



## Board Minutes

### BOARD MEETING

**Date:** Friday, 28 August 2020

**Time:** 9.00am to 12.48pm

**Venue:** Zoom

#### Present:

Hon Paul Swain (until 11.30am)	Chair
Rebecca Keoghan	Deputy Chair
Te Aroha Cook	Member
Wendie Harvey	Member
Malcolm Inglis	Member
Gwen Tepania-Palmer	Member

#### In Attendance:

Rhys Jones	Chief Executive
Raewyn Bleakley	Deputy Chief Executive Office of the Chief Executive
Russell Wood (from 10.15am-11.30pm and from 12.35pm to 12.48pm)	Deputy Chief Executive Organisational Strategy and Capability Development
Darryl Purdy (from 11.30am-12.20pm)	Deputy Chief Executive Finance and Business Operations
Brendan Nally (from 12.05pm to 12.20pm)	Deputy Chief Executive People
Nick Venter	Secretariat

The Board held a closed Board session from 9.00am to 9.35am and met with the Chief Executive in closed session until 10.00am at which point the Deputy Chief Executive (DCE) Office of the Chief Executive joined the meeting. The DCE Organisational Strategy and Capability Development joined at 10.15am.

The order in which items on the agenda were discussed was adjusted to take account of members' availability.

Discussion of item 3 was postponed due to the unavailability of an affected party.

The Board requested that in future the number in which papers were numbered on the agenda appeared on the papers themselves.

  
CHAIR

**Action**

- Add agenda item numbers to paper headings

**1. 20(116) Board Approval - Construction Contract for Christchurch City Fire Station**

The Board was advised that the contract for the construction of the new Christchurch City Fire Station was being presented to it for approval because the value of the contract exceeded the Chief Executive's financial delegation.

**Resolved**

That the Board:

1. **notes** a total capex budget of \$11,250,653 (excluding GST) which includes all construction costs, professional fees, consents fees and contingencies to complete phase 2 of the construction of the new Christchurch City Fire Station beyond costs to date
2. **approves** the awarding of a construction contract to Cook Brothers Construction Canterbury Ltd to the value of 9(2)(b)(ii) (excluding GST) because the value of the contract exceeds the Chief Executive's financial delegation; and
3. **notes** this project is now funded via a Crown capital injection (\$51.3m total) from the Infrastructure Reference Group for 'shovel ready' infrastructure projects.

**2. 20(117) Update on Portfolio Prioritisation Process for FY 2020/21**

The Board expressed an interest in the prioritisation process and asked whether the opportunity existed to raise concerns or issues at this juncture in the management process.

It was advised that the purpose of the paper was to provide assurance that a robust process had been run and that the opportunity existed for the Board to provide input. Projects had been approved in principle for the 2020/21 financial year, but robust business cases and costings had still to be produced. There was also a need to be mindful of the organisation's capacity to absorb further change and run with new projects.

The Board said it was encouraged by the clear evidence of a robust process and by the requirement for robust business cases. Judgements within that process were for management to make and it looked forward to seeing the outcome of those judgements flow through into its monitoring of Statement of Performance Expectation (SPE) measures and the Statement of Intent (SOI).

It noted the importance of ensuring the outcomes of the prioritisation process were reflected in the 10 Year Plan and the annual report. Management assured the Board that the outcome of the process would be cross-referenced with accountability documents.

The Board noted the importance of ensuring projects were appropriately categorised so people did not get the wrong impression. Management undertook to adjust the Grow table to make it clear that the platform for the Mobility Project would continue to be maintained and to review the categorisation of the Type 3 Cracks Remediation and Working in or Near Water projects to make it clear that they were not at risk.

  
CHAIR

#### Actions

- Adjust the Grow table in the investment prioritisation portfolio to make it clear that the platform for the Mobility Project will continue to be maintained
- Review the categorisation of the Type 3 Cracks Remediation and Working in or Near Water projects in the investment prioritisation portfolio to make it clear they are not at risk

#### Resolved

That the Board:

1. **notes** the FY2020/21 portfolio prioritisation and selection process; and
2. **notes** that the Covid-19 financial savings regime has reduced the amount of available funding for the portfolio by \$11.8m.

#### 3. 20(118) Health and Safety Performance Reporting Improvements – Executive Report

Board members welcomed a robust, solid report and resolved to refer it to the Safety, Health and Wellbeing Committee to work with the Executive Leadership Team (ELT) and the Safety, Health and Wellbeing team to develop next steps.

#### Resolved

That the Board:

1. **considers** the Health and Safety Performance Reporting Improvements – Executive Report; and
2. **refers** the report to the Safety, Health and Wellbeing Committee to engage with management about next steps.

Moved: Wendie Harvey; Seconded: Te Aroha Cook

#### 4. 20(119) Draft External Health and Safety Review

The Board accepted a high-quality report and said the next step was to engage with management about what could be done over what period, noting that it would be important to identify priorities.

It also suggested that given the importance of the subject matter, the Chief Executive consider acting as the sponsor of a project which fell between the responsibilities of the DCEs of the People, Service Delivery, and Organisational Strategy and Capability Development branches. The Chief Executive said he would be playing a leading role.

Board members thanked the Safety, Health and Wellbeing Committee for picking up and progressing this important work. The Committee Chair noted that other members of the Board were welcome to attend Committee meetings.

It was agreed to copy all Board members into calendar invites for Safety, Health and Wellbeing Committee meetings.

  
CHAIR

### Actions

- Copy all Board members into calendar invites for Safety, Health and Wellbeing Committee meetings

### Resolved

That the Board:

1. **considers** the draft external health and safety review conducted by MERW; and
2. **refers** the draft review to the Safety, Health and Wellbeing Committee to engage with **9(2)a** of MERW and to determine next steps for management.

### 5. 20(120) Final 10-year plan for Board endorsement

The Board was advised that its feedback had been incorporated into the near final draft of the 10 Year Plan, but there was still an opportunity for members to provide feedback.

The Board congratulated management on a good document that had improved with each iteration, but wondered whether the extent of partnerships with iwi and tangata whenua and rural sector partners like the Land Management Forum was reflected in the table setting out key foundational work programmes. Management undertook to adjust the table before the document was finalised.

### Actions

- Adjust the table setting out key foundational work programmes to make clearer the extent of Fire and Emergency's partnerships with iwi, tangata whenua and rural sector partners like the Land Management Forum

### Resolved

That the Board:

1. **endorses** the final 10-year plan (appended); and
2. **notes** the communications approach to launching the 10-year plan (appended).

### 20(121) 2019/20 Annual Report first draft review

The Board was advised that the Annual Report would come to it for final approval in November. Members noted that it appeared to be on track.

Management was asked to consider including in it:

- the establishment of the Board's Safety, Health and Wellbeing Committee
- the number of female volunteers awarded Gold Stars for 25 years' service (in the Women's development section); and
- lessons learned from the review of the Old Dunstan Road fire and other large incidents.

## **Resolved**

That the Board:

1. **reviews** the first draft of the 2019/20 Annual Report and provides feedback; and
2. **notes** the timeframe for completing the Annual Report.

*Paul Swain and Russell Wood left the meeting*

## **6. 20(122) Interests Register and Conflicts of Interest**

Members updated the Register of Interests with the following:

Wendie Harvey

- Chair of Hawke's Bay Airport Limited
- Director of Hawke's Bay Airport Construction Limited

## **7. 20(123) Confirmation of the minutes of the previous meeting**

The minutes of the meeting held on 31 July 2020 were approved as a true and accurate record of the meeting with the addition of the following resolution to 20(114):

1.
  - iii) In the event of the Chief Executive unexpectedly becoming unavailable, the DCE Office of the Chief Executive shall act as Chief Executive until the Board appoints an Acting Chief Executive

## **8. 20(124) Action items from last meeting**

*Darryl Purdy joined the meeting*

The updates to the Action Log were noted.

## **9. 20(125) Chief Executive's Report**

The Chief Executive advised the Board that the organisation had adapted well to the change in COVID-19 alert levels.

The Board asked about the impact of the \$51.3 million property capital injection on existing capital projects. It was advised that three overlapping considerations were being managed. They were the capital injection, the savings initiatives introduced in response to the financial impact of COVID-19 and the capacity of suppliers. The Board noted that the capital programme was being reshaped in light of these considerations.

The Board noted the update on the adjustment of Fire and Emergency's insurance premium following changes to the All of Government Insurance Cluster's insurance arrangements. Members were encouraged that Fire and Emergency was considering its options, including leaving the cluster. Management advised that it was in the process of securing the services of an insurance expert to review the organisation's participation in the cluster and that it was compiling a complaint to the Ministry of Business Innovation and Employment about the failure of the Request for Proposal (RFP)

evaluation team to identify the changes to the premium allocation model. The Board would be kept updated.

The Board was updated on changes being made to the way online information about complaints procedures was displayed to make it more survivor-focused.

**Action**

- Update the Board on the review of Fire and Emergency's participation in the All of Government Insurance Cluster

**10. 20(126) Financial Report – July 2020**

The Board was updated on the lower levy intake for July and the beginning of COVID-19 related savings initiatives.

**11. 20(127) COVID-19 Financial Update**

The Board was advised that normalised levy receipts for the past three months were about 6.6 per cent lower than budget which aligned with Treasury's mid-case scenario for the financial impact of COVID-19. Adjusted budgets to implement cost savings would be in place from the coming Monday. Managers had been receptive to the changes, but the challenge would be living within the changed budgets.

The Department of Internal Affairs had informed Fire and Emergency that it would advise the Ministers of Internal Affairs and Finance to approve the final drawdown of the Crown's capital injection funding to support the establishment of Fire and Emergency. The Board congratulated management on securing DIA's support for the drawdown.

Management advised that it proposed extending the interest payment waiver for late levy payments for a further six months. The waiver was not costing the organisation a great deal and it was providing support to levy payers affected by COVID-19. The Board supported the extension.

**Resolved**

That the Board:

1. notes the COVID-19 August financial update; and
2. approves extension of the interest payment waiver until review in February 2020.

Moved: Rebecca Keoghan; Seconded: Malcolm Inglis

**12. 20(128) Update on Managing the Costs of the New Organisation**

The Board was updated on the process that had been established to ensure the organisation could meet its legislative obligations and fund other Board-mandated activities from within the budgets and forecasts approved in the 2020/21 Statement of Performance Expectations.

The Board was advised that it would be consulted on proposals after a short list had been presented to ELT, but there was an opportunity for it to be involved earlier in the process if it chose. The Board saw value in being involved earlier, perhaps when the long list of proposals was being developed. It was encouraged that the issue had been recognised as a management issue, rather than simply a finance issue.

The Board noted that at some point the organisation may consider whether legislative change might need to be discussed with Government so the organisation could recoup the cost of compliance and enforcement activities.

