

**Minutes of the meeting of
Shropshire and Wrekin Fire and Rescue Authority
Strategy and Resources Committee
Held via Microsoft Teams
on Thursday, 12 November 2020 at 2.00 pm**

Present

Members

Councillors Carter, Hartin (Vice-Chair), Lavery, Mellings (Chair), Pardy, Roberts and Wynn

Officers

Rod Hammerton	Chief Fire Officer	CFO
Simon Hardiman	Assistant Chief Fire Officer	ACFO
James Walton	Treasurer	
Joanne Coadey	Head of Finance	HoF
Germaine Worker	Head of HR and Administration	HHRA
Natalie Parkinson	Equality, Diversity and Inclusion Officer	EDIO
Lynn Ince	Executive Support Officer	ESO

1 Apologies for Absence

Deputy Chief Fire Officer (DCFO) Dave Myers
Ged Edwards, Planning and Performance Manager

2 Disclosable Pecuniary Interests

None

3 Public Questions

None

4 Minutes

Resolved that the minutes of the Strategy and Resources Committee meeting, held on 17 September 2020, be agreed and signed by the Chair as a correct record.

5 Committee Constitution and Training

This report brought the latest version of the Committee's constitution to the notice of its Members. It also asked Members to consider what training, if any, they wished to receive in order for them to fulfil their role on the Committee.

The Committee requested refresher training on equality, diversity and inclusion issues. The Committee also felt that it was timely and appropriate to provide a briefing on the planning cycle, especially with the Covid-19 pandemic and the increased strain on budgets. This would also tie in with Medium Term Financial Planning and would consist of two parts: planning and 'how the money goes round'. Members also requested briefings on financial terminology and Treasury Management.

The Committee agreed that sessions should be held immediately before its meetings and should be 30 – 60 minutes long. The Committee was also happy to take part in joint training with the constituent authorities.

Resolved that the Committee

- a) Note the constitution of the Strategy and Resources Committee (attached at the Appendix to the report); and
- b) Request the following training to enable them to fulfil their role on the Strategy and Resources Committee effectively:
 - Financial Terminology
 - Planning Cycle Briefing
 - 'How the Money Goes Round'
 - Treasury Strategy Update
 - Refresher training on Equality, Diversity and Inclusion.

6 Committee Delegations

Officers informed the Committee that work is ongoing on the issue of committee delegations. The DCFO is working with the Clerk with the aim of bringing a report on the issue to the next meeting of the Committee in early 2021.

Resolved that the Committee note the verbal update given.

7 Financial Performance to September 2020, including Annual Treasury Review 2019/20 and Mid-Year Treasury Review 2020/21

This report provided information on the financial performance of the Service, and sought approval for action, where necessary.

The HoF presented this report and highlighted the following issues:

- Underspend in Training will be added to Training reserve for later use
- All the Service's vehicle leases have now expired and this will not be included in the budget in future years
- ICT spend is a pressure area due to the move to a maintenance / support approach. The figure shown in the table is not actually an overspend but reflects the budget situation which currently is not sufficient to cover all ICT contracts and costs. This will be uplifted and adjusted for inflation in the 2021/22 budget.
- The Service's spend on Covid-19 is £229K to the end of September 2020 with expenditure being reported to the Home Office via the National Fire Chiefs Council. Any underspend will be used to cover shortfall on council tax etc in 2021/22.
- The increase to the approved scheme amount for Emergency Response Vehicles is requested to ensure that the scheme accurately reflects the purchases being made

Regarding the economy the HoF explained that negative interest rates remain a risk for the Authority and the HoF is working with Treasury Management to amend investments as necessary.

Referring to the current investments as set out on page 10 of the report, Members asked if the Authority can make use of its investments if needed, i.e. within the terms of the investments is there the opportunity to withdraw from them if necessary. The HoF explained that the Authority's cash balances are its reserves, precept and grant income which make up the reserves. There is currently £16m held in the reserves but this will reduce with the upcoming Telford Central refurbishment capital scheme. The HOF also advised that the Income Volatility Reserve was increased at the end of the 2019/20 financial year. Its' balances are readily accessible, and officers are comfortable that there are sufficient funds available to cover any issues.

In relation to the ICT budget issues set out in the report, Members requested some training on ICT terminology and developments. Officers commented that this training may assist with the understanding of ICT spending and agreed to arrange this.

Members commented that the positive outweighs the negative with the budget variances set out in the report and that it is a meaningful report with no surprises.

Resolved that the Committee recommend that the Fire Authority

- a) Note the position of the revenue budget;
- b) Approve virements to the revenue budget, where requested;
- c) Note the update on capital activities and approve the adjusted total of the scheme for emergency response vehicles;
- d) Note the update on corporate risk;
- e) Note the annual review of treasury activities for 2019/20;
- f) Note performance against prudential indicators to date in 2020/21; and
- g) Note the mid-year review of treasury activities for 2020/21.

8 2021/22 and Later Years Revenue and Capital Budgets

This report brought together the elements of an initial revenue budget, based on current planning assumptions, and sought the Committee's approval for this outline to be recommended to the Fire Authority in December 2020.

