

MERSEYSIDE FIRE AND RESCUE AUTHORITY

14 DECEMBER 2017

MINUTES

Present: Cllr Dave Hanratty (Chair) Councillors Lynne Thompson, Jane Kennedy (PCC), Lynne Clarke, Edna Finneran, Denise Allen, Sharon Connor, Joe De'Asha, Janet Grace, Brian Kenny, Les Byrom, Peter Brennan, Barbara Murray, Lesley Rennie, James Roberts and Sharon Sullivan

Also Present:

Apologies of absence were received from: Cllr Chris Meaden, Cllr Jean Stapleton and Cllr Paul Tweed

13. CHAIR'S ANNOUNCEMENT

Prior to the start of the meeting, information regarding general housekeeping was provided by the Chair to all in attendance.

The Chair confirmed to all present that the proceedings of the meeting would be filmed and requested that any members of the public present who objected to being filmed, make themselves known.

No members of the public voiced any objection therefore the meeting was declared open and recording commenced.

The Chair of the Authority reminded Members that there would be a presentation following the meeting concerning MFRA's response to the Grenfell Tower incident; and requested Members attendance.

The Chair of the Authority then welcomed the Police & Crime Commissioner for Merseyside, to her first meeting as a full Member of MFRA; and commented that her knowledge and experience would undoubtedly be beneficial to the Authority.

Members commented on the recent MFRA Carol Service and requested that their thanks and appreciation be placed on record to all those involved in its planning and delivery.

1. Preliminary Matters

The Authority considered the identification of any declarations of interest, matters of urgency or items that would require the exclusion of the press and public due to the disclosure of exempt information.

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 were determined by the Chair to be considered as matters of urgency; and
- c) The following items of business required the exclusion of the press and public during consideration thereof, due to the possible disclosure of exempt information:
 - Agenda item 11 – “PART 2 EXEMPT MINUTES” contains Exempt information by virtue of Paragraph(s) 3, 4 of Part 1 of Schedule 12A of the Local Government Act 1972.
 - Agenda item 12 – “ITHC Remedial Work Plan” contains Exempt information by virtue of Paragraph(s) 7, 7a of Part 1 of Schedule 12A of the Local Government Act 1972.

2. Minutes of the Previous Meeting

The Minutes of the previous meeting of the full Authority, held on 19th October 2017, were approved as a correct record and signed accordingly by the Chair.

3. STATEMENT OF ASSURANCE 2016-17

Members considered Report CFO/073/17 of the Chief Fire Officer, concerning the Authority’s Statement of Assurance 2016-17 for publication on the Authority website.

Members were provided with an overview of the report, which explained that the Statement of Assurance is a backwards looking document, covering the 2016/17 financial year. The document ensures that the Authority meets its requirement to provide assurance on financial, governance and operational matters and show how they have had due regard to the expectations set out in their Integrated Risk Management Plan.

Members were informed that the Foreword to the Statement of Assurance document sets out the financial context and backdrop of extreme budget cuts, to serve as a sense check to readers and explain why those severe cuts have had inevitable consequences.

Members commented on the number of typographical errors within the document within the section regarding financial performance. Members were assured that the errors were within information provided by the Authority’s Internal and External Auditors.

It was therefore requested that Officers raise the matter with Auditors, to request that they proof read their documents and make the necessary corrections.

Members resolved that: the information contained within the Authority's draft Statement of Assurance 2016-17 report, be approved.

4. FINANCIAL REVIEW 2017/18 - APRIL TO SEPTEMBER

Members considered Report CFO/076/17 of the Chief Fire Officer, concerning a review of the financial position, revenue and capital, for the Authority for 2017/18, covering the period April to September 2017.

Members were provided with an overview of the report, which covers the revenue and capital position, reserves; and treasury management performance.

Members were advised that with regards to the implementation of budget savings, all savings options had been delivered as expected, with the exception of the firefighters pay award. It is anticipated that any award will be higher than the 1% budgeted for, in which case further permanent savings will be required. Members were informed that if the firefighters award is settled before the end of the financial year then any additional pay award above the budgeted 1% will be funded from the inflation reserve in 2017/18, however new permanent savings options will need to be identified during the 2018/19 budget setting process to fund the additional award on a permanent basis.

Members were informed of the potential £900k favourable revenue position identified within the report; and the recommendation that this be utilised to increase the smoothing reserve.