Management was encouraged at the appropriate time to front foot communications about changes in cost structures, rather than to wait to react to criticism.

### **Resolved**

That the Board:

1. **notes** that a project *Managing within available Funding* has been set-up to ensure that the new organisation operates within the budgets and forecasts approved in the 2020/21 SPE. This project will be managed by the Costing and Funding Governance group comprising representatives from ELT and SDLT. The Board will be regularly updated on progress.

### **13. 20(129) Safety, Health and Wellbeing Monthly Update**

*Brendan Nally joined the meeting*

The Board was advised that no workplace exposure to COVID-19 had been reported in July which was a credit to personnel following the procedures that had been put in place to keep them safe. It was also advised that, for the first time in years, there were no outstanding Level 2 investigations.

The Board asked about the increase in the number of events reported to Safe@Work in July. It was advised that this was a consequence of activity levels increasing as the country emerged from Alert Level 4.

The Board noted that 54 events reported to Safe@Work during July had not received an initial review during the expected 48 hours of the event being reported. It requested an update at the next Board meeting on what was being done to address overdue assessments.

#### **Actions**

- Update the Board at its September meeting about what is being done to address overdue assessments of events reported to Safe@Work.

### **Resolved**

That the Board:

1. **notes** the Safety, Health and Wellbeing monthly report,
2. **notes** that no notifiable events occurred; and
3. **notes** the application to renew the Accredited Employer Programme accreditation is underway.

*Brendan Nally and Darryl Purdy left the meeting*

#### 14. 20(130) Board Policy – Remuneration, Expenditure and Travel

The Board was advised that the proposed Remuneration, Expenditure and Travel Policy was designed to mirror the equivalent policies for the rest of the organisation.

Members noted that appointments to the Board should be recorded as being for periods of up to three years, rather than for three years, to reflect the variation in lengths of appointment terms.

The Board asked for the role of the Chair of the Audit and Risk Committee in approving Board travel to be clarified. The responsibility for approving members' travel in advance lay with the Chair of the Board. The Chair of the Audit and Risk Committee's role was to consider whether costs associated with that travel were appropriate.

##### Actions

- Record Board appointments as being for periods of up to three years
- Clarify the role of the Audit and Risk Committee Chair in approving Board members' travel expenses

##### Resolved

That the Board:

1. **considers** the content of the proposed Board Policy; and
2. **approves** the policy.

#### 15. 20(131) Board and Committee Meeting Dates for 2021

In addition to the proposed meeting dates for 2021, the Board was advised that ELT was keen to tack a strategy day onto an existing Board meeting date in October or November next year and to fit four focus area sessions into existing Board meetings scheduled for the year.

The Board advised that it wanted to hold a Board-only strategy session in February, not January as proposed in the paper. No preparation would be required from management.

The Board advised that every second meeting of the Board should be held virtually and asked to be given the opportunity to provide feedback on proposed dates for meetings of the Audit and Risk and Safety, Health and Wellbeing committees.

Management undertook to provide further information about which months the Board should meet.

##### Actions

- Seek feedback from Board members on proposed dates for meetings of the Audit and Risk and Safety, Health and Wellbeing committees in 2021
- Provide advice to the Board about which months it should meet during 2021

##### Resolved

That the Board:

  
CHAIR



1. **considers** the proposed dates for its meetings next year
2. **agrees** that every second meeting of the Board should be a virtual meeting; and
3. **agrees** to meet at the end of the month on eight occasions.

*Russell Wood re-joined the meeting*

#### **16. 20(132) 2019/20 Statement of Performance Expectations Results**

The Board was advised that the Statement of Performance Expectations Results commentary would be updated for the Annual Report.

#### **Resolved**

That the Board:

1. **notes** the results of the 2019/20 SPE performance measures which will be included in the 2019/20 Annual Report.

#### **17. 20(133) General Business**

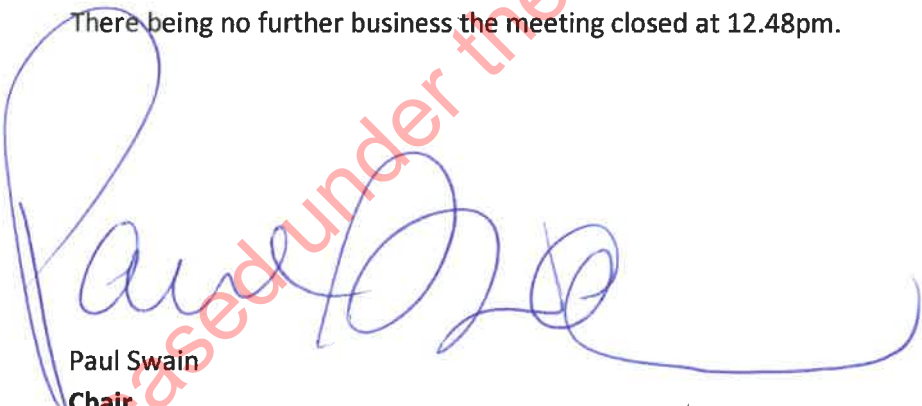
Members asked for information about the property capital injection to be included in Board key messages.

They noted that they were limiting travel on behalf of the Board to nearby events, particularly while COVID-19 alert levels were in place.

#### **Actions**

- Add information about the property capital injection to Board key messages

There being no further business the meeting closed at 12.48pm.



Paul Swain  
Chair

25 September 2020



## Board Minutes

### BOARD MEETING

**Date:** Friday, 25 September

**Time:** 9.00am to 12.16pm

**Venue:** Zoom

#### Present:

Hon Paul Swain	Chair
Rebecca Keoghan	Deputy Chair
Te Aroha Cook	Member
Wendie Harvey	Member
Malcolm Inglis	Member
Gwen Tepania-Palmer	Member

#### In Attendance:

Rhys Jones	Chief Executive
Raewyn Bleakley	Deputy Chief Executive Office of the Chief Executive
Darryl Purdy (from 10.30am)	Deputy Chief Executive Finance and Business Operations
Russell Wood (from 10.45)	Deputy Chief Executive Organisational Strategy and Capability Development
Brendan Nally (from 10.45 to 11.15am)	Deputy Chief Executive People
Nick Venter	Secretariat

The Board held a closed Board session from 9.00am to 9.40am and met with the Chief Executive in closed session until 9.55am, at which point the Chair declared the meeting open.


#### 1. 20(134) Confirmation of the minutes of the previous meeting

The minutes of the meeting held on 31 July 2020 were approved as a true and accurate record of the meeting.

Moved: Malcolm Inglis; Seconded: Gwen Tepania-Palmer

#### 2. 20(135) Action items from last meeting

The Chair advised that following a discussion with management it had been decided not to proceed with action item 259 related to Diligent page numbering.

  
CHAIR

### 3. 20(136) Chief Executive's Report

The Chief Executive updated the Board on the approval process for the \$51.3 million capital injection for "shovel-ready" new and upgraded fire stations. He advised that verbal approval had now been received from all four Ministers and one Minister had provided the approval in writing.

The Board was updated on the temporary relocation of the Newlands Volunteer Fire Brigade to Fire and Emergency's ICT Hub in the same Wellington suburb. The announcement had been received relatively positively by the brigade and provided time for the Wellington City Council to assess its future needs in the suburb. Management was asked to pass on the Board's thanks for a good outcome to those involved in the process.

Management was also congratulated on the launch of the new Whare Kōrero App to mark Te Wiki o te Reo Māori. Members noted that it was pleasing to see a Māori language resource tailored to Fire and Emergency's purposes.

The Board was updated on Fire and Emergency's cyber security protections. Management undertook to report back on whether the organisation had cyber security insurance.

Members noted that the Disputes Resolution Scheme procurement process outlined in the Chief Executive's report had been paused while further advice was obtained about possible changes to the scheme.

#### Actions

- Advise the Board whether Fire and Emergency has cyber insurance

*Darryl Purdy joined the meeting*

### 4. 20(137) Financial Report – August 2020

The Board was advised that revised internal budgets had been introduced during the month to take account of the impact of COVID-19 on levy revenue. Personnel had responded well and operational cost savings targets for the month had been met. However, if revenue continued to track significantly below budget, there would be a deficit because some of the savings were in capital expenditure.

Management advised that soil moisture deficits recorded by the National Institute of Water and Atmospheric Research (NIWA) were an ongoing concern because they indicated rural fire incident costs would be materially higher than the \$6.8 million budgeted for such incidents. Fire and Emergency could manage the costs of one large-scale incident by utilising cash reserves, but further such incidents could put pressure on the organisation.

Given the \$40 million in savings identified to mitigate the impact of COVID-19 on revenue, the Board noted its preference was for Fire and Emergency to seek financial input from the Government if there was more than one large-scale incident this financial year.

The Board asked for an update on savings in Board costs. It was advised that changes made to the meeting schedule constituted all practicable steps possible to mirror savings initiatives in the wider

  
CHAIR

organisation, including reducing travel on expenditure and accommodation and making greater use of virtual meetings. Its efforts were being used as an example for personnel.

#### 5. 20(138) COVID-19 Financial Update

The Board was advised that levy revenue was down five per cent across the past four months. This was slightly better than the mid-case scenario of a seven per cent drop in revenue, but no change was planned to the mid-case savings targets at this stage because concerns remained about second and third quarter economic activity.

The Board asked about the impact of the \$51.3 million capital injection for “shovel-ready” projects on the COVID-19-related capital expenditure savings of \$16.6 million. Management undertook to provide advice.

The Board asked why forecast operational expenditure savings in November were double those of other months. Management undertook to provide an explanation.

#### Action

- Advise the Board on the impact of the \$51.3 capital injection for “shovel-ready” projects on COVID-19 capital expenditure savings
- Explain why forecast operational expenditure savings in November are double the forecast savings in other months

#### Resolved

That the Board:

1. **notes** the COVID-19 September financial update.

*Brendan Nally and Russell Wood joined the meeting*

#### 20(139) Safety, Health and Wellbeing Monthly Update

The Board was advised that having eliminated overdue Level 2 investigations, the Safety, Health and Wellbeing team was now focusing on ensuring timely assessments of events reported to Safe@Work. The Board said it was pleased to see lessons being learned from incidents and acted on.

The Board was advised that COVID-19-related travel restrictions meant numbers attending psychological wellbeing workshops had fallen from the previous month.

The Board sought an update on action taken since the Level 2 investigation into the burn injury suffered by a recruit at the National Training Centre. It was advised that following the completion of the investigation, a Safety, Health and Wellbeing assessment of all training facilities had been asked for. Trainers had also been instructed to check every pair of gloves before trainees entered live fire training facilities.

The Board sought additional information about the incident reported in the Safety, Health and Wellbeing dashboard as a fall while using a harness. It was advised that the wearer had received a jolt after falling about 2m while still in the harness.

