

MINUTES
POLICE, FIRE AND CRIME COMMISSIONER FOR ESSEX AND
ESSEX COUNTY FIRE & RESCUE SERVICE
STRATEGIC BOARD

13 September 2021 1000 – 1300

Via Microsoft Teams

Present:

Roger Hirst (RH)	Police, Fire and Crime Commissioner (Chair)
Jane Gardner (JG)	Deputy Police, Fire and Crime Commissioner
Pippa Brent-Isherwood (PBI)	CEO and Monitoring Officer, PFCC's office
Karl Edwards (KE)	Director of Corporate Services, ECFRS
Moira Bruin (MB)	Director of Operations, ECFRS
Colette Black (CB)	Director of People Services, ECFRS
Neil Cross (NC)	Chief Finance Officer, ECFRS
Janet Perry (JP)	Strategic Head of Performance and Resources, PFCC's office
Jo Thornicroft (JT)	Head of Performance and Scrutiny (Fire), PFCC's office
Camilla Brandal	Minutes, PFCC's office

PART A

1 Welcome and apologies

- 1.1 RH welcomed all to the meeting and thanked the Service for their work done on all the papers for today's Board meeting. Apologies were noted from Jo Turton and Rick Hylton.
- 1.2 RH wanted to extend his and the Board's sympathy to Jo Turton and wish her well with her treatment and a speedy recovery and hoped that she is back on the road to good health as soon as possible.
- 1.3 In the absence of Rick Hylton at this meeting, KE would take the lead for ECFRS at this meeting.

2 Minutes of the previous meeting and any matters arising

- 2.1 MB asked that paragraph 8.14, third sentence read 'We are moving to core stations' rather than 'We are moving two core stations'.
- 2.2 MB asked that paragraph 12.2 records the correct spelling of Alan Chinn-Shaw's name.
- 2.3 There were no further amendments to the minutes and subject to the above, the previous minutes were agreed. There were no matters arising.

PBI joined the meeting at 1008

3 Action Log

- 06/21 MRP – Structural Change
Proposed savings of £350k included with Budget paper for this meeting. Close.
- 07/21 Treasury Management Strategy – 10% Constraints
Strategy signed off under decision sheet PFCCFRA 037-21. It had been agreed that Investment exposure of no more than 0.5% of the total MMF (if a government MMF then 2%); investment exposure diversified over multiple MMFs with a maximum of £3m being invested in a specific fund; and, overall exposure to MMF's as a whole limited to 50% of total investments held at any time. Close.
- 08/21 Treasury Management Strategy – Constraints 3 and 4
Resolved and Strategy signed off under decision sheet PFCCFRA 037-21. Close.
- 09/21 Response Strategy – Harm Model
JP met with Jim Palmer and Lucy Clayton. JP will be included in further work as it evolves. Close.
- 10/21 Code of Ethics – Forward Plan
The Service had asked that the paper be put onto the December agenda instead of September and December. CB confirmed that the Service's Code of Conduct consultation timelines around Phase 6 of the timeframe started on 31 August and therefore would not have concluded by today's board. After a brief discussion, it was agreed that CB would provide an update on the results of the Code of Ethics Phase 6 for the Performance and Resources Board for October, followed by the formal gap analysis and launch in December. Close.
- Action 13/21:
CB to provide an update on the results of the Code of Conduct Phase 6 for the Performance and Resources Board for October.**
- 11/21 Budget Timetable – Panel date/ legal constraints
Panel dates forwarded to KE. Close.
- 12/21 Budget Timetable – Forward Plan
Meeting being arranged between Rick Hylton, JG and JT to agree items for 2022 (nearer the end of the inspection period). Close.

4 Forward Plan

- 4.1 JT confirmed the items tabled for the December meeting (second proposed draft Budget, Annual Equality Compliance report, HMICFRS inspection report update and Code of Ethics). JT asked whether the Capital Strategy should be brought to December's board? After a discussion around the areas of the capital programme and the development of the Capital Strategy through a workshop, it was agreed that the Capital Strategy will be put on the Forward Plan for March 2022 but that the MTFs in December 2021 would include a section on the developing Capital Strategy.

