



## **AVON FIRE AUTHORITY**

**30 March 2022**

### **Present:**

Councillors J Ashe, S Bromley, A Brown, D Davies, R Eddy, B Hopkinson, R Jacobs, B Massey, Y Mohamud, A Monk, B Nutland, R Payne, R Tucker, D Wilcox, C Windows

The meeting began at 2.00 pm.

### **78. APOLOGIES FOR ABSENCE**

Apologies were received from Cllr Ali, E Brown, Butters, Goggin, May and James Mason (Independent Person).

### **79. EMERGENCY EVACUATION PROCEDURES**

In the event of an emergency, Members were advised to exit the building at the nearest fire exit point and congregate in the main car park.

### **80. DECLARATION OF INTERESTS**

There were no declarations of interest from Members of the Avon Fire Authority (AFA).

With reference to Item 12 - Annual Review of Remuneration of Chief Fire Officer/Chief Executive (CFO/CEO), it was confirmed that all the Service Leadership Board (SLB) Officers and Statutory Officers had a declared interest as their salaries were directly linked to the pay of the CFO/CEO.

### **81. PUBLIC ACCESS**

A public access statement received from Ms Jenni Gwynne had been published on the website. The statement was read out by the Clerk and in response the Director of Corporate Services stated that:

1. It had been previously agreed that capital reporting would be presented to the Fire Authority twice a year. In line with the forward plan, the information was last reported in October 2021, with the end of year report due to be presented in June 2022 as part of the Fire Authority 2021/22 Final Accounts process.
2. The capital programme was regularly reported to, and scrutinised by, the Performance, Review and Scrutiny Committee (PRSC) with the latest consideration in January 2022.

3. The Strategic Member Engagement Forum considers the development of, and progress with, the Service's core strategies and associated programme.
4. A further briefing on the specific matters referred to in the statement would be provided to PRSC at their next meeting in April 2022 and would be forwarded to all Authority Members.

## **82. CHAIR'S BUSINESS**

1. The Chair welcomed everyone to the meeting and invited everyone to introduce themselves.
2. The Chair explained the voting process to be followed for the meeting.
3. As the last meeting of the Chief Fire Officer & Chief Executive Officer (CFO/CEO), Mick Crennell, the Chair congratulated him on 30 years' service and his retirement. It was highlighted that he had led Avon Fire and Rescue Service (AF&RS) and AFA through a journey of improvements which had resulted in making AF&RS a better place for those who work within as well as the communities it serves.  
The CFO/CEO thanked Members for their good wishes and drew attention to his fantastic team who worked hard to continue to improve services and keep communities safe.
4. Cllr Windows, having completed his 8-year term as a member of AFA, was thanked for his service and wished well for the future.
5. The next meeting of AFA would be the annual meeting on 22 June 2022 prior to which a new Members induction event would take place on 9 June 2022.
6. The Chair reported that the Service had carried out a review of potential impacts to the supply chain caused by the Ukraine/Russia conflict. It had been determined that the Service had no direct links to Russian suppliers and additional due diligence would continue to ensure no links to suppliers linked with Russia.

## **83. MINUTES OF THE MEETING OF AVON FIRE AUTHORITY HELD ON 11 FEBRUARY 2022**

Cllr Massey moved and Cllr Eddy seconded that the Minutes be approved.

**RESOLVED that the minutes of the ordinary meeting of the Avon Fire Authority held on 11 February 2022 be signed by the Chair as an accurate record of the meeting.**

## **84. MINUTES OF COMMITTEE MEETINGS**

1. Cllr Wilcox moved and Cllr Massey seconded that the Minutes be approved.

**RESOLVED that the minutes of the People and Culture Committee held on 17 September 2021 be signed by the Chair as an accurate record of the meeting.**

2. Cllr Wilcox moved and Cllr Jacobs seconded that the Minutes be approved.

**RESOLVED that the minutes of the People and Culture Committee held on 10 December 2021 be signed by the Chair as an accurate record of the meeting.**