  
CHAIR

The Board noted the discussion about fatigue management with other search and rescue agencies involved in the New Zealand Search and Rescue Strategic Occupational Health, Safety and Wellbeing Committee. It was advised that Fire and Emergency had shared its fatigue management policy with the other agencies and would stay involved in the group.

**Resolved**

That the Board:

1. **notes** the Safety, Health and Wellbeing monthly report
2. **notes** that no notifiable events occurred; and
3. **notes** the Hawke's Bay Area Office and Fire Station were selected as the Accredited Employer Programme (AEP) audit location.

*Brendan Nally left the meeting*

**6. 20(140) Monthly Dashboard**

Management was commended on the work involved in getting ministerial approval for the \$51.3 million capital injection for "shovel-ready" projects and advised that the table showing progress on the projects in the Chief Executive's Report showed the information the Board wanted to see.

The Board was advised that the dashboard remained a work in progress and consideration was being given to including Safety, Health and Wellbeing and financial metrics. The Board advised that it was not opposed to Safety, Health and Wellbeing data being included, but if that was the case a link should be provided from the Safety, Health and Wellbeing monthly paper. It would also like to see questions prompted by the data, answered within the dashboard.

**7. 20(141) Update on Managing the Costs of the New Organisation**

The Board was advised that the immediate focus of the project was achieving the savings necessary this year to fund key projects such as the development of the Behaviour and Conduct Office. There had been a good response from personnel, but culture change was required across the organisation. Management was aware of the importance of pacing change sensitively. Parts of the organisation were under considerable pressure.


The Board commended management on continuing to provide assurance it was acting to live within the \$617 million funding envelope approved by the Board for the current financial year. It also stressed the importance of personnel wellbeing during times of culture change.

**Resolved**

That the Board:

1. **notes** that the *Managing within available funding* project has been established under the Costing and Funding Governance Group to ensure that the new organisation is able to operate within the budgets and forecasts approved in the 2020/21 SPE. We will provide monthly progress reports to the Board.

**8. 20(142) Board Gifts and Hospitality Policy**

  
CHAIR

The Board was advised that the policy applied to the Board the guidance provided to Fire and Emergency personnel and guidance provided by the Public Service Commission.

The Board noted that the policy did not require members to disclose whether gifts or koha offered had been accepted or make it explicit that the Chair or Deputy Chair should be provided with an opportunity to comment.

**Resolved**

That the Board:

1. **considers** the content of the proposed Board Policy; and
2. **approves** the Policy with the following amendments:
  - i. that the register of all hospitality, gifts and koha record whether gifts and hospitality offered were accepted; and
  - ii. that the register include space for comments from the Chair and/or Deputy Chair

Moved: Paul Swain; Seconded: Malcolm Inglis

**9. 20(143) Digital Strategy Update**

Management advised that the Digital Strategy Review was intended to be business-led and to focus on core functionality.

The Board sought assurance that system security would not be compromised by the commitment to making information easily accessible, except when security was necessary. It was advised that the commitment would be reworded to make it clear that system security would not be compromised.

The Board welcomed the clear articulation of business and information principles.

**Action**

- Reword the information principles in the Digital Strategy to make it clear that system security will not be compromised by the commitment to easy access to information

**Resolved**

That the Board:

1. **notes** the progress of the Digital Strategy and Enterprise Information Management Strategy
2. **notes** the key focus of the strategies is building core foundations for effective information management and system enhancement; and
3. **notes** innovation and technology development will be incorporated through a continuous improvement approach.

**10. 20(144) General Business**

The Board discussed its events schedule for the remainder of the year, noting that it was cutting back on travel along with the rest of the organisation in response to the impact of COVID-19 on levy revenue.

  
CHAIR

It was agreed that a letter would be written to the hosts of the upcoming Te Awamutu 50-year medal event explaining the change in practice. Fire and Emergency would be represented by the Region Manager. It was agreed that the events schedule would be updated to show management attendance accurately.

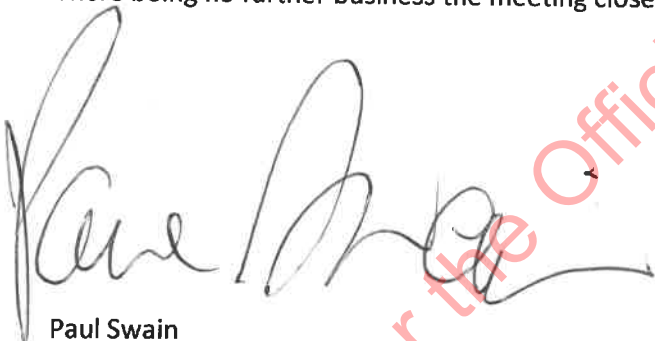
The Board noted that the Chair would attend an upcoming event in Upper Hutt as an exception because it was occurring near where he lived and his attendance would not occur any cost for the organisation.

Two Board members withdrew from the luncheon to honour Fire and Emergency recipients of Royal Honours to reduce cost and complexity. It was noted that the Board would be represented by the Chair and Fire and Emergency by senior managers.

Action

- Write to the hosts of the upcoming Te Awamutu 50-year medal event explaining why Board members are not travelling to events that require air travel or overnight accommodation
- Update the Board events schedule to show management attendance accurately

There being no further business the meeting closed at 12.16pm.



Paul Swain  
Chair

31 July 2020



## Board Minutes

### BOARD MEETING

**Date:** Friday, 30 October

**Time:** 9.00am to 1.10pm

**Venue:** Zoom

#### Present:

Hon Paul Swain	Chair
Rebecca Keoghan	Deputy Chair
Te Aroha Cook	Member
Wendie Harvey	Member
Malcolm Inglis	Member
Gwen Tepania-Palmer	Member

#### In Attendance:

Rhys Jones	Chief Executive
Raewyn Bleakley	Deputy Chief Executive Office of the Chief Executive
Darryl Purdy	Deputy Chief Executive Finance and Business Operations
Russell Wood (from 11.45am-12.30pm)	Deputy Chief Executive Organisational Strategy and Capability Development
Brendan Nally (until 11.45am)	Deputy Chief Executive People
Kerry Gregory (from 12.50pm)	Deputy Chief Executive Service Delivery
Lucy Chamberlain (from 10.53am -11.30am)	National Manager Local Advisory Committees
Piki Thomas (from 10.53am - 11.30am)	National Manager Kaupapa Māori
Nick Venter	Secretariat

The Board met alone at 9.00am and then met in closed session with the Chief Executive until 10am, at which point the Chair declared the meeting open.

#### 1. 20(145) Interests Register and Conflicts of Interest

Members updated the Register of interests with the following information:

- Te Aroha Cook has ceased to be a director/shareholder of Phoenix Ventures Waipukurau Limited.
- Wendie Harvey has ceased to be a director of Centralines Limited.
- Rebecca Keoghan has become a director of Timaru District Holdings Ltd.

  
CHAIR



## **2. 20(146) Confirmation of the minutes of the previous meeting**

The minutes of the meeting held on 25 September 2020 were approved as a true and accurate record of the meeting with the following amendment:

The second sentence in the second paragraph of 20(137) was amended to read:

Fire and Emergency could manage the costs of one large-scale incident by utilising cash reserves, but further such incidents could put pressure on the organisation

in place of:

Fire and Emergency could manage the costs of one large-scale incident by utilising cash reserves, but further such incidents would put pressure on the organisation.

Moved: Rebecca Keoghan; Seconded: Te Aroha Cook

## **3. 20(147) Action items from last meeting**

The Board confirmed that actions 257, 269 and 283 were complete.

## **4. 20(148) Chief Executive's Report**

The Chief Executive updated the Board on discussions with the Department of Conservation, Environment Canterbury, Land Information New Zealand, and the Mackenzie and Waitaki district councils about fire risk in Central Otago and Canterbury in the wake of the Lake Ohau fire. All were keen to work together to reduce risk, both now and in the future, which was a promising development. These partners would be included in the Mid and South Canterbury Land Management Forum, along with others such as Federated Farmers and local forestry companies, to promote a consistent approach to fire risk reduction advice and activities. The lessons from Lake Ohau were on the agenda for the next meeting of the National Land Managers Forum.

The Board was advised that since papers were loaded for the meeting, ACC had accepted the action plan developed to address the administrative issues identified in the audit of the Accredited Employers Programme. At ACC's request, the plan would be provided to Board members. A management issue was being addressed.

The Board requested that the action plan be monitored and reported on in the regular Safety, Health and Wellbeing updates provided to the Board. It sought an assurance that there were no other areas of risk arising from delegations, or the understandings of individual managers. It was advised that this was the first issue of its kind that had arisen within the Injury Management Unit, but managers were reviewing the whole system to ensure it was operating as it should. The process was expected to be complete by Christmas.

The Board asked if the laundry contract with TotalCare would be put out for tender once the three-year extension to the contract expired. Management undertook to get back to the Board with the requested information.

The Board asked why a business case was required to incorporate Crew Conversations in the national roll-out of the Respect and Inclusive Leadership Programme. It was advised that funding was

required to extend the programme. The Board noted that it regarded Crew Conversations as an important component of the Positive Workplace Culture programme distinct from health and safety.

#### Actions

- Provide the ACC Accredited Employers Action Plan to Board members
- Update the Board on the implementation of the Accredited Employers Action Plan in the regular Safety, Health and Wellbeing updates provided to the Board
- Update the Board on what will happen when the three-year laundry contract with TotalCare ends

#### 5. 20(149) Financial Report – September 2020

Management advised that the budget would not be re-set to take account of the impact of COVID-19. Instead variances would be reported against the original budget.

The Board was advised that the positive result to budget for September was due to the organisation delivering on the cost savings that had been introduced to mitigate the impact of COVID-19. However, a deficit was still forecast for the year. The savings programme would be reviewed after December levy receipts had been received.

The Board congratulated management on the savings that had been achieved to date and endorsed the decision not to make changes to the savings programme till December receipts had been received. It noted it had been advised a deficit was forecast for the year and said it was important that communications about the savings did not create the misleading impression that they could fully mitigate the impact of COVID-19.

The Board sought an assurance that the savings programme was not putting safety at risk. Management provided that assurance, noting that operational response capability and safety, health and wellbeing were being prioritised.

The Board sought an explanation for the spike in expenditure in the accelerated capital investment programme shown for the month of June 2021. Management undertook to provide an explanation.

The Board voiced concern about being asked to retrospectively approve the extension of Fire and Emergency's contract with the Rural Fire Network in the Nelson/Tasman District. Management explained that the extension was necessary to ensure the region had rural fire support. It was required because of the delay caused by the legal challenge to the implementation of the new organisational structure for Service Delivery. The contract had been inherited when Fire and Emergency was formed. The Board noted its expectation that in such circumstances the Chair would be contacted directly by the Chief Executive before a contract requiring its authorisation was signed or extended.