The HoF presented this report and advised the Committee that it is the first of the budget setting papers for 2021/22. The settlement for 2021/22 is due to be announced at the end of November (25 November) and whilst there is some certainty for 2021/22, there can only be estimates at best for the later years.

The HoF then talked through the information set out in the report and highlighted the following points:

- There have been very few changes in the base budget as set out on page 3 of the report
- The main movement within the budget has been the addition of £146k for IT and Communications to reflect the changes in procurement within that department.
- Regarding committed costs, it is assumed that the Pension Contribution Grant will come to an end in 2021/22
- The pay award for firefighters in 2020/21 was 2% with support staff receiving 2.75% therefore a 2% pay rise in 2021/22 for the pay and price contingency
- Information on the capital programme is set out in section 6 of the report and further detail on this will be brought to the January meeting of this Committee for recommendation to the Fire Authority in February 2021.
- Funding information will be forwarded to Members as and when it is received by the Authority.

Members commented that the Authority has solid foundations for the 2021/22 budget due to its previous planning. The prudent actions it has taken in the past have put it in a good position, but funding is still a key area and the announcement on 25 November is critical. The HoF advised that the detail announced by the Chancellor will be reflected in the discussions at the Strategic Advisory Group meeting on 3 December and at the Fire Authority on 16 December 2020. The HoF also undertook, in response to a request from Members, to provide the key headlines of the Chancellor's statement to the Committee.

Members asked what the effect of Brexit might be on the budget. The CFO advised that the majority of the Authority's budget is spent on staffing costs, but a planning group has been set up to look at potential issues which are more likely to come from the supply chain than from tariff increases. Provision has also been made to deal with any fluctuations in the exchange rate.

Resolved unanimously that the Committee recommend that the Fire Authority

- a) Notes the revisions and the committed changes to the base budget, as shown in section 4 of the report;
- b) Bases its pay and price contingency in the revenue budget on the calculations set out in section 5 of the report;
- c) Notes the process for the approval of the capital programme; and
- d) Approves the expenditure figures associated with those approved assumptions as a basis for developing the budget at the meeting of the Fire Authority on 16 December 2020.

9 Reserves and Funds

This report set out the issues, which the Fire Authority will need to consider as part of its annual review of reserves and funds.

Resolved that the Committee propose to the Fire Authority that it confirms the current position of its reserves and funds.

The Chair thanked the Finance Team for their work and the budget planning that has been undertaken.

10 Equality, Diversity and Inclusion Steering Group Update

This report provided an update on the work of the Equality, Diversity and Inclusion (EDI) Steering Group from October 2019 to October 2020.

The EDIO presented this report and highlighted the following activities to the Committee:

- The Terms of Reference for the EDI Steering Group have been amended and its aims and objectives have been streamlined
- The Service won a British Dyslexia Association organisation award for its support to employees
- The Service continues to work as a Disability Confident employer
- The Enable Placement concluded early in March 2020. This was successful and the Service would undertake such a placement again in the future
- To aid understanding of issues, the CFO gave an officer and manager briefing on equalities issues in June 2020
- An operational secondment to the EDI Team is currently in progress#
- The Service's Positive Action activities have been promoted both internally and externally throughout the year
- There has been good attendance at the taster sessions for wholetime firefighters and these have provided a valuable insight in the culture of the Service
- The Voices Group has launched, and work is being undertaken to develop their work and upskill volunteers

Members thanked the EDI Team for their great work as captured in the report and the EDI Member Champion commented that it was an excellent report and it was good to see that the Service has a proper Equality Policy in place.

Members asked if there was any education for employees on the issue of correct EDI terminology. The EDIO advised that EDI terminology is covered in the employee induction programme, but acceptability does change. The CFO advised that the Workplace Charter provides an opportunity for employees to hold each other to account on issues like this

Members commented that the positive culture of the Service is important and asked what provisions were in place for mental health which has been brought to the fore by the covid-19 pandemic. The EDIO explained that all managers are trained as Mental Health First Aiders (MHFA) and operational staff can access the TRiM process to provide support after incidents. All staff can access Occupational Health referrals and there is a list of support group information available on the staff portal with information being promoted both internally and to the wider community. Members were pleased to hear of the work that is being done to support mental health awareness.

The CFO explained that the MHFA training which is undertaken by all supervisory managers covers all aspects of mental health awareness. The Committee asked if this would be useful for Members to attend as well. The EDIO advised that the half day course was probably most appropriate, and the CFO agreed that Members should be offered the opportunity to undertake this if they wish to do so.

Resolved that the Committee note the report.

11 **Annual Update on Fairness, Respect, Equality Shropshire (FRESH) Ltd.**

This report provided an update on the progress of Fairness, Respect, Equality Shropshire (FRESH) Ltd, from 2019-2020 as requested by the Committee

Resolved that the Committee note the report and the FRESH report attached at the Appendix to the report.

The meeting closed at 3.30 pm

Chair.....

Date.....