
CLEVELAND FIRE AUTHORITY

MINUTES OF ORDINARY MEETING

16 OCTOBER 2020



PRESENT:

CHAIR

Cllr Paul Kirton – Stockton on Tees Borough Council

HARTLEPOOL BOROUGH COUNCIL

Cllrs Tim Fleming, Marjorie James,

MIDDLESBROUGH COUNCIL

Cllrs Teresa Higgins, Naweed Hussain, Jon Rathmell

REDCAR & CLEVELAND BOROUGH COUNCIL

Cllrs Billy Ayre, Adam Brook, Mary Ovens

STOCKTON ON TEES BOROUGH COUNCIL

Cllrs Luke Frost, Lynn Hall, Jean O'Donnell, William Woodhead MBE

AUTHORISED OFFICERS

Chief Fire Officer, ACFO – Strategy, Policy & Resources, ACFO – Community Protection, Treasurer, Legal Adviser and Monitoring Officer

AUDITORS

Gavin Barker – Audit Engagement Lead, Mazars

Ross Woodley – Audit Director, Mazars

Noel Adamson - Head of Audit and Governance, Hartlepool Borough Council

FIRE BRIGADES UNION (FBU)

Dave Howe – Brigade Secretary

APOLOGIES:

Cllr Stephen Thomas - Hartlepool Borough Council

Cllr Ashley Waters - Middlesbrough Council

Cllr Craig Holmes - Redcar & Cleveland Borough Council

122. WELCOME TO NEW MEMBERS

The Chair welcomed new Member Councillor Lynn Hall from Stockton Borough Council and informed Members that Councillor Craig Holmes from Redcar & Cleveland Borough Council had also been appointed.

123. MINUTE SILENCE TO REMEMBER THE LATE COUNCILLOR COONEY

Members and Officers paid their respects to the late Councillor Norah Cooney who was a long standing Member and supporter of the Cleveland Fire Authority who sadly passed away in April 2020.

124. DECLARATIONS OF INTEREST

It was noted no Declarations of Interests were submitted to the meeting.

125. MINUTES

RESOLVED - that the Minutes of the Ordinary Meeting on 14 February 2020 be confirmed.

126. MINUTES OF MEETINGS

RESOLVED - that the Minutes of the Executive Committee on 25 September 2020 be confirmed.

127. COMMUNICATIONS RECEIVED BY THE CHAIR

<u>HMICFRS</u>	Fire & Rescue Inspection Updates
<u>LGA</u>	Tripartite Agreement Pay Claim 2020 Brigade Managers Pay Survey 2020 NJC Brigade Managers Pay Consultation 2020 Fit for the Future Consultation Launch
<u>Clair Alcock</u>	HMT Consultation on Age Discrimination Remedy updates

RESOLVED – that the communications be noted.

128. REPORTS OF THE CHIEF FIRE OFFICER

128.1 COVID-19 Briefing – Presentation

Members received a detailed presentation covering:-

- 1st wave situational awareness
- CFA strategic objectives/intentions
- Operational response
- Broader support
- Health, Safety & Welfare
- Resource Costs
- Communications
- Latest Position & Government Alert Levels
- CFA Immediate Priorities

The Chief Fire Officer (CFO) expressed thanks to all staff, Members and the FBU and Unison for their continued support during this difficult time.

Councillor James placed on record thanks to the Authority and staff for the excellent service provided to Cleveland throughout the pandemic. She acknowledged the growing financial hardship which may force people to turn to unscrupulous lenders for support and highlighted the plight of vulnerable children spending more time locked in violent households. The CFO confirmed that all Brigade staff were trained in safeguarding and a substantial number of safeguarding referrals had been made to protect vulnerable people in the community.

Dave Howe passed on thanks for the fantastic efforts of everyone who stepped up and continued to support the ongoing crisis and take on extra tasks. He noted that the tripartite agreements had been extended and thanked management for the continuous communication throughout which helped keep FBU members informed and allay any concerns about additional tasks required of them.

