



Board Minutes

BOARD MEETING

Date: Monday 28 January 2019

Time: 9:00am – 2.00pm

Venue: National Headquarters, Remutaka Meeting Room, Level 3, 80 The Terrace, Wellington

Present:

Hon Paul Swain	Chair
Dr Nicola Crauford	Deputy Chair
TeAroha Cook	Member
Malcolm Inglis	Member
Wendie Harvey	Member

Apologies:

Peter Drummond	Member
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In Attendance:

Rhys Jones	Chief Executive
Bella Sutherland	Director Office of the Chief Executive
Jenny Stevens	Executive & Ministerial Services Manager
Janine McLees	Director Integration
Brett Warwick	Chief Financial Officer
Brendan Nally	Director People & Capability

The Chair opened the meeting at 9:00am

1. 19(001) Conflicts and Declarations of Interest

Members confirmed that they had no conflicts of interest to declare relating to any other matters on the agenda items. Wendie Harvey advised members that effective 1 February 2019 she would no longer be a Director, Napier Port Limited; and effective 16 February no longer be a Director, Quality Roding and Road Services (Wairoa) Limited. The register of members interests would be updated accordingly.

2. 19(002) Minutes of the meeting held 18 December 2018

The minutes of the meeting held on 18 December 2018 were approved as a true and accurate record of the meeting with minor amendments.

Moved: Nicki Crauford; Seconded: TeAroha Cook

3. 19(003) Strategic Priorities + Outcomes – next steps

Caroline Steele, Cathryn Moriarty and Rebecca Scott joined the meeting for this item.

The Board note its preference for the strategy work to be delayed until the new ELT take up their positions as their input and ownership is important. The Board noted the timelines provided and requested an out of session paper including the timeline, implications and a planned approach going forward.

The Chief Executive agreed to discuss options to have a session with the new Executive Leadership Team (ELT) in late February, and would inform the Board once availability had been confirmed.

4. 19(004) Positive Culture workplace review team

The Board held a closed session with Judge Coral Shaw and Samantha Turner and discussed the positive culture workplace review released by the Chief Executive on 24 January 2019.

5. 19(005) Financial cost and levy update

Bella Sutherland and Brett Warwick joined the meeting for this item.

The Board noted that the Minister has stated a preference for a first principle review of how Fire and Emergency New Zealand is funded, and was provided with analysis of the current levy rate sustainability during the period of any such review. It was noted that a briefing paper would be provided to the Minister by 8 February 2019.

The Board provided feedback on the options and noted the uncertainty, the potential relationship risks and the need to be realistic about the expectations of the Government in regards to what can be achieved and delivered.

The Board requested that the draft cabinet paper be circulated for their information.

Resolved:

That the Board:

1. **noted** the current levy rate of 10.6 cents (ex GST) per \$100 sum insured should provide Fire and Emergency with sufficient revenue, including provision for modest staged implementation of the operating model, over the course of a two to three year first principles funding revenue;
2. **noted** there are projected periods of negative cash flows from 2022/23 (four financial years' time) onwards, unless new or modified methods of managing this are made available;
3. **agreed** the following priority order for means of managing cashflow, any of which would require Ministerial approval:
 - i. Levy rate increases
 - ii. The Government's transition funding injection repayments be deferred or written off and those funds set aside as a special reserve
 - iii. Borrowing (for managing short term cash flow purposes only)
4. **agreed** to a briefing to the Minister being drafted based on this paper and subsequent in Board discussion, for the Chair to sign, by 8 February 2018.

Moved: Malcolm Inglis; Seconded: Nicki Crauford

5. 19(006) Approval of Volunteerism and Risk Reduction strategies

Janine McLees joined the meeting for this item.

The Board was provided with the final draft Risk Reduction Strategy and Volunteerism Strategy. The strategies were considered by the Integration and Change Committee in December 2018, and subject to some amendments, the Committee recommended that the strategies be submitted to the Board for approval.

The Board noted that the development of the work programme for the Volunteerism and Risk Reduction strategies would be reported to the Integration & Change Committee.

Resolved:

That the Board:

1. **noted** the attached final draft Risk Reduction Strategy and final draft Volunteerism Strategy for Fire and Emergency NZ;
2. **noted** that both strategies have been amended to reflect feedback from the Integration and Change Committee in December 2018;
3. **noted** that the Risk Reduction and Volunteerism strategies were key deliverables in the 2017/18 Statement of Performance Expectations, to be completed by 31 December 2018; and
4. **approved** the final draft Risk Reduction Strategy and final draft Volunteerism Strategy as amended.

Moved: Nicki Crauford; Seconded: Malcolm Inglis

6. 19(007) Disputes Resolution Scheme

Bella Sutherland spoke to the paper and asked the Board to agree to the proposals within the draft Statutory Dispute Resolution Scheme consultation documents.

The Board acknowledged the progress made with the consultation documents and approved engagement with departmental and other officials, noting that the final documents would be submitted to the March Board meeting for approval prior to submitting to the Minister.

Resolved

That the Board:

1. **noted** the revisions made to the proposals since discussion at the Integration and Change Committee on 15 October 2018 and receiving feedback from Judge Shaw;
2. **noted** the consultation document provided is draft and will be finalised and submitted to the Board for the 6 March meeting for approval to submit to the Minister;
3. **noted** the current timeframes for Minister and Cabinet approvals; and
4. **agreed** in principle the draft consultation document so that management can engage with DIA and other officials.

Moved: Wendie Harvey; Seconded: TeAroha Cook

7. 19(008) Chief Executive's Report

The Chief Executive presented the January monthly report. The Board discussed the contents of the report and requested the following:

- Deputy Chair requested a copy of the responses and the appendices to the Select Committee questions to review them at the same time they are sent to the Chairman/Chief Executive
- Wendie Harvey was interested in learning more about the Select Committee process, and requested a copy of the annual questionnaire.
- Engagement survey and low participation from volunteers (5%) and requested that Director Office of the Chief Executive discuss with the Director People & Capability if there was any flexibility in the closing date of the survey.

The Board noted the current deployment to Tasmania and discussed the current weather situation in New Zealand.

Resolved:

That the Board:

1. **noted** the contents of the Chief Executive's Report.

8. 19(009) Safety Health & Wellbeing monthly report & quarterly update on ACC audit

Brendan Nally joined the meeting for this item and provided the Board with the monthly Safety, Health and Wellbeing update and the six monthly update on the ACC audit action plan.

The Board requested future reports include narrative around trends running through route causes, any systemic issues in regions, analysis of what is being seen in the field to provide more context around the data being reported.

The Board noted the six monthly update on the ACC Audit Action plan and requested further information to validate the closed actions have been addressed and the appropriate practices have now been embedded across the organisation. The Board suggested that sites being audited include these actions. The Director People & Capability agreed to add an additional column to the action plan presented which provided assurance.

Resolved:

That the Board:

1. **noted** the interim Safety, Health and Wellbeing monthly report; and
2. **noted** the progress report on the 2018 ACC Audit.

9. 19(010) Port Hills Action Plan – January 2019 Update

Bella Sutherland spoke to the paper and provided the Board with an update on the progress made on the Port Hills Action Plan. The Board requested a further update be provided on the Action Plan as at 30 June 2019; and did not support it being closed at the present time.

Resolved

That the Board:

1. **noted** the update on the Port Hills Action Plan as at 19 January 2019;
2. **requested** a further update will be provided on the Action Plan as at 30 June 2019; and
3. **approved** the public statement on the status of the Port Hills Action Plan to be published on the Fire and Emergency New Zealand website on 31 January 2019 noting that the next update would be provided to the Board as at 30 June 2019.

10. 19(011) Quarterly Report to the Minister (Due 1 March 2019)

Caroline Steele joined the meeting for this item and sought feedback from the Board on the draft quarterly report, which was provided without the financial section for the second quarter of the 2018/19 financial year. The Board noted that they would receive a final version on 14 February 2019 via email for round-robin approval.

Recommendations

That the Board:

1. **noted** the financial section of the report is not expected to ready until 31 January;
2. **noted** that further work will be done on the report and it will be sent to Board for approval out of meeting cycle on 14 February 2019;
3. **noted** the report incorporates how Fire and Emergency are contributing to the major and medium benefits identified within the Blueprint; and
4. **noted** that the final report is due to be submitted to the Minister by Friday 1 March 2019.

11. 19(012) Approval of Contracts: Accommodation in Rotorua (NTC)

The Board was asked to approve and sign two accommodation and meal contracts in Rotorua for the National Training Centre as the total cost of the contracts are outside the delegation of the Chief Executive.

Resolved:

That the Board:

1. **noted** that a robust tender process has been undertaken and the recommendation paper for contract award has been approved by the Chief Financial Officer and Director, Training and Business Effectiveness; and
2. **approved** the signing by the Chair, of the following contracts (attached for signing):
 - a) Rotorua International Plaza Hotel Ltd T/A Holiday Inn Rotorua (Appendix A)
 - b) AAPC Properties T/A Novotel Rotorua Lakeside for IBIS Rotorua Lakeside (Appendix B).

Moved: TeAroha Cook; Seconded: Wendie Harvey

12. 19(013) FireSuper Trustee

The Board was asked to approve the continued appointment of Brett Warwick as a Director of FireSuper Trustee Limited (FTL) post 1 March 2019.

Resolved:

That the Board:

1. **noted** that effective 1 January 2018, the Board appointed Brett Warwick as an Executive member of the FTL for a term of three years until 31 December 2020;

2. **noted** that Brett Warwick has signaled that he will leave Fire and Emergency New Zealand on 28 February 2019;
3. **agreed** that Brett Warwick be appointed as a FTL Director until 30 June 2019;
4. **noted** that Brett Warwick will now be eligible to claim the honorarium approved by the Board in October 2018 effective from 1 March 2019;
5. **noted** that the Chairman of the Board will formally write to Brett Warwick confirming this decision.

Moved: Paul Swain; Seconded: Nicki Crauford

The Board was also updated on the FireSuper Review and it was noted that Nicki Crauford and Wendie Harvey have arranged to brief the selected vendors on 4 February 2019.

13. 19(014) Finance & Investment report back and minutes

The Board was provided with an update on the Finance & Investment Committee (the Committee) meeting held on 18 December 2018.

Resolved:

That the Board:

1. **noted** the draft minutes *appended*.

14. 19(015) General Business

- a. Correspondence – noted.
- b. Regional Visits – the Board agreed to hold regional visits during the months of June, September and November. The Board Secretary would provide further information in due course.
- c. Upcoming Events – the Board noted the request to attend any event in their local area and would keep the Board Secretary informed of any events they could attend.
- d. May Board meeting – it was agreed that 1 May 2019 would stand, and the Chief Executive would delegate to one of his deputies, due to his conflict with a AFAC Board meeting.

There being no further business the meeting closed at 2.00pm.

Signed as a true and accurate record.

Paul Swain
Chairman

6 March 2019



Board Minutes

BOARD MEETING

Date: Wednesday 6 March 2019

Time: 9:00am – 2.50pm

Venue: National Headquarters, Remutaka Meeting Room, Level 3, 80 The Terrace, Wellington

Present:

Hon Paul Swain
Dr Nicola Crauford
TeAroha Cook
Peter Drummond
Malcolm Inglis
Wendie Harvey

Chair
Deputy Chair
Member
Member
Member
Member (left the meeting at 2.30pm)

In Attendance:

Rhys Jones
Bella Sutherland
Jenny Stevens
Darryl Purdy
Brendan Nally

Chief Executive
Director Office of the Chief Executive
Executive & Ministerial Services Manager
Deputy Chief Executive Finance & Business
Deputy Chief Executive People

The Chair opened the meeting at 9:00am and held a closed Board session until 9.55am and then the Board met with the Chief Executive in a closed session until 10.50am.

1. 19(016) Conflicts and Declarations of Interest

Malcolm Inglis declared a conflict of interest with the First Right of Refusal - Whanganui station land and would exclude himself from that agenda item. Wendie Harvey advised the Board that she was still a Director of the Napier Port and the members register would be updated accordingly.

2. 19(017) Minutes of the meeting held 28 January 2019

The minutes of the meeting held on 28 January 2019 were approved as a true and accurate record of the meeting with minor amendments.

Moved: Nicki Crauford; Seconded: TeAroha Cook

3. 19(018) Disputes Resolution consultation

The Board was asked to approve submitting the public and volunteer consultation documents for the Statutory Dispute Resolution Scheme (the Scheme) to the Minister for approval.

The Board provided feedback and requested that the diagrams be reconsidered before submitting for ministerial approval. The Board thanked those involved in getting the consultation documents finalised.

Resolved:

That the Board:

1. **noted** the revisions made to the proposals since discussion at the Board on 28 January 2019;
2. **noted** the current timeframes for Minister and Cabinet approvals; and
3. **approved** with amendments the public and volunteer consultation documents be submitted to the Minister for approval and submission to Cabinet.

Moved: Wendie Harvey; Seconded: Nicki Crauford

4. 19(019) Statement of Performance Expectations

The Board was asked to provide feedback on the first draft of the 2019/20 Statement of Performance Expectations (SPE) and noted that an updated version would be submitted at the next Board meeting, 29 March 2019.

Resolved:

That the Board:

1. **reviewed** the contents of the draft Statement of Performance Expectations and provided feedback.

5. 19(020) Chief Executive's Report

The Chief Executive presented the February monthly report, and provided an update on:

- Positive workplace culture report noting that the Action Plan was in the final stages of endorsement and the Board would receive a copy for their information of the Action Plan before the public release on 21 March 2019. The Board noted that while the report was commissioned by the Chief Executive they would be holding the Chief Executive accountable for the delivery and implementation of the Action Plan. The Board requested a paper at the next Board meeting with a recommendation as to how the Board will measure accountability.

- **9(2)(b)(ii)**
[Redacted text block]

The Board requested an update on aerial appliances in due course.

- PFAS screening, we are in discussion with the Unions and Association about introducing voluntary health screening through a voluntary blood test to screen for Per and Poly-fluorinated alkyl substances. The Board will be kept informed.
- Levy rate sustainability and departmental official feedback post the letter to the Minister.

Resolved:

That the Board:

1. **noted** the contents of the Chief Executive's Report;
2. **requested** a paper on the Positive Workplace Culture review and the Boards ability to measuring the CE's outcomes together with a financial update on the cost of the approved Action plan measure;
3. **requested** the DCE People pick up the Maritime compliance reporting through the monthly Health Safety Wellington report; and
4. **requested** that the Chief Executive thank staff for the improvement in the OIA compliance.

6. 19(021) Safety Health & Wellbeing monthly report

The Deputy Chief Executive People joined the meeting and provided the Board with the monthly Safety, Health and Wellbeing update. The Board were advised that the next monthly report would have the additional 43 injuries reported that were sustained in response to the Tasman fires, but these were explainable by a single event.

The Board noted the improvement in the monthly reporting and referenced the government publication "Health and Safety: indicators and measures knowledge bank" published in 2019 and requested that a link to the publication be circulated to the Board for their information.

The Board requested a report back in the next report on the circumstances surrounding the front end loader tyre explosion; and requested that any graphs contained within reports were provided in high resolution so that they can be read on Diligent.

Resolved:

That the Board:

1. **noted** the Safety, Health and Wellbeing monthly report;
2. **requested** a report next month on the circumstances surrounding the front end loader tyre explosion; and
3. **requested** any graphs contained within reports were provided in high resolution to ensure readability.

7. 19(022) Integration & Change Committee report back

The Deputy Chair provided the Board with an update on the Integration & Change Committee meeting held on 18 February 2019. The Board was asked to note the monthly status report for the period 1 December 2018 – January 2019.

The Chair of the Audit & Risk Committee advised that he has asked the Risk Manager to ensure that integration risks are captured in reports being presented to future ARC meetings.

Resolved

That the Board:

1. **noted** the monthly status report for the period 1 December 2018 – 31 January 2019.

8. 19(023) First right of refusal – Whanganui fire station land

Malcolm Inglis declared a potential conflict of interest and left the meeting at 1.12pm.

The Board was asked to approve Fire and Emergency New Zealand committing to explore a right of first refusal (a Treaty redress mechanism) on Whanganui fire station land.

Recommendations

That the Board:

1. **noted** management's endorsement to committing to explore a first right of refusal on Whanganui fire station land;
2. **agreed** to Fire and Emergency committing to explore a right of first refusal on Whanganui fire station land; and
3. **noted** the commitment will then appear in the Whanganui land settlement agreement in principle currently being prepared by the Office of Treaty Settlements.

Moved: Paul Swain; Seconded: Peter Drummond

Malcolm Inglis returned to the meeting at 1.15pm.

9. 19(024) Approval of Contracts: Breathing Apparatus (BA) servicing

The Board was asked to approve an extension of the negotiated contract with Draeger Safety Pacific Limited for the maintenance and repair services of breathing apparatus, as the total cost of the contracts are outside the financial delegation of the Chief Executive.

Resolved:

That the Board:

1. **noted** the benefits to Fire and Emergency New Zealand of implementing an enhanced service contract;
2. **approved** an extension of the negotiated contract with Draeger Safety Pacific Limited until 2028 for the maintenance and repair services of breathing apparatus; and
3. **delegated** authority to the Chief Executive to sign the services contract on behalf of the Board.

