



SCOTTISH
FIRE AND RESCUE SERVICE

Working together for a safer Scotland

PUBLIC MEETING - SCOTTISH FIRE AND RESCUE SERVICE BOARD

TUESDAY 23 AUGUST 2022 @ 1000 HRS

**BRAIDWOOD SUITE, SCOTTISH FIRE AND RESCUE SERVICE,
WESTBURN DRIVE, CAMBUSLANG, G72 7NA / CONFERENCE FACILITIES**

PRESENT:

Kirsty Darwent, Chair (KD)
Stuart Ballingall (SJB)
Steve Barron (SB)
Angiolina Foster (AF)
Tim Wright (TW)

Fiona Thorburn, Deputy Chair (FT)
Nick Barr (NB)
Brian Baverstock (BB)
Malcolm Payton (MP)
Mhairi Wylie (MW)

IN ATTENDANCE:

Ross Haggart (RH)
Stuart Stevens (SS)
Liz Barnes (LBa)
David Farries (DF)
David Lockhart (DL)
John Thomson (JH)
Andy Watt (AW)
Alasdair Cameron (AC)
Heather Greig (HG)
Debbie Haddow (DJH)

Interim Chief Officer
Interim Deputy Chief Officer
Director of People and Organisational Development
T/Assistant Chief Officer, Director of Service Delivery
T/Assistant Chief Officer, Director of Service Development
Acting Director of Finance and Procurement
Assistant Chief Officer, Director of Training, Safety and Assurance
Group Commander Board Support
Executive Officer Board Support
Board Support/Minutes

OBSERVERS:

Robert Scott, HMFSI

1 CHAIR'S WELCOME

- 1.1 KD opened the meeting and welcomed those present and participating or observing via MS Team.
- 1.2 Those participating via MS Teams were reminded to raise their hands, in accordance with the remote meeting protocol, should they wish to ask a question.
- 1.3 This meeting would be recorded and published on the public website.

2 APOLOGIES

- 2.1 Lesley Bloomer, Board Member
Paul Stollard, Board Member
Mark McAteer, Director of Strategic Planning, Performance and Communications
Iain Morris, Acting Director of Asset Management

3 CONSIDERATION OF AND DECISION ON ANY ITEMS TO BE TAKEN IN PRIVATE

- 3.1 The Board agreed that the *Business Case for Economic Settlement of ET Claim* and *Strategic Plan 2022-25* items would be taken in private due to matters which are the

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subject of legal proceedings (Standing Orders 9D) and the confidential nature of the issues (Standing Order 9G), respectively.

- 3.2 The Board further agreed an additional private item relating to the Command and Control Futures Project which would be taken in private due to confidential commercial/financial information (Standing Orders 9E).

4 DECLARATION OF INTERESTS

- 4.1 There were no declarations of conflict of interests made.

5 MINUTES OF PREVIOUS MEETINGS:

5.1 Thursday 30 June 2022

- 5.1.1 The following amendments and 2 minor typographical errors were noted:

Item 10.4 Service Delivery Committee – 5th bullet point to be amended to read “*Update on Unwanted Fire Alarm Systems (UFAS) implementation plan which reinforces the interdependency on the Command and Control Futures (CCF) project.*”

Item 10.2 Audit and Risk Assurance Committee – Final bullet point to be amended to read “*National Fraud Initiative. Committee were keen to understand what measures can be taken to increase awareness/communications to improve the level of self-declaration of interests across the Service.*”

- 5.1.2 **Subject to the above amendments, the minutes of the meeting held on 30 June 2022 were approved as a true record of the meeting.**

5.2 Matters Arising

- 5.2.1 There were no matters arising.

6 ACTION LOG

- 6.1 The Board considered the action log and noted the updates.

- 6.2 **Members noted the updated Action Log and approved the removal of completed actions.**

7 DECISION LOG

- 7.1 The Board considered the Decision Log noting the impact assessment provided for decision made 12 months ago.

