



MINUTES OF THE PERFORMANCE AND OVERVIEW COMMITTEE held on 5 December 2012 at Lecture Theatre, Fire Service HQ, at 10:00am.

PRESENT: Councillors, P Carey, P Harris, M Simon, A Tate (Chair), J Weatherill and N Wright. Independent Member: Mr W Ravenscroft

ALSO IN ATTENDANCE: Jude Bickerton, representative from RSM Tenon

PART 1 – MATTERS CONSIDERED IN PUBLIC

1 PROCEDURAL MATTERS

A APOLOGIES FOR ABSENCE

Apologies were received from Councillor D Flude.

B DECLARATION OF MEMBERS' INTERESTS

There were no Declarations of Members interests.

C MINUTES OF THE MEETING OF THE PERFORMANCE AND OVERVIEW COMMITTEE

RESOLVED: That

the minutes of the Meeting of the Performance and Overview Committee held on 3 October 2012 be confirmed as a correct record.

D MINUTES OF THE MEETING OF THE POLICY COMMITTEE

RESOLVED: That

the minutes of the Meeting of the Policy Committee held on 14 November 2012 be received, for information.

ITEMS REQUIRING DISCUSSION

2 REVISED PROMOTION PROCESS – VERBAL UPDATE

The Head of People and Development delivered a presentation to Members which provided an update on recent activity undertaken to develop the promotion process and promote transparency in recruitment.

She explained that the review of the promotion process was undertaken following results of feedback received from the Service's Staff Survey earlier this year, which included comments about the transparency of the process.

She advised Members that the Service's current promotion process for grey book (operational) staff had been reviewed and a proposed revised process had been approved by the Principal Officers. The next stage would be to discuss the proposed changes with the representative bodies.

She described the current promotion process and the areas that had been identified which potentially required updating. She explained this had resulted in the development of a new streamlined process with the purpose of ensuring the Service's selection process identified the right people with the right skills for the promotion pool.

She informed Members that one of the proposed changes was for the final recruitment application process to be removed. Successful employees that passed all stages of the process, would be part of a promotion pool ready to be placed in any vacancies that occurred. Members queried how the Service would manage if more employees met the minimum standard but did not qualify at the final stage for a place in the promotion pool. The Head of People and Development responded that any employees that were successful at the assessment centre would gain access to a development pool and not be required to start again at the beginning of the selection process the following year.

Members felt that it was important that the process included the ability to assess a person's attitude as well as their operational knowledge, and the right balance of these skills should be achieved. The Chief Fire Officer confirmed that part of the Service's appraisal process included the core values which needed to be demonstrated and evidenced when assessing behaviours. Members queried whether there was an appeals process and the Head of People and Development advised that the Service's existing Grievance Appeal process would be available.

Members commented that the proposed revised promotion process was an improvement on the existing one, and commented that the proposal to change the assessment process to move towards a more competency based application, was welcomed.

RESOLVED: That

[1] the content of the revised promotion process presentation be noted.

3 MID YEAR FINANCIAL AND PERFORMANCE REVIEW 2012 - 13

The Head of Planning, Performance and Communications introduced this report which provided Members with a mid-year summary of organisational performance against plans and budget. It provided more detailed information on capital and revenue expenditure as well as corporate and departmental performance.

The Head of Finance presented the Service's financial performance at mid year, and advised Members that the overall estimated underspend for 2012-13 was £1.2m from a budget of £44m. He summarised the main factors contributing to

the underspend, which was principally the freeze on operational recruitment and the fact that the Service continued to operate with fewer On Call firefighters. He asked Members to consider the allocation of the estimated underspend, and suggested it be transferred to the IRMP reserve to enable the smoothing of expenditure over the next few years, in the delivery of IRMP 10. This would be confirmed as part of the Final Accounts process.

Members referred to the Appendix to the report which detailed the projected financial outturn position for the Authority's revenue budget based on the mid year position and requested more detail on the areas where an overspend was reported (Facilities; Procurement and Interest Payable).

The Head of Finance explained the factors for each of these areas, which included the impact of new fitness equipment purchased, change to footwear specification for operational staff and the increase in interest payable due to the change in debt repayment.

Members discussed the cautious approach taken by the Service with the budget, and the estimated underspend of £1.2m for this financial year, and felt that this approach should be maintained in the current economic environment.

The Head of Finance brought Members attention to the Service's debtor balance detailed within the report, and advised that debts were highly likely to be collected. He referred to the bad debt provision of £18k which mainly covered the Service's share of the surplus left in Fire and Rescue Service Mutual which the Service had been a party to. He advised that the Service continued to look to gain repayment from the administrators that were installed when the company ceased to trade.

