

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

13 December 2021 10:00 – 12:03

Via Microsoft Teams

Present:

Roger Hirst (RH)	Police, Fire and Crime Commissioner (Chair)
Pippa Brent-Isherwood (PBI)	CEO and Monitoring Officer, PFCC's office
Rick Hylton (RHy)	Chief Fire Officer/ CEO, ECFRS
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
Lucy Clayton	Data Analyst, ECFRS
Christine Butler	Minutes, PFCC's office
Apologies	
Jane Gardner (JG)	Deputy Police, Fire and Crime Commissioner

1 Welcome and apologies

1.1 Apologies received from Jane Gardner

2 Minutes of the previous meeting and any matters arising

- 2.1 Part A – any comments on accuracy. No items noted
- 2.2 There were no matters arising on Part A that were not dealt with on this Agenda, on the Action log or on the Forward Plan
- 2.3 Part B – any comments on accuracy. No items noted
- 2.4 There were no matters arising on Part B that were not dealt with on this Agenda, on the Action log or on the Forward Plan.

The minutes were agreed subject to the above amendment.

3 Action Log

- 13/21 CB has provided a paper to the P&R board for October. Propose Close
- 14/21 The MTFs to be included for December and Capital Strategy for March in the Forward Plan and this has now been completed and there is a paper to this board. Propose Close.

- 15/21 Annual Report and Statement of Assurance for the Decision Sheet which has now been signed. MB added that this needed to be amended to reflect the fact that the core signatories are RH and RHy as of 1st January the Statement remains unchanged. PBI agreed that this could be signed off as is. JTh clarified that this action could be closed from the original Decision sheet. RH agreed. Propose Close.
- 16/21 Decision sheet sign. Propose Close
- 17/21 KE has confirmed the expiration of the Lease at MOD Wethersfield. An email briefing provided on 5th October and additional information sent on the 7th. Propose Close.
- 18/21 A workshop has been set up to redefine the Estate Strategies investment ambition which is included in the paper at this meeting. Propose Close.
- 19/21 Regarding Wethersfield Risk Register, a meeting has been held to finalise the narrative. CB has recorded the strategic risk 150032 on the Risk Register and can provide JP with some updated wording to provide assurance. Propose Close

Action 2/22

CB has recorded the strategic risk 150032 on the Risk Register and can provide JP with some updated wording to provide assurance

4 Forward Plan

- 4.1 The HMICFRS Inspection Plan was due to come to this meeting (item 5) but is not yet available and has now been moved to March 2022.
- 4.2 RH gave a brief update from the FMSC meeting on Friday that the first tranche of reinspections has been quite challenging and out of the 13 services that have been inspected there have been 9 recommendations for improvement and causes for concern. The State of Fire Report should be published on Wednesday 15 December along with the accompanying individual reports. The individual Services will be receiving their reports embargoed today. The State of Fire Report cannot be issued under embargo as it is Statutory Report that must be laid in Parliament first.

6/7 Draft Budget including MTFS

NC talked through the 22/23 Budget, Core Budget, MTFS, Capital Budget and Reserves Position.

- 6.1 The budget has been broken down into core budget, earmarked reserves, and total figures.
- 6.2 There was a budget deficit in the prior year of £8m. The proposed budget shows a reduced deficit of £100k and is close to being in a balanced position. This was the purpose of the input of the Leadership Team in the budget setting paper that came to the previous meeting.

Core Budget

- 6.3 In respect of employment costs, there is 2% pay award which has been included in 22/23 which has been included in these numbers.
- 6.4 The impact of the unplanned pay award this financial year of 1.5% Grey book and 1.75% has been included for Green book but it is still not accepted.
- 6.5 An increase has been included in the employer's national insurance costs of 1.25% which follows the government announcement in September 2021. This is in the region of £400,000 and has been included separately as compensation may be due which will be in line with the Government announcement.
- 6.6 Regarding payroll costs, there is a £1.8m impact on pay and £1m on core budgets. Some savings have been effected to offset those costs, i.e., the impact for W/T to include the pay awards and NI, shows an increase in the payroll costs of £1.7m but £1m savings to reduce that will be funded from earmarked reserves.
- 6.7 There has been approx. £900k increase in support staff pay pressures.