Moved: Nicki Crauford; Seconded: Wendie Harvey

12. 19(025) Statutory delegations

The Board was asked to approve updating the Board statutory delegations for the Deputy Chief Executive Service Delivery since his appointment on 1 February 2019.

Resolved:

That the Board:

1. **noted** the content of this paper;

2. **noted** that the Deputy Chief Executive Service Delivery is suitably qualified and trained to perform or exercise the functions, duties and powers identified in the proposed delegations instrument *attached* to this paper;
3. **approved** delegating the functions, duties and powers identified in the proposed delegations instrument to the Deputy Chief Executive Service Delivery subject to the limitations set out in that instrument and with effect from 11 March 2019;
4. **authorised** the Board Chair to sign the proposed delegations instrument on behalf of the Board; and
5. **noted** that a further paper will be submitted to the Board to update the delegations instruments following confirmation of changes to Tier 3 roles in the Service Delivery branch.
6. decision.

Moved: Nicki Crauford; Seconded: Malcolm Inglis

13. 19(026) Presentation of the “Sportsperson of the Year” Award

The Board presented the Sportsperson of the Year Award to Seth Rance, Volunteer Station Officer from Greytown Volunteer Fire Brigade.

14. 19(027) General Business

The Board noted the:

- a. Correspondence: incoming and outgoing; and
- b. Upcoming Events: TeAroha Cook offered to attend the 150th jubilee at Westport; and Wendie Harvey offered to attend the 100th jubilee at Havelock North.

15. 19(028) Purpose, Vision, Outcomes and Values workshop

The Board held a workshop with members of the Executive Leadership Team to approve the Purpose, Vision, and Outcomes and endorse the Values for Fire and Emergency New Zealand.

The Chief Executive opened the session and provided an overview and summary of where the previous Strategic Leadership Team and the new Executive Leadership Team had got to.

The Board discussed and agreed the following:

Purpose - ***Protecting and preserving lives, property and the environment.***

Vision - ***Stronger communities protecting what matters.***

Outcomes - ***Communities prepare for, respond to and recover well from emergencies.***

Our services are valued and trusted

Social, economic and environmental impacts from emergencies are minimised

Values – subject to confirmation from the National Maori Advisor over the appropriate te reo

We Do the Right Thing – Tikanga - we hold each other to high standards, are trusted by and trusting of others. We do what we say we will do and show courage to do what's right, rather than what's easy. We take responsibility and think of others.

We Serve and Support – Manaakitanga - we work towards strengthening and developing, by being both proactive and responsive to the needs of others, including our teams and communities.

We are Better Together – Whanaungatanga – we seek opportunities to connect and build inclusive relationships with others –our team members, different parts of our organisation, our partners and our communities. We bring people together, celebrate difference and provide a safe environment for all to thrive.

We strive to improve- Auahatanga - we meet the needs of our partners and communities by looking to the future and continuously finding ways to make things better. We are flexible and adaptable. We embrace change, acknowledge what’s gone before and learn from experiments that help us adapt to future needs.

The Board thanked the Executive Leadership Team for their work on this matter

There being no further business the meeting closed at 2.50pm.

Signed as a true and accurate record.

Paul Swain
Chairman

29 March 2019

Released under the Official Information Act 1982



Board Minutes

BOARD MEETING

Date: Friday, 24 April 2020

Time: 9.32am – 1.39pm

Venue: Zoom

Present:

Hon Paul Swain	Chair
Rebecca Keoghan	Deputy Chair
Te Aroha Cook (from 10.17am)	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
Kerry Gregory (until 10.42am)	Deputy Chief Executive Service Delivery
Russell Wood	Deputy Chief Executive Organisational Strategy and Capability Development
Darryl Purdy	Deputy Chief Executive Finance and Business Operations
Brendan Nally (until 10.42am)	Deputy Chief Executive People
Nick Venter	Secretariat

The Chair opened the meeting at 9.32am and explained that Board only time and Board and Chief Executive only time, if required, would be delayed until the end of the meeting.

1. 20(037) Interests register and conflicts of interest

Members updated the Register of Interest with the following:

Rebecca Keoghan declared the following interest:

- Judicial Control Authority

Wendie Harvey removed the following interest:

- Council Member - Eastern Institute of Technology

2. 20(038) Confirmation of the minutes of the previous meeting

The minutes of the meeting held on 28 February 2020 were approved as a true and accurate record of the meeting.

Moved: Malcolm Inglis; Seconded: Gwen Tepania-Palmer

3. 20(039) Action items from last meeting

It was agreed that the Board will be provided with updates on the investigation into the incident involving an unexploded device and the timeline for the review and revamp of unit standards.

Action

- The Board to be provided with an update on the Level 2 investigation into an unexploded device
- The Board to be provided with a timeline for the review and revamp of unit standards

4. 20(040) Chief Executive's report

The Board discussed the Chief Executive's report. Rhys Jones confirmed that the UFBA (United Fire Brigades' Association)'s request for a contribution to a fund to support volunteers experiencing hardship was separate to the Executive Leadership Team's decision to compensate volunteers who suffer financial loss as a result of COVID-19 exposure during emergency response.

The Chair reported that he had briefed UFBA President Bill Butzbach on Board discussions about the possibility of providing some form of support for volunteer firefighters experiencing hardship as a result of the pandemic. The UFBA president had been pleased to hear Fire and Emergency was supportive of the concept.

5. 20(041) Gas Detection presentation

Kerry Gregory updated the Board on the project to pilot new gas detection equipment on between 100 and 180 trucks. Presently ageing equipment was carried by specialist fire investigators and on rescue tenders, but was not present at every incident. The pilot would enable the organisation to better assess what level of training and coverage was needed.

The Board noted that a pilot of 100 to 180 trucks was a large pilot, but that piloting the equipment on the busiest trucks would help to manage existing health and safety risks. Members also noted that the bigger the pilot the more volunteer stations would be involved.

The Board sought an assurance that personnel without access to adequate gas detection equipment were not being put at risk. It was advised that Breathing Apparatus (BA) kept personnel safe in irrespirable environments. If gas detectors were not available, or detectors were not providing clear readings, the risk was mitigated by the wearing of BA.

The Board commended management on a bespoke approach to procurement based on assessment of risk.

Resolved

That the Board:

1. **noted** the presentation.

Action

- The Board to be updated in the CE's report when a decision is made on the size of the gas detection pilot.

6. 20(042) Funding Review update

The Board was advised that DIA had advised management that the Minister of Internal Affairs had reprioritised her policy work programme in light of the COVID-19 pandemic. As a result, work on the Fire and Emergency funding review has been suspended. This information had not been announced publicly at the time of the meeting so should be treated as confidential.

The Board discussed the implications of the delay, noting that it provided certainty about the levy rate until 2024.

Management advised that the current rate of 10.6 cents per \$100 sum insured was insufficient to fully fund the intent of the Fire and Emergency Act.

The Board sought an update on the work being done to determine the baseline cost of running a unified fire and emergency service. It was advised that the picture had been complicated by COVID-19, the impact of which was not yet fully known, but a first cut of the costs could be provided to the Board in July.

Interest was expressed in the progress of levy adjustment work and potential timeframes for this.

Action

- The Board to be provided with a first cut of the baseline cost of running a unified fire and emergency service at its July meeting

7. 20(043) Financial Position

The Board was advised that the March result was slightly below budget, but a \$20 million surplus was now being forecast for the year, \$14 million more than budgeted, due to the lower costs associated with COVID-19 restrictions.

The Board sought an update on the work being done to understand the increased costs arising from material drivers of personnel variance in Service Delivery. It was advised that external expertise had been engaged to help understand the drivers of the increased costs and further work was now being done at region and area level. Management would be in a position to update the Board on what had been discovered in June.

Action

- The Board to be updated in June on the material drivers of personnel variance in Service Delivery

The Board discussed budgeted capital expenditure for the remainder of this financial year. It was advised that asset managers were confident capital projects would proceed as planned, but progress was being closely watched.

8. 20(044) COVID-19 Weekly Board Update

The Board was advised that work was continuing on the best, mid and worst-case scenarios modelling the impact of COVID-19. The modelling suggested that if no cost savings were initiated Fire and Emergency would run out of cash sometime between June 2021 and June 2023, depending on which scenario proved the most accurate. Management would be engaging with the Board on measures to improve liquidity.

9. 20(045) Request to Approve Standby Facility

The Board was asked to approve the establishment of a \$10 million standby facility as one of the steps to mitigate the financial risks of COVID-19.

Resolved

That the Board:

1. **Approved** the establishment of a \$10 million standby facility and delegated signing of the final legal documentation to the Chief Executive and Deputy Chief Executive Finance and Business Operations; and
2. **agreed** that Fire and Emergency should notify the Department of Internal Affairs and Treasury of the decision as part of its wider consultation on risk mitigation options.

Moved: Paul Swain; Seconded: Malcom Inglis

<p>Action</p> <ul style="list-style-type: none">• DIA and Treasury to be notified of the Board’s approval of the establishment of a \$10m standby facility as one of the steps to mitigate the financial risks of COVID-19

10. 20(046) Levy Payment Policies

The Board was advised that Fire and Emergency had the discretion to defer the payment of levies by up to two months and to waive interest for late payments. It was proposing to exercise that discretion for levy payers whose cashflow had been adversely impacted by COVID-19. The Board expressed support for the initiative and requested that Treasury, the Ministry of Business Innovation and Employment and the Internal Affairs Minister be advised of the initiative.

Resolved

That the Board:

1. **endorsed** the proposed temporary adjustments to the treatment of late levy payments and interest for the next six months, with the arrangements to be reviewed in August 2020;

2. **requested** that the Chief Executive and Deputy Chief Executive Finance and Business Operations implement the process changes necessary to effect the adjustments under their delegated authorities; and
3. **requested** that the Chief Executive and Deputy Chief Executive Finance and Business Operations report back to the Board by 8 May 2020 with the details of the temporary adjustments implemented.

Moved: Malcolm Inglis; Seconded: Rebecca Keoghan

Actions

- The Chief Executive and Deputy Chief Executive Finance and Business Operations to report back to the Board by 8 May 2020 with the details of the temporary adjustments implemented
- Management to work with DIA to advise appropriate control agencies and the Minister of Internal Affairs of the assistance being offered to levy payers whose cashflow has been adversely impacted by COVID-19

11. 20(047) Safety Health and Wellbeing monthly update

The Board was advised that:

- due to COVID-19 restrictions Fire and Emergency would struggle to meet the revised Statement of Performance Expectations measure for the number of psychological wellbeing workshops held;
- flu vaccinations were on track to almost double the yearly average of about 46 per cent for staff;
- strains and sprains, the most common firefighter injuries, were down due to reduced training
- the number of COVID-19 related incidents attended by firefighters was lower than expected; and
- no personnel had contracted COVID-19 from Fire and Emergency activities.

Resolved

That the Board:

1. **noted** the Safety, Health and Wellbeing monthly report;
2. **noted** that no notifiable events occurred; and
3. **noted** that analysis of COVID-19 Safe@Work events was included in the dashboard.

12. 20(048) Safety Health and Wellbeing Committee report back

Safety Health and Wellbeing Committee Chair Wendie Harvey advised that the Committee had been briefed on the measures taken to protect personnel and prevent the transmission of COVID-19. It had also been updated on NZPFU (New Zealand Professional Firefighters Union) concerns about the PPE (Personal Protective Equipment) gowns supplied to firefighters. The Committee had been pleased to hear that decisions about PPE were being based on sound research.

The Board was advised that an independent review of the top 10 critical risks identified by Fire and Emergency in 2017 had confirmed they were still the top 10 risks, but that the desktop review had identified two other risks. Giving effect to the recommendations in the review posed significant workload challenges and was potentially costly, but Fire and Emergency's in-house capability to progress the work was significantly better than it had been. The next step was for the Executive Leadership Team to prepare a business case to progress the recommendations. The Board noted the full independent Top Ten Critical Risk Review had been included in Board papers before ELT (the Executive Leadership Team) had had an opportunity to review the document.

The Board was advised that the data provided in the quarterly Safety Health and Wellbeing dashboard had improved greatly since 2017, but the analysis and interpretation of the data still had a long way to go. Accordingly, the Committee recommended that an independent consultant be engaged to clarify what Board members needed in terms of reporting, analysis and interpretation of safety, health and wellbeing data to fulfil their obligations as officers of an organisation.

Resolved

That the Board:

1. **noted** the Safety Health and Wellbeing Committee report back;
2. **approved** the engagement of external assistance in developing a framework for the analysis and interpretation of reported FENZ health and safety metrics, to assist the Board to fulfil its due diligence and monitoring responsibilities as officers of the organisation; and
3. **requested** that the Committee, with the assistance of the Board Secretariat, prepare a scope for submission to Margaret Van Schlaik to progress her engagement to work with the Committee to develop this framework on behalf of the Board.

Moved: Wendie Harvey; Seconded: Rebecca Keoghan

Action

- The Board Secretariat to work with the Safety Health and Wellbeing Committee to prepare a scope for submission to Margaret Van Schlaik to progress her engagement to work with the Committee to develop a framework for the analysis and interpretation of reported FENZ health and safety metrics

13. 20(049) Audit and Risk Committee report back

Malcolm Inglis advised the Board that key issues discussed at the 21 April quarterly meeting of the Audit and Risk Committee included the 2020/2021 budget and budget processes.

It had been agreed that the budget for the coming year would need to be revised when the impacts of COVID-19 became clearer, and that a revised budget would be provided to the Committee as soon as practicable, and no later than December 2020. In the meantime, the Board would continue to receive regular financial updates on the impact of COVID-19.

The Committee had also discussed concerns about the management of some projects, including the delay in the development of a work plan and evaluation criteria for the Volunteerism Strategy. It had

been agreed that any major initiatives presented to the Board for approval should be accompanied by an implementation plan and evaluation criteria.

The Board was advised that good progress was being made developing terms of reference for the review of the assurance function and that the Board would be kept updated on the review.

Resolved

That the Board:

1. **noted** the report.

14. 20(050) Budget 2020/2021 Update

The Board was advised that expenditure in the 2020/2021 budget fitted within the \$617 million revenue forecast for the current financial year as requested by the Board. Additional costs associated with the organisational design were budgeted to come out of savings elsewhere in the budget. Thirty-seven million dollars of uncommitted funding had been identified during the preparation of the budget. (Additional uncommitted funding had been identified subsequently.)

Because the budget had largely been prepared before COVID-19 impacted on New Zealand it would need to be revised once the impacts of the pandemic were better understood.

The Board congratulated management on operating within the financial constraints it had set.

The recommendation in the paper that the Board:

- **Agree** that we may need to revise the budget if the impacts of COVID-19 prove unworkable within the constraints of the budget

was amended to:

- **Agreed** that the budget will need to be revised when the impacts of COVID-19 become clearer; and that the revised budget will be provided to the Board as soon as practicable, and no later than December 2020

Moved: Malcolm Inglis; Seconded: Paul Swain

Resolved

That the Board:

1. **approved** the 2020/21 budget including the Financial Statements and Output Class Reporting table;
2. **agreed** that the budget will need to be revised when the impacts of COVID-19 become clearer and that the revised budget will be provided to the Board as soon as practicable, and no later than December 2020; and
3. **agreed** that the Board will continue to receive regular updates on the financial impact of COVID-19.

15. 20(051) Ten Year Plan

The Board was advised it would see the final document in August. Due to the uncertainties about the impact of COVID-19, the first plan would be delivered as a "minimum viable product". The timeframe

for delivery had also been extended to keep the plan in step with the review of the budget and changing fiscal forecasts.

The Board emphasised the importance of structuring the plan so that it showed how it contributed to the achievement of the strategic priorities set in the National Strategy.

Resolved

That the Board:

1. **noted** progress to date towards developing the 10 year plan;
2. **noted** that due to current uncertainties, ELT had extended the timeframe for delivery of the 10 year plan and agreed that this first 10 year plan will be delivered as a 'minimum viable product', and reviewed next year; and
3. **noted** the shortlist of initiatives at Appendix A that will form the basis of the 10 year plan.

Action

- The Board to be provided with a draft of the 10 Year Plan before it is provided with the final version in August

16. 20(052) Statement of Performance Expectations and Statement of Intent

The Board was presented with the second drafts of the 2020-2024 Statement of Intent (SOI) and 2020/2021 Statement of Performance Expectations (SPE). It was advised that the Department of Internal Affairs (DIA) had been consulted and was reviewing both documents. A start had been made on incorporating feedback from the Audit and Risk Committee and the next iterations of the statements, incorporating feedback from both the Committee and DIA, would be presented to the Board for review at its 29 May meeting.

The Board was advised that consideration was being given to adjusting metrics that could not be achieved this year and would not be achieved next year.

The Board cautioned against jargon creep and stressed the importance of linking to the organisation's strategic priorities in both documents. It also highlighted the importance of telling the value story by showcasing the benefits of creating a unified fire and emergency service.

The Board was advised that budget changes resulting from the impact of COVID-19 would be reflected in the SPE and SOI.

Resolved

That the Board:

1. **agreed** the proposed description of a "unified" organisation, used in both the SOI and SPE; and
2. **noted** the new timeline approved by the Board on 9 April 2020 for SOI and SPE review and approval.

17. 20(053) Dispute Resolution Scheme

The Board commended the quality of the post-consultation version of the Dispute Resolution Scheme Rules and the clarity of the letter drafted for the Chair to send to the Minister.

