



Board Minutes

BOARD MEETING

Date: Friday 25 March 2022

Time: 8:30am – 12.30pm

Venue: Zoom

Present:

Rebecca Keoghan	Chair
Malcolm Inglis	Deputy Chair
Wendie Harvey	Member
Mary-Anne Macleod	Member
Danny Tuato'o	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
Nick Venter	Secretariat

Apologies:

Gwen Tepania-Palmer

The Board met in closed session from 8.30am to 10.20am. The Board met with the Chief Executive and the Chief Executive-designate in Chief Executive-only time from 10.20am to 10.35am. The Chair declared the meeting open at 10.40am.

1. 22(026) Interests Register and Conflicts of Interest

There were no updates to the Register of Interests.

2. 22(027) Confirmation of the minutes of the previous meeting

The minutes of the meeting held on 25 March 2022 were confirmed as a true and accurate record of the meeting with the following amendment:

The removal of all the words after “next meeting” in the fourth paragraph of 22(030).

Moved: Rebecca Keoghan; Seconded: Wendie Harvey

3. 22(028) Action items from last meeting

The Board sought an update on item 362. Management advised that it was meeting shortly with the Department of Internal Affairs (DIA) about the policy work required to address the issues created by the current legal arrangements between Fire and Emergency and volunteer brigades and the timing of drafting letter required by action item 362 would be reconsidered after this meeting

4. 22(029) CE's Report

The Board was updated on bargaining with the New Zealand Professional Firefighters Union (NZPFU). It was also updated on the Employment Relations Authority's hearing of an NZPFU claim for firefighters working overtime on public holidays to be paid at two-and-a-quarter times the regular rate, rather than one-and-a-half times the rate as provided for in the Collective Employment Agreement. The authority was expected to take about a month to release its decision.

The Board sought a more detailed explanation of the designations "on hold" and "awaiting action" in the Behaviour and Conduct Office update. Management undertook to email definitions of the terms to Board members. The Board asked what steps were taken to manage the progress of cases and monitor the status of cases that were "on hold" or "awaiting action" to make sure cases were managed well.

Action

- Email to Board members definitions of the terms "on hold" and "awaiting action" used by the Behaviour and Conduct Office and explain how "on hold" and "awaiting action" cases are managed and monitored

5. 22(030) Safety, Health and Wellbeing Update

The Board was presented with the monthly Safety, Health and Wellbeing update for February 2022.

Management provided an update on the two additional notifiable events reported in March. The Board asked if the root causes of both events had been identified. Management advised that the cause of the incident at 9(2)(ba)(i)

and the cause of the Woolston Training Centre incident appeared to be human error. The investigation would consider whether proper safety procedures were followed before the Woolston incident.

The Board expressed concern that the investigation of the February incident in which a volunteer suffered a head injury had still not concluded.

The Board advised that it was equally concerned about the time taken to initiate corrective action following investigations. The report showed some corrective actions were more than a year overdue. It asked to be provided with the findings of the review of outstanding corrective actions and advice about how these matters were going to be addressed. It also requested a dedicated commentary on what actions had been taken to address outstanding corrective actions since the meeting at its next meeting, noting that the number of times those responsible for the corrective actions were being notified that they were overdue was evidence that the system was not working.

The Board thanked management for the list of open Level 1 and Level 2 investigations. It asked for the list to be refined for the next meeting.

The Board advised that the time taken to complete investigations after three finger injuries was too long and progress too slow. Management advised that the individual investigations had been closed out, but a Learning Team had been established to look for common causative factors and identify whether there were systemic issues that needed to be addressed. The Board asked to be updated on the team's findings.

Action

- Advise the Board on the findings of the review of outstanding corrective actions and how these matters are going to be addressed
- Provide a dedicated commentary on what actions have been taken to address outstanding corrective actions since March at the Board's next meeting
- Refine the list of open L1 and L2 investigations to show risk, trends and progress
- Update Board on the Learning Team's analysis of the commonality of the three finger injuries reported to the Board

Resolved

That the Board:

1. **notes** the Safety, Health and Wellbeing monthly report and dashboard
2. **notes** that one event was notified to WorkSafe in February; and
3. **notes** that two further notifiable events have occurred in March and been notified to WorkSafe

6. 22(031) Ashburton Fire Follow-Up

The Board was updated on the Incident Causation Analysis Method (ICAM) investigation of the Ashburton truck fire in March 2021. It was advised that the investigation had highlighted two systemic issues that needed to be addressed. They were frontline attitudes towards risk tolerance and reporting and the inadequate "cross-flow" of information between different systems within the organisation. A work programme had been initiated to identify and address organisational-wide improvements to systems and processes. The Board would be updated on progress at its next meeting in April and regularly thereafter.

The Board advised that it expected matters that could be addressed quickly to be addressed with urgency and that it required more than transactional updates on an action plan. It wanted to be able to understand and assess the effectiveness of the actions. To do so it needed to be informed what the impact of the actions would be and what members would see that was different as a result of the action plan.

It also asked for those involved in the incident to be thanked for the honesty with which they had reported what occurred. If the organisation wanted people to continue to speak up, they needed to be provided with reassurance and thanked for doing so.

Actions

- Provide regular progress reports to Board on work programme put in place to address findings of Ashburton reviews

- Include in April Ashburton work programme update, advice about actions already taken to address review findings
- Thank those involved in the Ashburton truck fire incident for the honest reporting of what occurred which had identified systemic challenges faced by the organisation

7. 22(032) Financial Report

The Board was provided with the February financial report and a recommendation that it approve the maintenance for a further two years of the \$10 million standby facility established in case of reduced revenue as a result of COVID-19.

The Board observed that, given the experience of the past two COVID-19 affected years, the capital expenditure forecast appeared optimistic.

Resolved

That the Board:

1. **approves** the maintenance of the \$10 million Standby Facility for a further two years

8. 22(033) SPE 2022/23 First Draft

The Board was provided with the first draft of the Statement of Performance Expectations 2022/23 (SPE).

The Board noted the importance of key initiatives to bring about culture change within the organisation. These included the Positive Workplace Culture programme and the establishment of the permanent Behaviour and Conduct Office to give effect to recommendations in Coral Shaw's review of workplace policies, procedures and practices to address bullying and harassment. They also included the work being done to address critical safety, health and wellbeing risks. It asked for these initiatives to be highlighted in the SPE.

Action

- Highlight in the SPE the Positive Workplace Culture programme, the work planned to build on the establishment of the permanent Behaviour and Conduct Office and the work being done to address critical safety, health and wellbeing risks

Resolved

That the Board:

1. **notes** management will incorporate any Board feedback into the second draft, which it will review at the 29 April Board meeting prior to it being provided to the Minister for review
2. **notes** the timeframes for producing the SPE; and
3. **notes** that the final SPE will be provided to the Minister by 30 June 2022 and published on the Fire and Emergency website thereafter

9. 22(034) Monthly Automated Dashboard

The Board was provided with the monthly automated dashboard for February 2022 and an update on key projects within the Strategic Portfolio and the projects being funded by the COVID-19 Response and Recovery Fund (CRRF).

Management offered to provide an update on prioritisation at the next meeting. The Board accepted the offer.

The Board advised that it would be interested in seeing the analysis of the increasing trend in false alarm incidents. Management undertook to provide the analysis, noting that it was a complex issue. Up to 40 per cent of responses in larger population centres were false alarms, but not all were unwelcome. Fire and Emergency wanted to hear from people when they thought there was a risk to which firefighters should be alerted.

Actions

- Provide an update on prioritisation at the next meeting
- Provide the Board with the results of the analysis being undertaken into false alarm trends

10. 22(035) DRS – s35 Appeals Process

The Board was provided with an update on the arrangements for dealing with the appeals to the Board that are legislated for by section 35 of the Fire and Emergency New Zealand Act 2017.

The Board asked to be informed if any volunteers required to leave Fire and Emergency due to incapacity exercised their right to appeal the decision.

Action

- Build the Board's request to be notified of any appeals under section 35 of the Fire and Emergency New Zealand Act 2017 into section 35 processes

Resolved

That the Board:

1. **notes** the contents of this paper
2. **approves** the process for notices of appeal under section 35 of the Fire and Emergency New Zealand Act to be filed directly with the Scheme Administrator instead of the Board
3. **approves** the Scheme Administrator as a person to whom the Board may delegate its function under section 35(2) of the Fire and Emergency New Zealand Act
4. **approves** the delegation of the Board's function of accepting notices of appeal under section 35(2) of the Fire and Emergency New Zealand Act to the Scheme Administrator

Moved: Rebecca Keoghan; Seconded: Malcolm Inglis

5. **authorises** the Chair to sign the attached instrument on behalf of the Board to give effect to the delegation of the Board's function under section 35(2) of the Fire and Emergency New Zealand Act to the Scheme Administrator

Moved: Wendie Harvey; Seconded: Mary-Anne Macleod

11. 22(036) Unified Uniform Update

The Board was presented with a paper recommending that the Unified Uniform Project (UUP) be merged with the Business as Usual (BAU) retendering of the existing supply of uniform.

The Board noted that communications to firefighters were important and would need to be well-managed.

Resolved

That the Board:

1. **notes** the UUP was established in 2017 with the objective of implementing a shared sense of identity for Fire and Emergency personnel
2. **notes** that to date the project has overseen the national roll-out of soft-shell jackets and baseball caps
3. **notes** that in 2021 the UUP Sponsor Group commissioned a report from John Ivil (ex-Head of Government Procurement at Ministry of Business, Innovation and Employment) who recommended that UUP tenders be merged with the broader retendering of the uniform services
4. **approves** merging the UUP with the BAU retendering of the existing supply of uniform and closing the UUP
5. **approves** a change in approach from a national roll-out to a progressive roll-out of the Fire and Emergency uniform
6. **notes** that the substantial upfront costs required for a national roll out of a common Fire and Emergency uniform will no longer be required if recommendations 4 and 5 are approved; and
7. **notes** a communication plan to Fire and Emergency personnel and stakeholders will be prepared and implemented if recommendations 4 and 5 are approved

Moved: Rebecca Keoghan; Seconded: Danny Tuato'o

12. 22(037) Parnell Fire Station New Build – Delegated Financial Authority

The Board considered a recommendation that it delegate to the Chief Executive the authority to award and sign a construction contract for the proposed replacement Parnell Fire Station.

The Board asked where the Parnell crews would be based during the rebuild. Management advised that the crews would relocate to the Auckland Central Station for the rebuild which would not significantly impact response times, particularly in Auckland City.

The Board asked, in future, to be provided with an explanation of why less favourable options had been ruled out. Management advised that the options had been considered in the business case for the project. In future, they would be summarised in papers seeking Board approval for significant capital projects.

Resolved

That the Board:

1. **notes** the total indicative capex budget of \$11.640 million (excluding GST) which includes all construction costs, professional fees, consents fees and contingencies to date and to complete
2. **notes** Fire and Emergency is experiencing cost escalations (materials and labour) associated with the construction industry generally because of COVID-19 and, therefore, has provisioned a higher than normal contingency allocation of 20%
3. **notes** governance of the project will be provided by the Integrated Asset Governance Group; and
4. **delegates** authority to the Chief Executive to approve a total project budget of up to \$11.640 million (based on \$9.834 million plus a 20% contingency for cost escalations) and to award and sign the construction contract when ready

Moved: Rebecca Keoghan; Seconded: Malcolm Inglis

13. 22(038) Treaty Right of First Refusal Request: Te Korowai o Wainuiārua

The Board considered a recommendation that Fire and Emergency New Zealand commit to a right of first refusal (a Treaty redress mechanism) on land associated with three volunteer brigades in the Te Ūpoko Fire Region.

Resolved

That the Board:

1. **notes** Fire and Emergency has undertaken legal due diligence and Brigade consultation with respect to land associated with the Owhango, National Park, and Raetihi fire stations as part of a Treaty of Waitangi settlement and no issues have been identified
2. **notes** there remains a low risk of new information being identified with respect to land associated with Raetihi Fire Station
3. **notes** that, if agreed to, the commitment will then appear in the Te Korowai o Wainuiārua land settlement agreement in principle currently being prepared by Te Arawhiti (The Office of Treaty Settlements); and
4. **approves** the inclusion of land associated with Owhango Fire Station, National Park Fire Station, and Raetihi Fire Station in treaty negotiations between Te Korowai o Wainuiārua and Te Arawhiti

Moved: Rebecca Keoghan; Seconded: Danny Tuato'o

14. 22(039) Local Advisory Committees – COVID-19 vaccination requirements

The Board noted the progress of the development of a draft policy including that consultation had taken place with LAC members. Discussion of this paper was deferred to enable consideration to be given to the impact of recent changes to the Government's COVID-19 requirements.

15. 22(040) Behaviour and Conduct Office Escalation Protocol

The Board was provided with a recommendation that it approve an addition to the Board Governance Manual setting out how Behaviour and Conduct Office matters warranting Board attention will be escalated to the Board.

The Board asked for the terms of reference for the People and Culture Committee to be checked for consistency with the protocol for escalating Behaviour and Conduct Office matters to the Board.

Action

- Check that the protocol for escalating BCO matters to the Board aligns with the terms of reference for the People and Culture Committee

Resolved

That the Board:

1. **approves** an addition to the Board Governance Manual setting out how Behaviour and Conduct Office matters warranting Board attention will be escalated to the Board

Moved: Rebecca Keoghan; Seconded: Wendie Harvey

16. 22(041) Accommodation and Meals Contract Variations

The Board considered a recommendation that it approve and sign contract variations with the providers of meals and accommodation for students attending training courses at the National Training Centre in Rotorua.

The Board noted that the estimated value of the two contract extensions was based on running two recruit courses a year rather than four.

Resolved

That the Board:

1. **approves** the delegation to the Chief Executive to sign the two proposed contract variations for AAPC Properties and NZ Hotel CNI Management LP

Moved: Rebecca Keoghan; Seconded Danny Tuato'o

17. 22(042) FireSuper Correspondence

The Chair updated the Board on the recent meeting with the FireSuper trustees to discuss their request for approval in principle for changes to be made to FireSuper's investment offerings.

Management advised that while the FireSuper proposals seemed straightforward, multiple Acts and regulations were involved. The legal and financial ramifications would be assessed as quickly as possible.

The Board advised that it was keen to signal in principle support for the more straightforward FireSuper proposals, subject to assurance about the legislative, financial and employment relations implications of the proposed changes.

Resolved

That the Board:

1. **notes** the content of this paper
2. **agrees** to acknowledge receipt of FireSuper's letter and advise it that a more detailed response will be provided once the Board has had a chance to consider advice on its proposals; and
3. **approves** management undertaking further analysis of FireSuper's proposals and bringing them back to the Board for consideration

18. 22(043) Presentation on High-Level Assumptions That Will Inform Review of Service Delivery Guidelines

The presentation was deferred until the next meeting of the Board.

19. 22 (044) Audit and Risk Committee Report Back

The Board was provided with an update on the Audit and Risk Committee meeting held on 14 March 2022.

The Committee Chair briefed the Board on a levy matter that was discussed at the Committee's meeting.

Resolved

That the Board:

1. **notes** the report of the meeting held on 14 March 2022
2. **notes** the Committee has asked for the Board to be provided with regular updates on initiatives to address and reduce the increasing cost of career firefighter leave, sick leave, accident leave and return to work duties; and
3. **notes** that there are no new high-rated risks to report

20. 22 (045) General Business

The Chair thanked the outgoing Chief Executive for the massive contribution he had made to establishing the organisation and setting a clear pathway for the organisation to follow.

There being no further business, the meeting closed at 12.30pm.

Rebecca Keoghan
Chair

25 March 2022



Board Minutes

BOARD MEETING

Date: Friday 29 April 2022

Time: 8:30am – 2.00pm

Venue: NHQ and Zoom

Present:

Rebecca Keoghan	Chair
Malcolm Inglis	Deputy Chair
Wendie Harvey	Member
Mary-Anne Macleod	Member
Danny Tuato'o	Member

In Attendance:

Kerry Gregory	Chief Executive
Raewyn Bleakley	Deputy Chief Executive Office of the Chief Executive
Darryl Purdy	Deputy Chief Executive Finance and Business Operations
Russell Wood	Deputy Chief Executive Organisational Strategy and Capability Development
Tjene Tedeschi	Acting Deputy Chief Executive People
Nick Venter	Secretariat

Apologies:

Gwen Tepania-Palmer

The Board met in closed session from 8.30am to 9.15am. The Board met with the Chief Executive in Chief Executive-only time from 9.15am to 10.30am. The meeting commenced with a karakia at 10.40am.

1. 22(046) Interests Register and Conflicts of Interest

Danny Tuato'o advised that he was no longer a member of the Northland Regional Council Audit and Risk sub-committee.

2. 22(047) Confirmation of the minutes of the previous meeting

The minutes of the meeting held on 25 March 2022 were confirmed as a true and accurate record of the meeting with the following amendment:

The removal of all the words after "next meeting" in the fourth paragraph of 22(030).

Moved: Rebecca Keoghan; Seconded: Wendie Harvey

3. 22(048) Action items from last meeting

The Board was advised that a letter to the Minister setting out the issues created by the current legal arrangements with volunteer brigades had been commissioned.

Management updated the Board regarding an action from the previous meeting relating to the protocol for escalating Behaviour and Conduct Office matters to the Board. 9(2)(h)

The Board asked why the those involved in the Ashburton truck fire reviews had not yet been thanked for contributing to the reviews. Management advised that it was waiting for the reviews to be finalised so it could highlight the value that had been derived from their contributions.

4. 22(049) CE's Report

The Board was updated on the reviews of the Ashburton truck fire. Management advised that it intended to bring in external expertise to address systemic issues identified in the reviews. The Board expressed its support for the use of external expertise.

The Board advised that the wider recommendations arising from the reviews were relevant for the whole organisation and it expected to be regularly updated on how the health and safety issues identified in the reviews were being addressed. Management advised that the finalisation of the reviews was being coordinated and a communications plan was being developed for the announcement that external expertise would be used to address the issues identified.

The Board was updated on the long-term options for remediating the cracks found in the structure supporting the bodywork, including the lockers and body roof, of a number of MAN Type 3 fire trucks. In response to a question from the Board, management provided an assurance that there were no health and safety risks associated with the cracks. Affected trucks were being proactively maintained and repaired. Currently nine were out of service.

The Board was updated on discussions with the Department of Internal Affairs (DIA) about the timing of changes to Fire and Emergency's insurance-based funding model. The Board asked to be kept informed of discussions with DIA as well as discussions with Treasury about how to address the gap between forecast funding and the capital investment required to maintain existing levels of service. Management undertook to provide regular updates to the Board on both matters.

The Board thanked management for the insightful analysis of false alarm trends. It also acknowledged the success of the measures implemented to maintain the organisation's operational capability at a time when some other organisations had not been able to maintain their capability.

The Board asked how Fire and Emergency engaged with communities in the event of a fatality. Management advised that the Pou Takawenga Māori team engaged actively in that space and, more generally, Fire and Emergency was in the early stages of transitioning from an organisation that responded to incidents and returned to the station to an organisation that responded to incidents and connected affected members of the public with other agencies.

Behaviour and Conduct Office Update

Management was congratulated on the continuing evolution of Behaviour and Conduct Office reporting. The Board asked whether the just-announced Te Kawa Mataaho – Public Service Commission review of the progress made to address workplace culture and complaint handling practices would impact on the implementation of the actions arising from the KPMG review of the establishment of the Behaviour and Conduct Office. Management advised that it would discuss this matter and timeframes with the reviewer. The Board would be updated on the outcome of those discussions.

The Board asked if information was held about the numbers of personnel involved in complaints to the Behaviour and Conduct Office who had left the organisation before complaints had been resolved. Management undertook to advise the Board how many of those involved in cases currently before the Behaviour and Conduct Office had left the organisation.

Action

- Coordinate the finalisation of the Ashburton reviews and develop a communications plan linking to the announcement of the external expertise to deal with systemic issues identified in the health and safety area
- Advise the Board how many of those involved in complaints currently before the Behaviour and Conduct Office had left the organisation

5. 22(050) Safety, Health and Wellbeing Update

Tjene Tedeschi joined the meeting

The Board was presented with the quarterly Safety, Health and Wellbeing Update.

Management advised that work had begun to address the outstanding corrective actions arising from health and safety investigations. An update would be provided at the next Board meeting.

The Board queried the “low level of risk” designation applied to the majority of the injuries that had resulted in greater than seven days lost time. It asked whether injury hotspots were being identified. Management advised that it would report back to the Board about what was possible at its next meeting.

The Board expressed frustration at the delays in implementing the Critical Risk Management project. It was imperative it and the Overlapping Duties project were progressed. Management acknowledged the Board’s concern and undertook to provide a further update on the Critical Risk Management project.

The Board advised that it was still looking for more information about how safety, health and wellbeing data was being used to reduce the risk of injury. It also asked how Behaviour and Conduct Office data was being integrated in health and safety work. Management advised that steps were being taken to better coordinate the People and Service Delivery branches because that’s where the work needed to happen.

The Board asked to be informed of the implications for Fire and Emergency of developments in the Whakaari White Island case.

The Board instructed management to be careful about the language used in the SHW Update. Its concern about the slow rate of improvement of insights in the quarterly SHW dashboard was driven by its concern for the safety, health and wellbeing of the organisation’s people, not the Board’s due

diligence obligations. The Board discussed the information provided on lost time injuries. Management undertook to consider how lessons learned from lost time injury reporting were shared within the organisation.

Further information was provided about the organisation's response to the reviews of the Ashburton truck fire. Key themes from the Incident Cause Analysis Method (ICAM) had been analysed and work was underway to address the issues identified in the review.

Management advised that the information on closed investigations in the SHW dashboard and the accompanying graph was misaligned. The correct information was in the graph. The error was noted and apologised for by management.

Actions

- Report back to the Board about the options for identifying injury hotspots
- Provide a further update on the Critical Risk Management project
- Inform the Board of the implications for Fire and Emergency of developments in the Whakaari/White Island case

Incident and Level 2 Investigations

Resolved

That the Board:

1. **notes** the Incident Investigation quarterly report; and
2. **notes** there were three notifiable incidents reported to WorkSafe in this reporting period

Learning Review Outcome – Finger Injuries

The Board thanked management for the detailed update on the three recent finger injuries. It asked whether an engineering solution could eliminate future risk. Management advised that the remote control of pump operation could provide a solution in the future. In the meantime, the focus was on minimising risk by ensuring pressure gauges were used in combination with tactile monitoring. The Service Delivery and National Training Leadership teams would take responsibility for monitoring consistency of practice.

Resolved

That the Board:

1. **notes** that a learning team review of the three serious finger injuries has been completed
2. **notes** the cause of all three injuries was a delivery (hose) coupling released from an appliance pump with residual pressure in the delivery/hose
3. **notes** that no evidence of systemic issues between the events was found, rather, the risk of residual pressure appears to have been either underestimated or not understood
4. **notes** that the National Safety Notice No 007/2022, issued on 28 January 2022, will be updated to include the practice of checking pressure gauges **and** tactile monitoring to confirm there is no residual pressure in a delivery/hose
5. **notes** that the conclusions of the learning team review will be presented to the Service Delivery and National Training Leadership team who will take ownership of monitoring of consistency of practice in the use of both the pressure gauge and tactile monitoring during training or drills; and
6. **notes** that learning team reviews are a new practice for Fire and Emergency and a formal process outlining when and how these will be completed will now be formalised

Tjene Tedeschi departed the meeting

6. 22(051) Financial Report

The Board was provided with the March financial report. Management advised that levy revenue remained favourable to budget but had the potential to be variable. Personnel costs were unfavourable, due largely to the impact of COVID-19 on sick leave, call backs and overtime.

The Board asked about the impact on the organisation of the cancellation of 394 training courses due to COVID-19 travel restrictions. Management advised that the cancellations did not create operational or financial risk, but they did impact on the depth of skills within the organisation. Further advice could be provided.

The Board sought more information on the Service Delivery Tranche 2 vacancies discussed in the Financial Report. Management undertook to include an analysis of the impact of the vacancies in the July Financial Report.

The Board expressed its support for the release of \$3.6 million for the reintroduced fiscal opportunities programme.

Action

- Provide additional advice on the impact of the cancellation of 394 training courses due to COVID-19 restrictions
- Include an analysis of the impact of Service Delivery Tranche 2 vacancies in the July Financial Report

7. 22(052) Board Monthly Dashboard

The Board was provided with the monthly automated dashboard for March 2022 and an update on key projects within the Strategic Portfolio and the projects being funded by the COVID-19 Response and Recovery Fund (CRRF).

The Board sought additional information on “off plan” projects within the Strategic Portfolio. Management explained that COVID-19 was impacting on a number of projects. An update on the status of the Health Standards project would be provided.

Action

- Provide an update on the status of the Health Standards project

8. 22(053) Quarter Three Board Report to the Minister

The Board was presented with the draft Q3 Report to the Minister of Internal Affairs.

The Board asked for the role of Fire and Emergency crews at the parliamentary protest against vaccine mandates to be acknowledged in the report and for the organisation’s exploration of electric vehicle options to be added to the section on appliance procurement.

It advised that it would like an update on Local Advisory Committees (LAC) to be included in future reports to the Minister which management undertook to give effect to along with the Board’s other suggestions for the Q3 Report.

The Board asked how many applications were made to the Dr Sir John Te Ahikaiata Turei fund for funding to work more effectively with Māori communities. Management undertook to provide the requested information.

Actions

- Add a LAC update to the Q3 Board Report to the Minister
- Advise the Board how many applications were made to the Dr Sir John Te Ahikaiata Turei fund for funding to work more effectively with Māori communities

Resolved

That the Board:

1. **approves** the Q3 Board Report subject to incorporating Board feedback; and
2. **notes** that the final Q3 Board Report will be sent to the Minister's office by 10 May 2022

9. 22(054) Board Quarter Three Performance Review

The Board was provided with the Quarterly Performance Review for the third quarter of the 2021/22 financial year.

The Board discussed the longer response times for medical emergencies in Te Hiku and requested further information on regional differences in response times. It also asked what proportion of medical emergencies occurred in Te Hiku. Management undertook to provide the requested information.

The Board asked to be provided at its next meeting with more detail on the findings of the "Understanding the Volunteer Journey" research study.

Actions

- Provide a further update on the regional differences in response times to medical emergencies and advise what proportion of medical emergencies occur in Te Hiku
- Provide more detail on the findings of the "Understanding the Volunteer Journey" research study

Resolved

That the Board:

1. **notes** the attached reporting, outlining how the organisation has performed over Q3

10. 22(055) Draft LOE for the Minister

The Board was provided with the draft 2022/23 Minister's Letter of Expectations (LOE).

Resolved

That the Board:

1. **notes** the areas of focus in the 2022/23 Minister's LOE and provides feedback
2. **notes** that management has had an opportunity to review and comment on the LOE prior to tabling with the Board; and
3. **agrees** to management providing Board feedback to DIA, to assist in completing the 2022/23 LOE

11. 22(056) SPE 2022/23 Second Draft

The Board was provided with the second draft of the Statement of Performance Expectations (SPE) 2022/23.

The Board discussed proposed changes to SPE measures for the coming year. It suggested a change to the foreword of the report and asked for the meaning of “crew conversations” to be spelled out in the statement. Management advised that it would further refine the Positive Workplace Culture programme content in the SPE in light of the review announced that day of the progress made addressing workplace culture and complaint handling practices.

Action

- Spell out what is meant by crew conversations in the Statement of Performance Expectations

Resolved

That the Board:

1. **notes** we will provide the draft SPE to the Minister, Audit New Zealand and the Department of Internal Affairs on 29 April, along with any immediate Board feedback (as this is the same day as the Board meeting)
2. **notes** the timeframes for producing the SPE
3. **notes** that the final SPE will be provided for Board approval at the 23 June Board meeting, incorporating any Board feedback from the April meeting; and
4. **notes** that the final SPE will be provided to the Minister by 30 June 2022 and published on the Fire and Emergency website thereafter

12. 22(057) LAC Quarterly Reports

The Board was provided with an update on the performance and activity of Local Advisory Committees (LACs), including a short report from each LAC on its work programme, engagement and recent insights.

Resolved

That the Board:

1. **notes** the appointments of the Chair and Deputy Chair of Hawke’s Bay LAC and the Deputy Chair of the Tairāwhiti LAC
2. **notes** the ongoing impact of recent COVID-19 restrictions on LAC engagement; and
3. **notes** quarterly updates from the LACs

The Board was also updated on the consideration given to whether LAC members needed to be vaccinated to carry out their roles for Fire and Emergency. An earlier paper prepared for the March Board meeting had recommended that all LAC members be required to be fully vaccinated against COVID-19, but consideration of the paper had been deferred to enable consideration to be given to the impact of changes to the Government’s COVID-19 requirements.

Subsequently it had been determined that as the organisation was proposing to remove vaccination requirements for many personnel and visitors, it was no longer necessary for LAC members to be

vaccinated to carry out their duties. However, they would be strongly encouraged to be fully vaccinated to reduce the risk of contracting and transmitting the virus.

Resolved

That the Board:

1. **approves** LAC members not being required to be fully vaccinated against COVID-19; and
2. **notes** they will be strongly encouraged to be vaccinated to reduce the risk of contracting and transmitting the virus

Moved: Malcolm Inglis; Seconded: Danny Tuato'o

22(058) Accelerated Capital Investment (Property) Proposal

The Board was asked to approve an accelerated capital investment programme over the next four years while the organisation maintained reasonably healthy reserves.

The Board discussed the proposal, noting that investment decisions needed to be based on sound criteria and that it did not want temporary solutions to become permanent. It also advised that its primary interest was not buildings, but the people inside those buildings. Management advised that potential new investments would be carefully considered and that the welfare of personnel was an important consideration in decision-making.

Resolved

That the Board:

1. **notes** the risks and issues facing delivery of the multi-year Property programme
2. **approves** a four-year Accelerated Capital Investment Programme, for the Property portfolio of approximately an additional \$10 million per annum commencing FY 2022/23
3. **notes** that this proposal has been provisionally included in the Budget 2022/23 approval paper for Board approval; and
4. **notes** that the ELT has reviewed and endorsed this proposal to progress for Board consideration

Moved: Rebecca Keoghan; Seconded: Wendie Harvey

13. 22(059) Payroll Replacement Project Update and Proposal

Tjene Tedeschi joined the meeting

The Board was presented with a paper seeking approval for the discovery and design phases of the Payroll Replacement Project and one year of platform software and payroll licences and training fees.

The Board noted that external advice had been provided that Government procurement guidelines had been followed throughout the project, so it was satisfied that the process had been robust.

Resolved

That the Board:

1. **approves** a delegation to sign the Human Resource Information System (HRIS) and Payroll Solution and Implementation contracts by the Chief Executive

2. **notes** that the HRIS and Payroll Solution contracts can be terminated early if the Board does not approve the Implementation Business Case, however this will incur a cost
3. **notes** that external advice had been provided that Government procurement guidelines have been followed throughout the project
4. **approves** the release of \$3.152m project funding with two components:
 - \$2.419m Project funding for discovery and design phases (incl. ICT costs), and
 - \$0.733m for year one HRIS Platform software and payroll licenses and training fees; and
5. **notes** whole of life costs for the project will be included in the implementation business case

Moved: Malcolm Inglis; Seconded: Mary-Anne Macleod

Tjene Tedeschi departed the meeting

14. 22(060) Final Budget

The Board was presented with a paper seeking approval of the proposed budget for 2022/23 and forecast budgets for 2023/24 and 2024/25.

Management advised that it expected to come back to the Board with a proposal with the SPE in June to increase fleet capital expenditure investment by \$5 million in the next financial year to catch-up on COVID-19-related delays in the current year.

The Board commended management for absorbing the \$25m extra costs associated with a new payroll platform and the accounting treatment change for Software as a Service (SaaS) within the overall budget which provides a small surplus.

The Board advised that it would be concerned if the assumptions about the size of annual pay increases in the out years put the organisation at risk of being unable to recruit good people or losing its own best people. Management advised that once the funding envelope was established it would look for fiscal space to address salary issues and inflationary impacts.

Resolved

That the Board:

1. **notes** that the budgets and forecasts proposed in this paper meet the Board's requirement to maintain a stable surplus year-on-year while adjusting operating expenditure to allow for the impact of inflation on salaries, operating costs, and depreciation
2. **approves** the proposed budget for 2022/23 and forecasts for 2023/24 and 2024/25 as set out in appendices 1 and 2
3. **notes** that there are a number of risks and issues behind the proposed budget for 2022/23 and outyear forecasts which are being monitored by the Finance team and regularly reported to ELT, Audit and Risk Committee and the Board
4. **notes** that the budgets and forecasts set out in this paper will form the basis of next year's SPE which will be presented to the Board for final approval in June 2022; and
5. **notes** management's intention to present the Board with a proposal to increase fleet investment by \$5 million in the next financial year

Moved: Rebecca Keoghan; Seconded: Danny Tuato'o

15. 22(061) UFBA Second Quarter Report

The Board was presented with the United Fire Brigades Association's (UFBA's) report for the second quarter in accordance with the UFBA's reporting obligations to the Board under the new Conditional Grant Agreement.

The Board asked what was being done by the UFBA to improve attendance at online conferences. Management advised that it would request from the UFBA an outline of its plan to improve attendance at future online conferences.

Action

- Request an outline from the UFBA of its plan to improve attendance at future online conferences

Resolved

That the Board:

1. **notes** the contents of the UFBA's second quarter report 1 October to 31 December 2021; and
2. **writes** to the UFBA
 - to acknowledge the contents of the report; and
 - to request further information on the items noted by management, and any further matters the Board requires clarification on

16. 22(062) Presentation on High-Level Assumptions That Will Inform Review of Service Delivery Guidelines

A presentation was made to the Board on the aims and objectives of the review of the Fire and Emergency's Service Delivery Guidelines.

Management advised that the existing guidelines pre-dated the establishment of Fire and Emergency in 2017 and largely excluded rural considerations. The challenge is to develop and extend them and incorporate qualitative as well as quantitative performance measures. It would also be important to demonstrate how they contributed to the achievement of outcomes.

The Board noted that the review was a significant piece of work and recommended that Fire and Emergency engage with a range of stakeholders about the guidelines.

17. 22(063) Investment Portfolio Prioritisation for FY 22/23 to FY 24/25

The Board was provided with a summary of the process taken to select the FY 22/23 – FY 24/25 portfolio and the prioritised list of investments.

The Board congratulated management on the discipline embedded in the portfolio prioritisation process and advised that it was reassured by the addition to the selection criteria of an additional consideration - the extent to which an investment maintained or improved the operation of the business.

Resolved

That the Board:

1. **notes** portfolio selection process
2. **notes** the lists of investments and the associated costs; and
3. **notes** the challenges and risks and their management actions

18. 22(064) General Business

The Board asked for an appointment to the FireSuper Board to be made an agenda item at the next meeting.

It asked for a letter to be drafted thanking those who had organised the farewell for departing Chief Executive Rhys Jones and the pōwhiri for incoming CE Kerry Gregory.

There being no further business, the meeting closed with a karakia at 2pm.

Rebecca Keoghan
Chair

29 April 2022

Board Minutes

BOARD MEETING	
Date: Thursday 23 June 2022	Time: 8:30am – 12.57pm
Venue: NHQ	
Present: Rebecca Keoghan Malcolm Inglis Wendie Harvey Mary-Anne Macleod Danny Tuato'o	Chair Deputy Chair Member Member (by Zoom) Member
In Attendance: Kerry Gregory Sid Wellik Darryl Purdy Russell Wood Brendan Nally Tjene Tedeschi Nick Bryant	Chief Executive Acting Deputy Chief Executive Office of the Chief Executive DCE Finance and Business Operations (by Zoom) Deputy Chief Executive Organisational Strategy and Capability Development Deputy National Commander Acting Deputy Chief Executive People Secretariat
Apologies:	Gwen Tepania-Palmer

The Board met in closed session from 8.30am to 9.05am. The Board met with the Chief Executive in Chief Executive-only time from 9.05am to 10.12am. The Chair declared the meeting open at 10.16am.

1. 22(065) Interests Register and Conflicts of Interest

There were no updates to the Register of Interests.

2. 22(066) Confirmation of the minutes of the previous meeting

The minutes of the meeting held on 29 April 2022 were confirmed as a true and accurate record of the meeting.

Moved: Rebecca Keoghan; Seconded: Wendie Harvey.

3. 22(067) Action items from last meeting

The Board asked if management had engaged with the Ashburton crews involved in the inquiries into the Ashburton fire appliance incident. The Chief Executive confirmed he had spoken with the

Chief Fire Officer and acknowledged their engagement in the process and had undertaken to write to the Chief Fire Officer noting the crews' commitment to picking up the outcome of the reviews.

The Board asked to be updated on how management proposed to measure the benefits of being in the ACC Accredited Employers Scheme. Management advised the DCE People would present the progress on this work at the August Board meeting.

4. 22(068) Human Resources Information System (Payroll Replacement) Project Update

The Board received a paper with an update on the Payroll Replacement Project (HRIS), which outlined current risks identified by the Governance Group, and presented preliminary findings of reviews by Deloitte and PwC, and discussed a pathway forward. A number of potential successful pathways forward have been identified and are being evaluated. A revised plan will be presented to the Board in August.

The Board complimented management on raising such complexities to the Board for discussion, and it was looking forward to seeing the PwC assessment of the options.

Resolved

The Board:

1. **noted** the Human Resource Information System (Payroll Replacement) Project Update; and
2. **provided input** into the proposed the next steps.

Action

- DCE FABO to arrange Geoff Casey of PwC to attend the July Board meeting for an introductory discussion.

5. 22(069) Draft Letter Regarding Legal Arrangements with Volunteer Brigades

The Board discussed that the draft letter did not expressly articulate the organisation's challenge that the Fire and Emergency New Zealand Act 2017 presented regarding the relationship with volunteer brigades. The letter should be redrafted to do so clearly, including further explanation by way of examples.

Resolved

The Board:

1. **approved** that the DCE OCE work with the Chair to amend the draft letter
2. **authorised** the Chair to send the letter to the Minister, subject to any amendments

Action

- Board Chair to refine the contents of the letter with assistance from DCE OCE, and send the letter to the Minister.

6. 22(070) Climate Change Adaptation and Mitigation Plan Final Draft

The Chief Executive opened by noting that the paper aligns with our Statement of Performance Expectations, and that while we're not required this year to report our baseline emissions and reduction performance we have measured our baseline emissions, and these have been audited. The Climate Response Plan seeks to confirm how we're going to measure and monitor our performance for the future. Management believed it was important to give the Board a clear indication of where we're heading in our response to climate change. DCE OSCD described the report as an important first step in signalling our intentions, with a lot of more detailed work going on to support achieving a sustainable balance between inevitable costs to the organisation and a willingness to make a meaningful contribution to both emissions reduction and adaptation planning.

There was considerable discussion between the Board and management around where this balance should appropriately land, with the Board requesting that due thought and effort go into ensuring our approach to this work was not solely an emissions reduction plan but also a climate response and adaptation plan. It was agreed this would likely result in some difficult financial trade-offs, but the Board was clear that our response plan needed to be more forward leaning in our approach to tackling the issue. It was questioned whether Climate Change was presently on the organisation's strategic Risk Register and it was agreed this would be confirmed and added as necessary. The Board requested it be minuted that we recognise Climate Change as an emerging risk to be managed.

At 11.01am DCE OSCD left the meeting.

Resolved

The Board:

1. **noted** ELT has approved the Climate Response Plan 2022–2030 (7 June 2022), and provided feedback on the organisation's ongoing approach to Climate Change
2. **endorsed** the Climate Response Plan 2022–2030 (Appendix 1)
3. **noted** that this Plan achieves the 2021/22 SPE measure '*Develop a climate change adaptation and mitigation plan consistent with the Carbon Neutral Government Programme*' by 30 June 2022; and
4. **noted** that feedback from the Board will be incorporated into the Plan and approved by ELT prior to public release.

Action

- DCE OCE to add Climate Change as an emerging risk on the Risk Register.

7. 22(071) UFBA Business Future Directions

The Board agreed with management's recommendation regarding the current level of funding for the UFBA.

The Board discussed the evolving nature of the relationship between Fire and Emergency and the UFBA. It was agreed a deeper, strategic conversation would be appropriate, and this should be a topic for a Deep Dive at a later date.

Resolved

The Board:

1. **noted** the UFBA's business plan 2022/23

2. **agreed** to Fire and Emergency providing funding contribution of \$3,916,335 to the UFBA for 2022/23 consisting of:
 - a. \$1,638,380 for core services
 - b. up to \$737,750 for conference/hui which is only released to UFBA by the Fire and Emergency Chief Executive following agreement on the content and format of the event
 - c. \$1,148,325 for challenge events
 - d. \$391,880 for volunteer capability building
3. **agreed** the Board would write to the UFBA regarding the Taitamariki pilot
4. **agreed** the strategic approach for UFBA business planning and future funding requests be the subject of a future Deep Dive
5. **delegated** authority to the Chief Executive to sign the procurement documentation and conditional grant agreement with the UFBA
6. **agreed** that quarterly reports tracking UFBA's actual expenditure compared to forecast and clear performance metrics be presented to the Board within two months of the close of each reporting period and
7. **noted** the next steps including a conditional grant agreement for 2022/23 and the development of a longer-term relationship agreement.

The meeting adjourned at 11.17am for morning tea.

8. 22(072) Chief Executive's Report

The meeting resumed at 11.36am.

The Board requested to learn more about how the organisation measures and understands the timeliness of closing out complaints with regard to any relevant agreed standard. Management noted ongoing work being done by the Behaviour and Conduct Office on refining and improving data analytics. The Board requested that the Director, Behaviour and Conduct Office Director attend the next Board meeting to provide an update on these improvements.

The Board requested a watching brief of the matter before the Employment Relations Authority (ERA) where the Fire and Emergency Commanders Association (FECA) members have stated a problem regarding eligible for FireSuper.

The Board requested that the response project, which identified deliverables from Understanding the Volunteer Journey longitudinal study, be reported back to the Board when it is completed. This work is scheduled for completion by end of the 2022 calendar year.

The Board discussed the role of the insurance industry in the levy funding review. Management affirmed that there is a strong dialogue on such matters with DIA, and also noted that the insurance industry has an important point of view in the discussion, as it is a levy collector.

During its discussion of the Sir John Turei grant, the Board discussed capturing the full scope of work being done outside of recognised programmes to advance Kaupapa Māori and Te reo Māori. The Chief Executive noted there was a lot of free kaupapa being offered, which was positive but also explained why it is difficult to capture a clear and complete picture.

Action

- Dr Jason Price, Director for the Behaviour and Conduct Office update on improvements in data analytics, and complaint handling standards, for the August meeting.

9. 22(073) Safety, Health and Wellbeing Update

DCE People updated the Board on additional actions being progressed to address issues that arose in respect of the Ashburton incident. HSC Global had been engaged to do a stocktake of our health and safety system. This work is expected to be undertaken in July for report back in August.

DCE People also reported progress on the Risk Management Framework, and that the People Branch are working closely with the Service Delivery Leadership Team on corrective actions.

The Chair noted that the critical risk management (CRM) framework project was a key workstream. Management advised that this is being progressed and outlined the process for elevating engagement up through the various layers of our workforce.

The Board queried how we measure the benefits of being in the ACC Accredited Employers Scheme. DCE People advised the Board measurement was broad, with financial and non-financial elements.

Regarding the ongoing investigation into an incident involving a helicopter responding to the Awarua fire, the Board emphasised the need that management assure itself that it is appropriately assessing the standards and qualifications of the service providers we engage. The Board also emphasised the need that management ensure personnel follow the procedures they have been trained to follow. The Board complimented management on the manner in which the Health Safety and Wellbeing reporting was trending, with appropriate focus on underlying issues.

DCE People left the meeting at 12.17pm.

Resolved

The Board:

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

10. 22(074) Financial Report

The Board was provided with an update on the organisation's financial position by DCE FABO. He noted consistent themes on previous months, with levy income performing well and operating costs favourable. He noted use of contractors had dropped by over a third since integration and was still dropping. Cash position was favourable but focus on future use of capital was important. DCE FABO indicated there may be some further substantive items that may impact surplus.

The Board noted the positive forecast was present, despite the additional depreciation and a number of other small, but not insignificant challenges, and acknowledged management for delivering such a sound result.

Resolved

The Board:

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

11. 22(075) Board Monthly Dashboard – April and May

The Board queried the status of the Health Standards Project Options. The Chief Executive explained that the paper had been discussed by the Executive Leadership Team. He proposed an issues paper on the topic be provided to the Board to enable a strategic conversation. The Board endorsed this approach.

The issue of how we respond to false alarms was raised by the Board, as it wanted assurance management were maintaining visibility of this issue. The Chief Executive provided assurance that this was the case and there was active discussion underway by management about how the organisation manages false alarms in the future.

Resolved

The Board:

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

12. 22(076) LAC Quarterly Reports

The Board noted the reference that LAC members identified the need for more flexible volunteering opportunities and approaches to volunteer recognition.

The Board queried the reference to volunteers' desire to be treated as if they were paid employees.

There was also discussion about whether the LAC recruitment and appointment process could be streamlined and more agile. The Board left it open to management to consider whether this warranted further consideration.

Resolved

The Board:

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

Actions

- DCE OCE to clarify volunteers desire to be treated as if they were paid employees and whether the LAC recruitment and appointment process could be streamlined.

13. 22(077) Positive Workplace Culture Six Monthly Report

The Chief Executive noted this as the final six-monthly report, wrapping up the three-year cycle. The Te Kawa Mataaho independent review would guide how the Board should continue to be across this work.

Resolved

The Board:

1. **noted** the Positive Workplace Culture Six-month Progress Report
2. **noted** a Ministerial Briefing will be provided to the Minister of Internal Affairs prior to public release of the report; and

3. **noted** the report will be made available to the public by the end of June 2022

14. 22(078) SPE 2021/22 Final Draft

The Board was provided with the final draft Statement of Performance Expectations 2022/23 (SPE) for approval.

Resolved

The Board:

1. **approved** the final draft SPE
2. **noted** that previous Board, Department of Internal Affairs and Audit New Zealand feedback had been incorporated; and
3. **noted** the SPE will be provided to the Minister by 30 June 2022 and published on Fire and Emergency's external website thereafter.

Moved: Rebecca Keoghan; Seconded: Wendie Harvey.

15. 22(079) Acquisition of Upper Moutere Land Under PWA

A brief discussion was held on whether other options for the transaction had been considered and whether the Public Works Act was the most appropriate means of undertaking it. The Board was satisfied they had been, and it was.

Resolved

The Board:

1. **noted** the land is required for the extension of the existing station and the construction of a new tanker bay alongside the existing tanker bay
2. **noted** a valuation was not required given vendors are donating the land to Fire and Emergency New Zealand
3. **approved** the acquisition of 310m² of land by agreement under the PWA 1981 for a total consideration of \$1.00 (plus GST if any) plus associated costs and compensation of \$250; and
4. **noted** that the agreements and associated land transaction documents giving effect to the acquisition will be executed on behalf of Fire and Emergency New Zealand by one of the ELT appointees to whom the Board has granted power of attorney.

Moved: Rebecca Keoghan; Seconded: Danny Tuato'o.

16. 22(080) Repayment of the Crown Funding Injection

The Board received a paper seeking to approve the 2021/22 repayment of the Crown funding to be made ahead of 30 June 2022 and delegate authority to Chief Executive for the payment.

Resolved

The Board:

1. **approved** the repayment of the Crown funding injection repayment of \$13 million by 30 June 2022; and
2. **delegated** authority to the Chief Executive to make the payment.

Moved: Rebecca Keoghan; Seconded: Danny Tuato'o.

17. 22(081) Renewal of 2022/23 Aon insurance programme

The Board was provided with a paper seeking approval of the 2022/23 Insurance renewal programme covering material damage and business interruption policies and authorise the Chief Executive to make the payment of the premium up to \$5.19 million.

Resolved

The Board:

1. **approved** payment of the insurance renewal premiums of up to \$5.19 million (including GST)
2. **delegated** authority to the Chief Executive to make the payment; and
3. **noted** insurance programme information provided by overseas insurers is still to be finalised however this is the maximum amount the premium is expected to cost.

Moved: Rebecca Keoghan; Seconded: Wendie Harvey.

18. 22(082) Audit NZ Engagement and Proposal Letter

The Board was provided with the 2021/22 Audit Engagement Letter and Audit Proposal Letter (Audit Fee) for approval.

Resolved

The Board:

1. **noted** the terms of the audit engagement
2. **noted** the audit fees for the 2021/22 audit; and
3. **approved** the signing of the Audit Engagement Letter and the Audit Proposal Letter (Audit Fee) for the year ended 30 June 2022.

Moved: Rebecca Keoghan; Seconded: Danny Tuato'o.

19. 22 (083) Audit and Risk Committee Report Back

The Board was provided with an update on the Audit and Risk Committee meeting held on 13 June 2022.

The Committee Chair briefed the Board.

Resolved

The Board:

1. **noted** the report of the meeting held on 13 June 2022
2. **noted** the appended terms of reference for the HRIS Project governance review, as amended following ARC feedback (Appendix 1)
3. **approved** submitting the draft responses to Audit New Zealand's questions relating to fraud risk assessments to Audit NZ (Appendix 2)
4. **noted** the high and very high-rated risks reported to the Audit and Risk Committee (Appendix 3); and
5. **discontinued** the COVID-19 Levy Relief Interest waiver approved by the Board in September.

20. 22 (084) Appointment of Independent Member of Audit and Risk Committee

The Board was provided with a paper proposing that Murray Coppersmith be appointed as the independent external member of the Audit and Risk Committee (ARC) to replace departing independent Committee member Peter Taylor. The paper also proposed that Murray Coppersmith be appointed the Chair of the Committee. There was brief discussion of Mr Coppersmith needing to manage his conflict as a member of the FireSuper Board.

Resolved

The Board:

1. **noted** that Peter Taylor retired from his role as the independent member of the Audit and Risk Committee at the meeting on 13 June
2. **noted** that Peter Taylor had been thanked for his contribution to Fire and Emergency and, previously, the New Zealand Fire Service Commission
3. **appointed** Murray Coppersmith as the independent external member of the Audit and Risk Committee effective immediately, and
4. **appointed** Mr Coppersmith as the Chair of the Audit and Risk Committee from that same date
5. **agreed** that the Chair will write to FireSuper Chair Denis Fitzmaurice to confirm that Mr Coppersmith has accepted his appointment as a member and Chair of the Fire and Emergency Audit and Risk Committee.