The Board asked how the potential conflict of interest between the network owner's responsibilities as a Fire and Emergency contractor and the employer of personnel contracted to the organisation was managed. Management provided an assurance that the potential conflict was being diligently managed.

#### Action

- Email explanation of June 2021 spike in expenditure on the accelerated capital investment programme to the Board
- Update the Board on the steps being taken to manage the potential conflict of interest arising from the arrangements between Fire and Emergency and the Rural Fire Network

#### Resolved

That the Board:

1. **notes** its concern at being asked to retrospectively approve the extension of a contract
2. **notes** the assurance of management that the potential conflict of interest was duly declared and registered and is being managed with the utmost diligence until it can be resolved by the implementation of organisation change
3. **ratifies** the expenditure associated with the extension of an agreement between Fire and Emergency and the Rural Fire Network to provide rural leadership and management services to Nelson/Tasman until April 2021; and
4. **notes** the whole of life costs of the agreement since 1 July 2017 are \$3.1 million

Moved: Malcom Inglis; Seconded: Gwen Tepania Palmer

#### 6. 20(150) Safety, Health and Wellbeing Monthly Update

The Board was advised that Fire and Emergency was working closely with other Government agencies on resurgence planning in case of an outbreak of COVID-19 over the Christmas holiday period. The emergency response sector was also looking at what steps would need to be taken to keep people safe in the event of a large-scale natural emergency that brought a lot of people together.

The Board was pleased to learn that concussion protocols had been developed to ensure appropriate early medical assessment was undertaken when personnel suffered concussion. The important thing now was to communicate the protocols and ensure they were applied. The Board asked if protocols were being developed for other injury areas. It was advised that the next area of focus would be back strains. Most were minor in nature, but they occasionally led to people being off work.

The Board noted the positive feedback that had been provided by the auditor of the ACC Accredited Employers Programme about the safety systems in place for the Hawke's Bay Area Office. It asked for its congratulations to be passed to the office.

  
CHAIR

The Board advised management that it did not need to wait until the next meeting of the Safety, Health and Wellbeing Committee in February to start implementing the health and safety performance reporting improvements proposed by Van Schaik Health and Safety Solutions.

The Board asked for an update on management's response to the Critical Risk Review. It was advised that a draft action plan would be considered by the Executive Leadership Team (ELT) in November. Updates would be provided in the regular Safety, Health and Wellbeing updates.

**Action**

- Congratulate the Hawke's Bay Area Office on behalf of the Board on the positive feedback received about the safety systems in place for the office from the auditor of the ACC Accredited Employers Programme
- Update the Board on the Critical Risk Review Action Plan in future Safety, Health and Wellbeing updates

**Resolved**

That the Board:

1. **notes** the Safety, Health and Wellbeing monthly report
2. **notes** that no notifiable events occurred; and
3. **notes** the completion of the 2020 flu vaccination campaign

**7. 20(151) Monthly Dashboard**

The Board was advised that the dashboard was continuing to be refined. Members noted that not all elements in the legend on the first page of the dashboard were easy to follow. Management undertook to review the "no target available" classification.

**Action**

- Review the "no target available" classification on the first page of the monthly dashboard

**8. 20(152) Local Advisory Committee Draft Workplans**

The Board acknowledged the enormous amount of work that had been done to get Local Advisory Committees (LACs) established and the wairua of the mahi. The workplans represented a milestone in a big project. Management was also thanked for the sensitivity with which issues had been managed.

The Board was advised that the LACs had prioritised engagement with iwi and volunteers and were focussing on the risk profiles of their rohe. The key challenge would be to keep them thinking strategically, rather than operationally.

  
CHAIR

The other challenge that had emerged for at least one LAC was how it could engage across a large geographical area. The size and diversity of the areas covered by future LACs warranted consideration.

The Board was advised that the New Zealand Professional Firefighters Union (NZPFU) was keen to engage with LACs. A session had been proposed with the NZPFU to clarify the role LACs would play in the development of local plans.

The Board asked for letters to be drafted to the LACs, advising them that their work plans have been approved, that the Board is impressed by the quality of their work, and appreciative of their efforts.

**Action**

- Draft letters to the LACs advising them that their work plans have been approved, that the Board is impressed by the quality of their work, and appreciative of their efforts

**Resolved**

That the Board:

1. **notes** the contents of reports contained in Appendices: LAC Reports to Fire and Emergency Board – Quarter One 2021; and
2. **approves** the LAC workplans contained in Appendices: LAC 2020/21 Workplans

**Moved:** Gwen Tepania Palmer; Seconded Wendie Harvey

**9. 20(153) Managing the Costs of the New Organisation**

Management advised that formal short-term costs savings options were being developed in four areas as part of steps to ensure the organisation operated within its 2020/21 budget of \$617 million. They were: travel costs, ICT, professional/consultants' fees and white fleet. To date, savings of \$1.8 million had been made in travel costs, but not all the savings could be attributed to the new initiatives. Some of the savings were COVID-19 related.

The Board commended management on a comprehensive paper. It was pleased that Service Delivery operating costs were being considered as part of the process and said it would be reluctant to consider a case for 200 extra firefighters until the list of long-term savings options had been developed. Management undertook to provide further information in its next report on Managing the Costs of the New Organisation.

The Board noted that training costs had increased by \$6 million since the formation of Fire and Emergency and asked about numbers being trained. It suggested training be added to the areas identified for short-term savings options. Management advised that a review of training had been commissioned and undertook to provide the Board with an update on numbers being trained. The Board asked for an analysis of the benefits of the extra expenditure on training to be included in the review.

  
CHAIR

#### Action

- Provide the Board with an update on numbers of people being trained by Fire and Emergency
- Include an analysis of the benefits of the extra expenditure on training in the review of training

#### Resolved

That the Board:

1. **Notes** that costs have increased by \$133.7m from New Zealand Fire Service (NZFS) in 2016/17 to the 2020/21 budget (after adjusting for unusual items in the NZFS, amalgamation of rural functions and inflation).
2. **Notes** that the *Managing within available Funding* project was established in September 2020 under the Costing and Funding Governance Group (CFGG) to ensure that the new organisation is able to operate within approved funding levels. The project has both a short-term focus (to meet immediate cost pressures) and a long-term focus (to achieve sustainable cost savings).
3. **Notes** that this paper assumes that firefighter numbers, stations and how brigades operate are out of scope for the initial phase of the *Managing within available Funding* project.
4. **Notes** that the following short-term cost savings options will be developed into formal proposals which will include implementation plans:
  - a. travel costs
  - b. ICT
  - c. professional fees/consultants
  - d. white fleet

Possible short-term cost savings could be up to \$6.6m per year, which are additional to short term Covid-19 savings of \$23.3m which have been identified.

5. **Notes** that the formal short-term cost savings proposals will be submitted to ELT for approval by December 2020 and will be implemented from Jan 2021 to March 2021.

#### 10. 20(154) Speed Limit Change Submissions

The paper, which noted submissions should not be made to other government agencies regarding significant policy matters without the Board either determining Fire and Emergency's position or having visibility of the matter, was approved without discussion.

#### Resolved

That the Board:

1. **delegates** to the Chief Executive the authority to make submissions on behalf of Fire and Emergency to Waka Kotahi NZ Transport Agency regarding any proposed transport changes that form part of Waka Kotahi's Safe Network Programme.

Moved: Paul Swain; Seconded: Rebecca Keoghan

  
CHAIR

## 11. 20(155) Quarter One Board Report to Minister

The Board discussed the undertaking provided in the draft report to foster Board stewardship by “transitioning to a more standard governance role”. It was agreed to add a footnote to the report explaining the hands-on nature of the Board’s role during the early days of the new organisation.

The Board asked for the reference to the Integration programme to be reworded to make it clearer that the programme has now ended.

The Board noted that different figures were given for the financial impact of COVID-19 on levy revenue in different parts of the report. Management undertook to review the report for inconsistencies and over-simplification.

The Board was advised that its feedback would be incorporated in the draft report and the final version would be presented to the Minister on 10 or 11 November.

### Resolved

That the Board:

1. **notes** the structure of this report has been recently updated, to align with our performance measurement framework (PMF)
2. **provides** feedback on the draft Board Report Q1
3. **approves** the Board Report Q1 noting your feedback will be incorporated to create a final report; and
4. **notes** the final Board Report Q1 will be sent to the Minister’s Office by 10 November 2020

Moved: Paul Swain; Seconded: Wendie Harvey

## 12. 20(156) Second Draft of Annual Report

The Board noted that the draft represented a step change improvement on previous annual reports.

The Board noted that the seismic strengthening of existing stations was incorrectly identified in the report as a contributor to the \$44.8 million revaluation gain during the 2019/20 financial year. Management undertook to correct the reference.

The Board asked for a reference to the Behaviour and Conduct Office (BCO) being “completely separate” from issues to be amended to the BCO taking an “objective” approach to issues.

The Board asked for consideration to be given to adding to the report information about:

- improvements in the oversight and investigation processes related to safety, health and wellbeing
- Fire and Emergency support for *The Wolf Was Not Sleeping*, the bedtime story developed by the New Zealand Firefighters Welfare Society for the children of parents who are first responders; and
- the delays caused by the legal challenge to the appointment process for new Service Delivery positions.

Actions

- Incorporate Board feedback in the Annual Report

**Resolved**

That the Board:

1. **reviews** the second draft of the 2019/20 Annual Report and provides feedback; and
2. **notes** Board feedback will be incorporated into a final draft, which will be provided at the Board's November meeting for Board approval.

**13. 20(157) Adoption of the Draft Annual Financial Statements**

The Board was advised that following discussions with Audit New Zealand, the provision in the draft financial statements for long service leave and gratuities would be adjusted from zero to the Treasury September 2020 rate.

**Resolved**

That the Board:

1. **notes** the draft annual financial statements
2. **notes** the Audit and Risk Committee's recommendation that the financial statements go to the Board for approval in October, without further circulation to Committee members, subject to any adjustments required by auditors
3. **notes** for completeness and transparency the updated financial statements were sent to the Audit and Risk Committee for review in mid-October
4. **adopts** the draft annual financial statements and approve they be sent to the Auditor General to be audited; and
5. **notes** the final version of the financial statements that will be presented to the Board at the November meeting for approval and signing as part of the full annual report

Moved: Malcolm Inglis; Seconded Rebecca Keoghan

**14. 20(158) UFBA Six Monthly Performance Report**


Management advised that it would work with the United Fire Brigades Association (UFBA) to better align its next funding bid with Fire and Emergency's legislative obligations and the Volunteerism Strategy. Until that work was completed it did not make sense to transition from a one-year to a three-year funding arrangement.

The UFBA would be asked to submit its internal report on its cash reserves for external review.