3. Cllr Wilcox moved and Cllr Tucker seconded that the Minutes be approved.

**RESOLVED that the minutes of the Audit, Governance & Ethics Committee held on 24 November 2021 be signed by the Chair as an accurate record of the meeting.**

4. Cllr Payne moved and Cllr Eddy seconded that the Minutes be approved.

**RESOLVED that the minutes of the Performance, Review & Scrutiny Committee held on 8 October 2021 be signed by the Chair as an accurate record of the meeting.**

5. Cllr Windows moved and Cllr Jacobs seconded that the Minutes be approved.

**RESOLVED that the minutes of the Local Pension Board held on 3 September 2021 be signed by the Chair as an accurate record of the meeting.**

#### **Items for Decision**

#### **85. APPROVAL OF FINAL SERVICE PLAN INCLUDING INTEGRATED RISK MANAGEMENT PLAN (IRMP)**

The Assistant Chief Fire Officer (Service Delivery) introduced the report which sought approval to publish the Fire Authority's Service Plan 2022-2025.

The key considerations highlighted were:

1. The Service Plan 2022-25 set out the Fire Authority's strategic aims and objectives, highlighting elements considered important to enable improvement and deliver proposals. The documents identified the risk profile of the service and set out how the service would address and minimise that risk.
2. The Fire Authority's seven-week public consultation period on the draft Service Plans proposals ran from 4 January until 18 February 2022. In total 210 questionnaire responses were received which was in line with response rates in other Fire and Rescue Services (F&RS).
3. The draft Service Plan document (Appendix 3) was brought to the Fire Authority for consultation in December 2021.
4. A fully integrated approach had been applied to methods of engagement and communication listed within the methodology of the Consultation Report (Appendix 2).
5. In response to the Consultation, the Fire Brigade Union (FBU) had raised opposition to the introduction of emergency medical response. In recognition of the feedback, an alternative proposed wording was now included which stated, *"explore and consider how new ways of working would assist with medical emergencies within the community, utilising the skills and capability*

*within the Service and building on existing examples of good practice with a view to pilot different models of assistance.”*

Arising from Members questions the following points were clarified:

1. Members were pleased that the concerns of the FBU had been taken into consideration.
2. Officers were thanked for the report which had been presented to the relevant Committees and received overall endorsement of the general public.
3. With regards to the low response rate, Officers confirmed that they planned to canvas other F&RS to ascertain if anything else could be done to increase the rate of response, however, it was acknowledged that when people were satisfied with a Service, they were less likely to provide a response to say so.
4. Future communications and campaigns would show the public how the Service delivered against the service plan. As responses had been anonymous, individual feedback and engagement was not possible. Where individuals do approach with comments, Officers follow up and continue engagement if appropriate.

The recommendation was moved by Cllr Eddy, seconded by Cllr Brown.

**It was RESOLVED that the Fire Authority:**

- a) **Considered the outcomes of the public consultation.**
- b) **Approved for publication the Service Plan 2022-2025 presented for sign off by Members.**

## **86. 2022/23 to 2025/26 MEDIUM TERM FINANCIAL PLAN**

The Treasurer presented the report which recommended the Medium-Term Financial Plan (MTFP) for approval. The requirement to produce and publish a MTFP was included within the current iteration of the Fire and Rescue National Framework for England. The report provided the Fire Authority with a 4-year Financial Strategy (April 2022 to March 2026), which covered the approved 2022/23 Annual Budgets and provided projected figures for the following three financial years.

