a tailor made recruitment programme, in order to meet the Authority’s requirements for team building and individual development for our new recruits, as well as current employees undertaking leadership and development training, as part of our corporate succession planning process.

It was highlighted to Members that while the contract allows the provision of a contract extension of 1-year, due to the current spend during the 3-year contract term and anticipated spend for a further year, as detailed within the financial implications, the expenditure during the proposed extension and value of the contract would exceed £250k.

Members were advised that Officers have been unable to tender for the award of a new contract for the supply of this service, due to the implications of the Covid-19 lockdown and the extensive process involved.

Members were also informed that a request has been received from Lancashire Fire & Rescue, to participate in this 1-year extension and then to work with us on any future tender process, when we go back out to tender for this service, over the coming year.

With regards to the financial implications, it was highlighted to Members that based on the known and predicted training requirements, it is expected that the Authority spend for this year, up to July 2021, will be approximately £175k for courses provided. In addition, it is anticipated that the spend for Lancashire F&R will be approximately £33k. It was confirmed to Members that these costs can be contained within the overall organisational training budget.

A question was raised by Members as to how much the contract was likely to exceed the £250k by.

Members were advised that Officers did not have the exact figures to hand, however as the Authority's Financial Regulations dictate that as soon as the contract amount goes £1 over the £250k threshold, Officers do not have the power to approve. It was stressed to Members however, that the costs are within the available budget.

A further question was raised by Members with regards to paragraph 10 of the report, which references a formal agreement between MFRA and Lancashire Fire & Rescue; and whether Members should be approving the recommendations before such an agreement is in place.

Members were assured that the report has been brought to Members for approval, as spend for our own officers will exceed the £250k. With regards to collaboration with Lancashire F&R, Members were assured that an agreement would need to be in place before the Authority would incur any costs.

Members Resolved that:

- a) The utilisation of a 1-year contract extension, be approved.
- b) Expenditure during the proposed extension and value of the contract, be noted as exceeding £250k.

Close

Date of next meeting Thursday, 10 December 2020

Signed: _____

Date: _____