**Resolved**

That the Board:

1. **notes** that Te Aroha Cook took no part in discussion of this item
2. **notes** the contents of the United Fire Brigades Association's (UFBA) six monthly report from 1 January to 30 June 2020
3. **notes** that the UFBA made a loss of \$5000 for the financial year ended 30 June 2020

  
CHAIR



4. **notes** that UFBA has provided a performance report to meet its reporting obligations for the six-month period to 30 June 2020
5. **notes** that UFBA's performance measures would benefit from alignment with Fire and Emergency's volunteerism strategy and this will form part of future funding arrangements
6. **notes** that we will strengthen the reporting for Advocacy and Support services in future funding arrangements; and
7. **writes** formally to the UFBA
  - noting the contents of their report;
  - providing any other feedback that the Board may wish to add on the contents of this paper.

#### **15. 20(159) Agreements of Service with Volunteer Fire Brigades – Delegation of Powers**

The Board asked how many other individual agreements of service required Board approval before they could be amended. Management advised that work was being done on the legal status of individual agreements.

#### **Resolved**

That the Board:

1. **agrees** to replace clause 1 'Establishment' of the agreement of service with the following:

1. **ESTABLISHMENT**

*The establishment of the Brigade shall be agreed with Fire and Emergency New Zealand from time to time, as part of the annual business plan process.*

2. **authorises** the Chair to sign the agreement *attached* as Appendix 1 accordingly, which the Chief Executive will then provide to the Ranfurly Volunteer Fire Brigade for execution in accordance with its rules of association

Moved: Wendie Harvey; Seconded Gwen Tepania Palmer

#### **16. 20(159) Board Policy – Statutory Delegations, Appointments and Authorisations**

Management advised the Board that the Statutory Delegations, Appointments and Authorisations Policy was the latest addition to the Board governance framework.

#### **Resolved**

That the Board:

1. **considers** the content of the proposed Board Policy; and
2. **approves** the Policy.

Moved: Paul Swain; Seconded Gwen Tepania Palmer


#### **17. 20(160) General Business**

On advice from management, it was agreed that Board members would wait until the following year when a national structure had been put in place for the Celebrating Success Awards, before attending regional awards functions.

  
CHAIR

The Chair noted that the recently held luncheon to honour Fire and Emergency personnel who had received Royal Honours was the first at which he had heard recipients talk about the positive impact of the establishment of Fire and Emergency on volunteers and the rural sector.

There being no further business the meeting closed at 1.10pm.



Paul Swain  
Chair

30 October 2020

Released under the Official Information Act 1982



## Board Minutes

### BOARD MEETING

**Date:** Friday, 27 November

**Time:** 9.00am to 2.17pm

**Venue:** Plymouth International, New Plymouth and Teams

#### Present:

Hon Paul Swain	Chair
Rebecca Keoghan	Deputy Chair
Te Aroha Cook	Member
Wendie Harvey	Member
Malcolm Inglis	Member
Gwen Tepania-Palmer	Member

#### In Attendance:

Rhys Jones (until 12.10pm and from 12.25pm)	Chief Executive
Raewyn Bleakley	Deputy Chief Executive Office of the Chief Executive
Darryl Purdy	Deputy Chief Executive Finance and Business Operations
Russell Wood	Deputy Chief Executive Organisational Strategy and Capability Development
Brendan Nally	Deputy Chief Executive People
Kerry Gregory	Deputy Chief Executive Service Delivery
Nick Venter	Secretariat

The Board met alone at 9.00am and then met with the Chief Executive in Board and Chief Executive only time from 9.45am. The remaining members of the Executive Leadership Team joined the Board and Chief Executive discussions at 10.40am. The meeting formally opened at 11.28am.

#### 1. 20(161) Interests Register and Conflicts of Interest

No changes were made to the Register of Interests.

#### 2. 20(162) Confirmation of the minutes of the previous meeting

The minutes of the meeting held on 30 October 2020 were approved as a true and accurate record of the meeting.

CHAIR

### 3. 20(163) Action items from last meeting

The Board was advised that evidence and verification of the ACC Accredited Employers Programme Action Plan had been submitted three days ahead of deadline. Management was confident the plan would meet ACC's requirements.

The Board requested an update on the numbers being trained and the training review at its February meeting. It was advised that, in addition to the review about the structure of training, external financial advisors had been engaged to assess the benefits of the extra investment in training. An interim report on the numbers being trained, costs and new courses introduced would be provided to the Board in February. It was agreed that actions 278 and 279 would be recast as a new single action.

#### Actions

- Update the Board on the numbers being trained, the training review, additional expenditure and the work being done to assess the benefits of additional expenditure on training over the past three years

### 4. 20(164) Chief Executive's Report

The Board was updated on the appointment process for new Service Delivery positions.

Management advised that while recent rain had reduced fire danger in parts of the North Island, the rain would fuel a grass growth spurt ahead of the fire season.

The Board sought an update on discussions with the New Zealand Professional Firefighters Union (NZPF) about the "blacklisting" of the South Island relief aerial appliance by the Christchurch Local. It was advised that agreement had been close to being reached with the Local when the NZPFU Vice President had intervened. Two requests for meetings with the NZPFU Vice President had not been responded to. If no response was received, Fire and Emergency would re-engage with the Christchurch Local.

The Board advised that following the Napier flood, it had received very positive feedback about Fire and Emergency following up with every household that had been affected by the flooding. The Board asked for this feedback to be passed on to those involved. Management undertook to do so.

The Board asked for an update on discussions with the United Fire Brigades Association (UFBA) about future funding arrangements. It was advised that the Chief Executive and Chair were meeting with the UFBA the following week.

The Board asked for an indication of which of the three options outlined in the CE's Report, was likely to be implemented when the contract being negotiated with TotalCare Laundry for the supply and laundry of structural firefighting PPE expired. It was advised that the intention was to test the market closer to the expiry of the contract.

### 5. 20(165) Financial Report – September 2020

  
CHAIR

Management advised that the October year to date financial result was \$3.8 million ahead of budget due to savings for the period exceeding levy revenue lost as a result of COVID-19. A presentation would be made at the December Board meeting setting out options for releasing some of the savings.

The Board congratulated management on the effectiveness of the savings programme and expressed a preference for increasing funding for projects and one-off initiatives because they were more flexible. The Board noted the importance of communicating effectively so personnel did not gain the wrong impression that COVID-19 was no longer impacting on revenue.

## 6. 20(166) Safety, Health and Wellbeing Monthly Update

The Board was advised that the draft Safety, Health and Wellbeing reporting framework being developed with Van Schaik Health and Safety Solutions would be presented to the Board at its December meeting. Members advised that they would prefer the draft framework to be emailed to members of the Safety, Health and Wellbeing Committee for feedback ahead of the Committee's 4 February meeting. Management undertook to provide the draft framework to members of the Safety, Health and Wellbeing Committee as requested.

The Board requested an update on management's response to the Critical Risk Management Review. It was advised that the Executive Leadership Team (ELT) would consider its response to the review on 2 December. An update would be provided at the December Board meeting.

The Board sought an update on the refresh of the Safety, Health and Wellbeing Strategy, noting that it was already a good strategy. Management advised that it intended to discuss next steps with the Board. The Board requested that next steps be discussed first with the Safety, Health and Wellbeing Committee at its 4 February meeting. The Committee would provide streamlined advice to the Board.

The Board voiced concern that the number of near-misses being reported was still disproportionately low. Management advised that reporting systems were being upgraded to make reporting easier and other changes would reduce the amount of additional work that flowed to those who reported near-misses. However, there was a need for a culture change. Volunteers were disinclined to report near-misses and career firefighters tended to view near-miss reporting as an industrial tool. The Board encouraged management to cover near-miss reporting in the refresh of the Safety, Health and Wellbeing Strategy.

The Board advised that it would welcome more context around the statistical information being provided on bullying and harassment complaints. Management provided an assurance that matters of serious concern would be escalated to the Board. It advised that reporting would mature as the Behaviour and Conduct Office was fully stood up.

  
CHAIR

### Actions

- Email the draft Safety, Health and Wellbeing reporting framework being developed with Van Schaik Health and Safety Solutions to members of the Safety, Health and Wellbeing Committee for feedback before the Committee's February meeting

- Update the Board on the response to the Critical Risk Management Review
- Update the Safety, Health and Wellbeing Committee on the Safety, Health and Wellbeing Strategy refresh at its 4 February meeting

### Resolved

That the Board:

1. **notes** the Safety, Health and Wellbeing monthly report
2. **notes** that no notifiable events occurred; and
3. **notes** the addition of Behaviour and Conduct Office (BCO) data and increased number of complaints about bullying and harassment

### 7. 20(167) Monthly Dashboard

The Board noted the improvement in the legend on the first page of the dashboard. It advised that the table setting out progress on the projects being funded by the Infrastructure Reference Group contained the information it wanted to see.

### 8. 20(168) Managing the Costs of the New Organisation

The Board was advised that \$2.5 million of the \$6.2m of savings identified to meet 2020/21 cost pressures had been achieved so far.

In addition to the areas in which savings were already being achieved or sought, management was also reviewing the 371 new positions that had been created in the organisation since 2016/17. It was possible that some of those positions could be redirected to areas of higher priority.

The Board commended management on the ongoing progress of the project to ensure the costs of the new organisation fitted within the budgets and forecasts approved in the 2020/21 Statement of Performance Expectations. It noted the value of the work done by Deloitte to identify potential cost savings.

### Resolved

That the Board:

1. **notes** the update from the *Managing within available funding* project established under the Costing and Funding Governance Group to ensure that the new organisation is able to operate within the budgets and forecasts approved in the 2020/21 SPE.

### 9. 20(169) Fire and Emergency – Three years on: making a difference to New Zealand

The Board asked whether copies of the publication, which will be released as a companion to the annual report, could be provided to every brigade. Management undertook to consider how the publication would be made available to personnel.

### Resolved

That the Board:



CHAIR

1. **notes** that feedback from the Board will be incorporated into the final publication; and
2. **delegates** to the Chair and Chief Executive to approve publication

#### 10. 20(170) Positive Workplace Culture Programme

The Board was advised that the six-month progress report on the Positive Workplace Culture Programme had been provided to the Minister with the Chair's approval.

Members asked for the Shared Code of Behaviour to be included in the report and for other minor changes to be made to the document. Management advised that an updated version would be provided to the Minister.

The Board noted that exit interviews provided a good health check for other organisations. Management advised that exit interviews were conducted at Fire and Emergency but were voluntary and, therefore, did not present a complete picture. An update on the information gathered through exit interviews would be provided to the Board. The Board advised that a sense check once a year would be useful.

