

NORTHERN IRELAND FIRE & RESCUE SERVICE BOARD

MINUTES OF A MEETING

24 MAY 2016

2.10 PM

PRESENT: Ms C McKinney, Chairperson presiding
Mr D Ashford, Interim Chief Fire & Rescue Officer
Mr J Barbour
Mr C Enright
Mr K Henning
Mr R Irvine
Mr P Martin
Mr G Smyth

APOLOGIES: Mr A Hanna

IN ATTENDANCE: Mr M Graham, Assistant Chief Fire Officer (Operational Support)
Mr G Thompson, Assistant Chief Fire Officer (Operations)
Mr A Walmsley, Assistant Chief Fire Officer (Community Protection)
Mrs L Cuddy, Director of Planning, Performance & Governance
Mrs J Kelly, Director of Finance
Mr D Moore, Director of Human Resources
Ms P Wylie, Head of Corporate Communications
Ms I Hill, Board Administrative Secretary
Mr J Millar, DoH Observer

Prior to the commencement of business, the Chairperson explained that, given the volume of business to be considered by the Board, she was proposing to change the order of business and take Item 5 – Chairperson’s Business and Item 6 – Strategic Standalone Items after Item 3 – Minutes. **Members agreed to this.**

Item 1: Apologies

Apologies were noted.

Item 2: Conflicts of Interest

The Chairperson enquired as to whether any Members of the Board wished to declare any potential conflicts of interest with any of the business items on the Agenda. Members confirmed that there were no apparent conflicts of interest.

Item 3: Minutes – 22 March 2016

The Minutes of the Board Meeting held on 22 March 2016, having been printed and circulated, were taken as read and signed as a true record, on the motion of Mr Irvine, seconded by Mr Barbour.

Matters arising from the Minutes:

Audit, Risk & Governance Committee – Minutes – 17 December 2015

The Chairperson noted that a report from the Working Group considering the matter of confidentiality would be presented to the June Board Meeting.

Audit, Risk & Governance Committee – Minutes – 18 February 2016

The Chairperson enquired as to whether monthly meetings of the Audit, Risk & Governance Committee were required. Mr Smyth, Chairman of the Audit, Risk & Governance Committee explained that, at this stage, monthly meetings were not required.

SOCs - Downpatrick and Cookstown Leases

The Chairperson sought confirmation that the approval of the Strategic Outline Cases (SOC) for the Downpatrick and Cookstown Leases was appropriate. The Director of Planning, Performance & Governance confirmed that the approvals were appropriate.

Change in the Order of Business

**Item 5: Chairperson’s Business
Vice-Chairperson Status**

The Chairperson invited the Interim Chief Fire & Rescue Officer to chair the election of a Vice-Chairperson.

At this point,
Ms McKinney left the Meeting

The Interim Chief Fire & Rescue Officer invited nominations for the position of Vice-Chairperson of the NIFRS Board.

Mr Barbour proposed Mr Henning. This was seconded by Mr Irvine.

There being no other nominations, it was accordingly –

Resolved: “that Mr K Henning be elected as Vice-Chairperson of the NIFRS Board”.

At this point,
Ms McKinney re-joined the Meeting

The Chairperson was informed that Mr Henning had been elected as Vice-Chairperson. The Chairperson extended congratulations to Mr Henning.

The Chairperson noted that Mr Hanna had withdrawn from the position of Vice-Chairperson with immediate effect and had resigned as a Member of the Board from 31 May 2016. She expressed her appreciation for the support given to her and extended best wishes to Mr Hanna for every success and good wishes for the future. The Chairperson acknowledged Mr Hanna's commitment and his enormous contribution to the work of NIFRS over his 6 years as a Member of the Board and stated that she would write to Mr Hanna on behalf of the Board.

The Chairperson referred to the current membership of the Board noting the level of vacancies. She then referred to the Committee membership explaining that with Mr Hanna's resignation there was a vacant position on the Remuneration Committee and that the Committee was not now quorate.