Members queried the reference within the report to the potential financial impact of the large incident which recently occurred at Widnes. The Assistant Chief Fire Officer explained that the incident had now closed, and costs incurred would be captured in the de-brief process.

The Head of Planning, Performance and Communications summarised the Service's Performance and drew Member's attention to the new Corporate Performance Scorecard attached as an Appendix to the report. This Scorecard provided an overview of mid year performance against key targets.

He referred Members to the positive results which included the number of all types of property fires that was low compared with previous years. He also advised that deliberate fires overall were lower than last year. He felt this was in part due to this year's poor weather. However, there had been a rise in deliberate fires at a local level in certain persistent hotspots and the Service had identified that more targeted work was required in certain areas. A Member confirmed that the recent bonfire campaigns and initiatives led by the Service had had a positive impact in his local area.

The Head of Planning, Performance and Communications advised Members that, at the mid term position, the Service was below target for completion of thematic and fire safety audits. He stated that action plans had been put in place to address this and additional operational staff had been able to assist

Community Fire Protection Department staff in carrying out these audits, and it was felt that the end of year target would be achieved.

Members discussed the content of the departmental summaries and requested more information on the increased turnover of staff figures compared to the mid year position last year. The Chief Fire Officer confirmed that this information could be provided to Members. The Chief Fire Officer suggested an additional agenda item for the Committee's Forward Work Programme, which would provide Members with more detail on the re-issue of On-Call contracts referred to within the report, and could also include future plans for On-Call recruitment following the IRMP10 consultation.

RESOLVED: That

- [1] the Mid Year Financial and Performance Review 2012-13 report be noted; and**
- [2] the agenda item ' On-Call contracts and recruitment' be added to the Forward Work programme**

4 INTERNAL AUDIT PLAN 2012-13 PROGRESS REPORT

The Head of Planning, Performance and Communications introduced this report which provided Members with a status report on progress against the 2012-13 Internal Audit plan at mid year, prepared by RSM Tenon.

He introduced Jude Bickerton, a representative from RSM Tenon who was in attendance at the meeting and provided Members with a summary of the Internal Audit Progress report. The Internal Auditor advised Members that, since the last quarterly update, two further reports had been finalised by RSM Tenon (Value for Money Review– Facilities (advisory); and Enforcement Procedures – Compliance with the Framework. She confirmed that the Enforcement Procedures report resulted in a substantial level of assurance, with one low level risk recommendation provided.

She reported that all work undertaken to date had resulted in a positive opinion, with minimal recommendations made. She advised Members that RSM Tenon representatives had a visit scheduled for the following week to undertake an annual Financial Audit review and a general follow up of previous recommendations made, to assess progress.

Members commented on the content of the report, and asked if the recommendation identified as a medium risk regarding compliance with financial regulations was an issue. The Head of Finance explained that the Service had a set of financial regulations in place that required review and this was currently taking place.

RESOLVED: That

- [1] the content of the Internal Audit Plan 2012-13 progress reports be noted.**

5 INJURY PENSIONS

The Head of Finance advised that, at a previous meeting of the Performance and Overview Committee in November 2011, Members were informed of an issue with Injury Pensions which had a considerable financial impact on the Authority. He explained that it had been subsequently discussed by Members at a number of meetings during the financial year 2011-12. He introduced a report which explained the background to the issue, how the issue was identified, its impact and how the Authority had subsequently dealt with it.

He informed Members that firefighters who retire from the Service as a result of injuries sustained whilst undertaking their operational role were entitled to compensatory payments, which were met by the Authority, and were described as Injury Pensions.

He explained the Authority's responsibility for preparing a separate Firefighters Pension Fund Account which was reported within the Authority's Accounts. He explained that the net position between income and expenditure on the Pension Fund Account had always been a deficit, which was met by way of a grant from DCLG each financial year. He advised that the compensatory payments could not be considered as expenditure under the Pension Fund Scheme and a misalignment which had caused these payments to be charged to the Firefighters Pension Fund had been identified by the Service's Finance Team when providing an estimate to DCLG of their liability for 2012-13. This meant that the grant had been reclaimed from DCLG incorrectly from 2006-07 to 2010-11.

The Head of Finance informed Members that the misallocation totalled £1.2m and the Service had agreed repayment to DCLG over a three year period.

RESOLVED: That

[1] the content of the Injury Pensions report be noted.

6 FORWARD WORK PROGRAMME

The Monitoring Officer advised that the 'On- Call contracts and recruitment' report which was identified earlier in the meeting, would be added to the forward work programme.

The Chief Fire Officer suggested Members received more detailed information on progress made in completion of thematic inspections and fire safety audits against the required targets, as part of the quarter 3 performance report scheduled for the April meeting of the Committee, to which Members agreed.