

Report of the Policy and Finance Committee meeting held on 24th April 2008

Present: Councillors R Butcher, C Carter, M Collins (substituting for Councillor G Murphy), S Giles, J Goodwin, R Pegram (Chairman) and H Williams

Apologies: Councillors G Harper, G Murphy, D Raines

This report contains items considered by the Committee which are submitted to the Fire Authority for information.

1. STRATEGIC RISK REGISTER

The Committee has considered a revised Strategic Risk Register which identifies and assesses the key strategic risks facing the Authority. The new Register identifies the following strategic risks:

1. Failure to produce and implement an effective staff succession plan
2. Failure to respond to Government initiatives
3. Government funding settlement insufficient to meet new demands
4. Breaches of existing legislation i.e. Health and Safety/Asbestos exposure/Legionella
5. Lack of long-term strategy and associated plans
6. Failure to identify and respond to increases in demand for service
7. Political dimensions of the Fire Authority change resulting in a revised focus of priorities
8. Failure to avoid effect of financial crime (fraud, misuse, fiduciary)
9. Failure to proceed with major property schemes

The updated Strategic Risk Register is attached as Appendix 1 to this report.

Each risk had been assessed for the probability of the risk arising and the impact of any occurrence. Risks 1, 4, 6, 7 and 9 above have scored highly on the risk matrix and had been identified as key risks which will be subject to constant monitoring and additional controls.

The Committee has received more detailed reports on the key risks as follows:

1. **Failure to produce an effective staff succession plan:** This risk arises from the large number of operational staff who are due to retire in the next few years and the need to appoint suitable replacements and then to backfill any resulting vacancies. There are risks in securing appropriately skilled staff to undertake the roles and from the disruption caused by increased staff turnover. There are also risks arising from difficulties in recruiting non-uniformed support staff.

4. **Breaches of existing legislation i.e. Health and Safety/Asbestos exposure/Legionella:** In addition to the risks listed, there are also risks arising from the Corporate Manslaughter Act 2007. Reviews are to be undertaken of the Authority's health and safety policies and incident command arrangements. Whilst risks associated with everyday activity are low and well managed, there is a high probability that there will be operational situations where fire-fighters will be subject to unknown risks.

6. **Failure to identify and respond to increases in demand for service:** Increased risks arise from climate change (e.g. flooding), from the use of new Dimensions equipment, and from increased demand for services due to demographic change and growth.

9. **Failure to proceed with major property schemes:** This risk arises principally due to the redevelopment of the Parkside Fire Station and temporary transfer to Coldhams Lane. Whilst the current downturn in the economy had reduced property prices this is likely to be compensated by more competitive prices for the construction of the scheme. The developers are proceeding with the scheme and a decision to progress the scheme is expected in July with a view to the transfer to Coldhams Lane taking place in late December 2008/early January 2009.

The Risk Register will be kept under continuous review and revised in the light of changing circumstances. The Scrutiny and Performance Committee will check progress against the implementation of mitigating controls.

The Committee agreed unanimously to approve the Strategic Risk Register.

2. **PROPOSED FIRE STATION AT CAMBOURNE**

The Committee has considered the proposed provision of a one bay fire station and accommodation for District staff at Cambourne.

The Section 106 Agreement with the developers of Cambourne agreed in April 1994 provided for the transfer of 0.5 acres (0.2 Hectares) of serviced land plus a contribution of £270k indexed linked to the time of payment for the construction of a fire station to serve the new township. The land had since been vested in the

Authority and a payment of £538K made to the Authority in March 2007.

Discussions have taken place with the developers and the planning authority (South Cambridgeshire District Council) regarding the specification and design of the new fire station. Planning considerations have resulted in a requirement for a higher quality of building than originally envisaged resulting in cost increases over the original estimate used for the Section 106 Agreement.

Consultants have advised on recommended works to improve the BREEAM (Building Research Establishment Environmental Assessment Method) rating of the proposed building. This included recommendations to install energy efficient lighting and solar panels for background heating but not to install grey water recycling, bio mass boiler or photo voltaic cells. Wind turbines were not permitted due to planning restraints at this location.