- 7.2 AC advised the Board that the following amendments would be made to the Decision Log:

- Item 12 Annual Procurement Report for Period 1 April 2020 -31 March 2021: The second sentence should read: “*The report also describes the actions we have completed in line with our procurement strategy.*”
- Item 22 Request Authorisation for Settlement of Insurance Claim (Private): Impact Assessment statement was inaccurate. For record purposes, it should read: “*Following approval by the SFRS Board the Scottish Government provided their authority to settle the claim in September 2021. Clyde & Co Solicitors continued negotiations with the pursuer and subsequently agreed settlement, which was within the authority provided. Work is continuing to finalise the remaining defence and pursuer costs and regular meetings are held with Clyde & Co Solicitors to monitor this and other ongoing claims.*”

- 7.3 **Members noted the updated Decision Log.**

8 CHAIR’S REPORT

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8.1 KD presented the Chair's Update report noting events which had occurred since the Board meeting held on 30 June 2022. In addition to the written report, KD provided a verbal update on the following key areas:

- Pay negotiations - No formal updates. Negotiations at the National Joint Council (NJC) and discussions with Scottish Government were ongoing.
- Discussions continue with Scottish Government regarding implications of the future budget and the strategic spending review.

8.2 KD advised the Board that Maureen Rooney would take over as Deputy Director of Safer Communities on 21 September 2022, following Wendy Wilkinson's retirement.

8.3 **The Board noted the report and verbal update.**

9 CHIEF OFFICER'S REPORT

9.1 RH presented the Chief Officer's report noting events which had occurred since the Board meeting held on 30 June 2022. In addition to the written report, RH provided a verbal update on the following key areas:

- Kilbirnie Street 50th Anniversary Commemoration event (25 August 2022). Invitation extended to all Board Members.
- Kilbirnie Street Red Plaque Unveiling event (28 August 2022). Invitation extended to all Board Members.

9.2 **The Board noted the report and verbal update.**

10 COMMITTEE UPDATES

10.1 Change Committee (CC)

10.1.1 FT reported that the Committee held a public meeting on 15 August 2022 and provided a verbal update, highlighting the following:

- Scrutiny of the Low Carbon Appliance dossier which lead to discussions regarding early sight of projects and the importance to establish discipline around the business change lifecycle.
- People, Training, Finance and Assets System Update noting the complexity of the project and the Committee welcomes the benefits lead approach to establish scope and focus on high yield end to end processes. Engaging with Scottish Government regarding a potential shared procurement opportunity.
- Update on the Portfolio Office's work including the new report format.
- Update on the Command and Control Futures Programme (to be discussed further in private session).

10.1.2 **The Board noted the verbal update.**

10.2 Audit and Risk Assurance Committee (ARAC)

10.2.1 BB reported that the Committee held a public meeting on 28 June 2022 and referred the Board to the attached draft minutes, noting that a full verbal update had been provided at the previous meeting.

10.2.2 Audit and Risk Assurance Committee Annual Report to the Accountable Officer

BB presented the review of the Audit and Risk Assurance Committee (ARAC) Annual Report 2021/22, to the Scottish Fire and Rescue Service (SFRS) Board 'For Information Only' following its approval at the ARAC on 28 June 2022. BB confirmed that the Committee were broadly satisfied with the assurances provided from Internal Audit, External Audit and HMFSI, during the year. BB reminded the Board that the ARAC Annual Report to the Accountable Officer formed a key component of the Annual Governance Statement.

10.2.3 **The Board noted the draft minutes and Annual Report to the Accountable Officer.**

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10.3 People Committee (PC)

10.3.1 MW reported that the Committee held a public meeting on 21 June 2022 and referred the Board to the attached draft minutes, noting that a full verbal update had been provided at the previous meeting.

10.3.2 The next meeting was scheduled on 15 September 2022.

10.3.3 The Board noted the draft minutes.

10.4 Service Delivery Committee (SDC)

10.4.1 NB reported that the Committee held a public meeting on 12 May 2022 and noted that the draft minutes had previously been presented to the Board.

