

Minutes of the meeting of the BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY held on WEDNESDAY 22 OCTOBER 2014 at 11.00 am

Present Councillors Bendyshe-Brown, Busby, Dransfield, Exon, Glover (part), Gomm, Huxley (part) Lambert (part), Mallen, Morris, Reed, Schofield, Vigor-Hedderly (part), Watson, Webb and Wilson

Officers: M Jones (Chief Fire Officer), J Thelwell (Chief Operating Officer), G Britten (Director of Law and Governance), D Skinner (Director of Finance and Assets), L Swift (Director of People and Organisational Development) G Smith (Head of Service Development), M Osborne (Head of Service Transformation), M West (External Auditor), M Hemming (Head of Finance [Deputy Director]), K Nellist (Democratic Services Officer) and F Pearson (Group Manager Communications).

One Member of Public

Apologies: Councillors Chilver and Webb

FA19 MINUTES

RESOLVED –

That the Minutes of the meeting of the Fire Authority held on 24 June 2014, be approved and signed by the Chairman as a correct record.

FA20 CHAIRMAN'S ANNOUNCEMENTS

The Chairman announced that:

- a) he and the Chief Fire Officer (CFO) attended the South East Fire Improvement Partnership on 31 July at the LGA in London. The main agenda item was a report discussing the possibility of merging fire authorities in the South East Region.

It was clear that the counties are not in favour of mergers at this time, but at his request however, on behalf of this Authority, officers of the 9 services would now put together a matrix which would detail the amount of collaboration and partnership already occurring in the region.

Also under 'Any Other Business', the issues of the review of the National Joint Council arrangements were raised and the on-going industrial dispute on pensions. It was clear that the other services were willing to bear the extra costs of the strike, with some CFOs citing reasons such as inadequate contingency arrangements, not wishing to localise the strike and 'having to work with the staff afterwards'.

- b) during the summer whilst the Chief Fire Officer was on leave and away on a course he took the opportunity to promote the Chief Operating Officer to acting Chief Fire Officer and the Head of Service Transformation as deputy. They led the service through some significant challenges with an excellent performance. He was delighted to note that there were officers in this organisation who demonstrate the skills to operate successfully at the highest levels and he was pleased that the Chief Fire Officer had ensured that sufficient skills, knowledge and understanding were present in the senior staff to ensure that the Authority's business would continue to be successfully managed.

- c) He was sending each Authority member a letter which explained the position in respect of staff, especially the senior ones. Staff have for the last year endured an outrageous amount of abuse and pressure from a wide range of sources and social media activists and the resilience is remarkable and admirable. He would be sharing with each member of the Authority a letter regarding the Authority's responsibilities as an employer and its duty of care to all in its employment.
- d) he was sure all Members had received lobbying from people who seemed concerned about the FBU strikes and some officers' actions. He was shocked that none of the lobbyists seemed bothered about the firefighters going on strike but more concerned about the officer's genuine attempts to keep some form of protection for our taxpayers.
- e) he, the Vice Chairman, and the Chief Operating Officer, met with the new Fire Minister Penny Mordaunt on 1 October at Great Holm Fire Station in Milton Keynes. As well as spending time with the firefighters, she expressed appreciation of the Authority's achievements and listened with great interest. It was clear that the relationship between senior officers and the Government was strong and the Authority should be proud that this allows for a fair amount of influence on the national agenda.
- f) he and the Vice Chairman made a presentation at the annual Combined Fire Authorities Conference on the 17 October in which they detailed the approach taken on the issue of partial performance. They had used the opportunity to demonstrate why this Authority was the best in the country, using the Authority's financial and community protection performance and the outcomes from the year long national dispute as examples of what could be achieved with strong leadership.
- g) he and some of the senior managers, would be attending an MP's briefing in the House of Commons on Thursday 23 October day. He had agreed with the Chief Fire Officer that a meeting with local MPs together would be a productive exercise and the Speaker of the House of Commons had agreed to host the delegation.
- h) the Authority would host its annual Long Service Awards Ceremony on the evening of Friday 24 October and he hoped many Members would be able to attend.
- i) in partnership with the British Automatic Fire Sprinkler Association, The Authority would be holding a "Warehousing & Logistics Seminar" at the MK Dons Stadium on 27 November. The Authority was one of the leading advocates for commercial sprinklers and had invited a number of planning officials from the service's area to attend.
- j) he was pleased to report that the proposed collaboration between Buckinghamshire County Council and this Authority to establish a law firm continued to receive national coverage. The proposed terms of entry would be subject to approval by the Executive Committee when it met on 19 November.
- k) because of the deadlines involved the Chief Fire Officer had responded to the "Thomas Review" into the National Joint Council arrangements and he had asked for a copy to be placed in the member's library.
- l) the 'Carr Review' into Trade Union tactics and 'leverage' was published last week. Several Fire Authorities had submitted evidence and this Authority featured quite prominently as one in which officers received

particularly vitriolic and nasty treatment at the hands of internet abusers. This would be placed in the members' library.