Members were also advised of amendments to the capital programme, which includes the work on the new Emergency Services Mobile Communications Programme (ESMCP), which is fully funded by Home Office grant. The Authority's investments have all been in line with its Treasury Management Strategy and no new loans had been taken out by the Authority during the period.

Questions were raised regarding the Authority's Treasury Management Strategy and investment in lower than AAA rated institutions. Members were assured that Liverpool City Council provide the Authority's Treasury Management and that although there is always an element of risk, investments are always made wisely, ensuring that security is paramount.

Further comments were made, highlighting that Liverpool City Council utilise B rated institutions for its own investments, and therefore MFRA are more prudent.

Members requested that a breakdown of the Authority's return on investment be provided and were advised that a thorough Treasury Management Report would be taken to the Authority's Audit and Scrutiny Committee in February; and that this information would be incorporated within that report.

A further question was raised regarding the increase in the Bank of England base rate and whether this may have an impact on the Public Work Loans Board (PWLB) rates. Members were advised that future PWLB rates are likely to rise if interest rates are increased, however at present it was cheaper to use internal cash to invest, although there will be a point in time when new loans will be required. They were advised that officers would continue to monitor the situation and consider the overall cash flow position when determining when the Authority should look to take out new loans.

The PCC fully endorsed the way in which the Authority's finances were managed, however a question was raised regarding the Authority's level of reserves and how these are justified.

Members were advised that all the earmarked reserves had been established to meet existing or future planned spend, and as an example the capital reserve was being used to contribute to the station mergers initiative and avoid the Authority having to borrow to fund this significant capital investment.

Assurance was provided to Members that all reserves could be justified and explained.

Further comments were made regarding the firefighter pay negotiations and how this highlights the uncertainties around the budget setting process.

Members also requested that their thanks be placed on record to the Treasurer and his staff for all their hard work.

Members resolved that:

- a) the potential £0.900m favourable revenue position identified within this report, be noted;
- b) the utilisation of the £0.900m favourable revenue position to increase the Smoothing Reserve in order to enable the Authority to have the time to identify permanent additional savings should future pay awards exceed the assumption in the current financial plan, be approved;
- c) the Treasurer be instructed to continue to work with budget managers to maximise savings in 2017/18;
- d) Further information be incorporated within the Treasury Management Report submitted to the next meeting of the Audit and Scrutiny Committee, providing a breakdown of the Authority's return on its investments.

**5. EQUALITY & DIVERSITY PLAN 2017-2020, FUNCTIONAL PRIORITIES
2017/18, 6 MONTH UPDATE**

Members considered Report CFO 067/17 of the Deputy Chief Fire Officer, concerning an update on the agreed Equality and Diversity (E& D) plan for 2017/18 together with an update on progress against the actions for the first 6 months of the year; and an update on the Equality Objectives for 2017/18.

Members were provided with an overview of the report, focussing on progress against the Equality and Diversity Action Plan and Equality Objectives. Members were informed of some of the exceptional work undertaken by staff and volunteers, such as work to tackle inequalities within the community, a targeted fire safety campaign in the run up to this year's Ramadan period, the joint development of Autism Attention Cards with Merseyside Police and the Authority's response to the Grenfell Tower incident.

Members were also advised that this year for the first time, MFRA has published data regarding the Gender Pay Gap. Its Engaging Diverse Business project has been successfully adopted and supported by the National Fire Chief's Council; and the wider use of community profiles across the service to help inform the planning process.

Members were informed that Appendix A captures the priority areas across each Function; and Appendix B highlights the Authority's Equality Objectives moving forward.

Members thanked officers for the excellent report, commenting that it highlights the breadth of work undertaken by MFRA. Comments were made regarding reassurance campaigns that Members have participated in; and the respect that the public have for MFRA, which enables our staff to access some of the most vulnerable people within our communities.

Members also commented on campaigns they had participated in led by other organisations, such as Age UK, through which many lonely, vulnerable people were identified; and queried how such information and the work MFRA do with other organisations, is fed into reports such as this.

Members were advised that MFRA is targeting its resources at individuals over the age of 65, mainly utilising health data. However referrals from other agencies are vital, with our Prevention Teams working closely with a range of partners, ensuring that as an organisation, MFRA are as effective as they have ever been.