Councillor Ayre asked what arrangements were in place for the Bonfire period. The CFO confirmed that all local organised displays had been cancelled and the Local Resilience Forum (LRF) was working with agencies to remove fire loadings from communities, take illegal fireworks off the streets and dispel displaced groups of people, in line with current COVID-19 legislation and the remit of powers those agencies have. He confirmed that it was essential to put plans in place to avoid gangs turning violent towards operational crews.

128.1 COVID-19 Briefing – Presentation cont.

Councillor James called for the government to take a stance and make the selling of all fireworks illegal in the current situation. The Chair agreed to send a message on behalf of the Authority.

RESOLVED:-

- (i) That the presentation be noted.**
- (ii) That a letter be sent to Government on behalf of the Authority calling for a future restriction / ban on the sale of all fireworks.**

(14:30) Councillor Ovens left the meeting.

128.2 Unwanted Fire Signals Policy and Strategy Cost Recovery

Members received details of the cost recovery arrangements in relation to the Unwanted Fire Signal Strategy and Policy for their consideration.

The Assistant Chief Fire Officer – Community Protection (ACFO CP) reported that the Authority's current position is not to attend Automated Fire Alarms (AFAs) to low and medium risk premises unless a confirmation of fire is received from the premises via a 999 call. High risk, special risk and domestic properties (as defined in section 4 of the report) will receive one fire appliance to the AFA address, unless a risk assessment or back-up call determines otherwise.

In February 2020, the Brigade undertook a consultation exercise to obtain the views from communities on levying a charge for attending premises with repeat UwFS, as defined in the 4 stage approach at Section 5 of the Cost Recovery Strategy (Appendix 1). The results from the general public demonstrated a strong support for implementation.

The ACFO CP reported that the introduction of a charging mechanism is primarily to encourage a positive behavior change in business/property owners who will be encouraged to work with the Brigade to reduce the number of mobilisations of UwFS. He informed Members that in 2019/20 there were 40 chargeable offenses which would have recovered costs over £26k had the Brigade had a mechanism in place to pursue them. He also added that the Brigade's new approach to UwFS was consistent with the approaches of regional counterparts.

RESOLVED – that as recommended by the Executive Committee, the introduction of cost recovery arrangements in relation to the Unwanted Fire Signals Policy and Strategy be approved.

128.3 HM Treasury Public Services Pension Schemes: Changes to Transitional Arrangements to the 2015 Schemes Consultation July 2020

Members received details of the HM Treasury's proposals in regard to Public Pension Schemes: Changes in transitional arrangements.

The CFO reported that on 16 July 2020 a consultation was launched on the HM Treasury's proposals regarding changes in transitional arrangements of the Public Pension Schemes following the result of the McCloud/Sergeant case by removing the age discrimination resulting from the limitations of the protections to older members, together with an update on the employer cost cap process.

128.3 HM Treasury Public Services Pension Schemes: Changes to Transitional Arrangements to the 2015 Schemes Consultation July 2020

The CFO referred Members to the Chief Secretary to the Treasurer's Statement (Appendix 1), Consultation Questions, (Appendix 2) and Cost Control Element of the 2016 Evaluations and HM Treasury Leaflet (Appendix 3).

The CFO reported that the consultation covers all members who were in a scheme on 31 March 2012 and the remedy period covers April 2015 to March 2022, when it is proposed a new scheme will be introduced (although no details are yet known about this scheme).

He reported that scheme members will have two options: stay in the 2015 Scheme or be put back into their previous scheme. This decision can either be made immediately (within 12 months) or be deferred to the point of retirement. This creates the potential for dual administration systems for every scheme member. There are also tax implications and administration cost to put this right.

The CFO informed Members that he had submitted a joint response with the NFCC as well as an individual stakeholder response (Appendix 4), before the 12 October 2020 deadline which incorporated the views of both the Local Pensions Board and Executive Committee which was approved by the Chair and Vice Chair.

Councillor Frost asked Mr Howe for his comments on the matter. Mr Howe confirmed he had a personal view as a scheme member for almost 20 years and reported that the FBU had submitted a full and frank response to the questions which was in line with the CFA response that a deferred choice was preferable to give Members the choice to make that decision at retirement. He also reported strong opposition to the proposal to introduce a new scheme from April 2022, as it was unclear what this would look like. Mr Howe reminded Members that it was the fault of the Government for pushing through illegal changes to the pensions and urged them to lobby government to meet the cost of this.