- m) he was delighted to announce that the Authority had been successful in its bid for some of the Government's Transformation Funding and that it had been awarded over £2.8 million for a joint project with Thames Valley Police to rationalise the station arrangements in Milton Keynes. Officers would bring more detailed proposals forward when the outcome from the IRMP (Public Safety Plan) consultation was reported at the December Fire Authority meeting.
- n) the Authority had received a rebate of around four thousand pounds from the Audit Commission as part of its winding up process.
- o) he would like to remind Members of the forthcoming Members' Workshop to be held on 29 October. Sir Ken Knight who had agreed to act as the Authority's independent professional adviser on the Public Safety Plan, would be attending.
- p) he would like to remind Members of the Annual Christmas Carol Service, on 10 December at The Church of Christ The Cornerstone, 300 Saxon Gate West, Milton Keynes, MK9 2ES.

FA21

RECOMMENDATIONS FROM COMMITTEES

Executive Committee – 12 September 2014

The Authority considered the recommendations of the Executive Committee held on 12 September 2014 relating to:

Minute EX11 (Industrial Action – verbal Update)

"That the Authority be recommended to agree that the Chief Fire Officer and the Senior Management Team continue to enjoy the support of the Authority for the manner in which the periods of industrial action have been handled".

One member was not in agreement of the above statement and asked for a recorded vote.

Other Members in support of the above statement gave their reasons.
(Cllr Huxley joined the meeting)

It being moved by Councillor Wilson and seconded by Councillors Dransfield and Reed it was agreed that the vote would be recorded:

	For	Against	Abstained
Bendyshe-Brown	✓		
Busby	✓		
Dransfield	✓		
Exon	✓		
Glover	✓		
Gomm	✓		
Huxley	✓		
Lambert	✓		

Mallen	✓		
Morris	✓		
Reed	✓		
Schofield	✓		
Vigor-Hedderly	✓		
Watson	✓		
Wilson		✓	
Totals	14	1	

RESOLVED –

That the Chief Fire Officer and the Senior Management Team continue to enjoy the support of the Authority for the manner in which the periods of industrial action have been handled

FA22

THAMES VALLEY FIRE CONTROL SERVICE (TVFCS) PROGRAMME

The Head of Service Development introduced the report and advised Members that the purpose of the report was to update the Authority on key aspects of the Thames Valley Fire Control Service (TVFCS) Programme; and for the Authority to agree the terms of reference and constitution of the joint committee and to appoint Authority members to it.

The Head of Service Development updated Members on recent progress within the project. There was an issue with BT Openreach which was delaying the site and user acceptance testing of equipment that had arisen since the report had been submitted.

The Vice Chairman felt the programme was going reasonable well, but there was a high risk that the 10 December 2014 cut over date would be delayed. This was not the fault of the officers leading the project, but the issue with BT Openreach.

A Member wanted to thank the current control room staff for working so diligently whilst all the changes were taking place.

In answer to a question whether an allowance was paid to Members on the Thames Valley Fire Control Joint Committee, the Chairman confirmed there was no allowance only travelling expenses.

In answer to a question asking if North Yorkshire Fire and Rescue Service used the same system as the new control room, the Head of Service Development confirmed the reason North Yorkshire Fire & Rescue Service was chosen was its remoteness and that it used the same mobilising system (Vision 4).

In answer to a question regarding mapping and whether a control room situated outside the county would be sufficient, members were assured

that the new control room would use location software so whether a caller was on a mobile phone or landline their location would be identified.

The Director of Legal and Governance advised members that Royal Berkshire Fire and Rescue Service (RBFRS) and Oxfordshire Fire and Rescue Service (OFRS) had imposed certain conditions on the Authority in March 2013 with various pre conditions on entry before they would let the Authority participate. Two of those conditions related to the service delivery model which would be by a collaborative discharge of functions, and in that respect most of the detail would be set down in a 'steady state partnership agreement' the detail of which had still to be agreed by officers; and the other element of the pre-condition was governance by way of a principal officer coordination group and a joint committee.