#### Actions

- Update the Board in the Chief Executive's February report on the information gathered through exit interviews

#### Resolved

That the Board:

1. **notes** the six-month Progress Report of the Positive Workplace Culture Programme
2. **notes** that the Progress Report will be made available to the public on Monday, 30 November 2020; and
3. **notes** that a Ministerial briefing was provided to the Minister of Internal Affairs on Friday, 20 November 2020

#### 11. 20(171) Safety, Health and Wellbeing Committee Report Back

The update on the Safety Health & Wellbeing Committee meeting held on 19 October 2020 was noted.

#### 12. 20(172) Audit and Risk Committee Report Back

The update on the Audit and Risk Committee meeting held on 2 November 2020 was noted.

#### 13. 20(173) Quarterly Performance Review

The Board advised that it did not need quarterly updates on the 10-Year Plan. A check-in once a year would be sufficient. Quarterly reporting should primarily be by exception. Board needs would be met by a simple dashboard plus some commentary.

  
CHAIR

Management undertook to refine the purpose of the Quarterly Performance Review and strengthen the executive summary.

#### 14. 20(174) Financial Delegation Request for DIA Funding Agreement (\$51.3m)

The Board was advised that the funding arrangements for the release of the \$51.3 million from the Government's COVID-19 Response and Recovery Fund for fire station builds and upgrades had now been finalised.

#### Resolved

That the Board:

1. **delegates** to the Chief Executive the power to:
  - (a) negotiate and agree changes to the draft Funding Agreement;
  - (b) sign the final agreed version of the Funding Agreement on behalf of Fire and Emergency; and to
  - (c) satisfy the reporting and other ongoing administrative requirements arising from the Funding Agreement

Moved: Paul Swain; Seconded: Malcolm Inglis

#### 15. 20(175) Annual Report Final

The Board resolved to adjust the final paragraph on page 61 of the Annual Report, as set out below, to better reflect the uncertain economic environment:

The effects of the Covid-19 pandemic were felt in New Zealand in March 2020 and are expected to continue for a number of years. The main impact on Fire and Emergency NZ is expected to be a reduction in levy payments due to reduced insurance cover, payment default and/or payment deferrals. To date the decrease in levy revenue has been mild and it is not possible to predict the future impacts. However, an ongoing drop in levy revenue is likely so we are increasingly prudent in our financial and cash management and we are developing plans to reduce costs to offset the impacts in the coming financial year. These measures are designed to ensure we have a fiscally sustainable organisation.

#### Action

- Adjust the wording on page 61 of the Annual Report regarding the impact of COVID-19 to better reflect the uncertain economic environment

#### Resolved

That the Board:

1. **approves** the final draft of the 2019/20 Annual Report as amended so it can be finalised; and
2. **approves** the representation letter to Audit NZ

  
CHAIR



Moved: Paul Swain; Seconded Malcolm Inglis

**16. 20(176) FireSuper trust deed amendment – Trusts Act 2019 compliance**

The Board was advised that changes to the FireSuper trust deed were required by the Trusts Act 2019 which comes into force on 30 January 2021.

**Resolved**

That the Board:

1. **approves** the Trustee's proposed changes to the FireSuper trust deed, as set out in the draft amendment deed *attached* as Appendix 1; and
2. **authorises** the Chief Executive to:
  - (a) agree to any non-substantive adjustments to the amendment deed that may be required in response to any comments from the Financial Markets Authority (FMA); and to
  - (b) execute the amendment deed, under power of attorney,<sup>1</sup> once the FMA has given its consent to the Trustee's proposed changes

Moved: Wendie Harvey; Seconded: Gwen Tepania Palmer

**17. 20(177) Six Monthly Update on Exercise of Powers of Attorney**

The six-monthly update on the exercise of powers of attorney was noted.

**18. 20(178) Board Governance Manual – Board Member Induction**

Members advised that the roadmap setting out Board member's legal responsibilities was extremely helpful.

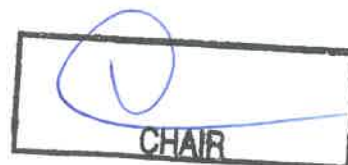
Following feedback, management undertook to reference the Treaty of Waitangi in the roadmap, broaden the fourth bullet point in the third column to recognise that members could take account of information and professional expertise from sources other than Fire and Emergency management and personnel, and to make some other minor changes. Management also undertook to provide new Board members with a functional organisational chart.

**Resolved**

That the Board:

1. **approves** the Board Member Induction Roadmap subject to the agreed amendments

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CHAIR

<sup>1</sup> Necessary because the document is in the form of a deed: Crown Entities Act 2004, s127(2).

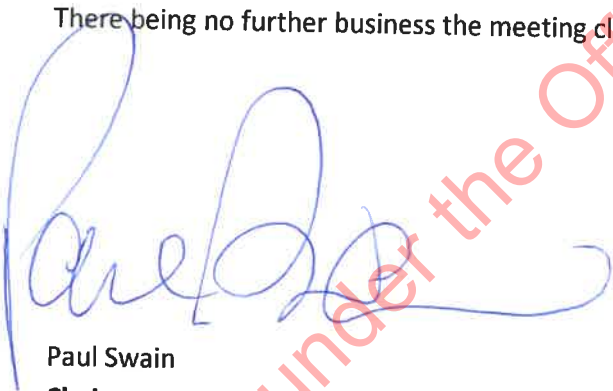
2. **approves** the deferral of the remaining three items on the Board Governance Manual work programme, until the Te Kawa Mataaho Public Service Commission publishes the Code of Professional Conduct for Crown Entity Board Members; and
3. **notes** the Board will receive an update within three months regarding the status of Te Kawa Mataaho Public Service Commission's Code of Professional Conduct for Crown Entity Board Members, if it has not been published

#### **19. 20 (179) General Business**

The Board was advised that a calendar of upcoming events was being prepared for the Minister of Internal Affairs.

Given the short space of time between the November and December board meetings, members advised that the Chief Executive's Report for the December meeting should only cover emerging risks and provide an update on organisational design. The monthly Safety, Health and Wellbeing update and dashboards were not expected. The next Costing the Organisation paper was deferred until the February meeting.

There being no further business the meeting closed at 2.17pm.



Paul Swain  
Chair

27 November 2020



## Board Minutes

### BOARD MEETING

**Date:** Friday, 18 December

**Time:** 9.00am to 12.25pm

**Venue:** Zoom

#### Present:

Hon Paul Swain	Chair
Rebecca Keoghan	Deputy Chair
Te Aroha Cook (until 11.50am)	Member
Wendie Harvey	Member
Malcolm Inglis	Member

#### In Attendance:

Raewyn Bleakley	Deputy Chief Executive Office of the Chief Executive
Darryl Purdy	Deputy Chief Executive Finance and Business Operations
Russell Wood (from 11.33am)	Deputy Chief Executive Organisational Strategy and Capability Development
Brendan Nally (from 11.05am - 11.25am)	Deputy Chief Executive People
April Christie (from 11.05am - 11.25am)	Chief Advisor Safety, Health and Wellbeing
Lucy Chamberlain (from 11.40am - 12.05pm)	National Manager Local Advisory Committees
Nick Venter	Secretariat

#### Apologies:

Gwen Tepania-Palmer	Member
Rhys Jones	Chief Executive

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The Board met in closed session from 9.00am to 9.30am and then met with the Acting Chief Executive in Chief Executive-only time until 10.20am.

### 1. 20(180) Interests Register and Conflicts of Interest

No changes were made to the Register of Interests.

## **2. 20(181) Confirmation of the minutes of the previous meeting**

The minutes of the meeting held on 27 November 2020 were approved as a true and accurate record of the meeting with the addition of the following sentence to 20(178):

Management also undertook to provide new Board members with a functional organisational chart.

## **3. 20(182) Action items from last meeting**

The Board asked for the February update on training to address the value of all expenditure on training, not just the benefit of additional expenditure. Management advised that the focus of the work underway was the change in training costs, but the update would comment more broadly on training activity so broader issues would be addressed.

## **4. 20(183) Chief Executive's Report**

The Board was updated on dispersals to firefighters adversely affected by COVID-19 from the United Fire Brigades Association's Benevolent Fund. It reinforced its expectation that unspent funds contributed by Fire and Emergency would be returned to the organisation. Management assured the Board that it was in regular contact with the UFBA about the \$100,000 contributed to the fund.

The Board asked whether, in addition to hazardous substance near-miss events, other near-miss events were not being captured in near-miss reporting. Management undertook to provide the Board with the requested information.

The Board requested a paper, outlining the implications of the Government's carbon neutral policy and the impact on business planning to facilitate a structured Board conversation. It also sought advice on the operational impact of greenhouse gas mitigations such as increased forestry planting and more electric vehicles.

The Board was updated on the previous day's ODESC (Officials Committee for Domestic and External Security Coordination) meeting attended by the National Commander. It was assured that Fire and Emergency had good processes in place to deal with any emergencies that arose during the holiday period.

### **Actions**

- Advise the Board whether, in addition to hazardous substance near miss events, any other near-miss events are not being captured in near-miss reporting
- Provide the Board with a paper outlining the implications of the Government's carbon neutral policy and wider impact of greenhouse gas mitigations such as increased forestry planting and more electric vehicles

## **5. 20(184) Financial Report – November 2020**

The Board was updated on the financial results for November.

## 6. 20(185) Financial Presentation on Cost Savings and Levy Receipts

Management advised the Board that year-to-December savings were greater than year-to-date levy reductions, but caution was required because there was still considerable uncertainty about the financial outlook in the coming six months. In response to the better-than-expected financial position, the Executive Leadership Team (ELT) had considered three options:

- Maintaining the status quo: continuing with mid-case cost saving measures and holding on to achieved savings year-to-date
- Using year-to-date excess savings: utilising savings achieved year-to-date and continuing with mid-case cost saving measures for the second half of year
- Changing future savings measures: holding on to savings achieved year-to-date and reducing cost savings approach for year-to-go in line with the best-case scenario of a 2 per cent levy revenue reduction

ELT's preferred option was to use the excess savings year-to-date to meet current cost pressures and maintain the savings target at seven per cent for the remainder of the financial year. This was also the preference of tier 3 managers who had advised they preferred a consistent approach rather than constant change to savings targets.

The Board congratulated management on a helpful and thorough presentation and the success of the savings initiatives introduced in response to COVID-19. The organisation was in a better financial position than anticipated six months previously due to the savings initiatives and levy revenue holding up better than expected. ELT's preferred option was endorsed.

### Resolved

That the Board:

1. **endorses** the preferred option of utilising year-to-date savings and continuing with mid-case cost savings measures for the second half of the year on the basis that doing so relieves some cost pressures, while maintaining a controlled and cautious approach to cost saving.