RESOLVED:-

- (i) that Members note the HM Treasury's 'Public Service Pension Scheme: Change to Transitional Arrangements of the 2015 Scheme' consultation on proposals regarding remedying age discrimination; the employer cost cap; and the transition of all active pension scheme members into the reformed CARE schemes with affect from 1 April 2022.**
- (ii) that Members note the response (as approved by the Chair and Vice Chair) to the HM Treasury's 'Public Service Pension Scheme: Change to Transitional Arrangements of the 2015 Scheme' consultation detailed at Appendix 4.**

(15:09) Councillor James left the meeting.

128.4 Draft Building Safety Bill / Fire Safety Order Consultation

The CFO updated Members on the Draft Fire Safety Bill published by the Government in the wake of the Grenfell Tower Tragedy. The Bill covers a wide range of changes to law covering building safety during design, construction and occupation and the creation of a new regulatory framework for high-rise residential buildings.

The CFO reported that the Government had also published a consultation on changes to the overlapping Fire Safety Order which covers safety in workplaces and other premises.

128.4 Draft Building Safety Bill / Fire Safety Order Consultation cont.

He referred Members to the Executive Summary at paragraph 3.2 of the report and outlined the Building Safety Bill Key Issues and the General Changes to Building Safety Framework detailed at section 4.

The CFO noted the impact on local authority planning departments under the new proposals as building approval would lapse automatically after three years and there would be new safety liabilities on corporate directors who could be held accountable. The new regime in high rise compliance involves additional responsibilities and clear, open, transparent information from design to occupation for anyone who may require it. There also needs to be certification to demonstrate the fitness of occupation of these buildings.

Issues for the FRS:

- FRS is now part of the new regulatory framework for approvals
- It will impact on demand on the FRS to carry out a risk based inspection programme
- Secretary of State will have powers to direct FRSs to scrutinise certain types of buildings. In relation to high rise residential there are currently 11k of these in England with cladding still in place.
- Training staff will have cost implications to the Authority to meet this new standard. The CFO confirmed the Authority was already progressing this.
- More powers to carry out detailed checks on lifts, dry risers, smoke control systems, fire doors on buildings above 11m and balconies.

The CFO reported that the response to the consultation, which had been approved by Chair, had been circulated to Members prior to the meeting.

Councillor Frost raised concern about a cladded building in Middlesbrough. The CFO confirmed that the building safety team worked in close partnership with Middlesbrough Borough Council to ensure health and safety was paramount. He added that the Brigade also has the power to prohibit where necessary.

RESOLVED:-

- (i) That the Government's consultation on proposals regarding a wide range of changes to legislation covering building safety during design, construction and occupation, and the creation of a new regulatory framework for high-rise residential buildings be noted.**
- (ii) That the Government's consultation on changes to the overlapping Fire Safety Order which covers safety in workplaces and other premises be noted.**
- (iii) That the CFA response (as approved by the Chair of the CFA) to the Government's consultation on the draft Building Safety Bill and the reforms to the Fire Safety Regulatory Reform Order be noted.**

(15:13) Councillor Ovens re-joined the meeting

128.5 HMICFRS Inspection Programme 2020/21 and COVID-19 Inspection 2020

The Assistant Chief Fire Officer, Strategic Planning & Resources (ACFO SPR) provided Members with an update on the HMICFRS Fire and Rescue Service Inspection Programme which had been temporarily suspended in March by Sir Thomas Windsor as a result of the COVID-19 pandemic.

She informed Members that in July 2017 HMICFRS began a programme of inspections across the 45 FRSs in England. The inspections examined and graded Fire and Rescue Services (FRS) in three discrete areas:

- The effectiveness of FRSs i.e. how effective are they at delivering prevention, protection and emergency response services
- The efficiency of FRSs i.e. how are they at delivering value for money services; allocating resources and collaborating
- How well FRSs looked after their people including values, culture, health and wellbeing; equality, diversity and inclusion and leadership

The ACFO SPR noted that all inspections were completed by December 2018 and the Brigade was graded 'Good' in all three areas. HMICFRS Inspections were due to recommence in 2020 but were suspended due to COVID 19 and are due to re-commence in 2021; with Cleveland Fire Brigade's Round Two Inspection scheduled for September 2023.