The Director of Planning, Performance & Governance reminded Members that a member of the Audit, Risk & Governance Committee could not be a member of the Remuneration Committee.

The Chairperson informed Members that the Department of Health is working to progress the matter of Board membership. She noted that a recent On Board publication had not included reference to the NIFRS Board. She expressed concern with respect to the level of vacancies and the difficulties it presented especially given the workload of the Board and also the impact on its Standing Committees.

The Chairperson noted the level of Board Meetings/Workshops since July 2015. She stated that, as Members are aware, she had raised the possibility of 'casual vacancies' due to the level of vacancies on the Board and explained however that this would not be appropriate for the Board going forward.

Referring to the position with regard to the vacancy on the Remuneration Committee, the Chairperson noted the need to address this matter as it would not be appropriate to stand down this Committee.

The Director of Finance informed Members that Pay Remits were due to be presented to the Remuneration Committee and highlighted the potential impact of any delay in progressing same.

The Director of Planning, Performance & Governance outlined the membership of the Remuneration Committee and a proposal for the way forward. She suggested that Mr Henning step down from the Audit, Risk & Governance Committee thereby enabling him to join the Remuneration Committee, and that, in the interim, the Audit, Risk & Governance Committee membership be 4 as opposed to 5.

Mr Henning agreed to stand down from the Audit, Risk & Governance Committee.

The Board, on the motion of Mr Barbour, seconded by Mr Martin, unanimously –

Resolved: “that Mr K Henning be appointed to the Remuneration Committee and that, in the interim, the Audit, Risk & Governance Committee membership be reduced to 4 members”.

Item 6: Standalone Strategic Items Business Plan 2016/17

Members noted correspondence from DHSSPS (now Department of Health – DoH) setting out Departmental requirements with respect to NIFRS Business Plan, along with the draft NIFRS Business Plan 2016/17.

The Director of Planning, Performance & Governance provided an overview of the development of the Business Plan noting that items not concluded in 2015/16 had been brought forward into the 2016/17 Plan. She explained that the draft Plan has been considered by the Corporate Management Team and that a copy of the draft Plan has also been forwarded to DoH. She noted that DoH had subsequently raised comments/queries.

Mr Smyth referred to the objectives relating to Governance and enquired if the Corporate Management Team was content that the targets set were achievable particularly with regard to information management.

The Director of Planning, Performance & Governance explained that information management is a Departmental planning requirement and must be incorporated within the Plan.

Mr Smyth commented on the current position with regard to governance acknowledging the positive direction of travel.

The Director of Planning, Performance & Governance referred to the matter of information management and informed Members that a project lead for information management had been seconded from BSO and had commenced work with NIFRS the previous day. Mr Smyth welcomed this progress.

During further discussion, the Officers answered Members' questions relating to various aspects of the information presented.

The Chairperson suggested that it would be useful to include a glossary of terms within the Plan.

The Board, on the motion of Mr Irvine, seconded by Mr Henning, unanimously –

Resolved: “to approve the draft NIFRS Business Plan 2016/17 subject to amendments”.

2016/17 Budget Proposals

Members noted a Briefing Paper relating to NIFRS proposed 2016/17 Revenue and Capital Budgets.

The Director of Finance noted that the 2016/17 proposed budgets had previously been considered by the Board at a Special Meeting on 11 April 2016. She noted that the budget allocation letter from DoH was imminent. She gave an overview of the high level summary of how NIFRS proposes to spend its revenue budget highlighting that NIFRS is managing a £1m budget reduction and that there are risks associated with managing this reduction within one financial year. She noted that the risks have been identified along with the proposals to mitigate and manage these risks. She emphasised that Firefighter and public safety remain our priority.

The Director of Finance highlighted the position with respect to National Insurance and Superannuation costs explaining that additional ring-fenced allocations were anticipated from DoH.

The Director of Finance advised Members that approval for the budget proposals was being sought and stated that she would be reporting to the Board on the financial position on a monthly basis.

The Officers answered Members' questions and provided clarification regarding various aspects relating to the information presented.