Action

- Chair to write to Fire FireSuper Chair Denis Fitzmaurice to confirm that Murray Coppersmith has accepted his appointment as a member and Chair of the Fire and Emergency Audit and Risk Committee.

Moved: Rebecca Keoghan; Seconded: Danny Tuato'o.

The meeting adjourned for lunch at 12.15pm.

21. Proposed reappointment of FireSuper Directors

Resolved

The Board:

1. **reappointed** Angela Hauk-Willis as a director of FireSuper Trustee Ltd for a further two-year term with effect from 1 August 2022, subject to Ms Hauk-Willis' consent to appointment; and
2. **reappointed** Murray Coppersmith as a director of FireSuper Trustee Ltd for a further three-year term with effect from 9 September 2022, subject to Mr Coppersmith's consent to appointment
3. **noted** that the Chair will write to:
 - (a) Ms Hauk-Willis and Mr Coppersmith, asking them to indicate their consent to appointment for the further term and confirming that the conditions of their appointment, including director remuneration, are otherwise unchanged; and
 - (b) Denis Fitzmaurice, the Chair of the Trustee Company's board, advising of the reappointments for the further terms and asking to arrange the necessary Companies Office formalities to record them; and
 - (c) Ms Hauk-Willis and Mr Coppersmith confirming their appointments and relevant terms, once the Board has approved their appointments.

22. 22 (085) Tasman Fires and ICC Action Plans Six Monthly Progress Update

The meeting resumed at 12.45pm.

Deputy National Commander joined the meeting to speak to the paper provided to the Board with an update on progress made on the International Convention Centre (ICC) and Tasman Fires Action Plans between 1 November and 30 April 2022.

Resolved

The Board:

1. **noted** the updates on the ICC and Tasman Fires Action Plan as of 30 April 2022; and
2. **noted** the updates will be proactively released on the Fire and Emergency external website following the Board meeting.

23. 22 (086) General Business

The Board Chair noted and thanked management on the high quality of papers to support the meeting.

There being no further business, the meeting closed at 12.57pm.

Rebecca Keoghan

Board Chair

August 2022

Board Minutes

BOARD MEETING	
Date: Friday, 29 July 2022	Time: 0830 - 1305
Venue: NHQ & Zoom	
Present: Rebecca Keoghan Malcolm Inglis Wendie Harvey Mary-Anne Macleod Danny Tuato'o Gwen Tepania-Palmer	Chair (via Zoom) Deputy Chair (via Zoom) Member (via Zoom) Member (via Zoom) Member (via Zoom) Member (via Zoom)
In Attendance: Kerry Gregory Sid Wellik Darryl Purdy Russell Wood Tjene Tedeschi Brendan Nally Becks Kearns Apologies:	Chief Executive (via Zoom) Acting Deputy Chief Executive Office of the Chief Executive DCE Finance and Business Operations DCE Organisational Strategy and Capability Development Acting Deputy Chief Executive People (items 1-13) Acting Deputy National Commander (items 1-13) Secretariat

The Board met in closed session from 08:30am to 09:00am. The Board met with the Chief Executive in Chief Executive-only time from 09:00am to 10:20am. The Chair declared the meeting open at 10:23am and welcomed those in attendance.

Becks Kearns was introduced as the Acting National Manager Board and Ministerial Services and therefore the secretariat for the meeting.

The Board Chair acknowledged that this meeting is Sid Wellik (Acting DCE OCE), Brendan Nally's (Deputy National Commander) and Tjene Tedeschi's (Acting DCE People) last Board meeting.

Danny Tuato'o opened with a karakia.

4. 22(087) Interests Register and Conflicts of Interest

There were no updates to the Register of Interests.

5. 22(088) Confirmation of the minutes of the previous meeting

The minutes of the meeting held on 23 June 2022 were confirmed as a true and accurate record of the meeting with two amendments:

IN CONFIDENCE

- The minute relating to the Financial Report needs to be updated to acknowledge management for the “sound result” rather than solely the DCE FABO, and
- Inclusion of the following decisions arising from the Fire Super reappointments paper:
 1. **reappointed** Angela Hauk-Willis as a director of FireSuper Trustee Ltd for a further two-year term with effect from 1 August 2022, subject to Ms Hauk-Willis’ consent to appointment; and
 2. **reappointed** Murray Coppersmith as a director of FireSuper Trustee Ltd for a further three-year term with effect from 9 September 2022, subject to Mr Coppersmith’s consent to appointment
 3. **noted** that the Chair will write to:
 - (a) Ms Hauk-Willis and Mr Coppersmith, asking them to indicate their consent to appointment for the further term and confirming that the conditions of their appointment, including director remuneration, are otherwise unchanged; and
 - (b) Denis Fitzmaurice, the Chair of the Trustee Company’s board, advising of the reappointments for the further terms and asking to arrange the necessary Companies Office formalities to record them; and
 - (c) Ms Hauk-Willis and Mr Coppersmith confirming their appointments and relevant terms, once the Board has approved their appointments

Moved: Malcolm Inglis; Seconded: Danny Tuato’o.

6. 22(088) Action items from last meeting

The action log updates were noted by the Board.

7. 22(089) PwC Verbal Update on HRIS Project Assessment

Jeff Casey, partner at PwC, joined the meeting at 10.29am to discuss the work PwC have been undertaking on the HRIS/Payroll project.

Jeff assured the Board that the following the capability assessment that PwC have undertaken he is confident that the project is deliverable and that the issues identified have been done so at an early enough stage that the project can fully recover with appropriate intervention and focus.

Jeff also provided the Board with an overview of the six workstreams underway to ensure the project is delivered as intended.

The Board sought assurance from Jeff that Fire and Emergency has sufficient capability within its ICT function to support the project. Jeff advised the Board that the exact requirements of the project are in the process of being developed however, his initial views are that ICT will have capability/capacity to meet a lot of the requirements but not all. Jeff is working closely with ICT to fill the gaps and acknowledged ICT’s willingness to support noting this is a business-led project being supported by ICT.

The Board questioned Jeff on the stage-gate approval process. Jeff acknowledged the need to balance risks and costs when it comes to delivery. Jeff outlined his intended structure and process for decision-making to progress or not at four stages throughout the project. Jeff also advised that the project will provide regular updates to the Board on how the project is tracking in addition to the formal decision stages.

The Board acknowledged the work that Jeff has been undertaking and looked forward to his continued involvement in the project through to its fruition.

Jeff Casey departed the meeting at 10.55am.

8. 22(090) CE's Report

The Board Chair acknowledged those in the room who have been appointed to new roles. The report was taken as read.

The Board acknowledged the open letter that management had written in response to NZPFU claims and the release of this letter on the intranet.

The Board discussed the need to continue to mature in reporting of avoidable residential fire fatalities. The Board asked management to consider how best to report these going forward to give the Board better insight on whether our risk reduction and community readiness interventions are effective and appropriately targeted.

The Board discussed recent engagement with WorkSafe NZ. Management advised the Board that the Behaviour and Conduct Office will incorporate WorkSafe NZ guidance on timely investigations into its processes. The Chair advised the Board that she is confident that there will be sufficient processes in the future to ensure accountability exists for resolving issues in a timely manner.

The Board were appreciative of the addition of the levy and litigation updates in the report. The Board also acknowledge the improvement in the people survey results, particularly given the wider context that the organisation has been operating in.

Behaviour and Conduct Office Update

The Chief Executive discussed the Behaviour and Conduct Office component of the report, specifically acknowledging the new cases, current challenges with capacity within the team, and that some of the KPMG recommendations have not progressed.

The Board were concerned by the two new cases of sexual assaults reported in the reporting period. The Board re-emphasised the need to ensure that complaints are resolved quickly as possible for the sake of all parties involved and that all parties are supported through the process and to ensure that the process is fair, just, and honest.

The Board discussed the need to define what a successful regime run and supported by the Behaviour and Conduct Office looks like for Fire and Emergency and to benchmark performance against these definitions. The Board noted that the KPMG recommendations are on hold however, requested that management continue to progress the recommendation on appointing an independent panel as quickly as practicable given the importance of this.

While the Board find the Behaviour and Conduct reporting useful they sought further information and data on a number of matters. The Board sought regular reporting from management on the Behaviour and Conduct Office. Management are to determine the timeframe.

Actions

- Develop a set of definitions of what a successful Behaviour and Conduct Office looks like for Fire and Emergency to benchmark performance against
- Progress the KPMG recommendation to establish an independent panel and provide a timeframe for doing so
- Provide data on the outcome of complaints (noting privacy constraints)
- Provide information on what we are learning from the Behaviour and Conduct Office process and from complaints
- Provide information on the process when an individual leaves the organisation during a complaint process
- Include a regular item on the agenda for Behaviour and Conduct Office
- Provide information on how the organisation is supporting NZPFU members who have been directed by the NZPFU not to engage with the Behaviour and Conduct Office
- Provide information on the process for managing complaints that involve criminal matters.

9. 22(091) Safety, Health and Wellbeing Update

The Acting DCE People provided an update on the work that HSE Global is undertaking. Acting DCE People also discussed the number of overdue level two investigations and the reasons for this, as well as contingencies to ensure level two investigations can continue during industrial action.

The Board discussed with management the impacts of industrial action on data and capturing safety, health and wellbeing learnings. It was noted that the impact is difficult to mitigate and instead assumptions will need to be made for the period of the industrial action.

The Board questioned why there is a discrepancy in safety, health and wellbeing reporting between career and volunteer personnel. It noted that a culture shift is required to improve reporting amongst volunteers.

10. 22(092) Interim FY 21/22 Finance Report

The DCE FABO provided a high-level overview and reinforced that the report is an interim result and is subject to change.

9(2)(j)

9(2)(j)

The Board acknowledged the quality of the report.

Action:

- Improve communications (internally and externally) on Fire and Emergency's financial position in 2021/2022 and how the surplus is provisioned for in out-years.

11. 22(093) Board Monthly Dashboard – June

The report was taken as read.

The Board wants to see the organisation continue to mature when it comes to celebrating successes. Hiwa-i-te-rangi and mobility were used as examples from the report.

The Board also discussed measures on response times including the usefulness of the reporting and narrative as it is currently provided given factors outside of the organisation's control that contribute.

Resolved.

The Board:

1. **noted** the report attached to the paper which outlined the organisation's performance for June 2022.

12. 22(094) UFBA Third Quarter Report 2021-2022

The paper was taken as read. The Chair requested an addition to the proposed letter to formally seek further information on the UFBA complaints process to better understand risks and issues. The Chair and the CE will work together on the exact wording of the letter.

Resolved.

The Board:

1. **noted** the contents of the UFBA's third quarter report 1 January to 31 March 2022
2. **approved** a written response be sent to the UFBA specifically noting:
 - the UFBA's reforecast spend for the remainder of the financial year
 - appreciation of the continued refinement of the quarterly reports, and
 - formally seeking information on how the UFBA complaints process will operate
3. **agreed** that the Chair send the written response to the UFBA.

13. 22(095) Portfolio Final Selection

The DCE OSCD provided an overview of the management challenge as outlined in the paper and of the organisation's realistic capacity to spend portfolio funds.

The Board asked to receive reporting on projects by exception i.e. only those projects that are at risk of not being achieved and those that have a wider impact across the organisation.

Resolved.

The Board:

1. **noted** the portfolio prioritisation process undertaken for the four-year portfolio delivery plan
2. **noted** the lists of investments and the associated costs

3. **noted** the challenges and risks and their management actions.

Acting DCE People and Acting Deputy National Commander left the meeting at 12.10pm. The Chair acknowledged and thanked them both for their contributions while acting in these roles.

14. 22(096) FireSuper Trust Deed Amendments

The DCE FABO gave an overview of the complexities of the remaining recommendations but assured the Board that the intention is to resolve these appropriately to reach a resolution.

The Board acknowledged that the approach as outlined in the paper is a good balance of exercising necessary caution with progressing where possible.

Resolved.

The Board:

1. **approved** the addition of three new early withdrawal facilities to the New Zealand Fire Service Super Annuation Scheme as follows:
 - a first home purchase withdrawal facility whereby a member can withdraw their entire scheme balance on a once-only basis to fund a first (or, in limited Kiwisaver consistent circumstances on a subsequent) home
 - a significant financial hardship withdrawals facility, whereby a member suffering significant financial hardship would be able to withdraw a portion of their scheme balance (subject to a minimum withdrawal of \$5000)
 - a congenital life shortening conditions-based withdrawal facility
2. **noted** the amounts already paid to members for first home purchases or to alleviate significant financial hardship will be taken into account if members later die in service or leave due to loss of medical or physical fitness
3. **noted** further work is required on a proposal to adjust the scheme to permit members to pay gratuity payments into FireSuper
4. **noted** further work is required in relation to other requests made by the FireSuper Trustee.

Moved: Rebecca Keoghan; Seconded: Malcolm Inglis

Action:

- Provide an update to the Board on outstanding FireSuper Trust Deed Amendment recommendations.

15. 22(097) Fleet Build and Maintenance Contract Extensions

The DCE OSCD advised that extension of contracts for fleet build and maintenance, as well as for breathing apparatus (item 16) are a short-term measure until the organisation is in a position to go to market to procure the required services.

The Board asked management to ensure that they progress with the procurement as quickly as practicable and that contracts be extended for up to three years.

The Board also discussed the contract with Frasers in relation to the dispute. The DCE OSCD advised that the contract requested for extension is required to deliver the type 1 programme which is already scheduled and takes in to account known lead times.

The Board advised that the inclusion of information on the procurement rules is useful.

Resolved.

The Board:

1. **approved** the available rights of renewal for five contracts be executed for up to three years and an increase to the total contact budgets (capex and opex) to \$103.3M as follows:

Supplier	Initial Budget	Spend to date	Total forecast WoLC
BP Oil New Zealand Limited (fuel)	9(2)(b)(ii), 9(2)(j)	9(2)(b)(ii), 9(2)(j)	9(2)(b)(ii), 9(2)(j)
Phil Buckland Motors (mechanical services)	9(2)(b)(ii), 9(2)(j)	9(2)(b)(ii), 9(2)(j)	9(2)(b)(ii), 9(2)(j)
Lockheed Martin Global Inc (mechanical services)	9(2)(b)(ii), 9(2)(j)	9(2)(b)(ii), 9(2)(j)	9(2)(b)(ii), 9(2)(j)
Prestige Diesel & Marine Ltd (mechanical services)	9(2)(b)(ii), 9(2)(j)	9(2)(b)(ii), 9(2)(j)	9(2)(b)(ii), 9(2)(j)
Lockheed Martin Global Inc (engineering services for new builds)	9(2)(b)(ii), 9(2)(j)	9(2)(b)(ii), 9(2)(j)	9(2)(b)(ii), 9(2)(j)
Total		\$56.6M	\$103.3M

2. **approved** the contract extension past the current contracted end dates for four contracts up to three years and an increase to the total contract budgets (capex and opex) to \$79M as follows:

Supplier	Initial Budget	Spend to date	Total forecast WoLC
Southern Mechanical Services Ltd (mechanical services)	9(2)(b)(ii), 9(2)(j)	9(2)(b)(ii), 9(2)(j)	9(2)(b)(ii), 9(2)(j)
Commercial Autos (2008) Ltd (supply of Isuzu cab/chassis)	9(2)(b)(ii), 9(2)(j)	9(2)(b)(ii), 9(2)(j)	9(2)(b)(ii), 9(2)(j)
Iveco Trucks Australia Ltd (supply Iveco cab/chassis)	9(2)(b)(ii), 9(2)(j)	9(2)(b)(ii), 9(2)(j)	9(2)(b)(ii), 9(2)(j)
Fraser Fire and Rescue (supply of Type 1 appliances)	9(2)(b)(ii), 9(2)(j)	9(2)(b)(ii), 9(2)(j)	9(2)(b)(ii), 9(2)(j)
Total	\$23.5M	\$43.4M	\$79.0M

3. **approved** the delegation for signing the contract variations for the nine above contracts to the CE, with the option for the CE to further delegate to the DCE OSCD

4. **approved** the delegation to the CE the authority to approve (or further delegate to DCE, OSCD) and sign contract variations for each existing (as at 30 June 2022) fleet appliance build and maintenance contract during its term provided that:
 - a. such variation relates only to price changes and/or appliance specification enhancements
 - b. funding for such variation is available within an approved budget
 - c. the value of such variation is within the DCE OSCD's delegated financial authority
5. **noted** the four supplier contracts with no existing rights of renewals are historic contracts that will be returning to market in order to comply with Government Procurement Rules (Rules). ^{9(2)(h)} [REDACTED] a necessary step to provide contract coverage while the procurement process is established and concluded for replacement contracts
6. **noted** a fleet category procurement strategy review is proposed for completion by the end of Q3 FY22/23 with the aim of providing direction for the construct of future fleet-related procurement activity and the resulting contracts.

Moved: Rebecca Keoghan; Seconded: Mary-Anne Macleod

16. 22(098) Breathing Apparatus Maintenance and Repair Agreement

This paper was discussed collectively with the Fleet Build and Maintenance Contract Extensions paper (as above).

Resolved.

The Board:

1. **noted** the reported whole of life value of the ^{9(2)(b)(ii), 9(2)(j)} [REDACTED] contract has increased from \$12,852M to \$17,995M due to budgeted costs for repairs not being included in the original whole of life figure
2. **approved** the variation to the contract for the price increase for spare parts
3. **approved** the variation to remove Schedule 7 due to it having been merged with Schedule 5
4. **delegated** authority to the CE to sign the contract variation
5. **approved** the delegation to the CE to execute any future variations that sits within 5% of approved and forecasted cost.

Moved: Rebecca Keoghan; Seconded: Mary-Anne Macleod

17. 22(099) Proposed Comprehensive Review of Delegated Financial Authority Schedule

The DCE FABO gave an overview of the drivers from reviewing the Delegated Financial Authority (DFA) schedule, as outlined in the paper.

The Board were of the view that the current DFA schedule is not fit-for-purpose and that a comprehensive review is timely. The Board suggested that the DFA schedule options and recommended revisions are externally peer-reviewed prior to finalisation. Management accepted this suggestion and undertook to do so.

Resolved.

The Board:

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

2. **approved** the DCE FABO leading a detailed review of the DFA Schedule and presenting to the Board, detailed options and a recommendation for the schedule's revision and any associated changes to approval and reporting processes so the Board remains assured that its approved strategy is being implemented as expected
3. **requested** management undertake an external peer-review of the DFA schedule options and recommended revisions prior to presentation to the Board.

Moved: Rebecca Keoghan; Seconded: Wendie Harvey

18. 22(100) Statutory Delegations (Board to Chief Executive)

The Acting DCE OCE provided an overview of the rationale for updated the Chief Executive's statutory delegations and of the changes proposed.

The Board asked that the statutory delegations be amended to ensure that they are enduring and future-proofed for further legislative/regulatory changes.

Resolved.

The Board:

1. **agreed** to delegate the functions, duties and powers identified in the instrument of delegation to the Chief Executive, subject to the limitations set out in the instrument and with effect from 29 July 2022
2. **requested** the instrument of delegation be updated to be consistent with similar provisions of the Interpretation Act that provide for future-proofing.
3. **authorised** the Chair of the Board to sign on behalf of the Board the attached instrument of delegation.

Moved: Rebecca Keoghan; Seconded: Danny Tuato'o

19. 22(101) WorkWear Group Contract Approval

The Board instructed management to ensure that there are no further delays in returning to market.

Resolved.

The Board:

1. **noted** that Fire and Emergency has been negotiating an updated contract with WorkWear Group that reflects the current operating arrangement and best supports Fire and Emergency to move towards re-tendering this arrangement
2. **9(2)(b)(ii)**
[REDACTED]
3. **noted** that the Uniform Re-tender project will ensure a new tender process commences prior to the expiry date of this contract (31 May 2024)
4. **authorised** the Chief Executive to sign the contract
5. **authorised** the Chief Executive to sign future variations for annual price increases or extensions to cover return to market activity provided these variations do not individually exceed the Chief Executives financial delegation

6. **requested** the Chief Executive to report any signed future variations for annual price increases or extensions to the Board
7. **approved** the exemption of the Renewed Contract from the requirement to openly advertise under Rule 14.9(c) of the Government Procurement Rules 2019, given this is necessary to ensure supply as Fire and Emergency prepares to re-tender noting there is no reasonable alternative or substitute supplier pending the proposed re-tender process.

Moved: Rebecca Keoghan; Seconded: Danny Tuato'o

20. 22(102) Tauranga Business Case

The Chair acknowledged the process that had been followed in developing options for the Tauranga rebuild.

Resolved.

The Board:

1. **noted** the total indicative capex budget of \$8.6 million (excluding GST) which includes all construction costs, professional fees, consents fees and contingencies to date
2. **noted** Fire and Emergency is experiencing cost escalations (materials and labour) associated with the construction industry generally because of COVID-19 and, therefore, has provisioned a higher-than-normal contingency allocation of \$1.4million
3. **noted** the project will require the relocation of crews and equipment from the current Tauranga Fire Station to a temporary facility for a period of up to two years
4. **noted** governance of the project will be provided by the National Property Control Group
5. **delegated** authority to the Chief Executive to approve a total project budget of up to \$8.6 million (based on \$7.2 million plus a \$1.4 million contingency for cost escalations) and to award and sign the construction contract when ready.

Moved: Rebecca Keoghan; Seconded: Wendie Harvey

21. 22(103) Quarterly Performance Review Q4

The Board discussed the commentary provided in the Quarterly Performance Review (QPR) paper and asked that analysis and commentary be included in the future (and in the upcoming annual report) which capture the real impacts on the organisation and why measures have not been met in an open and transparent way.

The Board also sought an update on how the mandatory vaccinations reintegration work is progressing. The Chief Executive provided a brief overview of the work underway and how it is being received to date based on feedback he is receiving from operational leaders.

22. 22 (104) General Business

The Board asked for the recent letter from Hon Jan Tinetti, Minister of Internal Affairs, to be included in the correspondence list.

The Board were reminded to send through any requests that they receive to attend events to Olivia Cook.

The Board asked that management ensure that Mayors (and other key stakeholders) are communicated with effectively on industrial action matters.

There being no further business, the meeting closed at 12:50pm

A handwritten signature in black ink that reads "Rebecca Keoghan". The signature is written in a cursive, flowing style.

Rebecca Keoghan

Board Chair

2 September 2022

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

IN CONFIDENCE

Board Minutes

BOARD MEETING	
Date: Friday, 2 September 2022	
Time: 8:30am – 2:26pm	
Venue: NHQ, 80 The Terrace, Wellington	
Present:	
Rebecca Keoghan	Chair
Malcolm Inglis	Deputy Chair
Wendie Harvey	Member
Mary-Anne Macleod	Member
Danny Tuato'o	Member
Gwen Tepania-Palmer	Member
In Attendance:	
Kerry Gregory	Chief Executive
Carmel Ali	DCE Office of the Chief Executive
Darryl Purdy	DCE Finance and Business Operations
Russell Wood	DCE Service Delivery Operations
Melly Andrew	Acting DCE People
Piki Thomas	DCE Kaupapa Māori and Cultural Communities
Cathryn Moriarty	Acting DCE Organisational Strategy and Capability Development
Becks Kearns	Secretariat
Apologies:	Nil

The Board:

- met in closed session from 8.30am to 9.00am
- met with the Chief Executive in Chief Executive-only time from 9.00am to 11.20am
- The meeting adjourned at 11.20am for a short break.

The DCE Kaupapa Māori and Cultural Communities opened the meeting with a karakia. The Chair declared the meeting open at 11.28am.

The Chief Executive introduced the Board to new permanent and acting members of the Executive Leadership Team and acknowledged and thanked Board member Gwen Tepania-Palmer for her time on the Board.

4. 22(105) Interests Register and Conflicts of Interest

There were no updates to the Register of Interests.

5. 22(106) Confirmation of the minutes of the previous meeting

The minutes of the meeting held on 23 June 2022 were confirmed as a true and accurate record of the meeting with the following amendment:

IN CONFIDENCE

- The minute for the *Action items from last meeting* agenda item are to be corrected to state that the action log was noted by the Board.

Moved: Rebecca Keoghan; Seconded: Malcolm Inglis.

6. 22(107) Action items from last meeting

The Board confirmed that action item 457 has not been completed to the Board's satisfaction and therefore should remain open.

The Board confirmed the purpose of action item 499, which is to inform the Chair of FireSuper about Murray Coppersmith's appointment as Chair and Member of the Fire and Emergency Audit and Risk Committee for the purposes of managing any potential conflicts with his role on the FireSuper Board and as a courtesy.

7. 22(108) Behaviour and Conduct Office

The Director of the Behaviour and Conduct (BCO) joined the meeting at 11.35am and took the Board through a presentation outlining the progress and context of the BCO, as well as information pertaining to the current Board actions on the BCO.

The Board discussed the need to ensure that a pragmatic, people-centric approach is taken to managing complaints to ensure a resolution for all parties involved in a timely manner.

The Board also discussed the importance of feedback loops and reporting to the organisation on lessons being learned and metrics around action through the complaints process in assisting to build the trust and confidence in the BCO.

The Board sought further data and analysis from management to provide insights in to the organisation's culture. Examples the Board provided of useful analysis included:

- how many people have left the organisation prior to the complaints process being completed and what does this tell us?
- What are the outcomes of complaints and if complaints are upheld what are the drivers of the behaviour?
- The seriousness of complaints being investigated
- Insights in to what "closed" means, and
- Insights as to the effectiveness of the process and complaints system on the affecting the intended behaviour change.

Management undertook to consider how best to provide insights in to the organisation's culture in an appropriate way.

The Board reiterated their expectations that management develop a set of definitions of what a successful Behaviour and Conduct Office looks like for Fire and Emergency to benchmark performance against (Action 500 from 29 July 2022).

The Director of the BCO departed the meeting at 12.13pm.

Action:

- Undertake analysis of relevant data to provide the Board with insights in to the organisation's culture, including data from Behaviour and Conduct Office and the recent people survey results.

8. 22(109) HRIS Remediation Plan

Jeff Casey, partner at PwC, joined the meeting at 12:15pm to discuss the remediation plan for the HRIS/payroll project.

Jeff reiterated his key messages from the Board meeting on 29 July 2022 that the HRIS/Payroll project remains deliverable and recoverable. Jeff provided an overview of the good progress that is being made.

Jeff advised that the Senior Responsible Officer for the project, who is yet to be determined, will need to dedicate 40-50% of their time and effort to the project to ensure its success.

Jeff and the DCE Finance and Business Operations provided an overview of the financial model, a breakdown of the financial implications, and advised that management will return to the Board with an approach for funding.

The Board sought and received assurance that the project costs were aligned with the costs of similar projects by other government entities and if consideration had been given to partnering with other agencies on a joint solution.

Management confirmed that the scope of the project was limited to addressing the immediate need to ensure that payroll can continue after December 2023. While the new HRIS/Payroll system will enable additional functionality in the future, this is not the focus of the project. The Board noted that a request for funding for additional functionality may be required in out-years following completion of the project.

The Board agreed to receive high-level updates quarterly from PwC and exception reporting through the regular monthly dashboard report to the Board.

Resolved.

The Board:

1. **noted** the HRIS and Payroll Replacement Programme Pathway to Change plan
2. **approved** additional funding of \$11.4M to proceed with the HRIS and Payroll Replacement Programme until deployment in October 2023
3. **noted** \$8.45M additional funding is required for the 2022/23 financial year
4. **noted** management will prepare a plan to provide additional funding for the HRIS and Payroll Replacement Programme for the 2022/23 year, including an overview of the organisation's management challenge and priorities within it
5. **noted** the Total Cost of Ownership for a 10-year lifespan (EOFY 2031) of the HRIS and Payroll Replacement Programme is currently estimated at \$31.3M - \$33.6M
6. **noted** a risk profile assessment (RPA) is in the process of being completed due to this being a multi-year programme and it will be provided to Treasury as the HRIS and Payroll Replacement Programme investment proposal has a high-risk profile.

Jeff departed the meeting at 12.43pm.

Moved: Rebecca Keoghan; Seconded: Malcolm Inglis

Action:

- Provide the Board with an full picture of the organisation's management challenge and priorities within it.

The meeting adjourned at 12.43pm for lunch and a farewell for departing Board member Gwen Tepania-Palmer.

9. 22(110) Update on Budget Assumptions of Operational Staffing

The meeting resumed at 1.15pm.

The DCE Finance and Business Operations advised that the purpose of this agenda item was to and provided the Board with a copy of the presentation to ensure a "no surprises" heads up. This was due to the fact that the presentation had been provided to the Department of Internal Affairs. Management advised that the work on operational budget staffing assumptions and a practical optimised model remain a work in progress.

Resolved.

The Board:

1. **noted** the *Budget assumptions of operational staffing* presentation, which was provided to the Board for information as it had been provided to the Department of Internal Affairs
2. **noted** the progress made to date on the operational budget staffing assumptions
3. **noted** management continue to work on a practical optimised model.

10. 22(111) Future Strategy Connection Map

The Board were overall comfortable with the Future Strategy Connection Map as presented. The Board suggested that management consider the medium-long term strategies in the context of the organisation's strategic risks.

The Board also sought assurance that consideration is being given to how to measure achievement against the desired outcome of each strategy and that the strategies all serve a purpose for the organisation.

The Board were interested in understanding the timeframes for developing strategies that do not currently exist and review cycles for those that do.

Resolved

The Board:

1. **provided** feedback on the Future Strategy Connection Map
2. **noted** a final version of this map will be used to communicate the strategy landscape across the organisation, subject to incorporating any Board feedback.

11. 22(112) Chief Executive's Report

The Chief Executive's report was taken as read.

The Chief Executive updated the Board on his recent decision to appeal the Employment Relations Authority ruling in regard to overtime for NZPFU members on public holidays and the rationale for doing so.

The Board sought assurance that the ICT review would not negatively impact on the HRIS/Payroll project. The DCE Finance and Business Operations assured the Board that the HRIS remediation plan took this change in to account.

The Board acknowledged the work that the organisation had put in to developing the Capital Expenditure summary for the Department of Internal Affairs, which was appended to the Chief Executive's report.

DCE Kaupapa Māori and Cultural Communities departed the meeting at 1.40pm.

12. 22(113) Safety, Health and Wellbeing Update

The Acting DCE People advised the Board that the primary site for the upcoming ACC audit is Christchurch City Station.

The Board advised of their concern about the significance and frequency of safety, health and wellbeing incidents that are being reported relating to electrical issues. The Board noted that working with/around electricity is not currently identified as a specific critical risk for the organisation.

The Board advised of their concern should industrial action re-commence that there are potential safety implications for all personnel as a result of non-reporting by NZPFU members.

The Board sought further information on driving-related risks as part of the work underway on the organisation's critical risks. This would include driving of response vehicles, non-response vehicles, as well as volunteers driving in their own personal vehicles to station to respond to a call-out.

The Board acknowledged the special judge's commendation at the Safeguard Awards for the "The Wolf Was Not Sleeping" children's book.

Acting DCE People departed the meeting at 1.52pm

Resolved

The Board:

1. **noted** the Safety, Health and Wellbeing monthly report and dashboard
2. **noted** that no events were notified to WorkSafe in July.

Actions:

- 9(2)(h) [REDACTED]
[REDACTED]
[REDACTED]
- Undertake a bow-tie workshop with the Board on driving risks.

13. 22(114) Financial Report

DCE Finance and Business Operations outlined changes made to the way in which the financial report is presented and advised that he will continue to work with the Audit and Risk Committee to make improvements. The DCE Finance and Business Operations also gave a brief overview of the key results for July and the drivers behind these.

The DCE Service Delivery Operations departed the meeting at 2.00pm.

Resolved

The Board:

1. **noted** the financial result
2. **noted** the work underway to potentially increase capital reserves.

14. 22(115) Board Monthly Dashboard - July

The Board reinforced their concern about the considerable impact on reporting as a result of industrial action during the month of July. The Acting DCE Organisational Strategy and Capability Development advised of work underway to ensure industrial action impacts on reporting are appropriately reported on in the 2023 Annual Report.

The Board also sought and received further information on the risks associated with the Paearu Mahi project having a red risk rating.

Resolved

The Board:

1. **noted** the monthly dashboard report which outlined the organisation's performance for July 2022
2. **noted**, with concern, the considerable impact on reporting of industrial action in July 2022.

15. 22(116) Research and Evaluation Strategy

The Board acknowledged the quality and aspirational nature of the Research and Evaluation Strategy. The Board suggested that the Research and Evaluation Strategy could be further strengthened by making it explicit that our personnel are our number one priority. The Board also suggested that management consider the organisation's capability to self-assess and ways to grow the organisation's self-awareness and maturity.

Acting DCE Organisational Strategy and Capability Development departed the meeting at 2.12pm.

Resolved

The Board:

1. **noted** the National Research and Evaluation Strategy (2022-2032).

16. 22(117) People and Culture Committee Report Back

The Chair of the People and Culture Committee advised the Board that the People and Culture Committee is in a state of reinvention to ensure it is relevant and useful to both the Board and the organisation.

The Board acknowledged the People and Culture Committee's discussion on Health Standards which asked management to consider if the recommendations, approach to, and case for change for Health Standards are still fit-for-purpose. The Board invited management to reflect on other initiatives it has underway to determine if they remain fit-for-purpose and a priority for the organisation.

Resolved

The Board:

1. **noted** the report of the meeting held on 8 August 2022.

17. 22(118) Aerials Procurement Recommendation Report

The Chief Executive provided an overview of the purpose and background of the paper.

The Board sought assurance from management that four aerials provides sufficient resource for the organisation.

Resolved

The Board:

1. **noted** a capex budget of 9(2)(b)(i), 9(2)(j) (excluding GST) has been approved; this includes all design, build, and delivery fees
2. **noted** an additional contingency of up to 5%) may be required but will be funded from the existing annual vehicle capex budget for 2022/23 and/or 2023/24. If there is a need for an increase to the budget it will be due to:
 - a. final design still to be approved, so changes could be made to the current design which the pricing is based on, and
 - b. global cost escalations (materials) associated with the engineering industry, generally because of COVID-19, that were not factored into the original project's budget
3. **delegated** financial authority to the Chief Executive to approve, award and sign the build contract when ready
4. **requested** management provide the Board with further information on whether or not four aerials provides the organisation with sufficient aerial capability and resource

5. **noted** compliance with the Government Procurement Rules and the outcome of the live probity audit.

Moved: Rebecca Keoghan; Seconded: Danny Tuato'o

18. 22(119) False Alarms – Options to Reduce Appliance Movements

The Board reinforced the importance of having a good implementation and communications plan and for the Executive Leadership Team to carefully consider the timing of consultation and potential subsequent implementation and asked to be kept informed on this.

The Board suggested that management consider allowing flexibility based on local knowledge of the risks that exist. The Board also suggested that management further explore the practical implications of other measures taken internationally to be assured that the approach Fire and Emergency adopts to private fire alarms is best practice.

Resolved

The Board:

1. **noted** the high number of PFAs attended each year and the associated consequences and impacts for Fire and Emergency
2. **noted** the benefits and risks of reduced PFA response appliance movements
3. **endorsed** the proposed options for adopting a flexible response to PFAs, subject to consultation with Unions and Associations
4. **directs** Fire and Emergency to consult with relevant Unions and Associations at an appropriate time as determined by the Executive Leadership Team
5. **noted** Fire and Emergency will develop a communications plan to ensure effective communication with key external stakeholders
6. **delegated** final approval to the Executive Leadership Team for implementing a flexible response option, subject to consultation outcomes.

Moved: Rebecca Keoghan; Seconded: Mary-Anne Macleod

Action:

- Provide the Board with an update on the timing of consultation on adopting a flexible response to Private Fire Alarms.

19. 22(120) Statutory Delegations

Resolved

The Board:

1. **agreed** to delegate the functions, duties and powers identified in the attached instrument of delegation to the Deputy Chief Executive Service Delivery Operations, Deputy Chief Executive

Service Delivery Design and Director Service Delivery Operations set out in the instrument and with effect from 2 September 2022

2. **agreed** that in the event of the Chief Executive unexpectedly becoming unavailable, the National Commander shall act as Chief Executive until the Board appoints an Acting Chief Executive
3. **authorised** the Chair of the Board to sign on behalf of the Board the attached instrument of delegation.

Moved: Malcolm Inglis; Seconded: Rebecca Keoghan

20. 22 (121) General Business

The Board Chair confirmed that it is appropriate to contact all Board members directly to invite them to upcoming events, permission does not need to be sought to do so.

The Board noted that the secretariat will work with Board members to reschedule the October Board meeting due to a scheduling conflict with the UFBA conference.

Malcolm Inglis advised that he will be an apology for the October and December Board meetings.

There being no further business, the meeting closed at 2.26pm

Rebecca Keoghan
Board Chair

November 2022



Board Minutes

BOARD MEETING	
Date: Friday, 11 November	
Time: 8:30am – 2.11pm	
Venue: Spark Central, Level 1 Spark Building, Wellington	
Present: Rebecca Keoghan Wendie Harvey Mary-Anne Macleod Danny Tuato'o Amit Prasad	Chair Member Member Member Member
In Attendance: Kerry Gregory Carmel Ali Darryl Purdy Steph Rotarangi Tjene Tedeschi Piki Thomas Cathryn Moriarty Murray Coppersmith Becks Kearns	Chief Executive DCE Office of the Chief Executive DCE Finance and Business Operations DCE Service Delivery Design Acting DCE People DCE Kaupapa Māori and Cultural Communities Acting DCE Organisational Strategy and Capability Development Chair – Audit and Risk Committee Secretariat
Apologies:	Malcolm Inglis (attended from 8.50am until 10.00am)

DCE Kaupapa Māori Piki Thomas opened the meeting with a mihi whakatau to welcome new Board member Amit Prasad to his first meeting of the Board. The mihi whakatau concluded at 8.50am.

The Board met in Board-only time until 10.20am and with the Chief Executive in Chief Executive-only time until 10.40am. The meeting adjourned for a short break at 10.40am.

The Chair declared the meeting open at 10.50am.

13. 22(122) Interests Register and Conflicts of Interest

Rebecca Keoghan advised that her involvement as Chair of Tai Poutini has concluded and therefore can be removed from the interests register.

14. 22(123) Confirmation of the minutes of the previous meeting

The minutes of the meeting held on 2 September 2022 were confirmed as a true and accurate record of the meeting

Moved: Rebecca Keoghan; Seconded: Danny Tuato'o

15. 22(124) Action items from last meeting

DCE Office of the Chief Executive provided an update on actions relating to the Behaviour and Conduct Office. It was agreed that the following actions would transition in to the wider piece of work arising from the Te Kawa Mataaho review in to progress against the Coral Shaw report and therefore could be closed off the Board's action register:

- 510 - Undertake analysis of relevant Behaviour and Conduct Office data to provide the Board with insights in to the organisation's culture
- 511 - Provide the Board with an overview of the current organisational culture and feeling based on data from various sources
- 500 - Develop a set of definitions of what a successful Behaviour and Conduct Office looks like for Fire and Emergency to benchmark performance against
- 503 - Provide information on what we are learning from the Behaviour and Conduct Office process and from complaints
- 502 – Provide data on the outcome of complaints (noting privacy constraints).

16. 22(125) Overview of Strategic Cases

DCE Finance and Business Operations took the Board through a slide pack which outlined a number of significant projects/initiatives with organisational impacts and material project and on-going business as usual costs. 9(2)(f)

The DCE Finance and Business Operations advised that the purpose of this presentation was to ensure that the Board had sufficient context to make financial decisions on items 8 and 11 of the agenda.

The Board encouraged management to work towards changing the Fire and Emergency culture to enable projects to be developed that will result in reduced costs over time. This could include for example options for digital transformation, and to look for efficiencies within capital investments e.g. property builds and refurbishments that are designed to reduce ongoing operating costs.

The Board also encouraged management to:

- consider adapting the prioritisation criteria/process for portfolio investments to ensure it is fit-for-purpose given the organisation's financial situation
- identify which current projects can be stopped/paused as soon as practicable to avoid too many sunken and unrecoverable costs.

Action:

- The Secretariat is to include a strategic discussion on digital transformation on the Board's forward agenda for 2023

17. 22(126) Health Standards Business Case

Acting DCE People provided a brief overview of the Health Standards paper.

Those Board members who are members of the People and Culture Committee acknowledged that management had taken in to account feedback provided by the Committee at its meeting on 8 August 2022.

The Board sought confirmation from management on the minimum viable product to ensure legislative compliance. Management advised that at a minimum two year health checks and annual psychological checks are required.

The Board sought further information on the following aspects prior to being able to consider approving the business case in principle:

- the rationale for 12 FTE and the skillsets that would be sought
- how the ICT component aligns with the organisation's Digital Strategy and wider ICT capability within Fire and Emergency
- data on what non-compulsory health checks our frontline personnel want and why
- options and funding comparisons for outsourcing health checks and data collection versus establishing an internal function, noting that this mahi is not core business for Fire and Emergency
- clarification in the business case on the minimum viable product to ensure legislative compliance.

The Board also suggested that management engage with AFAC partners to determine if there is an existing system that Fire and Emergency could utilise for collecting the required data.

Due to the organisation's financial constraints, the Board encouraged management to focus on delivering minimum requirements for legislative compliance in the short-term and consider phasing additional, non-mandatory components over time, as resourcing allows.

Resolved

The Board:

1. **noted** that there is a need to strengthen our health assurance and health monitoring mechanisms in order to minimise health and safety risks to our people, and avoid exposing Fire and Emergency to legislative, financial and reputational risks
2. **noted** that the Health Standards Detailed Business Case takes a more pragmatic approach than earlier recommendations in 2019
3. **noted** that there is a project implementation shortfall of \$6.51m, which we intend to address as part of a broader discussion with the Board in February 2023 regarding funding pressures for FY22/23, FY23/24 and FY24/25 across the organisation as a whole
4. **noted** that ongoing costs from FY24/25 are not able to be accommodated within baseline budgets, and that we intend to address this through future budget processes which will include the future revenue work that is being undertaken to implement Part 3 of the levy
5. **noted** that it is likely that settlement of the NZPFU Collective Employment Agreement will place additional financial pressure on existing and planned activity, and that one potential result of this could be stopping of projects, potentially including Health Standards
6. **did not approve in principle** the Health Standards Detailed Business Case.

Action:

- Provide the Board with further information to support the Health Standards business case as follows:
 - internal resource versus outsourcing (including further information on skillsets required for an internal option)
 - how the ICT component aligns with the organisation's wider ICT capability and Digital Strategy
 - Options for phasing over time
 - Views of frontline personnel on non-compulsory checks.

18. 22(127) Positive Workplace Culture

DCE Office of the Chief Executive provided an overview of work underway to:

- improve the systems and processes within the Behaviour and Conduct Office (BCO) to make it easier for all of those involved
- shift the focus of the Positive Workplace Culture Programme to improving cultural outcomes
- promote positive workplace initiatives and behaviours across the organisation

The Board discussed legal challenges with managing issues within volunteer brigades and ask management to provide assurance that all possible legal avenues have been explored to determine what can be done. The Chief Executive advised that the majority of issues that arise are managed through influence by our frontline managers.

The Board sought assurance from management that management are aware of all of the BCO cases where there are challenges, for example in relation to timeframes, and where wellbeing risks exist. The Board also sought assurance that the BCO is focused on ensuring all parties involved in cases are being treated fair and reasonably. The DCE Office of the Chief Executive advised that she is working with the BCO at pace to ensure this assurance can be provided to both management and the Board.

The Board invited the DCE Office of the Chief Executive to consider the range of skillsets required to ensure that the BCO can operate effectively and provide sufficient support to those involved.

Action:

- 9(2)(h) [REDACTED]

19. 22(128) Capital Reserves

Murray Coppersmith, Chair of Audit and Risk Committee, joined the meeting at 12.07pm.

The Board Chair welcomed the Chair of the Audit and Risk Committee to the Board meeting.

DCE Finance and Business Operations provided an overview of the paper, discussions at the Audit and Risk Committee meeting on 3 October, and changes to proposed approach based on changes to the organisation's financial situation since the Audit and Risk Committee meeting.

The Chair of the Audit and Risk Committee advised that the Audit and Risk Committee discussed the need to ensure that should capital reserves be used in the future that there is a robust framework in which to do so.

The Board were supportive of the proposed approach to have a policy established to enable capital reserves to be set up in the future as appropriate.

The Board asked that specific consideration of establishing capital reserves be incorporated in to the budget process each year.

Resolved

The Board:

1. 9(2)(j) [REDACTED]
2. **approved** the proposed Reserves Policy with the following amendment:
 - replace references to fixed dollar amounts with a link to the Delegated Financial Authority framework.

Moved: Wendie Harvey; Seconded: Amit Prasad

Action:

- DCE FABO is to consider reserves as part of the budget process for 2023/2024 and make a recommendation to the Board

20. 22(129) HRIS/Payroll Replacement Programme – Options for Funding

DCE Finance and Business Operations provided an overview of the paper and the rationale for the preferred option to fund the HRIS/Payroll Replacement Programme.

Given the organisation's current financial situation, the Board sought assurance from management that utilising increases in revenue to fund the HRIS/Payroll Replacement Programme is the most appropriate use of available funds. Management assured the Board that the HRIS/Payroll Replacement Programme is their highest priority project to fund due to its significance and consequences of non-delivery.

DCE Finance and Business Operations also provided an overview of further work underway to determine if there are alternative, prudent measures that can be implemented to address the HRIS/Payroll issue that the HRIS/Payroll Replacement Programme is intended to solve. In the meantime, due to the timing constraints and need to progress with urgency management recommended that the project continue as intended, utilising forecasted increases in revenue.

Management will continue to keep the Board informed on progress and should a more prudent solution become available this will be raised to the Board.

Resolved

The Board:

1. **approved** the proposed HRIS and Payroll Replacement Programme funding for the 2022/23 year
2. **noted** the \$6.3m increase in cost will be funded from forecasted increase in revenue
3. **noted** this is dependent on the continuation of the actuals and forecast uplift in Revenue across Levy, Interest income and other revenue
4. **9(2)(j)**

Moved: Rebecca Keoghan; Seconded: Danny Tuato'o

The meeting adjourned at 12.27pm for lunch.

19. 22(137) Audit and Risk Committee Report Back

The meeting reconvened at 1.23pm.

The Audit and Risk Committee Report Back item was brought forward to enable the Chair of the Audit and Risk Committee to provide comment.

The Board acknowledged the quality of the risk papers that were provided to the Board in the Resource Centre.

The Board acknowledged the expertise and skillset that Murray Coppersmith brings to the role as Chair of the Audit and Risk Committee and requested that he provide a fresh perspective to the Board on the organisation's significant risks, opportunities and challenges.

The Board also discussed the work that the Audit and Risk Committee have requested management undertaken to consider lessons from the processes undertaken in investigating two alleged fraud cases. The Board asked that this work also include lessons on culture and values.

Resolved

The Board:

1. **noted** the report of the meeting held on 3 October 2022
2. **noted** the Chair of the Audit and Risk Committee will be attending the following two Board agenda items at its meeting on 11 November:
 - HRIS – payment options
 - Capital Reserves
3. **noted** the Chair of the Audit and Risk Committee will work with management to ensure appropriate high-level risk reporting is provided to the Board.

Actions:

- Chair of the Audit and Risk Committee is to provide the Board with his view on the organisation's significant risks, challenges and opportunities
- Management are to consider lessons on culture and values as part of the work that the Audit and Risk Committee have commissioned following two recent fraud investigations.

The Chair of the Audit and Risk Committee departed the meeting at 1.27pm.

12. 22(130) CEs Report

DCE Service Delivery Design joined the meeting at 1.27pm.

The Chief Executive's report was taken as read.

The Chief Executive advised that the United Fire Brigades Association indicated at its conference its desire to have all of the Local Advisory Committee's stood up which will come at a financial cost.

DCE Service Delivery Design provided an overview of two additional avoidable residential fire fatalities that have occurred since the Board received the written report. DCE Service Delivery Design also advised that a broader, whole-of-Government approach will be required to reduce the risks of avoidable residential fire fatalities due to wider social influences that contribute to increased risk.

DCE Service Delivery Design also advised the Board of an upcoming deployment to New South Wales to assist with significant flooding. The Board were advised that the deployments would likely continue in to early 2023.

Mary-Anne Macleod provided an overview of the oral submission that she made to the Governance and Administration Select Committee on the Fire and Emergency New Zealand (Levy) Amendment Bill on 3 November on behalf of the Board. Mary-Anne acknowledged the support that management provided.

9(2)(h)

The Board acknowledged the improvements in the BCO reporting and advised that they were pleased to see the level of engagement on the People Branch re-set consultation.

DCE Service Delivery Design departed the meeting at 1.40pm.

13. 22(131) Financial Report

DCE Finance and Business Operations provided an overview of the financial results for September 2022 as outlined in the respective paper.

Resolved

The Board:

1. **noted** the financial result and the full year forecast
2. **noted** the management challenges and cost pressures for 2022/23.

14. 22(132) Safety, Health and Wellbeing Update

Acting DCE People advised that a draft Safety, Health and Wellbeing roadmap will be presented to the Board at its next meeting for feedback.

The Board noted the legal advice provided in the paper relating to industrial action. The Board encouraged management to remind personnel of their individual health and safety responsibilities.

The Board acknowledged improvements made to safety, health and wellbeing reporting to the Board.

15. 22(133) Board Monthly Dashboard - September

The Board monthly dashboard for September was taken as read. Acting DCE Organisational Strategy and Capability Development advised that since the report was written one further COVID Response and Recovery Fund build project has been completed. The remaining build project is on track for completion by the end of February 2023.

Resolved

The Board:

1. **noted** the attached monthly dashboard report, outlining the organisation's performance for September 2022.

16. 22(134) Performance Reporting

The Board provided feedback on the appended documents by exception.

The Board sought clarity on the intended audience of each of the appended reports.

The Board asked that reporting to the Minister includes narrative on initiatives underway to make changes/improvements, as opposed to just reporting on completed initiatives.

The Board also encouraged management to review the quarterly report to the Minister and annual report to ensure that the language was appropriately nuanced and was appropriate for public release in accordance with the principles of the Official Information Act.

The Board also provided feedback on errors within the draft annual report for amendment prior to finalisation.

Noting the significant amount of work that the organisation is currently managing, the Board advised that it is not expecting perfection on all things being presented to the Board, including the annual report. The Board acknowledged the significant work involved in improving the format of the annual report from previous years.