On 12 August 2020 the Brigade was advised that the Home Secretary had commissioned an interim inspection on FRSs on their response to COVID-19. The focus of this inspection will be on promoting improvement and identifying notable practice via a desktop inspection of key documents; surveys of staff; interviews with the CFO, Chair, Principal and Senior Officers and Trade Unions.

Cleveland Fire Authority's COVID Inspection will take place week commencing 9 November 2020 as detailed at Appendix 1. Results are expected to be published in December 2020.

RESOLVED – That the report be noted.

128.6 Government Review: Review of the Police and Crime Commissioner Model

Members received an update on the Review of the Police and Crime Commissioner Model aimed at considering how this model, introduced in 2012, can be evolved to ensure strong, visible leaders in the fight against crime and have the legitimacy and tools to hold their police forces to account effectively.

The CFO reported how on 22 July 2020, Kit Malthouse, Minister of State for Crime, Policing and the Fire Service set out to Parliament, details of a two-part internal review committed to strengthening the accountability of PCCs and expanding their role, as detailed in section 4 of the report. He referred Members to Appendix 1 which outlined the NFCC's response to the Home Office research questions, which he supported, in connection to Part 1 of the review.

Following the PCC Elections in May 2021, Part 2 of the review will commence looking at the longer term reforms and efficiencies to be made within the system with a view to implementation ahead of the 2024 elections.

128.6 Government Review: Review of the Police and Crime Commissioner Model cont.

Members raised concerns over whether further strengthening of governance with the police would be positive for the fire and rescue service and welcomed the delay in further reforms until after the 2021 elections.

RESOLVED – that the report be noted and further updates be received.

128.7 Information Pack

- 128.7.1 National Joint Circulars
- 128.7.2 Campaigns

RESOLVED - that the information pack be noted.

129. REPORTS OF THE TREASURER

129.1 Internal Audit Outturn Report 2019/20

The Head of Internal Audit (HoIA) reported the outcomes of the audit work covering the period April 2019 to March 2020. He confirmed that the systems reviewed annually by Internal Audit have provided consistently high assurance of an effective and satisfactory audit provision.

RESOLVED - That the contents of the report be noted.

129.2 Role of the Head of Internal Audit in Local Government

The HoIA reported that the CIPFA statement – ‘The Role of the Head of Internal Audit in Local Government’ had been reviewed by the Treasurer and confirmed that the CFA complied with the requirements as detailed in Appendix A of the report.

RESOLVED – that Members noted that Cleveland Fire Authority complies with the CIPFA requirements as detailed in Appendix A of the report.

129.3 Role of the Chief Finance Officer in Public Service Organisations

The Treasurer reported that the role of the Chief Finance Officer is designated as the Treasurer at this Authority. He stated that the Treasurer had reviewed the CIPFA statement – ‘The Role of the CFO in Public Service Organisations’ and confirmed the CFA complied with the requirements as detailed in Appendix A of the report.

RESOLVED – that it be noted that the CFA complies with the CIPFA requirements as detailed in Appendix A of the report.

129.4 Audit 2019/20 – Request for Declarations

The Treasurer presented Members with a proposed response to a letter received from the Director of the Authority’s External Auditor Mazars regarding processes, arrangements and compliance with laws and regulations and the prevention and detection of fraud. The proposed response, attached at Appendix 1, included:

- Questions and arrangements for preventing and detecting fraud
- Questions about arrangements for complying with law and regulations responsibilities
- Questions about the appropriateness of the going concern assumption

129.4 Audit 2019/20 – Request for Declarations cont.

RESOLVED – that the letter at Appendix 1, outlining how the activities of the Audit and Governance Committee comply with the International Auditing Standards, be approved and the Chair be authorised to respond accordingly to the external Auditor.

129.5 Final 2019/20 Financial Report and Audit Completion Report

The Treasurer presented the Final 2019/20 Financial Report as detailed at Appendix C and noted that page 32 had been amended to reflect the impact of COVID-19 on the asset valuation.