Savings Plan 2016/17

Members noted various correspondence relating to NIFRS draft savings plan, along with the draft NIFRS Savings Plan 2016-17.

The Director of Finance gave Members an overview of the current position in relation to the Savings Plan which the Board had also previously considered at a Special Meeting on 11 April 2016.

In response to a question from Mr Martin, the Director of Finance updated Members on progress with regard to updating IT systems. She also updated Members on discussions with DoH regarding the governance aspect of the BSO IT Services proposal.

In response to a query raised by Mr Enright, the Officers provided clarification regarding the difference between the establishment figures contained in the budget proposals document and the Savings Plan. The Director of Finance undertook to ensure that the current position with regard to establishment was reflected in the Savings Plan.

The Board, on the motion of Mr Smyth, seconded by Mr Enright, unanimously

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Resolved: “to approve NIFRS 2016/17 Budget Proposals and NIFRS Savings Plan 2016/17 subject to amendment”.

15/16 Revenue and Capital Outturn

Members noted the Finance report on the draft unaudited Revenue and Capital financial outturn 2015/16.

The Director of Finance referred to an earlier query from Mr Irvine regarding the Portrush contract and drew Members' attention to the Capital Programme Expenditure Summary and gave an explanation as to the treatment of expenditure associated to the contract.

Mr Irvine sought assurance that the expenditure relating to the Portrush contract had been treated appropriately.

The Director of Finance explained that a paper had been prepared regarding the treatment of the expenditure and that this will be audited by the External Auditors. She provided assurance to Members with respect to the treatment of the expenditure associated with the Portrush contract.

15/16 Savings Plan Update

The Final Report on the Savings Plan for the 2015/16 Financial Year was noted.

The Director of Finance explained that the report sets out the pre-audit financial position for the 2015/16 financial year, setting out the final budget allocation, the financial outturn and a summary of the actual financial savings.

The Officers answered Members' questions regarding the information presented. In particular, the Officers provided clarification regarding Agency costs and overtime. Members noted that overtime costs is a significant risk to NIFRS' budget and were assured that the Corporate Management Team closely monitors same. Assistant Chief Fire Officer Thompson accepted that overtime costs is challenging, however, he assured Members that there were proposals which will address overtime in the longer-term and gave Members an overview of same.

The Board, on the motion of Mr Barbour, seconded by Mr Henning, unanimously –

Resolved: “to approve the Final Report on the Savings Plan for the 2015/16 Financial Year”.

15/16 Losses & Write-Offs

Members noted a Briefing Paper providing details of 15/16 Losses & Write-Offs in excess of delegated limits and requiring Board approval.

The Director of Finance provided a synopsis of the 2 losses/write-offs in excess of NIFRS' delegated limit of £1,000. These related to the theft and subsequent loss of Larne fire appliance including a 13.4 m ladder and obsolete stock in Stores.

The Board, on the motion of Mr Irvine, seconded by Mr Martin, unanimously –

Resolved: “to approve the Report on Losses and Write-Offs above Delegated Limits for the 2015/16 Financial Year”.

Desertcreat

Members noted the proposed governance structure for the Desertcreat Programme going forward.

The Interim Chief Fire & Rescue Officer updated Members on the current position with respect to the development of OBC2 following Executive sign off of OBC1. He reminded Members that approval of OBC1 will allow NIFRS to progress early enabling works at Desertcreat. He noted that CPD – Health Projects, is working closely with NIFRS on the project and explained that DoH had provided assurance that funding has been set aside.

The Interim Chief Fire & Rescue Officer gave an overview of the proposed Governance proposal for the delivery of the project. He explained that a draft paper regarding the structure of a Programme Board for the project will be presented to a future meeting of the Service Delivery Committee for consideration.

Mr Henning referred to previous discussions regarding OBC1 and a number of questions asked by the Board and stated that he was not aware of any responses to those questions. He explained that one of the questions related to ownership of the site and the passing of the site from the PSNI Board to NIFRS and associated costs. He sought clarification regarding those costs and raised again the question of affordability.