Resolved

That the Board:

1. **submit** the Dispute Resolution Scheme Rules (dated 7 April 2020) to the Minister for approval by way of the attached letter to be signed by the Chair.

18. 20(054) GSO for Insurance Brokers

The Board was asked to delegate to the Chief Executive the authority to sign the Group Services Order (GSO) pertaining to the procurement of insurance broker services. It was advised that the delegation was necessary because the government consortium of which Fire and Emergency was a part was changing brokers which would likely lead to a change of insurers.

Resolved

That the Board:

1. **delegated** to the Chief Executive the authority to sign the GSO with AON.

Moved: Paul Swain; Seconded: Malcolm Inglis

19. 20(055) Performance Measurement Framework update

The Board was advised that the new Performance Measurement Framework (PMF) was a tool for telling Fire and Emergency's performance story. It would be implemented and embedded into aspects of planning across the organisation over the next three years. The Board was pleased that performance would be measured against strategy.

The Board requested that an update on implementation be included in a future Chief Executive's report.

Action

- An update on implementation of the Performance Measurement Framework to be included in a future Chief Executive's report to the Board

Resolved

That the Board:

1. **noted** the approach to implementing the Performance Measurement Framework; and
2. **noted** the Performance Measurement Framework will be implemented over the next few years in an iterative manner.

20. 20(056) Type 3 Procurement Update

The Board was advised that COVID-19 had slowed progress on the Type 3 Appliance Acquisition Project. Members discussed the merits of having a panel of suppliers, noting that suppliers needed to get enough business to maintain capability.

Resolved

That the Board:

1. **noted** the content of the paper.

21. 20(057) Power of Attorney – 6 Monthly Update

The Board was provided with a copy of the register recording all instances of the signing or execution of documents by Fire and Emergency’s attorneys in the six months to 15 April 2020, in accordance with Board minute 19(040).

Resolved

That the Board:

1. **noted** the register in Appendix A, recording seven instances of the signing or execution of documents by Fire and Emergency’s attorneys in the six months to 15 April 2020.

22. 20(058) UFBA Six Monthly Report to 31 December 2019

The Board was provided with the United Fire Brigades Association’s (UFBA) six monthly report to December 2019. It was advised that the UFBA had met its reporting obligations for the six-month period.

One issue of particular interest was how the UFBA would make its case for funding of the Pathways Project.

Resolved

That the Board:

1. **write** formally to the UFBA:
 - noting the contents of its report.

Action

- Letter to be drafted for Chair to send to UFBA formally noting the contents of its six-month report

23. 20(059) General Business

The Chair noted that condolence letters had not come to him for his signature for several weeks. Management undertook to follow-up.

Action

- Management to ensure condolence letters are provided to the Chair for his signature

Members agreed that weekly Board COVID-19 updates would continue for the next four weeks to be held at 1pm on Fridays.

There being no further business the meeting closed 2pm. The Board then held a Board only session.

Signed as a true and accurate record.

Paul Swain
Chair

24 April 2020

Released under the Official Information Act 1982



Board Minutes

BOARD MEETING

Date: Friday, 29 May 2020

Time: 10.03am – 2.43pm

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
Kerry Gregory (until 12.53pm)	Deputy Chief Executive Service Delivery
Russell Wood (until 2.33pm)	Deputy Chief Executive Organisational Strategy and Capability Development
Darryl Purdy (until 2.33pm)	Deputy Chief Executive Finance and Business Operations
Brendan Nally (until 12.53pm)	Deputy Chief Executive People
Nick Venter	Secretariat

The Chair opened the meeting at 10.03am.

1. 20(059) Interests register and conflicts of interest

Rebecca Keoghan removed the following interest:

- Director - Invercargill City Forests

2. 20(060) Confirmation of the minutes of the 23 and 24 April Board LAC Appointments meeting

The minutes of the Board LAC Appointments meeting held on 23 and 24 April were approved as a true and accurate record of the meeting.

Moved: Gwen Tepania-Palmer; Seconded: Malcolm Inglis

3. 20(061) Confirmation of the minutes of the previous meeting

The minutes of the meeting held on 24 April 2020 were approved as a true and accurate record of the meeting with the following amendment:

The Board requested that “material drivers of personnel variance in Service Delivery” be substituted for “work being done to understand the increased costs arising from higher career firefighter sick and accident-related leave” in the second paragraph of 20(043) and that the accompanying action be amended accordingly.

Moved: Wendie Harvey; Seconded: Rebecca Keoghan

Action

- Amend minutes and action log item 216 to read: Update the Board on the material drivers of personnel variance in Service Delivery

4. 20(062) Confirmation of the minutes of the 8 May Board LAC Appointments meeting

The minutes of the Board LAC Appointments meeting held on 8 May were approved as a true and accurate record of the meeting.

Moved: Te Aroha Cook; Seconded: Malcolm Inglis

5. 20(063) Confirmation of the minutes of the 8 May Covid19 Board Update meeting

The minutes of the COVID-19 Board Update on 8 May were approved as a true and accurate record of the meeting.

Moved: Paul Swain; Seconded: Wendie Harvey

6. 20(064) Action items from last meeting

The Board noted that the action log had been updated.

7. 20(065) Chief Executive’s report

Rhys Jones advised the Board that the return of over-70s to operational duties had lifted operational capability to 90 per cent and that just one station – Aramoana in the Hawke’s Bay – was offline.

The Board sought an update on the dispute with the New Zealand Professional Firefighters Union (NZPFU) over the proposed Employee Transition Protocol for Tranche 2 of the organisational design. It was advised that Fire and Emergency was awaiting the outcome of the Employment Court process and that external legal advice had been used throughout the process.

The Board was advised that the Chair and Raewyn Bleakley would develop the proposal for them to “adopt” Local Advisory Committees and provide an update by email.

The Board discussed the concerns expressed by forestry companies about firefighter training for staff and contractors. Brendan Nally, as DCE responsible for training, advised that Fire and Emergency provided all training requested through Memorandums of Understanding (MOUs) with forestry

companies and numbers trained had increased significantly. However, many companies did not submit training plans and the MOUs needed to be updated. The Board noted the importance of ensuring legitimate forestry company training needs were being met. It requested information on the number of forestry company staff and contractors provided with training and the number of training plans submitted.

The Board sought an explanation for the six-month extension of timeframes for the remaining matters on the Board Governance Work Programme. It was advised that the legal team was providing advice on a number of major initiatives, had had its workload dramatically increased by COVID-19, and that, in the wake of COVID-19, virtually every part of the business required legal advice. The Board asked that progress against the Board Governance Work Programme continue to be documented.

Actions

- Email update on the next steps in the adoption of LACs by Board members to Board members
- Email information on the number of forestry company staff and contractors trained and the number of training plans submitted by forestry companies to Board members
- Continue to document progress against the Board Governance Work Programme

8. 20(066) Financial Position

Darryl Purdy advised that levy income was higher-than-forecast for April and May, but a potential reduction was anticipated in June because June receipts related to insurance policies incepted in April when Level 4 and Level 3 lockdowns were in place. Capital expenditure was below budget.

The Board was advised that maintaining liquidity was a major focus as Fire and Emergency prepared to deal with the financial impact of COVID-19.

The Board discussed the outstanding Crown capital injection. It was agreed to write to the Department of Internal Affairs (DIA) requesting that the drawdown funding not be overlooked.

Action

- Write to DIA requesting that the drawdown funding not be overlooked

9. 20(067) COVID-19 Financial Update

The Board was advised that just two requests had been received so far for deferral of levy receipts, totalling \$260,000 (\$180,000 of which has subsequently been paid).

The Board commended the work done to identify potential savings to mitigate the impact of COVID-19.

10. Resolved

That the Board:

1. **reviewed** the cost savings presented and provide feedback on the prioritisation, impacts and risks identified

11. 20(068) Safety, Health and Wellbeing Monthly Update

Brendan Nally advised that there had been a significant reduction in injuries during April due to reduced training and operational activity. One event had been notified to WorkSafe during the month which resulted from an item of equipment not being secured properly.

The Board expressed interest in seeing a copy of the full investigation report into the incident reasonably quickly. In response to this request, members were emailed an update on the investigation and advised that the lessons learned from the incident would be incorporated into next steps once the report had been finalised.

Resolved

That the Board:

1. **note** the Safety, Health and Wellbeing monthly report
2. **note** one notifiable event was reported to WorkSafe

12. 20(069) Unified Uniform Project Update

The Board expressed frustration at the slow progress of a project intended to unite urban and rural firefighters, the delay in the rollout of soft-shell jackets, and the wide variances in the potential cost of the project.

It was advised that an investment case had been considered by the Investment Panel the previous day and that a recommendation would be presented to the Executive Leadership Team to consider for presentation to the Board. The soft-shell jackets should be in place by Christmas. The variations in the potential cost of the project depended on what was provided to personnel. The possibilities ranged from pants and shirts for operational personnel to a full uniform across corporate and non-corporate staff.

The Board advised that its priority was shirts, trousers and jackets for operational personnel and that it was looking forward to seeing a robust case in June.

Action

- Present the Unified Uniform Project update to the Board at its June meeting

Resolved

That the Board:

1. **note** the contents of this paper

13. 20(070) Employer Support Scheme Update

The Board voiced support for the proposed Employer Promotions Scheme, describing it as a good, thorough piece of work that would provide support to employers and self-employed people who

supported Fire and Emergency. It noted that it had the potential to be particularly beneficial to employers at a time when many were struggling with the consequences of COVID-19. Management was urged to progress the scheme as quickly as possible.

The Board was updated on the implementation of the volunteer reward and recognition initiatives announced by the Minister of Internal Affairs in June 2019.

Resolved

That the Board:

1. **note** the progress to date on the work to recognise and promote employers of volunteers and volunteers who are self-employed.
2. **note** that, subject to funding, employer recognition signs will be rolled out to an additional 125 stations by June 2021 under the Employer Recognition Programme.
3. **note** that the business case for the new Employer Promotions Scheme is expected to be presented to the Investment Panel in June.
4. **note** its strong support for the Employer Promotions Scheme.

14. 20(071) Tranche 2 Approval

Kerry Gregory advised that the purpose of Tranche 2 was to unify leadership at district level, strengthen support for volunteers, better educate New Zealanders about fire risk and strengthen connections with communities. The proposed redesign had been rigorously tested by the Service Delivery Leadership Team and the Executive Leadership Team.

Darryl Purdy advised that \$7.2 million of the extra \$9.8 million required to fund Tranche 2 would come from within branches and the remaining \$2.6 million would come from uncommitted funds. The costs had been factored into COVID-19 saving contingencies.

The Board was advised that it would be necessary to reconsult on some adjustments to the Tranche 2 proposals consulted on in 2019. The need to reconsult was a consequence of inviting personnel to participate in the co-design of Service Delivery.

Management was commended on the quality of the paper and the continuing evidence that members of the Executive Leadership Team were working well together. Management was encouraged to appoint lateral and innovative thinkers to the new risk reduction roles.

The Board was advised that a lift in performance was expected once Service Delivery had the resources to coordinate risk reduction activities nationally.

Resolved

That the Board:

1. **note** the approved design of the Service Delivery Branch
2. **note** the estimated cost of the future organisational design of Service Delivery (Tranche 2) of \$9.8m falls outside the Chief Executive delegated financial authority and subsequently Board approval is sought for the reallocation of funding (within SPE).

3. **approve** reallocation of funding within the organisation to support the revised Tranche 2 organisational design.
 - a) Funding of \$7.2m from reductions in FTE from disestablishing vacancies and reducing proposed FTE in the organisational design; and
 - b) \$2.6m from the “uncommitted funding” budget, which is budgeted for FY 20/21 at \$36m.
4. **note** that the reallocation of funding has been endorsed by the ELT.
5. **note** the upcoming milestones for implementation, subject to Board approval of funding on the 29th May 2020.
6. **note** Tranche 2 costs have been well accommodated within the savings analysis surrounding the effects of Covid19.

Moved: Malcolm Inglis; Seconded: Rebecca Keoghan

15. 20(072) UFBA Strategic Partnership Proposal for the 2020/21 financial year

The Board asked whether the UFBA’s reserves were set at an appropriate level. Management advised that it would be engaging with the UFBA about its reserves.

Resolved

That the Board:

1. **approve** funding for UFBA for the month of July 2020 at the level funded in 2019/20 to enable further analysis of the UFBA’s proposed work programme and to understand potential impacts of COVID-19 on Fire and Emergency’s financial position.

16. 20(073) Revised Statement of Performance Expectations and Statement of Intent

The Board was advised that the target for the percentage of structure fires arrived at by career crews within 8 minutes had been lowered in the Statement of Performance Expectations (SPE) from 85 to a more-realistic 80 per cent. The target for the percentage of volunteer crews responding to medical emergencies within 11 minutes had also been reduced from 85 to 80 per cent.

In the course of discussing the conclusion to the Statement of Intent, the Board had a wider discussion about the Value Story and requested that it be included as a future agenda item.

Action

- Provide the Board with an updated version of the Value Story when it has been revised

Resolved

That the Board:

1. **review** the attached draft SOI and SPE and provide feedback.
2. **note** your final review and approval of these Statements is due on 26 June.

17. 20(074) Quarter Three Report to Minister

The Board sought further information on the reported 17 per cent increase in the number of volunteers responding to the annual Volunteer Workforce survey (p8). It also asked for the Minister to be updated in the report on the progress of the Employer Promotions Scheme and Employer Recognition Programme.

Actions

- Provide additional information in the Q3 report to the Minister on the number of volunteers responding to the annual Volunteer Workforce survey
- Update the Minister in the Q3 report on the progress of the Employer Promotions Scheme and Employer Recognition Programme

Resolved

That the Board:

- **provide** feedback on the content of the draft Q3 Board report
- **approve** the Q3 Board report subject to incorporating feedback into the draft report to finalise
- **note** the quarterly report will be sent to the Minister's Office by 15 June 2020.

Moved: Gwen Tepania-Palmer; Seconded: Wendie Harvey

18. 20(075) Scope for Safety Health and Wellbeing Reporting Framework

The Board was updated on the roles MinterEllisonRuddWatts and Van Schaik Health and Safety Solutions will play in developing a framework for the analysis and interpretation of reported health and safety metrics.

Resolved

That the Board:

1. **approve** the proposal to develop a framework for the analysis and interpretation of reported Fire and Emergency health and safety metrics.
2. **request** that the Board Secretariat engage MinterEllisonRuddWatts (MERW) on behalf of the Board to manage the project.

Moved: Wendie Harvey; Seconded: Rebecca Keoghan

19. 20(076) Fees for Audit and Risk Committee's Independent External Member

Malcolm Inglis advised the Board that the proposed change in fees payable to the current independent external member of the Audit and Risk Committee did not represent a fee increase, but recognised the increased time the independent Committee member was putting into the role.

Resolved

That the Board:

1. **agree** to adjust the fees payable to Mr Taylor in his capacity as the independent external member of the Board's Audit and Risk Committee to \$2,000 plus GST (if any) per Audit and Risk Committee meeting (**New Fees**);

2. **agree** that the New Fees cover Mr Taylor's preparation, attendance, and travel time for each Audit and Risk Committee meeting; and
3. **agree** that the New Fees are payable from the date of the first Audit and Risk Committee meeting at which a majority of Committee members meet in person, rather than remotely using audio-visual technology.

Moved: Malcolm Inglis; Seconded Gwen Tepania-Palmer

20. 20(077) Audit Engagement Letter

The Board noted the advice from Audit New Zealand in its report for the year ended 30 June 2019 that more work was required to better align assets and decision-making in the Strategic Asset Management Plan.

The Board noted the report validated the good work being done by Fire and Emergency's finance team.

Resolved

That the Board:

1. **note** Audit New Zealand's report on the audit of Fire and Emergency for the year ended 30 June 2019
2. **approve** the Audit Engagement Letter and the Audit Proposal Letter (Audit Fee) and Audit Plan for the year ended 30 June 2020 and the Chair signing these documents on behalf of the Board.

Moved: Malcolm Inglis; Seconded Gwen Tepania-Palmer

Action

- Provide the Audit Engagement Letter to the Chair for his signature

21. 20(078) Draft Letter of Expectations Report

The Board was provided with the draft Letter of Expectations 2020/21 developed by the Department of Internal Affairs (DIA) for the Minister of Internal Affairs.

Resolved

That the Board:

1. **note** the draft Letter of Expectations 2020/21 developed by the Department of Internal Affairs (DIA) for the Minister of Internal Affairs.

22. 20(079) Minutes of 16 April Safety Health and Wellbeing Committee meeting

The draft minutes were noted.

23. 20(080) Minutes of 21 April Audit and Risk Committee meeting

The draft minutes were noted.

24. 20(081) General Business

The Board discussed the format of Board and Committee Meetings for 2020 and 2021. Members agreed that a mixture of virtual and physical meetings would balance financial efficiencies with the benefits of face-to-face interaction. They also agreed that fewer meetings would encourage a more strategic approach to governance as the organisation transitioned from integration to unification.

The Board advised that papers should only be loaded late when doing so was unavoidable.

It was agreed that a virtual meeting would be set up to progress the annual review of the Chief Executive's performance objectives.