The Audit Engagement Lead outlined the key areas of the Audit Completion Report at Appendix A which covered:

- Executive Summary
- Significant Findings
- Internal Control Recommendations
- Summary of Misstatements
- Value for Money Conclusion

He reported that there had been a relaxation of deadlines from mid-June to the end of August due to COVID-19 and the audit had been carried out entirely remotely with the usual rigorous reporting standards.

He referred to the positive working relationship with the Authority and thanked finance teams in both Hartlepool Borough Council and the Brigade for their co-operation and support in achieving a timely audit completion.

He reported that there had been no exercise of special powers but due to pension fund auditor assurances being outstanding Mazars was not in a position to sign the Audit off. He confirmed the letter of representation would be signed by the Treasurer and Chair at the point the financial statement was approved.

The Audit Director (AD) reported that the Audit Strategy Memorandum had been reported to the Audit & Governance Committee in February 2020 and set out three significant risks: management override of controls; property, plant and equipment valuation; defined benefit liability valuation. He reported there were no significant matters to bring to Members attention and no new significant risks.

The AD confirmed it was his intention to issue an unqualified Value for Money conclusion for the 2019/20 financial year.

RESOLVED:-

- (i) That the matters raised in Mazars' Audit Completion Report detailed at Appendix A be noted.**
- (ii) That Members noted that the Letter of Representation will be signed by the Treasurer and Chair once the Audit is completed.**
- (iii) That the Final 2019/20 Financial Report attached at Appendix C be approved subject to adjustments on the Pension Fund.**

129.6 Treasury Management Strategy 2020/21

The Treasurer reported that the Treasury Management Strategy 2020/21 as detailed at Appendix 1 had been scrutinised by the Audit & Governance Committee on 21 February 2020 and recommended for approval. He informed Members that although it was prepared prior to the COVID-19 pandemic it still remained appropriate and economic developments, including the impact of the Brexit process, would be kept under review.

He briefly outlined the Strategy which included:-

- Economic Background and Outlook for Interest Rates
- Interest Rate Forecasts
- Treasury Management Outturn Position 2018/19 and 2019/20 Mid-Year Review
- Treasury Management Strategy 2020/21
- Borrowing Strategy 2020/21
- Investment Strategy 2020/21
- Minimum Revenue Provision and Interest Costs / Regulatory Information 2020/21

RESOLVED - That as recommended by the Audit and Governance Committee at its meeting on 21 February 2020, Members approved the following detailed recommendations for the 2020/21 Treasury Management Strategy and related issues:

- i) **That the 2018/19 Treasury Management outturn detailed in Section 5 and Appendix A be noted.**
- ii) **That the 2019/20 Treasury Management mid-year position detailed in section 6 be noted.**
- iii) **That the 2020/21 prudential indicators outline in Appendix B be approved.**
- iv) **Borrowing Strategy 2020/21**
That Members noted that in the event of a change in economic circumstances that the Treasurer may take out additional borrowing in advance of need if this secures the lowest long term interest cost.
- v) **Investment Strategy 2020/21**
That the Counterparty limits as set out in paragraph 9.7 be approved.
- vi) **Minimum Revenue Provision (MRP) Statement**

That the following MRP statement be approved:

- **For capital expenditure incurred before 1st April, 2008 the Authority's MRP policy is to calculate MRP in accordance with former CLG Regulations. This is 4% of the Capital Financing Requirement except where the Authority makes Voluntary Revenue Payments which is in excess of the amount required by these regulations, based on asset life;**
- **From 1st April, 2008 the Authority calculates MRP based on asset life for all assets or where prudential borrowing is financed by a specific annuity loan, MRP will be calculated according to the actual annuity loan repayments.**

130. JOINT REPORT OF THE CHIEF FIRE OFFICER & TREASURER

130.1 Medium Term Financial Strategy 2021/22 – 2022/23

The Treasurer updated Members on the Authority's financial position for the current year and financial outlook for 2021/22-2022/23. The report covered:

- Background
- National Issues
- 2020/21 Budget Position
- Financial Impact of COVID-19 on Service Expenditure / Resources
- 2021/22 Budget and Financial Outlook
- Reserves

