

NORTHERN IRELAND FIRE & RESCUE SERVICE BOARD

MINUTES OF A MEETING

30 JUNE 2015

1.30 PM

PRESENT: Dr J McKee, Chairman presiding
Mr D Ashford, Interim Chief Fire & Rescue Officer
Mr J Barbour
Cllr M Carr
Mr A Hanna
Mr K Henning
Ald Mrs G Rice
Mr G Smyth

IN ATTENDANCE: Mr J Wallace, Interim Chief Executive
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, DHSSPS Observer

Prior to the commencement of Business, the Chairman expressed his appreciation to Board colleagues, the Corporate Management Team, Fire Brigades' Union and the Board Administrative Secretary for their support and assistance during his tenure as Board Chairman.

Item 1: Apologies

Apologies were noted.

The Chairman informed the Meeting that Cllr Watson had been co-opted as the new MLA for South Antrim and had tendered his resignation from the NIFRS Board to the Minister. The Chairman extended best wishes to Cllr Watson in his new role.

Item 2: Declaration of Interests

The Chairman sought clarification as to whether any Members of the Board wished to declare any potential conflict of interest with any of the Business Items on the Agenda. Members confirmed that there were no apparent conflicts of interest.

Item 3: Minutes of Meeting – 26 May 2015

The Minutes of the Meeting held on 26 May 2015, having been printed and circulated, were taken as read and signed as a true record, on the motion of Mr Henning, seconded by Mr Hanna.

Minutes of Special Board Meeting

The Minutes of a Special Meeting of the Board held on 4 June 2015, having been printed and circulated, were taken as read and signed as a true record, on the motion of Mr Barbour, seconded by Mrs Rice.

Item 4: Reports from Board Committees, including Adoption of Committee Minutes

Audit, Risk & Governance Committee – Minutes – 18 May 2015

The Minutes of the Meeting of the Audit, Risk & Governance Committee held on 18 May 2015, having been printed and circulated, were taken as read and signed as a true record on the motion of Mr Carr, seconded by Mr Henning.

At this point,
the Interim Chief Fire & Rescue Officer joined the Meeting

The Chairman noted the importance of the work within Audit & Risk and referred to the recent DHSSPS Accountability Meeting where it was acknowledged and accepted that there was still a lot of work to be progressed, DHSSPS is content with NIFRS' direction of travel.

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

The Minutes of the Meeting of the Audit, Risk & Governance Committee held on 17 June 2015, having been printed and circulated, were taken as read and signed as a true record on the motion of Mr Carr, seconded by Mr Henning.

Mr Smyth, Chairman of the Audit, Risk & Governance Committee, informed Members that a key Item of Business considered had been the Annual Accounts. He informed Members of an issue which had arisen within the Accounts concerning the assessment of a recent Pensions Ombudsman determination and resulting accounting implications for NIFRS. He explained that it may be necessary to make a provision for this potential Pension liability in the Accounts.

Mr Smyth highlighted that the Committee had received a draft Business Improvement Plan. The Plan outlined the proposed approach to managing all outstanding internal and external recommendations across NIFRS and included an update on the position as at 31 May 2015. He reiterated the Committee's concerns regarding resources to progress the Plan.

Referring to the recent Peer Challenge Operational Assessment, Mr Smyth noted the positive feedback received from the Peer Challenge Team in relation to NIFRS' progress with respect to governance.

The Chairman also highlighted the Team's comments regarding NIFRS demonstrating areas of notable practice and the need to promote same. He stated that the Board will look forward to receiving the Team's final report.

Resources Committee – Minutes – 10 June 2015

The Minutes of the Meeting of the Resources Committee held on 10 June 2015, having been printed and circulated, were taken as read and signed as a true record on the motion of Mr Smyth, seconded by Mr Barbour.

Mr Carr, Chairman of the Resources Committee, provided a synopsis of the key Items of Business discussed at the Meeting.

The Chairman informed Members of correspondence he had forwarded to the DHSSPS Minister and Permanent Secretary, copied to the DFP Minister, Justice Minister and their respective Permanent Secretaries, outlining his observations with regard to NIFRS' potential move to the Department of Justice.