- 6.8 £300k increase due to Prevention Restructure, although there was a reduction in Grey Book posts there was posts that converted to green book and impacted on this cost.
- 6.9 A further £400k of savings based on the current proposals on the Innovation and Change Restructure. This is currently under consultation and this may change.

Non-Pay Costs

- 6.10 The approach has changed this year and did not provide budget holders with prior year budgets but spend profiles of historic spend which gave individuals a little more time to think about budgets.
- 6.11 This exercise saved some £600k in core budgets. £300k of this amount was very specific to the minimum revenue position, £300k was saved and variance are seen in support costs and consultancy although there have been other cost pressures in other areas such as facilities.

Funding

- 6.12 Funding has been reclassified as Government grants, which incorporates such items as pension top up grant, USAR grant, business rates relief etc.
- 6.13 £1.4m increase in Council Tax funding, 2% of that relates to precept and £500k relates to the increase in the tax base.
- 6.14 The Local Government Finance Settlement includes areas such as Revenue Support Grant and National NDR. ECFRS is waiting the Finance Settlement for this and are waiting for the announcement and there may be tweaks to the budget in this regard.

MTFS

- 6.15 Within MTFS, precept, pay and tax-based increases have been included going forward. The balanced position has been carried forward; however, consideration has been given to some investments which are scheduled in the MTFS from 23/24. This was in line with the information that was included in the recent precept survey i.e., £500k for O/C training and support, £1m costs Fire Protection Officers over a 2-year period. This creates a deficit in the MTFS of £3.7m however it is identified as unidentified savings and efficiencies savings in order to balance the MTFS out.

Capital Budget

- 6.16 Historically the Capital Budget has not been spent on an annual basis and the amount proposed for the budget next year is £8.5m. NC feels that ECFRS are in a different position to prior years due to items in the process of being procured/signed off or committed i.e., the control systems project.
- 6.17 Asset protection has been reigned in over recent years. £1.3m has been historically delivered on
- 6.18 £5m has been left in the Strategy for Service Workshops, phased over 23/24 & 24/25, and based upon the historic value in the program.
- 6.19 £3m estimated costs for Wethersfield replacement in 23/24 & 24/25 and work continues to move forward but ECFRS feel that it is sensible to put an estimate in the capital program.
- 6.20 There is a further table around funding of the capital program and shows what funding is going to be used to fund various projects in the Capital Receipts Reserve Fund. Most of the projects are in the Reserves Strategy which has been published for the first time this year, apart from the Control Systems project. It is proposed that this be funded from the Capital Receipts Reserve. A decision sheet has been drafted in this regard for submission within 48 hours of this meeting.
- 6.21 Regarding Capital Finance Charge, this is an area in the Income & Expenditure Statement which shows historical underspend. This year the proposed budget is £4.6m.
- 6.22 The MRP cost savings are based on this Capital Program and covers the budget shown in the MRP chart. This will be shown in the Capital Strategy going forward. The Capital Receipt Reserve has not been fully utilized by ECFRS in the past.