Action

- Board secretariat to set up the required meetings for Board members to progress the annual review of the Chief Executive's performance and development of the coming year's objectives

Resolved

7. That the Board:
8. **agree** subject to Covid-19 alert level requirements that the Board will have a face-to-face Board meeting in June (if June is not possible then July). From then meetings will alternate between virtual and face-to-face meetings for the remainder of 2020.
9. **agree** subject to Covid-19 alert level requirements that the Audit and Risk and Health Safety and Wellbeing Committees have one face-to-face meeting and the remaining meetings by a virtual format for the remainder to 2020.
10. **agree** the Board meeting calendar for 2021 will be structured around:
 - a) six weekly Board meetings which alternate between a face-to-face and virtual meeting format
 - b) committee meetings having one to two face-to-face meetings per year and that the remaining meetings will be virtual

There being no further business the meeting closed at 2.43pm.

Paul Swain
Chair

26 June 2020



Board Minutes

BOARD MEETING

Date: Friday, 26 June 2020

Time: 9:00am to 2:20pm

Venue: National Headquarters, Level 12, 80 The Terrace, Wellington

Present:

Hon Paul Swain	Chair
Rebecca Keoghan	Deputy Chair
Te Aroha Cook	Member
Wendie Harvey	Member
Malcolm Inglis	Member

Apologies:

Gwen Tepania-Palmer	Member
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In Attendance:

Rhys Jones	Chief Executive
Raewyn Bleakley	Deputy Chief Executive Office of the Chief Executive
Russell Wood (1.00pm to 1.50pm)	Deputy Chief Executive Organisational Strategy and Capability Development
Darryl Purdy	Deputy Chief Executive Finance and Business Operations
Brendan Nally (until 12.01pm)	Deputy Chief Executive People
Nicky Chilton (11.55am to 2.00pm)	National Communications and Engagement Manager
Nick Venter	Secretariat

The Board held a closed Board session from 9.00am to 10.00am and met with the Chief Executive in a closed session until 10.45am.

1. 20(082) Interests register and conflicts of interest

No change.

2. 20(083) Confirmation of the minutes of the previous meeting

The minutes of the meeting held on 29 May 2020 were approved as a true and accurate record of the meeting with the following amendment:

The first sentence of the fourth paragraph of 20 (071) was amended to read: Management was commended on the quality of the paper and the continuing evidence that members of the Executive Leadership Team were working well together.

Moved: Malcolm Inglis; Seconded: Wendie Harvey

3. 20(084) Action items from last meeting

Action Log items 164, 182 and 231 were removed from the log,

4. 20(085) Chief Executive's report

Rhys Jones updated the Board on the reaction to the announcement of the Tranche 2 decisions on Service Delivery structure.

The Board sought an update on the impact of St John Ambulance funding cuts. It was advised that St John had informed Fire and Emergency it would not be training first responder units. The issue was not critical in the short term, but Fire and Emergency had begun exploring other external training options. The Board would be kept informed of developments. Members asked what impact a reduction in ambulance officers would have on firefighter job sizing, volunteers' time, demands on employers of volunteers, firefighting capability, and funding.

It was agreed that the issue would be put on the agenda for the 23 July meeting with the Minister and that a briefing note would be prepared for the meeting detailing pressure points, risks and funding implications.

The Board congratulated management on the success of the National Volunteer Week communications campaign.

An update on the Programme Management Office (PMO) was requested in the next Chief Executive's report.

Actions

- Add the impact of St John's staff reductions to the agenda for the 23 July Minister's meeting
- Prepare a briefing note for the 23 July Minister's meeting detailing the pressure points, risks and funding implications arising from St John's funding cuts
- Include an update on the Programme Management Office in the next Chief Executive's report

5. 20(086) Financial Position

The Board discussed domestic rural fire response costs which at \$10.3 million for the year to May were \$3.5 million higher than budgeted for the full year. Management was encouraged to make greater use of data to inform assumptions and to consider budgeting more for domestic rural fires in future.

Members asked if the Deloitte Operational Payroll Review showed an imbalance in resources between the north and south of the country. It was advised that the imbalance was a known issue to management and that the majority of new recruits were going into the Auckland area.

In response to a request for an update on the outstanding drawdown for the Crown Integration capital injection, the Board was advised that the Department of Internal Affairs was working with Treasury to progress the drawdown in the next few weeks. It would not be factored into cash flows until it was confirmed.

The Board sought clarification about the “shovel-ready” projects Fire and Emergency had submitted to the Government’s Provincial Growth Fund and Crown Infrastructure Partners for funding approval. It was advised that the funding sought had been grants, not loans.

6. 20(087) COVID-19 Financial Update

Darryl Purdy advised the Board that the seven per cent drop in levy receipts for June to \$49.6 million gave some indication of the impact of COVID-19, but another one or two data points were needed before decisions were made about which of the potential cost savings identified should be implemented. Once the information was available, cost savings options would be presented to the Executive Leadership Team. The Board would then be asked to endorse the agreed approach.

The Board agreed with the approach outlined and commended management on the quality of the paper.

Resolved

That the Board:

1. **endorse** the approach to cost savings implementation;
2. **note** that a payment of \$13 million for the repayment of the Crown funding injection is due on 30 June 2020; and
3. **delegate** authority to the Chief Executive to approve the payment of \$13 million for repaying the Crown funding injection by 30 June 2020.

Moved: Malcolm Inglis; Seconded: Rebecca Keoghan

7. 20(088) Safety, Health and Wellbeing Monthly Update

Brendan Nally advised that the NZPFU had voiced concern about changes to the way ACC was managing injury claims from people with two jobs.

The Board was advised that there were seven exposures to COVID-19 reported in May, taking the total to 67. However, no personnel had contracted the virus from their Fire and Emergency duties which showed the PPE (Personal Protective Equipment) and the measures put in place to protect personnel were doing their job. The Board commended management on the measures put in place to keep personnel safe.

The Board sought an explanation of what constituted exposure to COVID-19. It was advised that exposures were divided into three categories: incidents at which a person was known to have COVID-

19, incidents at which a person was suspected of having COVID-19 and incidents at which psychological trauma had been associated with potential exposure to COVID-19.

The Board sought an assurance that all major near-miss incidents were investigated. Management confirmed that every major near miss incident was investigated.

The Board asked why injuries had increased since the country came out of lockdown. It was advised that most firefighter injuries were strains and sprains that occurred during training and routine work. During lockdown almost all training had stopped. Further work was being done on ways to reduce back strains during routine activities.

Resolved

That the Board:

1. **note** the Safety, Health and Wellbeing monthly report
2. **note** two notifiable events were reported to WorkSafe

8. 20(089) Update on Costing the Organisation

The Board was advised that the preliminary work on establishing the base cost of the organisation was almost complete. Current costs were being funded from within the existing budget, but additional resources were likely to be required to meet legislative obligations and other requirements and to fund critical projects.

The timing of the implementation of new initiatives would be key to meeting obligations while staying within budget.

The Board commended management on the rigour of the Tranche 2 and gas detection project approval processes and urged it to take a similarly rigorous and transparent approach to establishing future priorities. It noted its expectation that the organisation would be funded from within the \$617 million envelope established in the 2019/20 Statement of Performance Expectations.

The Board was advised that the project was being overseen on behalf of the Executive Leadership Team by Darryl Purdy, Kerry Gregory, Russell Wood and Brendan Nally. It was agreed that Paul Swain, Rebecca Keogh and Malcolm Inglis would provide oversight on behalf of the Board.

The Board noted that it would be advised on the future costs of the complete organisation in July and options for meeting legislative obligations and funding other requirements and critical projects in October.

It also noted that the Chief Executive was accountable to the Board for delivery of the project, not the Deputy Chief Executive, Finance and Business Operations, as stated in the paper.

It noted that there might be a need to revisit the National Strategy in light of the change in circumstances brought about by the COVID-19 pandemic.

An update was sought on the Employer Promotions Scheme once it had been considered by the investment panel.

Action

- Arrange for Paul Swain, Rebecca Keoghan and Malcolm Inglis to provide Board oversight of the project to fully cost the organisation structure
- Advise the Board on the outcome of the Investment Panel decision on the proposed Employer Promotions Scheme

9. 20(090) Board's Continued Functioning During COVID-19 Pandemic and Similar Emergencies

The Board considered the draft resolution setting out how it could continue to function if a number of members was incapacitated by COVID-19. It considered broadening the resolution so it could be applied if a similar non-COVID-19 situation arose, but decided, on balance, that the existing resolution could be easily adapted if the need arose.

Resolved

That the Board:

1. **Note** the advice that the most efficient way to address the COVID-19 pandemic is set out in the attached draft Board Resolution.
2. **Approve** the wording of the draft Board Resolution, so it is ready for execution if required.
3. **Execute** the draft Board Resolution, if the Board still considers it is necessary in the current circumstances of the COVID-19 pandemic.
4. **Note** that a slightly amended version of the draft resolution could be executed if a similar situation arises in the future.
5. **Note** that a further paper will be provided for the Board to consider the issue of the appointment of an Acting Chief Executive.

Moved: Te Aroha Cook; Seconded: Wendie Harvey

20(091) United Fire Brigades' Association - Strategic Partnership Proposal for the 2020/21 financial year

The Board discussed the UFBA's funding proposal. It noted that the UFBA possessed significant reserves and observed that it should use those reserves to fund some of its activities. It was agreed that the UFBA's request for \$0.032 million for database hosting and \$0.020 million for increased rent would be discussed at the upcoming meeting with the UFBA.

Resolved

That the Board:

1. **approve** funding of \$3.791 million
 - a. subject to six monthly reports including actual vs budget, forecast with clear performance metrics delivered to the Board within three months of the close of each reporting period
2. **approve** up to a further \$0.032 million for database hosting, dependent on further justification of costs and the necessity for the project

3. **approve** \$0.020 million for increased rent for UFBA House, subject to a satisfactory outcome to discussions with the UFBA about its request for funding for discretionary operating expenditure items; and
4. **note** that work will be undertaken on the performance measures to ensure alignment with Fire and Emergency's Volunteerism Strategy.

10. 20(092) 10 Year Plan Update

The Board advised that it was pleased with progress towards implementing the National Strategy and said it would like to see its importance reflected as the cornerstone of the 10 Year Plan. It also asked for milestones to be incorporated in the plan so that progress could be regularly evaluated. It was advised that progress would be reviewed regularly against the five strategic priorities set in the National Strategy and that the 10 Year Plan would be regularly updated.

The value of including a 10 year financial forecast in the plan was discussed. It was agreed that a principle-based approach would be more useful, particularly given the current COVID-19 related uncertainty.

Resolved

That the Board:

1. **Note** the progress that has been made towards developing the 10 Year Plan
2. **Note** the draft of the 10 Year Plan (appendix A) and provide comments as appropriate.
3. **Note** that the final 10 Year Plan will be provided at the August Board meeting.

11. 20(093) Annual Report Proposed Approach

The Board expressed support for the proposed addition to the annual report demonstrating the benefits of the additional investment in Fire and Emergency during its first three years. It also noted the importance of highlighting the value of the large fixed cost investment in day-to-day operations that enabled the organisation to maintain its capability. It suggested that a useful statistic to include in the annual report would be the number of calls responded to by the busiest stations.

Management advised the Board it was aiming to provide it with a first draft of the annual report in August.

Resolved

That the Board:

1. **agree** to review and provide feedback on the proposed story/focus and format.
2. **note** the timeline for the Annual Report.

12. 20(094) Final 2020–2024 Statement of Intent and 2020/21 Statement of Performance Expectations for approval

The final 2020-2024 Statement of Intent and 2020/21 Statement of Performance Expectations were discussed.

Resolved

That the Board:

1. **approve** the attached SOI and SPE.
2. **note** the Minister's feedback has been received and incorporated into these documents.

Moved: Rebecca Keoghan; Seconded: Te Aroha Cook

13. 20(095) Performance Measurement Framework Implementation Plan 2020-2025

The Board was advised that the development of the Performance Management Framework gave effect to a target in the 2019/2020 statement of Performance Expectations. The next step would be to implement the framework.

Resolved

That the Board:

1. **note** that the PMF implementation plan 2020-2025 has been completed and that its implementation will, over time, lift our performance measurement maturity and help us improve the way we measure organisational performance.
2. **note** that the completion of the PMF implementation plan achieves the 19/20 SPE measure.

14. 20(096) Organisational Performance Reporting

Management advised the Board that it was aiming to deliver a monthly dashboard setting out key metrics to the Board from its next meeting. The dashboard would not answer all Board questions, but would highlight further areas of inquiry for Board members.

The Board congratulated management on progress to date and said it was looking forward to getting a first look at the dashboard at its next meeting. It advised management to start with what it could do and build on that. It advised against creating a large amount of additional work.

15. 20(097) Local Advisory Committees Board Expectations

The Board considered setting an additional expectation for Local Advisory Committees (LACs) that they work closely with each other and share best practice, but decided that in their first year it made more sense to coordinate collaboration through meetings of the LAC Chairs.

It was advised that the LAC team would work with LACs to ensure consistency of reporting.

The Board noted its intent to actively foster cooperation between the LACs in future years and its expectation that baseline minimum standards of reporting would be established by the end of LACs' first year.

The Board sought a definition of local needs and an explanation of how support for volunteers was reflected in the key expectations developed for LACs.

Management undertook to define local needs in a footnote and email it and an explanation of how support for volunteers was reflected in the expectations to Board members.

Actions

- Add a footnote to the Board Expectations of LACs, defining local needs and email it to the Board
- Email to the Board an explanation of how support for volunteers is reflected in the Board Expectations of LACs

Resolved

That the Board:

1. **endorse** the six key expectations for the LAC in their initial 12-month establishment, subject to the definition of local needs and clarification of volunteer support.

Moved: Rebecca Keoghan; Seconded: Malcolm Inglis

16. 20(098) Unified Uniform Project Timeline Update

The Board noted an update from the Chair would be emailed to other Board members.

Action

- Email Unified Uniform Project Timeline from Chair to other Board members

17. 20(098) Fraud Risk Assessment - Enquiry areas for Those Charged with Governance Response

The Board was advised that the draft responses to Audit New Zealand questions were normally reviewed by the Audit and Risk Committee before being presented to the Board, but the timing of the Audit and Risk Committee's next meeting meant that was not possible.

The Board requested that Fire and Emergency write into the response that all instances of fraud were reported to external auditors and other authorities.

Actions

- Write into the response to Audit New Zealand's fraud risk assessment that all instances of fraud are reported to the external auditors and other authorities.

Resolved

That the Board:

1. **note** the Audit New Zealand questions to Those Charged with Governance (TCWG - the Board) and the draft responses attached in Appendix 1; and
2. **note** the Audit New Zealand questions to Management (the ELT) and the draft responses attached in Appendix 2; and
3. **endorse** the submission of those responses to Audit New Zealand on behalf of the Board.

18. 20(099) All of Govt - Cluster 1 2020 Insurance Renewal

The Board was advised that a difference in the way premiums were assessed by the new insurance broker for the All of Government cluster of which Fire and Emergency was a member had resulted in an increase in Fire and Emergency's premiums. The agreement needed to be signed to maintain

cover, but it had been agreed it would not be paid until premium calculation discussions with other cluster members had been conducted and concluded. The Ministry of Business, Innovation and Employment and the new broker AON has been asked at what point they knew Fire and Emergency's premium would increase under the new arrangements. The issue was being pursued with vigour.

Resolved

That the Board:

1. **note** the terms for the All of Govt - Cluster 1 2020 Insurance Renewal and the pending premium calculation discussions between the cluster participants; and
2. **delegate** to the Chief Executive
 - a) the authority to sign the All of Govt - Cluster 1 2020 Insurance Renewal terms with AON on the proviso that premiums will not be paid until the cluster participants have concluded the premium calculation discussions
 - b) the authority to agree to a premium allocation model that fairly recognises the economies of scale enjoyed by the cluster; and
3. **request** the Chief Executive report progress in due course

Action

- The Chief Executive to update the Board in due course on discussions with insurance broker AON and the All of Government cluster on the way insurance premiums have been assessed for cluster participants

Moved: Te Aroha Cook; Seconded: Rebecca Keogh

19. 20(100) General Business

Members discussed who would represent the Board at upcoming Fire and Emergency events.

There being no further business the meeting closed at 2.20pm.

Paul Swain
Chair

31 July 2020



Board Minutes

BOARD MEETING

Date: Friday, 26 March 2021

Time: 9.00am to 3:00pm

Venue: NHQ, Wellington

Present:

Hon Paul Swain	Chair
Rebecca Keoghan	Deputy Chair
Te Aroha Cook	Member
Wendie Harvey (until 2.30pm)	Member
Malcolm Inglis	Member
	Member

In Attendance:

Rhys Jones	Chief Executive
Raewyn Bleakley	Deputy Chief Executive Office of the Chief Executive
Kerry Gregory	Deputy Chief Executive Service Delivery
Darryl Purdy (from 11.20am)	Deputy Chief Executive Finance and Business Operations
Russell Wood (from 11.20am)	Deputy Chief Executive Organisational Strategy and Capability Development
Brendan Nally (from 11.20am to 1.05pm)	Deputy Chief Executive People
Lucy Chamberlain (from 10.50am – 11.20am)	National Manager Local Advisory Committees
Nick Venter	Secretariat

Apologies:

Gwen Tepania-Palmer	Member
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The Board met alone at 9.00am and then met with the Chief Executive in Chief Executive-only time from 9.40am. The Deputy Chief Executives Office of the Chief Executive, Service Delivery and Organisational Strategy and Capability Development joined the meeting at 10.50am.