The Interim Chief Fire & Rescue Officer explained that the key was identifying how much of the site was required by NIFRS and this work was currently underway. He noted that the detail regarding costs was not yet available from the Steering Group.

Mr Henning again raised the question of affordability and whether assistance would be available to NIFRS. He stated that unless the Board was sure of the answers relating to affordability he questioned the feasibility of proceeding with the project.

During a full discussion, the Officers answered Members' questions and provided clarification regarding the preferred strategic option, ie, NIFRS proceeding with the development of its own purpose-built training facilities. The Director of HR and the Interim Chief Fire & Rescue Officer explained that the revenue costs associated with the project would be worked through in OBC2. They emphasised that the enabling works were key for NIFRS given the current position of NIFRS training facilities and at this stage were affordable but more work is to be undertaken.

The Director of Finance commented on the affordability of the project. She stated that NIFRS has concerns regarding the revenue costs but that these would be considered in detail in the development of OBC2 and noted other matters which would also impact on this aspect, eg, overtime implications, appliance movements.

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At this point,
Mr Martin left the Meeting (3.35 pm)

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In response to a question from Mr Enright, the Officers clarified the position with respect to the sharing of facilities and also the matter of third party income generation noting that this element cannot be included within OBC2. Mr Enright suggested that others may be willing to avail of the facilities and to contribute to costs and this aspect could be explored. The Interim Chief Fire & Rescue Officer stated he would discuss this with the Director of HR and report back to a future Meeting.

During further discussion, Members reiterated their concerns regarding this issue of affordability also with regard to NIFRS' current training facilities which are inadequate.

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At this point,
Mr Barbour left the Meeting (3.40 pm)

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The Chairperson acknowledged that this project was the only option for NIFRS currently and accepted that it would require further discussion in the future. She noted that the Interim Chief Fire & Rescue Officer was seeking approval for the Governance proposal with the Programme Board structure to be circulated for future consideration.

In response to Members' questions, the Interim Chief Fire & Rescue Officer clarified that approval was being sought for the governance structure for OBC2 and that the Board will have an opportunity to state its case within OBC2 regarding the issues raised previously. The Interim Chief Fire & Rescue Officer reiterated that OBC1 had been approved by the Executive and that this included the enabling works at Desertcreat for which the design work is underway.

The Board, on the motion of Mr Henning, seconded by Ms McKinney, unanimously –

Resolved: “to approve the proposed governance structure for the Desertcreat Programme going forward”.

SOC – Larne Upgrade

The Strategic Outline Case (SOC) for the upgrade of Larne Fire Station was noted.

The Director of Planning, Performance & Governance gave an overview of the document explaining that the purpose of the SOC is to seek approval to take forward, for formal appraisal, a series of options for the improvement of the facilities at Larne Fire Station. She noted that a number of options had been discussed and that the Corporate Management Team had considered the SOC and had recommended that NIFRS proceed to develop an Outline Business Case. The Director of Planning, Performance & Governance highlighted that the project was being brought forward due to an unforeseen event and there was currently no funding for the project.

The Director of Planning, Performance & Governance answered Members' questions relating to the information presented.

The Board, on the motion of Mr Smyth, seconded by Mr Henning, unanimously

Resolved: “to approve the Strategic Outline Case (SOC) for the upgrade of Larne Fire Station”.

Item 4: Reports from Board Committees, including noting of Committee Minutes and adoption of Recommendations

Service Delivery Committee – Minutes – 21 April 2016

The Minutes of the Meeting of the Service Delivery Committee held on 21 April 2016 were noted.

Mr Henning, Vice-Chairperson of the Service Delivery Committee, gave a brief overview of the recommendations emanating from the Meeting. He proposed that the Committee's recommendations, as detailed below, be approved by the Board. This was seconded by Mr Irvine.