In order to achieve a BREEAM rating of very good it would be necessary to install ground source heating at a capital cost of £260K. The estimated energy savings would be £2116 per annum giving an estimated payback period of 122 years assuming static energy prices. The expected life span of the building would be in the order of 30-40 years given the changing demands on the service.

A sum of £266k is held in the capital account for this project. An additional £400k over the existing monies held would be required to complete the project with ground source heating or £180K if conventional heating were installed. There was a robust business case for the construction of the Fire Station at Cambourne which would enable the eventual closure and disposal of the Fire Station at Papworth which would be the subject of a further report to a future meeting.

The Committee has discussed the possible installation of ground source heating but has agreed unanimously that its installation could not be supported because of the high capital cost and unacceptably long payback period which was likely to exceed the operational life of the building.

3. REPLACEMENT FIRE STATION AT ST NEOTS

The Committee has received, for information, a report on the investigations into the development of a new fire station on a new site in St Neots and on the disposal of the existing premises for residential development.

The existing planning permission for residential development of the existing site expires in January 2009 and there are always risks regarding the renewal of such permissions. The downturn in the property market has meant that there has been little interest in the site from developers and that any replacement on a new site would not be self funding and would require a significant investment from the Fire Authority.

Whilst the current station is in need of improvement it is well sited within St Neots and there are no real operational advantages in relocating to a new location. Further work will be undertaken on the evaluation of options and a further report on these will be presented to a future meeting.

4. REPLACEMENT FIRE STATION AT YAXLEY

The Committee has received, for information, a report on the development of proposals for the construction of a new fire station on the existing site at Yaxley.

The site of the existing station is long and narrow with a slope and the listed frontage limits redevelopment options. Options for the provision of a new fire station on the existing site and at alternative locations will be assessed using the modelling applied to the development of the Service's Emergency Response Strategy and a further report made to a future meeting.

5. SECURITY ON CFRS PREMISES

The Committee has received a report on proposed improvements to the security of Cambridgeshire Fire and Rescue Service (CFRS) premises in response to the continuing attacks on premises and the loss of equipment, particularly cutting equipment.

A combination of measures is proposed to upgrade the physical security of buildings by attention to doors and windows and investigations are also taking place into the installation of detection equipment in premises, either an independent system or alongside the current mobilisation system. Action will also be taken to improve the security of equipment on vehicles. Although detailed costs have not been received it was estimated that the cost of improvements for a one bay station would be in the order of £2400 with annual running costs of £450. This compares favourably with the average £15000 cost of equipment stolen in each incident.

The Chief Fire Officer has advised that it would not be possible to provide 100% security and that there has to be regard for community access to fire stations and the need to minimise any delays in the mobilisation of appliances. The design of new fire stations takes account of the need to improve the security of premises.

Members expressed concern at the potential impact of the loss of vital emergency equipment on the ability of the Service to respond to incidents and welcomed the steps being taken to improve security at CFRS premises.

6. FIRE AUTHORITY PLANNING PROCESS

The Committee has received a report on the revised strategic planning process to be used at the Fire Authority.

The new arrangements, summarised in Appendix 2, will be more flexible in adapting to altered circumstances during the period of the Plan. The process will constantly monitor and consider the impact of new legislation, risks and other relevant factors in determining the priorities that will be completed.

The introduction of programme management for the management of strategic projects has helped the service better plan and manage its priorities whilst maintaining a focus on service delivery. Any changes to priorities and projects will only be actioned in agreement with the Programme Management Board (chaired by the Chief Fire Officer) and the Policy and Finance Committee. Programme status reports will be presented to the Scrutiny and Performance Committee.

The Committee has supported proposals to appoint a member of the Fire Authority to each of the major project groups to improve member engagement in the development and delivery of projects (e.g. on the review of Incident Command). The member appointed will be responsible for feeding back to the Fire Authority or its committees on the project, so that members have an improved understanding of the project and are better equipped to take decisions about it.