1. 21(17) Interests Register and Conflicts of Interest

No changes were reported to the Register of Interests.

2. 21(18) Confirmation of the minutes of the previous meeting

The minutes of the meeting held on 26 February 2021 were approved as a true and accurate record of the meeting.

Moved: Paul Swain; Seconded: Rebecca Keoghan

3. 21(19) Action items from last meeting

The Board noted the outstanding items that had been addressed.

4. 21(20) Board Strategic Issues Next Steps

The Board advised ELT that having clarified the strategic issues it thought were most pressing for the organisation, it wanted a management comment on the same issues. Were they a priority, were they important, but not a priority, were they not important, were there other issues that should be added to the list? The Board advised that its aim was to foster a strategic dialogue between the Board and management rather than to lead to the production of a document. Management undertook to provide written feedback on the list of strategy areas identified by the Board from the Executive Leadership Team (ELT) at the Board's April meeting. It would be the first item on the agenda under Strategic Issues.

Action

- Provide written feedback from ELT at the next Board meeting on the list of strategy areas identified by the Board

5. 21(21) Training Strategy: Verbal Update and Next Steps

The Board was updated on the work underway to develop a workforce capability strategy to replace the 2014- 2018 Fire Service training strategy. It was advised that an external expert contracted to undertake a current state review of training and development had abruptly terminated his contract last year to take on permanent employment. The review had subsequently been completed by the new Workforce Capability team. The aim was to have the new workforce capability strategy in place by the end of the first quarter of the 2021/22 financial year, but a number of still-to-be-determined factors would impact on the final shape of the strategy. These included appointments to the new positions of District, Group and Community Risk Managers, the development of Modular Service Delivery and the Technical Competency Framework.

The Board advised that, having been concerned to learn Fire and Emergency was still operating off a Fire Service training strategy, it was somewhat reassured to learn there was a lot of work going on. However, it wanted greater visibility of the process. It requested baseline advice on the current state of training and an overview of where it was headed. It also noted that:

- it needed to know how success would be defined
- the strategy should set a sense of direction and be able to cope with changes
- it was important for ELT members to collaborate on the strategy
- individual initiatives should be informed by an over-arching strategy

The Board also sought an update on the second part of the analysis of training being undertaken by SageBush.

It was agreed that the National Manager People and Workforce Capability would attend the next Board meeting to present the current state review of training and development. SageBush's analysis of the drivers of training demand, attendee training and recording and the quality of training data would be presented to the Board.

The Board asked if the new modulised approach to leadership training would be in place by the time the new District, Group and Community Risk Managers who were critical to driving cultural change were appointed. Management advised that an 18 month induction programme was being developed that would sit alongside existing training programmes.

Actions

- Present the current state review of training and development to the Board at its April meeting
- Provide SageBush's analysis of the drivers of training demand, attendee training and recording and the quality of training data to the Board

6. 21(22) Chief Executive's Report

Management advised that Fire and Emergency was still awaiting confirmation from the Ministry of Health of when emergency responders would be vaccinated against COVID-19. It advised that it was working closely with the Australian Fire and Emergency Service Authorities Council (AFAC) and the National Emergency Management Agency (NEMA) to understand the new National Resilience, Relief and Recovery Agency being established in Australia in response to the devastation caused by the 2019-20 bushfires.

The Board sought an update on upcoming bargaining. It was advised that negotiations with the Fire and Emergency Commanders Association (FECA) were due to start in six weeks. Bargaining with the New Zealand Professional Firefighters Union (NZPFU) would commence on 1 July. Potential attendance at a meeting of the Ministerial Oversight Group on State Sector Employment Relations (MOGSSER) to outline the organisation's bargaining strategy was discussed. The Board indicated that it expected to be consulted before any decision was made to present to Ministers. Management advised that attendance at MOGSSER had not been confirmed. A paper would be brought to the Board at its next meeting setting out the challenging environment in which bargaining would take place and Government guidance on contract negotiations.

Action

- Present bargaining strategy paper to next Board meeting

7. 21(23) Financial Report

Management updated the Board on the year-to-date financial position.

8. 21(24) Safety, Health and Wellbeing Monthly Update

The Board noted the positive progress on the steps taken to improve the Safety, Health and Wellbeing dashboard. It sought an update on the Health Standards project. Management advised that work on the project had restarted after being paused in November 2019, but progress would be difficult due to opposition from the NZPFU's leadership. The Board noted that there was an industrial relations dimension to the NZPFU position on Health Standards.

Resolved

That the Board:

1. **notes** the Safety, Health and Wellbeing monthly report
2. **notes** the new dashboard to align with the governance reporting framework; and
3. **notes** no notifiable events occurred

9. 21(25) Monthly Dashboard

The Board noted the update on key projects within the Strategic Portfolio and the projects being funded by the COVID-19 Response and Recovery Fund.

10. 21(26) LAC Quarterly Reports

The Board was advised that Local Advisory Committees (LACs) were starting to build relationships with their local communities. All LACs had identified iwi/hapu as priority stakeholders. The organisation was in discussion with PwC about building a reporting system for LACs.

The Board noted the advice from a number of LACs that they were encountering a lack of understanding among Fire and Emergency personnel of their role and purpose. It was advised that the National LAC team was working the Communications and Engagement team to raise the profiles of LACs internally. The Board asked for LACs to be informed in writing of the Board's feedback on their reports. It also asked for an explanation of its decision not to assign individual Board members to LACs to be included in that advice.

The Board noted that LACs were operating in a crowded space that presented challenges in terms of attracting resources and community representatives. At some point there could be value in exploring a coordinated government approach to ensure communities had a voice.

Actions

- Inform LACs in writing of the Board's feedback on LAC reports
- Explain the Board decision not to assign Board members to individual LACs in the advice provided to LACs

Resolved

That the Board:

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

11. 21(27) Draft Letter of Expectations Topics for Board Consideration

The Board noted the potential topics for inclusion in the 2021/22 Minister's Letter of Expectations (LOE) and requested the inclusion of long-term capital requirements as a key area of interest and strategic importance.

Resolved

That the Board:

1. **notes** the key themes and potential items set out in this paper, for consideration and possible inclusion in the 2021/22 Minister's LOE, and provides feedback; and
2. **agrees** to Fire and Emergency engaging with DIA to promote the key themes and items, with the addition of long-term capital requirements, for consideration for the Minister's 2021/22 LOE

Moved: Paul Swain; Seconded: Rebecca Keoghan

12. 21(28) SPE 2021/22 Approach

The Board reviewed the proposed theme and strategic intentions for the 2021/22 Statement of Performance Expectations (SPE) and requested the inclusion of workforce capability. It also asked for a stocktake of unfinished business to be undertaken for potential inclusion in the SPE.

Action

- Undertake a stocktake of unfinished business and, where appropriate, include in the 2021/22 SPE

Resolved

That the Board:

1. **reviews and agrees** the proposed theme and strategic intentions for the 2021/22 SPE; and
2. **notes** that a full draft of the 2021/22 SPE will be provided to the Board at its 30 April meeting

Moved: Wendie Harvey; Seconded Malcolm Inglis

13. 21(29) Future of SHW Committee

The Board agreed to disestablish the Safety, Health and Wellbeing Committee, effective from 1 July, following the progress that had been made in improving Safety, Health and Wellbeing reporting and monitoring and developing a Safety, Health and Wellbeing workplan. The Board noted that the change would provide all members with visibility of Safety, Health and Wellbeing matters.

Resolved

That the Board:

1. **notes** the work achieved by the Committee to date and its enablement of Board assurance; and
2. **agrees** that the Board will assume responsibility for activities previously undertaken by the Committee, effective from 1 July, and that an extended SHW agenda item will be added to the Board meeting each quarter to achieve this

Moved: Wendie Harvey; Seconded: Rebecca Keoghan

14. 21(30) Extension of Rural Fire Network Contract

The Board asked whether rural fire leadership and management had been outsourced in other areas of the country. It was advised that the arrangement with Rural Fire Network to provide services for the Nelson/Tasman Rural Fire District was unique. The Board advised that it was pleased to see its concerns about a conflict of interest reflected in the paper. The Board asked if the extension to the contract covered the transition of the services currently provided to Fire and Emergency once the contract ended. It was advised that it did not, but the principal contractor was engaging constructively and collaboratively in the process.

Resolved

That the Board:

1. **notes** that the current contract with Rural Fire Network Limited is due to finish on 30 April 2021
2. **notes** the inherent risk of conflict in the out-sourced delivery model established by the contract is being actively managed
3. **notes** a variation has been proposed and is referred to the Board for approval due to the total cost of the contract (cumulatively or whole of life), not the cost of the variation
4. **endorses** the direct source extension of the current contract with the Rural Fire Network for a period of seven months at an estimated cost of 9(2)(b)(ii) to 30 November 2021
5. **approves** a variation of the current contract to that effect; and
6. **authorises** the Deputy Chief Executive, Service Delivery to sign the variation for Fire and Emergency

Moved: Rebecca Keoghan; Seconded: Malcolm Inglis

15. 21(31) Procurement – TotalCare Contract Renewal

The Board was briefed on the proposed short-term extension of the TotalCare laundry contract to allow time for the agreed three-year extension to be established. It asked whether the proposed return to market at the end of the three-year extension was realistic. Management advised that there were other providers in the market but they did not operate to ISO (International Organisation for Standardisation) standards. To create a market Fire and Emergency would have to help other providers build capability. How realistic that was would not be known until the organisation tried. It was, however, receiving very positive feedback about the quality and timeliness of the service being provided by TotalCare.

Resolved

That the Board:

1. **notes** that the current TotalCare contract is under active negotiation to include the second laundry in the South Island and accurately reflects 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 contract variation on behalf of the Board for a period of three months at an estimated cost of \$550k, through to the end of June 2021

Moved: Te Aroha Cook; Seconded: Wendie Harvey

16. 21(32) LAC Appointments

The Board was updated on the resignations from the Tairāwhiti and Chatham Islands LACs. Management advised that a four-member committee was not sustainable for Tairāwhiti, given the spread of the geographical area for which the LAC was responsible. Recruitment of additional members would provide an opportunity to strengthen the governance skills on the committee. Management advised that it was confident of being able to attract additional members for the Chatham Islands LAC.

The Board noted that the resignations demonstrated the necessity of erring on the side of larger rather than smaller LACs to ensure they were resilient enough to adjust to changes.

Resolved

That the Board:

1. **agrees** to run an appointment process to seek additional members for the Tairāwhiti LAC
2. **agrees** to run an appointment process to seek additional members for the Chatham Islands LAC
3. **agrees** to provide additional support to the new Tairāwhiti LAC to strengthen governance and strategic capability and support committee operations; and
4. **agrees** to delay appointing a Deputy Chair for the Tairāwhiti LAC until the appointments process is completed

Moved: Wendie Harvey; Seconded: Rebecca Keoghan

17. 21(33) Fire Plans: Timeframes

The Board was advised that confusion over the timeframe to prepare and issue fire plans for each area was not identified until it was too late to comply with the 1 June 2021 deadline. At the same time, consultation during the process had revealed much greater interest on the part of Fire and Emergency's partners than anticipated. For this reason the organisation was seeking Board approval to extend the timeframe until 1 August 2021 to allow for meaningful collaboration.

Resolved

That the Board:

1. **notes** that Fire and Emergency is unable to meet the legislated two-year timeframe required by section 6 of the Fire and Emergency (Fire Plans) Regulations 2018 to prepare and issue fire plans
2. **notes** that the non-compliance will be reported to the Audit and Risk Committee; and
3. **approves** the extension of the completion timeframe to 1 August 2021 to ensure a better-quality fire plan, full engagement with stakeholders and partners, enhance relationships, and allow contingency time if any issues arise

Moved: Rebecca Keoghan; Seconded: Malcolm Inglis

18. 21(34) UFBA Six Monthly Report

The Board was advised that PwC had started its audit of the funding provided to the UFBA. The audit would consider whether the funding provided to the UFBA had been used for the purposes for which

it was provided and whether the services the funding supported had actually been delivered. It would also examine whether any Fire and Emergency funding had been used to fund the set up of Tāngata Matata, the body established to represent non-Fire and Emergency brigades and emergency sector-related parties. Fire and Emergency was also developing some different accountability measures that would be finalised by the Board's July meeting.

The Board asked for the addition of lead indicators showing what the UFBA was doing. Presently there was no evidence-based reporting and the UFBA's underspend on disputes and advocacy was not explained.

Management advised that it would be asking the UFBA for its plan for the rest of the year and would ask specifically about the underspend on advocacy and support.

Action

- Seek an explanation from the UFBA for its underspend on advocacy and support

Resolved

That the Board:

1. **notes** the contents of the United Fire Brigades Association's (UFBA) six monthly report from 1 July to 31 December 2020
2. **provides** feedback on the suggested future performance measures; and
3. **writes** formally to the UFBA:
 - noting the contents of its report
 - requesting a report on planned activities to be undertaken between now and end of financial year with expected expenditure
 - detailing Fire and Emergency's expectations around future performance measurement for the 2021/22 grant; and
 - providing any other feedback that the Board may wish to add on the contents of the report

19. 21(35) GeoNet Monitoring Stations

The Board deferred consideration of this paper until a future meeting to allow time for the proposed resolutions to be clarified.

20. 21(36) Implications of the Government's Carbon Neutral Policy for Fire and Emergency New Zealand

The Board was advised that a draft climate change mitigation and adaption plan, being developed in response to the Government's carbon neutral policy, would be presented to the Board as soon as possible. The Board requested an update on the timing of the draft climate change mitigation and adaption plan.

Action

- Update the Board on the timing of the draft climate change mitigation and adaption plan

Resolved

That the Board:

1. **notes** the CNGP will have significant impacts for Fire and Emergency and will require the organisation to take steps now, and in the coming years, to adapt and mitigate the impacts of emissions
2. **notes** that past and current work on environmental sustainability provides a strong starting point for meeting the Government's expectations
3. **notes** an inventory of emissions is due for completion by the end of June 2021, along with proposed reduction targets which we will report to the Board in September 2021; and
4. **notes** Fire and Emergency will develop a draft climate change adaptation and mitigation plan, to show how our work will contribute to the CNGP, for consideration by the Board

21. 21(37) Costing and Funding the Organisation Update

Management updated the Board on the measures being implemented, or under consideration, to ensure that the costs of the organisation fit within available funding. The Board asked if white fleet was being looked at as part of the process. Management advised that it was looking for both cost and emissions savings from vehicles that were not part of first-line response. The Board asked how pressing the re-started analysis of Minimum Shift Staffing was. Management advised that it was not the top priority across the country, but it was an issue in parts of the country.

Resolved

That the Board:

1. **notes** the status of ongoing workstreams

22. 21(38) Budget Update

Management advised that the Budget process was tracking well with first drafts of branch business plans and directorates' plans on a page being collated and reviewed to provide appropriate feedback. The draft Budget would be presented to the Board at its next meeting.

Resolved

That the Board:

1. **notes** this paper

23. 21(39) Audit and Risk Committee Oral Update

The Audit and Risk Committee Chair provided an oral update on the Committee's 15 March meeting. He advised that the Committee had signed off on the Internal Audit plan for the next three months and made it clear that it wanted to be more deeply involved in audit plans in the future. A presentation and discussion on engagement with sector partners had been well received by Committee members. The presentation had reinforced the value of Deep Dives and the importance of good relations with partners.

The Committee had endorsed the recommendations from the review of the Assurance function. The Operational Efficiency team should be part of the Service Delivery branch rather than the Office of

the Chief Executive and the function of Internal Audit needed to be lifted. Internal Audit was doing a lot of useful things, but some of those things clouded the independence of the Internal Audit function. The review had also identified the need to lift the maturity of the risk function. The independence of Internal Audit needed to be clarified in writing.

The Committee Chair advised that Audit New Zealand's report for the 2019/20 year had noted that some of Fire and Emergency's systems around sensitive expenditure were not as tight as they should be. The Committee endorsed the efforts of the Deputy Chief Executive Finance and Business Operations to address the issue.

Resolved

That the Board:

1. **notes** the oral update on the 15 March meeting of the Audit and Risk Committee

24. 21(40) General Business

It was agreed that management would check members' availability to attend the 4 May luncheon for firefighters who have received Royal Honours.

Action
<ul style="list-style-type: none">• Email members to check availability for attending the 4 May Royal Honours luncheon

There being no further business the meeting closed at 3.00pm

Paul Swain

Chair

26 March 2021



Board Minutes

BOARD MEETING

Date: Friday, 25 June 2021

Time: 9.00am to 1.30pm

Venue: Zoom

Present:

Hon Paul Swain	Chair
Rebecca Keoghan	Deputy Chair
Te Aroha Cook	Member
Wendie Harvey	Member
Malcolm Inglis	Member
Gwen Tepania-Palmer (9am - 11.10am)	Member

In Attendance:

Rhys Jones	Chief Executive
Raewyn Bleakley	Deputy Chief Executive Office of the Chief Executive
Kerry Gregory	Deputy Chief Executive Service Delivery
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
Ian Pickard (9.55am – 10.40am)	National Manager People and Workforce Capability
Lawrence Arps (9.55am – 10.40am)	Principal Advisor People and Workforce Capability
Sid Wellik (10.40am – 11.10am)	Chief Legal Advisor
Lucy Chamberlain (12.20pm – 12.25pm)	National Manager Local Advisory Committees
Nick Venter	Secretariat

Apologies:

The Board met in Board-only time from 9.00am to 9.35am. The Board met with the Chief Executive in Chief Executive-only time from 9.35am to 9.50am. The Chair declared the meeting officially open at 9.50am noting, that it was his and Te Aroha Cook's final Board meeting.