The Medium-Term Financial Plan had been based on the previous MTFP approved by the Fire Authority in March 2021 and updated for key financial issues and forecasts. This updated 4-year Financial Strategy showed a balanced position, utilising approved reserves and additional efficiency savings from 2024/25. The updated MTFP was summarised within Appendix 1 and Appendix 2 providing further information on income and expenditure for the period. With reference to Appendix 2 the following key points were highlighted:

1. Section 5.14 of the report outlined the additional revenue Capital Financing Costs, which covered the projected interest payments and loan repayment costs for the proposed 3-year Capital Programme. As this programme would require the FA to take out additional external loans, the Treasurer advised SLB would need to undertake a review in 2022/23, to review the capital priorities, to review available reserves and to consider further revenue efficiency savings.

2. With reference to revenue efficiency savings, it was projected the Service would need further savings to be considered from 2024/25.
3. Key Financial Risks were outlined in section 6 of the report. The Treasurer highlighted risks around the uncertainty over future government funding levels and a possible reduction to future Council funding, due to the ongoing COVID-19 pandemic, particularly in relation to the increased Collection Fund deficits. It was noted one of the financial risks related to the potential of Pay Awards being agreed above the levels assumed within this Financial Strategy and there were several risks raised around non-pay costs, particularly in relation to increases in energy costs and fuel. The identified long-term risk of increased pension costs was detailed in a separate report within agenda item 18.
4. To try to mitigate those risks there were a variety of proposed management actions using financial modelling, the adoption of a contingency reserve, strengthened financial reporting and a move towards Devolved Budgets.
5. The MTFP outlined the significant uncertainty with respect to the ongoing situation in Ukraine. It was confirmed the Procurement Manager had undertaken a detailed review and assessment of the Fire Authority's contracts and confirmed the Fire Authority does not have any direct contractual relationships with Russian suppliers.

Arising from Members questions the following points were clarified:

1. The CFO role was responsible for the programme and the delivery of the Transformation programme.
2. Officers were thanked for sound management and presentation of constructive information. Whilst there were significant risks present, Members were confident that officers provided information to show they were adept at containing any pressures.

The recommendations were proposed by Cllr Eddy and seconded by Cllr Payne.

**It was RESOLVED that the Fire Authority:**

- a) Approved the 4-year Medium Term Financial Plan, as detailed in this report and its appendices.**

## **87. 2022-2025 CAPITAL PROGRAMME STRATEGY**

The Treasurer presented a report which asked the Fire Authority to approve the proposed 3-year Capital Strategy, together with the affordability and impact of the updated capital expenditure plans. When reviewing a Capital Strategy, the CIPFA Prudential Code (2017) requires all Local Authorities to demonstrate that capital expenditure and investment decisions align to the Services key objectives and take account of affordability, Value for Money, sustainability and affordability. The Treasurer confirmed the Fire Authority has the power to borrow external funds to finance its Capital Programme, but before it uses these powers, it is required to determine whether or not it is prudent to do so.

The Capital Programme outlined the projected capital expenditure and planned capital disposals over the next three years from April 2022 to March 2025. The

Strategy was based on the 2021-2024 Capital Programme, approved by the FA in March 2021 and updated for key expenditure plans and the associated borrowing requirements. The Treasurer referred to Appendix 1 which showed additional external loans (projected at £3.2m) would be required to fund this proposed Capital Programme from 2023/24. As these loans would increase the revenue costs for the Fire Authority, the Treasurer advised SLB would need to undertake a review in 2022/23, to review the capital priorities, to review available reserves and to consider further revenue efficiency savings. To support this review, it was confirmed a new Capital Programme Steering and Prioritisation Group would be set up from 2022, to review the Capital Programme aligned to affordability and prioritisation of capital expenditure.

The Director of Corporate Services (DoCS) outlined the development of the following Premises plans through the proposed capital programme:

1. The completion of Avonmouth Station was due early in the financial year 2022/23 with a final spend of £500k.
2. The refurbishment of Bedminster Fire Station was due to be completed during the financial year 2022/23, with construction costs reflected in the Capital Programme proposal.
3. The capital proposal of £50k for the Bath Station redevelopment, referred to completion of the final design and feasibility work needed to present a business case to the Authority in 2022/23. Consideration of a Tri Service Collaboration could lead to the agreement of a joint development/funding model.
4. The completion of the design phase for Weston Station would be dependent on further work on design and site searches with planned presentation of a business case to the Authority in 2022/23. This was reflected in a capital proposal of £500k for 2022/23.