Comments were made regarding the fantastic youth engagement work undertaken by MFRA, with particular mention to a Fire Cadet Unit within Merseyside, which is the only all Young Female Cadet unit in the Country.

Members resolved that:

- a) The content of the Equality and Diversity progress report be noted.

- b) The progress made in relation to the Authority's Equality Objectives, be noted.

6. IRMP Update and Planning Process for 2018/19

Members considered Report CFO/078/17 of the Deputy Chief Fire Officer, concerning the progress made so far in relation to the 2017/20 Integrated Risk Management Plan and the planning process and timetable for 2018/19.

Members were provided with an overview of the report, highlighting the timescales for the planning process for 2018/19, which commenced in November 2017 with the development of Functional Plans and Objectives, which will in turn inform the development of the Service Delivery Plan.

Members resolved that:

- a) the planning process and timetable for 2018/19, be noted;
- b) the publication of the IRMP update (Appendix A) on the website for a period of two months, as a method of informing stakeholders about progress and inviting comment to inform the planning process, be approved.

7. Variation to Fire Transformation Grant Funding

Members considered Report CFO/074/17 of the Deputy Chief Fire Officer, informing Members that the Home Office have agreed to a variation in the use of Fire Transformation Grant funding for the station merger programme.

Members were provided with an overview of the report, which explained that Fire Transformation Grant Funding was awarded to part fund the Station Mergers Programme. However due to the decision to close Allerton Fire Station outright, rather than pursue a merger within Liverpool; and the significant delays and increased costs associated with the other station mergers, the Home Office were informed and an updated Fire Transformation Grant Bid Calculator was completed and submitted.

Members were advised that the Home Office have subsequently responded and confirmed that they are happy with the variation in the use of the Fire Transformation Grant funding for the station merger programme.

Members resolved that:

The contents of the report, be noted.

8. PROPOSED FIRE STATION, SAUGHALL MASSIE, WIRRAL

Members considered report CFO/059/17 of the Deputy Chief Fire Officer, concerning approval to proceed with the scheme to build a new fire station on land at Saughall Massie Road, Saughall Massie, Wirral.

Members were provided with an overview of the report, which detailed the background information to the Saughall Massie fire station proposal.

Members were informed that an independent valuation of the land had been jointly commissioned by MFRA and Wirral Borough Council, with Wirral Borough Council's Cabinet approving the transfer of the land to MFRA on a 150 year lease at a peppercorn rent. It was confirmed that the decision by Wirral Borough Council's Cabinet had not been called in.

Members were advised on the next steps in the build programme, should the recommendations be approved, which includes initial site investigation, design and other preparatory works, which will take approximately 5 to 6 months, followed by a build period of approximately 12 months.

The estimated build costs, which includes costs incurred so far, were highlighted to Members.

It was also stressed that although the merger would not improve fire cover from that provided previously from Upton and West Kirby fire stations, as MFRA had been unable to crew West Kirby fire station for some time, with cover provided from Upton alone, the merger would greatly improve the current provision to West Wirral.

Questions were raised regarding the delays encountered with the project and whether those delays had led to additional costs to the Authority. Members were advised that although it is hard to quantify without undertaking a full breakdown, there had undoubtedly been extra costs incurred as a result of the delays, with a prudent estimate being £100k.

Further questions were raised regarding the archaeological settlement referred to during the planning process and Members were informed that this would be looked into during the site investigation works however at this juncture, there is nothing to indicate that one exists on the site.

Members commented that it has been a long, drawn out process, which has been extremely difficult and which has undoubtedly had financial consequences for MFRA. They also stressed that the only aim of MFRA is to ensure that the people of West Wirral receive a sufficient response.

Members requested that their thanks and appreciation be recorded to all officers involved in the process to date.

Members resolved that:

- a) the building of a new fire station on land at Saughall Massie Road, Saughall Massie, Wirral, be approved;
- b) the capital budget for the scheme in the sum of £4.8million be approved; and
- c) the drawdown of £600,000 from the capital investment reserve to fund the variant in capital cost from that in the approved capital programme, be approved.

9. DEFENCE EMPLOYER RECOGNITION SCHEME

Members considered Report CFO/077/17 of the Chief Fire Officer, concerning MFRA's active participation in supporting the Defence Employer Recognition Scheme.