Recommendations:

- Approval of recommendations pertaining to National Operational Guidance;
- Approval of the Community Development Fire Safety Audit Survey 2016 subject to a minor amendment;
- Approval of the draft NIFRS Integrated Risk Management Plan (IRMP) 2016-21 to proceed to consultation;
- Approval of draft NIFRS Emergency Response Standards to proceed to consultation;
- Approval of the Governance proposal for NIFRS Replacement Command & Control Mobilising System and Integrated Communications Control System;
- Approval of the Special Services Incidents Survey 2015/16 Results Summary;
- Approval of the Emergency Response Survey 2015/16 Results Summary.

Copies of the Special Services Incidents Survey 2015/16 Results Summary and Emergency Response Survey 2015/16 Results Summary were noted.

Audit, Risk & Governance Committee – Minutes – 14 April 2016

The Minutes of the Meeting of the Audit, Risk & Governance Committee held on 14 April were noted.

Mr Smyth, Chairperson of the Audit, Risk & Governance Committee, proposed that the Committee's recommendations, as detailed below, be approved by the Board. This was seconded by Mr Enright.

Recommendations:

- Acceptance of the Audits of Risk Management and Governance and the Controls Assurance Verification Exercise in respect of Governance, Financial Management, Risk Management and Information Management Controls Assurance Standards;
- Approval of the Year-End Follow-Up Report;
- Approval of the Internal Audit Annual Plan 2016/17 subject to the Audit of Information Governance being deferred to 2017/18 and the annual audit days being reduced to 395 days;
- Approval of the Control Assurance Questionnaire Outcomes 2015/16 in respect of Financial Management, Human Resources Management, ICT, Management of Purchasing and Security Management Controls Assurance Standards;
- Approval of the draft 2015/16 External Audit Strategy subject to minor amendment.

Audit, Risk & Governance Committee – Meeting – 13 May 2016

Members were informed that a Meeting of the Audit, Risk & Governance Committee had been held on 13 May 2016 and the Minutes of this Meeting will be presented to the June Board Meeting.

Mr Smyth, Chairperson of the Audit, Risk & Governance Committee, noted the recommendations emanating from the Meeting and he drew Members' attention to a number of points.

Audit of Procurement & Contract Management

Mr Smyth informed Members that NIFRS had received limited assurance in relation to current Procurement and Contract Management processes. In addition, unacceptable assurance had been received in relation to the recently expired cleaning and catering contracts. He explained that BSO Counter Fraud & Probity Services were advising NIFRS on how to progress from a Counter Fraud investigation perspective. Mr Smyth highlighted that limited assurance had been received for this audit in 2014/15, at which time many of the issues raised at this most recent audit had been highlighted as priority 1 and priority 2 issues.

Mr Smyth advised the Board that 61% of the outstanding Procurement & Contract Management recommendations dating back to 2011/12 are priority 1 issues and expressed his concern regarding this situation. He explained that DHSSPS had previously wrote to the former Interim Chief Executive following the 2014/15 audit and that he expected further communication following this most recent audit.

Head of Internal Audit Annual Report

Mr Smyth informed Members that the Head of Internal Audit's Annual Report had been issued on 22 April 2016 and resulted in an overall opinion that there is limited system of internal control designed to meet the organisation's objectives. He referred to an extract from the HIA's Annual Report which indicated that this was heavily influenced by "...*significant and repeat nature of some of these areas, particularly Governance and Procurement & Contract Management*". He noted that the Head of Internal Audit had also advised that she had taken into account "*the volume of outstanding recommendations that require further action*". He also noted that the Head of Internal Audit had highlighted NIFRS' failure to achieve substantive compliance with the Governance and Information Management Controls Assurance Standards.

Control Assurances 2015/16

Members were informed that of the 15 areas measured, NIFRS has 5 areas below the required standard, 2 at a moderate level and 3 at limited compared to 6 last year and 9 in 2013/14.

Northern Ireland Audit Office (NIAO)

Mr Smyth informed the Board that the representative from NIAO, had made it clear that the number of limited assurance results this year, coupled with the number of outstanding issues, will be carefully considered by NIAO.