Moved: Rebecca Keoghan; Seconded: Danny Tuato'o

Resolved

The Board:

1. **noted** the attached QPR Q1 report outlining how the organisation has performed over Q1 (appendix one)
2. **provided** feedback on the second draft (designed version) of the Annual Report (appendix two)
3. **noted** the financial accounts for 2021/2022 included in the second draft (designed version) of the Annual Report remain in draft pending completion of the Audit by Audit New Zealand
4. **noted** the timeline of key dates to complete, table and publish the Annual Report
5. **approved** the Q1 Board Report to the Minister, subject to incorporating Board feedback (appendix three)
6. **noted** that the final Q1 Board Report will be sent to the Minister's Office by 25 November 2022.

17. 22(135) UFBA Q4 Report 2021-2022

DCE Office of the Chief Executive provided a brief overview of the paper.

The Board asked that the letter from the Board Chair also acknowledge the recent UFBA conference and the positive feedback they have received from attendees.

Resolved

The Board:

1. **noted** the contents of the UFBA's fourth quarter report 1 April to 30 June 2022
2. **approved** a written response be sent to the UFBA from the Chair:
 - noting the UFBA's spend for the financial year
 - expressing appreciation for completing reporting requirements for the year as per the Conditional Grant Agreement
 - sharing optimism for the 2022/23 year, where services can be provided without the impacts of COVID-19
 - acknowledging the recent UFBA conference and positive feedback received.

18. 22(136) Local Advisory Committee Quarterly Report

DCE Office of the Chief Executive provided a brief overview of the paper and advised that there is work underway to streamline the process for Local Advisory Committees. The Board requested that the Local Advisory Committees Terms of Reference be reviewed to ensure that decision-making is at the appropriate level.

Resolved

The Board:

1. **noted** the quarterly updates from the LACs
2. **noted** the summary of the LACs' self-review reports.

Action:

- Review the Local Advisory Committee Terms of Reference

19. 22 (138) People and Culture Committee Report Back

The Chair of the People and Culture Committee advised that a written report back and the draft minutes of the Committee's meeting on 7 November will be provided to the Board at its meeting on 2 December.

The Chair of the People and Culture Committee provided a brief overview of the discussion had at the Committee meeting on 7 November on the proposed Chief Executive Performance Objectives and asked the Board to approve as outlined in the respective paper.

The Chair of the People and Culture Committee also encouraged Board members to familiarise themselves with the two documents uploaded to the Resource Centre: Kia Toipoto infographic and the Workforce Planning presentation.

The Chair of the People and Culture Committee also advised that management presented a draft safety, health and wellbeing roadmap which has an impact on all Board members and therefore this will be presented to the Board at its meeting on 2 December for feedback.

Board members who are members of the People and Culture Committee, and the Chief Executive acknowledged the benefits of the change in the way that the Committee now operates.

Resolved

The Board:

1. **noted** the proposed performance objectives for the Chief Executive for 2022/23 have been endorsed by the People and Culture Committee (the Committee)
2. **approved** the performance objectives for the Chief Executive for 2022/2023 as outlined in appendix one.
3. **noted** the Committee will work with the Chief Executive to make changes to the content of the performance objectives for 2023/2024.

Moved: Wendie Harvey; Seconded: Rebecca Keoghan

20. 22 (139) FireSuper Reappointment

Resolved

The Board:

1. **reappoints** Martin Dagleish as a director of FireSuper Trustee Ltd for a further three-year term with effect from 1 February 2023, subject to Mr Dagleish's consent to appointment
2. **noted** that the Chair will write to:
 - a) Mr. Dagleish, asking him to indicate his consent to appointment for the further term and confirming that the conditions of his appointment, including director remuneration, are otherwise unchanged,
 - b) subject to Mr. Dagleish's consent, Denis Fitzmaurice, the Chair of the Trustee Company's board, advising of the reappointment for the further term.

Moved: Rebecca Keoghan; Seconded: Danny Tuato'o

21. 22 (140) General Business

The Board acknowledged the short timeframe between Board meetings and the volume of work within the organisation and recommended that the 2 December 2022 Board meeting be truncated to only include necessary agenda items.

The Board Chair thanked management (and their teams) for their mahi during what has been a busy and challenging time of late.

There being no further business, the meeting closed at 2.11pm.

Rebecca Keoghan
Board Chair
December 2022

Fire and Emergency Board Meeting

Date: 2 December 2022

Time: 8.30am – 11.58am

Venue: Zoom

Present:

- Rebecca Keoghan, Chair
- Wendie Harvie, Member
- Mary-Anne Macleod, Member (for Board and Chief Executive only time items)
- Danny Tuato'o, Member
- Amit Prasad, Member

In attendance:

- Kerry Gregory, Chief Executive
- Carmel Ali, DCE Office of the Chief Executive
- Darryl Purdy, DCE Finance and Business Operations
- Russell Wood, DCE Service Delivery Operations
- Steph Rotarangi, DCE Service Delivery Design
- Tjene Tedeschi, Director People
- Piki Thomas, DCE Kaupapa Māori and Cultural Communities
- Cathryn Moriarty, Acting DCE Organisational Strategy and Capability Development
- Becks Kearns, Secretariat

Apologies:

- Malcolm Inglis, Member
- Mary-Anne Macleod, Member (from item one)
- Janine Hearn, DCE People

The Board met in Board-only time and with the Chief Executive in Chief Executive-only time until 9.46am. There was a short break to allow time for Executive Leadership Team members to join the meeting.

Mary-Anne Macleod departed the meeting at 9.46am.

The DCE Kaupapa Māori and Cultural Communities opened the meeting with a karakia. The Chair declared the meeting open at 9.58am.

1. 22 (141) Interests Register and Conflicts of Interest

The interests register was updated as follows:

- Removal of Malcolm's declared interest as a member of the Risk and Assurance Committee of the Criminal Cases Review Commission
- Removal of Wendie's declared interest as Director of the Electrical Training Company Ltd.

2. 22 (142) Confirmation of the Minutes of Previous Meeting

The minutes of the meeting held on 11 November 2022 were confirmed as a true and accurate record of the meeting, subject to one minor change to the wording of action 516.

Moved: Rebecca Keoghan; Seconded: Wendie Harvey

3. 22(143) Action items from last meeting

The Board discussed the action log and requested the following amendments:

- Action 501 which states “Progress the KPMG recommendation to establish an independent panel and provide a timeframe for doing so” is to remain open and on the Board action log

- Action 516 which is currently worded 9(2)(h)

4. 22(144) Bargaining Update (verbal)

The Chief Executive provided an update on the status of bargaining with the New Zealand Professional Firefighters Union (NZPFU). The Board were informed that a terms of settlement was imminent and that a paper would be provided to the Board later that day seeking agreement for management to enter in to an agreement with the NZPFU within a fiscal envelope of \$145m.

The Chief Executive also gave an overview of the key elements of the offer to the NZPFU that would make up the terms of settlement including for example an uplift to base salaries to reflect the changing nature of emergency response, the establishment of working parties (while maintaining management decision-making rights), annual payments for shift workers in Auckland, and addressing historical claims relating to medical response. The Chief Executive also gave an overview of provisioning and modelling that has been undertaken to address on-costs as a result of the NZPFU settlement, should it be approved and ratified, on other collective and independent employment agreements within the organisation.

The Board Chair advised that the Board had met on 6 November 2022 to discuss the board paper dated 4 November 2022 titled “Bargaining Update and Bargaining Parameters”. At this meeting the Board discussed the risks to the organisation outlined in the paper if the crown injection was accepted. Specifically, in relation to needing to ensure there was a lift in transitional levy rate which is outside of the direct control of Fire and Emergency, posting deficits until the levy is increased and inability not to meet the Statement of Performance Expectations as required under the Crown Entities Act. 9(2)(h)

the Chair wrote to the Minister of Internal Affairs (the Minister) on 8 November, outlining the risks noted above and seeking confirmation they were operating in a financially responsible manner. The Minister confirmed in a letter dated 10 November 2022 the parameters in which she considered the Board to be operating in a financially responsible manner. 9(2)(h)

(see Appendix two).

Additionally, the Chair advised that she had met with Andrew Clark – Audit NZ, to review the year end June 2022 accounts. As part of normal process for Audit, Andrew asked of any significant events in the pipeline that needed noting in the audit report that were outside of the date range. The Chair advised (amongst others) of the crown injection to assist with completion of bargaining, the associated risks to deficits, levy rate increases and financial challenges to the organisation. Audit NZ were assured that a letter of comfort had been received from the Minister of which he found satisfactory.

Moved: Rebecca Keoghan; Seconded: Wendie Harvey

The Board Chair gave a high-level overview of work underway with the Department of Internal Affairs on reviewing the amount of public good contribution provided to Fire and Emergency as part of Vote Internal Affairs.

The Board acknowledged and thanked the bargaining team for the work negotiating the NZPFU Collective Employment Agreement. The Board also acknowledged the entire organisation for their mahi and support during what have been challenging times.

6. 22(146) CEs Report

The Chief Executive took the report as read and directed the Board's attention to the update on the release of the Waiharara investigation report, which was scheduled to be released on Monday 5 December. The Board sought assurance that the organisation was learning lessons from the processes followed in respect of potential enforcement activity. The DCE Service Delivery Design advised that some gaps in our processes have been identified and work is underway to address these.

DCE Service Delivery Operations provided an update on the Paearu Mahi project which had been recalibrated and redesigned and was undergoing consultation. DCE Service Delivery Operations offered to keep the Board updated on progress.

The Board discussed the litigation updates and encouraged management to consider appealing the Employment Relations Authority's determination on the tranche 2 personal grievance.

The Board also discussed the People Survey Results Action Plan update and questioned why the training for managers was not mandatory. The Board sought assurance that all people managers who have access to their team's results are accessing these and taking appropriate action.

The Board also sought assurances on progress with local planning. Acting DCE Organisational Strategy and Capability Development advised that local planning is occurring but does need to continue to mature and improve. Engagement at a District level has been positive and local information is being integrated into existing planning processes.

The Board directed management to ensure that there is a plan in place for establishing the remaining Local Advisory Committees.

The Board also discussed the upcoming Wildfire Readiness Campaign and asked management to provide a report on our return on investment from media campaigns such as this.

Action(s):

- Provide the Board with assurance that all people managers who have access to their team's results are accessing these and taking appropriate action
- Provide the Board with a plan for establishing the remaining Local Advisory Committees
- Provide the Board with a report on our return on investment from media campaigns

5. 22(145) HRIS/Payroll Programme Quarterly Update

DCE Finance and Business Operations advised the Board that Jeff Casey, PriceWaterhouse Coopers, will be joining the meeting for the first quarterly update on the HRIS/Payroll Programme.

Jeff Casey, PriceWaterhouse Coopers, joined the meeting at 10.38am

Jeff Casey took the Board through the HRIS/Payroll Programme Quarterly update presentation.

The Board sought assurance that there is a plan B in place should the risks outlined in the presentation eventuate and the timeframes for implementation cannot be met. Jeff Casey advised that there is a mix of vendors involved who have overlaps in capability and that all vendors are working together in partnership which mitigates this risk. The Board sought assurances that the contracts with the various vendors allow for this flexibility between vendors and enable additional vendors to enter in to the programme if required. Jeff Casey undertook to come back to the Board on this.

DCE Finance and Business Operations advised that the current provider of HRIS/Payroll, Ascender, have advised users that they will continue to provide some support past the initial date provided where the system was to become unsupported however, it is not known what this support will entail.

The Board acknowledged the free and frank update and thanked Jeff Casey for joining the meeting.

Jeff Casey, PriceWaterhouse Coopers, departed the meeting at 11.08am

Action:

- Provide the Board with assurance that contracts with vendors on the HRIS programme allow for flexibility between vendors and enable additional vendors to be included in the programme as required.

7. 22(147) Financial Report

DCE Finance and Business Operations provided a high level overview of revenue and expenditure trends year-to-date and advised that there will be significant changes to the organisation's financial position once settlement with the NZPFU has been ratified.

DCE Finance and Business Operations also advised that due to logistics issues across all asset types there is a risk that we will not meet our forecast for Capital Expenditure for 2022/2023.

Resolved

The Board:

1. **noted** the financial result and the full year forecast.

8. 22(148) Safety, Health and Wellbeing Update

The Chief Executive advised that four Executive Leadership Team members have recently completed the Government Health and Safety Lead Officer Development course.

Director People advised that the open level two investigation is on schedule to be closed within the next two weeks, with a close-out meeting being the only remaining step in the process yet to be completed.

The Board acknowledged the improvements to the papers and the data being provided to the Board on Safety, Health and Wellbeing. The Board encouraged management to continue to mature and begin reporting on lessons being learned as a result of investigations.

The Board discussed the proposed changes to the ACC Accredited Employers Programme and encouraged management to consider these changes as part of their review in to continued participation in the programme.

The Board had further discussions on the impacts of non-reporting by NZPFU members during the ongoing period of partial industrial action. The Board encouraged management to consider options for addressing issues of non-reporting on safety, health and wellbeing matters ahead of bargaining and any potential future industrial action by members of Unions/Associations.

The Safety, Health and Wellbeing Update paper stated "our data does not allow us to distinguish whether those making reports are career or volunteer personnel". The Board sought further information on what would need to occur to enable reporting based on personnel type i.e. career or volunteer.

Resolved

The Board:

1. **noted** the Safety, Health and Wellbeing monthly report and dashboard
2. **noted** that no events were notified to WorkSafe in October.

Action(s):

- Advise what would need to occur to enable Safety, Health and Wellbeing reporting based on personnel type i.e. career or volunteer

9. 22(149) People and Culture Committee Report Back

The People and Culture Committee Report Back paper was taken as read. The Chair of the People and Culture Committee advised that this is the formal record of what took place at the People and Culture Committee meeting on 7 November, following on from the verbal update provided at the Board meeting on 11 November.

Resolved

The Board:

1. **noted** the report of the meeting held on 7 November 2022.

10. 22(150) Annual Report Final Draft

The Chief Executive acknowledged that there were grammar and spelling errors which would be addressed before finalising the annual report. The Chief Executive also advised that Fire and Emergency was expecting to receive the Statement of Responsibility and final Audit opinion from Audit NZ on 6 December following discussion at the Audit and Risk Committee.

The Board sought minor changes to the annual report as follows:

- acknowledging that settlement on the NZPFU collective employment agreement is pending in the disclosures
- removal of Centra lines as a declared conflict of interest for Wendie Harvey.

Resolved

The Board:

1. **noted** the Annual Report has been finalised to incorporate Board and ELT feedback
2. **noted** the financial statements have been amended post audit (Appendix one refers)
3. **noted** the timeframe to publish the Annual Report
4. **approved** the final draft of the Annual Report (Appendix two refers) with minor changes

Moved: Rebecca Keoghan; Seconded: Wendie Harvey

5. **approved** the Representation letter to Audit NZ (Appendix three refers) which is to be dated 6 December following confirmation by the Audit and Risk Committee that no material changes have been made to the annual report since the version approved by the Board.

Moved: Rebecca Keoghan; Seconded: Amit Prasad

11. 22(151) HRIS/Payroll Implementation

DCE Finance and Business Operations provided a brief overview of the paper and advised that the funding being requested is higher than the proposal to allow contingency for a possible extension should it be required.

Resolved

The Board:

1. **noted** PwC has been engaged since May 2022 to support the HRIS and Payroll Replacement Programme

2. **noted** PwC is currently engaged for the Design Phase of this programme which concludes with the delivery of an implementation plan currently scheduled for 2 December 2022
3. **noted** the current Design Phase engagement with PwC will need to be extended to February 2023, increasing the total cost of engagement with PwC by 9(2)(b)(ii), exceeding the Chief Executive's operational expenditure delegation
4. **approved** an extension to the current arrangements with PwC to February 2023 at a cost of up to 9(2)(b)(ii)
Moved: Rebecca Keoghan; Seconded: Danny Tuato'o
5. **noted** PwC presented a formal proposal to Fire and Emergency on 31 October 2022 to provide consultancy services through the implementation phase of the Programme from February 2023 to 31 December 2023 with an estimated value of 9(2)(b)(ii)
6. **noted** that a Procurement Exemption Plan was approved by the Chief Executive in November 2022, which authorised the direct source procurement of PwC for the implementation phase of the Programme
7. **approved** further engagement with PwC to negotiate a Consultancy Services Order (CSO) with a scope of consultancy services that provides an appropriate solution for Fire and Emergency of up to 9(2)(b)(ii) including extension variations
Moved: Rebecca Keoghan; Seconded: Wendie Harvey
8. **delegated** authority to the Chief Executive to execute the CSO with PwC up to a maximum value of 9(2)(b)(ii), including extension variations providing the Chief Executive is satisfied that the CSO includes appropriate terms, commercial levers and protections for a Programme of this nature.

Moved: Rebecca Keoghan; Seconded: Wendie Harvey

12. 22(152) Health Monitoring Contract Extensions

The Chief Executive apologised for not undertaking sufficient due diligence in mid-September when Board approval for the health monitoring contract extensions was sought. The Board noted that the organisation is focused on improving its maturity in procurement but requested management ensure that procurement processes are as seamless and efficient as possible, minimising the involvement the Chief Executive and Board to only that required under the government procurement rules to improve compliance and limit remediation.

DCE Finance and Business Operations advised that the full extent of historical procurement issues is not yet known. Updates on a procurement improvement plan are provided regularly to the Audit and Risk Committee. The Board encouraged management to continue to be open and transparent with the Board on all historical issues as the information is known. DCE Finance and Business Operations advised that the review in to four historical contracts provides a sense of the types of issues arising and offered to provide this to the Board.

Resolved

The Board:

1. **noted** in mid-September 2022 the Board approved the contract extensions for both Vitality Works and Bay Occupational Health by six months (expiring 31 December 2022)

2. **noted** the extension date we asked for in September did not sufficiently account for the time required to undertake a full procurement process
3. **approved** the additional contract extensions for both Vitality Works and Bay Occupational Health Consultation Contracts by six months (until 30 June 2023) to allow for a full procurement process to be undertaken, at a combined estimated cost of **9(2)(b)(ii)**

Moved: Rebecca Keoghan; Seconded: Wendie Harvey

4. **noted** the combined whole of life costs of both contracts is in excess of **9(2)(b)(ii)**, and therefore is above the Chief Executive's delegation for operating expenditure.
5. **approved** the delegation to the Chief Executive to sign the two health services contract variations.

Moved: Rebecca Keoghan; Seconded: Amit Prasad

Action(s):

- Secretariat is to load the review into four historical contracts to the Resource Centre.

13. 22(153) Aerial Resourcing

The Chief Executive and DCE Service Delivery Operations provided an overview of the previous Board discussion on 2 September 2022 on aerial resourcing and of the paper.

The Board questioned the stated benefit on reduced carbon emissions which the DCE Service Delivery Operations clarified were due to enhanced carbon emission controls as a result of modern technology.

Resolved

The Board:

1. **noted** the Board has previously delegated financial authority to the Chief Executive to award and sign a contract for four heavy aerial appliances, estimated at **9(2)(b)(ii), 9(2)(i)** capital expenditure
2. **noted** that an additional \$5M capital expenditure for Fleet in FY 2023/24 has previously been approved by the Board as part of the 2022/23 SPE approval process
3. **approved** an extended delegated financial to the Chief Executive to award and sign a contract for one additional heavy aerial appliance (for a total of five) with an estimated total capital cost of **9(2)(b)(ii), 9(2)(i)**

Moved: Rebecca Keoghan; Seconded: Amit Prasad

4. **noted** that inclusion of a fifth heavy aerial appliance will enable one new such appliance for each Region and will result in the remaining two frontline heavy aerals to be circa 15 years old.

14. 22(154) Service Agreement: Datacom – Provided Services

The Chief Executive and Acting DCE Organisational Strategy and Capability Development provided a brief overview of the purpose of the paper and the 9(2)(h) in a Master Services Agreement being developed.

The Board were concerned with the wording in the Master Services Agreement relating to the termination rights for life critical services and asked that the wording be changed from “may not terminate any Statement of Work that provides life critical services” to “will not”. Approval was provided subject to this change being made.

Resolved

The Board:

1. **noted** that in March 2022, 9(2)(h) in a Master Services Agreement being developed.
2. **noted** this paper is not seeking funding, the MSA focuses on improving the contractual framework only, and the standard internal processes for provisioning ongoing operating and support costs are undertaken annually
3. **noted** Board approval is required due to the combined whole of life cost of the services governed by the overarching MSA exceeding the Chief Executive’s delegations
4. **delegated** financial authority to the Chief Executive to approve and sign the MSA and the Service Tower Terms for the existing EIP and DWMP Platforms, subject to changing “may not” to “will not” in respect of terminating life critical services
Moved: Rebecca Keoghan; Seconded: Wendie Harvey
5. **delegated** authority to the Chief Executive to approve Service Tower Terms and Statements of Work relating to Payroll Services in accordance with the Fire and Emergency Delegated Financial Authority framework and based on the whole of life cost
Moved: Rebecca Keoghan; Seconded: Danny Tuato’o
6. **agreed** that each Service Tower and associated Statement of Work can be treated as a separate contract under the Datacom MSA for the purposes of delegated financial authority.
Moved: Rebecca Keoghan; Seconded: Amit Prasad

15. 22(155) Formalising Exemption for Draeger and TotalCare Contracts

The Chief Executive gave a brief overview of the purpose of the paper.

Resolved

The Board:

1. **noted** that we commissioned external reviews of Draeger NZ Limited; The Workwear Group; Workwear Group & LHD Group Australia t/a Total Care and Fraser Fire and Rescue Limited contracts to understand the level of risk exposure and outline actionable remediation plans to mitigate future risk
2. **noted** that there are valid grounds for exemption from open advertising under the Government Procurement Rules (GPR) for the Draeger agreement in 2019 and TotalCare extension in 2021. These exemptions were not formally recorded at the time

3. **approved** exemptions for the Draeger agreement in 2019 and the TotalCare extension in 2021 (as outlined at **Appendix 1 and 2**)

Moved: Rebecca Keoghan; Seconded: Wendie Harvey

4. **noted** formalising the exemption process reflects ongoing work to ensure procurement processes are consistent with the GPR, our internal Procurement Policy and best practice.

16. 22(156) Safety Health and Wellbeing Roadmap

Director, People provided an overview of the paper and advised that People and Culture Committee feedback had not yet been incorporated into the draft Safety, Health and Wellbeing Roadmap (the Roadmap).

The Chair of the People and Culture Committee advised that the People and Culture Committee requested the Roadmap be presented to the Board in draft form to ensure that the Board, as Officers under the Health and Safety at Work Act 2015, are involved in its development.

The Board sought and received assurances that relevant findings of the PSC review of our workplace culture and complaints handling processes would be incorporated in to the accompany work plan to the Roadmap.

The Chief Executive advised that the Roadmap is intended to bring a holistic view to improving safety, health and wellbeing maturity within the organisation and therefore shift the focus away from individual incidents, such as the Ashburton vehicle fire incident. The Board were supportive of this approach.

The Chief Executive also acknowledged the work that HSE Global have been doing with the People Branch to develop the Roadmap and supporting workplan.

Resolved

The Board:

1. **noted** the attached draft Roadmap has been developed alongside HSE Global
2. **noted** that further work is underway to ensure the next version embodies our values and our commitment to Māori as tāngata whenua
3. **noted** that expected safety health and wellbeing outcomes to result from successful implementation of the Roadmap are yet to be incorporated
4. **noted** that next steps will include engagement of the Roadmap with different parts of the business and refinement of an underlying workplan
5. **provided** input on the direction of the work to date.

17. 22(157) General Business

The Board acknowledged and thanked the Executive Leadership Team and their teams for their work in 2022, which although it has been a challenging year for a range of reasons a lot of work has been delivered.

The Chief Executive acknowledged the support and challenge provided by the Board throughout his tenor to date.

There being no further business, the meeting closed at 11.58am.

Out-of-cycle Paper – NZPFU Collective Employment Agreement Settlement

On the afternoon of 2 December 2022, following the Board meeting, the Board were provided an out-of-cycle paper entitled NZPFU Collective Employment Agreement Settlement for consideration via email.

The Board discussed and agreed via email to amend the noting recommendation in the paper which in the paper stated “**notes** a final decision on the amount of the Government’s public good contribution has not yet been made which creates financial risk” to “**noted** a final decision on the amount of the Government’s public good contribution has not yet been made which creates a higher financial risk of potential deficits that may be posted in outer years”.

Resolved

The Board:

1. **noted** the Cabinet decisions on funding to settle the collective employment agreement with the NZPFU, as per appendix one
2. **noted** a final decision on the amount of the Government’s public good contribution has not yet been made which creates a higher financial risk of potential deficits that may be posted in outer years
3. **agreed** management can settle the Collective Employment Agreement with the NZPFU within the \$145m fiscal envelope (over three years being 2021-2023)
4. **delegated** signing of the Terms of Settlement to the Chief Executive.

Rebecca Keoghan
Board Chair
2 March 2023

Fire and Emergency Board Meeting

Date: 2 March 2023

Time: 8.30am – 11.46am

Venue: Zoom / Teams

Present:

- Rebecca Keoghan, Chair
- Hon Ruth Dyson, Deputy Chair
- Mary-Anne Macleod, Member
- Danny Tuato'o, Member
- Amit Prasad, Member

In attendance:

- Kerry Gregory, Chief Executive
- Carmel Ali, DCE Office of the Chief Executive
- Darryl Purdy, DCE Finance and Business Operations
- Russell Wood, DCE Service Delivery Operations (for item 11 and part of item 6 only)
- Steph Rotarangi, DCE Service Delivery Design (for all items except items 12 and 13)
- Janine Hearn, DCE People
- Sarah Sinclair, DCE Organisational Strategy and Capability Development
- Cathryn Moriarty, former Acting DCE Organisational Strategy and Capability Development (for items 1, 2, 3, 10-13)
- Becks Kearns, Secretariat

Apologies:

- Belinda Clark, Member
- Piki Thomas, DCE Kaupapa Māori and Cultural Communities

The Board met in Board-only time and with the Chief Executive in Chief Executive-only time until 10.02am.

The Chief Executive opened the meeting with a karakia. The Chair declared the meeting open at 10.05am

1. Interests Register and Conflicts of Interest

The interests register was updated as follows:

- Danny Tuato'o is no longer Non-executive Director of Isthmus Group Limited.

2. Confirmation of the Minutes of Previous Meeting

The minutes of the meeting held on 2 December 2022 were confirmed as a true and accurate record of the meeting, subject to one minor change to attendees/apologies to account for Mary-Anne's partial attendance.

Moved: Rebecca Keoghan; Seconded: Amit Prasad.

3. Action items

The Board encouraged management to consider stopping, pausing, or delaying actions from the action log to ensure that priority areas receive sufficient focus and effort to be achieved well.

The Board discussed the action log and requested the following actions be inserted in to the Board's work programme and be removed from the action log:

- 398 – Review continued participating in the ACC Accredited Employers Programme in the second quarter of 2022
- 518 – The Secretariat is to include a strategic discussion on digital transformation on the Board's forward agenda for 2023.

The Board noted that the Health Standards Business Case will no longer be coming to the March 2023 Board meeting as indicated and has been delayed.

11. MAN Type 3 Purchases

Russell Wood, DCE Service Delivery Operations joined the meeting at 10.10am

The Chief Executive provided an overview of the history of MAN Type 3 trucks including previous issues that have resulted in Fire and Emergency having MAN cab chassis in storage and the need to procure these appliances from an alternative supplier(s) to be built on these chassis. The Chief Executive also outlined the current state and the need for 29 MAN Type 3 trucks to be built to replace aged trucks.

The Chief Executive outlined the purpose of the paper.

DCE Service Delivery Operations advised that all MAN Type 3 appliances which had cracks have been repaired and are under warranty.

The Board sought assurance that the procurement process proposed is appropriate. 9(2)(h)

MBIE had also verbally advised that they were comfortable with the approach.

The Board also sought and received assurance that:

- the appropriate Unions/Associations have been engaged, and
- that due diligence has been undertaken on the alternative supplier(s).

The Board were advised that there are no plans to redesign the air intake system with the new MAN Type 3 appliances, following commentary that the air intake system is not suitable for operating in flood waters.

Resolved

The Board:

1. **noted** the procurement of the 28 MAN Type 3 appliances is critical to bridging supply over the next two years pending delivery of the new generation Type 3 appliances in 2025 (which were procured under an open tender process)
2. **noted** the 28 Type 3 appliances were to be built on Fire and Emergency's MAN cab chassis under a contract with the current supplier, however, these orders could not be placed after issues with defects in the current MAN Type 3 appliances remain unresolved
3. **noted** given these unexpected issues, there is insufficient time available to pursue a new open procurement process for the immediate two-year bridging period
4. **noted** the approach taken is compliant with the Government Procurement Rules (GPR)
5. **delegated** to the Chief Executive authority to:
 - a) sign the relevant contract up to a maximum cost of 9(2)(b)(ii) [REDACTED], and
 - b) approve orders to be placed for 28 Type 3 appliances to be built on Fire and Emergency MAN cab chassis.

Moved: Rebecca Keoghan, Seconded: Hon Ruth Dyson.

6. Safety, Health and Wellbeing Update

The Board Chair acknowledged the significant impact that the deaths of firefighters Craig Stevens and Dave Van Zwanenberg, as well as the overall response to Cyclone Gabrielle has had on the organisation.

DCE Service Delivery Operations advised the Board that two independent investigations/reviews have been commissioned by Fire and Emergency: a level two investigation into the two firefighter fatalities, and an operational review in to Fire and Emergency's response to Cyclone Gabrielle and the Auckland anniversary weekend floods.

DCE Service Delivery Design provided the Board with assurance that rapid lessons learned are being implemented as appropriate, as opposed to awaiting the outcome of investigations/reviews.

DCE Service Delivery Operations also provided a brief update on Fire and Emergency's limited role in the Auckland Mayor's review in to the Auckland anniversary weekend flood response.

Russell Wood, DCE Service Delivery Operations, and Cathryn Moriarty, former Acting DCE Organisational Strategy and Capability Development, departed the meeting at 10.40am.

4. Eke Taumata

DCE Office of the Chief Executive advised the Board that there are two streams of work underway in response to the Te Kawa Mataaho review in to bullying and harassment and Fire and Emergency's complaint handling processes. The first is the longer-term culture change element and the second is focused on complaints handling.

The DCE Office of the Chief Executive provided the Board with an update on work underway with the Department of Internal Affairs on recommendation 14 of the Te Kawa Mataaho review report, relating to the establishment of an independent authority and on improving trust and confidence in the current Behaviour and Conduct Office.

The DCE Office of the Chief Executive also advised of work underway to prepare a gap analysis for the long-term cultural capability shift.

The Board asked management to ensure:

- the independent panel is sufficiently independent and consider how it links in with the Board and management
- there is no confusion for people about how/where to make a complaint
- management are considering the difference that is being made for all those involved in the complaints process through any changes
- the longer-term culture change element has sufficient focus due to the critical nature of it
- that the work on both streams is progressed in a fast, smart, and efficient way
- the Board are provided with detail on any changes, should they be proposed, to the current Behaviour and Conduct Office.

The Board encouraged the DCE Office of the Chief Executive to consider stopping, pausing, or delaying other work within her Branch to focus on Eke Taumata, as appropriate.

Action:

- Provide the Board with an overview of any changes to the Behaviour and Conduct Office , should they be proposed, in advance of any consultation taking place.

5. CEs Report

The Chief Executive's (CE's) report was taken as read.

The Chief Executive advised that the People Branch reset decisions have generally been received well by the People Branch. Work is progressing on the training component of the reset.

DCE Finance and Business Operations provided an update on progress with the transitional levy document since the report had been written.

The Board Chair noted that Amit Prasad had a conflict of interest in relation to the litigation updates section due to his role on the Board of St John. The Board Chair determined that noting that conflict was sufficient based on the nature of the material.

6. Safety, Health and Wellbeing Update (Continued)

The Chief Executive and DCE People both acknowledged that the quarterly Safety, Health and Wellbeing report does not yet meet the Board's expectations or provide sufficient assurance about what the organisation is doing about issues/opportunities that arise. Improved reporting remains a work in progress which will be aided by the implementation of the People Branch reset.

The Board discussed the need for management to ensure that the mitigations/controls arising from investigations are meaningful and less administrative in nature.

The Board advised that their priority projects for Safety, Health and Wellbeing are the PCBU project and critical risks. The Board asked that these be expedited.

7. Financial Report

DCE Finance and Business Operations provided a brief overview of the paper.

The Board sought clarification on the large forecasted expenditure for the remainder of the financial year and sought assurance that this forecast was realistic. DCE Finance and Business Operations advised that a conservative approach has been taken to the potential of wildfires occurring and ensuring sufficient funding has been forecasted to meet operating expenditure arising from such eventuation.

The Board also sought assurance that management are still looking for savings. DCE Finance and Business Operations advised that opportunities for savings are taken as they arise.

Resolved

The Board:

1. **noted** the financial result and the full year forecast
2. **ratified** the cancellation of the BNZ Standby facility
3. **noted** the treasury policy breach.

Moved: Rebecca Keoghan, Seconded: Danny Tuato'o.

8. Appointment for LACs

The Chair of the Evaluation and Appointments Committee acknowledged the calibre of the work of the Local Advisory Committee team and the process followed for appointments to Local Advisory Committees. The Chair of the Evaluation and Appointments Committee also acknowledge the quality of the people applying for roles on the Local Advisory Committees.

The Board advised that they did not require the level of detail provided on each individual for future appointments.

Resolved

The Board:

1. **approved** recommendations from the Evaluation and Appointments Committee on the appointments of 20 new LAC members
2. **approved** recommendations from the Evaluation and Appointments Committee on the re-appointments of 28 existing members
3. **approved** recommendations from the Evaluation and Appointments Committee on the appointments of Chairs and Deputy Chairs for Northland, West Coast and Otago LACs.

9. Terms of Settlement with the Public Service Association Te Pukenga Here Tikanga Mahi (PSA) in Collective Bargaining

The Chief Executive advised that the approach taken in the respective paper aligns with the approach taken for the settlement with the New Zealand Professional Firefighters Union (NZPFU), in terms of Board approvals being sought.

The Chief Executive also provided an update on progress with bargaining a terms of settlement with the PSA.

DCE People provided a brief overview of the financial implications of the paper. DCE People also advised that a bargaining strategy for negotiations with the Fire and Emergency Commanders Association is expected to come to the Board for consideration at its March meeting.

Resolved

The Board:

1. **noted** progress with bargaining the Collective Employment Agreement with the PSA
2. 9(2)(j) [REDACTED]
3. 9(2)(j) [REDACTED]

4. 9(2)(j)

5. **noted** Board approval is being sought as the total costs will exceed the delegated financial authority of the Chief Executive
6. **delegated** signing of a Terms of Settlement with the PSA to the Chief Executive.

Moved: Rebecca Keoghan, Seconded: Amit Prasad.

10. Revised Statement of Performance Expectations 2022/23

The Chief Executive provided an overview as to why the Statement of Performance Expectations for 2022/2023 needs to be revised and that changes are limited to only those aspects of the SPE that have been impacted by settlement of the NZPFU Collective Employment Agreement.

The Chief Executive also advised that there are some non-financial performance measures in the revised SPE that we know we will not be able to meet due to the impacts of recent significant incidents that Fire and Emergency have responded to and due to non-reporting by NZPFU members during the period of partial industrial action. This will be explained in the final annual report for 2022/2023.

Resolved

The Board:

1. **noted** the New Zealand Professional Firefighters Union (NZPFU) industrial action and the cost of settling the NZPFU Collective Employment Agreement (CEA) have significantly altered Fire and Emergency's intentions and undertakings as set out in the 2022/23 SPE. Given this, an amended SPE needs to be issued pursuant to the Crown Entities Act 2004 (the Act)
2. **noted** the financial forecasts in the amended 2022/23 SPE include an assumed increase in transitional levy rates with effect from 1 July 2024
3. **approved** the amended 2022/23 SPE and financial tables (appended to the paper)
4. **noted** any Board changes will be incorporated and the amended SPE will be provided to the Minister as soon as practical.

Moved: Rebecca Keoghan; Seconded: Hon Ruth Dyson.

The Board acknowledged the impact that Cyclone Gabrielle has had on the Hawkes Bay and acknowledged Steph Rotarangi's contribution.

Steph Rotarangi, DCE Service Delivery Design, departed the meeting at 11.40am.

12. Power of Attorney

The Chief Executive advised that Board approval to change the power of attorney for Fire and Emergency as a result of the recent appointment of Sarah Sinclair in to the role of DCE Organisational Strategy and Capability Development. The Chief Executive also advised that a paper is intended to be presented to the Board in June 2023 on options to move to role-based rather than person-based power of attorney.

Resolved

The Board:

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

2. **agreed** to appoint Sarah Sinclair to be an attorney for Fire and Emergency for the purposes of section 129(1) of the Crown Entities Act 2004 (**CEA**), and accordingly authorise the Chair and one other member to sign (by wet ink) the 'Power of attorney' deed attached as Appendix B
3. **noted** that the signed 'Power of attorney' will not be deposited with the Registrar-General of Land under section 212 of the Land Transfer Act 2017
4. **agreed** to revoke Cathryn Moriarty's power of attorney, and accordingly authorise the Chair and one other member to sign (by wet ink) the 'Partial Revocation of Power of attorney' deed attached as Appendix C
5. **directed** the Chief Executive to continue to maintain the record of all instances of the signing or execution of documents by Fire and Emergency's attorneys, which will be:
 - (i) available for inspection by the Board on request, and
 - (ii) provided to the Board every 6 months for its information.

Moved: Rebecca Keoghan, Seconded: Mary-Anne Macleod.

13. Board Sub-Committee Membership

The Board Chair thanked Board members for their participation on the Board Sub-Committees and thanked those impacted by the recommendations of the paper for accepting new roles on the three Sub-Committees of the Board.

Resolved

The Board:

1. **agreed** to Hon Ruth Dyson's appointment to the Audit and Risk Committee
2. **agreed** to Belinda Clark's appointment to the People and Culture Committee
3. **agreed** to Mary-Anne Macleod's appointment to the role of Chair of the People and Culture Committee
4. **agreed** to Amit Prasad's appointment to the role of Chair of the Evaluation and Appointments Committee.

Moved: Rebecca Keoghan; Seconded: Danny Tuato'o

14. General Business

The Board confirmed that virtual meetings going forward can be held via Microsoft Teams.

The Board thanked Cathryn Moriarty for her contributions while Acting DCE Organisational Strategy and Capability Development.

There being no further business, the meeting closed with a karakia at 11.46am.

Rebecca Keoghan

Board Chair

31 March 2023

Out-of-cycle Paper – Transitional Levy Increase – Proposed Process and Discussion Document

On 7 February 2023, an out-of-cycle Board paper was submitted to the Board for consideration via email. The recommendations in the paper were supported by all Board members.

Resolved

The Board:

1. **approved** the approach outlined in this paper to consult on for the transitional levy rate increase
2. **endorsed** the proposed 12.8% increase in the transitional levy rate from 1 July 2024
3. **approved** the discussion document being submitted to the Department of Internal Affairs for consideration by the Minister of Internal Affairs.

Rebecca Keoghan

Board Chair

31 March 2023

Out-of-cycle Paper – Transitional Levy Increase – Final Discussion Document

On 17 March 2023, an out-of-cycle Board paper was submitted to the Board for noting via email. The recommendations in the paper were noted by all Board members.

Resolved

The Board:

1. **noted** the attached final discussion document (appendix one), near final cost recovery impact statement (appendix two) and Cabinet paper (appendix three) that was provided to the Minister of Internal Affairs today (Friday 17 March)
2. **noted** that the discussion document, cost recovery impact statement and Cabinet paper are due to be lodged with the Cabinet office on Thursday 23 March 2023, following approval by the Minister for Internal Affairs
3. **noted** that the Cabinet Government Administration and Expenditure Review Committee, and subsequently Cabinet (3 April 2023), are being asked for approval to authorise release of the documents and to commence public consultation.

Rebecca Keoghan

Board Chair

31 March 2023

Fire and Emergency Board Meeting – Strategy Session

Date: 15 March 2023

Time: 1:00pm – 4:00pm

Venue: NHQ, Wellington

Present:

- Rebecca Keoghan, Chair
- Hon Ruth Dyson, Deputy Chair
- Mary-Anne Macleod, Member
- Danny Tuato'o, Member
- Amit Prasad, Member
- Belinda Clark, Member

In attendance for item one only:

- Anita Balakrishnan, Director Ministerial, Monitoring and Capability (Department of Internal Affairs, DIA)
- Jeremy Cauchi, Manager Monitoring and Appointments (DIA)
- Jean Houlihan, Principal Advisor Ministerial, Monitoring and Capability (DIA)
- Becks Kearns, Secretariat

Apologies:

- Nil

1. DIA Induction

Director Ministerial, Monitoring and Capability from the Department of Internal Affairs (DIA), provided an overview of the purpose of the induction session, which was to provide a brief introduction as to the roles and responsibilities of Crown Entity Board members.

All three attendees from DIA introduced themselves to Board members.

Director Ministerial, Monitoring and Capability provided an overview of the roles of and relationships between the Minister of Internal Affairs, the Board, and DIA (as the monitoring agency). The role of the Board was described as:

- overseeing strategic direction and performance
- giving effect to Government direction
- keeping Ministers informed in a timely manner through the Chair or DIA (no surprises principle).

The Board sought DIA's view on how the relationship between Fire and Emergency and DIA currently is. DIA advised that the relationship is strong with a healthy tension and that both parties are committed to learning and improving when difficult matters arise.

Manager Monitoring and Appointments provided an overview of work underway in DIA to continue to build an approach to providing an independent lens on Fire and Emergency's reporting, which includes more analysis and critical thought.

The Board Chair advised that DIA will be invited to attend elements of future Board meetings on strategic matters.

Director Ministerial, Monitoring, and Capability provided an overview of the guiding principles of the Code of Conduct with the intent of ensuring there was a shared understanding of the expectations on Board members. Board members were provided with a physical hard-copy of the Code of Conduct to read and sign.

Director Ministerial, Monitoring, and Capability provided an overview of conflicts of interest and the need to ensure any current or historical interests of Board members and their immediate family members are declared where any actual, perceived, or potential conflicts may arise.

DIA tested an example of a perceived conflict of interest with the Board to confirm their understanding of the types of interests that need to be declared. The Board also tested some examples with DIA. The Board were encouraged to declare interests if there was any ambiguity.

The Board also discussed the need to ensure that any potential conflicts are noted at the beginning of each meeting and are taken in to account when papers are distributed.

Director Ministerial, Monitoring, and Capability also advised that should an issue arise, the way in which the issues is reacted to can have a bearing on decisions and public opinion.

Actions:

- Board members are to review the interests register in light of the discussion with DIA on conflicts of interest and provide any updates as appropriate
- Secretariat is to distribute an additional interests register for interests relating to family members and other interests that are not for public release.
- Secretariat is to follow DIA up for a summary of the material discussed on 15 March 2023 as part of the DIA induction session.

Anita Balakrishnan, Jeremy Cauchi, Jean Houlihan, and Becks Kearns departed the meeting at 1.43pm.

2. Board Strategy Session

The Board met in Board only time for the remainder of the meeting.

Rebecca Keoghan
Board Chair
31 March 2023

Fire and Emergency Board Meeting

Date: 31 March 2023

Time: 8.30am – 2.50pm

Venue: National Training Centre, Rotorua

Present:

- Rebecca Keoghan, Chair
- Hon Ruth Dyson, Deputy Chair
- Mary-Anne Macleod, Member
- Danny Tuato'o, Member
- Amit Prasad, Member
- Belinda Clark, Member

In attendance:

- Kerry Gregory, Chief Executive
- Carmel Ali, DCE Office of the Chief Executive (virtual)
- Darryl Purdy, DCE Finance and Business Operations
- Russell Wood, DCE Service Delivery Operations
- Piki Thomas, DCE Kaupapa Māori and Cultural Communities
- Janine Hearn, DCE People
- Sarah Sinclair, DCE Organisational Strategy and Capability Development
- Becks Kearns, Secretariat
- Murray Coppersmith, Chair Audit and Risk Committee (items 5 and 6)

Apologies:

- Steph Rotarangi, DCE Service Delivery Design

The Board met in Board-only time and with the Chief Executive in Chief Executive-only time until 10.35am.

DCE Kaupapa Māori and Cultural Communities opened the meeting with a karakia. The Chair declared the meeting open at 10.36am

The Board Chair thanked management for the successful Board visit the day prior. The Board asked management to pass on their regards to those involved in organising the day and to the MC of the recruits graduation.

1. 22 (141) Interests Register and Conflicts of Interest

The interests register was noted. There were no real, perceived, or potential conflicts identified.

2. 22 (142) Confirmation of the Minutes of Previous Meeting

The minutes of the meeting held on 2 March 2023 were confirmed as a true and accurate record of the meeting and of out-of-cycle considerations.

Moved: Rebecca Keoghan; Seconded: Amit Prasad.

The minutes of the meeting held on 15 March 2023 were confirmed as a true and accurate record of the meeting.

Moved: Rebecca Keoghan; Seconded: Danny Tuato'o

3. 22(143) Action items

The action log was noted.

DCE People advised that the Health Standards action item (action item 522) has been deferred to June. Further advice will follow in due course to advise if further delays may be required to ensure focus remains on other key priorities.

4. Environmental Scanning

The Chair provided an overview of the process undertaken to develop the Board environmental scanning outcomes, as outlined in the respective paper.

The Chief Executive advised that the Executive Leadership Team environmental scanning document reflects top-of-mind strategic environmental factors at a point in time and is not captured in any prioritised order. The Chief Executive advised that this mahi will continue to develop over time.

The Board considered that the organisation's current strategy does not clearly articulate Fire and Emergency's purpose, role in the emergency management sector, and who we are as an organisation. It was determined that the Board and ELT should work together in a timely manner to determine this for the organisation as well as how we brand ourselves and influence others on the agreed purpose/role. It was suggested that the Fire and Emergency New Zealand Act 2017 be used as the basis for determining our purpose and role and how we interpret and operationalise the legislation (particularly Section 12). It was also suggested that the Chief Executive meet with the Chief Executives from Treasury, Department of Prime Minister and Cabinet, Public Service Commission, and Department of Internal Affairs on Fire and Emergency's role and experience in Cyclone Gabrielle.

The Board also discussed the linkages with defining the organisation's purpose and defining the culture we want for the organisation.

The Board also considered it important to be able to demonstrate the key pieces of work underway, how they align with our purpose and the direction of the organisation, and the key milestones.

The Board discussed the organisation's narrative about Section 12 activities. Fire and Emergency does currently undertake some Section 12 activities, such as response to severe weather events, however in the long-term the challenge is the sustainability of our capability, capacity, and resources to respond safely, adequately, and at pace.

The Board also discussed the organisation's financial position and the importance of ensuring the rationale for our increases in OPEX since establishment is well articulated and considered as the strategic work above progressed.

Action:

- Secretariat is to arrange an out-of-cycle Board/ELT workshop on Fire and Emergency's purpose and role.

Resolved

The Board:

1. **noted** appendix one which supported the discussion on Fire and Emergency's operating environment.

The meeting adjourned for a short break at 11.28am and reconvened at 11.41am

5. Part 3 Levy

Chair of the Audit and Risk Committee, Murray Coppersmith, joined the meeting at 11.41am

The Chief Executive provided an overview of the two aspects of the agenda item and the respective papers.

DCE Organisational Strategy and Capability Development provided an overview of the challenging timeframes for seeking approval and releasing a consultation document on Part 3 prior to the impending election. DCE Organisational Strategy and Capability Development also provided an overview of work underway to develop consultation options and to determine and best describe the impacts of a "do nothing option".

The Board suggested that consideration be given to inclusion of the following in the discussion document:

- Reference to the foundational issues that Fire and Emergency inherited when it was form and the level to which this was underestimated. The Chair's opening remarks during Fire and Emergency's annual review included this information.
- That the impacts of a "do nothing" option are sufficiently strong and realistic, particularly in relation to the safety and risk to our people and the public

The Board asked what the impacts are if the timeframes are missed. DCE Finance and Business Operations advised that modelling has been undertaken as was previously provided to the Audit and Risk Committee at its meeting on 6 December 2022. Consideration is being given to how to fix the financial deficits with the Crown, this could include for example utilising cash reserves, deferring payment for both Crown loans, amending the capital plan to the minimum viable product, implementing a cost savings initiative (as was implemented during COVID-19), borrowing parameters, financial support for liquidity.

The Board discussed the need to discuss financial concerns at the next formal Board/Ministerial meeting.

DCE Finance and Business Operations provided an overview of the challenges with forecasting due to the timeframes (i.e. the need to forecast six years out). DCE Finance and Business Operations provided an overview of the *Cost Forecasts for Levy Modelling Purposes* paper.

The Board discussed the proposed approach to September 2026, where no levy revenue will be received. The Board's view was that due to the organisation's challenges in respect of the long-term the sustainability of its capability, capacity, and resources to respond safely, adequately, and at pace – it would not be possible to absorb this cost. The Board were also understanding of the rationale for not including this within the Part 3 levy cost modelling. The Board requested that the DCE Finance and Business Operations provide alternative options for Board consideration.

The Board also sought confirmation that management had sufficient resource to deliver Part 3. Management advised that the teams involved are stretched but this is being managed and supported by external consultants.

The Board also advised of the need to ensure that the case for not reducing back office functions is robust and that sufficient work has been undertaken to identify and incorporate internal savings. The Board also advised of the need to ensure communications are strong on the financial impact of the foundational issues Fire and Emergency inherited, and on the purpose of and need for cash reserves.

Action:

- DCE Finance and Business Operations to provide the Board with options for managing the month in which no levy revenue will be received.

Resolved

The Board:

Part 3 levy - key dependencies and timeframes to implementing new levy regime from 1 July 2026

1. **noted** that the Minister of Internal Affairs has advised that she wishes Cabinet to consider Part 3 Levy consultation documents at the 3 July Cabinet meeting, before consultation can commence, and that if this timeframe is not met, the consultation process will be delayed until early 2024
2. **noted** that the Department of Internal Affairs has asked that a draft discussion document and CRIS be prepared by Fire and Emergency and submitted to them by 30 April 2023
3. **noted** there are several dependencies to the development of the proposed levies in the discussion document and CRIS, in particular:
 - a. the total revenue needs estimates for Fire and Emergency for the levy period 2026/27-2028/29
 - b. completion of work to allocate these costs to the different policy holder groups using the cost allocation model, and
 - c. determination of sizes of policy holder groups in different categories, incorporating expected recommendations on exemptions to the levy
4. **agreed** to a two-stage approval process for approving the discussion document and CRIS:
 - a. the Board will be asked to consider the draft discussion document and CRIS for an out-of-cycle approval-in-principle prior to the Board meeting of 28 April 2023, to meet the Department's 30 April deadline, then

- b. if material changes to the discussion document are required, as a result of Cabinet decisions on exemptions, or agency and ministerial consultation and review of the documents by Department of Internal Affairs, Board signoff of a revised discussion document will be required out-of-cycle in early to mid-June 2023.
5. **noted** that, if we do not meet the timeframes outlined above, it may not be possible to implement a new levy regime from July 2026.