Members were provided with an overview of the report, which set out the details of the Defence Employer Recognition Scheme. They were advised that MFRA had been successful in achieving the Bronze Award previously, with Cllr Ian Francis (Armed Forces Champion for Liverpool City Council) kindly endorsing MFRA's subsequent application for the Silver Award, which MFRA were successful in achieving in November 2017.

Members were advised that officers had reviewed the criteria for achievement of the Gold Award; and believe that MFRA can provide sufficient evidence to demonstrate that they meet the required criteria. Therefore, Members are requested to approve and support a future application for the Gold Award.

Members expressed their support and thanked officers for their fantastic work in relation to this scheme.

Members resolved that:

- a) the successful receipt of the Silver Award, be noted.
- b) a future application for Gold Award Status, be supported.

10. REFORM OF MERSEYSIDE FIRE AND RESCUE AUTHORITY

Members considered Report CFO/075 of the Monitoring Officer, concerning the progress of the working group established to consider the detail of the proposed reforms to Merseyside Fire and Rescue Authority (MFRA).

Members were provided with an overview of the report, which outlined the progress of the working group and subsequent discussions between the Chair of the Authority, the Chief Fire Officer and the Metro Mayor, regarding future

“tranches” of the devolution plans for Merseyside. As a result of those discussions, Officers from MFRA and Merseyside Police have been asked to consider and provide options regarding the future governance of both organisations.

As a result of these developments, Members were advised of the recommendation of the Chair of the Authority, to suspend work on the reform of the Authority, until the outcome of those considerations is known.

The Chair of the Authority commented that there are lessons to be learnt from other areas in which responsibility for fire and rescue has already been devolved to a Metro Mayor. He therefore stated that it is important for the Authority to pause and ensure that it does everything it can, to make sure that when any governance change occurs, it is on the best possible terms for the future of the fire and rescue service, to ensure that it can continue to change lives as well as save lives.

Questions were raised regarding approximate timescales and Members were informed that the Chief Executive of Halton has requested that MFRA and Merseyside Police set out a proposed way forward for consideration.

The PCC advised that discussions have paused at present, pending consultation with the PCC of Cheshire; and commented that a governance model similar to that within Greater Manchester, would be difficult to achieve given the required boundary changes for Police and Fire, to incorporate Halton. Therefore, it is anticipated that any potential governance changes are likely to take some time to implement.

The PCC also commented that the savings associated with the proposed Authority reform, are significant; and suggested therefore that potential changes to the Authority continue to be considered and discussed in the meantime, in an effort to reduce the overall financial challenge to the Authority.

The Chair of the Authority concurred with the PCC in respect of the timescale issues as a result of boundary complexities and commented that there is a great deal of work to be undertaken to look into how a future governance model may look and what will be delivered. He commented that the budget setting process will commence in the New Year and that various options for additional savings will be considered throughout that process, to ensure that the Authority can deliver a balanced budget. He also highlighted some of the changes made to date with regards to the Authority and the subsequent savings that those changes have delivered.

Members resolved that:

- a) The current situation in relation to the Liverpool City Region (LCR) Combined Authority, be noted.
- b) The recommendation of the Chair of the Authority, that any reforms of MFRA are suspended until the position of the LCR Combined Authority on Police and Fire and Rescue Service governance is known, be noted.

11. Part 2 EXEMPT Minutes

The Part 2 EXEMPT Minutes of the previous meeting, held on 19th October 2017, were approved as a correct record and signed accordingly by the Chair.

12. ITHC Remedial Work Plan

Members considered Report CFO/060/17 of the Deputy Chief Fire Officer, concerning the ICT Cyber Security enhancements contained within the Information Technology Health Check (ITHC) Remedial Work Plan.

Members resolved that:

- a) The required enhancements to Merseyside Fire and Rescue Authority (MFRA) ICT infrastructure security, to allow connection to the Emergency Services Network (ESN), be noted.
- b) The engagement of third party security consultants CNS, to undertake an Information Technology Health Check (ITHC) on behalf of MFRA, be noted.
- c) The provision of £354k funding from the Home Office for remedial action resulting from the ITHC, be noted; and
- d) The proposed ITHC Remedial Action Plan and the Cyber Security enhancements contained within, which will need to be completed by January 2018, be noted.

Close

Date of next meeting Thursday, 24 May 2018

Signed: _____

Date: _____