Moved: Paul Swain: Seconded: Malcolm Inglis

## 7. 20(186) Critical Risk Management Work Plan

The Board was updated on the development of the critical risk management work plan. Members noted the importance of aligning Board and management expectations to ensure the programme of work met the needs of both. Members of the Safety, Health and Wellbeing Committee requested the opportunity to provide feedback on the plan before it was implemented. It was agreed that Committee members would email feedback and questions on the paper to management and that an updated paper, incorporating Committee members' feedback, would be considered at the Safety, Health and Wellbeing Committee's meeting in February.

### Actions

- Incorporate feedback from Safety, Health and Wellbeing Committee members in an updated Critical Risk Management Work Plan for the 4 February meeting of the SHW Committee

## Resolved

That the Board:

1. **notes** the critical risk management work plan
2. **provides** feedback on the work plan including resourcing and timeframes; and
3. **agrees** that an updated work plan, incorporating feedback from the Board, will be considered at the February meeting of the Safety, Health and Wellbeing Committee

Moved: Wendie Harvey; Seconded: Rebecca Keoghan

## 8. 20(187) TotalCare Contract Variation

The Board discussed the duration of the TotalCare contract which has been in place since 2002. Management advised its intention to look seriously at re-approaching the market when the proposed new contract came up for renewal in 2023 but advised that work would be required to ensure valid prospects were in place.

The Board asked why the existing contract was being extended for three months, rather than the proposed new three-year contract being entered into. 9(2)(i)

9(2)(i)

## Resolved

That the Board:

1. **notes** that the current TotalCare contract is under negotiation to include the second laundry in the South Island and accurately reflect current services provided
2. **notes** this variation is coming to the Board for signing due to the total cost of the contract, not the cost of this variation; and
3. **agrees** that the Chair sign the attached variation on behalf of the Board for a period of three months at an estimated cost of 9(2)(i) through to the end of March 2021

Moved: Paul Swain; Seconded Rebecca Keoghan

## 9. 20(188) Approval to Dispose of Two Surplus Properties

The Board approved the disposal of the former Harewood and Brooklands fire station sites.

## Resolved

That the Board:

1. **notes** that these sites will soon become surplus to requirements and will no longer be required for operational or administrative purposes
2. **notes** independent valuations have been received for each site
3. **notes** the clearances necessary to dispose of each site, e.g. compliance with statutory right of first refusal provisions, iwi consultation, clearance through the LINZ-administered Crown Property Disposal Portal, and natural values assessments, will be undertaken before each site is disposed of

4. **notes** these sites are not subject to 'offer back' requirements under the Public Works Act 1981
5. **approves** the disposal of these sites, as they each become surplus to requirements and subject to all mandatory clearance processes (including those listed at (3) above) being satisfactorily completed; and
6. **authorises** the National Property Manager to dispose of these sites in accordance with the *Property Disposal Policy*

#### **10. 20(189) Acting CE Notification**

The Board noted the appointment of acting chief executives for the period 15 December 2020 to 10 January 2021.

#### **Resolved**

That the Board:

1. **notes** that the Chief Executive has made the following Acting Chief Executive appointments to cover a period of planned leave:
  - (a) Raewyn Bleakley, Deputy Chief Executive Office of the Chief Executive, from 15 to 18 December 2020; and
  - (b) Russell Wood, Deputy Chief Executive Organisational Strategy & Capability Development, from 19 December 2020 to 10 January 2021; and
2. **notes** that Kerry Gregory, Deputy Chief Executive Service Delivery, will remain responsible for operational response throughout this period

#### **11. 20(190) Local Advisory Committees - Quarter Two Board Report**

Management advised that the committees were making good progress identifying the topics they wanted to engage on. The Board questioned the priority stakeholders identified by the Marlborough Local Advisory Committee (LAC). It was advised that the absence of iwi from Marlborough's list of priority stakeholders would be discussed with the LAC.

The Board asked how lessons learned from the LACs were being embedded in the organisation. It was advised that the LAC team worked very closely with local leaders and consideration was being given as to how best to share Board-level information with the Board. Advice on the types of information that should be shared and the mechanism for doing so would be provided to the Board in the first quarter of 2021.

The Board sought an update on the timing of the establishment of LACs in parts of the country which did not already have them. Management advised that consideration would be given to the establishment of further LACs once the existing LACs had been in operation for at least a year. That way lessons learned could be incorporated.

The Board requested updated talking points on the establishment of LACs be included in its key messages and an update on general timeframes be included in the next Chief Executive's Report.

#### **Actions**

- Provide updated LAC talking points in the Board's key messages

- Include in the next CE's Report general timeframes for next steps in the establishment of additional LACs

### **Resolved**

That the Board:

1. **notes** the contents of reports contained in Appendices: LAC Reports to Fire and Emergency Board – Quarter Two 2020-21

### **12. 20(191) Property Asbestos Management – Update**

The Board noted progress towards compliance with the Health and Safety at Work (Asbestos) Regulations 2016.

### **Resolved**

That the Board:

1. **notes** that Fire and Emergency will fully comply with the Health and Safety at Work (Asbestos) Regulations 2016 as of 31 January 2021

### **13. 20(192) Privacy Act 2020 – New Legal Obligations and Penalties**

The Board noted the steps being taken to ensure Fire and Emergency complies with its obligations under the Privacy Act 2020.

### **Resolved**

That the Board:

1. **notes** the Privacy Act 2020 came into force on 1 December 2020
2. **notes** the Privacy Act 2020 contains new obligations and penalties, which apply to Fire and Emergency as an agency that collects and holds personal information; and
3. **notes** Fire and Emergency's Legal Team is currently developing a privacy policy, and associated processes and procedures, to ensure Fire and Emergency complies with its obligations under the Privacy Act 2020

### **14. 20(193) Public Service Act 2020 – New Board Obligations**

The Board asked whether the new Act had any implications for the Remuneration Committee. It was advised that advice would be provided.

### **Actions**

- Advise the Board of the implications, if any, of the new Public Service Act on the Remuneration Committee

### **Resolved**

That the Board:



1. **notes** that the new Public Service Act 2020 has minor impacts on Crown entities; and
2. **notes** that Fire and Emergency New Zealand is generally meeting its obligations under the new legislation but there are some opportunities for improvement

**15. 20 (194) General Business**

The Board was advised that the six monthly update on the Volunteerism Strategy was due to be published before the end of the year.

The Board noted that it expected to see the next six monthly update in time to provide feedback on an important document before it was published. Management assured the Board that it would receive the next update in time to provide feedback.

The Board noted the significant progress that had been made during the year and thanked the Chief Executive and other members of ELT for the work done.

There being no further business the meeting closed at 12.25pm.

Paul Swain

**Chair**

18 December 2020



## Board Minutes

### BOARD MEETING

**Date:** Friday, 26 February 2021

**Time:** 9.00am to 1:36pm

**Venue:** Zoom

#### Present:

Hon Paul Swain	Chair
Rebecca Keoghan	Deputy Chair
Te Aroha Cook	Member
Wendie Harvey	Member
Malcolm Inglis	Member
Gwen Tepania-Palmer	Member

#### In Attendance:

Rhys Jones	Chief Executive
Raewyn Bleakley	Deputy Chief Executive Office of the Chief Executive
Darryl Purdy	Deputy Chief Executive Finance and Business Operations
Brendan Nally (until 12.20pm)	Deputy Chief Executive People
Nick Venter	Secretariat

#### Apologies:

Russell Wood	Deputy Chief Executive Organisational Strategy and Capability Development
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The Board met alone at 9.00am and then met with the Chief Executive in Chief Executive-only time from 9.20am. The remaining members of the Executive Leadership Team joined the Board and Chief Executive discussions at 9.40am. The meeting formally opened at 10.40am.

### 1. 21(01) Interests Register and Conflicts of Interest

Members updated the Register of Interests with the following items:

Malcolm Inglis: independent member of the Risk and Assurance Committee of the Criminal Cases Review Commission

Gwen Tepania-Palmer: Chair Kotui Hauora Northern Partnership Board

## **2. 21(02) Confirmation of the minutes of the previous meeting**

The minutes of the meeting held on 27 November 2020 were approved as a true and accurate record of the meeting.

Moved: Wendie Harvey; Seconded: Malcolm Inglis

## **3. 21(03) Action items from last meeting**

Members noted that they would be updated on Action Log item 312 in the CE's Report.

## **4. 21(04) Chief Executive's Report**

The Board was advised that management was keen to ensure that the improved cooperation and collaboration developed between emergency sector organisations to respond to COVID-19 was not lost once the pandemic was over. To reflect the transition to business as usual, responsibility for heading the Emergency Sector Leadership Board had been transferred from the Chief Executive to the Deputy Chief Executive Service Delivery.

Management advised that it was unlikely that all personnel, or all those involved in operational aspects of the organisation, would be prioritised in the earliest phases of the rollout for COVID-19 vaccines by the Ministry of Health. The Board asked how personnel who refused to be vaccinated would be managed. Management advised that it could not force personnel to be vaccinated. Like other agencies, it was working through the issue and seeking guidance from Crown Law and the Ministry of Health. In the meantime, it was confident that the protective measures and protocols put in place to protect personnel were proving effective. The Board would be updated on the legal advice received at its next meeting.

The Board asked how what was out of scope of the United Fire Brigades Association (UFBA) audit would be determined. It was advised that that would be a matter for discussion with the reviewer. The UFBA would be informed of the scope of the review, but would not be asked for its input into the Terms of Reference.

The Board discussed the update on exit surveys. It requested a verbal update on developments at a future meeting.

### **Actions**

- Update the Board on the legal advice received about personnel who decline to be vaccinated against COVID-19
- Update the Board at a future meeting on the steps being taken to obtain more useful information from exit surveys

## **5. 21(05) Financial Report**

Management advised that the organisation was in a stronger financial position than anticipated when the scale of the global pandemic first became apparent. The savings initiatives implemented to

counteract the financial impact of the pandemic had been effective, but predicting the impact of COVID-19 on the economy and levy revenue would continue to be difficult.

The Board asked for the forward financial cash projection in future financial reports to be extended from one, to three to five years.

**Action**

- Extend the forward financial cash projection in future financial reports from one, to three to five years.

**6. 21(06) Board Strategy Session: papers to be tabled**

The Board advised that instead of tabling papers from its January strategy meeting, it had decided to provide management with a verbal overview of its discussions. Members had identified six areas for future discussion. They were:

- Political
- Economic
- Social
- Technology
- Environmental/Ethical; and
- Legal

Among the particular issues identified were:

- the changing political environment
- the economic impact of increasing insurance costs and changing levy revenue and housing standards and changes to the Resource Management Act
- the impact of social change on volunteer availability and employer willingness to release volunteer firefighters to respond to incidents
- the impact of climate change on infrastructure and water supply
- changing societal norms; and
- the legal implications for personnel and the organisation of investigations into incidents such as the Whakari/White Island tragedy

The Board asked for a management perspective on how these issues affected the organisation's planning, budget and operations, and advice about what monitoring of these issues occurred and what monitoring should occur. The environment was changing rapidly and Fire and Emergency needed to be nimble and agile. It was agreed that management would work with Wendie Harvey to agree a list of strategic areas for future discussion and that, once that has been done, management would provide feedback on the areas identified by the Board.