First, the Authority had to agree to constitute the joint committee; secondly it had to agree to give it terms of reference and thirdly it had to agree to appoint members.

Royal Berkshire Fire Authority (RBFA) had agreed at its meeting on 22 September 2014 to similar terms of reference and to constitute a joint committee. It had also agreed without question the standing orders which were the rules with which the joint committee would govern itself. Subsequently, the Director of Legal and Governance had received an email from the Chairman of the RBFA raising some questions about the text of the standing orders.

The Director of Legal and Governance felt that if the new joint committee was not happy with the standing orders, it could make it the first item of business at its first meeting and make the necessary changes.

With that caveat the Director of Legal and Governance recommended that the standing orders and terms of reference be agreed.

The Director of Legal and Governance stated that there was no legal obligation to appoint by political proportionality to a joint committee.

RESOLVED –

1. That the progress report be noted.
2. That the Authority constitutes and participates in the Thames Valley Fire Control Joint Committee comprised of representatives of Oxfordshire County Council and Royal Berkshire Fire Authority.
3. That the Authority delegates such of its functions to the Thames Valley Fire Control Joint Committee as are necessary to enable it to fulfil its terms of reference and its Standing Orders.

Councillor Wilson moved the following Motion which was seconded by Councillor Lambert:

Of the two members and the substitute member from this Authority, that at least one of those three would not be from the majority political group.

On being put to the vote, members voted against the Motion.

The Authority considered the appointment of representatives to the Thames Valley Fire Control Joint Committee.

It being moved by Councillor Morris and Seconded by Councillor Glover that the two members referred to in recommendation 4 be Councillors Dransfield and Reed.

On being put to the vote it was:

RESOLVED:

4. That the Authority appoints Councillors Dransfield and Reed as its representatives on the Thames Valley Fire Control Joint Committee.

It being moved by Councillor Morris and seconded by Councillor Dransfield that the substitute member referred to in recommendation 5 be Councillor Busby.

On being put to the vote it was:

RESOLVED:

5. That the Authority nominates Councillor Busby as a substitute member in the event that neither of its appointed members are able to attend a meeting of the Thames Valley Fire Control Joint Committee.

FA23

IN YEAR AMENDMENTS TO BMKFA PAY POLICY PRINCIPLES AND STATEMENT 2014/15

The Director of People and Organisational Development advised members that the current pay policy statement for the years 2014/15 was approved in February 2014 and at that time it was highlighted that the Authority may require an in-year review to accommodate any outcomes from the Support Services Staff Conditions of Service Review.

The Support Services Staff Conditions of Service Review was completed back in April 2014 and the outcomes were summarised for the Executive Committee for information at the meeting on 14 May 2014. This report was simply proposing minor amendments to the policy which accommodates the outcomes of that review.

A Member asked if the following could be noted 'that this Authority receives a report to its next meeting on the processes and issues required to consider seeking accreditation as a 'living wage employer'.

Members were reminded that they could approach officers at any time if they had questions or if they thought there was something the Authority should be doing.

RESOLVED:

That the amendments made to the Pay Policy Principles and Statement at Appendix 1 be agreed by the Fire Authority as its statutory Pay Policy Statement for the remainder of 2014/15.

FA24

FINANCIAL ARRANGEMENTS FOR INJURY AWARDS TO FIREFIGHTERS

The Director of Finance and Assets advised Members that the Department for Communities and Local Government (DCLG) had brought to the Authority's attention a potential issue arising from the implementation of amendments to the firefighters' pension scheme in 2006. The Chief Fire Officer had commissioned an independent investigation.

In the meantime, there was a need to account for the issue that had arisen and the Director of Finance and Assets had agreed with the External Auditor that the potential liability would be treated as a provision in the

accounts and money should be transferred from reserves to cover this provision. Should the provision not be required then this amount would be returned to the reserves.

The Vice Chairman advised members that until recently he was unaware of the issue and, as already mentioned, there was now an investigation to establish how this came about.

The External Auditor had also been unaware of the issue until DCLG had sent out a circular to all authorities in July 2014. The circular asked all authorities to check their position on injury compensation payments and where they were being charged within their accounts. As a result of the circular, a number of authorities had found that they had charged to the firefighters' pension fund rather than to the operating account.