Moved: Hon Ruth Dyson, Seconded: Danny Tuato'o.

Cost Forecasts for Levy Modelling Purposes

1. **noted** the proposal to increase the levy growth assumption from 2% per year to 2.7% per year, which has the support of the Audit and Risk Committee
2. **approved** a levy growth assumption of 2.7% per year
Moved: Rebecca Keoghan, Seconded: Amit Prasad
3. **noted** that the forecasts outlined in this paper include:
 - increase in the Transitional Levy rate of 12.8% on 1 July 2024 and repayable Crown Loan to fund the NZPFU settlement
 - levy growth assumption of 2.7% per year
 - the cost of the NZPFU settlement (2021-24)
 - wage and cost inflation based on contract commitments and Treasury forecasts
 - priority projects (such as Eke Taumata, Working Safely in Water, Health Standards, Incident Capability Payments Alignment Paearu Mahi, Public Safety Network)
 - revised capital programme (\$2.9 billion over 20 years)
4. **noted** that the forecasts require cash surpluses of \$13m to be generated in each of the three years from 2024/25 to 2026/27 to help fund a one-off reduction in cash which will result from an extension of the levy payment period on 1 July 2026 and each annual budget will need to provide for these cash surpluses
5. **noted** that we have considered but not included the following cost changes in our 7-year financial forecasts:
 - response to increase in significant weather-related incidents
 - implementation of the Climate Response Plan, and
 - reduction in the Corporate costs
6. **noted** that we have considered a number of options to fund the forecast increases in operating costs and capital expenditure. The preferred option is to increase levy rates in the Part 3 Levy Review
7. **approved** the 7-year financial forecasts presented in appendix 2 for levy modelling purposes, noting that this will result in a 6% increase in levy rates in the Part 3 Levy Review on 1 July 2026, noting the discussion had on the month with no levy revenue and on cost savings

Moved: Rebecca Keoghan, Seconded: Danny Tuato'o

8. **noted** that a paper outlining the findings from the Part 3 Levy Review modelling process and proposed levy rates will be submitted to the Board prior to submission to the Minister of Internal Affairs.

6. PWC Quarterly Update on HRIS Project

Jeff Casey, PricewaterhouseCoopers joined the meeting at 12.22pm

DCE People provided an overview of the current status of the HRIS/Payroll project and advised that the project is at a critical phase.

Jeff Casey, PricewaterhouseCoopers, took the Board through the presentation which included an overview of the history of the project to date, progress against the two reviews that were undertaken, changes to the programme since the previous update, and work currently underway.

DCE People informed the Board that there is significant complexity relating to terms and conditions and the number of integration points the HRIS/Payroll system has with other systems. Due to this complexity, the need to change providers, changes in the project team, and the importance of having a fully functioning HRIS/Payroll system when it goes live Jeff Casey advised that a more conservative timeline is required. Jeff also advised that the providers of the current system have provided agreement in principle that they will continue to support the current system through to June 2025.

The Board sought and received assurance that:

- robust testing will be carried out prior to implementing the new system
- management will ensure that the new HRIS/Payroll system is launched as soon as it is possible to do so safely
- the work being undertake will ensure no further setbacks
- there were no sunken costs with the previous provider.

The Board were advised that the next HRIS/Payroll project update will include costs and how the HRIS/payroll system will be funded.

Jeff Casey, PricewaterhouseCoopers and Murray Coppersmith, Chair of Audit and Risk Committee, departed the meeting at 12.58pm.

7. Operational Staffing

The Chief Executive provided an overview of the purpose of the paper and of the work still required to be completed to determine the details of increases to operational staffing levels. The Chief Executive also advised that the scope is staffing level ratios to ensure that our current state can be adequately and safely staffed, not increasing stations or appliances at each station.

DCE Service Delivery Operations provided an overview of the reasons why operational staffing levels need to be increased and advised that Board support at this stage is required to enable management to participate in the working party with the New Zealand Professional Firefighters Union in good faith.

The Board discussed the need to ensure that the increases to operational staffing result in reduced overtime.

The Board sought assurance that the Board decision would not pre-empt working party discussions. The Chief Executive advised that in order to proceed in good faith with the working party Board direction on an increased establishment number was required, and assured the Board that if evidence and analysis arising from working party discussions demonstrates a further increase in establishment numbers (beyond 235) is required then further Board approval will be sought at that stage.

The Board advised management to ensure that the scope is clear.

Management provided an overview of the three working parties that exist with the NZPFU, which arose from the recent settlement, and offered to provide regular updates to the Board on how these are progressing. Management also advised their views on the current state of the relationship with the NZPFU and provided assurance that consideration is given to how to approach the valid and genuine concerns raised.

Resolved

The Board:

1. **supported in principle** an increase in establishment up to 235 firefighters, subject to the availability of funding to support the increase
2. **9(2)(j)**
3. **noted** the modelling has a number of limitations and is based on reducing overtime to a sustainable level to support firefighter wellbeing
4. **noted** the Terms of Settlement with the New Zealand Professional Firefighters Association (NZPFU) for the 2022 Collective Agreement between the NZPFU establishes a Staffing Working Party
5. **noted** that a number of operational variables will define final costs. The full costs will be developed further as implementation progresses and the cost modelling is updated
6. **noted** that the financial modelling for future levy rates to be applied under Part 3 of the Act provides for up front and ongoing costs of the increase in firefighter FTE to 235.

Moved: Rebecca Keoghan, Seconded: Hon Ruth Dyson

8. Safety, Health, and Wellbeing Roadmap

DCE People provided an overview of the purpose of the paper.

The Board had no feedback to provide on the draft Safety, Health and Wellbeing Roadmap and encouraged management to continue to progress this work.

Resolved

The Board:

1. **noted** that further refinement of the Safety, Health, and Wellbeing Roadmap is ongoing
2. **noted** that engagement with unions and associations is intended to take place following Board input into the current version of the Safety, Health, and Wellbeing Roadmap
3. **noted** the themes of feedback received and subsequent changes to the content

4. **noted** that work on the underlying workplan and associated resourcing/business implications is under development
5. **provided** feedback on the current version of the Safety, Health, and Wellbeing Roadmap (Appendix two).

9. Local Advisory Committees

The Chief Executive provided an overview of the proposed approach to the establishment of the remaining Local Advisory Committees (LACs).

The Board asked that management ensure that LACs are established in a way that adds value for the organisation, while also being cognisant of the time commitment of those who will be appointed to LACs.

The Board acknowledged the quality and value of the feedback provided by the LAC's through the Annual Insights Reports. The Board asked management to:

- Identify options for streamlining LAC reporting requirements to reduce the administrative burden as part of the work underway to refresh the LAC Terms of Reference, and to work with the existing LACs on this
- Amend the management response to LAC insights to be more inclusive and to include how their feedback will be used to positively contribute to making improvements.

Resolved

The Board:

Establishment of remaining Local Advisory Committees

1. **noted** the Fire and Emergency Act 2017 requires the Board to establish LACs across Aotearoa
2. **noted** the requirement for public consultation should the Board wish to change LAC boundaries
3. **noted** the four next steps options proposed with associated advantages and disadvantages
4. **approved** option one: to Standup the remaining nine LACs based on existing boundaries by December 2024.

Moved: Ruth Dyson, Seconded: Mary-Anne Macleod

Annual Insights Reports

1. **notes** the Fire and Emergency management responses, attached as Appendix A
2. **delegated** approval of a written response to be sent to the individual LAC Chairs' from the Board Chair, and inclusion of the management response to Amit Prasad and Rebecca Keoghan.

10. Eke Taumata

DCE Office of the Chief Executive provided an overview of the work underway which is supporting the PSC review recommendations.

The Board encouraged management to reconsider the proposed interim solution (recommendation 14 of the PSC review) to ensure that it is sufficiently independent. The Board suggested exploring how ACC currently operate.

Resolved

The Board:

1. **noted** progress and next steps for Eke Taumata and associated appendices.

11. CE's Report

The Chief Executive advised that positive progress is being made on improving the relationship with the Department of Internal Affairs following a second workshop with facilitator Debbie Frances.

The Chief Executive's report was taken as read.

The Board asked for clarity on outstanding complaints that arose while the Interim Behaviour and Conduct Office was in place.

Action:

- Provide the Board with data outlining the outstanding complaints arising while the Interim BCO was in place.

12. Safety, Health, and Wellbeing Update

The Safety, Health and Wellbeing Update was taken as read.

DCE People advised of the intention to recruit to reporting and insights roles within the People Branch, their first priority once in place will be to improve Safety, Health, and Wellbeing reporting.

DCE People provided an update on the timeframes for Safety, Health and Wellbeing investigations relating to the fatalities and injuries that occurred in Muriwai in February. Management provided assurance that Fire and Emergency will provide liaisons for interactions between Worksafe and the affected families.

Resolved

The Board:

1. **noted** the Safety, Health and Wellbeing monthly report and dashboard
2. **noted** that one event was notified to WorkSafe in February.

13. Q2 Performance Reporting

DCE Organisational Strategy and Capability Development acknowledged that further work is required to develop outcome-based measures, this will take some time to develop.

The Board acknowledged the quality of the report to the Minister and improvements that have been made over time. The Board also advised that they appreciated the quarterly performance report for the Board and the Monthly Dashboard being placed in the Resource Centre.

Resolved:

The Board:

1. **approved** the Q2 Board Report to the Minister of Internal Affairs, subject to incorporating Board feedback (appendix one)
2. **noted** that the final Q2 Board Report will be sent to the Minister's Office by 14 April 2023
3. **noted** the organisation's performance over Q2.

Moved: Rebecca Keoghan, Seconded: Amit Prasad.

14. UFBA Q1 and Q2 Reports

The Chief Executive advised of the purpose of the paper and advised that while the reports were received by the UFBA within the timeframes outlined in the Conditional Grant Agreement, due to reduced Board agendas in December and February (held on 2 March), providing these to the Board had been delayed.

The Board were concerned about the low participation rates on the satisfaction survey and asked that the Board Chair direct UFBA to improve participation rates with the main rationale being to ensure sufficient input on Eke Taumata in due course.

The Board discussed the review of the Transitional Advocacy and Support Agreement Review and the need to signal expectations following the PSC review into bullying and harassment and complaints handling processes.

The Board indicated an intention to have a strategic discussion at a future meeting on the relationship with UFBA, the conditional grant agreement, and UFBA's role in responding to the PSC review.

Action:

- Secretariat is to include a strategic discussion on the relationship with the UFBA, conditional grant agreement, and response to the PSC review on the Board's work programme

Resolved

The Board:

1. **noted** the contents of the UFBA's first quarter report 1 July – 30 September
2. **noted** the contents of the UFBA's second quarter report 1 October – 31 December 2022.
3. **approved** a written response be sent to the UFBA from the Chair covering the matters outlined in the *Next Steps* section of the paper and participation rates on the satisfaction survey.

Moved: Rebecca Keoghan, Seconded: Mary-Anne Macleod.

15. Financial Update

DCE Finance and Business Operations provided an overview of the organisation's finance for February.

The Board discussed the opportunity costs arising from Cyclone Gabrielle, such as volunteers being away from paid employment while undertaking response activities and sought further data on this prior to the release of Fire and Emergency's operational review.

Action:

- Estimate/calculate the opportunity cost of Cyclone Gabrielle e.g. volunteers away from paid employment while undertaking response activities.

Resolved

The Board:

1. **noted** the financial result and the full year forecast
2. **approved** interest waiver on late levy payments for insurance payers affected by Cyclone Gabrielle.

Moved: Rebecca Keoghan, Seconded: Mary-Anne Macleod.

16. People and Culture Committee Report Back

The People and Culture Committee report back was taken as read.

Resolved

The Board:

1. **noted** the report of the meeting held on 13 February 2023

17. Audit and Risk Committee Report Back

The two Audit and Risk Committee report backs were taken as read.

Resolved

The Board:

1. **noted** the report of the meeting held on 6 December 2022
2. **noted** the report of the meeting held on 13 March 2023
3. **approved** the risk management standard.

Moved: Rebecca Keoghan, Seconded: Danny Tuato'o.

18. Kia Toipoto Action Plan

DCE People advised that the Kia Toipoto action plan is required to be published before 30 April 2023. DCE People advised that feedback from the People and Culture Committee had been incorporated, that the majority of work in the organisation's first Kia Toipoto action plan is foundational in nature.

The Board asked for one minor change to be made to the Kia Toipoto action plan to better reflect where the organisation is at in responding to the Coral Shaw review.

Resolved

The Board:

1. **noted** the feedback from the Kia Toipoto Advisory Rōpu, Te Kawa Mataaho (Public Service Commission) and the Board's People and Culture Committee has been reflected in this action plan
2. **approved** the publication of Fire and Emergency NZ's inaugural Kia Toipoto action plan, with one minor change.

Moved: Rebecca Keoghan, Seconded: Belinda Clark.

19. Repayment of Crown Loan: Integration Phase

The Chief Executive provided an overview of the paper.

Resolved

The Board:

1. **delegated** authority to the Chief Executive to approve the repayments against the Crown funding injection in accordance with the repayment schedule specified in the Memorandum of Understanding between Fire and Emergency and the Crown.

Moved: Rebecca Keoghan, Seconded: Amit Prasad.

20. Procurement Exemption Approvals

DCE Organisational Strategy and Capability Development provided a brief overview of the purpose of the papers and advised that it is considered that exemptions from the Government Procurement Rules are valid in both cases. The Board reinforced to management the importance of ensuring contracts are compliant with the Government Procurement Rules and any exemptions are valid.

Eagle/Esri

Resolved

The Board:

1. **noted** that Eagle provides Esri geospatial software and consulting services to Fire and Emergency, and together with Esri provide support services for the Esri geospatial software. Eagle is the exclusive distributor for Esri geospatial software in New Zealand
2. **noted** that the current Master Services Agreement (MSA) between Fire and Emergency, Eagle and Esri commenced on 12 June 2019 and expires 17 June 2024. Current software licensing and services agreements entered into under the MSA currently expire on 29 May 2023
3. **noted** that continued use of Esri geospatial software and support services is required to support various Fire and Emergency operational functions through integration of maps and critical location-based information
4. **noted** that an extension of the MSA that expires on 17 June 2024 is being sought and that the new end date, if approved, will be 17 June 2028 at the latest
5. **noted** that procurement 9(2)(h) supports the interpretation that an extension of the MSA and associated agreements meets the test for an exemption from open advertising under Government Procurement Rules (4th Edition) Rule 14.9 c. (i) on the

basis that the goods, services, or works can be supplied by only one supplier and there is no reasonable alternative or substitute because for technical reasons there is no real competition

6. **noted** that the combined operating expenditure pursuant to arrangements entered into under the MSA is expected to be 9(2)(b)(ii) by 29 May 2023
7. **approved** the ongoing direct source procurement for the supply of geospatial software and associated services from Eagle and Esri under an Exemption from open advertising, on the grounds set out in Government Procurement Rules (4th Edition) Rule 14.9(c)(i)

Moved: Rebecca Keoghan, Seconded: Danny Tuato'o

8. **delegated** authority to the Chief Executive to sign the extension of the MSA for an additional period of up to four years and associated agreements for an additional period of up to five years ending no later than 17 June 2028, with a total whole of life cost of up to 9(2)(b)(ii) (inclusive of the 9(2)(b)(ii) expected to be spent by 29 May 2023) 9(2)(b)(ii) **Approved WOLC**
9. **agreed** that each new contractual document related to the purchase of geospatial software and associated services under the MSA (**Future Contractual Document**) can be treated as a separate contract under the MSA for the purposes of delegated financial authority

Moved: Rebecca Keoghan, Seconded: Danny Tuato'o

10. **delegated** authority to the Chief Executive to approve and sign Future Contractual Documents in accordance with the Fire and Emergency Delegated Financial Authority framework provided that the 9(2)(b)(ii) Approved WOLC is not exceeded
11. **noted** the costs of the Future Contractual Documents will be funded from baseline budgets.

Smartrak

Resolved

The Board:

1. **noted** Smartrak have been a supplier to Fire and Emergency since 2010 with whole of life costs to date of 9(2)(b)(ii) OPEX and 9(2)(b)(ii) CAPEX
2. **noted** the Smartrak application provides GPS location and fleet management commonly referred to as Automatic Location and Positioning System (ALPS) that is a critical service for Communication Centres
3. **noted** that Fire and Emergency Procurement 9(2)(h) agree the direct source with Smartrak is a valid Exemption in accordance with Government Procurement Rules (4th Edition) Rule 14.9(c)(i)
4. **approved** the direct source of a contract extension with Smartrak

Moved: Rebecca Keoghan, Seconded: Danny Tuato'o

5. **delegated** authority to the Chief Executive to extend the Smartrak contract for up to three years with an estimated cost of 9(2)(b)(ii)

6. **delegated** authority to the Chief Executive to approve further expenditure with Smartrak, estimated at 9(2)(b)(i), for the three-year extension
7. **noted** the cost of the contract extension is forecasted in the ICT baseline budget.

21. People and Culture Committee Terms of Reference

The Chair of the People and Culture Committee provided an overview of the proposed revised terms of reference which reflects the way in which the People and Culture Committee is operating.. Management confirmed that the way in which the People and Culture Committee has been operating has proved valuable in refining and challenging our thinking on a number of key pieces of mahi.

Resolved

The Board:

1. **noted** the People and Culture Committee has evolved since its inception in 2021 and the current terms of reference are no longer fit-for-purpose
2. **approved** the proposed terms of reference for the People and Culture Committee.

Moved: Rebecca Keoghan, Seconded: Belinda Clark.

22. Key Messages / Correspondence / Events

The Board thanked those involved in hosting the Board at the National Training Centre and those involved in providing presentations and demonstrations.

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



Rebecca Keoghan

Board Chair

28 April 2023

Fire and Emergency Board Meeting

Date: 28 April 2023

Time: 8.30am – 12.48pm

Venue: Microsoft Teams

Present:

- Rebecca Keoghan, Chair
- Hon Ruth Dyson, Deputy Chair
- Mary-Anne Macleod, Member
- Danny Tuato'o, Member
- Amit Prasad, Member
- Belinda Clark, Member

In attendance:

- Kerry Gregory, Chief Executive
- Carmel Ali, DCE Office of the Chief Executive
- Darryl Purdy, DCE Finance and Business Operations
- Steph Rotarangi, DCE Service Delivery Design
- Piki Thomas, DCE Kaupapa Māori and Cultural Communities
- Janine Hearn, DCE People
- Sarah Sinclair, DCE Organisational Strategy and Capability Development
- Becks Kearns, Secretariat
- Anita Balakrishnan, Department of Internal Affairs (item 4 only)

Apologies:

- Russell Wood, DCE Service Delivery Operations

The Board met in Board-only time and with the Chief Executive in Chief Executive-only time until 10.12am.

Following a short break, DCE Kaupapa Māori and Cultural Communities opened the meeting with a karakia. The Chair declared the meeting open at 10.18am.

1. Interests Register and Conflicts of Interest

The interests register was noted. There were no real, perceived, or potential conflicts identified.

The interest's register was updated to reflect that Belinda Clark is the interested party for all listed interests.

2. Confirmation of the Minutes of Previous Meeting

The minutes of the meeting held on 31 March 2023 were confirmed as a true and accurate record of the meeting, with one minor change.

Moved: Rebecca Keoghan; Seconded: Danny Tuato'o

3. Action items

The action log was noted.

Action item 516 was amended as follows:

9(2)(h)

4. Eke Taumata

Anita Balakrishnan, Department of Internal Affairs, joined the meeting at 10.23am.

The Chair welcomed Anita Balakrishnan to the meeting to listen to the kōrero on Eke Taumata.

The Chief Executive and DCE Office of the Chief Executive provided an overview of engagement with Behaviour and Conduct Office personnel on a change process for an interim complaint handling process and assured the Board that there is no predetermined outcome.

DCE Office of the Chief Executive also advised that the Behaviour and Conduct Office remains operational and of changes that have been made to improve processes and resolve issues in a timely manner in a way that best supports those people involved.

The Board considered further discussion is required on the implications and risk appetite for potentially shortening the timeframes for establishing an interim solution.

DCE Office of the Chief Executive provided an overview of the Eke Taumata Governance Group and intention for two Steering Groups. The Board sought assurance that lessons identified through previous programmes, such as the Positive Workplace Programme, are learned and incorporated in to the Eke Taumata governance arrangements and Eke Taumata programme.

The Board also sought and received assurance that appropriate consideration is being given to organisation-wide communications on Eke Taumata and complaints handling.

The Board sought assurance that progress is being made against the intent and recommendations of the PSC review and asked that papers accurately demonstrate progress being made. The Board also voiced concerns that the response to the PSC review appears siloed and programmatic and does not yet demonstrate how to achieve systematic culture change.

The Board sought clarification from the Department of Internal Affairs on the purpose of their briefing to the Minister of Internal Affairs in relation to recommendation 14 of the PSC review. Anita Balakrishnan confirmed that the briefing sought direction on a permanent solution for independent complaints handling, not an interim solution.

Actions:

- Clarification email is to be sent to the Fire and Emergency Board confirming that there is no intention to undertake a formal review of the Behaviour and Conduct Office function.
- Secretariat is to provide the People and Culture Committee papers to the full Fire and Emergency Board.

Resolved

The Board:

1. **noted** recent progress and next steps for Eke Taumata.

Anita Balakrishnan, Department of Internal Affairs, departed the meeting at 11.01am.

5. Chief Executive's Report

DCE People sought and received confirmation that the Board were comfortable with the HRIS/Payroll replacement programme business case being delayed until such time that the DCE People is confident in the robustness and quality of the costings and timeframes.

The Board sought and received assurance that systematic issues identified through the *Nelson Review* have been addressed.

6. Safety, Health, and Wellbeing

The Chief Executive provided an overview of the two Safety, Health and Wellbeing papers.

DCE People advised that the Level 2 Muriwai investigation report has been delayed largely because of the availability of some key personnel to be interviewed.

The Board sought and received assurance that immediate lessons identified during investigations are being implemented and learned in a timely manner, rather than waiting for the investigation reports to be completed.

The Board discussed an incident captured in the reporting involving a firearm and sought assurance that appropriate support was being provided to those involved. DCE Service Delivery Design acknowledged that more work needs to be undertaken to understand trends relating to bystander aggression and to train personnel in bystander awareness.

DCE Organisational Strategy and Capability Development provided an update on asbestos at Auckland City Station including:

- interactions with Worksafe
- the precautionary approach being taken with the key focus being the health and safety of personnel
- a proactive review of other sites which will be undergoing construction activities in the near-future has been initiated
- likelihood of changes being required to our contract management processes to minimise the risk of reoccurrence of this issue.

The Board sought confirmation that asbestos is covered within Fire and Emergency's insurance policies. The Board also encouraged management to ensure that lessons arising from the asbestos issue at Auckland City station are identified and learned as soon as practicable.

The Board noted the respective Safety, Health and Wellbeing papers.

Action:

- Confirm if asbestos contamination is covered under Fire and Emergency's insurance policies.

The Board meeting adjourned for a short break commencing at 11.26am. The Board reconvened at 11.31am.

7. Financial Update

DCE Finance and Business Operations provided an overview of the paper, the main drivers of the year-to-date surplus, and predicted trends for the remainder of the financial year.

Due to global manufacturing and distribution costs increasing, DCE Finance and Business Operations sought and received approval to extend the Chief Executive's financial delegation for the procurement of five aerial appliances from the previously approved [REDACTED] (December 2022) to [REDACTED]

The Board encouraged management to consider options for mitigating the instances of increasing global supply costs requiring subsequent Board approval, for example larger contingencies.

Resolved

The Board:

1. **noted** the financial result and the full year forecast
2. **noted** its previous approval of delegation to the Chief Executive to award and sign a contract for five heavy aerials at an estimated cost of [REDACTED] in December 2022
3. **noted** that subsequent to the approval above Fire and Emergency has been advised of a price uplift of circa [REDACTED] in total across the five aerials
4. **approved** an extended financial delegation to the Chief Executive to award and sign a contract for a total of five heavy aerial appliances with an estimated total capital cost of [REDACTED], an additional contingency amount of [REDACTED] in the aforementioned delegation in the event any further cost escalation in the immediate term, [REDACTED] in total.

Moved: Rebecca Keoghan, Seconded: Amit Prasad.

8. Q3 Board Report to the Minister

The Q3 Board Report to the Minister was taken as read, no feedback was provided.

Resolved

The Board:

1. **noted** the organisation's performance over Q3
2. **approved** the Q3 Board Report
3. **noted** that the final Q3 Board Report will be sent to the Minister's Office in May.

Moved: Rebecca Keoghan, Seconded: Danny Tuato'o

9. Draft Letter of Expectations

The Board considered the draft letter of expectations as provided and suggested the following items be considered for inclusion in the final letter:

- ongoing discussion on the structure of funding (wider than Crown contribution)
- noting the safety, health, and wellbeing challenges that may arise due to the changing nature of incidents.

Resolved

The Board:

1. **provided** feedback on the draft 2023/24 Minister's Letter of Expectations
2. **noted** the content of the draft is reflected in the draft 2023/24 Statement of Performance Expectations.

10. LAC Quarterly Update and Progress Reports

The Chief Executive provided an overview of the paper.

The Board sought and received assurance that comments made by Local Advisory Committees through these reports are considered by the organisation and that Local Advisory Committees receive responses on matters raised.

Resolved

The Board:

1. **noted** the progress updates from the LACs.

11. Final Budget 2023/24

The Chief Executive and DCE Finance and Business Operations provided an overview of the paper and recommendations for the Board to consider.

The Board discussed economic conditions and the need to ensure that not only are Fire and Emergency being frugal in their spending, but that additional steps are being taken to reduce costs and making savings. The Chief Executive confirmed that this aligned with some of the submissions received to date on the Transitional Levy discussion document.

DCE Finance and Business Operations confirmed that all known assumptions, based on our current strategic priorities and operational context have been factored in to the forecasts and budgets. Reprioritisation may occur should these change.

Resolved

The Board:

1. **approved** the proposed operating and capital budgets for 2023/24

Moved: Rebecca Keoghan, Seconded: Hon Ruth Dyson

2. **approved** closing the costing and funding the organisation mechanism and relinquishing the \$617.9m baseline expenditure limit

Moved: Rebecca Keoghan, Seconded: Mary-Anne MacLeod

3. **agreed** that annual budgets shall be set in accordance with, and be consistent with long-term financial projections, to ensure annual budgeted expenditure is reasonable and to maintain alignment with long-term financial sustainability

Moved: Rebecca Keoghan, Seconded: Hon Ruth Dyson

4. **noted** that the budgets and forecasts proposed in this paper are aligned with the forecasts approved in the 'Cost Forecast for Levy Modelling Purposes' (Option 2: Increase Levy Rates) presented at the 31 March 2023 Board meeting

5. **noted** the proposed budget is prepared based on existing strategic priorities and the needs and risks of Aotearoa as currently resourced over the short term

6. **noted** the indicative prospective forecasts for next year's SPE

7. **noted** that the budgets and forecasts set out in this paper will form the basis of next year's SPE which will be presented to the Board for final approval in June 2023

8. **noted** that further capital reserves are not proposed at this time due to the uncertainty in the outcomes of the Transitional Levy and Part 3 Levy Review with respect to the long-term cash position

9. **noted** that the risks and issues identified with the proposed budget for 2023/24, and outyear forecasts, are being actively monitored, managed, and reported on to both the Audit and Risk Committee and the Board
10. **noted** that risks pertaining to the Part 3 Levy Review do not significantly affect the 2023/24 year as costs in the 2023/24 budget are funded by the current levy rates and are largely insulated from the outcomes of the Part 3 Levy review (and Transitional levy increase).

Action:

- DCE Finance and Business Operations is to provide a paper to the Board in June outlining the measures being taken to be frugal with expenditure and options for cost saving measures.

12. United Fire Brigades Association's (UFBA) Business Planning Funding Considerations 2023/2024

The Chief Executive provided an overview of changes made since 2021 to increase transparency and accountability for funding provided to the UFBA.

The Board advised that its preference is to focus on the outcomes Fire and Emergency want UFBA to deliver and then determine costings, rather than focusing on reducing overall funding by an arbitrary amount. The Board discussed the need to ensure the outcomes we want UFBA to deliver is well considered in the upcoming Transitional and Advocacy Support Agreement review and for funding in out-years.

The Board discussed the significant investment in the UFBA conference and the need to ensure that this expenditure is justified.

Resolved

The Board:

1. **noted** and provided feedback on the UFBA's business plan 2023/24 including the \$64,030 requested funding increase
2. **noted** ELT's preferred funding option
3. **delegated** authority to the Chief Executive to sign the procurement documentation
4. **delegated** authority to the Chief Executive to sign the Conditional Grant Agreement
5. **agreed** to continuing quarterly reporting requirements by the UFBA to Fire and Emergency
6. **agreed** on the proposed implementation, as detailed in the implementation section
7. **agreed** to Fire and Emergency's funding contribution to the UFBA for 2023/24, as detailed in Appendix 2, of \$3,910,746.

Moved: Rebecca Keoghan, Seconded: Danny Tuato'o

Hon Ruth Dyson departed the meeting at 12.13pm.

13. Statement of Intent 2023-2027 and Statement of Performance Expectations First Drafts

The Board provided feedback on the draft Statement of Intent (SOI) and Statement of Performance Expectations (SPE) as follows:

- The tone and language in some parts of the documents needs to be refined
- Strengthen the commitment to emissions reduction by removing caveats
- Ensure that the SPE is realistically achievable
- Ensure safety, health and wellbeing is portrayed as the priority risk throughout the document
- Ensure references to the time period of the SOI are consistent throughout
- Clarify the intention for the roll-out of Local Advisory Committees in 2023/2024.

DCE Organisational Strategy and Capability Development advised that it will take some time to develop meaningful, outcomes-based performance measures.

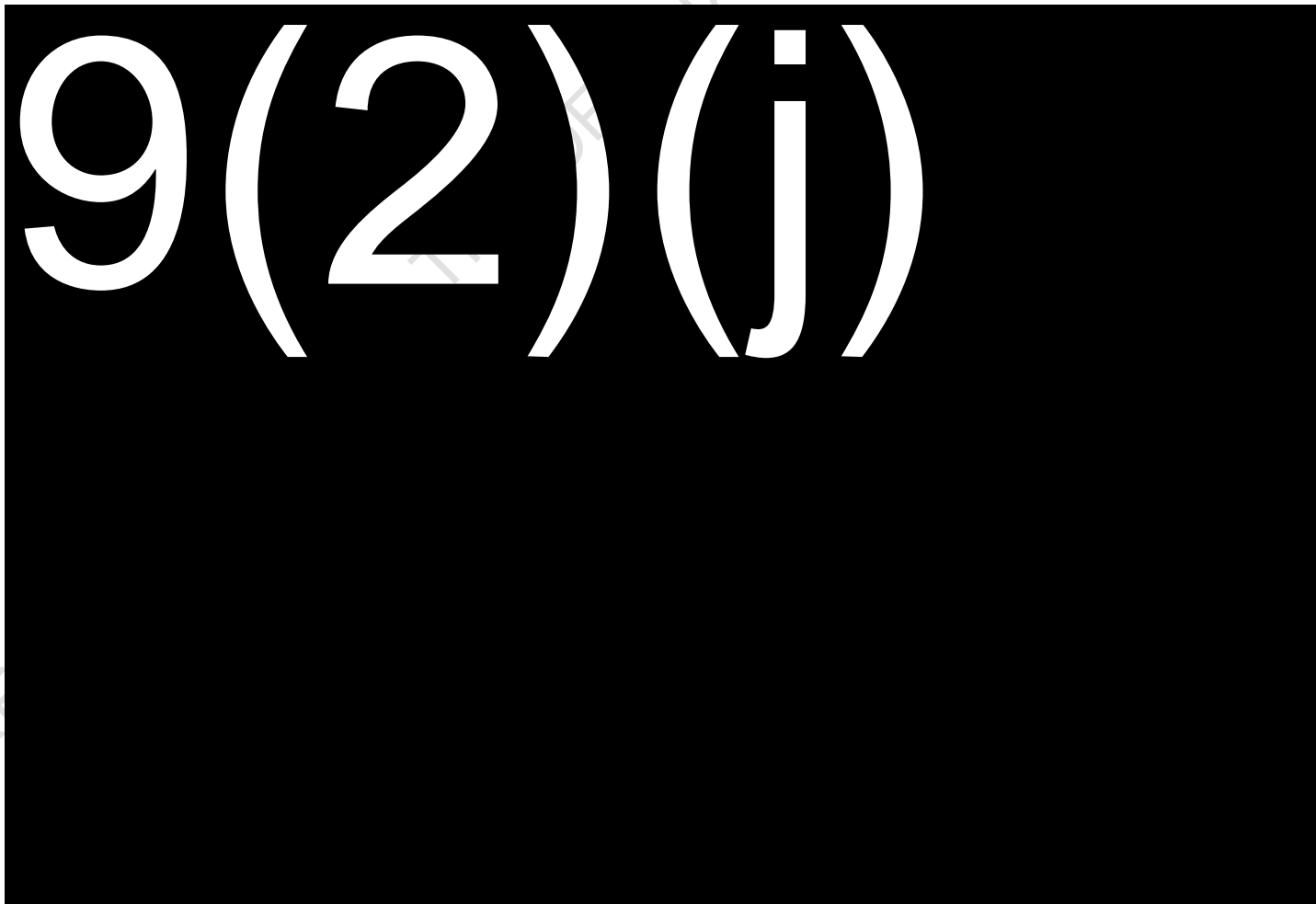
Resolved

The Board:

1. **approved** the content of the draft SOI and draft SPE
2. **agreed** that these documents will be provided to the Department of Internal Affairs (DIA) and the Minister for review, after any Board feedback has been incorporated
3. **noted** final versions of these documents on 30 June 2023 will be submitted to the Board for their review and approval.

Moved: Rebecca Keoghan, Seconded: Belinda Clark

14. FECA Bargaining Strategy



9(2)(j)

15. Procurement

Vital Limited

The paper was taken as read.

Resolved

The Board:

1. **noted** that Vital have been a supplier to Fire and Emergency / New Zealand Fire Service since 2007 and an extension to the existing contract to 30 June 2027 is recommended
2. **noted** that delays with the rollout of the Public Safety Network (PSN) in place of the Vital service in the Greater Auckland Region have necessitated the extension
3. **noted** that advice from the Fire and Emergency Procurement 9(2)(h) supports that exemption from open advertising, on the grounds set out in Government Procurement Rules (4th Edition) Rule 14.9(c)(i), is appropriate in these circumstances
4. **noted** that the expected whole of life cost to 30 June 2023 of 9(2)(b)(ii) opex was not previously approved by the Board because they were approved on the marginal commitment with each extension, but whole of life spend is now being used for delegation purposes
5. **approved** the direct source of a contract extension with Vital with a total estimated cost of 9(2)(b)(ii) opex, resulting in estimated whole of life cost of 9(2)(b)(ii) opex to June 2027
6. **delegated** authority to the Chief Executive to sign the extension to the Vital contract.

Moved: Rebecca Keoghan, Seconded: Mary-Anne MacLeod

Roadside Rescue Equipment Maintenance Contract

The paper was taken as read.

Resolved

The Board:

1. **noted** the reported whole of life value of the Fire Rescue Safety New Zealand (FRSNZ) contract has increased from 9(2)(b)(ii) to 9(2)(b)(ii) due to the annual price review and estimated future annual price reviews not being included in the original whole of life figure
2. **approved** the 9(2)(b)(ii) variation to the contract for the annual price review resulting in a price increase
3. **noted** the variation of the annual price review clause for spare parts pricing, offset by the reduction to the baseline of annual standard servicing road rescue set numbers and clarification of end of year wash up process
4. **noted** minor administrative changes to the contract have been made to reflect business and commercial lessons learned from Year 1 of the contract
5. **delegated** authority to the Chief Executive to sign the contract variation and execute any future variations over the remaining four years of the contract, that are within +/-

5% of approved and forecast cost 9(2)(b)(ii) Board assurance around the use of this delegation will be through reporting as an appendix to the regular financial report.

Moved: Rebecca Keoghan, Seconded: Amit Prasad

Uniforms, Level 1 PPE, and Associated Logistics Services Retender

The paper was taken as read.

Resolved

The Board:

1. **noted** that Fire and Emergency intend to release an open and competitive Request for Proposal (RFP) to the market via GETS in July 2023 following extensive market engagement and internal validation of requirements for Uniforms, Level 1 PPE and Associated Logistics Services requirements
2. **delegated** to the Chief Executive of Fire and Emergency authority to approve the Procurement Plan for the RFP for Uniforms, Level 1 PPE and Associated Logistics Services requirements
3. **noted** that the procurement process is being conducted within the Government Procurement Rules and Fire and Emergency's Procurement Policy.

Moved: Rebecca Keoghan, Seconded: Danny Tuato'o

16. Tauranga land purchase

DCE Organisational Strategy and Capability Development provided an overview of the background to the Tauranga station rebuild, the opportunity that has arisen to purchase land, and the timing/sequencing challenges as the second business case for the rebuild of Tauranga station is not due to come to the Board until June.

The Board were concerned about the process being followed and approving the purchase of land prior to consideration of the business case. The Board were also not comfortable making a decision to purchase the land based on the information provided in the respective paper. The Board also acknowledged the opportunity presented and therefore agreed that management could provide a conditional offer for the purchase of the land with one of the conditions being subject to Board approval.

The Board asked for further information to be provided to enable the decision to be made:

- How the purchase of land will be funded
- Further assurance on the funding for the land should the business case not be approved and the land become surplus to requirements
- Provide alternative options
- Further information on the importance of the location and Service Delivery impacts/considerations.

The Board agreed that an amended paper could be provided out-of-cycle to align with the due diligence period if required.

Resolved

The Board:

1. **noted** a Business Case to build a replacement fire station in Tauranga was approved in July 2022 and that finding an alternative accommodation option for firefighters during the approved rebuild of the Tauranga fire station has been unsuccessful
2. **noted** the build project will need to acquire land in order to build a new fire station whilst maintaining existing services to the community
3. **noted** costs associated with building a new Tauranga fire station will be subject to a separate business case and Board approval process
4. **noted** an opportunity to buy suitable land adjacent to the current fire station site has been identified in advance of the new business case being presented to the Board
5. **noted** an independent valuation report prepared for Fire and Emergency New Zealand by Telfer Young has valued the land at **\$7,400,000** plus GST (if any), and that subject matter experts suggest a contingency allowance of 8% to be added to this sum
6. **requested** further information to support Board decision-making to delegate authority to the Tumu Whakarae (Chief Executive) to sign an unconditional Agreement for Sale and Purchase for the purchase of property at 199-213 Cameron Road, Tauranga, at a sum of up to **\$8 million**
7. **agreed** management could sign a conditional agreement for the purchase of the property listed above conditional to Board agreement.

Moved: Rebecca Keoghan, Seconded: Danny Tuato'o

17. Key Messages / Correspondence / Events

The Board directed management to prepare a letter of commendation for Group Manager Scott Marchant for his mahi in supporting the Muriwai Volunteer Fire Brigade and the families of our two fallen firefighters, Craig Stevens and David van Zwanenberg.

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

Rebecca Keoghan

Board Chair

30 June 2023

Out-of-cycle Paper – Transitional Levy Increase – Final Discussion Document

On 17 March 2023, an out-of-cycle Board paper was submitted to the Board for consideration via email.

Resolved

The Board:

1. **noted** that the Minister of Internal Affairs has requested a draft discussion document, cost recovery impact statement (CRIS), and accompanying Cabinet paper (to be drafted by the Department of Internal Affairs) by 30 April 2023, for Cabinet consideration on 3 July 2023
2. **agreed in principle** to the levy options set out in the attached discussion document and CRIS, which will form the basis for public consultation
3. **agreed** to the discussion document and CRIS (attached to the respective paper) being submitted to the Department of Internal Affairs (DIA), to enable ministerial and agency consultation to commence
4. **noted** that if that if there are significant material changes to the final discussion document arising from Cabinet decisions on exemptions, agency and ministerial consultation and/or review by DIA, then Board signoff of a revised discussion document will be required out-of-cycle in June 2023, ahead of lodgment with the Cabinet office on 23 June 2023
5. **noted** that, as outlined in our previous advice to the Board on 21 March 2022, if we do not meet the timeframes for submission of the discussion document and cost recovery impact statement then, due to the dependencies in the process, we will not be able to implement a new levy regime on 1 July 2026.

Rebecca Keoghan

Board Chair

30 June 2023

Out-of-cycle Paper – Transitional Levy Submissions

On 11 May 2023, an out-of-cycle Board paper was submitted to the Board for noting via email.

Resolved

The Board:

1. **noted** that 19 submissions were received through public consultation on the proposed increase in the transitional levy rates, with most opposed to the increase
2. **noted** the attached feedback will be used to inform the development of the Cabinet paper and cost recovery impact statement that will seek Cabinet decisions on the transitional levy.

Rebecca Keoghan

Board Chair

30 June 2023

Fire and Emergency Board Meeting

Date: 30 June 2023

Time: 8.30am – 2:48pm

Venue: Wellington (in person) NHQ 7.4W Matawai & 7.5 Avalon

Present:

- Rebecca Keoghan, Chair
- Hon Ruth Dyson, Deputy Chair
- Mary-Anne Macleod, Member
- Danny Tuato'o, Member
- Amit Prasad, Member
- Belinda Clark, Member

In attendance:

- Kerry Gregory, Chief Executive
- Carmel Ali, DCE Office of the Chief Executive
- Russell Wood, DCE Service Delivery Operations (Items 6-23)
- Steph Rotarangi, DCE Service Delivery Design
- Piki Thomas, DCE Kaupapa Māori and Cultural Communities
- Janine Hearn, DCE People
- Sarah Sinclair, DCE Organisational Strategy and Capability Development
- Hamish McEwen, Acting DCE Finance and Business Operations
- Becks Kearns, Secretariat
- Anita Balakrishnan, Department of Internal Affairs (Board/DIA only time)
- Jeremy Cauchi, Department of Internal Affairs (Board/DIA only time)

Apologies:

- Darryl Purdy, DCE Finance and Business Operations

Chief Executive's Performance Objectives

The Board discussed the Chief Executive's performance during the 2022/2023 calendar year, Kerry Gregory's first year as Chief Executive. The Board acknowledged the challenging year and congratulated Kerry on the progress that he has made on several key priorities. The Board also commended him on his leadership of the organisation and specifically commended on his style and the work he had done in building relationships.

The Board also discussed their expectations of the Chief Executive for 2023/2024. The Board requested the Chief Executive report back to the Board at its meeting on 1 September to discuss his personal focus areas and options for personal development.

Resolved

The Board:

1. **noted** the approach taken to gathering 360-degree feedback to support the Board in conducting the CE's 2022/23 performance review
2. **noted** and considered the 360-degree feedback provided in relation to the Chief Executive's performance over the 2022/23 performance year, and Chief Executive's self-assessment against his 2022/23 performance goals
3. **concluded** its review of the Chief Executive's performance over the 2022/23 performance year, and in doing so discussed its assessment and provide feedback to the Chief Executive
4. **noted** that advice from the Te Kawa Mataaho/Public Service Commission (PSC) on remuneration guidelines for Chief Executive performance reviews are yet to be received and will be provided to the Board once received
5. **delegated** to the Board Chair the authority to finalise remuneration outcomes based on the Board's assessment of the Chief Executive's performance, once the advice from PSC is received
6. **noted** the approach taken to developing draft performance goals for the CE for the 2023/24 performance year
7. **approved** the proposed performance goals for the Chief Executive for the 2023/24 performance year and discussed those goals and expectations with the CE as part of the performance review and planning process
8. **requested** the Chief Executive report to the Board on 1 September with personal focus areas for 2023/2024.

Welcome

The Board met in Board-only time and with the Chief Executive in Chief Executive-only time until 11.35am.

Following a short break, DCE Kaupapa Māori and Cultural Communities opened the meeting with a karakia. The Chair declared the meeting open at 11.45am.

1. Interests' Register and Conflicts of Interest

The interests' register was noted. There were no real, perceived, or potential conflicts identified.

The interests' register was updated to reflect additional interests for Belinda Clark, Amit Prasad, and Danny Tuato'o.

2. Confirmation of the Minutes of Previous Meeting

The minutes of the meeting held on 28 April 2023 were confirmed as a true and accurate record of the meeting. Out-of-cycle considerations were also confirmed.

Moved: Rebecca Keoghan; Seconded: Hon Ruth Dyson

3. Action items from last Meeting

The action log was noted.

4. Eke Taumata

The Chief Executive advised that on completion of the first six months of Eke Taumata as at the end of June, the first six-monthly report to the Minister will be presented to the Board for feedback and approval at its July meeting. The Chief Executive undertook to test the report with the People and Culture Committee out-of-cycle prior to the Board meeting.

DCE Office of the Chief Executive provided an overview of key activities that have been undertaken against the recommendations and intent of the PSC review.

The Board were appreciative of the update and the work underway but expressed frustration that the information provided is not being presented to the Board in a cohesive way through the Board papers and in advance of Board meetings. The Board requested a succinct view of the activities underway against the following three components of Eke Taumata: recommendations arising from the PSC review; the ongoing day-to-day work on complaints, and other work underway to support the required culture change. The Board were of the view that having the information presented in this way will also be beneficial for the wider organisation to view.

Actions:

- Provide a succinct, cohesive view of the activities underway to address the recommendations of the PSC review, day-to-day management of complaints, and other mahi to support organisational culture change.

Resolved

The Board:

1. **noted** progress to date and the attached Eke Taumata Project June 2023 progress update
2. **noted** the timeline to deliver an Action Plan (recommendation 2).

5. Cost Management and Achieving Efficiencies

Acting DCE Finance and Business Operations provided an overview of the four key, inter-related pieces of work underway: a financial walk-through; a fiscal review being undertaken by Grant Thornton which will also provide benchmarking; financial sustainability initiatives and programme; and the content of the respective paper.

The Chief Executive advised that the way in which some roles are categorised in the finance system and therefore the paper is problematic in terms of the narrative and intent of the paper for example a number of front-line service roles are categorised as frontline support.

The Board noted that the Audit and Risk Committee Report Back item on the Board agenda seeks a decision on the establishment of a new Financial Sustainability Committee of the Board. It was considered that should this Committee progress then the respective paper should be deferred to the Financial Sustainability Committee for consideration and further discussion.

The Board also acknowledgement management for the initiative being taken in undergoing the fiscal review.

Resolved

The Board:

1. **referred** the Cost Management and Achieving Efficiencies paper to the proposed Financial Sustainability Committee of the Board.

6. Chief Executive's Report

Russell Wood, DCE Service Delivery Operations, joined the meeting at 12.01pm

The paper was taken as read. The Chief Executive highlighted the following items from the report: PSN Update and the Tauranga Land Purchase Update.

The Board sought and received assurance that immediate actions were taken in response to the privacy breach outlined in the report to mitigate the likelihood of reoccurrence.

The Board also reinforced their desire to see more inclusive language in Board papers generally and for consideration to be given to the unintentional messages that the language used can send.

The Board sought and received confirmation that HR and District personnel are provided with adequate support to handle those Behaviour and Conduct Office (BCO) complaints that are deferred to them. The Board also acknowledged the improvement in BCO reporting.

7. UFBA Q3 Report

The paper was taken as read. The Board Chair and Chief Executive both advised the Board of recent positive engagement with the UFBA, including at the region volunteer leadership conferences.

Resolved

The Board:

1. **noted** the UFBA's third quarter report
2. **approved** a written response be sent to the UFBA from the Chair:
 - a) acknowledging the contents of the reports
 - b) acknowledging the challenge events have been undertaken for the first time in two years
 - c) reviewed and approved the funding considerations of the UFBA's business plan 2023/24 at the April Board meeting.

8. Safety, Health, and Wellbeing Update

DCE People provided a briefing overview of the contents of the paper and advised that she had received the Muriwai Level 2 investigation report from the independent reviewers and that work was underway to publicly release the report the following week. DCE People advised that the findings relate to critical risk management.

The Board reinforced how vital the Critical Risks project is for the organisation to ensure all critical risks are known and mitigations are actively being considered and implemented. The Board sought more regular reporting on the progress of this project.

The Board also discussed mitigations such as suitable equipment and ensuring equipment and specialist capability is placed in appropriate locations. The future of the equipment, training,

specialist capability etc. was also said to be linked to the strategic direction that is being developed and the organisation's ongoing financial sustainability.

The Board and management also discussed the challenges that exist with personnel wanting to serve their communities and respond to all incident types which can result in volunteer brigades purchasing their own specialist equipment without the necessary training. There is also a certain level of expectation from the public that Fire and Emergency will respond to and support a range of different incident types. A considered approach is required to ensure risk-based allocation of resources and clear messaging to the public on Fire and Emergency's role and capability.

The Chief Executive advised that critical, strategic risks is a key focus of the Executive Leadership Team and the mahi being undertaken will be provided to the Board in due course.

The Board also discussed two reported individual health and safety incidents and sought confirmation on the outcome and actions being taken.

The Board also reinforced their desire for improved Safety, Health, and Wellbeing reporting.

Action:

- Provide ongoing updates on the Critical Risk project in the monthly Safety, Health, and Wellbeing report
- Provide the Board with further information on the following Safe@Work entries:
 - 14758 – why the broken ladder remained operational
 - 14540 – the actions that have been taken to educate the officer who instructed unsafe practice and the actions taken to positively reinforce the actions of the firefighter who had the courage to raise concerns and not partake in unsafe practice.

Resolved

The Board:

1. **noted** the Safety, Health, and Wellbeing monthly report and dashboard
2. **noted** that two events were notified to WorkSafe since the last Board report.

9. Financial Update

Acting DCE Finance and Business Operations provided an overview of the Fire and Emergency finances as at the end of May 2023 and of forecasts for the remainder of the financial year.