7. REVENUE AND CAPITAL BUDGET MONITORING 2007/08

The Committee has received an update on revenue and capital spending as at 31 March 2008. A summary is attached as Appendix 3 to the report.

The budget for 2007/08 was approved at the Fire Authority meeting on 15 February 2007. The total budget was set at £26.256m with a total precept of £13.862m. The Policy and Finance Committee on 21 June 2007 approved the revenue carry forward of £909,000 from 2006/07. To date, £754k of this has been applied to the budget to fund schemes that had been or were due to be completed. New Burdens funding relating to the Fire Control project has been allocated to the Authority in the form of an earmarked grant. The additional £118,000 means that including carry forwards, the net budget for 2007/08 was £27.127m.

Members discussed and noted:

- Overall, the budget was 4.99% underspent to the end of March 2008. Net controllable expenditure was 5.84% underspent.

- The Authority's decision to appoint above establishment to minimise the impact of anticipated retirements and other changes has resulted in overspend on fire-fighters and control room staff.
- Difficulties in recruiting local government staff has resulted in an underspend on this heading.
- Training was underspent in 2007/08. Training had been delayed to allow a proper analysis of training needs and the development of appropriate training to meet those needs and a request will be made to carry forward the underspend to 2008/09 to enable delivery of the training.
- Further analysis will be undertaken on energy spending as it is unclear why there was an underspending given increased energy tariffs.
- The property maintenance budget although underspent will be fully committed at year end.
- Savings on car allowances will be used to offset the capital cost of the new vehicle fleet. An Internal Audit review of the new provided vehicle fleet will be undertaken to assess whether the anticipated savings have been achieved.
- Expenditure on community safety has been lower than expected in part due to delays in recruiting to posts supporting community safety work e.g. Youth Engagement Officer.
- The upgrade of Breathing Apparatus (BA) is still subject to technical difficulties.
- The project to upgrade the printing facilities through the use of multi-functional devices is underway.
- The investment of underspend has resulted in investment income being greater than budgeted.

The Director of Resources advises that as a consequence of these and other changes, the underspend is expected to be less than £200k or 1% of Budget at year end.

8. SICKNESS UPDATE

The Committee has received a report on an analysis of data relating to sickness in the Service and on the implementation of an action plan to address high levels of sickness following concerns expressed at the last meeting of the Committee.

Members have noted:

- sickness absence for 2007/08 for wholetime, non-wholetime, and all staff were respectively 11.49, 7.72 and 9.15 days lost per year. This showed increases of 11%, 21% and 16% respectively over 2006/07.
- a number of support staff with serious illness and challenging the availability of retained duty staff explain the high levels of sickness absence recorded for non-wholetime staff.

- there had been a marked increase in the number of wholetime working shifts lost in the third quarter of 2007/08 but that the implementation of the action plan has resulted in a 57% reduction in shifts lost in the fourth quarter of 2007/08. 165 shifts have been lost in February 2008 compared to 354 shifts lost in December 2007.
- the action plan has placed a clear focus and responsibility on managers in the Service to manage sickness as part of improved arrangements for the management of performance.
- cooperation and support has been received from trade unions in the implementation of the action plan.

Members welcomed the reduction in sickness absence and the more proactive approach by managers to its management.

9. EAST OF ENGLAND REGIONAL MANAGEMENT BOARD MINUTES

The Committee has received the minutes of the East of England Regional Management Board (RMB) meeting on 26th March 2008.

Following difficulties in appointing a director for the new regional control centre, the RMB Chairman is taking steps to engage an appropriately skilled person to the post to act as an interim director for a 2 year period.

CHAIRMAN

| Source Documents | Location | Contact |
|---|--|---|
| Agenda, reports and minutes of the Policy and Finance Committee – 24/04/08. | Hinchingsbrooke Cottage Brampton Road Huntingdon | Michael Brown 01480 444572 michael.brown@cambsfire.gov.uk |