The Chief Fire Officer advised members it was intended that the matter would be brought to the December 2014 Fire Authority meeting for full discussion. There were a number of authorities with the same issues, but few had been as transparent as this Authority. Three authorities had already declared they had a problem. It was estimated that it could be more than twelve of England's forty-six fire authorities affected. Some had detected it since 2006 and before 2010.

The Chief Fire Officer would also be asking the Audit Commission that, if some authorities had become aware of this problem and corrected it back in 2007 and 2008, why it was not made known nationally that the problem might exist, especially if DCLG were aware in 2007/2008.

The Chief Fire Officer was optimistic that the Authority would have a clear picture as to how it happened in this service and what had happened elsewhere once investigations were complete. He also reiterated that Councillor Dransfield was not made aware of the issue until recently because the Chief Fire Officer wanted to get as much information as possible before it was taken to the Authority.

One Member stated he was glad an investigation had been commissioned and members should keep an open mind until the outcome was known, and another Member wanted assurance from the External Auditor that the auditors would cooperate fully with the investigation.

(Councillors Glover and Lambert left the meeting)

The Chief Fire Officer advised members that, although the DCLG had yet to cite its statutory authority for its entitlement to demand the money from the Authority, any proposals not to approve the recommendations would delay the signing off of the accounts by the Audit Director.

A discussion was held as to whether to transfer the amount from the revenue contribution to capital reserve. The Chairman of the Overview and Audit Committee stated this was the correct thing to do.

On being put to the vote, all agreed with one abstention.

RESOLVED -

1. That the Authority authorise a transfer from the revenue contribution to capital reserve to create a £1.38m provision, which will cover the potential liability for the period 1 April 2006 to 31 March 2014.

2. That the Authority delegate authority to the Chief Fire Officer to approve a permanent virement of £193k from contingency in the event the Authority is required to meet on-going future payments from the operating account subject to the outcome of the independent investigation.

FA25

AUDIT RESULTS REPORT

The External Auditor explained to the Authority that at the meeting of the Overview and Audit Committee on 24 September 2014, due to the issue with the injury awards payable to Firefighters an amendment was made to the Letter of Management Representation and there were further amendments to the Statement of Accounts which had delayed them being signed off.

The External Auditor advised members that the following amendments had been made to the Statement of Accounts:

Injury awards payable to a firefighter attributable to a qualifying injury are not part of the Firefighters' Pension Scheme and must be paid from the Fire Authority's operating account, not from the pension fund. The Fire Authority had been charging the continuing payments for injury awards that started before 2006 to the pension fund. This had resulted in a claim for reimbursement by DCLG of £1.4m.

There was an amendment to the valuation of fixed assets. The Authority had its land and buildings valued at 31 March 2014 and used these valuations as at 1 April 2013. It depreciated these higher opening valuations. This overstated the depreciation and impairment in the year and understated the 31 March 2014 net book value of land and buildings. Amendments had been made to bring the two into line.

The localisation of business rates had introduced new accounting requirements to reflect the Authority's share of business rates income from its five billing authorities. The Authority reported the cash received from the billing authorities as business rates income, but the Authority was required to account for its share of actual business rates income and should include in its accounts its share of ratepayers' debts and prepayments and the provision for unsettled valuation appeals. An adjustment was required to match the impact on council taxpayers to statutory precepts received.

Billing authorities act as agents for precepting bodies. This means that precepting bodies should show in their accounts their share of the council tax transaction including taxpayers' arrears and prepayments. These are regarded as balances with the taxpayers not with the billing authority. The Authority misclassified the balances.

The External Auditor also stated that additional fees may be charged to cover the additional work.

The completion certificate which draws to an end the audit for 2013/14 had not been issued and the accounts remained open pending the investigation and legality of reimbursing the firefighters pension scheme money. The External Auditor had taken the view that he could not sign off the accounts until he had assurance that there was statutory authority enabling the Authority to make such a payment to DCLG.

(Councillor Ruth Vigor-Hedderly left the meeting).

RESOLVED –

That Members note the content of the report.

FA26**ADOPTION OF THE AUDITED STATEMENT OF ACCOUNTS**

The Adoption of the Audited Statement of Accounts had been discussed with the previous item the Audit Results Report.

RESOLVED –

1. That Members approve the Letter of Representation.
2. That Members approve the adoption of the Statement of Accounts.

FA27**DATE OF NEXT MEETING**

The Authority noted that the next meeting of the Fire Authority is to be held on Wednesday 17 December 2014.

It was agreed that due to the large number of items of business on the agenda, the start time would be 10am.

THE CHAIRMAN CLOSED THE MEETING AT 1.20pm