1. 21(64) Interests Register and Conflicts of Interest

Rebecca Keoghan advised that the Judicial Control Authority had ceased to exist.

2. 21(65) Confirmation of the minutes of the previous meeting

The minutes of the meeting held on 30 April 2021 were approved as a true and accurate record of the meeting.

Moved: Rebecca Keoghan; Seconded: Wendie Harvey

3. 21(64) Action items from last meeting

The updated Action Log was noted.

4. 21(65) Training and Development Strategy Update

Ian Pickard and Lawrence Arps joined the meeting

The Board was updated on the development of the Training and Development Strategy. It was advised that following feedback from Board members in April, the strategy had been broadened to cover the whole organisation, not just firefighters. The People and Workforce Capability team had consulted widely, both externally and internally, since the last update was provided to the Board meeting and utilised external and internal reviews. The intent was to have a single, coherent strategy. The organisation was committed to maintaining Government Training Establishment (GTE) accreditation as the principal mechanism for delivering qualifications and unit standards to personnel.

The Board commended management on the progress that had been made since it saw the previous iteration of the strategy. It noted it was heartened to hear about collaboration on the draft strategy which had not come through in the paper. It advised that in the next iteration it expected to see:

- a greater focus on assurance, including what success looked like and how it would be measured
- how training would be tailored for vulnerable learners
- cultural diversity reflected in the strategy
- the importance of training and development to cultural change within the organisation embedded in the strategy
- more links with the organisation's longer-term strategies e.g. values and leadership aspirations
- evidence of consistent monitoring of the external environment; and
- inclusive language that applied equally to volunteers as well as career firefighters

Management advised that the next iteration of the strategy incorporating Board feedback would be presented to the Board at its August meeting.

Action

- Provide the next iteration of the draft training and development strategy to the Board at its August meeting

Resolved

That the Board:

1. **notes** the direction of the current draft and provides feedback as required

Ian Pickard and Lawrence Arps departed the meeting

5. 21(66) Future Relationship with Volunteer Brigades: Additional Paper with Examples

Sid Wellik joined the meeting

The Board was updated on specific factual examples of the types of issues created by the current legal arrangements between Fire and Emergency and volunteer brigades. s 9(2)(h)

[REDACTED]

s 9(2)(h)

[REDACTED] It was agreed that a letter would be drafted to the Minister of Internal Affairs outlining the issues created by the current legal arrangements with volunteer brigades. s 9(2)(h)

[REDACTED]

Actions

- Draft a letter to the Minister setting out the issues created by the current legal arrangements between Fire and Emergency and volunteer brigades

- s 9(2)(h) [REDACTED]

- s 9(2)(h) [REDACTED]

Resolved

That the Board:

1. **notes** the practical examples
2. **notes** that a letter will be drafted to the Minister setting out the issues created by the current

legal arrangements between Fire and Emergency and volunteer brigades

3. 9(2)(h)

4. **notes** that advice will be provided on whether the issues created by the current legal arrangements between Fire and Emergency and volunteer brigades have implications for Board members as officers of a PCBU under the Health and Safety at Work Act

Sid Wellik and Gwen Tepania-Palmer departed the meeting

6. 21(67) Chief Executive's Report

Management advised that five women had been appointed as either General Managers or Community Risk Managers in the new Service Delivery district leadership. This was a positive development that broke the glass ceiling for women in operational roles. Another 10 positions in the new district structure were being kept vacant to allow secondments to be made as developmental opportunities. The quality of those who were stepping up into the new positions was encouraging as it showed capable personnel supported the direction of the organisation.

Management advised that the New Zealand Professional Firefighters Union (NZPFU) had written to Ministers raising concerns about seismic issues at fire stations and firefighters' exposure to asbestos. Advice would be provided to the office of the Minister of Internal Affairs once the NZPFU's concerns had been fact-checked.

The financial impact of proposed wage movements for personnel would be known shortly. The Board would be kept informed.

The Board noted that it would expect to be represented if the postponed visit by the New South Wales Minister for Police and Emergency Services went ahead in September. Management undertook to ensure the Board was given the opportunity to be represented during the visit.

The Board asked if its input had been factored into the prioritisation of investment projects for the coming year. Management advised that the criteria for assessing projects were based on the priorities established by the 10-year plan. The Board requested an out-of-cycle update on the outcome of the prioritisation process. Management undertook to inform the Board of the criteria used to rank projects and which projects had been progressed and which had been paused.

The Board requested additional information about the privacy breach detailed in the Chief Executive's Report. It was provided with additional information about the breach.

The Board advised that the monthly update on incidents attended did not provide useful information about emerging trends. Management undertook to provide a longer-term view of the monthly incidents table. The Board advised that updates could be provided quarterly, rather than monthly, if that resulted in more useful data.

Action

- Ensure the Board has an opportunity to be represented if the postponed visit by the New South Wales Minister for Police and Emergency Services goes ahead in

- Update the Board, out-of-cycle, on the outcome of the portfolio prioritisation process and how Board input was factored into the decision-making
- Provide a longer-term view of the incidents attended table to enable the Board to see emerging trends

7. 21(68) Financial Report – May 2021

The Board was advised that at the request of the Department of Internal Affairs and, with the agreement of Audit New Zealand, COVID Response Recovery Fund funding was now being accounted for as an equity injection rather than revenue. This provided a more balanced picture of the organisation's financial position.

The Board commended management on the continuing "superb" quality of the finance papers.

8. 21(69) Safety, Health and Wellbeing Update

The Board was updated on the one notifiable event that occurred in April – a fall from a ladder. A Level 2 investigation report on the incident was due by 5 July. Management advised that another injury which occurred outside the reporting period while a volunteer was setting up a training exercise on his property was also likely to be notified.

The Board queried the length of time taken to review the April event. Management advised that the report was in the process of being reviewed. The likely cause of the incident was inattention.

The Board asked what was being done to increase reporting of near-misses, noting that it had been advised on several occasions that near-misses were being under-reported. Management advised that culture change was required. Analysis of near-miss reporting suggested personnel were more likely to report near-misses involving equipment and fleet and less likely to report other types of near-misses. A communications plan was being finalised to raise awareness about the importance of near-miss reporting and what constituted a near-miss.

The Board requested an update on the NZPFU's opposition to the establishment of the Behaviour and Conduct Office (BCO). It was advised that the NZPFU was still advising its members not to engage or participate with the BCO. Notwithstanding that advice, the Interim Director of the BCO had had two constructive meetings with the NZPFU's industrial officer and some career firefighters were accessing the BCO's services. The Board noted that it would be extremely disappointing if people who critically needed help were dissuaded from seeking it by the NZPFU's public position.

The Board sought additional information on the cardiovascular event reported in the monthly Safety Health and Wellbeing dashboard. Management advised that there had been no previous medical indications that the person was at risk. The Board asked if the introduction of the delayed Health Standards programme would have made a difference. Management advised that it was possible that a better understanding of the health of personnel would provide a better understanding of risk.

Action

- Update the Board on the work being done to raise awareness of the importance of near-miss reporting and improve reporting rates

Resolved

That the Board:

1. **notes** the Safety, Health and Wellbeing monthly report; and
2. **notes** one notifiable event in April and none in May

9. 21(70) Monthly Automated Dashboard – May 2021

The Board noted the monthly automated dashboard.

10. 21(71) LAC Quarterly Reports

The Board considered the Local Advisory Committee's (LACs) fourth quarter report. It asked for letters to be drafted to the LACs acknowledging their contributions and expressing regret that the LAC Chairs' Forum scheduled for 24 June had had to be postponed due to Wellington going into Alert Level 2.

Action

- Draft letters to LACs responding to their Q4 reports and expressing regret that the 24 June Chairs' Forum had to be postponed

Resolved

That the Board:

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

11. 21(72) Tasman Fires Action Plan: Six Monthly Progress Update

The Board noted 14 of the 46 actions in the Tasman Fires Action Plan were either delayed or at-risk of becoming off-track and one was off-track. Management advised that this was largely due to delays in implementing tranche 2 or prioritisation decisions regarding funding for specific pieces of work. Once the new Service Delivery district leadership was stood up the organisation would be able to start making progress on some of the delayed actions. Progress against the plan would be published on Fire and Emergency's external website to provide visibility. The Board would be updated on a six-monthly basis.

Resolved

That the Board:

1. **notes** the update on the Tasman Fires Action Plan as of 30 April 2021; and
2. **notes** the full progress update will be proactively released on the Fire and Emergency external website in July

12. 21(73) Repayment of the Crown Funding Injection

The Board approved the schedule repayment of \$13 million of the \$112 million injection provided by the Crown to fund the transition to Fire and Emergency.

Resolved

That the Board:

1. **delegates** authority to the Chief Executive to approve the payment of \$13 million for repaying the Crown funding injection by 30 June 2021

Moved: Paul Swain; Seconded: Rebecca Keoghan

13. 21(74) UFBA Funding for 2021/22

The Board was advised that since papers were loaded for the meeting, the United Fire Brigades Association (UFBA) had responded to the proposal to reduce its funding to take account of revenue generated by the UFBA and UFBA reserves. The UFBA had accepted the proposed \$300,000 reduction with one exception. It had requested an additional \$9000 to meet the cost of Xero subscriptions for brigades. The Board agreed to the proposed adjustment.

Resolved

That the Board:

1. **approves** funding of \$4.208 million
 - a. subject to quarterly reports including actual expenditure vs budget, forecast with clear performance metrics delivered to the Board within two months of the close of each reporting period
2. **approves** delegating authority to the Chief Executive to sign the procurement documentation and conditional grant agreement with UFBA; and
3. **agrees** to change from six monthly performance reports from UFBA to quarterly performance reports

Moved: Malcolm Inglis; Seconded: Te Aroha Cook

14. 21(75) Totalcare Contract Approval

The Board authorised the Chair to sign the new contract with TotalCare to provide Level 2 (structural firefighting) garments and laundry, maintain and repair those garments.

Resolved

That the Board:

1. **notes** that a multi-functional team from Fire and Emergency has been negotiating with TotalCare with the intention of putting in place an updated contract that reflects the current operating arrangement and provides Fire and Emergency with future flexibility
2. **notes** that in Management's opinion, the Renewed Contract achieves the intention stated in recommendation 1 and is ready for approval
3. **notes** this contract is coming to the Board for signing due to the total cost of the contract (estimated at \$16m over three years); and
4. **authorises** the Board Chair to sign the attached contract on behalf of the Board, committing Fire and Emergency through to October 2023, per the MoU the Board agreed to in March 2019

Moved: Rebecca Keoghan; Seconded: Te Aroha Cook

15. 21(76) All of Government – Cluster 1 2021 Insurance Renewal

The Board sought an update on the assessment of Fire and Emergency's future insurance options. It was advised that there were potential benefits to exiting the All of Government (AoG) Cluster. Renewal of the existing policy was required for the coming financial year, but work was continuing on a possible exit from the AoG Cluster at 30 June 2022. For this to occur, notice would need to be provided by 31 December this year.

Resolved

That the Board:

1. **notes** the indicative terms for the All of Government - Cluster 1 2021 Insurance Renewal; and
2. **delegates** to the Chief Executive the authority to sign the All of Government - Cluster 1 2021 Insurance Renewal terms with AON on the provision that premiums will not materially change

Moved: Paul Swain; Seconded: Rebecca Keoghan

16. 21(77) SPE Final Draft

The Board approved the final draft of the Statement of Performance Expectations.

Resolved

That the Board:

1. **notes** the Minister's feedback has been received and incorporated into the Statement of Performance Expectations; and
2. **approves** the attached final Statement of Performance Expectations

Moved: Paul Swain; Seconded: Te Aroha Cook

17. 21(78) Results of Fire and Emergency's First Carbon Emissions Inventory

The Board was advised that the review of Fire and Emergency's baseline emissions had been audited and approved. A relatively conservative initial target of a 10 per cent reduction by the end of the 2024/25 year had been set. The Board asked whether Fire and Emergency should try, as a first response agency, to be an exemplar. Management advised that the current absence of environmentally friendly alternatives to the diesel-powered vehicles responsible for 50 per cent of the organisation's emissions meant reductions were going to be hard to achieve. A more comprehensive plan would be presented to the Board in the third quarter of the coming year.

Resolved

That the Board:

1. **notes** that Fire and Emergency has achieved certification through the Toitū Carbonreduce programme
2. **notes** that Fire and Emergency will be presented with a certificate, which may provide an opportunity for public communications
3. **notes** that this work completes the 2020/21 SPE measure 6.1.7 *Establish an environmental emissions baseline to inform future sustainability planning by 30 June 2021*; and

4. **notes** that Fire and Emergency intends to provide the Board with a draft Climate Change Adaptation and Mitigation Plan in Q3 of the 2021/22 Financial Year

18. 21(79) High-Level Framework for the Integration of Local Advisory Committee Advisory Function

Lucy Chamberlain joined the meeting

The Board commended management on the diagram demonstrating how LACS received direction and provided advice and how advice flowed through Fire and Emergency and feedback was provided to LACs.

Resolved

That the Board:

1. **endorses** the high-level framework for the integration of LAC advice into Fire and Emergency

Lucy Chamberlain departed the meeting

19. 21(80) Approval to Dispose of Surplus Property

The Board approved the disposal of the site of the former Mercer Fire Station.

Resolved

That the Board:

1. **notes** that this site is surplus to requirements and is no longer required for operational or administrative purposes
2. **notes** an independent valuation has been received for this site
3. **notes** the clearances necessary to dispose of the 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 this site is disposed of
4. **notes** this site is not subject to 'offer back' requirements under the Public Works Act 1981
5. **approves** the disposal of this site, as it is surplus to requirements. The disposal will be subject to all mandatory clearance processes (including those listed at (4) above) being satisfactorily completed; and
6. **authorises** the National Property Manager to dispose of this site in accordance with the *Property Disposal Policy*

Moved: Rebecca Keoghan; Seconded: Te Aroha Cook

20. 21(81) Approval for Land Acquisition at Rangitata Gorge

The Board approved the use of the Public Works to acquire land for the new Rangitata Gorge Fire Station.

Resolved

That the Board

1. **notes** the land is required for the new Rangitata Gorge Rural Fire Station
2. **notes** that agreements will need to be entered into with LINZ (on behalf of the Crown as owner of the land) and Rata Peak Station Limited (as lessee of the land)
3. **Notes** the valuation is 9(2)(b)(ii) (if any), which is supported by independent valuation prepared for Fire and Emergency by Carter Valuations Limited
4. **approves** the acquisition of 1,495m² of land by agreement under the PWA for a total consideration to be agreed between the parties noted at (3) above; and
5. **notes** that the agreements and associated land transaction documents giving effect to the acquisition will be executed on behalf of Fire and Emergency by the DCE Organisational Strategy and Capability, to whom the Board has granted power of attorney

Moved: Rebecca Keoghan; Seconded: Te Aroha Cook

21. 21(82) Right of First Refusal – Whanganui Fire Station

Malcolm Inglis declared an interest in this item and took no part in discussion of it.

The Board agreed to provide iwi with first right of refusal over the site of the Whanganui Fire Station if Fire and Emergency decided to sell the land in future.

Resolved

That the Board

1. **notes** the paper; and
2. **agrees** to the inclusion in the Agreement in Principle with The Office for Māori Crown Relations/Te Arawhiti of a right of first refusal over the Whanganui Fire Station

Moved: Paul Swain; Seconded: Te Aroha Cook

Abstained: Malcolm Inglis

22. 21(83) Treasury Policy Limits

The Board was advised that the proposal to increase the financial limits for the counterparties with which Fire and Emergency deposits money was supported by the Audit and Risk Committee. The Board approved the proposed increase.

Resolved

That the Board

1. **notes** that a breach of the current counterparty limits occurred in May 2021 and current forecasting indicates that further breaches over the next 12 months are highly possible
2. **approves** increasing Fire and Emergency's deposit limit with the BNZ from \$30 million to \$60 million and the deposit limit with our remaining six banking counterparties from \$30 million to \$40 million; and
3. **notes** that the new limits would be reviewed in 12 months' time as part of the DCE Finance and Business Operations review required under the Treasury Policy

Moved: Malcolm Inglis; Seconded: Rebecca Keoghan

23. 21(84) UFBA Audit Update

The Board was advised that the independent audit undertaken to determine whether the funding provided to the UFBA had been used for the purposes for which it was provided had not indicated any areas of immediate significant concern. It had identified several minor issues which would be addressed. It had also recommended the UFBA bear the cost of some of its operating costs which was reflected in the new funding agreement with the organisation.

At the request of the Audit and Risk Committee, PwC, which conducted the audit, had been asked if it wished to comment on the appointment of the Chair and Chief Executive of PwC as directors of Tāngata Matatau Ltd. PwC had verbally advised that the appropriateness of the appointments would depend on the purposes for which the organisation was established.