DCE Organisational Strategy and Capability Development advised of work she has initiated to improve forecasting of capital expenditure. This work includes forming a better understanding of supply chain constraints to ensure expectations are realistic in the current climate, and trends of when capital expenditure occurs throughout the year.

The Board discussed the reputational risk associated with successive underspends in capital expenditure and the perception this can create in terms of ability to deliver. The Board noted that the organisation has delivered the COVID-19 Response and Recovery Fund initiatives.

Resolved

The Board:

1. **noted** the financial result and the full year forecast.

10. Board Monthly Dashboard May

The paper was taken as read.

The Board commented that response times continue to be an ongoing challenge for the organisation.

Resolved

The Board:

1. **noted** the attached monthly dashboard report, outlining the organisation's performance for May 2023.

11. People and Culture Committee Report Back

The Chair of the People and Culture Committee provided an overview of the People and Culture Committee meeting on 22 May 2023.

The Board acknowledged the challenging year that the Chief Executive has had and congratulated him on his performance.

Resolved

The Board:

1. **noted** the report of the meeting held on 22 May 2023.

12. People Branch Reset (verbal)

DCE People advised that the new People Branch officially stands up on 1 July (the following day). DCE People took the Board through a short presentation outlining the rationale for the reset, the process undertaken, the new structure, and the ongoing focus on establishing new ways of operating and lifting performance. DCE People assured the Board that the new People Branch Leadership team have already started to have an impact on Branch performance.

The Board sought and received assurance that the districts would receive adequate support. The Chief Executive advised that part of the fundamental shift includes a new business partnering model.

The Board also sought information on how equipment is allocated to each District and between career and volunteer firefighters. The Board were advised that equipment is distributed nationally, and that the allocation is the same, with the exception of Brigade-owned assets.

The Board also received confirmation that there is a communications plan in place to support the People Branch reset.

13. Audit and Risk Committee Report Back

Murray Coppersmith, Chair of the Audit and Risk Committee, joined the meeting at 12.55pm.

The Chair of the Audit and Risk Committee provided a brief overview of the Audit and Risk Committee meeting on 12 June 2023.

The Board discussed the recommendation in the paper that a Financial Sustainability Sub-Committee of the Board should be established. The Board agreed that oversight and governance of financial sustainability is too large for the Committee or the Board to focus on without having an impact on the other aspects of their respective work programmes. The Board Chair challenged management to bring a paper to the Board prior to the July Board meeting, if possible, seeking approval of a Terms of Reference. The recommendation was amended accordingly.

The Board discussed the measures and lessons that have been identified and implemented following fraud incidents during the quarter. The Board suggested management may wish to consider running unusual transaction reports on a proactive and regular basis.

Resolved

The Board:

1. **noted** the report of the meeting held on 12 June 2023
2. **approved** the establishment of a Financial Sustainability Sub-Committee of the Board
3. **requested** management develop a Terms of Reference for a Financial Sustainability Sub-Committee of the Board for Board consideration by the July Board meeting, at the latest.

Moved: Hon Ruth Dyson, Seconded: Mary-Anne Macleod

Murray Coppersmith departed the meeting at 12.58pm

The Board meeting adjourned for Lunch at 12.58pm and reconvened at 1:27pm.

14. Audit New Zealand Fraud Questionnaire

The paper was taken as read.

Resolved

The Board:

1. **noted** the Audit New Zealand questionnaires, to those charged with governance, are to the Chair of the Board and the Chair of the Audit and Risk Committee (ARC)
2. **noted** the Audit New Zealand questionnaires, to management, are to the Chief Executive, Chief Financial Officer, and the National Manager Assurance and Risk
3. **noted** ARC endorsed the completed questionnaires for submission to the Board
4. **noted** the questions and proposed responses for the Chair of the Board (Appendix One)
5. **approved** the responses to the Audit New Zealand questionnaires for submission to Audit New Zealand.

Moved: Danny Tuato'o, Seconded: Amit Prasad

15. Final Statement of Intent and Statement of Performance Expectations

DCE Organisational Strategy and Capability Development advised of the process undertaken since the previous draft version was considered by the Board.

The Board requested that critical Safety, Health, and Wellbeing risks are included in the strategic focus table of the Statement of Intent.

Resolved

The Board:

1. **approved** the attached Statement of Performance Expectations (SPE)
2. **approved** the attached Statement of Intent (SOI), subject to one change
3. **noted** previous feedback provided by the Board, Minister of Internal Affairs, the Department of Internal Affairs (DIA) and Audit New Zealand have been incorporated in the final drafts of the SPE and SOI.

Moved: Danny Tuato'o, Seconded: Hon Ruth Dyson.

16. Power of Attorney

The Chief Executive provided an overview of the paper and the rationale for changing from individual-based to role-based power of attorney appointments. The Board sought and received assurance that legally role-based power of attorney appointments are appropriate.

Resolved

The Board:

1. **agreed** to appoint holders of the roles of Chief Executive and each Deputy Chief Executive of Fire and Emergency to be attorneys for the purposes of section 129(1) of the Crown Entities Act 2004, and accordingly authorise the Chair and one other member of the Board to sign (by wet ink) the power of attorney deed attached as **Appendix A**
2. **agreed** to revoke the power of attorney deed dated 11 November 2022, and accordingly authorise the Chair and one other member of the Board to sign (by wet ink) the revocation of power of attorney deed attached as **Appendix B**
3. **agreed** to revoke the power of attorney deed dated 15 March 2023, and accordingly authorise the Chair and one other member of the Board to sign (by wet ink) the revocation of power of attorney deed attached as **Appendix C**
4. **directed** the Chief Executive to ensure that, once Appendix A is signed, it is deposited with the Registrar General of Land
5. **noted** the change in approach to record keeping to more efficiently meet our responsibilities under the Public Records Act 2005.

Moved: Rebecca Keoghan, Seconded: Belinda Clark

17. Long Service Good Conduct Medal

The Chief Executive advised of the background to this paper being presented to the Board for consideration. The Board were comfortable that the Board Chair has been and continues to recommend recipients for the Long Service and Good Conduct medal. The Board considered it would be appropriate to approve delegation to the Board Chair retrospectively to cover all previous recommendations made by Board Chairs of Fire and Emergency. The recommendation was amended accordingly.

Resolved

The Board:

1. **approved** delegation of power to the Board Chair to act on behalf of the Fire and Emergency Board when recommending recipients for the Long Service and Good Conduct Medal. This is to be applied retrospectively to all previous recommendations made by the Board Chair
2. **noted** that work is underway to create a new Fire and Emergency Long Service Medal, which is intended to be presented to the Board for consideration by the end of 2023.

Moved: Belinda Clark, Seconded: Mary-Anne Macleod

18. Procurement

University of Canterbury Agreement

The paper was taken as read.

The Board sought and received assurance that the agreement with the University of Canterbury provides value for money and sufficient benefit to Fire and Emergency. The Chief Executive also advised that procurement processes determine value for money, and improving these processes remains a work in progress.

Resolved

The Board:

1. **noted** that Fire and Emergency intend to sign a refreshed University of Canterbury (UoC) Agreement
2. **delegated** the Chief Executive of Fire and Emergency authority to approve the UoC Agreement as per the Delegated Financial Authority schedule.

Moved: Rebecca Keoghan, Seconded: Amit Prasad

Fleet Maintenance Plan

The Chief Executive provided an overview of the paper and approach to fleet maintenance.

Resolved

The Board:

1. **noted** that in October 2021 the Board delegated the approval of procurement plans and recommendation reports with estimated whole of life operating expenditure of between \$2 million and \$10 million and capital expenditure of between \$5 million and \$20 million to the Chief Executive or Deputy Chief Executive Finance and Business Operations
2. **noted** that Fire and Emergency currently has six fleet maintenance contracts that are expected to exceed \$10 million Whole of Life Costs when re-tendered
3. **approved** delegating the approval of fleet maintenance procurement plans, tender documentation, and recommendation reports with estimated whole of life operating expenditure over \$10 million to the Chief Executive.

Moved: Rebecca Keoghan, Seconded: Danny Tuato'o

Accela

The paper was taken as read.

Resolved

The Board:

1. **noted** that Fire and Emergency has had a contract “Agreement for the supply of ICT Fire Permitting System” (the Contract) in place with Accela since 30 June 2017. The Accela contract provides a Fire Permitting System for a maximum term of seven years and is scheduled to expire on 30 June 2023
2. **noted** that the current-year cost is 9(2)(b)(ii) but subject to a license review and commercial negotiation, the cost of the further one-year variation may be reduced to approximately 9(2)(b)(ii) taking the expected whole of life cost (WoLC) to 30 June 2024 to approximately 9(2)(b)(ii) (OPEX), which is above the Chief Executive’s financial delegation
3. **noted** the cost of the contract extension is forecasted in the ICT baseline budgets
4. **noted** that a one-year extension to the Accela Contract for up to 9(2)(b)(ii) the likely cost of 9(2)(b)(ii) plus a 9(2)(b)(ii) contingency, is within the stated term of the contract and expected WoLC maximums advised to the market, making it compliant with the Government Procurement Rules
5. **noted** that before the expiry of the variation, action will be taken to determine the next iteration of the Fire Permitting System which is likely to result in a market approach taking into consideration the Government Procurement Rules
6. **agreed** to a one-year extension to the Accela Contract for a period of one year from 1 July 2023 to 30 June 2024, for a maximum value of 9(2)(b)(ii)
7. **delegated** authority to the Chief Executive to sign the extension to the Accela Contract for a period of one year from 1 July 2023 to 30 June 2024, for a maximum value of 9(2)(b)(ii)

Moved: Rebecca Keoghan, Seconded: Mary-Anne Macleod

19. Insurance Renewal

Acting DCE Finance and Business Operations provided an overview of the decision being sought. The Board asked if there are any gaps or exclusions within the insurance policy of note or concern. Management undertook to come back to the Board on this matter.

The Board asked if Fire and Emergency has insurance cover for Cyber incidents. The Board discussed the challenges with Cyber cover due to public sector guidance on responding to cyber incidents. The Chief Security Officer (Carmel Ali) undertook to look in to this further.

Actions:

- DCE Finance and Business Operations is to advise the Board of any gaps or exclusions within the Fire and Emergency insurance policy of note/concern.
- The Chief Security Officer is to provide advice on Cyber insurance cover.

Resolved

The Board:

1. **approved** payment of the insurance renewal premiums and statutory charges of up to \$5.61 million (excl GST)
2. **delegated** authority to the Chief Executive to make the payment
3. **noted** insurance renewal premiums are expected to be finalised late in June or early July, however \$5.61 million (excl GST) is the best estimate and maximum expected cost of the premiums.

Moved: Hon Ruth Dyson, Seconded: Danny Tuato'o

20. Aerial Appliances

The DCE Service Delivery Operations apologised for seeking an additional extended financial delegation for the procurement of five aerial appliances and the reasons why additional delegation is being sought.

The DCE Service Delivery Operations advised the Board of challenges that have been worked through in respect of the contract with the provider which have caused delays in signing the contract. The Board sought assurances that sufficient mitigations are in place to protect the investment and suggested consideration be given to doing on-site visits to the provider during relevant stages of the process. The Board asked to receive updates on the contract management of this project.

DCE Service Delivery Operations confirmed lessons from this process will be identified by the project team and will be taken into account for future appliance procurement processes (such as Next Generation Type 3). This will also be captured in the forecasting improvement work DCE Organisational Strategy and Capability Development mentioned earlier in the meeting.

The Board encouraged management to seek general exemptions from import duties for appliances through Customs.

The Board also directed management to move at pace on the procurement of the five aerial appliances.

Resolved

The Board:

1. **noted** in December 2022 the Board approved delegation to the Chief Executive to award and sign a contract for five heavy aerals at an estimated cost of [REDACTED]
2. **noted** in April 2023 the Board approved an extended financial delegation to the Chief Executive to award and sign a contract for five heavy aerals up to [REDACTED] in total
3. **noted** at its meeting in April 2023 the Board encouraged management to consider options for mitigating the instances of increasing global supply costs requiring subsequent Board approval for increased financial delegations, for example larger contingencies
4. **approved** an extended financial delegation to the Chief Executive of [REDACTED] to award and sign a contract for five aerial appliances, bringing the total contract value to [REDACTED].

Moved: Rebecca Keoghan, Seconded: Hon Ruth Dyson

21. Key Messages / Correspondence / Events

Board members were asked to provide updates to the events calendar directly to the Secretariat.

Fire and Emergency management and the Secretariat departed at 1:56pm for Board only time with the Department of Internal Affairs (DIA).

22. Board and DIA Only Time

Anita Balakrishnan and Jeremy Cauchi, Department of Internal Affairs, joined the Board meeting at 2:00pm.

Anita Balakrishnan and Jeremy Cauchi, Department of Internal Affairs, departed the Board meeting at 2:30pm.

23. Board Only Time – Closing Remarks

The Board met for closing remarks.

There being no further business, the meeting closed at 2.48pm.



Rebecca Keoghan
Board Chair
28 July 2023



Hui Miniti/ Minutes

Fire and Emergency Board Meeting

Date: 28 July 2023

Time: 8.30am – 12.56pm

Venue: Microsoft Teams

Present:

- Rebecca Keoghan, Chair
- Mary-Anne Macleod, Member
- Danny Tuato'o, Member
- Amit Prasad, Member
- Belinda Clark, Member

In attendance:

- Russell Wood, Acting Chief Executive
- Carmel Ali, DCE Office of the Chief Executive
- Darryl Purdy, DCE Finance and Business Operations
- Brendan Nally, Acting DCE Service Delivery Operations
- Steph Rotarangi, DCE Service Delivery Design
- Piki Thomas, DCE Kaupapa Māori and Cultural Communities
- Janine Hearn, DCE People
- Sarah Sinclair, DCE Organisational Strategy and Capability Development
- Becks Kearns, Secretariat
- Anita Balakrishnan, Department of Internal Affairs (Item 4 only)
- Murray Coppersmith, Chair Audit and Risk Committee (Item 5 and 6 only)

Apologies:

- Hon Ruth Dyson, Deputy Chair
- Kerry Gregory, Chief Executive

The Board met in closed session from 9.00am to 9.30am and then met with the Acting Chief Executive in Chief Executive-only time until 9:53am.

Following a short break the Board Chair formally opened the meeting at 9.59am with a karakia.

The Board Chair noted Hon Ruth Dyson and the Chief Executive as apologies for the meeting.

1. Interests Register and Conflicts of Interest

There were no updates made to the interests register.

IN CONFIDENCE

It was noted that Belinda Clark has a potential conflict of interest for item 17 - Treaty Right of First Refusal: Mōkai Pātea Iwi and therefore would not have voting rights for this item.

2. Confirmation of the minutes of the previous meeting

The minutes of the meeting held on 30 June 2023 were approved as a true and accurate record of the meeting.

3. Action items from last meeting

The action items were noted. The Board were pleased to see timeframes against each action and progress being made.

4. Eke Taumata

The Board advised that the first six-monthly report on progress against the recommendations and intention of the Te Kawa Mataaho review does not yet meet the Board's expectations. Noting the need to distribute the report to the Minister of Internal Affairs within short timeframes of the Board meeting, some suggestions were made to improve the report for this iteration. Future iterations will need to be altered to better meet the expectations of the Board. The Board requested the dashboard be included at the forefront of the six-monthly report with the remainder of the report to complement the dashboard.

Other feedback on the six-monthly report included:

- Requesting management consider the reliance on legal advice and only seek additional legal advice if necessary
- Remove reference to "discovery phase"
- Consolidate and proof-read.

DCE Office of the Chief Executive undertook to provide a revised version of the six-monthly report to the Board Chair by the end of the day.

The Board also discussed the appended roadmap and sought clarification on Stream Three which indicates an in-house system on the Awhina Platform. It was agreed that this should be removed as it is not consistent with the approach being undertaken and causes confusion.

The Board acknowledged the work that has been undertaken so far to improve the organisation's culture.

Actions

- DCE Office of the Chief Executive is to amend the Eke Taumata six-monthly report as per feedback from the Board and submit to the Board Chair for final approval.

Resolved

The Board:

1. **noted** the attached Eke Taumata Dashboard update and appended Education and Training Findings and Recommendations
2. **9(2)(h)** [REDACTED]

3. **noted** updates on the complaints management workstream will be discussed at the People and Culture Committee on 7 August 2023
4. **noted** the six-monthly report will be published on the Portal and made available on the website
5. **provided** feedback on the draft six-month report on Eke Taumata
6. **agreed** the six-month report be distributed to the Minister of Internal Affairs, subject to changes being made and approved by the Board Chair
7. **approved in principle** the delegation to the Chief Executive to outsource complaints management.

5. Prioritising our portfolio of projects

Murray Coppersmith, Chair of the Audit and Risk Committee, joined the Board meeting at 10.21am.

The Acting Chief Executive advised that the DCE Organisational Strategy and Capability Development is leading work to develop a fit-for-purpose prioritisation criteria to be applied to all types of expenditure across the organisation. The Acting Chief Executive advised that the paper contains some of the significant projects and sought early views from the Board on any which must be prioritised. The Board advised that their role is to consider how management is making prioritisation decisions and determine if they agree.

DCE Organisational Strategy and Capability Development advised that there are a myriad of ways that staff can raise ideas and fund initiatives and with limited funding available there is a need to ensure there is a single, consistent prioritisation process that can be applied. Additionally this prioritisation process is intended to be undertaken at each stage of a project for which funding is being sought.

DCE Organisational Strategy and Capability Development provided an overview of the prioritisation criteria, as outlined in the paper, and provided some examples of descriptors that could be used.

The Board sought and received confirmation as to what was meant by “funded” and “unfunded”. DCE Organisational Strategy and Capability Development advised that “funded” meant that specific funding had been approved for the current stage of the project, however once they go through the proposed prioritisation process there is a possibility these may not be prioritised. The Board asked for future iterations to clarify the funding source and ensure language does not lead to confusion.

The Board also sought further information on the timeframes for each of the significant projects, dependencies on Part 3 levy increases, upside and downside risk quantum, criteria weightings and rationale, interdependencies between projects and initiatives.

The Board also asked management to consider how capital expenditure fits in to the prioritisation process, how best to balance the need to invest in managing risk with ensuring the organisation is set up for the future, how to capture initiatives that are not currently being undertaken but should be, and investment currently within baselines that’s finishing or should stop.

The Board asked management to include prioritisation on the agenda for the Financial Sustainability and Investment Committee of the Board. The Board will then have a future discussion on risk appetite.

The Board indicated at this early stage that priorities include critical risks, PCBU, and training.

Actions

- Management are to provide the Financial Sustainability and Investment Committee with further information on the prioritisation process including estimated timeframes of projects, dependencies, net risk quantum, criteria weightings, inclusion of Capital Programme, balancing managing current risk versus future focused, funding sources, and when prioritisation will occur.

Resolved

The Board:

1. **noted** that there are several critical fiscal pressures and risks that require management to proactively reprioritise existing strategic investment projects and initiatives
2. **noted** that any reprioritisation exercise is expected to come with an opportunity cost relating to existing projects or previously signalled projects
3. **noted** that management is bringing more rigour to its investment management and decision-making processes
4. **approved** a prioritisation framework that has the following hierarchy of priorities for investment, subject to additions as per the minutes:
 - 4.1 Legal Compliance (including health and safety)
 - 4.2 Other Strategic Risks
 - 4.3 Strategic Investment
 - 4.4 Other Projects
5. **noted** that this hierarchy indicates no funding of other strategic risk management if there are insufficient funds to achieve legal compliance
6. **directed** management towards any particular Board priorities which must continue to be funded as part of the prioritisation process.

6. Financial Report - Interim FY 22/23 Finance Report

DCE Finance and Business Operations provided an overview of the paper, the interim financial result for 2022/2023 and of legacy procurement issues which management are working with the Ministry of Business, Innovation and Employment (MBIE) on a high-level, supportive approach to remediation.

DCE Finance and Business Operations also advised that work is underway to model the impacts should Part 3 not be implemented by July 2026.

The Board discussed the approach with MBIE and comment provided in the respective paper. The Board also discussed the significant costs associated with return to work duties and were concerned about how much of the cost represents workplace accidents and injuries.

The Board Chair advised that she recently met with Audit New Zealand who were complimentary of the improvement made to processes and had identified no systemic, outstanding issues to raise. The Board Chair congratulated management and their teams for their hard work.

Resolved

The Board:

1. **noted** the 2022/23 pre-audited FY financial result.

Murray Coppersmith, Chair of the Audit and Risk Committee, departed the meeting at 11.03am.

7. Chief Executive's Report

The Acting Chief Executive took the report as read. The Acting Chief Executive updated the Board on the successful Kaikōura station opening.

The Board discussed the challenges mentioned in the report on calculating the opportunity cost of Cyclone Gabrielle and requested management attempt to calculate the opportunity cost based on available data and best possible estimations of the time volunteers spent responding to incidents. The Board advised that calculations like this are integral to understanding the business, cost drivers, financial pressures, workforce needs, and to demonstrate the value of Fire and Emergency's services to New Zealand. Amit Prasad offered to broker a relationship with the relevant manager at Hato Hone St Johns, who have recently undertaken a similar modelling exercise for Cyclone Gabrielle.

The Board acknowledged and congratulated the organisation for being the most trusted public sector organisation for the eighth year in a row in the recent Kantar Public Sector Reputation Index.

DCE People provided an overview of the Whanaungatanga project survey results. The Board acknowledged that the results of the survey were confronting but important for enabling the organisation to make the necessary change to reduce harm to our people. DCE People and the Board acknowledged the role of the New Zealand Professional Firefighters Union in assisting to achieve significant participation rates.

DCE People provided assurance that immediate action is being undertaken to ensure Communication Centre personnel receive wellbeing and welfare support. The Board asked that DCE People include the initiatives planned to improve wellbeing based on the results of the survey on the agenda for the People and Culture Committee.

Action

- DCE People is to discuss Whananungatanga initiatives with the People and Culture Committee. The People and Culture Committee is to keep the Board informed.

8. Safety, Health, and Wellbeing:

The Acting Chief Executive provided a brief overview of the paper and in particular the Muriwai fatalities and injuries investigation. DCE People advised the Board of the approach being undertaken to improve Board reporting on Safety, Health, and Wellbeing. The Board noted there will be no monthly Safety, Health, and Wellbeing report provided to the Board at its meeting on 1 September, reporting will be by exception in the Chief Executive's report.

DCE People provided an update on the critical risks work and advised that critical risk workshops would be commencing in August. It is intended that owners will be assigned to the seven critical risks to lead the ongoing work and management of the risks. DCE People assured the Board that the independent investigation report into the Muriwai fatalities/injuries is being factored into the critical risks work. DCE People provided a brief explanation of enforceable undertakings and the requirements in relation to Muriwai.

DCE People provided an update on two specific Safe@Work entries, in response to Action B016 (2023).

9. LAC Quarterly Update and Progress Report

The Board acknowledged the Local Advisory Committee (LAC) team and Amit Prasad for their work on ensuring induction of new LAC members was successful.

The paper was taken as read.

Amit Prasad encouraged Board members to attend an upcoming Otago LAC meeting should they be available to do so.

Resolved

The Board:

1. **noted** the progress updates from the LACs.

10. Board Quarterly Performance Review – Quarter Four

The Acting Chief Executive advised that there is no quarterly report to the Minister for quarter four as the Annual Report replaces the regular quarterly reporting. The Acting Chief Executive advised that the results of two Statement of Performance Expectations measures had changed since the paper was submitted, the details of which were discussed during Chief Executive only time.

DCE Organisational Strategy and Capability Development assured the Board that work is underway to develop more meaningful measures.

Resolved

The Board:

1. **noted** the attached reporting, outlining the organisation's performance for Q4 and year-end results to 30 June 2023.

11. Tasman/ICC Action Plan

The Acting Chief Executive provided a brief overview of the history of the Tasman and International Convention Centre action plans and advised that the intention is to ensure that the Board have oversight of progress.

The Board asked to be kept informed should any actions become unachievable.

Resolved

That the Board:

1. **noted** the updates on the Tasman and ICC Fires Action Plans

2. **noted** the updates will be proactively released on the Fire and Emergency external website following the Board meeting.

12. HRIS/Payroll Update

DCE People advised that the purpose of this item was to provide assurance to the Board that work that has been undertaken to rescope the business case and associated timeframes is robust, ahead of the business case for HRIS/Payroll being considered by the Board at its meeting on 1 September.

DCE People advised that significant issues with current payroll processes are still being identified and have an impact on the design and delivery of the new system to ensure the new system doesn't replicate these issues. These too will also likely create remediation challenges. DCE People advised that an audit is currently underway and is scheduled to be completed by mid-August. Following the audit further work will be required to quantify the the size of liabilities arising from these issues.

DCE People advised that while the impending business case will include contingencies to account for unknown issues that may continue to arise, it is not possible to be completely confident that further money will not be required.

The Board encouraged DCE People to engage with IRD on remediation efforts once a quantum is better understood.

The Board acknowledged the update and the challenges involved.

Resolved

The Board:

1. **noted** the work that has been undertaken to establish more confidence in the programme scope, budget, and timeframe
2. **noted** that the previous time and cost estimates provided to the Board for implementation of new payroll and HRIS systems were unrealistic and unachievable, and did not sufficiently recognise, understand, and address the significant complexities of our current technology environment and our employment arrangements to allow for successful delivery of the programme
3. **noted** that the implementation business case, with a revised delivery timeline and programme cost, will be submitted to the Board for approval at its meeting on 1 September 2023.

The Board meeting was suspended for a short break at 12.10 and reconvened at 12.20pm.

13. PSN Business Case

The Acting Chief Executive/PSN project sponsor provided an overview of the work that had been undertaken to develop the options for consideration in the business case and advised that in his view options one and two are not viable.

The Acting Chief Executive demonstrated to the Board the current and proposed technology involved to aid understanding.

The Board Chair advised that a recent meeting she had with the Chair of the Next Generation Critical Communications (NGCC) was useful to further understand the context of PSN. The Board Chair encouraged Board members to carefully balance the risk with competing demands for limited funding.

The Board discussed the options presented and determined Option 2A, with an option to further develop the Mobility component at a later date should funding allow was the most sensible option. The Board were concerned that Option three relies too heavily on government decisions on Part 3 levy which are not certain.

The Board thanked the PSN Project Sponsor for his ongoing work and encouraged him to continue to explore any potential to access any wider PSN programme contingencies via the NGCC to fund option 2A.

Resolved

The Board:

1. **noted and considered** the various options presented in the Fire and Emergency PSN Implementation Business Case
2. **noted** the investment comprises transition of Fire and Emergency LMR and Cellular operational communications to PSN-provided network services that are being stood up at no cost to Fire and Emergency
3. **noted** that the preferred option is *Option 3 — Strategic/future-focussed*
4. **noted** that *Option 2a — Pragmatic* is a viable alternative with lower cost to Fire and Emergency
5. **approved** the Fire and Emergency PSN Implementation Business Case and proceeding to the delivery of option 2A – *Pragmatic*
6. **noted** that delivery of the programme is expected to be completed by December 2027.

14. Seismic Portfolio

DCE Organisational Strategy and Capability Development provided an overview of the paper and of the work underway to assess seismic risk and need for remediation across Fire Station assets. They proposed developing an approach to prioritising remediation work, outside of responding to Earthquake Prone Building Notices.

The Board requested management ensure that the seismic portfolio work is aligned with evidence-based resourcing to ensure consideration is given to the future of the network as well as current seismic risk when prioritising work.

The Board was advised that the Building Act Earthquake Prone Building methodology for Territorial Authorities set a national minimum of 34% NBS, and acknowledged that for fire stations this equates to 34% of the New Building Standard (NBS) at Importance Level (IL) 4. The Board acknowledged the aspirational target of 67% NBS at IL4 for fire stations and asked that management consider criteria and advise of the rationale for those recommended to be beyond 34% NBS, as part of the seismic prioritisation analysis.

The Board sought assurances that buildings with significantly low NBS ratings are safe for our people to inhabit. The Board were assured that seismic risk (IL4) is a functionality requirement over and above life safety risk (IL2), and that any potential life safety risk will be identified and prioritised early in the prioritisation work undertaken.

The Board acknowledged the work that has been done to date and look forward to seeing a prioritised plan and associated costings in due course. The Board also suggested management share this work with Audit New Zealand at an appropriate time.

Resolved

The Board:

1. **noted** that 67% NBS IL4 target for fire stations is the basis for the current seismic strengthening programme, seismic strengthening equity reserve, and fair value of revalued buildings
2. **approved** the Fire and Emergency target for all fire stations in the network is set at a minimum of 34% NBS IL4
3. **noted** that Fire and Emergency has undertaken 320 DSAs on fire stations since 2012, and that 221 do not meet the target of 67% NBS IL4 at this time
4. **noted** that the building owners' obligations relating to timing of improvements other than for buildings deemed 'earthquake prone' is not defined in the Building Act
5. **requested** the Chief Executive undertake the development of a staged and prioritised plan and timeframe to reach a target of 34% IL4 across all fire stations, with high level cost estimates for Board consideration in October 2023. This plan should be aligned with the evidence-based resourcing work
6. **requested** the Chief Executive include in the staged and prioritised plan recommendations for fire stations in which NBS of above 34% should be achieved and the costs associated with doing so
7. **noted** that the staged and prioritised plan will be used to inform the Property Asset Management Plan and the Capital Business Case, in conjunction with Evidence Based Resourcing plans.

15. Release of Capital Funding: Hutt Fire Station Project

The Acting Chief Executive provided an overview of the Hutt City Station property challenges and associated operational response related risks.

DCE Organisational Strategy and Capability Development advised that a business case for the build of a replacement station will be presented to the Board in due course. Approval is being sought to transfer capital expenditure from 2022/2023 to 2023/2024 to enable negotiations in good faith on a potential land purchase.

Resolved

The Board:

1. **noted** that a business case is being finalised to build a replacement fire station in Hutt City, due to weather tightness and mould issues in the previous leased fire station resulting in crews evacuating the site and operating from Avalon Station temporarily
2. **noted** that funding to purchase land is not currently available from the FY 23/24 property capital programme as funds have already been allocated to other works against signed contracts or in-flight programmes, following delays in construction progress last year from bad weather

3. **noted** informal talks have identified land in Petone for a new Hutt City Fire Station with an anticipated maximum land purchase cost of \$4.5 million, further noting work to identify a suitable land parcel has been ongoing for over two years and has been subject to previous unsuccessful negotiations
4. **noted** budget for a land purchase was previously scheduled for FY2024/25 with a build budget in FY2025/26
5. **approved** the release of \$4.5 million from underspend in FY2022/23
6. **noted** costs for the build of a new fire station would be subject to a separate business case and with a maximum anticipated build cost of ~\$8 million resulting in a total combined spend of \$12.5 million with timeframe still to be determined.

16. Capital Expenditure Forecasting Improvement

DCE Organisational Strategy and Capability Development provided an overview of the paper and an introduction to the forecasting improvement work underway.

Resolved

The Board:

1. **noted** that COVID-19 has significantly changed the global landscape for manufacture and importing of goods and materials and for access to local skills and capability required to deliver goods and services to Fire and Emergency
2. **noted** the 2022/23 delivery year was also significantly affected by storms, and our response to them, which exacerbated the slowdown effects of COVID-19
3. **noted** that Fire and Emergency is adapting its work planning and forecasting to respond to ongoing changes in manufacture and supply globally
4. **requested** that the Chief Executive investigates options to extend financial planning forecasting and budgeting to a three-year period for long duration purchases such as Fleet and brings a proposal back to the Board in September 2023.

17. Treaty Right of First Refusal: Mōkai Pātea Iwi

Belinda Clark declared a potential conflict and revoked voting rights for this item.

DCE Kaupapa Māori and Cultural Communities advised of his support to the proposed approach. The Board were supportive and acknowledged that agreeing to explore the possibility of offering a right of first refusal for the specific sites listed is consistent with previous decisions made by the Fire and Emergency Board.

Resolved

The Board:

1. **noted** Fire and Emergency has been asked to consider agreeing to a right of first refusal on land associated with the Taihape, Mangaweka, Rangiwhia, Hunterville, and Kimbolton fire stations as part of a Te Tiriti o Waitangi (Treaty of Waitangi) settlement
2. **agreed** to Fire and Emergency exploring the possibility of offering a right of first refusal on the fire station land listed above

3. **noted** that subject to satisfactory due diligence Fire and Emergency will return to the Board with an updated paper seeking approval to commit to the right of first refusal
4. **noted** that, if agreed to, the right of first refusal commitment will then appear in the Mōkai Pātea land settlement agreement in principle currently being prepared by Te Arawhiti (The Office of Treaty Settlements).

18. Procurement

OCS Syndicated Contract for Cleaning Services

DCE Finance and Business Operations provided a high-level overview of the paper. The Board were supportive of the recommendations made in the paper.

Resolved

The Board:

1. **noted** that Fire and Emergency is party to a Syndicated Cleaning Services Agreement operated by New Zealand Police through a Services Supplement which expired on 31 May 2023
2. **noted** that New Zealand Police extended the Syndicated Agreement to 31 May 2028, there are no further rights of renewal
3. **noted** that Fire and Emergency can vary the Services Supplement for cleaning services to extend its term so that it will end on 31 May 2028
4. **noted** the maximum total estimated value of the Services Supplement (MTEV) including this extension is 9(2)(b)(ii)
5. **approved** the delegation of the Board's authority to the Chief Executive to execute the Services Supplement with OCS on behalf of Fire and Emergency.

Learning & Development Accommodation Contract Extensions

DCE People apologised for and explained why the contract extension requests were provided to the Board for consideration after the current contracts had expired. DCE People assured the Board that increased costs represented value for money and advised that a procurement process will be undertaken before the extension comes to an end.

Resolved

The Board:

1. **noted** that contracts with AAPC Properties and NZ Hotel CNI Management LP were established following an open tender process, compliant with the Government Procurement Rules and Principles
2. **noted** that this is the second and final right of renewal available under these contracts
3. **noted** that these contracts expired on 30 June 2023
4. **noted** the proposed variation extends the term for one year and agrees to increased pricing
5. **delegated** authority to the Chief Executive to sign and approve the contract variations with AAPC Properties and NZ Hotel CNI Management LP.

Totalcare Agreement relating to Level 2 (Structural Firefighting) ensembles

DCE Service Delivery Design provided a high-level overview of the paper and advised that market testing demonstrated that there would be value in waiting before returning to the market.

Resolved

The Board:

1. **noted** that Fire and Emergency intends to invoke a 12-month renewal of the 2021 TotalCare contract and that the renewal is allowed for within current contract provisions
2. **noted** a full return to market for supply, maintenance and laundering of our firefighter's structural garment is planned for 2023/24
3. **delegated** authority to the Chief Executive of Fire and Emergency to enter into an extension of the current TotalCare contract.

Aviation Service Desk

DCE Service Delivery Design advised that while the current contract allows for a three-year extension, a two-year extension is being sought. DCE Service Delivery Design outlined the minor risk due to non-compliance with the Government Procurement Rules, however this is mitigated to some degree due to only using Civil Aviation Authority accredited providers. Assurance was provided to the Board that non-compliance will be addressed before the two-year extension comes to an end.

Resolved

The Board:

1. **noted** the 93 individual Aviation Services contracts **9(2)(h)**
[REDACTED]
2. **9(2)(h)**
[REDACTED]
3. **noted** that a remediation plan is underway that will set out proposed approaches for future procurement that are compliant with the GPR
4. **noted** three of the individual contracts are currently non-compliant with Fire and Emergency's Delegated Financial Authority (DFA) framework as the spend per contract has exceeded \$2M. No approval was sought for the expenditure in excess of the current DFA limits
5. **noted** the Board approving the available rights of renewal and delegation of the Board DFA will mitigate the risk going forward of spend outside the DFA limit
6. **approved** the available right of renewal for a period of two years for each contract, bringing the total term for each contract to five years and the Maximum Total Estimated Value (MTEV) for all 93 to **9(2)(b)(ii)**, including a contingency of **9(2)(b)(ii)**

7. **approved** delegation of the Board's authority to sign each of the individual agreements to the Chief Executive, with the ability to further sub-delegate.

19. General Business

The Board discussed the use of movers and seconders in minutes and agreed that unless a specific decision requires it, the Board will no longer move and second decisions.

The Secretariat provided a high-level overview of the plan for the upcoming Board visit to Hamilton.

There being no further business the meeting closed at 12.56pm.

Rebecca Keoghan

Board Chair

1 September 2023

Out-of-cycle Paper – Financial Sustainability and Investment Committee

On 18 July 2023, an out-of-cycle Board paper was submitted to the Board for consideration via email.

Resolved

The Board:

1. **approved** the terms of reference for the Financial Sustainability and Investment Committee of the Board, once feedback had been incorporated
2. **agreed** to appoint Murray Coppersmith, current Chair of the Audit and Risk Committee, as the independent external member on the Financial Sustainability and Investment Committee
3. **agreed** to appoint Murray Coppersmith as the Chair of the Financial Sustainability and Investment Committee
4. **agreed** the following Board members are appointed as members of the Financial Sustainability and Investment Committee: Rebecca Keoghan, Danny Tuato'o, and Amit Prasad.

Rebecca Keoghan

Board Chair

1 September 2023

Out-of-cycle Paper – FECA Bargaining Update

On 11 August 2023, an out-of-cycle Board paper was submitted to the Board for consideration via Diligent.

Resolved

The Board:

1. **noted** bargaining parameters approved in April 2023 provided for a fiscal envelope of \$2.107m per annum (including \$1.240m job sizing risk, if realised once the outcomes of the job sizing were known, and \$0.867m per annum for other bargaining elements) over and above the market movement approved in respect of the remuneration review processes outside bargaining
2. **noted** the job sizing risk has crystallised at a cost of \$1.165m per annum in direct salary movement and an additional \$0.187m per annum in additional annual leave cost due to salary movement, making a total of \$1.352m per annum
3. **noted** that the other elements of the proposed settlement offer total \$0.780m per annum, and a one-off cost of \$0.203m as a sign on component
4. **noted** that the total cost of the proposed settlement, including both bargaining elements and the now realised job-sizing risk, is \$2.131m per annum and \$0.203m one-off cost
5. **approved** an increase in the overall bargaining parameters (incorporating the job sizing impacts now that these have been realised) by \$0.025m ongoing, and \$ 0.203m one-off cost to enable an offer for settlement as recommended by the Fire and Emergency bargaining team
6. **noted** that the one-off cost for a sign-on payment (or equivalent) of \$1500 per member will be met through payroll provisions in the balance sheet accrued in the previous financial year (2022/23).



Rebecca Keoghan

Board Chair

1 September 2023



Hui Miniti/ Minutes

Fire and Emergency Board Meeting

Date: 1 September 2023

Time: 8.00am -

Venue: Microsoft Teams

Present:

- Rebecca Keoghlan, Chair
- Hon Ruth Dyson, Deputy Chair
- Mary-Anne Macleod, Member
- Danny Tuato'o, Member
- Amit Prasad, Member
- Belinda Clark, Member

In attendance:

- Kerry Gregory, Chief Executive
- Carmel Ali, DCE Office of the Chief Executive
- Darryl Purdy, DCE Finance and Business Operations
- Russell Wood, DCE Service Delivery Operations
- Steph Rotarangi, DCE Service Delivery Design
- Piki Thomas, DCE Kaupapa Māori and Cultural Communities
- Janine Hearn, DCE People
- Sarah Sinclair, DCE Organisational Strategy and Capability Development
- Becks Kearns, Secretariat
- Murray Coppersmith, Chair Audit and Risk Committee (Item 11 and 12 only)

Apologies:

- Nil

The Board met in closed session from 8.00am to 8.30am and then met with the Chief Executive in Chief Executive-only time until 9.15am.

Following a short break, the Board Chair formally opened the meeting at 9.20am with a karakia.

1. Welcome

The Board Chair thanked management and the Hamilton team for organising the Board visit to Hamilton, noting it did not proceed due to flight cancellations.

2. Interests Register and Conflicts of Interest

There were no updates made to the interests register during the meeting and no conflicts were identified.

IN CONFIDENCE

The Board noted that Murray Coppersmith has a potential perceived conflict as former partner of PricewaterhouseCoopers (PwC) who play a significant role in the HRIS project. As the Chair has no ongoing involvement with PwC it was determined that no mitigations were required beyond noting.

3. Confirmation of the minutes of the previous meeting

The minutes of the meeting held on 28 July 2023 were confirmed as a true and accurate record of the meeting.

4. Action items from last meeting

The action items were noted.

The Board asked that an additional action be added to the action register, following discussion at a previous Board meeting on Fire and Emergency reviews.

Actions

- Provide the Board with oversight of progress against recommendations from all reviews undertaken since the inception of Fire and Emergency.

5. Briefing to Incoming Minister approach

The Chief Executive provided an overview of the intended approach to the Briefing to the Incoming Minister of Internal Affairs (BIM) and the Minister for Emergency Management as outlined in the respective paper.

The Board discussed the approach and advised management to ensure that the BIM provides insights and recognition into the range of activities Fire and Emergency undertakes, our role and mandate in the emergency management system, and the current areas of focus. The BIM needs to be written with the assumption a potential new Minister has no prior knowledge of Fire and Emergency.

The Board suggested:

- The BIM provides a free and frank view of Fire and Emergency's financial situation and historical, current, and future challenges including capital assets deficits
- Being cautious to not overstate challenges
- Be sensitive to how the BIM is written and will be perceived internally
- Kaupapa Māori is a strength and should be recognised
- Strengthen narrative on our role in prevention of harm
- Include key decisions/focus for the Minister of Internal Affairs for the next three to six months

The Board were overall supportive of the intended approach.

Resolved

The Board:

1. **noted** that in addition to the BIM for the Minister of Internal Affairs, a separate tailored BIM will be produced for the Minister for Emergency Management

2. **noted** that we will produce a separate 'Welcome to Fire and Emergency New Zealand' document, in addition to the BIM, that could also be used in the induction of new Board and ELT members.

6. Eke Taumata

The Chief Executive provided an overview of the purpose of the paper and discussion. DCE Office of the Chief Executive provided clarity on the High-Level Action Plan document and advised that the intention is to plot where recommendations from the PSC review may be implemented and closed. The Board noted that the action plan was in draft and is subject to change.

DCE Office of the Chief Executive and the Chief Executive advised of the approach to measuring culture, attitudes, and behaviours and of work underway to learn from Ambulance Victoria who have implemented similar measures to what Fire and Emergency will require.

The Chief Executive advised that the Independent Advisory Board has had its inaugural meeting and their insights will be valuable as the action plan and measures continue to be developed.

The Board discussed the need to ensure that the action plan is more strategic, that the measures are broader than pulse surveys, and reinforced the importance of learning from other organisations. The Board advised that Fire and Emergency is not unique in its challenges and others have or are going through similar things.

The Board were concerned by the slow progress being made on Eke Taumata and of their lack of visibility of the detail of the wider culture change actions required to make the necessary change and of the key outcomes being sought. DCE People assured the Board that detailed project plans exist for each action in the action plan and offered to provide this to the Board. The Board suggested that the action plan is extended beyond 2024 in future iterations.

The Board requested management consider how to better tell the story of all the continuous change and improvement initiatives underway and how they contribute to the organisation's culture change.

The Board suggested that management treat Eke Taumata in a similar manner to which they would approach a significant training exercise in terms of setting and measuring outcomes, capturing, and implementing lessons, and defining how to collect data to measure performance.

The Board reinforced to management the need to ensure Eke Taumata is not treated as a discrete project. The Board also requested management work more efficiently in planning and development phases of actions, noting the need to ensure engagement is appropriate and an essential part of the culture change.

The Board also sought and received assurance that there is work planned to improve participation rates in surveys to ensure data from pulse surveys is as representative as possible.

Actions

- DCE OCE is to provide a summary of the feedback from the Independent Advisory Board in the October Eke Taumata paper, alongside the more detailed action plan.

Resolved

The Board:

1. **noted** the Minister's response to the 30 June 2023 six-month report and requests for future reports to include clear outcomes and indicate what evidence will be used to show an improving workplace culture
2. **noted** draft action plan for consideration
3. **noted** that the content is to be completed
4. **discussed and provided feedback** on the proposed action plan

7. Chief Executive's report

The Chief Executive's report was taken as read.

The Chief Executive advised the Board that the United Fire Brigades Association Board would be attending for part of the October Board meeting.

DCE People provided an update on progress to make improvements following the NZQA External Evaluation and Review. The Board were informed that a formal exemption to enable Fire and Emergency to continue to undertake training has been issued.

The Board sought and received an update on the Muriwai investigations and progress being made to address the findings from the internal investigation. Management was told that the Board expect updates on Muriwai at every Board meeting.

The Board sought assurance that the organisation has processes in place and that data is held securely to mitigate risks of cyber-attacks. DCE Office of the Chief Executive undertook to provide information on Fire and Emergency's approach to cyber security.

The Board discussed the increase in evacuation schemes and sought and received clarification on statutory timeframes for processing applications and performance against these.

9(2)(h)

The Board also discussed the upcoming wildfire season update and challenges around single stations providing specialist responses to flooding and wildfire events in some locations, such as in Northland and what this means in terms of the strength of response during multiple incident types.

Management discussed the balance between preparedness to address the risk profile of a location with ensuring we don't overinvest in underutilised assets. The Board suggested this would provide a good example for the BIM, as well as an explanation of the organisation's fleet renewal and capital asset plans.

Actions:

- Provide updates on Muriwai investigations progress at each Board Meeting
- Provide information on Fire and Emergency's approach to cyber risk and data security
- 9(2)(h)

8. July finance report

The DCE Finance and Business Operations provided an overview of the financial results for July 2023, as outlined in the respective paper, and advised that further work on the medium-term outlook will be undertaken with the Financial Sustainability and Investment Committee of the Board.

The Board sought clarification on the process for payments for international deployments and received assurance that costs are recovered. DCE Service Delivery Design advised that forecasting for international deployments can be difficult, and we need to balance the costs with the experience and training our people receive while on deployment.

Resolved

The Board:

1. **noted** the July 2023/24 financial result.

9. Independent Disputes Resolution Scheme annual report

DCE Finance and Business Operations provided a brief overview of the paper. The Board were pleased with the quality of the annual report.

Resolved

The Board:

1. **noted** the Annual Report of Fire and Emergency's Independent Disputes Resolution Scheme
2. **noted** the Annual Report will be published on the Fire and Emergency external website.

10. People and Culture Committee report back

The Chair of the People and Culture Committee advised the Board of the key discussions had at the People and Culture Committee meeting on 7 August 2023. The Board were encouraged to read the Women's Development research report provided in the Resource Centre. The Board asked management to ensure that the actions arising from this report are incorporated into Eke Taumata and are not treated as a discrete project.

The Chair advised that the Whanaungatanga survey results are likely to be released the week of 11 September.

Resolved

That the Board:

1. **noted** the report of the meeting held on 7 August 2023.

11. HRIS Internal Audit

Murray Coppersmith, Chair of the Fire and Emergency Audit and Risk Committee, joined the meeting at 10:52am

The Board advised of their concerns with the significant risks associated with the HRIS/Payroll risk and acknowledged the work being done to mitigate these.

The Chair of the Audit and Risk Committee provided an overview of an out-of-cycle Audit and Risk Committee meeting earlier in the week to discuss the internal audit report. It was noted that DCE

People was not at the Audit and Risk Committee meeting and the Board welcomed her views on the four recommendations made in the internal audit report.

DCE People, as the HRIS/Payroll project sponsor, confirmed support for all four recommendations and welcomed the opportunity for additional support and assurance within the project and feedback on the recommendations is intended to ensure the support is used most effectively.

DCE People advised that the proposed independent advisor would be best utilised if it reported to the Governance Group to ensure the Governance Group can benefit from their advice in a timely manner. It was noted that the independent advisor would still need to be able to provide independent advice direct to the Board.

DCE People also advised that the Delivery Lead would be best served reporting to the Senior Responsible Owner to ensure it is effectively integrated into the programme.

The Board were supportive of DCE People's feedback and were encouraged that the recommendations of the internal audit will be implemented, and that work has commenced to fill both roles.

The Board also discussed risks associated with performance and delivery of the programme management office and were assured that work was being done to use exiting levers within our contract and create additional levers to manage performance.

The Board also sought and received assurance that lessons were being identified and learned from within the project and from others who have already or are currently replacing their HRIS/payroll systems. DCE People advised that we are engaged with those on the same current payroll platform as us but many of our risks and issues are unique to Fire and Emergency due to terms and conditions and the way these have been historically applied making our replacement complex.

The Board were concerned that timeframes may not be met or be realistic and sought assurance that there is a back-up plan. DCE People advised that indications are that the current system will be supported until well beyond our timeframes. DCE People advised that the outcome of the HR compliance audit will provide a full picture of the risk to the organisation of non-compliance and any impacts this will have on timeframes and may require manual workarounds be developed.

The Board thanked the Chair of the Audit and Risk Committee for the paper and the internal audit team for their work.

Resolved

The Board:

1. **noted** the recommendations from the HRIS Governance internal Audit.

12. HRIS/Payroll Business Case

The Board advised of their concern of the volume of work that the DCE People has with both the HRIS/Payroll programme and the people branch reset work underway. Due to the magnitude of the project in terms of importance, costs, and risk, the Board are seeking assurance that there is sufficient focus and resources dedicated to the project.

It was noted that the HRIS/payroll programme is a critical enabler to the people branch reset and therefore the DCE People must play a critical role. The Board asked management to consider the

support that can be provided to DCE People to deliver both HRIS/Payroll and the people branch reset. The Board noted that the person who leads HRIS/Payroll needs the credibility, confidence, and mana of a senior leader to be successful.

Jeff Casey, PriceWaterhouseCoopers, joined the meeting at 11:40am

Jeff Casey provided an overview of the programme from the perspective of the Programme Management Office. Jeff reiterated that there are a number of risks and unknowns due to the enterprise compliance issues which may impact the programmes timeframes. Jeff assured the Board that the plan for execution of a new system is strong, and the dependencies are clear and are being actively managed.

The Board discussed the funding options and asked for a cap to be applied to the deficit position. DCE Finance and Business Operations acknowledged this request and undertook to provide monthly reporting to the Board on the different funding components including how they are tracking, forecasts, issues/risks, and proposed solutions.

The Board sought assurance that the funding as outlined in the business case would be sufficient. DCE People advised that a robust process had been undertaken to test optimism bias in contingency planning and unless something completely unexpected arises the contingency element is reasonable. The Board confirmed that the Governance Group can make decisions about use of the contingency but that it must be reported to the Board in the monthly HRIS/payroll report.