- 6.23 An update to the Strategy will be brought to the March Strategic meeting. The general reserve has shown a small deficit movement this year. Savings are to be found to fund the MTFS investment, so they do not deplete the general reserves going forward.
- 6.24 There has been a transfer from General Fund to Earmarked Reserves of £800k to top up O/C support, and innovation and transformation reserves. For 22/23 £2.4m has been included as shown on the Income and Expenditure statement. £1.2m relates to innovation transformation which consists of day crew transitional resources and the amount of Digital Data Strategy and feasibility studies.
- 6.25 £400k is included for O/C support in relation to the O/C trainers and ONCLO which will be funded from earmarked reserves for a year whilst the business cases are being finalised.
- 6.26 The Capital Receipts reserve shows £9m at the start of the current financial year which has increased to £13.7m which is the expectation for the sale of the day crewed housing.
- 6.27 Any projected sales from Lexden are not included in these figures and any sale will be included in the Capital Receipts.
- 6.28 NC feels that this balanced position is a milestone for the Service. The Service has been in deficit for the last 6 years and has to continue to be conscious of the financial decisions that are made going forward.
- 6.29 Due to pay costs increasing and the non-pay costs reducing there must be control over these costs going forward as this is an area of possible financial pressure.
- 6.30 RH thanked NC for all the hard work that both he and the team have put in and the benefit of this is clear to see. It enables the Management team to see the position better. There has been a lot of prep work and gone through a lot of the details which shows great transparency of where the Service are spending the money
- 6.31 RH noted that when you compared table 10 with table 13 on capital funding the main difference is the £444k of the MSCP grant which does not appear to show anywhere else. NC said that this is an historic grant which has already been received and it sits on the balance sheet under "Grants Received in Advance". As part of the Decision Sheet for the Control Project the Service is to utilise this grant but confirmation is needed from the Home Office that it can be used for this purpose. NC to put a caveat in the Decision sheet that if the Home Office do not agree the full project will be funded from Capital Receipts.
- 6.32 RH said that in the pre meeting it was discussed braking out the MTFS on the same basis as the budget and showing that for the full four year forward. RH would like to see this work in a workshop. NC replied that the MTFS has been reworked up to that level and needs a few final tweaks in the presentation. RH added that it is important that this is gone through SLT and would like to view before the Panel meeting on February 3rd, 2022.

Action 3/22

NC to provide a copy to RH of the reworked MTFS before the next Panel meeting on 03.02.22.

- 6.33 RHy would like to thank NC, the team and indeed the wider Service for being able to find that level of efficiency whilst absorbing a pay award. The MTFS is showing that we need to grow and are going to able to respond to the priorities in the Fire and Rescue Plan.

8. Protection Staffing Uplift

MB stated that this paper sets out the drivers and implications quite thoroughly which is required as this is a complex landscape.

- 8.1 The Building Safety Bill established that a Building Safety Regulator and the HSE will implement a new Statutory Regime for high-risk buildings, which will be in place in April

2023. This is still being shaped up, but it will rely heavily on ECFRS, Building Control and Environmental Health teams across greater Essex.
- 8.2 There is further detail pending on the nature of the content of the Building Safety Bill and there are some impacts and issues that ECFRS will also need to address with Core regulators.
- 8.3 The paper gives the NFCC and ECFRS analysis on the detriment that this impact might have on the ability to deliver across all areas.
- 8.4 ECFRS have worked closely with the NFCC on the implication of this and the modelling suggests that all FRAs will need an uplift of more than 30% of fire Safety Staff. For ECFRS that would be a further 17 FTEs.
- 8.5 Challenges around recruitment are expected for this role, together with training which can take 3-5 years to reach a competent level. The estimated cost for this would be £965,213 for the uplift. Further details on the uplift are in the workings of the report.
- 8.6 RH said that this was a very useful paper although for clarity, this is not yet in the budget and there may be an ask for possibly more than what has been budgeted for. The Service are recognising that this would like to be implemented. MB wanted to ensure that this was not undersold as it is looking to be a challenging.
- 8.7 JP wondered how this compared to the MTFS that NC prepared if the £5 was agreed. NC said that the £5 would give an additional £2.2m which would cover its investment and other investments that ECFRS would like to cover in the Precept Survey.
- 8.8 RH feels that this is very useful to use in the national campaign and something to work on over the next few months. MB feels that more clarity is needed on what is it going to look like and needs to be monitored, with an updated paper when more details are known. MB confirmed that the bill went to committee stage on 9.12.21, RH said that it was expected to obtain Royal Assent implemented by 2023. The Service will know what it is working on next spring/summer. RH asked for this to be placed on the forward plan for August/September 2022 for an update paper.
- 8.9 RH feels that the model that will be looked by the safety regulator will be one on cost recovery and funding may be drip fed into to FRS over subsequent years which will need to be factored in. The focus on this is for new build and not for current inherent risks. RH confirmed that the paper needs to come when we have visibility on the shape of the bill and where the money is coming from for the upfront investment, even if it can be recouped later.

Action 4/22

JTh to place the provision of an update paper on the Building Safety bill on the Forward Plan for August/September 2022, which will give a clearer picture on what is required once the shape of the Bill is known.