Resolved

That the Board

1. **notes** the observations from the Audit
2. **notes** the actions being taken regarding future UFBA funding; and
3. **approves** that the PwC report is provided to the UFBA, subject to PwC agreement

Moved: Malcolm Inglis; Seconded: Wendie Harvey

24. 21(85) Costing and Funding the Organisation Update

The Board advised that it was pleased the organisation was continuing to operate within the fiscal envelope set by the Board. It asked whether the spending constraints were creating risks for the organisation. Management advised that there were risks if the organisation did not complete the implementation of the Fire and Emergency New Zealand Act. Pay restraint generated savings but posed risks. There was also criticism of the lack of investment in additional firefighters and equipment.

The Board asked about the status of the funding review being conducted by the Department of Internal Affairs (DIA). It was advised that DIA was about to begin a second round of stakeholder engagement and consultation. It was aiming to produce a first exposure draft early in the New Year.

The Board thanked management for its good work.

Resolved

That the Board

1. **notes** the amended costing of the new organisation outlined in this paper;
2. **notes** that savings achieved in the 2020/21 year are \$8.1 million;
3. **notes** that savings required in 2021/22, 2022/23 and 2023/24 are a total of \$7.3 million; and
4. **notes** that this work is undertaken to ensure that costs remain within the fiscal envelope of \$617.2m (being the funding envelope provided by the current levy and approved by the Board)

25. 21(86) Audit and Risk Committee Report Back

The Board was advised, in accordance with the new protocols agreed by the Board, that an additional high-rated risk had been added to the risk register.

The Board was advised that the Committee had received a presentation on the Future Capital Requirements of the organisation, an area that was expected to be the subject of continuing Committee attention. The Committee had signalled its intention to revisit the topic on a regular basis, possibly every six months.

The Board was advised that the Committee had reviewed the Audit New Zealand fee for the annual audit and the responses to the Audit New Zealand Fraud Questionnaires.

Resolved

That the Board:

1. **notes** the report of the meeting held on 14 June 2020
2. **notes** the appended draft minutes
3. **approves** the signing of the Audit New Zealand Engagement Letter and the Audit Proposal Letter (Audit Fee) for the year ended 30 June 2021
4. **approves** the revised draft responses to the Audit New Zealand Fraud Questionnaires; and
5. **notes** that one additional high-rated risk has been added to the risk register

Moved: Malcolm Inglis; Seconded: Te Aroha Cook

26. 21(87) Minutes of 30 April Safety, Health and Wellbeing Committee

The minutes of the 30 April Safety, Health and Wellbeing Committee meeting were ratified.

Resolved

That the Board:

1. **ratifies** the minutes of the 30 April Safety, Health, and Wellbeing Committee

Moved: Rebecca Keoghan; Seconded: Wendie Harvey

27. 21(88) General Business

Rebecca Keoghan advised that she would attend the 7 August opening of the Athol Fire Station; Malcolm Inglis advised that he would attend the 7 August 50 years' service presentations in Whanganui.

The July Board meeting was changed from a virtual to an in-person meeting and the August meeting from an in-person to a virtual meeting. The proposed August visit to the National Training Centre in Rotorua was deferred until the two Board vacancies were filled.

The Board Chair and departing Board member were thanked by their colleagues for their contributions to the establishment of Fire and Emergency and the personal contributions they had made to the Board.

There being no further business the meeting closed at 1.30pm.

Rebecca Keoghan
Deputy Chair (as at 25 June 2021)

25 June 2021

Released under the Official Information Act 1982



Board Minutes

BOARD MEETING

Date: Friday, 27 March 2020

Time: 9.30am – 2pm

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
Kerry Gregory	Deputy Chief Executive Service Delivery
Russell Wood	Deputy Chief Executive Organisational Strategy and Capability Development
Darryl Purdy	Deputy Chief Executive Finance and Business Operations
Brendan Nally	Deputy Chief Executive People
Janine McLees	Director Integration
Amelia Dalley and Nick Venter	Secretariat

The meeting was opened at 9.32am with comments from the Chair and noting this is the first Board meeting held over video conference and outlined the structure of the meeting.

Rhys Jones noted the advice that had been received by the GCSB on using Zoom and the Board noted that further work would need to be undertaken to confirm a platform for Board videoconferences.

The Board noted that the agenda had been amended and new papers had been uploaded to Diligent just prior to the meeting.

1. 20(016) Board Members Register of Interest

Members updated the Register of Interest with the following:

Rebecca Keoghan declared the following interest:

- Chair - Tai Poutini Polytechnic

Rebecca Keoghan removed the following interest:

- Advisory Board Member - Buller Water Pipeline Project

2. 20(017) Confirmation of minutes

The minutes of the meeting held on 28 February 2020 were approved as a true and accurate record of the meeting.

Moved: Paul Swain; Seconded: Rebecca Keoghan

Action Log updates

Raewyn Bleakley provided an update on the actions and advised that many of the actions will be complete by the end of the meeting.

3. 20(018) Chief Executive's report

Rhys Jones presented the Chief Executive's report to the Board and noted that since the report had been prepared the response to COVID-19 had significantly changed. The Board was advised that Fire and Emergency is working to ensure support to the public is as uninterrupted as possible while government restrictions are in place to manage the spread of COVID-19.

The Board was advised of the significant work occurring across government to advise on and support the COVID-19 response, which is being led by other agencies. It was noted that Fire and Emergency is connected to this work through its key partners and that there is significant pace to the work. The Board was advised that we have been working to ensure firefighters have the same access to personal protective equipment and information on households that may be isolating as health workers, due to the work they do responding to the public and medical calls.

The Board was taken through the diagram of the structures that have been set up within Fire and Emergency to manage the response to COVID-19, and the role of the groups established. Fire and Emergency is not treating the response as an emergency, but focused on ensuring it can maintain operational capability.

Fire and Emergency has sought external legal advice on its risk profile and its response and is ensuring it is seeking legal advice as it makes decisions and considers Fire and Emergency's response to COVID-19. This work is ongoing and once it has matured will be provided to the Board. Fire and Emergency is carefully documenting its decision making, as advised by external lawyers and Central Agencies.

Kerry Gregory updated the Board on the Service Delivery Branch work to respond to COVID-19. There are two priorities, protect our people to protect the public. The bulk of the planning is to consider how Fire and Emergency can continue operational response if capacity is lost due to the

pandemic. Mechanisms have been put in place to limit potential spread of COVID-19 among our operational personnel. Work is underway to consider how composite stations need to operate during the pandemic.

Further work is underway to look across New Zealand and the spread and capability of our brigades and how we would need to address the loss of capacity in particular areas. Part of this work involves working with Unions to address any contractual arrangements that may need to be adjusted to ensure operational capacity. NZPFU has shown willingness to support this in the context of the COVID-19 response.

The Board was advised that the communications to personnel on COVID-19 now has an agreed daily schedule and was adjusted as a result of feedback received. These are coordinated through the National Engagement and Communications Manager. The unions and associations are connected through the Regional COVID-19 Groups.

Brendan Nally advised the Board that Fire and Emergency was made aware of firefighters facing accommodation issues due to their roles as essential services providers. Work has been underway to resolve and support personnel to find alternative accommodation and almost all cases have been resolved.

The Board was updated on how the People Branch is supporting the response to COVID-19. All training has been ceased, which means trainers can be released to bolster capacity if required. Safety, Health and Wellbeing resources have been increased and significant focus is being placed on the psychological wellbeing of our people. The National Medical Officer is now almost full time providing advice to Fire and Emergency. The Payroll function has additional resources and steps have been taken to ensure this critical function can continue to operate.

The Board asked what the impact is of having personnel over 70 years of age and vulnerable people not on active duty due to COVID-19. Management confirmed that personnel over 70 years of age are not being permitted to respond operationally due to the increased risk from COVID-19 for this age group. This is not having an impact operationally as only a small proportion of our personnel fall into this age bracket. Regions and Areas are undertaking work to assess cover should brigades not be able to operate due to pandemic and options are being developed to address the risks identified.

The Board noted it should consider what it needs to have in place should the Board be unable to act and agreed to raise this later in the meeting.

The Board noted the work on securing accommodation for our personnel where needed and asked whether we have options for personnel should groups need to self-isolate. Management confirmed that accommodation has not been difficult to secure and offers are coming through and there is a team working on this to ensure we have access to emergency accommodation.

The Board asked what impact the Government decision making is having on our ability to make operational decisions. Management confirmed that Fire and Emergency maintains its operational autonomy but is required to follow Government policy. It has been important for Fire and Emergency to be connected to Government policy work to ensure our voice and our operational needs are considered as part of that process. Further to this, Fire and Emergency is working with

agencies to ensure we are prepared to manage any other large incidents that may occur during the pandemic.

The Board acknowledged the good work being done by management and the organisation and noted the message from the Board was designed to reinforce the Board's support.

Kerry Gregory left the meeting at 10.44am

4. 20(019) Financial Matters related to Covid19 (including Levy Management)

Darryl Purdy gave a PowerPoint presentation on the work undertaken to understand the financial impacts of the COVID-19 pandemic. To date the focus has been on the next three months and work on longer-term implications will commence over the next few weeks. The pandemic situation has been evolving quickly and some assumptions that were made were already out of date.

The Board expressed support for the work undertaken and was appreciative of the comprehensive update provided.

The Board discussed the potential impact COVID-19 will have on the levy revenue and also the potential impacts it will have on Fire and Emergency expenditure. The Board was advised the impacts of COVID-19 may last for a number of years.

The Board discussed mechanisms that Fire and Emergency may consider to support New Zealand's recovery from COVID-19, including a shift to payments being made weekly by the Accounts Payable team and ways in which levy payments are made. The Board also noted that there is likely to be deferred capital expenditure that will need to be addressed.

Management advised it will engage with broader government work on the issues discussed today and noting the Board's views and part of those conversations will include the speed of the drawdown and possibility of deferring the Crown capital repayment, which is not factored into the forecast provided to the Board.

5. 20(020) Financial position

The Board noted the financial position and was advised that it remains positive but noted it will change due to COVID-19.

6. 20(021) Budget 2020/21 Update Paper

A paper updating the Board on progress on setting the budget for 2020/21 and out years was presented. It was noted that this will need to be reviewed in light over COVID-19 and the potential impacts on the next financial year and this remains connected to the work being done on the Statement of Performance Expectations.

The Board noted that update provided to Treasury as part of normal reporting and clarified that if there is significant variation to the reporting provided to the Board then it should be discussed with the Board prior to submission. Malcolm Inglis offered to work with management to determine the threshold.

Actions

- Malcolm Inglis to work with management to determine the threshold for report Budget variations to the Board.

Resolved

That the Board:

1. **noted** the Budget 2020/21 Update Paper

7. 20(022) Estimating the Cost of the New Organisation

A paper setting out the process by which Fire and Emergency will assess whether the organisational structure and resourcing is adequate to fulfil its statutory functions was presented.

The Board noted that this work should have a mechanism for reviewing and testing the information being inputted. The Board was advised that the work of business units managers would be reviewed by finance and management, both of which were aware there was a financial envelope that needed to be worked within.

Resolved

That the Board:

1. **agreed** that Fire and Emergency NZ should undertake the assessment of legislative requirements as proposed in this paper, with the amended process, and report back at the next Board meeting at the end of May 2020.

Moved: Malcolm Inglis, Seconded Te Aroha Cook

8. 20(023) UFBA Additional Funding Request 2019/20

Board approval was sought to help the United Fire Brigades' Association to bring in house its accounting function.

Resolved:

That the Board:

1. **approved** the UFBA's funding request for funding for the cost of the new in-house accountant pro rata for nine months

Moved: Gwen Tepania-Palmer; Seconded: Te Aroha Cook

9. 20(024) Fees determined by the Board

The Board was presented with a paper assessing whether the sums paid by way of remuneration to independent people appointed to various committee and governance roles was consistent with the revised Cabinet Fees Framework.

Resolved:

That the Board:

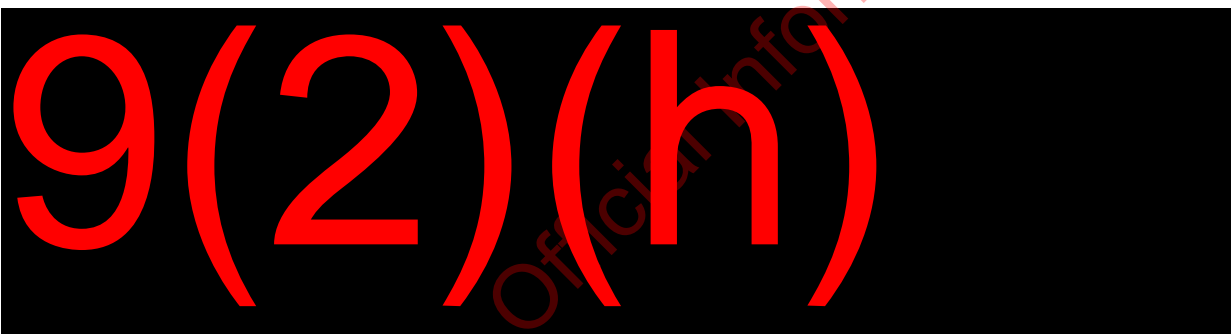
1. **noted** that the Framework was revised with effect from 17 June 2019;

2. **noted** that the current remuneration for members of local advisory committees and the Board's nominee directors of FSTL is consistent with the Framework;
3. **noted** that the current remuneration for the independent external member of the Board's Audit and Risk Committee, Peter Taylor, is likely to be consistent with the Framework, but that information is required from Mr Taylor in order to confirm that; and
4. **requested** that the Chair of the Audit and Risk Committee asks Mr Taylor to advise how much time he typically devotes to the activities associated with each Audit and Risk Committee meeting, and to provide that information to the Chief Executive so that his remuneration can be reviewed against the Framework.

Moved Te Aroha Cook; Seconded: Wendie Harvey

10. 20(025) Health and Safety Refresher for the Board

Minter EllisonRuddWatts Dispute Resolution and Litigation Partner Stacey Shortall, MinterEllisonRuddWatts Senior Associate Molly Powers and Chief Legal Advisor Sid Wellik joined the meeting to provide Board members with a refresher on their responsibilities as directors of an organisation under the Health and Safety Act.



11. 20(026) Independent Health and Safety Review

The Board noted the paper as read and there were no concerns with adopting Option A, noting that Option B could be implemented at a later date.

The Board asked whether there would be any impact on timeframes from COVID-19, noting for example, that Option A includes workshops. The Board was advised the work could continue and noted the importance of Health and Safety in the organisation.

Resolved

That the Board:

1. **noted** the content of draft proposal
2. **advised** whether there is any further content regarding its background, scope or objectives that should be included in the draft proposal
3. **decided** to progress with Option A as proposed in the paper

Moved: Malcolm Inglis; Seconded: Gwen Tepania-Palmer

Sid Wellik, Molly Powers and Stacey Shortall left the meeting at 1.21pm

Te Aroha Cook returned to the meeting at approximately 1.21pm

12. 20(027) Safety, Health and Wellbeing Monthly Update

Brendan Nally advised the Board that there was one notifiable event reported to WorkSafe during the reporting period. The event involved a trainee firefighter losing consciousness for a short time during live fire training while wearing Breathing Apparatus. As a result of the incident, and two other recent incidents, live fire training had been halted until further notice.

The Board was informed that ACC has introduced a new exposure tool that allows ACC to make more informed cover decisions about firefighters.

Eight psychological workshops have been postponed due to the travel restrictions imposed because of the COVID-19 virus. This makes it unlikely the Statement of Performance Expectation Measure will be met. Once updated travel restriction advice has been provided decisions will be made about the remaining 35 workshops scheduled for April, May and June.

The Board discussed the need to continue the work to identify the top risks to the organisation despite the disruption to business as usual work caused by COVID-19. Management provided assurance that this work will be progressed.

The Board was advised that training has been halted during COVID-19 Alert Level 4. The Board sought, and was provided assurance, that the training team is working with the Service Delivery branch to ensure that the safety of firefighters is not compromised. Management noted that four weeks will not impact but that consideration is being given to how it might impact operations further down the track, or if the Level 4 alert continues longer.

The Board was advised that live fire training has been suspended pending a review of all incidents.

Resolved

That the Board:

1. **noted** the monthly report
2. **noted** one notifiable event was reported to WorkSafe
3. **noted** four out of five cancer claims managed by Fire and Emergency's Injury Management Unit (IMU) have now been accepted for cover by ACC

13. 20(028) LAC Update

Janine McLees advised the Board that 30 of 98 interviews with prospective Local Advisory Committee members were conducted before COVID-19 related travel restrictions were put in place and that there are sufficient high quality candidates to appoint the first three committees. Interviews with remaining candidates are continuing remotely.

The Board requested weekly updates on numbers of candidates shortlisted and potential appointees identified. Management undertook to work with Gwen Tepania-Palmer to provide these.

Actions

- Provide weekly updates to the Board on the progress of the LAC appointments.

Resolved

That the Board:

1. **noted** the report.

14. 20(029) General Business

Raewyn Bleakley advised that key messages have been entered into the resource centre. The Board requested that key messages on COVID-19 be added along with the Board statement of support that was provided to all staff. Management agreed to add this.

Actions

- Add COVID-19 messages to the key messages in the resource centre.
- Email Board to update on conversations with DIA regarding Statement of Performance Expectations.

15. 20(030) PCBU Update: Overlapping Duties Project Review

The Board noted the 18-month delay identified by the reviewers.