10.4.2 The next meeting was scheduled to be held on 30 August 2022.

10.4.3 The Board noted the verbal update.

11 RESOURCE BUDGET MONITORING REPORT 2022/23 – MAY 2022

11.1 JT presented a report advising the Board of the resource budget position for the period ending 31 July 2022. JT outlined the analysis of the financial position and referred Members to Appendix A of the report, which identified the current resource position showing an underspend of £0.615million and a forecast year-end underspend of £0.039million. This forecast position was on the basis that additional funding would be received to support the Service's investment in Emergency Services Mobile Communications Programme (ESMCP). The following key points were highlighted:

- Budget virements during this period related to Marauding Terrorist Firearms Attack (MTFA) and training overtime.
- Financial risk remains for a potential overspend. The ongoing pay negotiations may have a direct impact on the overall financial position for the current and future year. Impact of high inflation rates were now becoming apparent.
- Overall forecast reported an underspend in Employee Costs primarily due to a reduction in wholtime overtime, increase in Property costs due to higher rates, increase in Transport costs due to higher fuel prices and reduction in energy consumption however, this has been impacted by the increased cost of services.
- Budgeted savings forecasting marginally lower than anticipated. Inclusion of RAG status to highlight the position and management of the savings.

11.2 The Board commented positively on the inclusion of the additional information extremely helpful.

11.3 In regard to Employee costs, the Board queried the challenges in future years. JT confirmed that the main driver was wholtime costs and the Service had to maintain and manage availability, skills and overtime appropriately. This would continue to be managed and mitigated within the current year and into futures years.

11.4 In regard to overspending in hydrant maintenance, JT noted that it was agreed that the backlog in this area would be progressed at the end of the previous financial year and this has carried over to the current year. JT assured the Board that this position was being managed appropriately. DF reminded the Board of the discussions and progress made with Scottish Water in regard to maintenance and payments.

11.5 The Board commented on whether the forecast portrayed a realistic position due to the various uncertainties/economic conditions and how the Service were positioned to react to any potential significant overspend.

11.6

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JT advised the Board that the forecast presented was based on the current known position and until the final position was known it was difficult to include this within the overall forecast. JT assured the Board that the Service had made Scottish Government aware of the affordability of any potential pay award (higher than the budgeted 2%) was not affordable within the current climate nor sustainable in future years. The potential to accelerate/identify new efficiencies or savings would not be sufficient or sustainable to offset any potential pay award over that already budgeted.

11.7

JT reminded the Board of the ongoing negotiations and the sensitivities surrounding this process. JT advised the Board that the Service would continue to manage the financial position to deliver against a balanced budget, whilst maintaining operational resources and community risks appropriately.

11.8

RH advised the Board that the Service continues to manage the increased inflationary position within budget. RH commented on the depleted Target Operating Model (TOM) and use of overtime to maintain operational capacity. RH outlined the main reasons for depleted TOM, ie recruitment restrictions, pension remedy, etc and noted the mitigations in place. These included the dedicated Staffing and Tactical Advisory Group and Operational Availability Group and noted the improving trajectory and management around overtime. RH reiterated the assurance that Scottish Government were being kept fully abreast of the ongoing discussions and negotiations relating to the pay award.

11.9

In regard to Agency and Contractor costs, the Board queried where these costs were being incurred and sought assurance that this was being managed appropriately.

11.10

JT advised the Board that agency staff had been used to help manage the challenges around recruitment. Although this had been for a longer period than anticipated, JT noted that agency costs were balanced against the underspend in Support Staff costs. JT confirmed that the overall position was being managed appropriately. LBa advised the Board that all vacancies were subject to review prior to recruitment. RH reminded the Board that the Budgetary Sub Group continue to meet on a quarterly basis to provide additional focus and oversight on the budget position.

11.11

In regard to forecasting on the basis of an annual budget, the Board sought assurance that the Service had not taken any longer term financial decisions that would result in operational and financial pressures going forward.

11.12

RH advised the Board that no known decisions had been made, since the resource spending review, that would conflict with the direction of travel. RH assured the Board that the Service would continue to manage the current position appropriately and maintain awareness of the future longer-term vision and potential challenges. RH noted that the Strategic Leadership Team (SLT) were aware of the potential scenarios falling out of the resource spending review and would be reviewing potential savings for the next financial year. RH further noted that the SLT would also start the process to identify a longer-term programme (2-4 years) and this would be discussed further at the scheduled Away Days.

11.13

KD reminded the Board that the Away Days would be used to discuss the financial current and future challenges, restrictions on annual budgeting and uncertainties surrounding future budgets.