9. Estates Strategy

- 9.1 RH thanked KE for the detailed paper that has been worked on along with JTh.
- 9.2 KE said that the paper had been previously brought through the Strategic Board and the feedback referenced various items. The static estate item has been revised through workshops with colleagues and replaced with new terminology i.e., "Progressive Estate" which looks at 5 key areas which are outlined in the report and focuses on key workshops, training facilities, collaborative work on shared estate and facilities, modernisation of current estate and stations.
- 9.3 There is a sixth area of Asset Protection about focusing evidence on making sure that spending is minimised and delivering against the capital programme with a clearly defined capital programme over a three-year basis.
- 9.4 The Estates Strategy links in to the other key ECFRS strategies and is aligned to those strategies.
- 9.5 The core principles of the Estates Strategy focus on 4 main areas of supported culture and smarter, sustainable, safer secure estate and working environment which supports wellbeing and inclusiveness into the workplace.

- 9.6 The indicative timeline plans out those activities across the next 5 years. The next phase of this strategy is to bring back a more detailed business plan and articulate the costs of delivering those activities which is a key part of the strategic planning going forward. Some resources in the team may need to be repurposed to provide designated focus on those key areas of work whilst the Estates Team are able to focus on Asset protection.
- 9.7 Environmental is a key aspect of the strategy and although there is a joint Police and Fire Environmental Strategy focussing on the environmental and sustainability areas of joint services, this is key part of the Estates Strategy. Some expert advice is being taken in areas i.e., Anglia Water's sustainability programme.
- 9.8 The Estates Strategy sums up the governance structure with the new Estates Strategic Group, which is in its infancy at the moment, and looking at how this feed into the Capital Board with items over the £250k threshold.
- 9.9 KE reiterated that this report sums up the plans for the next 5 years and more details will be brought to this Board regarding key financials and the timeline for programmes. There is a Decision Sheet against the strategy for approval.
- 9.10 RH welcomes this revised paper which takes on a more dynamic feel following the workshops with a sense of purpose, ready to drive forward activity RH signed off the Decision sheet.

Action 5/22

RH confirmed the Estates Strategy Decision Sheet is now to be presented for approval and sign off. PBI confirmed that the current Decision sheet did not have RHy or NC signature on it, which need to be added before it is processed by the PFCC.

- 9.11 JP feels that that the financial details are missing in the strategy. KE said that until the feasibility studies and the business cases have been completed this information would be difficult to confirm until the various projects are commissioned. RH would like this strategy to be signed off in the shape that it is now. JP to pick up with KE & NC for a "State of the Estates Review" in line with the Strategy.
- 9.12 JTh confirmed to the Board that all decision sheets that come through are processed by the scrutiny officers and JTh does indeed keep a track on those.

10. Fleet Workshops

- 10.1 KE said that the paper lays out 3 different options; the first option, fire only workshop at Boreham, second collaborative workshop at Boreham, the third option being a collaboration workshop but a number of further increased EP estate changes. There are site plans against each of the options.
- 10.2 ECFRS have moved away from having a fire only workshop. In conjunction with EP, it has been agreed that the most pragmatic way forward to have a fully collaborative police and fire workshop. The reason for not selecting option 3 was the cost involved which include new buildings etc.
- 10.3 The paper is asking the Board to approve today the recommendation for option 2 for progression which does involve workforce requirements too. If approved today, the new specification and requirement document would be pulled together for tender. KE gave assurance that this paper has been well socialised with EP and they are agreeable to this paper and their own governance practices although this still has to go to COG which will be a formality. Approval given today will be for both EP and ECFRS.
- 10.4 JP asked for clarification of the cost. KE said that the costs are in the papers but will pull them forward to make them more obvious to the reader in the report and also in order to capture the information for P&CP members.

Action 6/22

KE to highlight the costs of the options to make them more obvious to the readers and to capture the information for P&CP members

- 10.5 RHy is delighted with the current situation and that the right collaborative solution has been found and is very supportive as is BJH. RHy made a request for pace to be kept on this project. RHy is supportive of this recommendation and thanked RH for his support. RH agreed to approval the Decision Sheet subject to amendment.