In response to the alternative recommendation, The Board sought and received assurance that there was no further information they needed to know than had been provided to inform the decision-making.

The Board acknowledged the work that had gone in to developing the business case. The Board look forward to receiving monthly reporting on programme progress.

Action

- Chief Executive and DCE People to consider resourcing for HRIS or further support for DCE People to ensure there is sufficient focus on both HRIS and the work needed for the people branch reset and provide assurance to the Board that HRIS/Payroll has sufficient focus.

Resolved

The Board:

1. **noted** the reviews and assurance undertaken on the IBC.
2. **noted** the funding option recommended by ELT for the IBC and the affordability of the preferred option
3. **noted** the latest update on the Programme
4. **approved** the IBC, and associated funding and timelines for the Programme
5. **noted** the alternative recommendation as presented in this paper to provide limited funding for continued work in the Programme, whilst any activities that the Board may require to support a decision on the IBC are undertaken.

Murray Coppersmith, Chair of the Fire and Emergency Audit and Risk Committee and Jeff Casey, PriceWaterhouseCoopers, departed the meeting at 12:10pm.

13. Annual Report first draft

The Chief Executive advised that the Annual Report remains under development and of next steps in the process, as outlined in the respective paper.

The Board suggested that management utilise the Annual Report to emphasise the organisation's narrative that it is a first responder to a vast variety of incidents and of the broad range of activities that Fire and Emergency delivers.

The Board encouraged the use of infographics where possible.

The Board acknowledged the work undertaken over the past two years to improve the Annual Reports and to introduce plain language.

Resolved

The Board:

1. **noted** that the draft Annual Report 2023 was reviewed by the Executive Leadership Team (ELT) on 9 August 2023 and the Audit and Risk Committee on 15 August 2023. Feedback from ELT and the Committee is being actioned
2. **provided** feedback on the draft Annual Report 2023
3. **noted** the next steps in the annual report process
4. **noted** the final annual report will be provided to the Minister of Internal Affairs 15 working days after the Audit New Zealand report is received, expected to be by November 2023.

14. LAC Terms of Reference

The Chief Executive provided an overview of the paper and of the proposed changes to the Local Advisory Committee Terms of Reference.

The Board were pleased to see challenges being addressed through the new Terms of Reference.

Resolved

The Board:

1. **approved** the updated Terms of Reference for Local Advisory Committees.

15. LAC Appointment: Tairāwhiti Deputy Chair

The Board acknowledged the quality of, and the value being added by the Tairāwhiti Local Advisory Committee and agreed the appointment to Deputy Chair.

Resolved

The Board:

1. **approved** the appointment of Hikihiki Pihema as Deputy Chair of the Tairāwhiti Local Advisory Committee from 11 September.

16. FireSuper

DCE Finance and Business Operations advised the Board of the background which has given rise to the paper to the Board and of previous Board decisions to address the requests to change FireSuper by the FireSuper Trustees.

The Board noted the complexity and implications of the requests which has contributed to the length of time taken to consider and determine responses to the outstanding matters.

The Board were advised that it is likely FireSuper Trustees will be disappointed but that the intention is to continue to dialogue on the matters they have requested to find suitable resolutions.

Resolved

The Board:

1. **approved** the extension of the financial hardship provision currently applicable to members affected by the Christchurch Earthquakes to include hardship situations resulting from other declared States of Emergency
2. **agreed** to decline the request to allow the receipt of gratuity payments as employer contributions
3. **agreed** to invite the Trustee to consider alternative options for meeting the intent of the payment of gratuity into the scheme
4. **agreed** to decline the request to widen the eligibility of membership
5. **noted** the request for Fire and Emergency to administer the requests for eligibility outside the three-month window has been denied
6. **approved** the draft letter to the Trustee responding to their outstanding requests and communicating our approval to extend the significant financial hardship provision
7. **agreed** future requests from the Trustee will be referred directly to the Chief Executive for response, or where the Chief Executive is a member of FireSuper, to the DCE Office of the Chief Executive.

17. Provoke Contract

DCE Organisational Strategy and Capability Development advised that extending the Provoke contract is vital for ensuring stability for the impacts of the HRIS/Payroll programme.

Resolved

The Board:

1. **noted** that the current Master Services agreement between Fire and Emergency and Provoke commenced on 27 September 2021 and expires 26 September 2023, with an option for a two-year renewal which would extend the agreement to 26 September 2025
2. **noted** that exercising the right of renewal for a two-year period extension of the Master Services agreement and associated agreements aligns with the requirements for a valid exemption from open advertising under Rule 14(9)(c)(i) of the Government Procurement Rules

3. **approved** the delegation of its authority to the Chief Executive to execute contractual agreements for the extension of the Master Services agreement, given the expected whole of life cost of **9(2)(b)(ii)** excluding GST exceeds the Delegated Financial Authority of the Chief Executive.

18. Value of volunteerism

DCE Finance and Business Operations provided an overview of the paper and advised that he intends to discuss valuing volunteerism further with the Financial Sustainability and Investment Committee in due course.

The Board suggested that the modelling could be taken further to demonstrate the costs to employers, the public good element, and readiness to respond. The Board also suggested that the social contribution should also be acknowledged.

The Board thanked management for this paper.

Resolved

The Board:

1. **noted** we will use the replacement cost method to estimate the value of volunteering for specific events
2. **noted** the estimated value of volunteering during Cyclone Gabrielle (five-day period from 14 February 2023) is \$423,000.

19. General Business

The Board acknowledged that it was Becks Kearns, National Manager Board and Ministerial Services final meeting before departing Fire and Emergency. The Board acknowledged the support Becks had provided during her time in the role.

The Board also thanked Russell Wood for his work during his time as Acting Chief Executive.

There being no further business the meeting closed at 12:43pm for Board only discussion.

Rebecca Keoghan
Board Chair
27 October 2023



Hui Miniti / Minutes

Fire and Emergency Board Meeting

Date: 27 October 2023

Time: 8:30am-2:10pm

Venue: Microsoft Teams

Present:

- Rebecca Keoghan, Chair
- Hon Ruth Dyson (Deputy Chair)
- Mary-Anne Macleod, Member
- Danny Tuato'o, Member
- Amit Prasad, Member

Attendance:

- Kerry Gregory, Chief Executive
- Russell Wood, DCE Service Delivery Operations
- Sarah Dwen, Acting DCE Office of the Chief Executive
- Darryl Purdy, DCE Finance and Business Operations
- Piki Thomas, DCE Kaupapa Māori and Cultural Communities
- Janine Hearn, DCE People
- Sarah Sinclair, DCE Organisational Strategy and Capability Development
- Dr Kyle Whitfield, National Manager Board and Ministerial Services
- Murray Coppersmith, Chair Audit and Risk Committee, Chair Financial Sustainability and Investment Committee (Item 8 and 9 only)
- Sophie Pugsley, Secretariat

Apologies:

- Belinda Clark
- Dr Steph Rotarangi, DCE Service Delivery Design

The Board met in closed session from 8:30am to 9:00am.

The Board met in closed session with the Chief Executive from 9:00am to 9:30am.

The Board met in closed session with the UFBA from 9:47am to 10:30am.

The Board Chair formally opened the meeting at 10:41am. DCE Kaupapa Māori and Cultural Communities paid tribute to Gwen Tepania-Palmer and recited an opening karakia.

1. Interests Register and Conflicts of Interest

No changes were made to the Interests Register.

2. Confirmation of the minutes of the previous meeting

The minutes of the meeting held on 1 September 2023 were approved as a true and accurate record of the meeting.

IN CONFIDENCE

3. Action items from last meeting

The Board questioned timeframes for action point B008 (2023) that refers to reviews.

The Board:

- clarified that the external reviews are the priority as the organisation have signed them off and will be held accountable.
- advised that this includes Health and Safety reviews as the most critical reviews.
- suggested that it would be useful for them to see a timeline for the organisation's external reviews (including Health and Safety).
- questioned the threshold for action due dates and recommended that this be considered if there is not an existing threshold.
- are comfortable with action B010 taking place in the new year.

Action:

- Management to amend action point B008 to reflect the intended scope for external and health and safety reviews.

4. Development of a prioritisation process update

DCE Organisational Strategy and Capability Development provided an overview of the paper and:

- advised that:
 - the prioritisation framework allows management to ensure the organisation is progressing the most important in-flight projects
 - the prioritisation framework allows management to contain funding in the correct places
 - the prioritisation framework was tested across all in-flight projects, new initiatives and cost pressures
 - a number of in-flight projects have been stopped, paused or reprioritised into business-as-usual
 - management have taken each new initiative through a draft scoring process and now need to take them through the weighting and sensitivity process in terms of how they articulate the consequences of choosing not to fund an initiative.
- acknowledged that all new initiatives that come for prioritisation are important and that a transitional approach has been implemented for this year, while management refine the criteria.

It is anticipated that the process will be completed by the end of this year as it is needed for next year's planning. The final process will be reported to the Board in February 2024.

The Board:

- acknowledged that management are taking the time to get the prioritisation process right.
- questioned the breadth of the criteria statement 'commitment to Tangata Whenua' in the prioritisation criteria and how this aligns with the Maōri Strategy. The Chief Executive advised that the prioritisation criteria are still undergoing tighter definitions, to allow management to apply the framework in a meaningful way.

- suggested the need of an overarching discretionary aspect for CE (i.e., for a climatic event) on scoring should be considered. The Chief Executive and DCE Organisational Strategy and Capability Development acknowledged this this is being considered.
- were pleased to hear that some projects had been halted or stopped.
- acknowledged the work undertaken to develop the framework so far.

Action:

- Management to report back on a final prioritisation process for future years, by February 2024.

Resolved

The Board:

1. **noted** the progress made to date on developing a prioritisation process for investment decisions, including a transitional approach to pilot the work done to date on the current year's investments.
2. **Requested** the Chief Executive to report back on a final prioritisation process for future years, by February 2024.

5. HRIS/Payroll Replacement Programme Update

DCE People and HRIS Programme Sponsor:

- provided an overview of the paper.
- advised that the paper compliments the out-of-cycle paper which was distributed to the Board on 29 September 2023.
- acknowledged that the programme is moving in a different direction to what was originally anticipated.
- advised that the new HRIS system is currently in the build stage , and the feedback received on the benefits the new system will bring has been positive.
- advised that the final Payroll Compliance audit provided 52 recommendations.

The Chief Executive advised that since the September Board meeting, Internal Audit had raised serious concerns around what they would expect to see in place to ensure greater assurance regarding the programme management. 9(2)(b)(ii), 9(2)(j)

He appointed an additional internal experienced Tier 2 Manager as a full-time HRIS Programme Sponsor and is in the process of establishing a independent advisor to the Board. A probity review has also been commissioned.

The HRIS Programme Sponsor is meeting with the All-Of-Government Payroll User Group next week, to understanding what alternative solutions and resources are available

The Board:

- 9(2)(b)(ii), 9(2)(j)
- 9(2)(b)(ii), 9(2)(j)
- questioned whether management understand the quantum of costs to change the payroll system. DCE People advised that this is still being worked through and the Board will be advised once this is known.

- requested an out-of-cycle update prior to December Board, which includes information on the All-Of-Government Payroll User Group meeting.
- sought clarification on the reference to 'pausing all Datapay related activity' and what this means. HRIS Programme Sponsor clarified that the organisation's work with Datapay has been paused while the programme is in the stage of reviewing feasible, alternative options.
- 9(2)(b)(ii), 9(2)(j) [REDACTED]
- indicated that it would be useful to have a HRIS/Payroll Replacement Programme gantt chart.
- requested a report on the findings of the probity review once it is complete. National Manager Assurance and Risk advised that the Terms of Reference for the review have been scoped and the review will be outsourced.
- questioned whether the organisation would still experience payroll system issues until a resolution is established. DCE People advised that the existing system issues are not technical issues.
- sought clarification on the use of the term 'non-compliance'. DCE People advised that the existing areas of non-compliance are in the application of the Holidays Act and Terms of Reference in the Collective Employment Agreement and that this will impact any programme decisions.
- advised that legal and financial liabilities need to be considered.
- questioned what communication has been distributed to staff, Unions and Associations regarding non-compliance' issues and overpayments. DCE People advised that management are intending to be as transparent as possible, but wish to understand the programme's nature, scope, issues and timeframes before consulting them. Potential overpayments are still being scoped.
- acknowledged that the HRIS/Payroll replacement programme is their number one critical risk.
- acknowledged Carmel Ali's move into the HRIS Programme Sponsor role, and thanked her for her work as the DCE Office of the Chief Executive role.

Actions:

- Management to:
 - provide the options and risks for the payroll workstream at the December Board meeting
 - submit an out-of-cycle briefing to the Board on programme progress including the All-Of-Government Payroll User Group meeting
 - develop an HRIS/Payroll Replacement Programme gantt chart for the Board
 - provide the quantum of costs for the payroll aspect of the project and provide the Board with regular updates
 - provide a report to the Board on the recommendations from the payroll compliance audit once the initial 52 recommendations have been worked through.

Resolved

The Board:

1. **noted** actions taken to give effect to the decision to pause work on the design and build of the Payroll system (Datapay).
2. **noted** the outcomes from the September programme assurance activity undertaken by Internal Audit and the immediate actions taken to address the issues identified.
3. **noted** that further updates and advice will be provided to the Board as that work progresses.

6. Eke Taumata progress update - October 2023

DCE People:

- provided an overview of the paper.
- advised that management have established their definition of desired culture. This will be socialised at the People and Culture Committee meeting on 6 November for feedback.

The Board:

- are interested in how the support from UFBA progresses and request to be updated via the weekly Chief Executive report.
- noted the paper did not give a date when the complaints management process will be fully up and running.
- noted that co-design work has commenced with the provider which is anticipated to conclude in November with transition to full independent operation being staged to ensure a seamless transition.
- advised that they would like to hear directly from the new external provider to work through expectations.
- questioned what practical things are changing following the release of the women firefighter survey results. DCE People advised that Kia Toipoto and women's development work are being integrated under the diversity workstream within Eke Taumata.
- acknowledged the work management have done with the UFBA.

Actions:

- Management to:
 - update the Board in November when the new external provider will be stood up and arrange their attendance at a future Board meeting
 - share the cultural playbook with the Board out-of-cycle.

Resolved

The Board:

1. **noted** the October 2023 progress update.

7. Chief Executive's Report

The report was taken as read.

The Board:

- questioned the organisation's asbestos management plans. Management advised that each location with asbestos has an individual plan that gets updated. Each asset management plan that is developed will have a budget line relating to asbestos.
- advised that they would like more information around Cyber Security added to the Resource Centre, and would like a deep dive on Cyber Security added to the forward agenda for the Assurance and Risk Committee.
- noted that management need to be mindful of the possible media coverage of the Christchurch Masjidain attacks.
- advised that they would like a Behaviour and Conduct Office update added to the forward agenda for the People and Culture Committee.

Action:

- Management to add more information to the Resource Centre around Cyber Security.

8. Financial Sustainability and Investment Committee Report to the Board

Murray Coppersmith provided an overview of the paper.

The Board:

- noted that, the pressure on financial sustainability has increased and there may be pressure on the organisation's Crown contribution. The Board also noted that the split between the cost profile of frontline FTE vs frontline support FTE will be critical to the organisation's spend profile .
- advised that they were encouraged by the report and have confidence in the programme.

Action:

- Management to add the cost pressures visual pictorial with the Board via the Resource Centre.

Resolved

The Board:

1. **noted** the report of the meeting held on 11 September 2023.

9. Assurance and Risk Committee Report to the Board

Murray Coppersmith provided an overview of the paper.

The Board:

- acknowledged the work of the Finance and Business Operations branch and noted the positive feedback from Audit NZ.
- questioned whether the manual payroll process had been fixed.

Action:

- Management to find out if the manual payroll process has been fixed.

Resolved

That the Board:

1. **noted** the report of the meeting held on the 25 September 2023.

10. Financial Report / Pūrongo Pūtea – September 2023

DCE Finance and Business Operations provided an overview of the paper.

Resolved

The Board:

1. **noted** the September year to date 2023/24 financial result.
2. **noted** the 2023/24 full year financial forecast.

11. Local Advisory Committee Quarterly Report to the Board - Quarter One

The Board:

- acknowledged the improvement in the quality of the LAC progress update.
- acknowledged that they are happy with where the focus is.
- recognise the trend from the LACs on adequate facility and equipment suitability, and that an education/comms plan was in place to help the LAC's understand this.
- acknowledged the comments about there needings to be more clarity from the Board on the insights report, andwere appreciative of the different options that management had provided to resolve this.

The Board and management discussed recognition measures.

Action:

- Written response to the LAC Chairs to be sent from the Chair.

Resolved

That the Board:

1. **noted** the progress updates from the LACs, **attached** as Appendix 1.
2. **noted** a written response be sent to the LAC Chairs from the LAC Board Portfolio owner.

12. United Fire Brigades Association fourth quarter report

The report was taken as read.

Resolved

The Board:

1. **noted** the contents of the UFBA's fourth quarter report, as detailed in Appendix 1 (**attached**).
2. **approved** a written response be sent to the UFBA from the Chair:
 - a. acknowledging the contents of the report
 - b. acknowledging that the challenge events were undertaken for the first time in two years
 - c. expresses thanks to the UFBA for providing a more regular detailed report and looking forward to being able to have full oversight on all the information requested once systems have been updated.

13. Q1 Performance reporting

The Board acknowledged the improvement in reporting quality.

The Board noted that our strategy documents need to focus on our core business.

The Board suggested that:

- the report should be personalised, specifying the use of we/our/us as an alternative to 'FENZ'
- the stand up of the Financial Sustainability and Investment Committee should be woven into the report
- the reference to 'NZPFU' under 'Response Statistics for quarter one' in the report should be removed
- consideration should be given to whether alert/K1 and K2 are redundant (under 'Legend') in this format
- consideration should be given to whether the approximation of 'appliances dispatched' has a place in this report.

Resolved

The Board:

1. **noted** the improved quarterly performance reporting process for Fire and Emergency.
2. **noted** the attached QPR Q1 report outlining how the organisation has performed over Q1.

14. Revised Safety, Health, and Wellbeing Board Report format

DCE People:

- provided an overview of the paper.
- advised that a deep dive into one of the critical risk bowties is on the forward agenda for the November Board meeting.
- advised that guidance is coming out in the new year for the Board, regarding their governance role in the health and safety space.

The Board:

- noted that the reporting had been designed with the assistance of Business Leaders Health and safety forum (BLHSF) and Institute of Directors (IOD).
- Highlighted that injuries and incidents (analysis of root causes and leading indicators), high-level near misses and ICAMs are not included in the new reporting framework. Management suggested that a more in-depth analysis of these reporting categories could be carried out at People and Culture Committee (PCC) meetings. Following that in-depth analysis at People and Culture Committee meetings a higher-level analysis could take place at Board meetings. The Board were concerned with frequency of PCC meetings and asked management to consider how information on injuries and incidents (analysis of root causes and leading indicators), high-level near misses and ICAMs can be aggregated and included in the new reporting framework
- requested that consideration be given to developing a matrix around timeframes of escalating incidents to the Board.
- acknowledged the inclusion of Te Whare Tapa Whā as a framework for the reporting.
- requested that PCBU perspective be considered in the framework.

DCE People advised that a Reporting Advisory Committee has been implemented.

Actions:

- Management to consider how information on injuries and incidents (analysis of root causes and leading indicators), high-level near misses and ICAMs can be aggregated and included in the new reporting framework.
- Management to develop delegated authority/a timeframe for escalating information to the Board with regard to safety, health and wellbeing incidents.

Resolved

The Board:

1. **noted** the new Board Report format, content and supporting processes.
2. **endorsed** the revised reporting templates annexed to this paper.

15. Safety, Health, and Wellbeing report

The Board:

- noted that the latest WorkSafe PIN was not included in the reporting. Any future WorkSafe PINs must be included in these reports.
- questioned whether the number of 'Not recorded' under 'Injury by Consequence' was being followed up.
- noted that they are interested to see future reporting around employee-led networks.

Management:

- confirmed that under 'Results overview', the number of health checks reported is the total number of health checks organisation-wide.
- advised that management are in conversation with WorkSafe regarding the respiratory facefit PIN timeframe.
- advised that a request was received from WorkSafe yesterday regarding a formal interview in relation to Muriwai.

Actions:

- Management to:
 - find out what percentage of volunteer and career firefighters the percentage of health checks on page 122 of the Board book under 'Results overview' covers
 - amend the formatting of the 'Number of Near Miss Events Linked to Critical Risks' table on page 125 of the Board book so the explanations aren't lost
 - include the 'why' behind trends moving up/down between reports in future iterations of the report
 - consider colour-coding in future iterations of the report
 - have the latest WorkSafe PIN added to the October report
 - note that the Board are interested to see future reporting around employee-led networks.

16. Annual Report final draft

The Board advised that they are happy with the final draft annual report subject to confirmation that there are no sensitivities around the image on the cover.

Action:

- Management to confirm that there are no sensitivities around the image used on the cover of the draft annual report.

17. Delegation to the Chief Executive or their delegate for Software Asset Management and Software Resale Services contracts

The paper was taken as read.

Resolved

The Board:

1. **delegated** authority to the Chief Executive or their delegate, to sign the contract document or documents with the successful RFP respondent/s for software asset management and software resale services at the conclusion of an open market procurement:
 - a. including any variations or extensions within the term, for a maximum term of seven years.
 - b. within approved baseline budgets, for a total cost not exceeding 9(2)(j) operating expenditure excluding GST.

18. Service Desk Services – New Contract

The paper was taken as read.

Resolved

The Board:

1. **approved** the appointment of NTT NZ Ltd for the provision of Service Desk Services for Fire and Emergency New Zealand.
2. **delegated** authority to the Chief Executive or their delegate, to approve and sign:
 - contractual documents with NTT NZ Ltd for Service Desk Services, for a term of up to nine years, and an estimated cost of 9(2)(j) operational expenditure, exclusive of GST.
 - variations relating to scope and pricing within approved budgets and within the nine-year term of the agreement.

19. Spark Networking Services – New Contract

The paper was taken as read.

Resolved

The Board:

1. **approved** the direct source of a Networking Services contract with Spark for a total estimated cost of 9(2)(j) excluding GST operational expenditure.
2. **delegated** authority to the Chief Executive or their delegate, to:

- Sign a Statement of Work for these Networking Services under the existing Spark and Fire and Emergency New Zealand General Business Agreement dated 29/06/2016.
- Sign variations relating to scope and pricing within approved budgets across the new five-year term of the Networking Services contract.

20. Fire and Emergency New Zealand's Kia Toipoto action plan and gender and ethnic pay gap analysis

The paper was taken as read.

DCE People advised that Unions and Associations are on the Advisory Rōpū, and will be advised before publication.

Resolved

The Board:

1. **noted** the Kia Toipoto year one report.
2. **noted** that feedback from the Kia Toipoto Advisory Rōpū, Te Kawa Mataaho and the People and Culture sub-committee has been reflected in the Kia Toipoto year two action plan.
3. **approved** the publication of Fire and Emergency's year two Kia Toipoto action plan and 2022/3 gender and ethnic pay gap analysis.

21. Draft Rautaki Māori - Māori Strategy

The paper was taken as read.

The Board acknowledged the work the Kaupapa Maori and Cultural Communities Branch have done on the strategy.

Resolved

The Board:

1. **approved** the draft Rautaki Māori for consultation.
2. **approved** the key messages and audiences that will form the engagement plan.

22. General Business

- The Board noted the two out-of-cycle papers approved by the Board:
HRIS Payroll Replacement Programme - 29 September 2023.
- Approval of FECA Settlement – 6 October 2023.

The Chief Executive advised that the NZPFU have invited the Chief Executive and DCE Service Delivery Operations to their upcoming AGM in New Plymouth, and that they will both attend.

The Board requested that the 2024 Board meeting dates be diarised with urgency.

The Chief Executive advised that he will be an apology for Board on 1 December.

The Board Chair declared the meeting closed at 2:15pm. DCE Kaupapa Maori and Cultural Communities recited a closing karakia.

Rebecca Keoghan

Board Chair

27 October 2023

MEETING DETAILS	
Committee <i>Komiti</i>	Board
Date <i>Rangi</i>	Friday, 1 December 2023
Time <i>Wā</i>	8:30am – 1:32pm
Location <i>Wāhi</i>	NHQ 7.4W Matawai and 7.5W Avalon / MS Teams

ATTENDEES	
Chairperson <i>Tiamana</i>	Rebecca Keoghan MNZM
Committee Members <i>Ngā mema</i>	Hon Ruth Dyson QSO (Deputy Chair) Belinda Clark QSO Mary-Anne Macleod Amit Prasad Danny Tuato'o
Standing Attendees <i>Ērā atu</i>	Russell Wood, Acting Chief Executive Janine Hearn, DCE People (AM only) Nicky Chilton, Acting DCE People (full day) Bryan Dunne, DCE Office of the Chief Executive Sarah Sinclair, DCE Organisational Strategy and Capability Development Darryl Purdy, DCE Finance and Business Operations Piki Thomas, DCE Kaupapa Māori and Cultural Communities Dr Kyle Whitfield, National Manager Board and Ministerial Services Nick Bryant (Secretariat)
Other Attendees <i>Ērā atu</i>	Carmel Ali, HRIS Programme Sponsor Sharon Masters Chief Advisor to HRIS Programme Sponsor
Apologies <i>Ngā whakapāha</i>	Kerry Gregory, Chief Executive Janine Hearn, DCE People (PM) Dr Steph Rotarangi, DCE Service Delivery Design

1.	CLOSED SESSIONS	
1.1	BOARD ONLY TIME	CHAIR

The Board met in closed session from 8:30am to 9:18am.

1.2	BOARD AND CHIEF EXECUTIVE ONLY TIME	CHAIR
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The Board met in closed session with the Acting Chief Executive (CE) from 9:18am to 9:36am.

2.0	WELCOME/PEOPLE BRANCH ITEMS	
2.1	WELCOME AND OPENING KARAKIA	CHAIR

The Board Chair formally opened the Board meeting at 9:39am and Danny Tuato'o recited a karakia.

2.2	EKE TAUMATA AND COMPLAINTS MANAGEMENT UPDATE	JANINE HEARN/ BRYAN DUNNE
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The Eke Taumata update was given by the DCE People.

The DCE People:

- highlighted to the Board that the five workstreams cover off a number of the recommendations from the 2022 independent review.
- presented an example of the detailed project plan to the Board.
- summarised the key project milestones for the next three months.
- provided a high level overview of current work to develop the desired organisational culture.
- advised that the presentation would be available in the Resource Centre for the Board's reference.

The Board questioned whether there had been any stakeholder feedback on the selection of the preferred, independent external provider (Fairway). The DCE People confirmed that no feedback had been received, and advised that Fairway had the requisite experience and culture to provide the services and had been selected following an open and contestable process.

The Complaints Management update was given by the DCE Office of the Chief Executive (OCE).

The DCE OCE noted that:

- the draft security risk assessment had been received and that it showed no residual high risk issues.
- a Master Services Agreement had been received for review and signing (if in order).
- based on recent progress, the likely go-live date was now April 2024, but that may be able to be brought forward.
- there was a risk in standing up the new service before it was ready and it requiring significant rework which would likely undermine confidence in the service.
- the management of inflight complaints in the interim was a key focus.

The Board questioned the possible risk with waiting for the new case management system. Management advised the Board that the present system (Sharepoint) does not have a dynamic workflow element to it, which the new system will have, but that it is very tightly controlled and there are no privacy concerns. Cases are being tracked and monitored adequately in the interim.



Hui Miniti / Minutes

The Board requested a stocktake of overdue pre and post Behaviour and Conduct Office (BCO) complaints.

The Board questioned how Management intended to communicate the timeline for the implementation of the new system to staff and stakeholders, including Unions, Associations and the new Minister of Internal Affairs. Management advised the Board that it was not currently possible to provide an exact go live date, but there was ongoing interaction with the Department of Internal Affairs (DIA) about this. Management assured the Board that updates would be communicated to all interested parties.

Management advised the Board that the results of first people Pulse survey would be loaded into the Resource Centre and added to the agenda of the next People and Culture Committee meeting.

The Board resolved to:

1. **Note** the contents of the Complaints Management update.

Management Actions:

1. Management to come back to the Board with a communication plan to stakeholders regarding the expected go live date of the new Complaints Management service through the January 2024 Chief Executive's weekly report.
2. Management to provide the Board with data on any overdue BCO cases by April 2024. Management to break the list down into pre and post BCO complaints.
3. Management to add the results of the first people Pulse survey to the Resource Centre and to add them to the agenda of the next People and Culture Committee meeting.

2.3	HRIS/PAYROLL REPLACEMENT PROGRAMME PROJECT UPDATE	CARMEL ALI
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The HRIS/Payroll Replacement Programme project update was given by HRIS Programme Sponsor and Chief Advisor to the HRIS Programme Sponsor.

The HRIS Project Sponsor and Chief Advisor:

- confirmed a successful exit contract negotiation between Datacom and Datapay.
- advised that by February 2024 all but one or two PWC resources would be retained on the programme, and that the resources that will be retained is due to their experience and subject matter knowledge.
- confirmed that the programme had moved from the purple delivery assurance rating to a red assurance rating and due to the complexity and priority of the project, the assurance delivery risk rating was to remain at red.
- advised that the project has quarterly updates with the Gateway Project team at Treasury, to keep them abreast of the programme's progress and at the most recent discussion on 28 November, the Gateway team were happy with the current approach.

As part of the update, the Board were walked through the programmes proposed journey map which highlighted key decision points and options to be considered.

The Board queried:

- if there were any penalties to Fire and Emergency on exiting the Datacom/Datapay and PWC contract. The Programme advised there were no penalties.



Hui Miniti / Minutes

- whether (regarding the current state of Payroll) Fire and Emergency was effectively 'starting again' by ending the contract with Datacom. The programme confirmed that this was correct, and in the new year Fire and Emergency would be looking to go out to RFP for a new solution that meets the requirements of the Holidays Act as well as including the additional requirements from the compliance work that was currently being carried out by the People Branch.

The Board:

- sought assurance that lessons had been learned from previous experience and that Fire and Emergency would not end up in a similar payroll situation. The DCE People and the programme provided assurance that the experience to date had identified more clearly the requirements for a payroll solution, and that the programme would be going out to RFP with very clear requirements.
- requested more information on the cost implications of the proposed way forward.
- queried the ongoing investment in the current payroll system, PSe and whether this was value for money. The Programme responded that, as per the first exit stage on the journey map, that they are still investigating this, and if value for money could not be demonstrated, they would stop working on HRIS.
- were interested to know how Fire and Emergency New Zealand's (Fire and Emergency) approach and timing compared with those of other government organisations needing to implement payroll services replacement ahead of the legacy provider sunset of June 2025.

There was a discussion regarding SAP and the possibility that due to enhancements, SAP may offer a payroll solution that supports multi contracts now. The programme advised that SAP could be considered as part of the payroll RFP and confirmed that SAP was a Tier 1 product. The Programme confirmed that SAP was not selected last time due to the costs to implement and the ongoing support and licensing costs which were too high.

The Chair confirmed that:

- this was the top enterprise risk for the Board, and they were still nervous about the programme.
- the programme would need to be very clear with them on any ask of the Board.

The Board resolved to:

1. **Note** the contents of the HRIS/Payroll Replacement Programme project update.

Management Actions:

1. Management to provide the Board with the estimated spend on HRIS/Payroll Replacement Programme project going forward, including the amount of sunk costs to date.
2. Management to provide the Board more information regarding the risks and benefits of the HRIS/Payroll Replacement Programme project by March 2024, including doing nothing versus interim proposed solutions, and more detail on probable timelines.

Board Action:

1. Board to bring back a change request to the March 2024 Board meeting regarding the next decision point.



Hui Miniti / Minutes

2.4	SAFETY, HEALTH AND WELLBEING MONTHLY UPDATE	JANINE HEARN
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The DCE People introduced the December Safety, Health and Wellbeing (SHW) monthly update.

The DCE People noted that this was the first time the Board was receiving the report in the new format, and advised that the SHW team were continuing to work on providing the Board with the right level of detail.

The Board discussed what the right level of detail is.

The National Manager SHW spoke to the process and analysis of bowtie work around the critical risk of driving.

The Board questioned whether the SHW team had engaged with the electricity providers as part of the bowtie process, as those providers are doing similar risk assessment work. The National Manager SHW advised that this has been recognised as a critical part of Fire and Emergency's risk landscape, and that the SHW team would be engaging with those providers as a next step, along with Unions and Associations.

The Board resolved to:

1. **Note** the contents of the Safety, Health and Wellbeing monthly update.

Secretariat Action:

1. Secretariat to arrange a session with the DCE People, National Manager SHW and Board members in January 2024, to establish clarity on what the Board would like to see in future iterations of the monthly SHW updates.

2.5	PROCUREMENT PLAN FOR ACCOMMODATION AND MEALS	JANINE HEARN
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The DCE People introduced the paper regarding the approval to proceed to open tender for accommodation and meal services for Learning and Development.

The Board resolved to:

1. **Note** the open tender process is compliant with the Government Procurement Rules and Fire and Emergency procurement policy and will be openly advertised through the Government Electronic Tender Service (GETS).
2. **Note** the existing contracts have been extended earlier this year for their final right of renewal. They will all expire 30 June 2024.
3. **Note** the maximum total estimated value of the open tender is \$27.9m which sits outside the delegated financial authority of the Chief Executive.
4. **Approve** the delegation of the Board's Delegation of Financial Authority to the Chief Executive to sign the:
 - a. Procurement Plan
 - b. Recommendation Report
 - c. Contracts with the successful suppliers resulting from the open tender, aligned with the values approved in the Recommendation Report and noted in this paper.

2.6	NZ LONG SERVICE AND GOOD CONDUCT MEDAL AND ROYAL WARRANT	JANINE HEARN
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The DCE People introduced the paper regarding the draft Fire and Emergency New Zealand Long Service and Good Conduct Medal policy and initiate the process to renew Fire and Emergency's Royal Warrant.

The Board resolved to:

1. **Note** both Service Delivery Leadership Team (SDLT) and the Executive Leadership Team (ELT) fully endorse the draft policy set out in Appendix A.
2. **Approve** the draft policy set out in Appendix A.
3. **Approve** the Board and Ministerial Services Directorate to initiate and support the process to renew Fire and Emergency's Royal Warrant.

3.	ADMINISTRATION	
3.1	INTERST REGISTER AND CONFLICTS OF INTEREST	CHAIR

No conflicts of interest were declared.

3.2	MINUTES OF PREVIOUS MEETING – 27 OCTOBER 2023	CHAIR
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The minutes of the October Board meeting were approved.

3.3	REVIEW ACTION LOG	CHAIR
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The action log was reviewed.

4.	NOTING PAPERS	
4.1	NZPFU/FENZ JOINT WORKING PARTIES UPDATE	RUSSELL WOOD

The Acting CE introduced the paper regarding the New Zealand Professional Firefighters Union (NZPFU)/Fire and Emergency Joint Working Parties update.

The Acting CE noted that the Equipment Working Party had made good progress, and that the NZPFU/Fire and Emergency relationships within all three working parties had developed and were positive.

The Board questioned whether there was a need to manage Union expectations regarding Fire and Emergency's ability to fund all requests or proposals.

Management:

- confirmed that gender appropriate equipment and uniform was being focused on appropriately by the relevant group.
- assured the Board that budget was in place to support the groups and that, other than attrition due to retirement by senior personnel, the working party memberships were likely to remain stable.

The Board resolved to:

1. **Note** the progress that has been made to date by the three joint Working Parties.
2. **Note** that there is agreement to continue the Working Parties through to at least the end of the current FY (2023/24).
3. **Note** the intention for Working Party proposals and recommendations to be presented to the Board from March 2024.

Management Action:

1. Management to prepare a presentation for the three NZPFU/Fire and Emergency Joint Working Parties on the financial limitations Fire and Emergency is facing, and the prioritisation work that goes into making investment decisions.

4.2	SEISMIC PRIORITISATION UPDATE	SARAH SINCLAIR
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The DCE Organisational Strategy and Capability Development (OSCD) introduced the seismic prioritisation update paper.

The DCE OSCD noted that:

- good progress had been made on the stocktake of building state, and it was being tied to ongoing and future asset management processes.
- buildings in highest risk seismic zones were being prioritised.
- the stocktake of buildings was being updated as new building assessments were completed.
- determining total cost and timeline was difficult as this was an evolving process. However, Fire and Emergency was doing everything it could to meet mandated timelines, including working with stakeholders (territorial authorities).

The Board noted that this was the sort of paper the NZPFU/Fire and Emergency Joint Working Parties would benefit from seeing, to understand the scale of the fiscal impact of seismic upgrading of the property portfolio.

Management assured the Board unions and associations would be kept up to date on this work.

The Board resolved to:

1. **Note** a three-phase prioritisation model has been developed for earthquake prone properties.
2. **Note** phase one of the prioritisation process has been completed and we have developed an initial ranked data set.
3. **Note** further work is ongoing to refine prioritisation and integrate into asset management planning.

5.	REPORTING	
5.1	CHIEF EXECUTIVE'S REPORT	RUSSELL WOOD

The Acting CE introduced the CE report.

The DCE Office of the Chief Executive (OCE) provided an update on the process of engaging with the new Government and recognising its priorities, noting that work done by the Financial Sustainability and Investment Committee had Fire and Emergency well placed for initial engagements.

The Board:

- requested regular updates on the Muriwai investigation, and asked that those most impacted be supported around the one year anniversary.
- requested a more fulsome update on cyber security in the next CE report.

The Acting CE advised the Board that:

- the Muriwai investigation action plan was in draft.
- it is intended for the online landslip awareness platform to be launched before Christmas.
- Other recommendations are ongoing and progress to date has been relayed to WorkSafe.

The Board requested that cost containment and use of Consultants be focused on by Management in the ongoing Kaupapa Māori and Cultural Communities branch design process.

Management Action:

1. Management to include a fulsome update on cyber security in the next CE report.

5.2	FINANCIAL SUSTAINABILITY AND INVESTMENT COMMITTEE REPORT BACK	DARRYL PURDY
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The DCE Finance and Business Operations introduced the Financial Sustainability and Investment Committee (FSIC) report back.

The FSIC report back was taken as read.

The Board resolved to:

1. **Note** the report of the meeting held on 13 November 2023.
2. **Note** the Committee reviewed how financial sustainability is being managed using the long-term financial projections and the Committee agreed Fire and Emergency is operating within budget and within the parameters of the medium-term financial projections.
3. **Agree** no amendments to the Board-approved financial outlook assumptions are required at this time.
4. **Approve** the use of the 2024/25 projection in Scenario 1 as the fiscal envelope for the 2024/25 budget.

5.3	PEOPLE AND CULTURE COMMITTEE REPORT BACK	MARY-ANNE MACLEOD
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The People and Culture Committee (PCC) Chair introduced the PCC report back.

The PCC report back was taken as read.

The Board resolved to:

1. **Note** the report of the meeting held on 6 November 2023.

5.4	UNITED FIRE BRIGADES ASSOCIATION QUARTER ONE REPORT	BRYAN DUNNE
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The DCE OCE introduced the United Fire Brigades Association (UFBA) Quarter One report.

The UFBA Quarter One report was taken as read.

The Board resolved to:

1. **Note** the content of the UFBA's quarter one report, as detailed in Appendix 1.

2. **Approve** a written response from the Chair be sent to the UFBA:
 - a. acknowledging the contents of the report
 - b. acknowledging that the processes and systems have now been updated to allow for full reporting on Advocacy and Support services
 - c. acknowledging the establishment of the Brigade forums which creates an opportunity for collective voice of our volunteers to be heard.

Secretariat Action:

1. Secretariat to provide draft letter for the Board Chair to send to the UFBA.

5.5	FINANCIAL REPORT (OCTOBER 2023)	DARRYL PURDY
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The DCE FABO introduced the October financial report.

The DCE FABO:

- provided the Board with the October 2023/24 year to date financial result against budget.
- provided the Board with the full year forecast based on the first quarter 2023 financial result.
- highlighted that:
 - revenue has performed strongly providing further certainty for funding the HRIS programme.
 - 77% of the HRIS funding programme for 2023/24 is achieved to date.
 - business as usual expenditure is tracking close to budget.
- noted that the full year forecast result is expected to be slightly favourable to the budget deficit of (\$53m) including the additional funding required for HRIS and the Public Safety Network (PSN).

Board and Management discussed:

- the elements that contributed to depreciation being on budget.
- the temporary nature of the HRIS underspend being favourable to budget.
- the impact of back pay and annual leave rates.

The Board resolved to:

1. **Note** the October year to date 2023/24 financial result.
2. **Note** the 2023/24 full year financial forecast will be updated in December based on November actual results.
3. **Note** the financial risks.

5.6	INVESTMENT PRIORITISATION: FY23/24 TRANSITIONAL FUNDING OUTCOMES	SARAH SINCLAIR
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The DCE OSCD introduced the Investment prioritisation: FY23/24 funding outcomes paper.

The Board questioned whether there were any potential legal consequences, including Board-member risk through non-compliance with the Health and Safety at Work Act 2015, to delaying the implementation of Health Standards. The DCE People advised that the Board has discretion to delay the implementation of Health Standards, but there is a risk of being deemed non-compliant if Fire and Emergency are not monitoring health standards, noting that the existing, voluntary health monitoring programme that is in place is a mitigating factor.

The Board advised that they are not comfortable approving the delay of any Health and Safety requirements that would result in non-compliance with the Health and Safety at Work Act 2015 and noted that decisions relating to the Boards ability to meet its obligations could not be made by ELT and would have to come back to the Board.

The Board requested that Management bring the cost of health monitoring and advice on the legal implications of delaying the implementation of Health Standards to the Board and noted that they were not comfortable waiting until February 2024 for this information. The DCE People advised that it may not be feasible to provide the required level of detail on these two requests prior to Christmas.

The Board resolved to:

1. **Note** the paper on transitional approach to prioritising funding of initiatives, prior to receiving a paper on the recommended prioritisation process for future years, in March 2024.

Management Action:

1. Management to bring advice on potential legal consequences and risks that might accompany delaying the implementation of Health Standards to the Board in February 2024.
2. Management to bring the cost of health monitoring to the Board in February 2024.

6.	DECISION PAPERS	
6.1	TREATY RIGHT OF FIRST REFUSAL: IWI OF HAURAKI	SARAH SINCLAIR

The DCE OSCD introduced the Treaty Right of First Refusal: Iwi of Hauraki paper.

The Board resolved to:

1. **Note** Fire and Emergency has been asked to consider agreeing to a Right of First Refusal on land associated with the Coromandel, Oneroa, Onetangi, Tapu, Pauanui, Thames, Whangamatā, Puriri, and Ngātea fire stations as part of a Te Tiriti o Waitangi /Treaty of Waitangi settlement.
2. **Agree** to Fire and Emergency exploring the possibility of offering a Right of First Refusal on on land associated with the Coromandel, Oneroa, Onetangi, Tapu, Pauanui, Thames, Whangamatā, Puriri, and Ngātea fire stations as part of a Te Tiriti o Waitangi /Treaty of Waitangi settlement.
3. **Note** that subject to satisfactory due diligence Fire and Emergency will return to the Board with an updated paper seeking approval to commit to the Right of First Refusal.
4. **Note** that, if agreed to, the Right of First Refusal commitment will then appear in the Iwi of Hauraki land settlement agreement in principle currently being prepared by Te Arawhiti (The Office of Treaty Settlements).

6.2	TAURANGA FIRE STATION – LAND PURCHASE AND PROPERTY BUILD	SARAH SINCLAIR
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The DCE OSCD introduced the Tauranga fire station – land purchase and property build paper.

The Board resolved to:

1. **Note** a Business Case for up to **\$8.600 million** to build a replacement fire station in Tauranga was approved by the Board in July 2022, however the option could not be implemented.
2. **Note** in April 2023 Board approved the lodgement of a conditional Sale and Purchase Agreement (six-month completion period) for land adjacent to the current Tauranga Fire Station; the April 2023 Board approval noted costs associated with the new fire station would be subject to a business case and Board Approval process.
3. **Note** the preferred option is to purchase land adjacent to the Tauranga fire station, construct a new station, and dispose of the current property with a total project cost estimate of **\$17.332 million** based on recovering **9(2)(j)** from sale of the current property.
4. **Delegate** authority to the Chief Executive to sign an unconditional Sale and Purchase Agreement for the purchase of land at 199 – 213 Cameron Road with a total value of **\$7.33 million**.

The Board did not agree to recommendation five of the paper on the basis that the Tauranga business case will be presented to the FSIC for scrutiny in March 2024 before being presented to Board.

Management Action:

1. Management to bring more information (broader commentary of the facilities, costs of delivery and basis for proposed contingencies) on the Tauranga business case to the FSIC for scrutiny in March 2024, and then Board in March 2024.

Secretariat Action:

1. Secretariat to add the following action to the FSIC forward agenda: Management to bring more information (broader commentary of the facilities, costs of delivery and basis for proposed contingencies) on the Tauranga business case to the FSIC for scrutiny in March 2024.

6.3	FLEET MAINTENANCE CONTRACTS – DELEGATED FINANCIAL AUTHORITY	SARAH SINCLAIR
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The DCE OSCD introduced the Fleet Maintenance contracts – delegation of authority to sign paper.

The Board resolved to:

1. **Approve** the delegation of authority to the Chief Executive to sign fleet maintenance contracts for Northland, Otago, Southland, and Wellington each with estimated whole of life operating expenditure of \$9.8 million, \$14.0 million, \$7.0 million, and \$11.0 million respectively.

6.4	APPROVAL TO ACQUIRE A PORTION OF HELENA RECREATION RESERVE UNDER THE PUBLIC WORKS ACT 1981	SARAH SINCLAIR
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The DCE OSCD introduced the Public Works Act land acquisition – Moana, Grey District paper.

The Board noted the support of the local authority, Department of Conservation and iwi for the sale, but questioned whether there was any opinion from locals about the reserve being used for this purpose.

The Board resolved to:

1. **Note** the planned seismic strengthening/tanker housing for Moana fire station project is reliant on Fire and Emergency New Zealand (Fire and Emergency) acquiring the Adjoining Land.
2. **Approve** the exercise of Fire and Emergency’s power under s194 of the Fire and Emergency Act 2017 to acquire land as a “local authority” under Part 2 of the Public Works Act 1981 (PWA Power) to acquire the Adjoining Land for the market value noted at (3) above plus the vendor’s reasonable costs and disbursements associated with the agreement.
3. **Approve** the agreements and associated land transaction documents giving effect to the exercise of the PWA Power and the acquisition of the Adjoining Land to be executed on behalf of Fire and Emergency by the Deputy Chief Executive (DCE) Organisational Strategy and Capability, to whom the Board has granted power of attorney.

Management Action:

1. Management to talk to local brigade members around any adverse local reaction to Fire and Emergency utilising part of public land (Helena Recreation Reserve).

6.5	ANGLOCO TYPE 3 CONTRACT SIGNING DELEGATION	SARAH SINCLAIR
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The DCE OSCD introduced the Angloco MAN Type 3 appliance purchase – request for out of cycle approval paper.

The Board resolved to:

1. **Note** in March 2023 the Board delegated to the Chief Executive the authority to sign a contract with Angloco Limited for the purchase of 28 MAN Type 3 appliances up to a maximum cost of **9(2)(b)(ii)** and order the appliances.
2. **Note** that the price remains subject to variations in insurance, shipping, exchange rate and price inflation in the UK, and work is underway to model the cost risk for the duration of the project.
3. **Approve** an out of cycle paper to be brought to the Board to enable decisions to be made on progressing the contract, prior to the next Board meeting in March 2024.

Management Action

1. Management to provide an out-of-cycle paper confirming the revised budget and delegation requirements for the Angloco MAN Type 3 appliance purchase before the end of 2023 for Board approval.

6.6	UNIFORMS, LEVEL 1 PPE AND ASSOCIATED LOGISTICS SERVICES RETENDER	DARRYL PURDY
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The DCE FABO spoke to this paper in the absence of the DCE Service Delivery Design.

The Board resolved to:

1. **Note** that Fire and Emergency are close to completion of an open and competitive Request for Proposal (RFP) process that was released to the market via GETS in July 2023. The process is in final evaluation with contract negotiations expected to commence in early December 2023.

2. **Delegate** to the Chief Executive of Fire and Emergency authority to approve and sign the contract for the supply of Uniforms, Level 1 PPE and Associated Logistics Services requirements up to \$100 million dollars over the life of the contract (but no more than 10 years).
3. **Note** that the procurement process has being conducted within the Government Procurement Rules and Fire and Emergency's Procurement Policy and has included independent probity support provided by Audit New Zealand.

6.7	HAWKE'S BAY LOCAL ADVISORY COMMITTEE – CHAIR AND DEPUTY CHAIR APPOINTMENT RECOMMENDATIONS	BRYAN DUNNE
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The DCE OCE spoke to this paper on behalf the National Manager Local Advisory Committes (LACs).

The Board resolved to:

1. **Approve** the appointment of Kate Taylor as Chair of the Hawke's Bay LAC from 7 December 2023 to 9 April 2026.
2. **Approve** the appointment of as Mavis Mullins Deputy Chair of the Hawke's Bay LAC from 7 December 2023 to 31 May 2025.

7.	GENERAL BUSINESS	
7.1	KEY MESSAGES	CHAIR

No discussion.

7.2	CORRESPONDENCE	CHAIR
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No discussion.

7.3	EVENTS	CHAIR
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No discussion.

7.4	GENERAL BUSINESS	CHAIR
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The Deputy Chair:

- o noted recent media commentary about lack of ability for Blenheim to turnout volunteers during the day, with Renwick resources allegedly covering Blenheim brigade.
- o questioned why we did not have a career brigade in the area, and what the process was for determining whether to establish career brigades.

The Acting CE (National Commander and DCE Service Delivery Operations) advised that the evidence-based resourcing work will have trigger points that will build a case for required resourcing changes (Levin brigade and Levin Yellow Watch were used as examples).

The Board queried whether engagement had been made with the members of Newtown brigade who had written to the CE and the Board asking to meet with them. Engagement was confirmed.

The Acting CE noted that NZ Police have expressed frustration with not having received the Loafers Lodge affidavits from the NZPFU.

The Board discussed holding one of the March 2024 meetings in Hamilton.



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The meeting closed at 1:32pm with a karakia.