Remuneration Committee – Minutes – 26 May 2015

The Minutes of the Meeting of the Remuneration Committee held on 26 May 2015, having been printed and circulated, were taken as read and signed as a true record on the motion of Mrs Rice, seconded by Mr Hanna.

Special Remuneration Committee – Minutes – 4 June 2015

The Minutes of a Special Meeting of the Remuneration Committee held on 4 June 2015, having been printed and circulated, were taken as read and signed as a true record on the motion of Mr Barbour, seconded by Mr Hanna.

Remuneration Committee – Minutes – 10 June 2015

The Minutes of the Meeting of the Remuneration Committee held on 10 June 2015, having been printed and circulated, were taken as read and signed as a true record on the motion of Mr Hanna, seconded by Mrs Rice.

The Chairman referred to the Minutes of the Remuneration Committee Meeting which show that 3 Members of the Audit, Risk & Governance Committee were in attendance at this Meeting. He noted that this was outside the Terms of Reference for the Remuneration Committee and explained that the 3 Members had previously attended a Resources Committee Meeting and were asked to attend the Remuneration Committee Meeting to receive an update with regards to the recruitment of the Head of Service. They did not take part in the Meeting other than to receive this update.

Item 5: Chairman's Business

Appointment of Head of Service – Appointment Panel

The Chairman informed the Meeting that Ms Carmel McKinney had been appointed as Chair of the NIFRS Board with effect from 1 July 2015. He noted that Ms McKinney would, therefore, chair the Appointment Panel.

The Chairman noted the current position with regard to Board membership acknowledging that Mrs Rice's and Mr Carr's tenure would be ending on 31 August 2015. He explained that he was proposing that the following Members serve on the Appointment Panel:

Mr A Hanna;
Mr J Barbour;
Mr K Henning; and
Mr G Smyth.

The Board, on the motion of Mrs Rice, seconded by Mr Carr, unanimously –

Resolved: “that the Appointment Panel for the appointment of the Head of Service consists of the Chairman of the Board, Mr A Hanna, Mr J Barbour, Mr K Henning and Mr G Smyth”.

Relocation Expenses

At this point,
the Interim Chief Fire & Rescue Officer left the Meeting

Members noted a Briefing Paper relating to Relocation Expenses for the Head of Service appointment, if required.

The Director of HR provided an overview of the Briefing Paper explaining that the proposal was in line with HRMC guidelines.

The Board, on the motion of Mrs Rice, seconded by Mr Hanna, unanimously –

Resolved: “to include the following clause in the terms relating to the Chief Fire & Rescue Officer - *The successful candidate will be required to reside within Northern Ireland. This should be convenient to Service Headquarters at Lisburn. Where NIFRS deems that relocation is essential, the Board will consider claims for reasonably incurred expenses associated with relocating. Any payments must be compliant with HM Revenue and Customs regulations. Reimbursement will be determined on a case by case basis.*”

In response to a question from Mrs Rice, the Director of HR to seek clarification as to whether candidates should be reimbursed travel expenses.

At this point,
the Interim Chief Fire & Rescue Officer rejoined the Meeting

Item 6: Strategic Standalone Items

Annual Report & Statement of Accounts 2014/15

Members noted the draft Annual Report & Statement of Accounts 2014/15 which had been reviewed by the Audit, Risk & Governance Committee at their Meeting on 17 June 2015.

The Director of Finance updated Members on the current position with respect to the Accounts and a Pensions issue regarding the assessment of a recent Pensions Ombudsman determination and resulting accounting implications for NIFRS. She explained this Pensions liability was being clarified with DHSSPS and noted that a provision for same had been incorporated within the Accounts. The Director of Finance also updated Members on discussions with the External Auditors in relation to how the Pensions will be reflected in the Accounts and stated that it was anticipated that the Auditor & Comptroller General will sign-off an unqualified set of Accounts.

The Director of Finance sought the Board's approval for the Chairman and the Interim Chief Executive to sign-off the Statement of Accounts 2014/15.

The Chairman thanked the Director of Finance and Director of Planning, Performance & Governance and their staff for all their work in preparing the Annual Report & Statement of Accounts and on achieving a positive outcome with regard to the Pensions matter. The Interim Chief Executive concurred.