Action 7/22

RH confirmed that the Fleet workshop Decision Sheet is to be approved subject to the amendment of listing the cost into the recommendation. PBI agreed and suggested aligning this with EP for signing in RH capacity.

- 10.6 RHy asked if this would be included in the Agenda for the next Strategic Collaboration Board so that it can be finalised, and timelines set through the Board to govern the process going forward. PBI feels that this would be helpful as both ECFRS and EP proportionate Decision Sheets could be noted there. RH agreed.

Action 8/22

The Fleet Workshop Decision Sheet to be included in the next Strategic Collaboration Board Agenda together with the EP proportionate Decision Sheet.

11. Immediate Detriment

- 11.1 NC passed on apologies from James Durrant and thanked him for all the hard work that has been done on this topic, which is very complex, especially in all the relevant papers that have been produced.
- 11.2 By way of background, at the March Strategic Board an Immediate Detriment paper was presented. The Commissioner decided to proceed with implementation of ID payments that were for Category 1 i.e., firefighters that were coming up for retirement. Category 2 payments, those already in receipt of a pension but effected, was not made at this time due to the complexity involved of the papers in the Home Office Guidance.
- 11.3 Twelve payments have been made to Firefighters under ID. The next payment is due in February 2022 but is now expected mid-January.
- 11.4 At the time of adoption, there were 19 Category 2 members in receipt of pensions that fall under ID.
- 11.5 In October there was an agreement with the LGA and FBU regarding a framework which is detailed in the update paper which looks at timelines for payment for Category 2 Firefighters.
- 11.6 In the paper is a table which shows ECFRS approach to the framework who are not under any legal obligation to adopt it but there is pressure from the FBU if it is not.
- 11.7 On 29 November the Home Office Withdrew the informal guidance which was previously issued with immediate effect which puts an issue over payments and how they will be funded. A further update is expected from the LGA and the Home Office.
- 11.8 The current position is that ECFRS could be subject to legal challenge by the FBU if the framework is not adopted. The Service want to pay out the pension payments but is in a difficult position with the Home Office Guidance being withdrawn and the legitimacy of those payments.
- 11.9 There is no formal decision at this point, more of a recommendation to continue. NC feels that the Board will need to reconvene in due course when further information is available.
- 11.10 RH thanked NC and emphasized that the team at ECFRS have played a very strong role in leading the national debate. There is a lot of complexity around this issue and ethical implications. There was a meeting with the FBU in preparation for this meeting last week and although they represent the national position, they also took on board the fact that ECFRS are ground-breaking, paying the Category 1 beneficiaries when

- others did not. They also accept our desire to pay all Category 2 payments when the Service knows what the legal position is. More legal clarity will be due by April 2022.
- 11.11 RH said that at the last FSMC meeting, Essex was the better-informed voice and RH had a lot of support from other FRS on our position. Gill Gittens and her team had some severe criticism having taken the framework of the MOU in the way they have without involving those representing fire governance and the Fire Service as none of them were sighted on the framework or the MOU. RH feels that we are doing the best we can for the members of the Pension Fund without creating unnecessary tax liabilities.
- 11.12 RH had a useful meeting with the Home Office on this subject, including the trapped benefits. The Home Office emphasized that the government had no prior involvement in the MOU or the Framework and were surprised to see it, which may have been part of the decision to withdraw the guidance. It was clear that the pensions top-up grant system will cover all authorised spending. The overall financial impact is expected to include the remedy and the administration costs. The announcement this week will not include the impact of the new Act on pensions. The Home Office were cautious of the qualification of Category 2 payments under the Framework to be authorised spending. It is the intention to make good anything paid in good faith but could not see making Category 2 payments in good faith at the current time. If ECFRS make these payments it will come from the general fund.
- 11.13 Regarding Category 1 payments that have been made, the Pension Fund will need to be audited as the payments are currently being made from the Pension Fund. Does this mean that we are making unauthorised payments without current allocation of funds? Grimshaw said that talks were to be held with the Treasury and the LGA, but his view was that those are payments that have been made in good faith it is intended that FRAs will be provided with a letter of comfort for auditors.
- 11.14 RH feels that the term “in good faith” is an important one and asked if that had been accurately reflected in the ID Decision Sheet. PBI confirmed that the paper submitted was not a Decision Report but an update report but agreed that the narrative needed to be reflected in it and asked for the paper to be reissued with that additional which would be helpful for audit purposes.