11.14

The Board scrutinised the resource budget position for the period ending 31 July 2022.

12

CAPITAL BUDGET MONITORING REPORT 2022/23 – JULY 2022

12.1

JT presented a report advising the Board of the actual and committed expenditure against the 2022/23 capital budget position for the period ending 31 July 2022. It was

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anticipated that the budget of £34.4 million would be spent by the end of the financial year. The following key points were highlighted:

- Inclusion of RAG status.
- New Accounting Standards relating to leases, potential transfer from Resource to Capital budgets.
- Funding bid for decarbonisation (£2.8 million) has been submitted. Formal response awaited. A further multi-year bid would be submitted in January 2023.
- Funding bid for installation of electric vehicle infrastructure (£0.254 million) has been submitted to Transport Scotland. Formal response awaited.
- Two virements during this period due primarily to difficulties with supply chains.
- Overall progress against budget was currently £20.577 million (60%).
- Reminder that the capital budget remains insufficient for the overall asset profile, however the Service remains focussed on maximising spend on the capital budget.

12.2 The Board expressed their gratitude to those involved in identifying and securing various grants and funding for capital projects.

12.3 **The Board scrutinised the level of actual and committed expenditure for the period ending 31 July 2022.**

13 REPORT FOR INFORMATION ONLY:

13.1 Youth Volunteer Scheme Evaluation Report

13.1.1 The Youth Volunteer Scheme Evaluation Report had been submitted for information. The Board acknowledged the importance and benefits of this scheme and reiterated their continuing support.

13.1.2 **This report was presented for information only.**

14 RISK THEMES

14.1 There were no other new or emerging risks identified during this meeting, however it was noted that some risks have progressed into issues.

14.2 The Board commented on the need for greater emphasis and scrutiny on the financial position/decision and any potential future impact on operational delivery. The Board acknowledged that this known risk was actively being managed to ensure there was no increased risk to personnel or communities.

15 FORWARD PLAN

15.1 The Forward Plan was noted and would be kept under review and subject to change.

15.2 The Board were reminded that a Special Board meeting had been convened on 9 September 2022 to allow the Combined Risk and Performance Report to be presented.

16 DATE OF NEXT MEETING

16.1 The next formal (Special) meeting of the Board is scheduled to take place on Friday 9 September 2022 at 0930 hrs.

16.2 There being no further matters to discuss in public, the meeting closed at 1110 hours.

PRIVATE SESSION

17 MINUTES OF PREVIOUS PRIVATE MEETING:

17.1 The private minutes of the meetings held on 30 June 2022 and 28 July 2022 were approved as a true record of the meeting.

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18 PRIVATE ACTION LOG

- 18.1 Members noted the updated Private Action Log and approved the removal of completed actions.

19 BUSINESS CASE FOR ECONOMIC SETTLEMENT OF ET CLAIM

- 19.1 Due to a significant change in circumstances, the Chair informed the Board that it was necessary to revisit the previous decision made on 31 March 2022 and confirmed that this aligned to the Standing Orders.

- 19.2 LBa presented a report, previously circulated by email, to the Board seeking approval to support the updated business case to support economic settlement of an Employment Tribunal claim against the Service.

- 19.3 **The Board formally approved the recommendation to support the settlement of the claim.**

20 STRATEGIC PLAN 2022-25

- 20.1 MMcA presented a report to the Board seeking approval of the final draft of the Strategic Plan 2022-25 to the Board and seek approval for its release to the Minister for Community Safety for approval.

- 20.2 The Board acknowledged the efforts and hard work involved across the Service in the production of the Strategic Plan.

- 20.3 **The Board approved the Strategic Plan 2022-25 for release to the Minister for Community Safety.**

21 COMMAND AND CONTROL FUTURES PROJECT UPDATE

- 21.1 The Board were informed that a comprehensive update was provided to the Change Committee on 15 August 2022 and a further update meeting was held on 22 August 2022 between AW, NB and FT.

- 21.2 The Board were updated on the progress of the Remedial Advisor's final report which was anticipated later this week (w/e 26 August).

- 21.3 **The Board noted the update and acknowledged the emerging concerns.**