The Board advised that it was seeking to discuss with the Department of Internal Affairs the skills it would require when departing members ended their terms this year.

**Actions**

- work with Wendie Harvey to agree a list of areas for future discussion arising from the Board's January strategy meeting
- provide management feedback on the strategic areas identified by the Board for future discussion

## 7. 21(07) Safety, Health and Wellbeing Monthly Update

The Board sought clarification on the Behaviour and Conduct Office data contained in the Safety, Health and Wellbeing Dashboard. Management undertook to come back to the Board with additional information about the open complaints that were more than four months old.

The Board asked for a brief summary of the circumstances to be included in the dashboard when near miss events of potentially catastrophic severity are reported.

### Resolved

That the Board:

1. **notes** the Safety, Health and Wellbeing monthly report; and
2. **notes** that no notifiable events occurred

### Actions

- Provide additional information to the Board about the 14 open BCO complaints that are more than four months old
- Include a brief summary of the circumstances when near miss events of potentially catastrophic severity are reported in the SHW dashboard

## 8. 21(08) Training Update

The Board was advised that the Interim Report: Changes in Training Costs and Attendees since Establishment was the first of two papers relating to training that would be presented to it. The focus of this paper was cost and numbers.

The Board observed that the paper highlighted the absence of an organisation-wide training strategy and raised questions about decision-making, quality assurance, accreditation and the types of courses offered. It was also important not to lose sight of forestry companies' training needs because the organisation needed to be able to call on their personnel to assist with fighting large wildfires. The Board questioned the inclusion of clothing and uniforms as a training cost.

Management advised that the Natural Environment Partnership Programme, initiated in 2020, was resetting relationships with the forestry sector. In return for getting their personnel trained forestry companies needed to commit to assisting when required and providing appropriate capability.

Since the formation of Fire and Emergency in 2017, the number of training courses provided had been deliberately increased to provide for rural personnel who were not part of the old Fire Service

and increase volunteer capability. The inclusion of some clothing and uniform costs as a training expense was a frustration for those responsible for training programmes, but it had the benefit of ensuring personnel who went through training courses had properly fitted gear.

The Board noted plans for a deep dive into training.

### **Resolved**

That the Board:

1. **notes** that the 2020/21 budget for training is \$42.3m, which is an increase of \$19.0m above the costs of training in NZ Fire Service in 2016/17<sup>1</sup> (prior to the establishment of Fire and Emergency NZ).
2. **notes** that the increase of \$19.0m is due to a range of factors including inflation, increased Volunteers, increased attendance at training courses, changes to the focus of trainers and the introduction of new programmes.
3. **notes** the other findings outlined in this report:
  - Fire and Emergency NZ offers 240 different types of training courses, including 63 new courses which have been created since establishment
  - In 2019/20 just over 5% of training was delivered to external parties who are not charged for attending training courses
  - The current training model of using Career firefighters as trainers may be higher cost than using dedicated trainers
  - The collation and reporting of attendee data appears to be largely manual. If this is confirmed it may raise potential Health and Safety risks and liability issues
4. **notes** that to finalise this report we need to do further work on the drivers of demand for and the provision of training; recording processes; and the quality of training data; and
5. **notes** that a final report for Part 1 will be completed for the March Board meeting.

### **9. 21(09) Monthly Dashboard**

The Board asked how progressing the purchase of new fire trucks aligned with the Government's carbon neutral strategy. It was advised that management was closely watching the trial of an electrical fire truck in London and the development of a hydrogen cell truck in Canberra, but until alternatives became available the organisation needed to continue purchasing conventional vehicles to preserve the capability of its fleet.

### **10. 21(10) Costing and Funding the Organisation Update**

The Board was updated on measures that had been implemented, or were being investigated, to ensure that the costs of the organisation fitted within available funding. The travel project had been a significant contributor, saving \$3.1 million, or the equivalent of 13,500 barrels of oil, so far, and the

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<sup>1</sup> NZ Fire Service 2016/17 figures do not include training costs incurred by Rural Fire Authorities which were merged to form Fire and Emergency New Zealand.

reduction in travel had reduced the amount of staff time disrupted by travel by 24,000 hours. Progress had been made on changing the culture of the organisation.

The Board asked about the impact of deferring the recruitment of additional career firefighters to meet Minimum Shift Staffing. It was advised that the deferral had increased the number of days appliances could not be fully crewed and hours of work which impacted on fatigue management. A comprehensive proposal was being developed to clarify the need for additional career firefighters and confirm costs, proposed funding and an implementation plan. The Board requested an update on the timeframe for the development of the proposal for additional career firefighters.

The Board also sought an explanation for the deferral of Safety Health and Wellbeing assessments (Health Standards) till 2022/23. Management undertook to provide an update at the next meeting.

The Board congratulated management on the success of the savings programme. It stressed that deferral of the organisation's legislative obligations was not an option.

#### **Actions**

- Update the Board on the timeframe for the development of the comprehensive proposal to recruit additional career firefighters
- Update the Board at its March meeting on the deferral of the implementation of Safety Health and Wellbeing assessments (Health Standards)

#### **Resolved**

That the Board:

1. **notes** that the following short term cost savings options have been implemented in 2020/21:

<b>Area (2020/21)</b>	<b>Savings (2020/21)</b>
Travel Management Improvement	\$3.1 m
ICT baseline costs review	To be confirmed
White fleet	To be confirmed
COVID-19 savings	\$3.1 m
<b>2020/21 Target savings achieved</b>	<b>\$6.2 m</b>

2. **notes** that our experience has been that achieving savings is difficult for some parts of our organisation. Given this, we have modified our approach and in future we will assess and deliver the level of savings required for each financial year on an annual basis.

3. **notes** the ongoing workstreams:

- a. ICT baseline costs review
- b. White fleet
- c. Future salary expectations impacted by COVID-19
- d. Analysis of new positions added through the Operating Model
- e. Training costs
- f. Future capital requirements
- g. Minimum shift staffing.

#### 11. 21(11) Board Q2 Performance Review

The Board questioned whether the Behaviour and Conduct Office data shown in the report did justice to the work being done to deal with complaints. Management undertook to add a footnote to the table on page 104 noting that additional detail on the handling of complaints was available in the three six-monthly updates on the Positive Workplace Culture programme and that the next six-monthly update would be issued in April.

#### 12. 21(12) Q2 Board Report to the Minister

In response to feedback from the Board, management undertook to:

- record in the report, Fire and Emergency's 2019 request to the UFBA for an independent review of Fire and Emergency funding to provide assurance that it had been used for the purposes for which it had been provided, and the reiteration of that request by the Board at its October 2020 meeting; and
- make it clear that while the organisation was proceeding with the Tranche Two redeployment process to provide certainty for personnel, offers were being made conditional on the outcome of the NZPFU's legal challenge to the process and the organisation would follow the instructions of the Court of Appeal.

#### Actions

- Incorporate Board feedback in the Q2 Board Report to the Minister

#### Resolved

That the Board:

1. **approves** the Q2 Board Report subject to the incorporation of its feedback in the final draft of the report; and
2. **notes** the final Q2 Board Report will be sent to the Minister's Office by 9 March 2021

#### 13. 21(13) Levy – Extension of COVID-19 Interest Waiver

The Board approved the extension of the COVID-19 interest waiver until end of April 2021.

#### Resolved



That the Board:

1. **approves** extension of the interest payment waiver until end of April 2021

Moved: Paul Swain; Seconded: Wendie Harvey

#### 14. 21(14) Tairawhiti LAC Chair Options Paper

The Board weighed the benefits of filling the vacancy on the Tairawhiti Local Advisory Committee against the cost and time involved in running a recruitment campaign. Management advised that it would have a better picture of LAC needs once it had assessed their first full year of operation. It was agreed that management would come back to the Board with additional information on the Tairawhiti LAC's needs and the additional support that could be provided to the LAC and its new Chair at the Board's next meeting.

##### Action

- Provide additional information to the Board on the Tairawhiti LAC's needs and the additional support that could be provided to the LAC and its new Chair

##### Resolved

That the Board:

1. **endorses** the appointment of the current Deputy Chair as the new LAC Tairāwhiti LAC Chair (subject to a satisfactory interview)
2. **considers** whether five members for the Tairawhiti LAC is insufficient at its next meeting after receiving additional information from management

Moved: Gwen Tepania-Palmer; Seconded: Rebecca Keoghan

#### 15. 21(15) Approval to Dispose of Property

The Board approved the disposal of the site of the former East East Coast Bays Fire Station and a residential dwelling adjacent to the Pahiatua Fire Station.

##### Resolved

That the Board:

1. **approves** the disposal of the former East Coast Bay Fire Station site at 19 Knights Road, Rothesay Bay, Auckland and the residential dwelling at 4 Tui Street, Pahiatua; and
2. **authorises** the National Property Manager to effect the disposals in accordance with the *Property Disposal Policy*, subject to satisfactory completion of the clearance processes referred to above.

Moved: Paul Swain; Seconded: Wendie Harvey

#### 16. 21(16) Safety, Health and Wellbeing Committee Report Back

The Board accepted the Committee's recommendation to accept the updated Critical Risk Management Work Plan.

Members considered the future of the Safety, Health and Wellbeing Committee, noting it had been established to improve SHW reporting and monitoring and oversee the development of a work plan and that all members of the Board had health and safety responsibilities as directors of the organisation. The key tasks for which it had been established had now been accomplished. It was agreed to formally consider elevating health and safety reporting to the full Board and the disestablishment of the SHW Committee at the Board's next meeting.

Action

- Draft brief paper for next Board meeting acknowledging that tasks for which the SHW Committee was established have now been implemented and giving consideration to the disestablishment of the Committee and the elevation of SHW reporting to the Board

**Resolved**

That the Board:

1. **notes** the report of the meeting held on 19 October 2020
2. **accepts** the updated Critical Risk Management Work Plan
3. **notes** the draft minutes appended; and
4. **considers** the disestablishment of the Safety, Health and Wellbeing Committee at its March meeting

Moved: Wendie Harvey; Seconded: Rebecca Keoghan

**17. General Business**

Correspondence received included correspondence to the Chief Executive from the Office of the Auditor-General (OAG) advising that the OAG is conducting a performance audit on the effectiveness of statutory Crown entity monitoring arrangements. As part of the audit, the office has requested documents and interviews with relevant members of staff.

There being no further business the meeting closed at 1.36pm

Paul Swain

**Chair**

26 February 2021