The Assistant Chief Fire Officer (Service Delivery Support) (ACFO (SDS)) reported with reference to the current Fleet provision within the service outlined within the Service Plan 2022-25.

1. The current Fleet replacement strategy best practice life span was 15 years for front line appliances and 17 years for specialist vehicles.
2. With reference to funding for electric vehicles, it was acknowledged that the vehicles were more expensive in terms of capital outlay however, within the Authorities strategy for reduction of carbon emissions within the Fleet programme, consideration would also be given to the lifespan cost and revenue expenditure.

Arising from Members questions the following points were clarified:

1. The proposed £500,000 allocated to a hovercraft provision would be considered by a working group. The working group would consider prevention messaging and partnership working as well as any other and better solutions.
2. With reference to the public access statement received earlier in the meeting, the Clerk confirmed that the details and reasons of the case highlighted would be communicated direct to Elected Members.

3. Airwave technology was currently used by Emergency Services however, it was an outdated technology and 5G technology would be more fit for the future.

The recommendations were moved by Cllr Davies and seconded by Cllr Tucker.

**It was RESOLVED that the Avon Fire Authority:**

- a) **Approved the 2022-2025 Capital Programme**
- b) **Approved the proposed funding and Prudential Indicators required to finance the 2022-2025 Capital Strategy.**

#### **88. MEMBERS' ALLOWANCES SCHEME for 2022/23**

The Clerk presented a report which asked the Fire Authority to consider the updates proposed for the Members Allowances Scheme following independent review. The eleven recommendations of the independent review report presented and approved by the Fire Authority at their meeting on 15 December 2021 had been incorporated into the updated Scheme now presented

In terms of the narrative text within the Scheme, the Clerk assured Elected Members that gender neutrality would feature throughout.

The Clerk confirmed that a pay award had been announced on 1 March 2022 to be backdated to April 2021 and this had been implemented with associated backpay within the Scheme. The next pay award for April 2022 had not yet been released.

Elected Members were pleased with the process followed and thanked Officers for their work.

The recommendations were moved by Cllr Davies and seconded by Cllr Jacobs.

**It was RESOLVED that the Avon Fire Authority:**

- a) **Approved the 2022-2023 Members Allowances Scheme.**

#### **89. ANNUAL REVIEW OF THE REMUNERATION OF THE CHIEF FIRE OFFICER/ CHIEF EXECUTIVE**

The Clerk presented the report which set out the recommendation of the People and Culture Committee to note the National Joint Council (NJC) 2021 pay award for Brigade Managers and to make no local pay increase for 2022/23 with regards to the remuneration of the Chief Fire Officer/Chief Executive.

Officers of the Service Leadership Board declared an interest as their pay was determined by way of percentage of the pay of the CFO. The CFO/CEO had not requested a local pay award and no local pay award was recommended. It was noted that the NJC pay award due on 1 Jan 2022 was yet to be announced.

In response to a query from Cllr Eddy, the CFO confirmed that if anyone was to be temporarily appointed to an interim position, that person would assume the salary of the person they replaced.

The recommendations were moved by Cllr Wilcox and seconded by Cllr Windows.

**It was RESOLVED that Avon Fire Authority:**

- a) **Noted the National Joint Council (NJC) 2021 pay award for Brigade Managers with effect from 1 January 2021 of 1.5%, which was announced on 24 June 2021.**
- b) **Made no local pay increase to the CFO/CEO's salary for 2022/23, and**
- c) **Noted that the NJC pay award for Brigade Managers for 1 January 2022 is yet to be announced.**

## **90. PAY POLICY STATEMENT 2021/22**

The Clerk presented the report which provided the Fire Authority with the Pay Policy Statement at Appendix 1 for the financial year beginning 1 April 2022 as recommended for approval by the Fire Authority by the People and Culture (P&C) Committee.