The Board, on the motion of Mrs Rice, seconded by Mr Smyth, unanimously –

Resolved: “to approve the draft NIFRS Annual Report & Statement of Accounts 2014/15”.

Business Plan 2015-16

Members noted NIFRS draft Business Plan 2015-16 and associated reporting template.

The Director of Planning, Performance & Governance outlined how the Business Plan would be taken forward explaining that work was ongoing with DHSSPS and that any further amendments will be presented to the August Board Meeting. She sought Members' approval for the Business Plan.

The Interim Chief Fire & Rescue Officer referred to NIFRS' Integrated Risk Management Plan (IRMP) and explained that the Peer Challenge Team had suggested that the IRMP be revisited before final publication of the final Plan.

Mr Hanna welcomed the Business Plan and also the reporting template for tracking progress.

The Interim Chief Executive referred to the recent DHSSPS Accountability Meeting and outlined discussion regarding the level of projects to be undertaken. He explained that the Plan had been revisited and was now more reflective of reducing resources.

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

Resolved: “to approve NIFRS draft Business Plan 2015-16 and its reporting template”.

Finance Update

The Board noted a Briefing Paper updating Members on the current financial position and seeking approval in respect of Pension Board matters and a revised Scale of Charges.

The Director of Finance reported on the May financial position and drew Members’ attention to revenue budget risks which have been identified that may have an impact as the year progresses. She informed Members of an overspend due to an increase in operational employer pension contribution rates which were effective from 1 April 2015 and explained why these increases had not been provided for in the 2015/16 budget. She further explained that DHSSPS is aware of the financial pressure and it was anticipated that the funding for the increase will be made available from DFP. Members noted that this is a key budget risk until the position of additional funding is clarified.

Referring to Retained Attendance, the Director of Finance stated that Retained mobilised attendances have increased by 13% during the first 2 months of the year in comparison to the same period in 2014/15 resulting in an overspend as at 31 May 2015. She assured Members that expenditure would be kept under review.

Mr Hanna noted previous concerns regarding the budget pressure identified within NIFRS budget savings plan and referred to the further budget pressures identified and enquired as to whether there was a contingency plan should this position continue. The Director of Finance explained that the Corporate Management Team monitors expenditure closely and meetings are held on a regular basis with budget holders.

Scale of Charges

Members noted a revised Scale of Charges reflecting the annual increase.

The Director of Finance explained that the percentage increase is based on Table 36 (All Costs) from the Office of National Statistics.

The Board, on the motion of Mrs Rice, seconded by Mr Carr, unanimously –

Resolved: “to approve the revised Scale of Charges for 2015/16”.

Pension Board

The Director of Finance reminded Members of the changes to the governance arrangements for the Firefighters Pension Schemes and updated Members on progress particularly with respect to the establishment of a Pension Board.

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

Resolved: “to approve staff representatives on the Pension Board as follows:

**Employer Representatives - John Boyle (Financial Controller) and Linda Ford (Financial Accountant);
Staff Representatives - Dermot Rooney (Temporary Area Commander) and Stephen Boyd (Assistant Group Commander)”.**

Members noted that it had been agreed at the March Board Meeting that the Chair position of the Pension Board would be rotated until the process for the appointment was agreed with the Representative bodies, and the business/reporting requirements established. It was further noted the first meeting of the Pension Board is expected to take place in July.

Additional Item of Business

Members agreed to take an additional Item of Business relating to a Pension matter.

HSC BSO Proposed Service Provision to NIFRS for Pensions Administration

At this point,
Mr Hanna declared an interest and left the Meeting

A Briefing Note relating to BSO’s proposed service provision to NIFRS for Pensions administration was circulated for the consideration of Members.

The Director of Finance provided an overview of the BSO proposed service provision and SLA costs, and outlined the background to the need for that provision. She explained that due to time constraints the Item had been presented to the Board as opposed to the Resources Committee and that Mr Carr, Chairman of the Resources Committee, was content.

The Director of Finance advised Members this matter had been raised in discussions with DoJ. She stated that DoJ are content that NIFRS proceeds with the SLA for 2015/16 and also with the possible extension of this arrangement for up to a 24 month period as this would allow for discussions with DoJ.