Management Actions

1. Management to speak with the CE in December 2023 regarding the engagement with the Newtown brigade member who wrote to the CE and the Board, to determine whether any follow up is required.

Secretariat Action

1. Secretariat to assess options for an offsite Board meeting in Hamilton in February or March 2024 and communicate these options with the Board in December 2023.

Next Meeting: Friday 26 January 2024 (Board only)

MEETING DETAILS	
Committee <i>Komiti</i>	Board
Date <i>Rangi</i>	Friday, 26 January 2024
Time <i>Wā</i>	8:30am – 4:30pm
Location <i>Wāhi</i>	NHQ 7.4W Matawai and 7.5W Avalon / MS Teams

ATTENDEES	
Chairperson <i>Tiamana</i>	Rebecca Keoghlan MNZM
Committee Members <i>Ngā mema</i>	<ul style="list-style-type: none"> Hon Ruth Dyson QSO (Deputy Chair) Belinda Clark QSO Mary-Anne Macleod Amit Prasad Danny Tuato'o
Standing Attendees <i>Ērā atu</i>	<ul style="list-style-type: none"> Kerry Gregory, Chief Executive (items 1, 2, 4, 5 and 6) Sophie Pugsley (Secretariat – items 1 and 2)
Other Attendees <i>Ērā atu</i>	<ul style="list-style-type: none"> Janine Hearn, Deputy Chief Executive, People (item 2) Mike Cosman, Chair of the Board of the New Zealand Institute of Safety Management (item 2) United Fire Brigades' Association (UFBA) Board (lunch and item 4) Sara Dennis, Principal - Infrastructure Advisory (items 5 and 6) Cathryn Moriarty, National Manager Strategy And Performance (items 5 and 6)
Apologies <i>Ngā whakapāha</i>	N/A



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1.	WELCOME AND OPENING KARAKIA	CHAIR
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The Board Chair formally opened the Board meeting at 8:30am and the Chief Executive opened with karakia.

2.	SESSION WITH THE CHAIR OF THE BOARD OF THE NEW ZEALAND INSTITUTE OF SAFETY MANAGEMENT	MIKE COSMAN
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The Board, the Chief Executive and the Deputy Chief Executive People met with Mike Cosman, Chair of the Board of the New Zealand Institute of Safety Management, for a discussion focused on Safety, Health and Wellbeing focus at a governance level.

3.	BOARD ONLY STRATEGIC SESSION	MARY-ANNE MACLEOD
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The Board met in closed session from 10:30am to 12:30pm.

4.	SESSION WITH THE UFBA BOARD	MARY-ANNE MACLEOD
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The Board had a strategic discussion with the United Fire Brigade's Association Board and the two Chief Executives around building on the relationship between the two organisations.

5.	BOARD AND CHIEF EXECUTIVE STRATEGIC SESSION	SARA DENNIS/CATHRYN MORIARTY
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The Board had a strategic discussion with the Chief Executive, National Manager Strategy And Performance and Sara Dennis, Principal - Infrastructure Advisory from Just Add Lime regarding sharpening the Strategic direction.

6.	GENERAL BUSINESS	MARY-ANNE MACLEOD
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The following General Business was discussed:

- Next Board meeting 1 March to include District visit held in Nelson.

7.	CLOSING KARAKIA	CHAIR
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The meeting was declared closed at 15:30 pm. Chief Executive closed with karakia.

Next Meeting: Friday, 1 March 2024 in Nelson

MEETING DETAILS	
Committee <i>Komiti</i>	Board
Date <i>Rangi</i>	Friday, 1 March 2024
Time <i>Wā</i>	8:00am – 2:00pm
Location <i>Wāhi</i>	Rutherford Hotel, 27 Nile Street, Nelson 7010

ATTENDEES	
Chairperson <i>Tiamana</i>	Rebecca Keoghan MNZM
Committee Members <i>Ngā mema</i>	<ul style="list-style-type: none"> • Hon Ruth Dyson QSO (Deputy Chair) • Belinda Clark QSO • Mary-Anne Macleod • Amit Prasad • Danny Tuato'o
Standing Attendees <i>Ērā atu</i>	<ul style="list-style-type: none"> • Executive Leadership Team • Dr Kyle Whitfield, National Manager Board and Ministerial Services • Sophie Pugsley (Secretariat via Microsoft Teams)
Other Attendees <i>Ērā atu</i>	<ul style="list-style-type: none"> • Lara Ariell, Independent Advisor to the Board (items 1.3 and 2.1) • Murray Coppersmith, Independent Advisor to the Board (item 2.1) • Meena Patel, National Manager Assurance and Risk (item 2.1) • Carmel Ali, HRIS and Payroll Replacement Programme Sponsor (item 2.1) • Sharon Masters, Chief Advisor HRIS and Payroll Replacement Programme (item 2.1)

1.	CLOSED SESSIONS	
1.1	BOARD ONLY TIME	CHAIR

The Board met in closed session from 8:00am to 9:00am.

1.2	BOARD AND CHIEF EXECUTIVE ONLY TIME	CHAIR
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The Board met in closed session with the Chief Executive (CE) from 9:00am to 9:30am.

1.3	BOARD, CHIEF EXECUTIVE AND BOARD INDEPENDENT ADVISOR ONLY TIME	CHAIR
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The Board met in closed session with the CE and the Board Independent Advisor from 9:30am to 10:00am.

10:00AM	WELCOME AND OPENING KARAKIA
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The Deputy Chief Executive (DCE) Kaupapa Māori and Cultural Communities (KMCC) formally opened the meeting with a karakia at 10:34am.

The Board Chair welcomed the Independent Advisor to the Board, the National Manager Assurance and Risk and the Secretariat to the meeting.

2.	STRATEGIC HRIS DISCUSSION	
2.1	HRIS AND PAYROLL REPLACEMENT PROGRAMME ASSURANCE REPORT	MEENA PATEL

The National Manager Assurance and Risk introduced the HRIS and Payroll Replacement Programme assurance paper.

The key points made during discussion were:

- Progress has been made with reducing spend in the HRIS and Payroll Replacement Programme (the Programme).
- The Programme has remained at red. As a critical risk confidence rating, this is not unusual for a programme of this nature. The Board questioned how the programme could be moved from red to amber and were advised that the programme will likely remain in red due to its complexity. The National Manager Assurance and Risk noted that the right controls are in place to keep the programme on track.
- The Programme has accepted all the recommendations contained in the assurance report.
- From an assurance and control lens the programme has made progress.
- Management's assessment is that the programme does fall within the scope of Cabinet Office Circular CO 23(9).

The Board resolved to:

1. **note** the update provided in this paper for the period 6 December 2023 to 9 February 2024.
2. **note** that the applicability of Cabinet Office Circular CO 23(9)¹, *Investment Management and Asset Performance in Departments and Other Entities*, that includes requirements for funding approval and

¹ [CO \(23\) 9: Investment Management and Asset Performance in Departments and Other Entities - 18 September 2023 - Cabinet Office \(dpmc.govt.nz\)](https://www.dpmc.govt.nz/circulars/2023/09/18/circular-co-23-9-investment-management-and-asset-performance-in-departments-and-other-entities).



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formally briefing Fire and Emergency New Zealand's (Fire and Emergency) monitoring agency and responsible Minister, has not yet been assessed by the Programme, but that management's view is that it applies to the HRIS and Payroll Replacement Programme.

3. **note** independent assurance advice given on further strengthening the programme control environment to enable continued safeguarding of the investment.
4. **note** that the Programme has accepted all recommendations made for this period.
5. **note** that the recommendation to establish a formal organisational-wide and cross-functional strategic governance group is beyond the Programme's formal scope and requires executive leadership consideration.

Management Actions:

1. Management to prepare an update for the Minister on the HRIS and Payroll Replacement Programme.
2. Management to apply the lessons learnt from the HRIS Payroll Replacement Programme more broadly and make sure it is locked into the project management processes.

2.1	HRIS AND PAYROLL REPLACEMENT PROGRAMME UPDATE	KERRY GREGORY
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The CE introduced the HRIS and Payroll Replacement Programme paper.

The Board questioned whether the Finance and Business Operations (FABO) Branch were across the Programme's sunk costs. Management advised that FABO are comfortable with how the sunk costs have been calculated and defined. The Board questioned whether more sunk costs were likely to arise. The Board were advised that, in terms of Datapay, no more sunk costs were anticipated, however, there are parts of Workday that do not work with Fire and Emergency's new payroll system and that cannot be repurposed, which will result in additional sunk costs.

The Board noted that the key learnings from the Programme are:

- **From a sunk costs perspective:** Ensuring that the terms and conditions of any engagement are fully understood in future projects and programmes.
- **From a problem definition perspective:** Being clear about the problem we are trying to solve, what our needs are, and assessing projects and programmes against those needs.

The Board requested that it be formally noted in the minutes that they remain concerned about the progression of the Programme and the short timeframe to deliver it.

The Board resolved to:

1. **note** the PGG decision to pause delivery of Workday until the payroll return-to-market phase is completed, and the HRIS and Payroll Replacement Programme (the Programme) has a defined payroll solution.
2. **note** that the risks and impact of the decision to pause have been mitigated using previously negotiated termination provisions and through re-purposing of contracted resources earlier than anticipated into other projects within Fire and Emergency.
3. **note** the financial impact of the decision to pause the delivery of Workday is:

- a) an estimated \$5.2 million expenditure to²:
 - i) ramp down delivery in February 2024;
 - ii) ramp up delivery of Workday once the payroll solution has been defined³; and
 - b) there will need to transfer approximately \$6.6 million budget of Workday related expenditure to the next financial year (July 2024 – end June 2025).
4. **note** the full impact to the Programme budget cannot be quantified until a decision on the payroll solution is made; however, while the Programme is deferring spend associated with Workday, it is highly likely that the Programme delivery timeline will be extended and additional costs will be incurred, over and above the original budget.
 5. **note** the Programme will revise the Programme budget and bring it back for Board approval in two phases, aligning with the pre-Request for Proposal (RFP) phase, and the post-selection phase.
 6. **note** there are no sunk costs associated with Workday spend to date, given the intention is the Programme will still go live with this solution. However, there is an estimate **9(2)(b)(ii)** sunk costs related to Datapay delivery⁴. This has been offset by the negotiation from the Datapay exit resulting in a total sunk cost of **9(2)(b)(ii)**. There may be additional sunk costs incurred in future through ramping down and ramping up Workday delivery.
 7. **note** the Programme self-assessed the planned benefits in the approved business case. The analysis concluded that benefits are still viable; however, there may be additional risks and issues if bespoke and / or manual integrations are pursued. This will be further independently assessed once the Programme has a defined payroll solution that can be implemented⁵.
 8. **note** the payroll return-to-market phase will begin in March 2024 and is targeted to be complete by end July 2024. It will be a multi-stage procurement process.
 9. **note** a payroll Project Initiation Document (PID) is in development, which will contain the detailed plan, revised governance arrangements and revised financial forecasts needed to progress the payroll return-to-market phase. This is due to the PGG by mid-March 2024.

3.	ADMINISTRATION	
3.1	INTEREST REGISTER AND CONFLICTS OF INTEREST	CHAIR

No conflicts of interest were declared.

Two Board members communicated that they had deletions from their conflicts of interest, and they will contact the Secretariat to have these removed.

3.2	MINUTES OF PREVIOUS MEETING – 27 OCTOBER 2023	CHAIR
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² This estimated expenditure is expected to fall within the overall contingency tolerances due to a number of the Costed Risks noted in the Implementation Business Case coming to fruition.

³ Ramp down costs consist of all costs for third party and contractor resources that Fire and Emergency is obligated to pay due to termination and notice periods across the contracts. All suppliers and contractors are completing set deliverables or handover documents during these periods. Ramp up cost estimates are subject to Programme replanning once a payroll solution has been defined.

⁴ Board action B028: Provide the Board with estimated Programme spend going forward, including the amount of sunk costs to date.

⁵ Board action B029: Provide the Board more information regarding the risks and benefits of the Programme by March 2024, including doing nothing versus interim proposed solutions, and more detail on probable timelines.

The minutes of the December Board meeting and January Board Strategy Day were approved, subject to minor amendments.

3.3	REVIEW ACTION LOG	CHAIR
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The action log was reviewed. Updates and closures were made as appropriate.

4.	DECISION PAPERS	
4.1	STRATEGIC DISCUSSION ON THE NEXT STEPS FOR HEALTH STANDARDS	CHAIR

The Board Chair introduced the strategic discussion on the next steps around Health Standards.

The Board Chair noted that the external legal advice the Board had received was quite broad in nature and did not necessarily provide clarity on the direction to be taken.

The Board stated its preference for the health monitoring component to be progressed first, with the remainder of the Health Standards work programme to follow.

The Board Chair noted that the Board understood that an item may need to be deprioritised so that Health Standards can move forward.

The Board commented that it:

- appreciated the challenges that continuing with Health Standards may bring with key stakeholders.
- acknowledged the areas that need to be prioritised and confirmed that there is a robust plan in place to address these.

The Board resolved to:

1. **note** the information provided on the potential legal risks of not proceeding with the Health Standards project.
2. **note** that implementation of a compliant health monitoring and deferring the health assurance component of the business case, would reduce some, but not all the risks identified.
3. **note** that the indicative costs for the health monitoring component of the broader Health Standards project are upwards of 70% of the overall business case, but only provides the benefits of one of the two investment objectives.

Management Actions:

1. Management to confirm whether the Health Standards business case can be brought to the 28 March Board meeting.
2. Management to bring the Health Standards business case to the 28 March Board meeting (subject to the above action).
3. Management to ensure health monitoring is prioritised first in the delivery of the overall health standards programme.

4.2	EKE TAUMATA SIX MONTHLY REPORT TO THE MINISTER	JANINE HEARN
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The CE introduced the Eke Taumata six-monthly report to the Minister (the report).

The Board:

- acknowledged the increase in quality of the report.

- noted that although Fire and Emergency has zero tolerance toward bullying, harassment, and victimisation, that the new Code of Conduct and Bullying, Harassment and Victimisation policy are still being consulted on and thus are not in place yet.
- agreed that the Select Committee can be advised that the report is approved, subject to minor amendments (as captured in the actions).

The Board resolved to:

1. **note** the second six-monthly report, for the period 1 July 2023 to 31 December, is due to be provided to the Minister.
1. **provide** feedback on the draft report, attached to the paper as Appendix 1.
2. **approve** the submission of the draft report to the Department of Internal Affairs and Minister, subject to any changes requested having been made.

Board Action:

1. The Chair of the Board People and Culture Committee (PCC) to approve the Eke Taumata six-monthly report, after minor amendments have been made, on behalf of the Board.

Management Actions:

1. Management to take the red text out of the report.
2. Management to consider amending the structure/layout of the report.
3. Management to align the narrative of the report with what has been achieved and what is in planning.

4.3	RAUTAKI MĀORI	PIKI THOMAS
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The CE introduced the Rautaki Māori and made the following key points:

- One of Fire and Emergency's Statement of Performance Expectations (SPE) measures for this year was to have the Rautaki Māori in place.
- The four pou that sit within the Rautaki Māori directly correlate with one of Fire and Emergency's strategic risks.
- The next step for the KMCC Branch is reviewing what can realistically be achieved within the strategy with Fire and Emergency's existing resources.

The Board:

- acknowledged that there has been good consultation on the Rautaki Māori.
- suggested that the Rautaki Māori could be used as a backbone for all people and all communities.
- extended their appreciation to the DCE KMCC for what they agreed was a best-in-class strategy.

The Board resolved to:

1. **note** the feedback received from engaging on the draft Rautaki Māori.
2. **note** that the Executive Leadership Team (ELT) endorse the Rautaki Māori - Māori Strategy.
3. **approve** Fire and Emergency's Rautaki Māori – Māori Strategy.

4.4	PART 3 LEVY IMPLEMENTATION PROCESSES	SARAH SINCLAIR
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The CE introduced the Part 3 Levy Implementation Processes paper. The following key points were made:

- The Minister decided that the exemptions paper will be submitted to Cabinet first, with the Discussion Document submitted to Cabinet the following week.
- Cabinet's response to the exemptions paper may result in amendments to the Discussion Document.
- Due to the Minister's decision around the timeframe for the implementation process, there will be an out-of-cycle approval request submitted to the Board.

The Board:

- acknowledged the clarity of examples in terms of costs and suggested that management could consider including examples where costs decrease.
- questioned what would happen if the implementation process failed. Management advised that an urgent Board meeting would be convened to determine the next steps. The FABO Branch have explored several scenarios and possibilities and will come back to the Board to present the available options.
- questioned if a public lens perspective had been considered. Management advised that the Communications and Engagement Directorate will be focused on this.

The Board resolved to:

1. **note** that discussions have been ongoing, since December 2023, between the Department of Internal Affairs (DIA) and the Minister, to progress the Part 3 Levy.
2. **note** that timeframes and decision-making processes for progressing the Part 3 Levy, have been proposed (as at February 2024) by the (DIA).
3. **agree** to support out-of-cycle approval, where needed to meet the timeframes for progressing the Part 3 Levy.
4. **endorse** the appended Part 3 Levy Discussion Document.
5. **note** that planning is underway to deliver public consultation on the proposals outlined in the Part 3 Levy Discussion Document.

Management Action:

1. Management to add a Frequently Asked Questions section to the Part 3 Levy Discussion Document.

4.5

QUARTER TWO PERFORMANCE REPORT TO THE MINISTER

SARAH SINCLAIR

The CE introduced the Quarter Two (Q2) Performance Report to the Minister.

The Board:

- noted the Minister's reporting preferences.
- requested that responding to emergencies be reinforced under 'Delivering for Aotearoa'.
- requested that more information be provided on the Parnell Station rebuild under 'Building our Business'.
- noted that Fire and Emergency's contribution to wider society is not reflected as well as it could be.



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Management advised the Board that a significant piece of work is underway to develop a new Statement of Performance Expectations, including a focus about preventing fires before they start. The Board suggested that management engage with the Accident Compensation Corporation about their injury prevention programme.

The Board resolved to:

1. **note** the attached dashboard report, outlining how the organisation has performed over the period 1 October 2023 to 31 December 2023.
2. **approve** the dashboard to be released to Department of Internal Affairs (DIA) and the Minister, to reflect the Board's quarterly performance reporting to the Minister.

Management Actions:

1. Management to include a bullet point on response under 'Delivering for Aotearoa'.
2. Management to consider adding more substance to the Parnell Station rebuild report under 'Building our Business'.
3. Management to consider how to better reflect Fire and Emergency's contribution to wider society.

4.6	HAWKE'S BAY LOCAL ADVISORY COMMITTEE (LAC) APPOINTMENT PROCESS	BRYAN DUNNE
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The DCE Office of the Chief Executive (OCE) introduced this paper.

The Board made no additional comments.

The Board resolved to:

1. **note** that the Regulations require an LAC to maintain a minimum membership of five, including the Chair, Deputy Chair, and at least three members.
2. **note** that the Regulations allow the Board to approve an LAC to operate with a membership of four, including the Chair, Deputy Chair, and two members.
3. **note** that the Hawke's Bay LAC Deputy Chair has resigned.
4. **approve** the proposed appointment process for the Hawke's Bay LAC.
5. **note** the advice to delay making an appointment to the vacancy of Hawke's Bay LAC Deputy Chair until the appointment process to replenish membership is complete.

5.	REPORTING	
5.1	CHIEF EXECUTIVE'S REPORT	KERRY GREGORY

The CE introduced the CE report (the report).

The key points to note during this discussion were:

- The recent Port Hills incident has been reflective of the intent of the legislation that was put in place in 2017.
- A presentation will be given to Board in April on the 2024 approach to bargaining.

The Board:

- asked how the whānau of our fallen Firefighters felt about WorkSafe's decision not to prosecute. The CE advised that the whānau were grateful for the manaakitanga Fire and Emergency has shown them.
- noted that it would be beneficial to have a report reflecting the timeline of the Muriwai tragedy to formally bring it to a close or back to business as usual, including the corrective actions that Fire and Emergency are addressing.
- asked if the North Island Severe Weather event operational review included a review of Fire and Emergency's water safety training. Management advised that the review investigated several aspects of Fire and Emergency's water safety preparation, after-action reviews and existing capabilities, including training specific to severe weather.
- asked if there were any other agencies participating in bargaining at a similar time to Fire and Emergency. Management advised that they were finding this out.
- acknowledged the:
 - the Cyber Security update.
 - the Behaviour and Conduct Office (BCO) update. The Board appreciated the insights provided into consequence which they have not previously received.

Management Action:

1. Management to note the Board's suggestion of a report to bring the Muriwai investigation to a close or back to business as usual.

5.2	FINANCE REPORT	DARRYL PURDY
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The DCE FABO introduced the finance report.

The key points to note during this discussion were:

- Levy continues to perform strongly.
- The impact of inflation is flowing through our costs.
- The HRIS timeline will impact timelines and forecasts.
- FABO anticipate February 2024 being a high-cost month due to long-duration incidents.
- Stakeholders are being canvassed about transitional levy and FABO have not heard any issues yet.
- From a logistics perspective, Capex is challenging, and the current forecast is likely to change again and decrease.
- The DCE FABO will update the Audit and Risk Committee at their March meeting regarding the payroll compliance audit.

The Board:

- would like to see a reduction in spend against Contractor and Consultant costs in the Fiscal Sustainability Programme and suggested forming a baseline to reflect where Fire and Emergency are actively reducing costs in these areas.

- asked about the 94 cancelled/rescheduled training courses. Management advised that this was a result of not having the region training function where it needs to be, and that having the new Region Training Manager roles in place will enable issues like this to be addressed. Management confirmed that the cancelled/rescheduled courses was a result of courses being planned that were not needed and does not affect people's ability to deliver in their roles. A training update will be brought back to the Board at the March Board meeting.

The Board resolved to:

- note** the January year to date 2023/24 financial result and the full year forecast updated in December 2023.
- note** the 2023/24 full year financial forecast will be updated again in March based on February actual results.
- note** the financial risks.

5.3	SAFETY, HEALTH, AND WELLBEING REPORT	JANINE HEARN
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The DCE People introduced the Safety, Health, and Wellbeing (SHW) report.

The Board noted that they are looking forward to critical risk reporting in future.

Management Actions:

- Management to confirm whether we are still using the external company/external Trainer that facilitated the chainsaw training course that resulted in an injured Volunteer Firefighter, and to include this type of detail in future reports.
- Management to report back to the Board on the plan to progress the fatigue management, drug and alcohol and working alone suite of policies.

5.5	UNITED FIRE BRIGADE'S ASSOCIATION (UFBA) Q2 REPORT	BRYAN DUNNE
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The DCE OCE introduced the UFBA Q2 report paper.

The Board resolved to:

- note** that the UFBA's Quarter Two report has been received and analysed by Fire and Emergency.
- note** that management have confirmed that the UFBA Quarter Two report meets the UFBA's reporting obligations to the Board under the 2023/24 Conditional Grant Agreement (CGA).
- approve** a written response from Fire and Emergency to the UFBA acknowledging the contents of the report.

Secretariat Action:

- Secretariat to add the report to the UFBA Q2 report to the Resource Centre.

5.4	PEOPLE AND CULTURE COMMITTEE REPORT BACK	MARY-ANNE MACLEOD
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The PCC Chair introduced the PCC report back.

The key points to note during this discussion were:

- The PCC are participating in a quarterly deep dive into an aspect of health and safety.

- The National Manager SHW is attending the April Board meeting to run the Board through some of Fire and Emergency's existing SHW systems.
- Consideration was given to Volunteer leaders that are holding on in their leadership role to obtain their 50-year-medal.
- The transfer of open cases from the BCO to FairWay was discussed.

The Board resolved to:

1. **note** the report of the meeting held on 19 February 2024.

Management Actions:

1. Management to distribute communications to leaders regarding logging any incoming complaints with the People Branch. People Branch will maintain a spreadsheet of complaints between now until FairWay is stood up. Management will then distribute follow-up communications to the wider organisation thereafter.
2. Management to find out how many complaints remain with the BCO and how many have been sent back to regions/districts for final determination.

6.	GENERAL BUSINESS	
6.1	KEY MESSAGES	CHAIR

No discussion.

6.2	CORRESPONDENCE	CHAIR
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The Board reviewed the incoming and outgoing correspondence.

6.3	EVENTS	CHAIR
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The Board reviewed the events table and discussed who could attend what event.

6.4	LAC 2024 MEETING SCHEDULE	AMIT PRASAD
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The Board reviewed the LAC 2024 meeting schedule and discussed who could attend what meeting.

Board/Management Action:

1. Board and Management (all) to remember the open invitation to attend LAC meetings when they are travelling to districts with existing LACs.

6.5	GENERAL BUSINESS	CHAIR
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The DCE KMCC formally closed the meeting with a karakia at 2:00pm.

The Board advised that they were introduced to some members of the Rapid Relief Team at the stakeholder function who would like to offer their assistance to Fire and Emergency.

Management Actions

1. Management to organise a letter to acknowledge that the Rapid Relief Team have offered their services to Fire and Emergency.

The DCE KMCC formally closed the meeting with a karakia at 2:00pm.



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Next Meeting: Thursday 28 March 2024, 8:00am – 4:00pm

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982



OUT-OF-CYCLE MINUTE – ANGLOCO MAN TYPE 3 APPLIANCE PURCHASE

On 15 December 2024, a paper requesting that the Board approve a delegation of authority for the Chief Executive to sign the contract for the purchase of 28 MAN Type 3 appliances for a maximum cost of 9(2)(b)(i) was sent to the Board out-of-cycle, via email.

The Board resolved to:

- note** in March 2023 the Board delegated to the Chief Executive the authority to sign a contract with Angloco Limited for the purchase of 28 MAN Type 3 appliances up to a maximum cost of 9(2)(b)(ii) and order the appliances;
- note** the cost of the appliances has increased since that time due to changes required to the design of the appliance, the effect of exchange rate shifts and cost increases;
- note** on 1 December 2023 the Board approved that an out-of-cycle paper would be brought to the Board to enable decisions to be made on progressing the contract, prior to the next Board meeting in March 2024 (this paper);
- note** the components of contingency at Table 2, to reflect risks within this transaction;
- approve** an increase in the delegation to the Chief Executive to:
 - sign the relevant contract and approve any subsequent variations to the contract, to a maximum cost of 9(2)(b)(ii) and
 - approve orders to be placed for 28 Type 3 appliances to be built on Fire and Emergency MAN cab chassis; and
- approve** a British Pounds (GBP) denominated account to be held with BNZ bank.

Rebecca Keoghan MNZM
Board Chair
1 March 2024

MEETING DETAILS	
Committee <i>Komiti</i>	Board
Date <i>Rangi</i>	Thursday, 28 March 2024
Time <i>Wā</i>	8:00am – 2:10pm
Location <i>Wāhi</i>	NHQ 7.12W Takapau / MS Teams

ATTENDEES	
Chairperson <i>Tiamana</i>	Rebecca Keoghan MNZM
Committee Members <i>Ngā mema</i>	<ul style="list-style-type: none"> Hon Ruth Dyson QSO (Deputy Chair) Belinda Clark QSO Mary-Anne Macleod Amit Prasad Danny Tuato'o
Standing Attendees <i>Ērā atu</i>	<ul style="list-style-type: none"> Executive Leadership Team Dr Kyle Whitfield, National Manager Board and Ministerial Services Sophie Pugsley (Secretariat)
Other Attendees <i>Ērā atu</i>	<ul style="list-style-type: none"> Lara Ariell, Independent Advisor to the Board (item 1.4 virtual) Carmel Ali, HRIS and Payroll Replacement Programme Sponsor (item 2.1 in person) Sharon Masters, Chief Advisor HRIS and Payroll Replacement Programme (item 2.1 in person) Meena Patel, National Manager Assurance and Risk (item 2.2 in person) Murray Coppersmith, Audit and Risk Committee Chair (items 2.1, 2.2, 3.1 and 3.2 virtual) Rhys West, Chief Executive Fairway (item 4.1 in person) Richard Binner, General Manager Operations, Fairway (item 4.1 in person) Samantha de Coning, Head of Practice, Fairway (item 4.1 in person) Sarah Dwen, Chief Legal Advisor (items 7.2 and 7.3)

1.	CLOSED SESSIONS	
1.1	BOARD ONLY TIME	CHAIR

The Board met in closed session from 8:00am to 9:00am.

1.2	BOARD AND CHIEF EXECUTIVE ONLY TIME	CHAIR
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The Board met in closed session with the Chief Executive (CE) from 9:00am to 9:30am.

1.3	DIA/BOARD QUARTERLY ENGAGEMENT	CHAIR
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The Board met in closed session with the Department of Internal Affairs from 9:30am to 10:00am.

1.4	BOARD, CE, AND BOARD INDEPENDENT ADVISOR ONLY TIME	CHAIR
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The Board met in closed session with the Independent Advisor to the Board from 10:00am to 10:15am.

10:15AM	WELCOME AND OPENING KARAKIA
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The Chair welcomed the Executive Leadership Team (ELT), National Manager Board and Ministerial Services, National Manager Assurance and Risk, HRIS and Payroll Replacement Programme Sponsor, Chief Advisor HRIS and Payroll Replacement, Financial Sustainability and Investment Committee Chair and the Secretariat to the meeting at 10:23am.

One of the Board members opened the meeting with a karakia.

2.	HRIS UPDATES	
2.1	HRIS AND PAYROLL REPLACEMENT PROGRAMME UPDATE	KERRY GREGORY

The CE introduced the HRIS and Payroll Replacement Programme (the Programme) update.

The key points noted during this discussion were:

- The Programme has three key focus areas:
 1. Preparing for procurement and finalising user requirements.
 2. Strengthening the Programme Management Office (PMO) function.
 3. Preparing for the Data Migration Strategy.
- Over the next 8-12 weeks the programme will be focused on procurement.
- An advanced notice was put up on the Government Electronic Tendering System today.
- The Ministry of Business, Innovation and Employment (MBIE) has been onboarded to provide procurement, leadership, and training support.
- The Data Mitigation Strategy will be complex. The Programme is speaking with partner agencies to compare what they have done in this space.
- At the recommendation of the Independent Advisor to the Board, McHale Group Limited and Russell McVeagh have been commissioned by the Programme for probity assurance, and to review all contractual documents and Service Level Agreements respectively.
- The Programme is preparing to respond to its first Official Information Act (OIA) request. The documentation that has been requested has been through several reviews to ensure that the correct

information is included for release. A good communications plan is in place to support the release of the documentation.

The Board:

- Requested that the Minister's Office be advised about the Programme's OIA request.
- Queried the Programme's finances. The CE gave an overview of budget allocated to the Programme and noted that currently, there are too many unknowns to give the Board assurance as to future Programme costs.
- Noted that the payroll journey mapped out in the PowerPoint presentation should include the lessons learned from the Datapay engagement.
- Enquired about the tender process.

2.1	HRIS AND PAYROLL REPLACEMENT PROGRAMME ASSURANCE UPDATE	MEENA PATEL
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The National Manager Assurance and Risk introduced the HRIS and Payroll Replacement Programme (the Programme) assurance update.

The key points to note during this discussion were:

- The Assurance and Risk Directorate are working alongside the Programme in an agile manner and are providing the Programme with a weekly status report on its control areas.
- There are now 13 outstanding audit recommendations from an original 16.
- Due to the nature and scale of the programme its red risk rating remains.

3.	FINANCE AND AUDIT REPORTING	
3.1	FINANCE REPORT (FEBRUARY 2024)	DARRYL PURDY

The Deputy Chief Executive (DCE) Finance and Business Operations (FABO) introduced the February finance report.

The key points made were:

- There have been small movements in revenue and expenses but overall, projected surplus is holding.
- Following the Audit and Risk Committee (ARC) meeting on 18 March 2024, the FABO Branch are working to establish more accurate cost estimates for KiwiSaver, FireSuper and Payroll compliance. If these new costs are accrued in the 23/24 Financial Year (FY), the year end result will materially change.
- The FABO Branch are researching the data behind the levy take being down the last two months.
- Capital expenditure remains challenging.

The Board:

- Asked about incidents, accidents and leave payments. The DCE FABO advised that the FABO Branch were collaborating on a piece of work regarding leave types with the Service Delivery Operations Branch and the Safety, Health, and Wellbeing Team.
- Asked about the delays in capital expenditure. The DCE FABO advised that much was due to logistics/supply chains and to delays in spend resulting from improved due diligence.

The Board resolved to:

1. **note** the February year to date 2023/24 financial result and full year forecast updated in December 2023.
2. **note** the 2023/24 full year financial forecast will be updated again in late March based on February actual results and presented in the April Board report.
3. **note** the financial risks.

3.2	AUDIT AND RISK COMMITTEE REPORT BACK	MURRAY COPPERSMITH
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The ARC Chair introduced the ARC report back.

The key points noted during this discussion were:

- Three internal audit reviews were completed in the last quarter. There were no priority one recommendations as a result of the reviews.
- There was a clear focus at the ARC meeting on 18 March 2024 on what is happening with the current backlog of recommendations. Good progress has been made and more in-depth reporting will be submitted to the ARC in future.
- The ARC was presented with a plan that will see all Corporate Policies updated by the end of FY25.
- The ARC was given an operational documentation update. A stocktake of Fire and Emergency New Zealand's (Fire and Emergency) existing operational documentation has been completed and has identified 599 operational documents ranging from plans and policies to procedures and requirements. The DCE Service Delivery Design (SDD) presented the ARC with a high-level plan to prioritise these documents. The ARC will receive periodic report backs on the progress of this plan.
- The ARC received a Cyber Security presentation. The ARC Chair also attended an ARC Chairs Forum run by the Office of the Auditor-General on 22 March 2024 where Cyber Security activities and policies were discussed. A more formal review as part of the Internal Audit programme will be scheduled to establish where Fire and Emergency sit on a maturity scale.
- **The Board resolved to:**
 1. **note** the report of the meeting held on 18 March 2024.

4.	ENGAGEMENTS	
4.1	FAIRWAY, BOARD and ELT ENGAGEMENT	CHAIR

The Chair welcomed Rhys West, Chief Executive, Richard Binner, General Manger Operations & Samantha de Coning, Head of Practice at Fairway to the meeting at 11:00am.

Fairway attendees introduced themselves to the Board and ELT.

As part of the discussion, the Board posed the following questions to Fairway:

1. Between maintaining independence from Fire and Emergency and coaching Fire and Emergency, how do Fairway plan to liaise with the Fire and Emergency Board to provide assurance of the process, including what is working and what needs to change or be modified?
2. What is Fairway's approach to the provision of culturally appropriate and diversity supportive services, particularly from the perspective of a practitioner handling a case?
3. What happens if, in the process of working with Fire and Emergency, Fairway start to see or think there are systemic issues apparent?



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4. How can the Fire and Emergency Board gauge the experiences of personnel that are involved in an investigation process?
5. Does Fairway have any thoughts or advice for the Fire and Emergency Board how the Board can support Fairway's processes?

Fairway representatives made the following points:

- During the request for proposal process, Fairway only submitted a response because the service would be independent of Fire and Emergency.
- The Practitioners assigned to an investigation have the authority to independently design the investigation process. This enables them to, as far as is practicable, develop a process where participants feel safe.
- Fairway will consult with the parties involved in an investigation to develop a Terms of Reference which will be finalised by the Investigator. From a culture and diversity perspective, Practitioners that have specific skills can be assigned to specific cases. Resolution Coordinators pick this up straight away through the complaints triage process.
- Fire and Emergency do not receive the service requests that Fairway receive which maintains independence, separation, and trust.
- Fairway will provide insights and quantitative data to Fire and Emergency. Identifiable information will not be shared with Fire and Emergency unless Fairway are given permission to do so.
 - Fairway will provide monthly, quantitative reporting on issues, service requests, the number of complaints handed back to Fire and Emergency and if an Inquirer chooses not to proceed.
 - Fairway will provide quarterly insights reporting.
- Fairway's Kāpehu Coaching Service is a service where anyone at Fire and Emergency can seek to upskill on dealing with situations and/or engaging with people. Kāpehu does not require a complaint in order to be used. Kāpehu forms holistic approach to conflict, and how to learn from it and manage it.
- Kāpehu creates a safe way for personnel to step into an environment where they can talk about what is going on for them.
- There is the ability to change a Practitioner during an investigation process.
- Systemic issues will be captured through reporting on the types of complaints coming through and through the actual investigation process.
- Fairway are working with Fire and Emergency's Manager Relationship - Complaints System on a way to capture levels of satisfaction on processes and outcomes.
- In terms of the Fire and Emergency Board providing support in their governance role, this will be an iterative process.

The Board noted the need to publicise the Fairway process to the wider Fire and Emergency stakeholder audience, in particular the independence of the process.

5.	ADMINISTRATION	
5.1	INTERESTS REGISTER AND CONFLICTS OF INTEREST	CHAIR

No conflicts of interest were declared.

5.2	MINUTES OF PREVIOUS MEETING – 1 MARCH 2024	CHAIR
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The minutes of the February Board meeting on 1 March 2024 were approved.

5.3	REVIEW ACTION LOG	CHAIR
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The action log was reviewed. Updates and closures were made as appropriate.

6.	DECISION PAPERS	
6.1	INDEPENDENT REVIEW OF FIRE AND EMERGENCY'S INDEPENDENT DISPUTE RESOLUTION SCHEME	DARRYL PURDY

The CE introduced the 'Independent review of Fire and Emergency New Zealand's (Fire and Emergency) Dispute Resolution Scheme' paper.

The Board sought and received confirmation that recommendation two: *That an independent advocacy service be established as an alternative to that provided by the UFBA* was recommending that an alternative service/scheme be provided, not that there is a replacement for the United Fire Brigade's Association (UFBA) service.

The Board resolved to:

1. **note** that under clause 51 of the Fire and Emergency New Zealand Dispute Resolution Rules 2021 the Scheme must be reviewed regularly and, the review report and the Board's response to the report must be published on Fire and Emergency's website.
2. **agree** the Board's response as detailed in **Appendix B**.
3. **approve** the publication of the Report and the Board's response on the FENZ website subject to amendment required by the Board.
4. **approve** the implementation of the substance of recommendations in the Review in the manner set out below.

6.2	LAC ANNUAL INSIGHTS REPORTING AND SURVEY SUMMARIES 2022/23	BRYAN DUNNE
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The CE introduced the 'Local Advisory Committee (LAC) annual insights reporting and survey summaries 2022/23' paper.

The Board:

1. Requested the opportunity to have a reoccurring, 15-minute item with an LAC Chair and/or representative at future Board meetings on a rotational basis and asked that this be included in the response to the LAC Chairs Insights Report (the response).
2. Would like more information on how the existing LACs have added value to Fire and Emergency (i.e., to the Board, Districts and Regions) and asked that this be included in the purpose of future LAC Board papers.
3. Asked that the Rautaki Māori be provided as a link in the response.
4. Noted that the themes/areas they would like the National Local Advisory Committees Directorate to focus will be confirmed following LAC Chairs Forum on 12 April 2024 and asked that this be reflected in the response.

The Board resolved to:

1. **note** the annual insights reporting including the 2022/23 LAC Chairs Insights Report; LAC Chairs video reports; and LAC survey analysis and health check.
2. **note** the annual LAC self-review and satisfaction survey results.
3. **provide** feedback on LAC insights and future LAC reporting options.
4. **approve** the draft response from Fire and Emergency to the LAC Chairs Insights Report subject to the changes requested today being made and approved by the Chair of the Evaluation and Appointments Committee on behalf of the Board.

Management Actions:

- DCE Office of the Chief Executive (OCE) to organise for a reminder of the LAC Chairs Forum on 12 April 2024 to be circulated.
- DCE OCE include how the existing LACs have added value to Fire and Emergency in the purpose of future LAC Board papers.
- DCE OCE to organise for the changes requested by the Board to be made to the response to the LAC Chairs Insights Report and to run the amended response past the Chair of the Evaluation and Appointments Committee for approval on behalf of the Board:
 - Request the opportunity to have a reoccurring, 15-minute slot with an LAC Chair/an LAC representative at future Board meetings.
 - Add a link to the Rautaki Māori.
 - Note that the themes/areas that the Board would like the National Local Advisory Committees Directorate to focus on will be confirmed following LAC Chairs Forum on 12 April 2024.

6.3	DELEGATION OF SUPPLIER APPROVAL AND CONTRACT SIGNING – ALL OF GOVERNMENT ELECTRICITY SERVICES	SARAH SINCLAIR
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The CE introduced the 'Delegation of supplier approval and contract signing – All of Government electricity services' paper. The DCE OSCD provided an overview of the paper.

The key point noted during this discussion was that advice from procurement is that the price is likely to increase significantly.

The Board:

- Asked if the delegation is capped? The DCE OSCD advised that it is.
- Agreed to a delegation of up to \$4 million per annum for a period of up to five years. Noting that anything over \$4 million must come back to the Board for consideration and approval.
- Noted that in respect of options, it would be hard to justify not following MBIE's recommendation.

The Board resolved to:

1. **note** the process required to continue supply of electricity through the All of Government electricity services arrangement
2. **approve** a delegation of up to \$4 million per annum for a period of up to five years, for the selection of supplier and signing of the resulting contract for All of Government electricity services to the Chief Executive, with the authority to delegate on to the Chief Executive's leadership team.

6.4	COMMUNICATION CENTRES VOICE CONSOLE REPLACEMENT	RUSSELL WOOD
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The CE introduced the Communication Centres voice console replacement paper.

The key points to note during this discussion were:

- As of last week, the price has come down (approximately \$3.15m OPEX and \$80k CAPEX), largely due to a reduction in Service Centre data costs.

The Board:

- Agreed to change recommendation three to say “up to”.
- Sought clarification on the quality of the Frequentis solution.
- Asked whether Fire and Emergency will get efficiencies out of the Frequentis solution or whether it will be like for like? The DCE Service Delivery Operations (SDO) advised that the differences/improvements will be reflected in future ComCen capability improvement opportunities.

The Board resolved to:

1. **note** that New Zealand emergency services agencies are planning to replace their Voice Console solution with a new Voice Console solution that will be used across the sector.
2. **note** that there will be cost impact to Fire and Emergency that needs to be approved by the end of March 2024 to meet delivery timelines set by PSN.
3. **approve** the spend of an additional total up to \$4.6m OPEX and \$0.8m CAPEX above current budget over the next ten years as the Fire and Emergency contribution to replacing the current IPICS system with the emergency services sector’s preferred Frequentis solution.
4. **note** that the additional CAPEX cost referenced above is net of a \$1.8m CAPEX rebate from the PSN Programme, which is the Fire and Emergency share of a \$10m rebate as the preferred solution averts high integration costs.

7.	NOTING PAPERS	
7.1	PROGRESS UPDATE: RESPONDING TO THE NZQA EXTERNAL EVALUATION REVIEW	JANINE HEARN

The DCE People gave a PowerPoint presentation titled ‘Update on progress to address the requirements and recommendations of the NZQA External Evaluation Review (EER) 2023’.

The topics covered in this presentation were:

- Assessment and outcomes.
- EER requirements overall progress.
- EER recommendations overall progress.
- Review outcome themes.
- Detailed progress overview – review recommendations by workstream.
- External engagement.
- EER 2024 preparation.



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- Next steps.

The key points noted during this discussion were:

- 9(2)(g)(i) [REDACTED]
- A bid had been submitted to the Investment Committee to fund the development of the training function.

The Board:

- Asked whether the UFBA and the New Zealand Professional Firefighter's Union have (NZPFU) been consulted about training for operational personnel. The DCE People advised that the Training Standards Committee (TSC) support this work and that that Unions and Associations have been engaged through the TSC, noting that no dissatisfaction has been expressed to date.
- Noted their interest in what the overall end goal is and would like to see the long-term plan and to receive ongoing reporting.

Management Actions:

1. DCE People to include updates on the training function development timeline, an overview of the end goal, a plan of what it will take to make a step shift and if any hard decisions need to be made to the April Board training discussion.
2. DCE People to regularly report back to the Board on the progress of the training function development.

7.2

9(2)(h)

SARAH DWEN

9(2)(h)

9(2)(h)

7.3 REGULATIONS AND COMPLIANCE

STEPH ROTARANGI

The CE introduced the 'Regulations and compliance' paper and invited the DCE Service Delivery Design (DCE SDD) to provide comments. The DCE SDD noted:

- Fire and Emergency's workload for regulatory and compliance functions varies significantly.
- There is a current surge in demand in the built environment for evacuation schemes.
- The ability to prioritise is becoming harder to manage. And there is a current focus on risk-based prioritisation.
- Fire and Emergency's broader regulatory compliance and enforcement approach needs resetting.
- Fire and Emergency processing of evacuation schemes are back within the statutory timeframes for the last month.

The Board:

- Noted that in the role of Regulator, it would be useful to know where Fire and Emergency sit on a maturity scale and on a capacity and capability scale (including resourcing and timelines). The DCE SDD commented that an Anticipatory/Agile Regulator is where Fire and Emergency would like to be.
- Noted that how Fire and Emergency frame its non-compliances is important and stated that it would like to understand what the plan and timeline is to reach 100% compliance with evacuation schemes.
- Are interested in the revenue generation to fund Fire and Emergency's role as a Regulator and the wider costs involved.
- Queried whether there was a Regulatory Strategy to support this paper and to provide tools to use from education through to prosecution. The DCE SDD advised that Fire and Emergency do have a Regulatory Strategy, and that a key component of the current work underway is to go through the existing strategies and framework and establish what Fire and Emergency must do.
- Asked what the next steps are. DCE SDD advised that work will continue on the following items and that another noting paper will be brought to the Board enclosing more detail on:
 - High-priority buildings.
 - The wider compliance framework.
 - Getting software in place to support Āwhina.
- Noted the option of reporting back to the Board through the CE report or one of the Board sub-committees.

- Expressed unease in accepting the noting recommendations in the paper, but appreciated the challenges presented in the paper and acknowledged the areas that need to be prioritised and the plan in place to address them.

Management Actions:

- DCE SDD to report back to the Board on:
 - Buildings that are exempt from the evacuation scheme requirement due to having an automated sprinkler system.
 - The steps being taken with high-priority buildings, the wider compliance framework and getting software in place to support Āwhina.

8.	REPORTING	
8.1	CHIEF EXECUTIVE'S REPORT	KERRY GREGORY

The CE introduced the report.

The Board:

- Acknowledged the succinct report.
- Questioned the timing of the Respiratory Protection Improvement Programme. The DCE SDD advised that the programme has been extended to 17 May 2024.
- Asked ELT for their thoughts on the level of response to the Your Say survey.

8.2	SAFETY, HEALTH, AND WELLBEING REPORT	JANINE HEARN
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The DCE People introduced the Safety, Health, and Wellbeing (SHW) monthly report, and noted:

- The inclusion of a new serious near miss that occurred on 11 March 2024. A Level 2 Investigation and Operational Review have been initiated.
- A low level of injuries was reported during the significant fire events (Port Hills and Waikari Valley).
- The planned engagement with WorkSafe regarding their decision not to prosecute has now occurred. The WorkSafe Investigator and WorkSafe Auckland Region Manager attended along with DCE Service Delivery, Manager SHW Strategy Systems and Assurance and our Legal Counsel.
- Queensland Fire and Emergency Services, Fire and Rescue New South Wales, Urban Search and Rescue and the National Emergency Management Agency have asked if we would share the new Fire and Emergency landslide awareness training module with them.

The Board:

- Asked whether fatigue had been considered as a factor of the single vehicle accident. The DCE People advised that it had been but that it was not considered to be a substantive factor.
 - Noted WorkSafe's view that it had not reached an evidential level to prosecute, and that there are lessons to be learned here. The DCE People advised that the corrective actions should cover this.
 - Sought an update on the welfare of the 9(2)(a) who sustained an injury at during chainsaw training. The DCE SDD advised that the 9(2)(a) is back at work on light duties.

- Advised that they are comfortable with the SHW reporting now, with the caveat that there remain reviews to be done, and that the commencement of the deep dives would assist.

Management Action:

1. DCE People to add the ICAM report for the serious near miss, single vehicle accident that occurred on 20 November 2023 to the Resource Centre.

9.	PAPER REFERRED TO THE BOARD FROM THE FINANCIAL SUSTAINABILITY AND INVESTMENT COMMITTEE FOR APPROVAL	
9.1	THREE-YEAR ROLLING CAPITAL BUDGET FRAMEWORK	SARAH SINCLAIR

The CE introduced the 'Three-year rolling capital budget framework' paper.

The Board:

1. Acknowledged the work that has been completed on the framework.
2. Queried whether there are different thresholds for different projects and if there is a cumulative impact as a result. The DCE FABO advised that FABO can explore this and address it in the next iteration of the finance report.

The Board resolved to:

1. **note** that the three-year rolling capital budget framework was endorsed by the Financial Sustainability and Investment Committee at their meeting on 27 March 2024.
2. **note** that the three-year rolling capital budget framework is proposed to include all capital expenditure classes.
3. **note** that Carry Forward proposals will be brought to the Board for approval in September every year, as part of budget confirmation.
4. **approve** the proposed three-year rolling capital budget framework.
5. **delegate** authority for approving Bring Backs in budget to the Chief Executive for up to \$10m, with corresponding delegations to Deputy Chief Executive (DCE) Finance and Business Operations (FABO) and DCE Organisational Strategy and Capability Development (OSCD) jointly for up to \$5m, with quarterly reporting to the Committee, subject to reviewing and approving the framework on the cumulative effect.

Management Actions:

1. DCE FABO and DCE OSCD to explore if there are different thresholds for different projects and whether there is a cumulative gap as a result.
2. DCE FABO to include the details of any cumulative impact in the next iteration of the finance report, including assurance controls.

10.	GENERAL BUSINESS AND CLOSING	
10.1	KEY MESSAGES	CHAIR

No discussion.



Hui Miniti / Minutes

10.2	CORRESPONDENCE	CHAIR
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The Board reviewed the incoming and outgoing correspondence. There was no discussion.

10.3	EVENTS	CHAIR
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The Board reviewed the events table. There was no discussion.

10.4	GENERAL BUSINESS	CHAIR
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The Board asked about the progress of the Fire and Emergency/NZPFU joint working parties (the working parties). DCE SDO advised that:

The process across all three working parties has been good, and that the Equipment joint working party has been particularly productive.

- The challenge for Fire and Emergency personnel on the working parties has been to communicate the constraints FENZ faces and to have these understood and acknowledged by all participants in the working parties.
- The next steps are to socialise Fire and Emergency's approach to reporting with a draft report to ELT in April 2024 and a potential presentation to the Board thereafter (in May 2024 at the conclusion of the 12-month period).
- Another session has been convened between Graeme Colgan, the National NZPFU representatives and the Fire and Emergency working party leads where the DCE SDO will take them through the reporting approach.