The Fire Authority was required by the Localism Act 2011 to prepare and publish the annual Pay Policy Statement by 31 March each year. The current years statement was set out at Appendix 1.

The Fire Authority was also obliged to publish gender pay gap statistics after 31 March each year and that information would be presented to the P&C Committee in June 2022 where they will be asked to approve it for publication.

Following a request for information from the P&C Committee, the Clerk confirmed that, with reference to the internal pay comparators and lowest pay parameters, 14 employees were on the lowest pay point.

The recommendations were moved by Cllr Wilcox and seconded by Cllr Eddy.

**It was RESOLVED that the Avon Fire Authority:**

- a) **Approved the proposed Pay Policy Statement 2022/23 (at Appendix 1) and directed that it be published on Avon Fire and Rescue Service web site.**
- b) **Noted that Gender Pay Gap reporting for 2022 would be reported to the next People and Culture Committee meeting in June, after the 'snapshot date' of 31 March 2022.**

## **91. 2021/22 REVENUE FINANCIAL REPORT**

The Treasurer presented the report which provided the Fire Authority with an update on the 2021/2022 Revenue Budget and other key financial information for the period covering the 1 April 2021 to the 31 January 2022.



As shown within Appendix 1 the projected forecast outturn showed a very small underspend of £23,000, which equated to less than 0.04% of the approved annual budget. The Treasurer advised this was a positive financial position for the Fire Authority and the detailed figures were shown within Appendix 1 & 2.

It was noted the Premises budget was showing a forecast overspend of £68k at the year end, which related to national increased energy costs. To support these national increased costs, the Service had invested additional funding to this budget and Officers had been successful in negotiating a new contract to minimise future risk.

Appendix 3 showed the budget adjustment of £309k which had been made to update the FA budgets from 1 November 2021 to 31 January 2022. In future, Budget Adjustments between the value of £250k to £499k would be shared with PRSC, as outlined within the updated Fire Authority's Constitution.

The recommendations were moved by Cllr Payne and seconded by Cllr Eddy.

**It was RESOLVED that the Avon Fire Authority:**

- a) Noted the latest Income and Expenditure forecast on the Revenue Budget.**
- b) Approved the Budget Adjustment shown in Appendix 3.**

## **92. PUBLIC SECTOR DECARBONISATION GRANT UPDATE – COMPLETION OF WORKS**

With the agreement of Members, this item was moved for consideration earlier than indicated in the published agenda.

The report detailed the excellent progress made in delivering renewable energy and low carbon technology projects through the award of the Public Sector Decarbonisation Grant and that AF&RS was on course to deliver within the stipulated grant conditions set out by Salix (grant administration body) by 31 March 2022.

It was noted by Elected Members that HMICFRS had commented on the success of AF&RS as the only Fire & Rescue Service in England to receive a grant under the Decarbonisation Scheme.

A huge amount of work had taken place to tight deadlines for which Elected Members and Officers showed their appreciation. The Environmental Manager had been invited as guest speaker on various webinars and the work of the team had been shortlisted for a National Clean Energy Award.

Arising from Members questions the following points were clarified:

1. Linking Temple Fire Station to Temple District Heat Networks had been funded by Bristol City Council who had also received a grant through the Public Sector Decarbonisation Scheme.

2. AF&RS were in the process of installing an electric vehicle charging network across the estate.
3. The fleet was in the early days of transitioning to electric power. Solar and battery storage systems had not yet been linked directly to the electric charging and generator systems.

**It was RESOLVED to note the report.**

At this point in the meeting there was a 10-minute adjournment, the meeting resumed at 15:50.

Cllrs Eddy and Nutland left the meeting during the adjournment.