The Director of Finance updated Members on discussions with NIAO that morning in relation to this matter explaining that NIAO wish to attach a report to the Annual Accounts. She also updated Members on the draft Annual Accounts.

Mr Smyth stated that the only comfort he could give to the Chairperson by way of assurance from the Audit, Risk & Governance Committee was that all legacy issues are being addressed under the Business Improvement Plan. He reminded colleagues that an excellent progress report had been received by the Committee at its April Meeting with clear Directorate ownership, objectives and actions to be taken within an agreed timeframe.

He noted that the next progress report is due to be presented to the June Meeting of the Committee and stated that the Committee had made it very clear to the Corporate Management Team that there should be no slippage evident at that time with all actions completed within the stated timeframe. He stated that any slippage at such an early stage in the process would, in his view, compromise the integrity of the whole process and that he would brief the Board further at the June Board Meeting.

Mr Smyth proposed that the Committee's recommendations, as detailed below, be approved by the Board. This was seconded by Mr Irvine.

Recommendations:

- Acceptance of the Audit of Procurement & Contract Management;
- Approval of the Control Assurance Questionnaire Outcomes 2015/16 in respect of Emergency Planning and Health & Safety; the overall Outcomes for the Controls Assurance Exercise 2015/16;
- Approval of the Quarter 4 Progress Update on the Corporate Business Plan (April 2015-March 2016) and Balanced Scorecard;
- Approval of the Policy Development Framework.

Resources Committee – Minutes – 21 April 2016

The Minutes of the Meeting of the Resources Committee held on 21 April 2016 were noted.

Mr Henning, Chairperson of the Resources Committee, gave a brief overview of the key business discussed by the Committee noting that it had been a busy Meeting with only Items for approval having been dealt with by the Committee. He proposed that the Committee's recommendations, as detailed, with the exception of the recommendation relating to the submission of correspondence regarding the closing of remaining outstanding Hale recommendations as further work is to be undertaken, be approved by the Board. This was seconded by Mr Enright.

Recommendations:

- Approval of Finance Policies, as detailed below, subject to any amendments, and subject to any changes following consultation:
 - Bank & Cash Policy;
 - Creditors' Policy;
 - Income & Debtor Management Policy;
 - Losses & Special Payments Policy;

- Vehicle & Ancillary Equipment Fuel Policy;
- Year-End Processing Policy;
- VAT Policy; and
- Travel & Subsistence Policy.
- Approval of NIFRS Transition Programme Proposals for IT;
- Approval of Proposed amendment to the structure for Training (now Learning) & Organisational Development;
- Approval of NIFRS Health & Wellbeing Strategy 2015-2020;
- Approval of Standby and Callout Proposal subject to consultation and also to the consideration of a Pilot Scheme;
- Approval of NIFRS Workforce Development & Competency Framework;
- Approval of updated NIFRS Disability Action Plan 2016-21 subject to consultation;
- Approval of Corporate Communications Policies, as detailed below, subject to consultation:
 - NIFRS Crisis Communications Policy; and
 - NIFRS Media Handbook Policy;
- Approval for the implementation of recommendations in respect of Rathlin Volunteer Firefighters as detailed in the Minutes;
- Approval of the revised Planning, Performance & Governance structure;
- Approval of HR Policies, as detailed below, subject to consultation as appropriate:
 - Learning & Development Policy;
 - Learning & Development Attendance Policy;
 - BA Policy;
 - Induction Policy;
 - Overtime Policy & Procedure;
 - Miscellaneous Leave Policy Suite:
 - Section D – Shared Parental Leave;
 - Section E – Maternity Leave;
 - Section F – Time Off to Accompany Mothers to Antenatal Appointments.

Item 7: Relevant Correspondence

There was no routine correspondence.

Item 8: Documents for Sealing

There were no documents for sealing.

Item 9: Schedule of Future Meetings

Members noted a schedule of future Meetings.

THIS CONCLUDED THE BUSINESS
AND THE MEETING ENDED
AT 4.10 PM