Resolved

That the Board:

1. **noted** that an independent review of the project has been completed and that Fire and Emergency is now considering its response to the draft report and the proposed considerations and recommendations.
2. **noted** that Fire and Emergency will update the Board further with the Report once it has been finalized and accepted in its full form and an action plan has been developed.

16. 20(031) Positive Workplace Culture Programme – 6 monthly report

Resolved

That the Board:

1. **noted** the 6-month Progress Report of the Positive Workplace Culture Programme
2. **noted** that the Progress Report will be made available to the public on Thursday, 2 April 2020
3. **noted** that a Ministerial briefing will be provided to the Minister of Internal Affairs immediately following the Board meeting, and prior to release of the Progress Report.

17. 20(032) Strategic Asset Management Plan

Resolved

That the Board:

1. **noted** the Strategic Asset Management Plan
2. **noted** that the SAMP has been received and reviewed by the Finance and Investment Committee at its December 2019 meeting.

18. 20(033) Draft 2020-2024 Statement of Intent and 2020/21 Statement of Performance Expectations

The Board noted its approval of the proposed output classes.

Resolved

That the Board:

1. **reviewed** the attached draft SOI and SPE and provide feedback.
2. **approved** the proposed output classes and sub-classes (outlined in Table 1) endorsed by the Executive Leadership Team (ELT) and the Service Delivery Leadership Team (SDLT) on 24 February 2020.
3. **reviewed** the proposed definition of a unified organisation and provide feedback.
4. **noted** the timeline for SOI and SPE review and approval processes.

19. 20(034) Board Conflicts of Interest Policy and Declaration Form

Resolved

That the Board:

1. **considered** the content of this paper.
2. **approved** the proposed policy and declaration form.

Moved: Rebecca Keoghane; Seconded: Paul Swain

20. 20(035) IL4 Building Status Approach

Resolved

That the Board:

1. **noted** the content of this paper, which reflects advice from Fire and Emergency's Property and Legal Teams;
2. **considered** whether the Board wishes management to undertake further work to develop a case to differentiate our property portfolio based on priority of continued post-disaster operational functions, as a means to promote adjusted building importance levels.

21. 20(036) 2Board Strategy Workshop (February 2020) Outputs for Noting

Resolved

That the Board:

1. **noted** the contents of this summary and provide and further feedback or direction as appropriate

Meeting closed 2pm. The Board then held a Board only session followed by a session with the Chief Executive.

Signed as a true and accurate record.

Paul Swain
Chair

27 March 2020

Released under the Official Information Act 1982



Board Minutes

BOARD MEETING

Date: Friday, 31 July 2020

Time: 8:30am to 2.25pm

Venue: Matawai and Avalon Meeting Rooms, Level 12, National Headquarters, Wellington

Present:

Hon Paul Swain	Chair
Rebecca Keoghan	Deputy Chair
Te Aroha Cook (until 1.30pm)	Member
Wendie Harvey	Member
Malcolm Inglis	Member
Gwen Tepania-Palmer	Member

In Attendance:

Rhys Jones	Chief Executive
Kerry Gregory (until 2pm)	Deputy Chief Executive Service Delivery
Raewyn Bleakley	Deputy Chief Executive Office of the Chief Executive
Russell Wood (from 10.20am-12.35pm)	Deputy Chief Executive Organisational Strategy and Capability Development
Darryl Purdy (from 10.20am-2.15pm)	Deputy Chief Executive Finance and Business Operations
Brendan Nally (until 2pm)	Deputy Chief Executive People
John Page	BoardWorks International
Elizabeth Church (from 1.20pm-2pm)	National Manager Workplace Culture and Change
Brent Mikaera (from 1.20pm-2pm)	Interim Director Behaviour and Conduct Office
Nick Venter	Secretariat

The Board held a closed Board session from 8.30am to 9.10 and met with the Chief Executive in a closed session until 9.30am. It then met in closed session with the Chief Executive, and the Deputy Chief Executives of the Office of the Chief Executive, Service Delivery and People until 10.15am.

1. 20(101) Interests register and conflicts of interest

Members updated the Register of Interest with the following:

Rebecca Keoghan declared the following interest:

- Trustee - Glen Elgin Trust

2. 20(102) Confirmation of the minutes of the previous meeting

The minutes of the meeting held on 26 June 2020 were approved as a true and accurate record of the meeting.

Moved: Rebecca Keoghan; Seconded: Wendie Harvey

3. 20(103) Action items from last meeting

The Board noted good progress on the actions and that completed items would be removed from the action log.

4. 20(104) Chief Executive's report

Russell Wood and Darryl Purdy joined the meeting.

Rhys Jones advised the Board that as Chair of the Australasian Fire and Emergency Service Authorities Council (AFAC)'s research committee he had been nominated to be AFAC's representative on the board of the Bushfire and Natural Hazards Co-operative Research Centre. The Board congratulated him on being asked to take on an important role that would benefit Fire and Emergency.

The Board expressed frustration that differences between the participants in the All of Government insurance cluster, of which Fire and Emergency is a member, had not been resolved collegially. Management advised that it would proceed on a professional basis to find the best solution for Fire and Emergency. Consideration was being given to making a formal complaint to the Ministry of Business, Innovation and Employment.

The Board expressed support for the approach being taken to build better, more collaborative relationships with natural sector partners including the forestry sector. It asked about timeframes and what visibility it would have of the process. The ELT governance group overseeing the project undertook to report back to the Board on progress at either its August or September meeting.

The Board asked how it would be updated on the work of the newly-established Investment and Portfolio Directorate. Management undertook to include updates in the Quarterly Dashboard being prepared for the Board.

The Board sought an update on the development of compliance and enforcement policy and procedures. Management advised that legislative changes meant a higher level of evidence was now required than under previous legislation. Timelines would be established once the new compliance and enforcement function planning was further advanced. Successful prosecutions would not result in Fire and Emergency recovering any costs as fines are remitted to Central Government, but there needed to be a consequence for reckless use of fire to discourage poor behaviour. The Board noted the importance of having quality data about infringements and changes under the new legislation when the Fire and Emergency Act came up for review.

Actions

- The ELT governance group overseeing the project to improve relationships with natural sector partners to report on progress to the Board at its August or September meeting

5. 20(105) Financial Position – 2019/20 Interim End of Year Financial Result

Management advised the Board that the \$17.2 million surplus for the year was almost \$11 million higher than budget due to higher than expected levy receipts, with only the June payment impacted by COVID-19. The Board congratulated management on a good result, but noted it would be important to explain that the result did not reflect the impact COVID-19 was now having on revenue. Management said that explanation would be provided in the Annual Report.

The Board was advised that Audit New Zealand might include an Emphasis of Matter (EoM) paragraph in the audit report to draw users' attention to the increased uncertainty and the judgements in the financial statements due to COVID-19.

6. 20(106) COVID-19 Financial Update

Management advised that it would begin implementing savings to counter the impact of COVID-19 on revenue from 1 August. The savings were aligned to Treasury's mid-case estimate of the impact of COVID-19 on the economy. Once August levy receipts were received on 15 August, cash flow forecasts would be substantially refreshed and reported to the Board at its next meeting.

Confirmation had been received from the Department of Internal Affairs that Fire and Emergency could seek approval from the Ministers of Internal Affairs and Finance for the final instalment of the \$19 million drawdown of the Crown funding capital injection. That was because the application was a technical matter relating to a decision that had already been made and was, therefore, not affected by the general election. The outcome of the application was not yet known.

The Board asked about the impact of reducing the ICT budget by five per cent to save \$2 million. It was advised that about half of the savings could be achieved by better aligning licensing agreements with actual usage. The other savings could be achieved without causing major disruption or compromising quality of service.

The Chair advised that the Board was working with the Chief Executive to identify savings that could be made to the Board's costs.

Resolved

That the Board:

1. **note** the COVID-19 July financial update.

7. 20(107) Safety, Health and Wellbeing Monthly Update

The Board was advised that ELT had provided feedback on the Critical Risk Review being conducted by Van Schaik Consulting and the Board would continue to be updated monthly on progress. Rather than settle on a maximum number of critical risks, it had been decided to identify the critical risks

faced by the organisation. Accordingly, the original 10 critical risks had been increased to 13 to take account of noise and electricity and COVID-19.

Safety, Health and Wellbeing Committee Chair Wendie Harvey advised the Board that the quality of information being provided to the Committee was improving from meeting to meeting and that members had welcomed the clear explanation provided at the last meeting of the Level One, Level Two and proposed Level Three investigation processes. It had also appreciated the opportunity to hear from DCE Service Delivery Kerry Gregory about the way crews attending the Cornish Point fire in November 2019 had assessed risk at the scene of the fire after an explosion was reported to ComCen.

Brendan Nally undertook to provide a copy of Van Schaik Consulting's updated Critical Risk Review to members of the Safety, Health and Wellbeing Committee.

The Board acknowledged the work done to improve the quality of information provided to the Safety, Health and Wellbeing Committee.

Action

- Brendan Nally to provide a copy of Van Schaik Consulting's updated Critical Risk Review to members of the Safety, Health and Wellbeing Committee

Resolved

That the Board:

2. **note** the Safety, Health and Wellbeing monthly report,
3. **note** that no notifiable events occurred; and
4. **note** that Erin Tahau was a finalist in the Health and Safety Representative of the Year Awards.

8. 20(108) Interim Costing of the New Organisation

The Board was advised that the first cut at establishing the baseline cost of running the organisation had identified a gap between what the organisation was currently doing within the \$617 million funding envelope provided by the current levy and what it was legislatively required to do. Excluding making provision for additional firefighters, the cost of closing that gap had been identified at \$19 million.

The Board commended management on the work, saying it reflected the increasing maturity of ELT. It took reassurance from the fact management was taking ownership of the gap. It was also pleased the full ELT was present for the discussion with the Board.

The Board reiterated the importance of keeping expenditure within the \$617 million funding envelope and said it would like to see all areas of expenditure, as well as strategy, reviewed. Management assured the Board that a robust debate was occurring within the organisation and that there were no areas of expenditure off limits.

Management was looking for efficiencies that generated cost reductions as well as response efficiencies. Other important considerations would be exploring new ways of meeting the organisation's legislative obligations and educating the public about what was needed to keep them safe.

Management advised that proposed increases to firefighter minimum shift staffing levels had been paused, pending the outcome of further work. Expected savings in overtime costs had not materialised from increases to date. Existing levels were close to establishment.

The Board would be updated on the work each month and presented with the next substantive paper in October.

Action

- The Board to be updated on the work being done to cost the new organisation at its August and September meetings and presented with a substantive paper in October

Resolved

That the Board:

1. **note** the interim costing of the new organisation outlined in this paper and that work is continuing to ensure that costs remain within the fiscal envelope of \$617.2m (being the funding envelope provided by the current levy and approved by the Board); and
2. **consider** whether to reschedule other capital projects now in response to the capital injection of \$50m for "shovel-ready" property projects, or to wait for 12-24 months until the impacts of COVID-19 are clear.

9. 20(109) Organisational Performance Reporting

The Board discussed the draft of the monthly automated dashboard, quarterly organisational performance report and proposed areas of focus for inclusion in future Board strategy sessions. Management was commended on the speed with which the data had been provided and its honesty in admitting it was still being a work in progress. The Board expressed a desire for updates on the Māori Outcomes Framework to be integrated in the quarterly report. Generally, it said reporting against Board strategic priorities should be by exception.

It was agreed that the DCE Organisational Strategy and Capability Development would work with Rebecca Keoghan to refine the reporting dashboards.

Actions

- Russell Wood to work with Rebecca Keoghan to refine the proposed reporting dashboards

Resolved

That the Board:

1. **provide** feedback on the monthly automated Board dashboard,
2. **provide** feedback on the draft quarterly organisational performance reporting (non-automated),

3. **note** that the draft organisational performance reporting is manual in nature, and derived from data held within various parts of the business,
4. **provide** feedback on the proposed areas of focus for future quarterly Board discussions; and
5. **note** performance reporting continues to be a work in progress, with future work planned to further enhance the completeness and validity of this reporting.

10. 20(110) Safety, Health and Wellbeing Committee report back

The Committee's report was noted, having already been discussed during consideration of the monthly Safety, Health and Wellbeing update.

20(111) Audit and Risk Committee report back

The Committee Chair thanked management for helping to establish the terms of reference for the review of Fire and Emergency's assurance function.

The Board was advised that clarification was being sought about whether restructuring risks identified in the Internal Audit Activity report were actual or potential risks.

The Board was asked whether it wanted to continue to see the detail of the risk register or whether it would be happy for the Committee to review it and for the register to be made available through the Resource Centre.

It was agreed that in future the register would be placed in the Resource Centre and that additional high risks would be reported to the Board via the Committee's report back.

Action

- Place the risk register in the Resource Centre and update the Board about additional risks in the Audit and Risk Committee's report backs to the Board

That the Board:

1. **note** the contents of the Risk Management paper (Appendix B) and
2. **note** the contents of the COVID-19 Risk paper (Appendix C).

Russell Wood left the meeting

11. 20(112) Unified Uniform Project Approval

The Board was advised that the three objectives of the project were to promote firefighter safety, support unification and produce comfortable, contemporary garments that personnel would want to wear. For the first time jackets were being produced with male and female cuts.

The Board discussed the proposed colour change from indigo to Paris blue which would be referred to as Fire and Emergency blue/black. It was advised that proceeding with the switch to indigo blue announced the previous year would add at least an additional \$720,000 to the cost and introduce an element of risk to the project because it was a non-standard, special dyed colour.

Management advised that some rural personnel may still be opposed to Paris blue, the colour of the old New Zealand Fire Service uniforms, but, opposition was diminishing over time and it would be another 12 months before the uniforms were rolled out.

Following the discussion, the Board endorsed Paris blue as the colour of the new uniform.

Resolved

That the Board:

1. **approve** the proposed Unification and Safety approach for the Unified Uniform Project,
2. **approve** a stage-gate process, whereby each of the remaining three stages of the project is brought to the Board for approval after being endorsed by the Investment Panel and ELT,
3. **note** the whole-of-life operating cost of the project is \$23.9 million; and
4. **note** a final decision on the core colour, either Paris blue or indigo blue, will be made by the Chief Executive by December 2020. In the interim, the project will proceed on the basis that Paris blue will be used and the new uniform colour will be referred to as Fire and Emergency New Zealand blue/black

Moved: Te Aroha Cook; Seconded: Paul Swain

12. 20(113) Behaviour and Conduct Office Update

Elizabeth Church and Brent Mikaera joined the meeting

The Board was updated on progress towards establishing the Behaviour and Conduct Office (BCO). Members asked if sufficient resources were available to establish the office. Brent Mikaera outlined the linkage of the BCO to the Coral Shaw review and our strategic priorities. It was noted that Fire and Emergency's values are at the heart of the BCO and that the BCO has a central role in embedding the values in our organisation. The timeline and engagement process for development was discussed. Brent Mikaera advised that the development work was well supported.

Resolved

That the Board:

1. **note** the key indications from the recent BCO online engagement; and
2. **note** the next steps in setting up the BCO.

Kerry Gregory, Brendan Nally, Elizabeth Church and Brent Mikaera left the meeting

13. 20(114) Appointment of an Acting Chief Executive

The Board discussed the different options for appointing an Acting Chief Executive in the event of the Chief Executive taking planned leave, or unexpectedly being incapacitated. It concluded that it did not need to be involved in appointing an Acting Chief Executive when the Chief Executive took planned leave, other than the Chair being informed of the appointment. In the event of the Chief Executive becoming unexpectedly incapacitated, it concluded that the DCE Office of the Chief Executive should act as Chief Executive until the Board could appoint an Acting Chief Executive.

Resolved

That the Board:

1. **agree** that that either the Board or the Chief Executive appoint an Acting Chief Executive, depending on the circumstances
 - i) in the event of the Chief Executive taking approved leave, the Chief Executive appoint an Acting Chief Executive and advise the Board Chair of the appointment
 - ii) in the event of the Chief Executive unexpectedly becoming unavailable, the Board appoint the Acting Chief Executive
 - 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
2. **approve** the development of a standing cascading process for the appointment of an Acting Chief Executive to be executed specifically to address unexpected emergency circumstances; and
3. **approve** the drafting of at all necessary Instruments of Acting Appointment to implement the Board's decisions.

Moved: Paul Swain; Seconded: Wendie Harvey

Darryl Purdy left the meeting

14. 20(115) General Business

FireSuper Trustee Limited – Appointment of Director for Further Term

The Board agreed to appoint Angela Hauk-Willis as a director of FireSuper Trustee Limited for a further two-year term.

Resolved

That the Board:

1. **Appoint** Angela Hauk-Willis for a further 2-year term as a director of the Trustee Company, with effect from 1 August 2020 and subject to Ms Hauk-Willis' consent to appointment.
2. **Note** that the Chair will write to:
 - (a) Ms Hauk-Willis, asking her to indicate her consent to appointment for the further term and confirming that the conditions of appointment, including director remuneration, are otherwise unchanged; and
 - (b) the Chair of the Trustee Company board, advising of Ms Hauk-Willis' appointment for the further term.

Events

The Board discussed the calendar of upcoming events and resolved, in the light of the impact of COVID-19 on the organisation, to reduce Board representation at events requiring air travel.

There being no further business the meeting closed at 2.25pm.

Paul Swain
Chair

28 August 2020

Released under the Official Information Act 1982