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

Resolved: “to approve the SLA with BSO for the proposed service provision for NIFRS Pensions administration for 2015/16 and also the finalisation and subsequent submission to DHSSPS of a 2-year Business Case to continue with this arrangement”.

Mr Smyth referred to the legislation relating to the arrangements for the accounting of Pensions within NIFRS. He acknowledged that the Director of Finance had raised the matter with DHSSPS and suggested that it also be raised with DoJ.

Referring to NIFRS savings plan, the Interim Chief Executive noted that the Minister had agreed to plan on the basis of the identified £450k budget pressure. He stated that work continues with the Corporate Management Team to manage the budget. He also added that there was no guarantee there would be no further cuts.

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At this point.
Mr Hanna re-joined the meeting

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Business Cases
Cushendall Fire Station – Replacement
Downpatrick Fire Station - Replacement

Members noted the Executive Summaries pertaining to the Business Cases for replacement Stations in Cushendall and Downpatrick.

The Director of Planning, Performance & Governance informed Members that the Outline Business Cases were the first 2 of 5 to be developed and noted that there would be no capital spend in this financial year. She sought Members' approval to release the Outline Business Cases to DHSSPS.

The Board, on the motion of Mrs Rice, seconded by Mr Hanna, unanimously –

Resolved: “to approve the Outline Business Cases for Replacement Fire Stations in Cushendall and Downpatrick”.

Business Case – Replacement of 2 x Hazmat IDs

The Executive Summary relating to the Business Case for the Replacement of 2 x Hazmat IDs was noted.

The Interim Chief Fire & Rescue Officer outlined the purpose of the Business Case.

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

Resolved: “to approve the Business Case for the Replacement of 2 x Hazmat IDs”.

Leases

Members noted a Briefing Note relating to Strategic Outline Cases (SOC) for leased premises in Lisburn and Coleraine.

The Director of Planning, Performance & Governance outlined the background to the development of the SOC's for the provision of temporary accommodation for NIFRS Operations Department in Lisburn and Coleraine District Headquarters noting that NIFRS is working with DHSSPS to regularise this matter. She explained that DFP's withdrawal of delegated limits for all office accommodation leases had impacted in the short-term on 3 premises leased by NIFRS in Henry Street, Ballymena; River House, Coleraine; and Wallace Studios, Lisburn. She updated Members on the current position in respect of these premises noting that the Board had previously approved the SOC for the continuation of the lease in Ballymena. Members noted that staff in Coleraine and Lisburn will be rehoused within NIFRS estate. The Director of Planning, Performance & Governance sought the Board's approval to submit the SOC's for Lisburn and Coleraine to DHSSPS.

The Director of Planning, Performance & Governance informed Members that there were a further 3 leases with a break clause in this financial year and explained that these are to be considered by the Corporate Management Team and SOC's subsequently developed and presented to the Board for approval.

NIFRS is committed to rationalising its estate in a way that meets public sector principles and directives and does not detract from the delivery of our statutory responsibilities.

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

The Board, on the motion of Mr Smyth, seconded by Mrs Rice, unanimously –

Resolved: “to approve the Strategic Outline Cases for River House, Coleraine and Wallace Studios, Lisburn”.

Item 7: Relevant Correspondence

There was no relevant correspondence.

Item 8: Sealing of Documents

There were no documents for sealing.

Item 9: Schedule of Future Meetings

Members noted a schedule of future Meetings.

The Chairman noted that today was the Interim Chief Executive's last day with NIFRS. He expressed his appreciation again to Mr Wallace for all his work and support and, on behalf of the Board, extended best wishes for the future.

The Interim Chief Executive thanked his Corporate Management Team colleagues, both past and present, the Chairman and Board Members for their support over the past 3 years. He stated that it had been a challenging time for the entire Organisation but throughout it all he had been impressed time and time again by the professionalism and dedication of NIFRS staff. He wished everyone well for the future.

Mr Hanna, as Vice-Chairman and on behalf of Board colleagues, thanked the Chairman and the Interim Chief Executive for all their work and support. He noted that the Chairman had come to the end of this tenure with the NIFRS Board and paid tribute to Dr McKee for his dedication and commitment to a Service which consistently provides a high level service to the public of NI.

THIS CONCLUDED THE BUSINESS
AND THE MEETING TERMINATED
AT 3.05 PM