**Action 14/21:
JT to include MTFs in December 2021 and Capital Strategy in March 2022 on the Forward Plan.**

- 4.2 JT confirmed that a meeting will take place between the Service and the PFCC's office to populate the Forward Plan in time for December's Strategic Board.

5 Annual Report/ Fire and Rescue Statement

- 5.1 RH thanked the Service for a very well-developed document. MB confirmed that there had been a lot of work done between the Service and the PFCC's office and confirmed that approval was sought for the publication of the Annual Report and Statement of Assurance 2020-2021.
- 5.2 PBI commented that the Annual Report and Statement of Assurance will need to be approved and recommended to the Police, Fire and Crime Panel before it is published.
- 5.3 It was agreed that the Annual Report and Statement of Assurance as contained in PFCCFRA 056-21 be submitted for formal approval from the PFCC.

**Action 15/21:
The Annual Report and Statement of Assurance as contained in decision report PFCCFRA 056-21 be submitted for formal approval from the PFCC.**

- 5.4 NC commented that there were a few tweaks to the Annual Report that he would bring to Emily Cheyne's attention (with some brackets round the wrong way) and JP commented that the Annual Report references 20219/2020 whereas it should reference 2020/2021. KE and NC would address these points.
- 5.5 JG wanted to thank the Service for the well-presented document which reads extremely well. Thanks were to be passed to Emily Cheyne for her work on this.

6 Pension Board Annual Report

- 6.1 MB presented the Annual Report of the Essex Fire Authority Local Pension Board which had been tabled at this meeting for noting purposes. MB went through the remit and background to the Pension Board which deals with compliance with the various Firefighter Pension Schemes, regulations, legislation of the schemes and requirements imposed on the schemes by the Pensions Regulator.
- 6.2 MB confirmed that there had been some changes to the Board membership due to retirement and resignations. MB had taken on the chairmanship of the Pension Board and was looking for a Retired member representative which would be addressed by the Service's Senior Leadership Team at their meeting this week.
- 6.3 RH commented that as the Scheme Manager, he really welcomed all the work done by the Local Pension Board. Essex are cited as a good example and the Local Pension Board has been instrumental in taking the national lead in some areas of pensions. RH also wanted to thank Jo Turton and PBI for their work done around Immediate Detriment with the support of our pensions experts and the Local Pension Board, the outcome of which would not have been possible without their support. RH commended the Service on the report and confirmed that the PFCC's office had members of staff who could offer advice and support to MB in her role as Chair of the

Local Pension Board. JP wanted to thank James Durrant for all his work done in this area.

6.4 The Board agreed that this paper be noted and commended.

7 Capital 2022/23, Budget 2022/23 and MTFP Update

- 7.1 NC presented the background to the preparation of the 2022/23 budget, the key assumptions, budget pressures, the MTFs, Capital Expenditure and Financing, Reserves and the proposed timetable for the budget setting process.
- 7.2 NC confirmed that the graph included on Page 3 showed the outturn and actual budget position with the key objective for the budget process for 2022/23 being to produce a balanced budget. NC went through the budget pressures in detail as the 2021/22 budget shows a general fund deficit of £1.075m with the graph on Page 9 indicating that the Service needs to find a further £1.185m of additional savings to offset Pay Awards and produce a balanced budget. The 2021/22 forecast showed a general fund deficit of £0.17m and with a summary of the key financial movements from the 2021/22 forecast to the initial 2022/23 budget setting also set out on Page 9.
- 7.3 NC confirmed that funding and changes to NI rates are not included in these figures which could produce a further pressure on these figures of £400k. RH commented that Paragraph 86 of the Health and Social Care Statement confirmed that the government intends to cover this funding and increase for public sector bodies. NC and KE would look at this.
- 7.4 NC confirmed that the key movements in 2021/22 related to £0.8m underspend in non pay costs, £0.7m relating to a one-off government grant (local Council Tax support), £0.2m additional Council Tax precept and a £0.9m increase in employment costs due to unplanned Grey and Green Book Pay Awards. The key movements in 2022/23 related to £1.0m of savings identified in 2020/21 being built in to the MTFs and a £0.9m increase in employment costs due to unplanned Grey Book Pay Award of 1.5% in 2021/22. NC also confirmed that the savings had been built into the MTFs along with the unbudgeted pay award for future years.
- 7.5 NC went through the summary on Page 11 of the report (Table 9) and confirmed that the current projection shows significant spends in 2022/23 on ICT and new Fire Appliances. The purchase of the Fire Appliances is in line with the new Fleet Strategy however there has been a rephasing of the expenditure due to delays in the delivery of the existing orders that have been placed. NC confirmed that he had included spend on Service Workshops and ICT but these figures will be developed further as part of the budget setting process.