### **93. HMICFRS ROUND 2 INSPECTION REPORT**

The Fire Authority received the report which formally presented the results of the last full HMICFRS inspection of AF&RS in May/June 2021. The outcome of the inspection had been published in December 2021 and a verbal update provided at the last meeting.

The inspection had reported significant improvement against the three pillars of Effectiveness, Efficiency and People. The three causes of concern identified in Round 1 had been being formally discharged and all inadequate ratings resolved. No further causes of concern were identified.

With reference to the improvement of the grading, HM Chief Inspector had commented on how rare it was to jump two grades in one inspection from 'inadequate' to 'good'.

The latest report identified 22 areas for improvement which would be presented to PRSC in April 2022. It would also be recommended that the current governance arrangements continue.

Arising from Members questions the following points were clarified:

1. Following a discussion, it was agreed that the Action Plan would be reported to the PRSC as specified within the governance structure but would also be circulated to all the Members of the Fire Authority.
2. The Action Plan would be presented to PRSC along with Officer assessments of the performance indicators/organisational scorecard in line with the new Service Plan. Those would enable Members and the Leadership Team to consider indicators and where resources may be applied for improvement. Following consideration at PRSC the Action Plan would be reported to the Fire Authority at their next meeting in June 2022.
3. The Chair of PRSC, Cllr Wilcox, indicated that following presentation at the AFA meeting in June, he would like to see it on a six-monthly basis.
4. In relation to the 22 areas for improvement identified, Officers reported that some were due to the impact of the COVID-19 pandemic, others due to the promotion of continual improvements.

5. The CFO highlighted a specific example of 'people with the right skills' which had been rated lower as there had not been an established succession plan at the time of inspection. This had been out for consultation at that time and would now score differently.
6. 'Gap Analysis' and LGA Peer Assessment mechanisms took place to enable a sense check at any one time.
7. The new HMI Chief Inspector had hinted at a more 'thematic' approach for the next round of inspections.
8. Members welcomed the proposal to update Members on progression against elements of the HMICFRS Action Plan within regular reporting.
9. With reference to 'good use of data', it was hoped and planned that new software solutions and investment in IT would drive improvement.
10. The CFO thanked the lead Officer for his hard work and achievements and highlighted the very positive narrative of the report of HMICFRS.

The recommendations were moved by Cllr Monk and seconded by Cllr Mohamed.

**It was RESOLVED that the Avon Fire Authority:**

- a) **Noted AF&RS's Round 2 HMICFRS inspection report (Appendix 1), the covering letter from HMI Wendy Williams (Appendix 2) and the accompanying HMICFRS press release (Appendix 3).**
- b) **Re-confirmed its previous decision (taken at the meeting of the Fire Authority held on 26 March 2019) to delegate authority to the PRSC to approve the final draft of the Round 2 HMICFRS Inspection Action Plan for initial publication and provide Member-led scrutiny of progress against that action plan at each of the Committee's meetings thereafter.**
- c) **To present the new draft of the Round 2 HMICFRS Action Plan to the AFA at their next meeting in June 2022.**
- d) **Noted the current HMICFRS inspection activity and next steps.**

#### **94. FORWARD PLAN**

The Clerk reported that the Forward Plan would be updated with the following minor changes following consideration of financial reporting schedule and in consultation with both internal and external Audit teams:

1. The 18 May AGECE meeting was not required, and reports planned for that meeting would be presented to the meeting on 29 June.
2. The AGECE meeting date in December would be brought forward to November.

The Forward Plan would be updated accordingly and published on the website in due course.

**It was RESOLVED to note the report**

## **95. ADDITION TO THE CONSTITUTION – NEW TERMS OF REFERENCE FOR POLITICAL GROUP LEADERS’**

The report proposed new Terms of Reference for Political Group Leaders in accordance with the recommendation of an Independent Review of Members’ Allowances Scheme. A report was presented to the Fire Authority on 15 December 2021 and all eleven recommendations were approved. A ‘role description’ for Political Group Leaders was Advisory Recommendation 10.