The Treasurer noted that prior to 2020/21 the Authority had managed nine years of austerity and cuts in Government grant funding. As the majority of the budget is spent on front line services the Authority has made significant changes, including reductions in the number of wholetime firefighter posts, as detailed in section 3. He reported that the financial environment facing local government and FRAs is probably the most uncertain the sector has ever faced. The list of uncertainties is a significant challenge to budget planning and the key issues are:

- the outcome of the 2020 Spending Review
- the impact of delayed major reforms of the funding system until 2022/23
- the impact on the collection fund of the pandemic in the current year
- the impact on both the council tax base and business rates base of the economic down turn
- the overall level of grant funding in the settlement for 2021/22
- the trigger level for the 2021/22 council tax referendum limits
- the possibility of a second COVID-19 wave locally or nationally
- the size and shape of the economic recovery, both nationally and locally

The Treasurer confirmed that 2020 had been the most uncertain year the Authority had ever faced and that the MTFs was predicated on the Government not making any grant cuts. He reiterated, as reported to the Executive Committee on 25 September 2020, that the use of reserves is on the understanding it does not provide a permanent solution.

Councillor Ovens acknowledged that the Authority had had to adapt to receiving poor settlement grants year-on-year and thanked officers for successfully managing the budget and workforce.

Councillor Hall thanked the Treasurer for the report and queried why it was expected to take three years to correct the impact of COVID-19. The Treasurer confirmed the report had been prepared when the Authority thought it was moving towards the recovery phase of the pandemic but this progress had now gone into reverse. He reported that there was a possibility that the Treasury would look sympathetically at collection fund deficits and any support towards meeting these would be advantageous for the Authority.

Councillor Woodhead called on Members to seek the support of MPs to lobby on the Authority's behalf.

130.1 Medium Term Financial Strategy 2021/22 – 2022/23 cont.

RESOLVED:-

- (i) That Members noted the report and that further updates will be provided later in the year to enable Members to consider the final recommendations to be referred by the Executive Committee to manage the forecast Collection Fund deficit and set the 2021/22 budget and Council Tax level.**

- (ii) That the proposals to include budget provision for increased Fire Protection Capacity in the 2021/22 budget, noting this slightly increases the total forecast deficit for 2021/22 and 2022/23 from £446,000 to £547,000 be approved.**

131. TO RECEIVE THE REPORT OF THE LEGAL ADVISER AND MONITORING OFFICER

131.1 Pay Policy Statement 2020/21

The Legal Adviser & Monitoring Officer (LAMO) reported that in line with the provisions set out in the Localism Act 2011, the Authority had a statutory duty to prepare a Pay Policy Statement for each financial year relating to:

- the remuneration of its chief officers
- the remuneration of its lowest paid employees
- the relationship between:
 - the remuneration of its chief officers and
 - the remuneration of its employees who are not chief officers

The LAMO reported that the Executive Committee had considered the Pay Policy Statement 2020/21 at its meeting on 6 March 2020. He referred Members to Appendix 1 which highlighted the remuneration of the lowest paid employees which was:

- Firefighter (Development) - £24,826
- Non-operational employees Grade B (Development) - £18,426

He reported that the Government's National Living Wage sets a minimum wage for all workers aged 25 years and over which equates to £16,821, which was lower than the Authority's lowest paid employees Grade B (Development) which was £18,426.

RESOLVED - That Cleveland Fire Authority's Pay Policy Statement 2020/21 be approved and published by the Authority.

132. LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION ORDER) 2006

RESOLVED - "That under Section 100(A) (4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business, on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 1 and 3 below of Part 1 Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006", namely information relating to an individual and information relating to any financial or business affairs of any particular person (including the authority) holding that information."

133. CONFIDENTIAL MINUTES

RESOLVED – that the confidential minutes the Executive Committee on 25 October 2020 be confirmed.

134. CONFIDENTIAL REPORT OF THE TREASURER

134.1 Agreements between Cleveland Fire Authority and Cleveland Fire Brigade Risk Management Services Community Interest Company (CFBRMS CIC)

The Treasurer updated Members on the agreements between the Authority and CFBRMS CIC.

**COUNCILLOR PAUL KIRTON
CHAIR**