CB left the meeting at 1055

- 7.6 NC confirmed that the Service are implementing a Savings and Efficiencies Board for which Terms of Reference are being worked on at present.
- 7.7 A discussion took place around the difference between the movements set out on Page 9 (£750k grant listed as a benefit for 2021/22 but a one-off grant), the £811k underspend (temporary but included in the figure of £1m for 2021/22 against the £1.1m). RH asked NC to confirm that there was a £4.185m base budget deficit even after a £1.65m increase in tax revenue. NC confirmed that this was the case and also absorbed two pay awards within this figure and bids around additional posts of £600k. RH commented that these figures emphasised the need to deliver productivity increase with more to be done around prevention and protection. NC

commented that this was only the initial stage and there may be further budget bids to come. RH commented that he wanted to make this transparent to the organisation and help the public understand and see the productivity increase around prevention and protection work. KE confirmed that Data insights programme work will monitor and measure the productivity and it is hoped that the new Savings and Efficiencies Board be setting the productivity metrics and KPIs to be able to deliver this increase.

CB rejoined the meeting at 1059

- 7.8 JP commented that the paper set out clear assumptions and she wanted to thank the Service for the maturity of the graph. RH thanked NC and the team for this paper/ update.
- 7.9 RH commented on the Capital Expenditure programme and asked about the replacement appliances not being delivered this year. NC confirmed that they had all been ordered from Scania with the potential delivery to the coachbuilders from Scania being February/ March 2022, meaning that they have been rolled into next year. The coachbuilders cannot begin the build work as the work is bespoke to each individual Service. It is hoped that the National Framework which is currently being worked on, should be in place by March 2023 and would provide some consistency and specification around delivery and builds.
- 7.10 RH thanked NC for the update and all the work that had gone into it. He would be interested to see how the £800k and £1m can be programmed out of the base budget and NC commented that he would like to note that zero based budgeting has not been used this year but that it has been based on historic spend pressures and not prior years' budgets.
- 7.11 It was confirmed that the concept of the paper and the key assumptions going into the base budget build were agreed, whilst emphasising the need to see productivity increases around prevention and protection.

8 Annual Health and Safety Statement of Intent

- 8.1 MB presented the annual Health and Safety Statement which had been signed off by the Service's Senior Leadership Team (on 10 August) and was now presented for approval by the PFCC and Chief Fire Officer, ready for publication. MB confirmed that recruitment was underway for a new Head of Health and Safety who, when recruited, would become the responsible person for Health and Safety for the Service.
- 8.2 RH approved the Statement and it was agreed that Decision Report PFCCFRA 065-21 would be submitted to the PFCC's office for signature.

Action 16/21:

Decision report PFCCFRA 065-21 to be submitted (along with the Statement of Intent) to the PFCC's office for signature.