The Clerk confirmed that the Terms of Reference outlined the role and responsibilities of the Political Group Leaders and would be added to the Constitution.

In reply to a query, the Clerk confirmed that although there was no specific mention of absence for the reason of maternity leave within the Constitution at present, in practice, the Fire Authority respected the right of a member to take maternity leave and the political group leader would be asked to arrange for a substitute Member to attend meetings.

The Clerk was asked to confirm the arrangements and length of time a person could take maternity leave. It was suggested that if a Member of the Fire Authority were to require leave of absence for any reason, it should be formally requested through the Party Group Leader to the Clerk. A formal process would then be confirmed dependent on the circumstances and specific situation. This may need the Clerk to raise with Unitary Authorities if appropriate.

The recommendations were moved by Cllr Davis and seconded by Cllr Jacobs.

**It was RESOLVED that the Avon Fire Authority:**

**a) Approved the new Terms of Reference for Political Group Leaders at Appendix 1.**

**b) Approved the addition of the new Terms of Reference for Political Group Leaders to the latest edition of the Fire Authority Constitution.**

## **96. SERVICE ROUND UP**

With the agreement of Members, this following item was moved for consideration earlier than indicated in the published agenda.

The report highlighted areas of good work across Avon Fire & Rescue Service (AF&RS), which have taken place between December 2021 and February 2022.

**It was RESOLVED to note the report**

## **97. DATE OF NEXT MEETING**

The next meeting would take place on 22 June 2022 at 2pm.

## 98. IMMEDIATE DETRIMENT UPDATE

Members were advised that any mention of the content of exempt Appendices 3 or 5 would need to be held in exempt session.

An error was highlighted in the last bullet of paragraph 5.2 of the report, that 6 April 2002 should read 6 April 2022.

The DoCS outlined the report which updated Members since the meeting of AFA in December 2021 with regards to the Immediate Detriment (ID) issue. At the December meeting, AFA had deferred the decision on formally adopting the MOU/Framework until further information was available, particularly on tax and funding. The report continued to recommend deferment until a substantive development to reasonably mitigate the financial risks and implications.

The DoCS reported that since the December meeting, the following had not changed:

1. It remained the case that impacted firefighters would be in receipt of an annual pension and a lump sum.
2. Government was fully committed to a full remedy on or before October 2023.
3. Fire and Rescue Authorities retained the power to make ID payments under the Equality Act. However, it also remained the case that the Home Office and Treasury are of the view that the power did not apply to issues around tax and contributions. To make ID payments would incur costs which would fall to local budgets.
4. Currently a number of payments for those retiring would be considered 'unauthorised payments' under the current tax legislation.
5. The LGA/FBU framework remained unchanged which outlined that Fire Authorities were liable to compensate employees for unauthorised charges until changes were made to legislation.
6. A number of National Pension Administrators had indicated that they would not be able to achieve the 62 days' timescale outlined.
7. The Fire Authority had continued to process those coming up to retirement. 15 people had retired, and 6 others were under consideration.
8. The Fire Authority had not received any legal claims in respect of ID.
9. The AF&RS pension reserve contingency was within the budget for all pension matters including ill health retirements.

The DoCS reported that since the December meeting, the following had taken place:

1. AF&RS had joined a tax consortium with 14 other F&RS to seek further specialist advice from the Tax Office.
2. The LGA had advised that they approached the FBU to discuss if there was any need to amend the MOU but no further advice on discussions had been received.
3. The LGA recognised that F&RS were faced with significant financial risk in particular due to tax implications and cost.