Action 9/22

NC to provide updated paper with amended narrative to reflect that a decision will not be made until such time that payments can be made ‘in good faith’.

- 11.15 NC stated that an email was received requesting payments in line with FBU Framework. A response needs to be drafted and NC will let RH and PBI have sight of this before being sent. RH suggested responding back to say that their request is being acknowledged and that it will be dealt with when legal clarity is received and give details of the timeframe. This will provide transparency to the individual.
- 11.16 JP asked for clarification that this was not a decision. RH feels that if this was a decision then legal advice would need to be obtained. The Boards decision has not been varied and this is an update of developments with no change to the decision made. PBI confirmed that when this item was first put on the agenda it initially looked like a decision would be required as a formal approach was received by the LGA to sign up to the MOU. PBI’s understanding is that the request for sign up is currently paused whilst they establish their own position because of the further developments of 29th November. The Service is not being currently asked to make any decision.
- 11.17 JP updated on the latest SAB meeting, where it was concluded that ID entailed considerable risk although the risks were not confirmed. JP feels that the risks are more government based than for FRA’s. RH commented that the risks are immeasurable, it is cloudier in the framework.

12. Code of Ethics

- 12.1 CB said that the Code of Ethics came to the June Strategic Board, where 5 items were agreed. This paper is a progression on those items agreed.
- Seek to adopt the Core Code and engage with stakeholders and rep bodies.
 - Undertake a GAP analysis
 - Plan as part of the People Strategy actions, the embedding of the principles of the Core Code in everything the Service does including training and support.
 - Agree with stakeholders how the Core Code would be launched.
 - Designate CB with responsibility to promote the Core Code.
- 12.2 In October an update was given to the P&R board stating that engagement had been completed with stakeholders and rep bodies on adoption of the code and using the Working Well Together approach to do that. It was agreed that this was part of the Code of Conduct and this was embedded within that.
- 12.3 The Decision sheet contains an appendix for the GAP Analysis and the actions that are currently being embedded in the People Strategy Action Plan. Whilst the Decision Sheet is confirming the recommendations, what sits behind this is the launch material i.e., training materials. CB then showed the training materials information on the screen and went through the paper. This included benefits and outcomes, interlinking of policies, finalising of materials, letter to all staff including comms and induction information, fire standard guidance materials. Learnpro training information, Core Code question set.
- 12.4 PBI asked CB for clarification that the Code of Conduct that is attached to Annex B has been updated to incorporate the Code of Ethics. CB confirmed this point. PBI stated that the Decision Report needed to be signed and can the wording of recommendation 1 be amended in order that it asks the Commissioner to approve the update Code of Conduct attached to Annex B, as under the Constitution the Code of Conduct is a reserved matter for the Commissioner and it does not currently ask for approval. CB agreed.

Action 10/22

CB to amend the wording of recommendation 1 in order that it asks the Commissioner to approve the update Code of Conduct attached to Annex B, as under the Constitution the Code of Conduct is a reserved matter for the Commissioner and resubmit for signing off by PFCC.

- 12.5 RH asked if there could be dates and version controls on documents submitted on the policies to be published going forward.
- 12.6 RH feels that we are in a good place on this document from all parties. CB agreed and subject to approval CB will share the training materials with our rep bodies and staff networks for further input in the content.
- 12.7 RH asked for this to go on the forward plan for the P&R Board for an update in 6 months.

Action 11/22

JTh to add Code of Conduct update to the P&R Forward Plan for June meeting.

13. Risk Review of Current Control Systems

Dealt with under Part B

AOB

JP regarding PSAA Decision sheet for consideration pertaining to appoint auditors outside of the PSAA structure. NC added that there was a discussion on this with the audit committee who were happy with this and this is a recommendation that the Decision Sheet be brought forward for RH to endorse.

RHy passed on congratulations to MB who was now the Deputy Fire Chief Fire Officer for ECFRS. RH and the Board members also congratulated MB in her new senior role.

Next meeting 10 March 2022