9 Estates Strategy

- 9.1 KE presented the Estates Strategy and wanted to recognise that it was a relatively new area of business for KE's portfolio and he was still undertaking work to understand the whole picture. The Strategy's design, content and layout mirrored that of the Essex Police Estates Strategy and included information on the core strategy, deliverables, how the Estate is managed, what has been done, what is

being achieved presently and what the future requirements will be for the Service, the governance of the Estates programme and how it will be reviewed. KE confirmed that the use of the phrase 'static estate' relates to a Fire and Rescue building/ station which is not intended to change over the next 5 years (i.e. no closure or sales of assets over the next 5 years). KE confirmed that the main intention of the Estates Strategy will be investment and the Strategy outlines the areas to be defined and delivered, for example, Fleet workshops to Boreham and Wethersfield training facilities, using the Kelvedon Park site more effectively and the upgrading and modernisation of the Wholtime Stations to make them fit for the 21st Century. KE confirmed that structural longevity needs addressing on a couple of the on-call Stations within the next 3 years and the delivery against the 'business as usual' capital plan. KE intends that the Estates Strategy will enable him to robustly challenge and manage the area of Property Services across the Service to ensure that capital is spent appropriately and within the right timeframes.

- 9.2 KE commented that the Estates Strategy is still being developed and needs a much more detailed underpinned road map which will provide asset improvements and asset protection, ultimately providing for a more fit for purpose and agile Estate.
- 9.3 KE confirmed that the other main area that is included in the Estates Strategy is collaboration, with East of England Ambulance Service have already contacted the Service about the possibility of ambulance response posts at every Station.
- 9.4 KE confirmed that work will need to be done around the use of the capital investments and actual financials, along with how much it is going to cost and how the Strategy will be delivered, and whether the ambitions set out in the Strategy are affordable. KE asked for confirmation from the Board that the Strategy is being developed in a way that is acceptable and suggested that the Strategy be developed further by the Service and the PFCC's office through workshops.
- 9.5 RH thanked KE for the Strategy and the ambition set out for the modernisation, investment, training facilities and fleet services within the Strategy. RH also commented that he was not keen on the use of the word 'static' but this is something that could be looked at through the suggested workshop, and also to ensure that the ambitions, principles and background match a higher level of ambition in deliverables.
- 9.6 JG commented that she had had meetings and conversations with KE around the Estates Strategy where the aim is to move away from the current 'doing well scenario' through a clear focus on the ambition.
- 9.7 CB raised the issue of a potential risk around the expiry of the lease at MOD Wethersfield in 2025 and the hot fire training facility. After a discussion around outsourcing the hot fire training, the expiration of the lease (KE to ascertain who had confirmed the expiration of the lease) and training using high rise facilities. KE suggested that feasibility work could start on the key areas as set out on Page 10 of the Strategy with a view to holding a workshop to redefine the Strategy's investment ambition.

Action 17/21:

KE to ascertain who had confirmed the expiration of the lease at MOD Wethersfield and provide briefing paper to RH.

Action 18/21:

A future workshop to be set up to redefine the Strategy's investment ambition.

- 9.8 RH commented that he was happy for a workshop to be set up but he also wanted to understand the reasoning behind the MOD decision as well. A brief discussion took place around using MOD facilities elsewhere in Essex, and it was agreed that KE would prepare a briefing paper for RH on this topic.
- 9.9 CB offered to send the narrative around the potential risk to JP for inclusion on the PFCC's Strategic Risk Register prior to the Audit Committee. MB would set up a meeting between JP, MB and CB to discuss the amendments to the narrative and mitigations.

Action 19/21:

CB to send the narrative around the potential risk to JP for inclusion on the PFCC's Strategic Risk Register prior to the Audit Committee. MB would set up a meeting between JP, MB and CB to discuss the amendments to the narrative and mitigations.

10 Disciplinary Policy

Dealt with under Part B

11 Papers for Publication

The papers for publication were agreed as items 5, 6, 7, 8 and 9.

12 Any Other Business

JG wanted to note that along with the meeting being well chaired by RH, the work and effort that had been put into the preparation of the quality papers allowed business to be conducted in a more efficient way than done previously.

There being no other business, the meeting closed at 1200.