4. It was anticipated that Finance Act legislation would be in place by August 2022. This would make 'unauthorised' payments 'authorised' for the purposes of remedy.
5. A technical working group were developing a 'ready reckoner' to calculate the financial implications.
6. The Local Pension Board (LPB) considered the matter in February 2022 and recommended formally adopting the MOU/Framework, however, the LPB did not consider financial implications or resources within their remit.
7. News of the possible legal changes through the Finance Act in August 2022 had been released after the meeting of the LPB.
8. Officers believed that the administrative cost payments within current ID processing would be covered by Government Grant. What would not be covered would be administrative costs of processing the retiring group (£55,000) and compensation payments in respect of interest or unauthorised tax charges (approximately £300,000).

In response to the report, the following comments were made:

1. Cllr A Brown confirmed that he considered it regrettable that the Government had not been more forthcoming with further information and advice and until more information or developments have taken place, that a risk managed approach should be retained processing claims as far as possible within the current circumstances.
2. Cllr Windows confirmed that the decision at the LPB had taken on the information available at the time at the meeting. The LPB had also not been able to take into account the basis of costs. He acknowledged that it could put the authority in a difficult financial position, and he supported the recommendations proposed in the report.
3. The Independent Chair of the LPB confirmed that frustrations that legislation had not been put in place to date had put everyone in a difficult position. On a balance of risk approach, it was his opinion that adoption should be deferred until further information was in place as well as legislation to avoid the tax issues and compensatory payments. It was confirmed that Members of the Pension Scheme would receive the same benefits, albeit later than they would possibly like.

The recommendations were moved by Cllr Davies and seconded by Cllr Hopkinson.

**It was RESOLVED that the Avon Fire Authority:**

- a) **Noted the updates since the 15 December 2021 Avon Fire Authority (AFA) meeting. These updates include Appendix 2 (Scheme Advisory Board letter to HM Treasury), Appendix 3 (LGA legal advice – exempt) and Appendix 5 (National picture – exempt).**
- b) **Considered the recommendations made by the Local Pension Board at their February 2022 meeting regarding ID and MOU/Framework adoption.**
- c) **Continued to defer a decision on formally and fully adopting the MOU.**
- d) **Decided that this matter should be referred back to the Authority for further consideration in Autumn 2022, when the tax legislation is expected**

to change and substantively reduce the financial risk arising from MOU/Framework adoption.

- e) In the interim continue processing ID cases for forthcoming retirees under the arrangements agreed by the AFA in June 2021, noting the recent extension of scope to include staff with pension contribution holidays.
- f) In preparation for future adoption of the MOU/Framework:
  - (i) Extend, until further notice, the current instruction to the pension administrators to run dual estimates for retiring scheme members who have given notice but are currently outside of ID processing due to complexities.
  - (ii) Continue to collate the data needed to run estimates for already retired/category 2 staff as described by the Framework.

#### **99. EXCLUSION OF THE PRESS AND PUBLIC**

**RESOLVED** that the public be excluded from the meeting during the following items of business on the grounds that they contain exempt information pursuant to Schedule 12A, Part I of the Local Government Act 1972 and that in accordance with Schedule 12A, Part II, paragraph 10 of the Local Government Act 1972 the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

(The public meeting ended at 17.05hrs)

#### **100. CONFIDENTIAL MINUTES OF THE FIRE AUTHORITY**

It was **RESOLVED** that the confidential minutes of the Fire Authority held on 11 February 2022 should be signed by the Chair as an accurate record of the meeting.

#### **101. CONFIDENTIAL MINUTES OF COMMITTEE MEETINGS**

It was **RESOLVED** that the confidential minutes of the Audit, Governance and Ethics Committee held on 24 November 2021 should be signed by the Chair as an accurate record of the meeting.

#### **102. DELEGATION OF SOFTWARE RESELLER FOR MICROSOFT CONTRACT AWARD**

The Head of Procurement presented the report which outlined the process required to seek a contract for the provision of Microsoft Licensing.

**The Fire Authority RESOLVED to:**

**Delegate the decision regarding award of contract to PRSC meeting scheduled for 21 April (or via an extraordinary PRSC meeting, if tender has not been completed in time for this meeting).**

The meeting ended at 17:20hrs.

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CHAIR