The Board and ELT discussed options for engagement with the Fire and Emergency working party leads.

The Board agreed that if there is an agreement for the Fire and Emergency working party leads to present to the Board then this would be done for the Board's information only and not for decision-making purposes.

Board Action:

1. Board to agree its approach to engagement with the Fire and Emergency working party leads, including how risks would be mitigated.

A Board member closed the meeting with a karakia at 2:10pm.

Next Meeting: Wednesday 24 April 2024, 8:00am – 4:00pm

MEETING DETAILS	
Committee <i>Komiti</i>	Board
Date <i>Rangi</i>	Wednesday, 24 April 2024
Time <i>Wā</i>	8:00am – 2:00pm
Location <i>Wāhi</i>	NHQ 7.4W Matawai / MS Teams

ATTENDEES	
Chairperson <i>Tiamana</i>	Rebecca Keoghan MNZM
Committee Members <i>Ngā mema</i>	<ul style="list-style-type: none"> Hon Ruth Dyson QSO (Deputy Chair) – <i>Unavailable between 9:30am – 11:30am</i> Belinda Clark QSO Mary-Anne Macleod Amit Prasad – <i>Unavailable 10:36am onwards</i> Danny Tuato'o
Standing Attendees <i>Ērā atu</i>	<ul style="list-style-type: none"> Executive Leadership Team Dr Kyle Whitfield, National Manager Board and Ministerial Services Sophie Pugsley (Secretariat via Microsoft Teams)
Other Attendees <i>Ērā atu</i>	<ul style="list-style-type: none"> Lara Ariell, Independent Advisor to the Board (item 1.3, 2.1 and 2.2) Carmel Ali, HRIS and Payroll Replacement Programme Sponsor (items 2.1 and 2.2) Sharon Masters, Chief Advisor HRIS and Payroll Replacement Programme (items 2.1 and 2.2) Meena Patel, National Manager Assurance and Risk (items 2.1 and 2.2) Murray Coppersmith, Audit and Risk Committee Chair (items 2.1, 2.2, 3.1, 3.2 and 3.3) April Christie, National Manager Safety, Health, and Wellbeing (items 6.1 and 6.2) Angela Kimmins, Manager Safety, Health and Wellbeing Strategy System and Assurance (items 6.1 and 6.2) Hamish McEwen, Chief Data and Analytics Officer (item 8.1)

1.	CLOSED SESSIONS	
1.1	BOARD ONLY TIME	CHAIR

The Board met in closed session from 8:00am to 9:00am.

1.2	BOARD AND CHIEF EXECUTIVE ONLY TIME	CHAIR
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The Board met in closed session with the Chief Executive (CE) from 9:00am to 9:30am.

1.3	BOARD, CE, AND BOARD INDEPENDENT ADVISOR ONLY TIME	CHAIR
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The Board met in closed session with the Independent Advisor to the Board from 9:30am to 10:00am.

9:45AM	WELCOME AND OPENING KARAKIA
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The Chair welcomed the Executive Leadership Team (ELT), National Manager Board and Ministerial Services, National Manager Assurance and Risk, HRIS and Payroll Replacement Programme Sponsor, Chief Advisor HRIS and Payroll Replacement, Financial Sustainability and Investment Committee (FSIC) Chair and the Secretariat to the meeting at 9:45am.

The CE opened the meeting with a karakia at 9:46am.

2.	HRIS UPDATES	
2.1	HRIS AND PAYROLL REPLACEMENT PROGRAMME UPDATE	KERRY GREGORY

The CE introduced the HRIS and Payroll Replacement Programme (the Programme) update.

The key points noted during this discussion were:

- The Programme has gone out to market for a new supplier.
- 12 suppliers attended the new supplier briefing on 17 April.
 - The suppliers in attendance at the briefing were a combination of technical, fully outsourced or hybrid.
 - Questions were asked around the operating model.
 - The suppliers were given oversight of the Light Agile Process (LAP). No concerns were raised.
 - As of 19 April one formal response has been received, noting that today is the day that suppliers must notify the Programme if they intend to respond.
- The Programme is reviewing how other agencies have approached data migration. Inland Revenue intend to provide the Programme with their lessons learnt to assist the Programme avoid any challenges or barriers they experienced with their data migration process.
- There will be a balance between what a technical solution can provide and the complexity of the Programme's contracts.
- A PowerPoint slide was shared to outline the key Programme milestones.

The Board had no questions but noted that due to the nature of the Programme it is still a high-risk.

2.1	HRIS AND PAYROLL REPLACEMENT PROGRAMME ASSURANCE UPDATE	MEENA PATEL
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The National Manager Assurance and Risk introduced the HRIS and Payroll Replacement Programme (the Programme) assurance update.

The key points to note during this discussion were:

- Work has been carried out in line with the targeted for review scope. The scope has not shifted.
- Since 2 April (the date at which this assurance update concluded), progress has been made against some of the recommendations raised in the report.
- The Programme continues to face challenges with maintaining currency of core programme documentation and artefacts. The Assurance and Risk Directorate continue to assess whether existing artefacts reduce the Programme's risks and that the Programme controls are designed and implemented in a way that mitigate those risks.
- The Assurance and Risk Directorate continue to shift their approach to keep pace with the Programme to ensure they can provide the right advice at the right time.

The Board acknowledged the update.

3.	FINANCE AND AUDIT REPORTING	
3.1	FINANCE REPORT (MARCH 2024)	DARRYL PURDY

The Deputy Chief Executive Finance and Business Operations (DCE FABO) introduced the February finance report.

The key points to note during this discussion were:

- There was a lower levy take in February and March than forecast.
- February and March operating results largely reflect lower levy revenue.
- Year-to-date, however, there is a \$17.2m favourable variance to budget for levy cash take.
- The year-end forecast includes a provision for the payroll compliance audit, KiwiSaver and FireSuper Compulsory Employer Contributions items. An effort is being made to accrue these items this financial year, and for the cash outflow from these items to occur in the 25/26 financial year.

The Board asked about the timing of the discussion with the external Auditors to seek agreement to accrue the \$42.7m this financial year. DCE FABO advised that this has already been raised with the external Auditors. A team has been put together to work through what the actual estimate will be for this deficit and will update the external Auditors at their next scheduled visit in July 2024. The team will look to engage with the external Auditors again in September to finalise the details.

The Board resolved to:

1. **note** the March year-to-date 2023/24 financial result.
2. **note** the full year forecast updated in March 2024 (last updated in December 2023).
3. **note** the potential impact of the issues identified by the payroll compliance audit as an abnormal item.
4. **note** the financial risks.

3.2	BUDGET 2024-25 AND STATEMENT OF PERFORMANCE EXPECTATIONS	DARRYL PURDY
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The DCE FABO introduced the Budget 2024-25 and Statement of Performance Expectations 2024-27.

The key points to note during this discussion were:

- The 2024-25 Statement of Performance Expectations (SPE) will include the budget for the 2024-25 financial year and the outyear forecasts for the two following years.
- The FSIC have endorsed the proposed operating and capital budgets for 2024-25 to be approved and have endorsed the forecasts for the two outyears.
- The proposed budget sits within the \$805m envelope endorsed by the FSIC and approved by the Board in November 2023 and includes the 2025-26 provision.
- The \$25m loan drawdowns scheduled in June 2024 and 2025 continue as planned.
- The budget has a 1% contingency and the paper is clear that if the Board requires the contingency to be greater, the Board or the CE will need to formally request an increase in required savings/management challenge.
- The budget holds the organisation's baseline expenditure constant.
- All known fiscal risks are outlined in the paper.
- High-level estimates are included in the budget for the historic payroll compliance costs.
- Firefighter sick leave remains a concern and the budget has been increased in response to these cost pressures.
- Overall uncosted cost pressures are not included in the paper.
- Industrial bargaining outcomes for 2024-25 remain uncertain.
- CAPEX has been set in accordance with the three-year rolling plan.
- The budget incorporates approximately \$3m for Health Standards which is included within the Investment Committee overall budget envelope. Note that in appendix three of the paper it appears as though this sits outside of the budget which is incorrect.
- Funding is being held for the HRIS and Payroll Replacement Programme in the 2024-25 budget on the basis that the organisation expects the Programme will bring a Business Case or change request back to the Board once it has been through the procuring of sourcing a new payroll system, noting that the forecasted costs may need to be amended depending on the system procured.

The Board:

- Sought a summary of recommendation five in the paper regarding the assumption of a 5.2% levy rate increase from 1 July 2026. The DCE FABO advised that the decision was made to stay consistent with what is outlined in the SPE and in the consultation document currently in the public domain for the purpose of maintaining a coherent public message, noting that the Minister may make a different recommendation to Cabinet to the 5.2% and the SPE may need adjusting once that decision is made.

- Expressed concern around the actual calculations for the historic payroll compliance item differing from the estimated \$42.7m and how the organisation intends to manage the reputational issues if this is the case. The DCE People advised that the organisation is working closely with Unions and Associations who appreciate that there is work to be done to better understand the impact of this item. The organisation will continue to remain transparent with Unions and Associations.
- Asked whether the organisation had been thorough or “ruthless” enough in looking for savings and sought more detail around where the organisation would look to find those savings. The DCE FABO noted the organisation would likely respond better to a specific direction or target, accompanied by support around the risks and trade-offs of further changes. The Board noted its view that maintaining the organisation’s budget to deal with inflationary pressures suggests that there may be further opportunities to identify lower value spend.
- Noted the risk that the organisation’s revenue may be less than forecast, and that it is important to have a structured and considered approach in terms of a financial mitigation plan. The CE advised that the FABO branch have carried out work on scenarios with a decrease in levy revenue (including due to market dynamics).
- Requested that the minutes note that any additional spend outside of what is included in the budget will not be approved.
- 9(2)(j) [REDACTED]

The FSIC Chair gave his perspective on areas that could be targeted from a cost savings perspective and acknowledged the complexity of such a task. The FSIC Chair agreed that it would be a useful exercise to have a cost savings plan and noted that it will be a large piece of work to do in a measured way.

The Board resolved to:

1. **note** the Financial Sustainability and Investment Committee recommended the proposed operating and capital budgets for 2024-25 to be approved and endorsed the forecasts for the two outyears on 9 April 2024.
2. **approve** the proposed operating and capital budgets for 2024-25.
3. **note** that annual budgets are set in accordance with, and to be consistent with, long-term financial projections to ensure annual budgeted expenditure is reasonable and to maintain alignment with long-term financial sustainability.
4. **note** that risks pertaining to the Part 3 Levy Review and rate setting do not significantly affect the 2024-25 year but do impact the 2026/27 year.
5. **endorse** the indicative prospective forecasts for next year’s SPE as set out in Appendix 1 (Prospective Financial Statements which assumes a 5.2% levy rate increase from 1 July 2026).
6. **note** that the budgets and forecasts set out in this paper will form the basis of next year’s SPE which will be presented to the Board for final approval in May 2024.
7. **note** that the risks and issues identified with the proposed budget for 2024-25, and outyear forecasts, are being actively monitored, managed, and reported to the Financial Sustainability and Investment Committee, the Audit and Risk Committee and the Board.

Management Action:

1. 9(2)(j)

3.3	FINANCIAL SUSTAINABILITY AND INVESTMENT COMMITTEE REPORT BACK	MURRAY COPPERSMITH
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The FSIC Chair introduced the FSIC report back. The key points to note during this discussion were:

- Progress has been made against the FSIC 2024 work programme. The Cash Reserves Policy has been added to the 2024 work programme.
- At the March FSIC meeting the committee looked at the impacts of potential levy reductions, including those due to changed Levy Payer/Insurer behaviour resulting from changes to insurance premiums. The committee will discuss these levy scenarios and implications at their next meeting in May 2024.
- A draft Level of Surplus Policy was considered by the committee at the March FSIC meeting, but the committee agreed that this was not a policy that FENZ should adopt. The FSIC Chair noted that at least 50% of the organisation's assets are fully depreciated and annual OPEX is below what is required to cover renewing or replacing the asset base. In the next one-two years, Asset Management Plans will be finalised and the cost of replacing the organisation's existing assets will be better defined. This may result in current depreciation needing to be increased.
- The Tauranga Business Case was reviewed by the committee at the March FSIC meeting and has been endorsed by the committee and recommended to the Board for approval.

The Board noted the report.

The Board resolved to:

1. **note** the report of the meeting held on 27 March and 9 April 2024.

4.	ADMINISTRATION	
4.1	INTERESTS REGISTER AND CONFLICTS OF INTEREST	CHAIR

One change to the Interests Register was raised and will be emailed through to the Governance team by a member of the Board.

4.2	MINUTES OF PREVIOUS MEETING – 28 MARCH 2024	CHAIR
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The minutes of the March Board meeting on 28 March 2024 were approved.

4.3	REVIEW ACTION LOG	CHAIR
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The action log was reviewed. The Board observed they were pleased with the improvement to the action updates.

5.	DECISION PAPERS	
5.1	HEALTH STANDARDS DETAILED BUSINESS CASE	JANINE HEARN

9(2)(j)

9(2)(j)

9(2)(j)

5.2

NZPFU NEGOTIATION STRATEGY

JANINE HEARN

9(2)(j)



5.3

DRAFT STATEMENT OF PERFORMANCE EXPECTATIONS 2024-25

SARAH SINCLAIR

The CE introduced the draft Statement of Performance Expectations for 2024-25 (SPE 2024-25).

The key points to note during this discussion were:

- Audit New Zealand and the Department of Internal Affairs have seen the draft SPE 2024-25 and initial feedback from these two parties has been positive.
- The final version will need to come back to the Board for approval.

IN CONFIDENCE

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The Board:

- Acknowledged the layout and readability of the draft SPE 2024-25, commenting that it was one of the best SPEs they had seen.
- Noted that ‘Our safety net for our communities – how our ‘Four Rs’ are woven together’ may need to be reviewed to clarity/ease of understanding.
- Asked if management think the work included within the draft SPE 2024-25 is achievable. DCE Organisational Strategy and Capability Development (OSCD) noted that what Fire and Emergency measures now, may not be being measured in a year’s time. The draft SPE 2024-25 reinforces the organisation’s budget for next year and what is in the budget to deliver. The final SPE 2024-25 will have a definitive list of what is being funded and deliverable.

The Board resolved to:

1. **note** the draft Statement of Performance Expectations 2024/2025, and changes to layout and measures.
2. **approve** the draft Statement of Performance Expectations 2024/2025, so that it can be provided to the Minister of Internal Affairs by the statutory deadline of 1 May, noting that the revised version does not need to go through the FSIC but can come directly to the Board.

Management Actions:

1. Management to amend the layout of the information within the diamond under ‘Our safety net for our communities – how our ‘Four Rs’ are woven together’.
2. Management check that Air Attack has given permission for their image to be used in the SPE 2024-25 before it is published.
3. Management to amended “to provide the support our frontline personnel need to serve our communities” to “to enable our frontline personnel to serve our communities”.

5.4	QUARTERLY PERFORMANCE DASHBOARD FOR QUARTER THREE 2023-24	SARAH SINCLAIR
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The CE introduced the Quarterly Performance Dashboard for Quarter three (Q3) 2023-24.

The Board:

- Referred to the performance measures for response times and asked if they are realistic and achievable response times going forward (particularly with congestion in urban areas). The CE advised that work is being carried out in the SPE on accurate and achievable measures.
- Noted that ‘communities’ in measure 1.1.6 on the last page of the paper has a typo.
- Sought clarification around the detail under ‘Incidents attended by type’ referring to that fact that false alarms (PFAs) were down in Q3 being attributable to the widespread weather events which occurred in Q3 2022-23. The DCE SDO advised that the 2022-23 weather events created several PFAs due to batteries. There will be a downturn with this data. The Board requested that this wording be tidied up.
- Recognised that the Dashboard is reflecting Fire and Emergency’s story in a more positive way.

The Board resolved to:

1. **note** the Quarterly Performance Report Dashboard for Q3 of 2023-24, which reflects quarter and year to date performance against Fire and Emergency's 2023/24 Statement of Performance Expectations.
2. **note** the Quarterly Performance (Key initiatives) Report for Q3 of 2023-24 will be completed in parallel and will be provided to ELT at a future date.
3. **approve** the Quarterly Performance Report Dashboard for Q3 of 2023-24.

Management Action:

1. Management to tidy up the wording of the detail under 'Incidents attended by type' in the Dashboard.

5.5	TAURANGA FIRE STATION – LAND PURCHASE AND PROPERTY BUILD	SARAH SINCLAIR
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The DCE OSCD introduced the Tauranga Fire Station Business Case (the business case).

The key point to note during this discussion was:

- The business case has been endorsed by the FSIC.

The Board:

- Sought reassurance that the new fire station design is robust and not "gold plated". The DCE OSCD advised that there are several issues with the existing station that need remediating, that the new station design is future proof, and that the costs reflect external requirements, including consent conditions.
- The Board asked about fire stations being gold plated, noting that this has also been raised through Select Committee earlier this year and by the Minister. The DCE OSCD advised that planning for new fire stations considers IL4 requirements, the health and safety of employees and future proofing. The CE noted that different station models apply to different settings. The Board asked that in future, business cases for new fire stations include the methodology behind the option(s) put forward in a business case.

The Board resolved to:

1. **note** in December 2023 Board approved the lodgement of an unconditional Sale and Purchase Agreement (six-month completion period) for land adjacent to the current Tauranga Fire Station; the December 2023 Board approval directed management to bring more information to FSIC prior to a Board submission.
2. **note** an updated Tauranga business case has been appended to this paper and seeks an investment of \$17.332m (in whole of life net build costs after land disposals) allocated over the 2024/2025, 2025/2026 and 2026/2027 financial years, to progress Option 4A, Build on new site.
3. **note** the \$17.332m cost comprises \$7.4m land cost, \$15.332m build cost (inclusive of a 30% contingency) and an estimated recoup of 9(2)(i) from the sale of the existing site and buildings once the new building is occupied.
4. **note** the preferred option can be funded from the national property programme.
5. **note** the Financial Sustainability and Investment Committee have reviewed and endorsed the appended business case.
6. **endorse** the business case with preferred option 4A, Build on New Site.
7. **delegate** authority to the Chief Executive to proceed with the design and procurement of a new build fire station at Tauranga, with an estimated build cost of \$15.332M.

5.6	LOCAL ADVISORY COMMITTEES QUARTER THREE UPDATE	BRYAN DUNNE
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The DCE Office of the Chief Executive (OCE) introduced the Local Advisory Committee (LAC) Q3 update.

The key point to note during this discussion was:

- The LACs are seeking more information about Fire and Emergency’s operating context, what Fire and Emergency’s intent is, and what short-term insights and long-term trends Fire and Emergency is interested in, so that they can offer more insightful report backs to and from their communities.

The Board:

- Acknowledged the value of the Chairs’ forum on 12 April.
- Advised that the general response from LAC Chairs at the forum was that they would like to understand the Board’s focus areas.
- Noted the feedback from LAC Chairs about the feedback loop from the organisation to LACs and asked management to keep this front of mind, and to continue to respond to them promptly and in an engaged way.
- Asked for clarification about what management regularly feedback to LACs from Board meetings. The DCE OCE advised that there has not been regular feedback to LACs post-Board meetings to date, but that the Board has agreed to a rotational slot at each Board meeting going forward for an LAC Chair/Deputy Chair to attend.

The Board resolved to:

1. **note** the progress updates from the LACs noted in the analysis of options.
2. **approve** a written response be sent to LACs from the Board’s LAC Portfolio holder.

Management Action:

1. Management to provide a draft written response, including proposed areas where the Board would encourage LAC feedback.

5.7	PROCUREMENT PLAN – RETENDER OF LEVEL 2 PERSONAL PROTECTIVE CLOTHING AND ASSOCIATED LOGISTICS SERVICES	STEPH ROTARANGI
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The DCE Service Delivery Design (SDD) introduced the Procurement Plan – Retender of Level 2 Personal Protective Clothing and Associated Logistics Services paper. The DCE SDD advised that:

- There is, in management’s view, an unacceptable risk from splitting the provision of PPC and associated logistics (such as laundering and repair).
- There will be a balance between getting the best from the current market and opening up to new suppliers of PPC through a joint venture.

The Board:

- 9(2)(j) [REDACTED]

- 9(2)(j) [REDACTED]
- Asked how management see the joint venture operating. The DCE SDD advised that that the organisation will have two different providers who will join to provide PPC and the laundering/logistics services.

The Board resolved to:

1. **note** the contents of the paper.
2. **delegate** to the Chief Executive of Fire and Emergency authority to approve a Procurement Plan for L2 PPC and the associated logistics service requirements.

6.	NOTING PAPERS	
6.1	SAFETY, HEALTH, AND WELLBEING SYSTEMS OVERVIEW	JANINE HEARN

The DCE People welcomed the National Manager Safety, Health, and Wellbeing (SHW) and Manager SHW Strategy Systems and Assurance to the meeting and introduced the Safety, Health, and Wellbeing Systems Overview presentation.

The Board:

- Noted that there is currently no existing mechanism for capturing the data from safety observations by managers and the Board and would like to see what a mechanism could look like. The DCE People advised that management are aware of the gap in the current system and noted that this is the next step in the evolution of the system.
- Asked how management think that from a cultural perspective, things are being embedded into the organisation. Management advised that good progress has been made, and that the next Pulse Survey will be focused on SHW which will provide insights into how well SHW is embedded across the organisation.
- Reminded management to ensure consideration of how the Board can contribute to health and safety conversations is progressed.

6.2	SAFETY, HEALTH, AND WELLBEING STRATEGIC ROADMAP	JANINE HEARN
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The DCE People introduced the Safety, Health, and Wellbeing Strategic Roadmap paper.

The Board:

1. Acknowledged the simplified language and outcome measures.
2. Asked what the review period is for the Strategic Roadmap. The DCE People advised that the review period is yearly.

The Board resolved to:

1. **note** the final design of the Strategic Roadmap.
2. **note** that an underlying workplan has been drafted and will be socialised within the organisation prior to finalisation.

6.3	FIREFIGHTER ABSENCE – DRIVERS, COSTS, AND IMPROVEMENT OPTIONS	RUSSELL WOOD
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The DCE Service Delivery Operations (SDO) introduced the Firefighter absence – Drivers, costs, and improvement options paper.

The key points to note during this discussion were:

- The sick leave and return to work categories make up around 70% of the organisation’s overall absences.
- There was a notable lift in sick leave over the Covid-19 period but it has not reduced to pre-Covid levels since.
- The trends in absences may have a correlation with the recent uplift in Covid-19 cases.
- Management would like to engage the NZPFU on this work in due course.
- Managers and Station Officers would need to be upskilled so that they feel better equipped to have conversations with their staff.
- The current Firefighter Management Absence policy is under review.
- The second Whanaungatanga Wellbeing Survey results and the additional questions being asked to Survey respondents in Te Hiku may provide more insights into Firefighter engagement and wellbeing.
- For the 2024/25 budget provisions have increased to account for increased absence costs.

The Board asked:

- If the trend is the same across the motu and whether it correlates to the rate of overtime performed in certain areas. The DCE SDO advised that there is likely to be some correlation with overtime but that causation cannot be confirmed.
- If the trend is the same across non-operational staff. The DCE People advised that non-operational staff have a different wellness policy and terms and conditions. There are similar uplifts in absence for non-operational staff during heightened Covid times, but the average number of days taken is likely to be lower. This data can be provided to the People and Culture Committee in future if they wish to see it.
- 9(2)(j)
[REDACTED] Management are open to the NZPFU coming up with options for solutions as they will need to support the selling of the solution to frontline staff in future.

The Board:

- Noted an edit was required in the second paragraph under ‘Financial implications for increased absenteeism’.
- Noted that the overriding driver of interest is the wellbeing of Firefighters, not the financial impact.

The Board resolved to:

1. **note** the work programme that has been developed to address absenteeism and improve the wellbeing of our workforce.

7.	REPORTING	
7.1	CHIEF EXECUTIVE'S REPORT	KERRY GREGORY

The CE introduced the CE report.

The Board:

- Noted that the Volunteer Engagement Model Project (the project) will be a pivotal piece of work in giving management a greater level of reach into Volunteer Brigades. The project is working closely with the UFBA on this work through Eke Taumata.
- Noted recent PhD student research into marae vulnerability to natural hazards, and the opportunity for Fire and Emergency to engage with this research.
- Advised that they are interested in how the organisation is working with Volunteer Brigades in terms of the updates of their constitutions. The CE advised that this is a stream of work within the Eke Taumata programme and the Board will receive an update.
- Acknowledged the successful launch of Speak Safe @ Fair Way.

7.2	SAFETY, HEALTH, AND WELLBEING REPORT AND QUARTER THREE DASHBOARD	JANINE HEARN
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The DCE People introduced the Safety, Health, and Wellbeing (SHW) monthly report and Q3 Dashboard.

The Board would like to see safety observations in future reports and Dashboards.

Management Action:

1. Management to note that the Board would like to see safety observations included in future SHW reports and Dashboards.

8.	DEMONSTRATIONS	
8.1	DEMONSTRATION OF THE COMMON OPERATING PLATFORM	HAMISH MCEWEN

The DCE FABO introduced the Chief Data and Analytics Officer.

The Chief Data and Analytics Officer provided a background to the Common Operating Platform, and then gave a demonstration of the Platform to the Board.

The Board:

- Asked if there was a risk of duplication by partner agencies. The Chief Data and Analytics Officer advised that this is a tool built for Fire and Emergency, but that it is being shared. The DCE SDO advised that there is a risk that the wider sector may perceive that this is a sector-wide tool – which it is not - and this is being managed carefully.
- Sought clarity around the purpose of Fire and Emergency carrying out a building assessment and sharing findings with others. The Chief Data and Analytics Officer advised that this is one of several response processes, and that the intention is to streamline and prioritise processes so that Urban Search and Rescue Teams are not being sent to places that are not a priority.
- Noted that the Earthquake Commission would be interested in this platform. The CE advised that the Earthquake Commission has visibility of the platform.



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- Noted that the Minister would be interested in this platform and could engage with the Minister of Emergency Management about it. The CE advised that the Minister has visibility of the platform.
- Asked about charging external agencies for their use of the platform. The CE advised that this could be a future conversation, but at the platform is still in the trialing, testing, and building stages for Fire and Emergency's benefit, and working collaboratively with external agencies by way of data and information sharing is useful.

9.	GENERAL BUSINESS AND CLOSING	
9.1	KEY MESSAGES	CHAIR

No key messages were shared.

9.2	CORRESPONDENCE	CHAIR
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The Board reviewed the incoming and outgoing correspondence.

9.3	EVENTS	CHAIR
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The Board:

- Reviewed the events table.
- Noted the incorrect spelling of Stewart Island.

9.4	GENERAL BUSINESS	CHAIR
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There was no general business discussed.

An ELT member closed the meeting with a karakia at 1:58pm.

Next Meeting: Friday 31 May 2024, 8:00am – 4:00pm

MEETING DETAILS	
Committee <i>Komiti</i>	Board
Date <i>Rangi</i>	Friday, 31 May 2024
Time <i>Wā</i>	8:00am – 2:45pm
Location <i>Wāhi</i>	NHQ 7.12W Takapau / MS Teams

ATTENDEES	
Chairperson <i>Tiamana</i>	Hon Ruth Dyson QSO (Acting Chair)
Committee Members <i>Ngā mema</i>	<ul style="list-style-type: none"> • Belinda Clark QSO • Mary-Anne Macleod (<i>until 1.30pm</i>) • Amit Prasad • Danny Tuato'o (<i>until midday</i>)
Standing Attendees <i>Ērā atu</i>	<ul style="list-style-type: none"> • Executive Leadership Team • Emma Coats, National Manager Board and Ministerial Services • Sophie Pugsley (Secretariat via Microsoft Teams)
Other Attendees <i>Ērā atu</i>	<ul style="list-style-type: none"> • Lara Ariell, Independent HRIS/Payroll Advisor to the Board (items 1.4, 2.1, 2.2) • Carmel Ali, HRIS and Payroll Replacement Programme Sponsor (items 2.1, 2.2) • Sharon Masters, Chief Advisor HRIS and Payroll Replacement Programme (items 2.1, 2.2) • Meena Patel, National Manager Assurance and Risk (items 2.1, 2.2) • Murray Coppersmith, Audit and Risk Committee Chair and Financial Sustainability and Investment Committee Chair (items 2.1, 2.2, 3.1, 3.2, 3.3) • Jim Stuart-Black, Acting Deputy Chief Executive, Organisational Strategy and Capability Development (item 6.1) • April Christie, National Manager Safety, Health, and Wellbeing (item 7.1)
Apologies <i>Ngā whakapāha</i>	<ul style="list-style-type: none"> • Rebecca Keoghan MNZM • Danny Tuato'o <i>from midday</i> • Mary-Anne <i>from 1.30pm</i> • Dr Stephanie Rotarangi, Deputy Chief Executive, Service Delivery Design • Sarah Sinclair, Deputy Chief Executive, Organisational Strategy and Capability Development

8:00AM	WELCOME AND OPENING KARAKIA	
1.	CLOSED SESSIONS	
1.1	BOARD ONLY TIME	CHAIR

The Board met in closed session from 8:00am to 9:00am.

1.2	BOARD AND CHIEF EXECUTIVE ONLY TIME	CHAIR
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The Board met in closed session with the Chief Executive (CE) from 9:00am to 9:30am. 20 minutes of this time was allocated to discussing the CE's performance review.

The Board resolved to:

- note** the approach taken to gathering 360-degree feedback to support the Board in conducting the CE's 2023/24 performance review.
- note and consider** the 360-degree feedback provided in relation to the CE's performance over the 2023/24 performance year, and Chief Executive's self-assessment against his 2023/24 performance goals.
- note** that the Chair of the People and Culture Committee, standing in for the Board Chair, has met with the Chief Executive to discuss the 360-degree feedback received.
- conclude** its review of the Chief Executive's performance over the 2023/24 performance year, and in doing so discuss its assessment and provide feedback to the Chief Executive.
- note** that advice from the Te Kawa Mataaho/Public Service Commission (PSC) on remuneration guidelines for Chief Executive performance reviews are yet to be received and will be provided to the Board once received.
- delegate** to the Board Chair the authority to finalise remuneration outcomes based on the Board's assessment of the CE's performance, once the advice from PSC is received.
- provide comment** on the proposed performance goal focus areas for the Chief Executive for the 2024/25 performance year to enable detailed performance goals to be developed.
- delegate** to the Board Chair the authority to finalise the performance goals for the 2024/25 year in accordance with the feedback provided by the Board on the proposed themes detailed in this paper.

1.3	BOARD, CE, AND BOARD INDEPENDENT ADVISOR ONLY TIME	CHAIR
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The Board met in closed session with the Independent Advisor to the Board from 9:30am to 9:50am.

2.	HRIS UPDATES	
2.1	HRIS AND PAYROLL REPLACEMENT PROGRAMME UPDATE	KERRY GREGORY

The Chair welcomed the Executive Leadership Team (ELT), National Manager Board and Ministerial Services, National Manager Assurance and Risk (NM AAR), HRIS and Payroll Replacement Programme Sponsor, Chief Advisor HRIS and Payroll Replacement, Financial Sustainability and Investment Committee (FSIC) Chair and the Secretariat to the meeting at 10:09am.

The CE introduced the HRIS and Payroll Replacement Programme (the Programme) update.

The key points noted during this discussion were:



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- The Programme has been through the evaluation panel stage and now has one shortlisted Vendor that it is working with directly, which means the Programme can go directly to the Discovery and Validation phase.
- The shortlisted Vendor must demonstrate through the Discovery and Validation phase that they can meet the full requirements of the Programme.
- The Programme is reviewing what aspects it would look to outsource and what it would manage inhouse.
- The Programme will undertake reference checking.
- Making sure the Programme does not have a bespoke, customised system is a priority.
- The Programme has confidence that Workday and the shortlisted Vendor have been successfully implemented into other organisations.
- The Programme has a plan b which allows it to visit a direct sourcing model so that it can revisit unsuccessful Vendors and explore what held them back in their bids.
- The Programme has moved from a red risk rating to an amber risk rating, but the Programme will continue to be managed as though it maintains a red risk rating.
- The Treasury Gateway review will commence on 10 June 2024. Two Board members are representing the Board as part of this review.
- Once a Provider has been secured, the next steps are for the Programme to produce an updated Business Case, an updated financial model and an updated business, engagement and enterprise change plan.
- There are no concerns around the procurement timeline at this stage.

The HRIS and Payroll Replacement Programme Sponsor, Chief Advisor HRIS and Payroll Replacement departed the meeting at 10:19am.

2.2

HRIS AND PAYROLL REPLACEMENT PROGRAMME ASSURANCE UPDATE

MEENA PATEL

The NM AAR introduced the HRIS and Payroll Replacement Programme (the Programme) assurance approach.

The key point to note during this discussion was that the pause gives the Programme the opportunity to review its priorities and to close out some of the recommendations made by the Assurance and Risk Directorate.

The Board sought:

- Confirmation that the NM AAR will continue to observe the Programme governance groups. This was confirmed.
- Assurance about the readiness capacity within Fire and Emergency New Zealand (the organisation). It was confirmed that the organisation is in a comfortable place to respond. The Independent HRIS/Payroll Advisor to the Board recommended that the organisation does not overprepare for Gateway.

The Board resolved to:

1. **note** the assurance support provided to date by the Assurance function to the HRIS/Payroll Programme.

2. **note** a Treasury Gateway review is planned for June 2024 and independent probity advice has been sought by the Programme.
3. **approve** the approach to 'pause' formal third Line of Defence assurance advice to the Programme for the period 1 June – 31 July 2024.

The NM AAR departed the meeting at 10:24am.

3.	FINANCE REPORTING	
3.1	FINANCE REPORT (APRIL 2024)	DARRYL PURDY

The Chair introduced the April 2024 finance report and the Deputy Chief Executive Finance and Business Operations (DCE FaBO) provided an overview.

The key points to note during this discussion were:

- There were minor movements in the month of April.
- The fiscal trends year-to-date continue and the report outlines this.
- There was a 22% reduction in spend on Contractors and Consultants during the month following the March 2024 Board request to bring this expenditure line down.
- The abnormal payroll compliance audit item will increase the year-end deficit.
- Levy revenue is still showing a favourable variance to budget and to forecast.
- Capex is over budget by 3.2m for the month.

The Board resolved to:

1. **note** the April year-to-date 2023/24 financial result.
2. **note** the full year forecast updated in April 2024 based on March 2024 results (last updated in March 2024 based on February 2024 results).
3. **note** the potential impact of issues identified by the payroll compliance audit.
4. **note** the intent to establish a long-term deposit prior to 30 June 2024 to ring-fence funding for payroll compliance remediation.
5. **note** the financial risks.
6. **provide** feedback on the further thresholds proposed for the three-year rolling capital budget framework.

3.2	9(2)(j)	DARRYL PURDY
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9(2)(j)

9(2)(j)

3.3

**FINANCIAL SUSTAINABILITY AND INVESTMENT COMMITTEE REPORT
BACK**

MURRAY COPPERSMITH

The Chair introduced the introduced FSIC report back and the FSIC Chair provided an overview of the report back and the May 2024 FSIC meeting.

The Board acknowledged the workload of the FSIC and requested that the Levy presentation given to the FSIC be added to the Resource Centre and presented to the Board at the July 2024 Board meeting.

The Board resolved to:

1. note the report of the meeting held on 16 May 2024.

Secretariat Actions:

1. Secretariat to add the Levy presentation from the May 2024 FSIC meeting to the Resource Centre for the Board.
2. Secretariat to arrange for the presentation of the Levy presentation given to the FSIC at their May 2024 meeting to the Board at their July 2024 meeting.
3. Secretariat to invite the FSIC Chair to the July 2024 Board meeting.

4.

ADMINISTRATION

4.1

INTERESTS REGISTER AND CONFLICTS OF INTEREST

CHAIR

There were no changes made to the Interests Register and no conflicts of interest raised.

4.2

MINUTES OF PREVIOUS MEETING – 24 APRIL 2024

CHAIR

The minutes of the April Board meeting on 24 April 2024 were approved.

4.3

REVIEW ACTION LOG

CHAIR

The action log was reviewed. Updates and closures were progressed as required.

5.	DECISION PAPERS	
5.1	ENABLING ACTIVITIES FOR 2024/25 STATEMENT OF PERFORMANCE EXPECTATIONS	KERRY GREGORY

The Chair introduced the Enabling Activities for 2024/25 Statement of Performance Expectations (SPE) paper and the CE provided an overview.

The key points to note during this discussion were:

- The Board will be presented with the SPE 2024/25 out-of-cycle on 24 June 2024 for approval. Once the Board has approved the SPE 2024/25 it will be submitted to the Minister for approval. The Minister has been actively engaged in the process of drafting the SPE 2024/25.
- Management are confident that the activities outlined in the Enabling Activities for SPE 2024/25 are achievable, can be measured and will add value to Levy Payers' money.

The Board:

- Asked if consideration was given to featuring the Tauranga Fire Station rebuild under Assets and Infrastructure. The CE advised that this had been discussed, but the decision was made to keep the section high-level, with the inclusion of the Parnell Fire Station rebuild as it is a large project and expense that will be delivered in this area in 2024/25.

The Board resolved to:

1. **note** that the Board will have an opportunity to consider the final draft 2024/25 SPE out of cycle on 24 June 2024.
2. **endorse** the draft 2024/25 enabling activities.

Management Action:

1. Management to ensure that the references to Aotearoa/Aotearoa New Zealand in the SPE 2024/25 and the Enabling Activities for 2024/25 SPE are consistent.

5.2	PUBLIC WORKS ACT LAND ACQUISITION – OMARAMA	KERRY GREGORY
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The Chair introduced the Public Works Act land acquisition – Omarama paper and the CE provided an overview.

The Board resolved to:

1. **note** that Fire and Emergency is negotiating to buy land adjacent to the Fire Station in Omarama, based on an independent valuation of market value.
2. **note** that an Agreement for Sale and Purchase of Real Estate will need to be entered into with either the Canterbury Regional Council (ECAN) or His Majesty the King acting by and through the Minister of Land Information, as appropriate for this purchase.
3. **approve** the acquisition of 1476 square metres of land at 26 and 30 Chain Hills Highway (State Highway 8) Omarama by mutual agreement under the PWA.
4. **approve** the agreements and associated land transaction documents giving effect to the acquisition will be executed on behalf of Fire and Emergency by the Deputy Chief Executive Organisational Strategy and Capability Development, to whom the Board has granted Power of Attorney.

5.3 ALL OF GOVERNMENT ELECTRICITY SUPPLIER UPDATE

KERRY GREGORY

The Chair introduced the All of Government electricity supplier update paper and the CE provided an overview.

The Board resolved to:

1. **note** that MBIE recommend Fire and Emergency New Zealand (Fire and Emergency) enter a new contract for electricity provision with Meridian Energy commencing 1 July 2025.
2. **note** the recommendation to engage Meridian Energy is commercially sensitive and has not yet been communicated to the supplier.
3. **approve** delegation to the CE to sign a contract with Meridian Energy against an annual upper limit of \$4,448,000 (\$4,043,228.90 plus 10% contingency) per annum over a four-year contract term commencing 1 July 2025.

5.4 NEW CODE OF CONDUCT

JANINE HEARN

The Chair introduced the new Code of Conduct (the Code) and the CE gave an opening statement advising that he was proud of the work that has gone into the development of the Code, and that it is a big step forward in the organisation's Eke Taumata programme.

The DCE People provided an overview.

The key points to note during this discussion were:

- The Code is a critical foundational document to the organisation's culture change journey and has been through extensive consultation and engagement with the Eke Taumata Internal Advisory Rōpū.

The Board:

- Acknowledged the work that has been put into the development of the Code and requested that it be recorded in the minutes that this is a great achievement and that the development process was gold standard and has resulted in all Fire and Emergency New Zealand personnel having ownership of the Code.
- Noted their concern around the number of external links included in the Code and asked management to ensure that when the Code is live, the links behind it are actively managed. The DCE People advised that management are working through how many of the resources within the Code will be placed outside of the organisation's firewall to enable personnel (particularly Volunteers) to access them without having to log in.
- Noted that a check sheet to bring the Code to a single page would be useful. The DCE People advised that there is a series of collateral being developed which will summarise the elements within the Code, however, the message in the Code is important to the organisation's culture change journey, thus personnel should not just rely on the summary.
- Noted that management should consider how they will track the difference the Code is making in reporting back. The DCE People advised that a comprehensive measurement framework is being developed for the organisation's culture change journey which will measure the success of the Code as well.

The Board resolved to:

1. **note** that the draft new Code was reviewed by the People and Culture Committee (PCC), and their feedback has been incorporated into the final version.
2. **note** that an extensive consultation process with our people has occurred, and a number of changes were made to the draft new Code as a result of that consultation process.
3. **note** that the draft new Code was reviewed by the Eke Taumata Internal Advisory Rōpū, workshopped with this group, and their feedback has also been incorporated into the final draft.
4. **note** that the Executive Leadership Team (ELT) have reviewed and approved the final version of the new Code which is now submitted to the Board for their approval.
5. **note** the implementation approach being taken to ensure our people understand the new Code and the obligations it places on them, and that it is embedded as a core foundational document to support our culture change journey.
6. **approve** the new Code as Fire and Emergency's single Code of Conduct.

5.5 DRAFT TRAINING STRATEGY

JANINE HEARN

The Chair introduced the Draft Training Strategy and the DCE People provided an overview.

The key points to note during this discussion were:

- The organisation needs a strategy to guide the future direction of its Training Function.
- The draft Training Strategy is not aspirational and does not provide a long-term vision, but it is a realistic, targeted strategy that outlines an achievable programme of work with specific deliverables.
- A three-year timeframe has been deliberately chosen.
- Parallel to the draft Training Strategy, the Service Delivery Design branch are working on the operational capability framework.

The Board:

- Acknowledged the work that has been put into the development of the draft Training Strategy.
- Advised that their expectations have not been met.
- Noted that the following points of view also need to be addressed in the Training Strategy:
 - Legal.
 - Maintaining the organisation's accreditation.
 - Health and Safety - *Keeping personnel safe and prepared.*
- Noted that they have no sense of what courses have been cancelled and what courses the organisation needs to deliver.
- Suggested that the Training Strategy should be treated like the Tertiary Education Commission (TEC) Board's investment plan process and should therefore reflect:
 - How confident the organisation is in the existing Training Function as a baseline.
 - The organisation's desired Training Function.



- How the organisation intends to achieve its desired Training Function across years one, two and three to deliver a return on the Board's investment and to give the Board the confidence that the organisation is delivering on the outcomes its Firefighters need.
- Noted that they would like to understand how much resource is needed and the fiscal impact of those resources.
- Requested an understanding of the interface between the People Strategy and the Training Strategy. The DCE People advised that the People Strategy is a five-year, comprehensive strategy which will outline the future people environment.

The Board resolved to:

1. **note** that the Strategy is a three-year strategy, focused on establishing an effective training system for the future and driving the training improvement programme necessary to ensure Fire and Emergency New Zealand (Fire and Emergency) have an effective, fit-for-purpose Training System for the delivery of operational training.
2. **note** that the development of a comprehensive five-year People Strategy which will incorporate learning and development, is planned for the coming year, which will negate the need for a separate Training Strategy in the future.
3. **Provide comment** on the Strategy to support the finalisation of the Strategy to guide Fire and Emergency's focus on lifting training performance and effectiveness, better aligning it with organisational needs and priorities, and positioning the Training Function for the future.

Management Actions:

1. Management to connect with the PCC sub-committee Chair offline to discuss further refinements to the draft Training Strategy.
2. Management to amend the draft Training Strategy as per the feedback from the Board and present the amended version back to the Board at a future Board meeting.
3. Management to consider how to articulate course information (cancellations and requirements) to the Board.

5.6	UNITED FIRE BRIGADES' ASSOCIATION'S BUSINESS PLAN FUNDING PROPOSAL FOR 2024/25 FINANCIAL YEAR	BRYAN DUNNE
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The Chair introduced the United Fire Brigades' Association's (UFBA) business plan funding proposal for 2024/25 financial year and the DCE Office of the Chief Executive (OCE) provided an overview.

The Board:

- Requested that it be reiterated to the UFBA that the organisation is currently facing a large fiscal challenge. The CE advised that he wrote to the UFBA Chief Executive Officer (CEO) today (31 May 2024) reiterating the organisation's need to be fiscally responsible.
- Suggested that consideration should be given to evolving the partnership the organisation has with the UFBA from a fiscal pressures point of view.
- Noted that the UFBA do have sponsorship elsewhere, and that the non-core Conference and Events category is secondary to the other core categories.

The Board resolved to:

1. **note** the UFBA submitted its 2024/25 business plan and requested funding of \$4,699,872.
2. **note** 9(2)(j)
3. 9(2)(j)
4. **approve** Fire and Emergency New Zealand's (Fire and Emergency) funding contribution to the UFBA for 2024/25, as \$4,086,289.
5. **delegate** the Chief Executive (CE) to sign the procurement documentation.
6. **delegate** authority to the CE to sign the 2024/25 Conditional Grant Agreement (CGA).

5.7	UNITED FIRE BRIGADES' ASSOCIATION QUARTER THREE REPORT	BRYAN DUNNE
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The Chair introduced the United Fire Brigades' Association Quarter Three Report and the DCE OCE provided an overview.

The key point to note during this discussion was that reporting indicates that the UFBA are tracking closer to budget.

The Board asked if management are concerned about the UFBA's overspend in advocacy services. The CE advised that he intends to have a funding conversation with the UFBA as a result of the correspondence sent to the UFBA CEO today (31 May 2024) reiterating the organisation's need to be fiscally responsible, but that the overspend is not currently a concern.

The Board resolved to:

1. **note** that the UFBA's Quarter Three report has been received and analysed by Fire and Emergency New Zealand (Fire and Emergency).
2. **note** that management have confirmed that the UFBA Quarter Three report meets the UFBA's reporting obligations to the Board under the 2023/24 CGA.
3. **approve** a written response from Fire and Emergency to the UFBA acknowledging the contents of the report.

5.8	INSURANCE RENEWAL FOR 2024/25 AON PREMIUMS	DARRYL PURDY
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The Chair introduced the Insurance Renewal for 2024/25 Aon Premiums paper and the DCE FaBO provided an overview.

The key point to note during this discussion was that Fire and Emergency are part of a cluster of Government agencies for the purpose of insurance renewals.

The Board resolved to:

1. **approve** payment of the insurance renewal premiums and statutory charges of up to 9(2)(j) (excl GST).
2. **delegate** authority to the CE to make the payment.
3. 9(2)(j)

5.9	LOCAL ADVISORY COMMITTEE SHORTLISTING DECISION	AMIT PRASAD
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The Chair introduced the Local Advisory Committee (LAC) Shortlisting Decision paper and the Evaluation and Appointments Committee (EAC) Chair provided an overview.

The key points to note during this discussion were:

- If someone was appointed as an LAC member and then became a Board member on a Fire and Emergency relevant organisation, the appointee would need to disclose the conflict of interest and demonstrate their ability to gauge and understand the nature of the conflict by showing the Board how they intend to mitigate the conflict before a formal decision is made.
- In the 9(2)(a) LAC applicant's case, following legal advice, the EAC agreed that the conflict was so demonstrable that the risk could not be mitigated.

The Board suggested that LAC application and recruitment processes could more explicitly consider certain conflict of interest scenarios to assist would-be applicants to self-screen.

A member of the Board departed at 12pm.

The Board resolved to:

1. **note** progress with appointments to the Waikato, Taranaki, Nelson-Tasman, Southland and Hawke's Bay Local Advisory Committees.
2. **note** the Evaluation and Appointment Committee's delegations to shortlist and make recommendations for appointment to Local Advisory Committees.
3. **note** considerations around 9(2)(a) appointment as a Local Advisory Committee member.
4. **approve** the decision to not shortlist 9(2)(a) for the 9(2)(a) Local Advisory Committee.
5. **note** the proposed next steps.

In addition to the recommendations in the paper, the Board resolved to:

1. **agree** that the correspondence to the unsuccessful 9(2)(a) LAC applicant should come from the EAC Chair.
2. **agree** that the Deputy Board Chair should call the 9(2)(a) about the unsuccessful 9(2)(a) LAC applicant on a "no surprises" basis.

Management Actions:

1. Management to explore whether the Board has the power to ask LAC members to stand down if they cannot satisfactorily demonstrate how they intend to manage conflicts of interest that arise after their appointment to an LAC.
2. Management to provide advice to bring back to the July 2024 Board meeting on:
 - a) the future management of conflicts of interest through the LAC application and recruitment processes (particularly around Union and Association memberships) including what guidance or policies need to be put in place.
 - b) the Board's LAC appointment terms and conditions.
3. Management to draft correspondence to the unsuccessful 9(2)(a) LAC applicant for the EAC Chair's consideration.



9(2)(j)

9(2)(j)

9.3 EVENTS

CHAIR

The Board reviewed the events table at 12:30pm.

The EAC Chair advised that he is attending the Matariki - Hautapu Ceremony on 27 June 2024.

The Chair requested that Board members consider their availability to attend the events outlined in the table.

7.	DEEP DIVES	
7.1	SHW DEEP DIVE – ACCIDENT, INCIDENT, NEAR MISS REPORTING AND INVESTIGATION SYSTEMS	JANINE HEARN/ APRIL CHRISTIE

The Chair welcomed the NM Safety, Health and Wellbeing (SHW) to the meeting at 12:31pm. The DCE People provided the following introductory comments:

- This is the first deep dive that the SHW team will take the Board through to provide them with insights into the organisation's SHW systems.
- The deep dive was trialled at the May People and Culture Committee (PCC) meeting.
- The SHW team will follow the same format with future deep dives to the Board, alternating between the organisation's critical risks and SHW systems.

The NM SHW gave the Board a presentation titled SHW Deep Dive: Accident, Incident, Near Miss Reporting and Investigation Systems overview. The presentation can be found in the Resource Centre.

The Board:

- Noted that Unions and Associations should always be engaged as part of investigation processes.
- Asked what action is immediately taken to ensure that while a Level 2 Investigation is being conducted, that the same event does not happen again. The NM SHW advised that the SHW team are considering improvements to the investigation process now. The CE advised that the assessment phase is the most important phase in the system and involves reflecting on the event that has taken place and what needs to be implemented immediately to prevent it from happening again.
- Asked if there is a notification through the Safe@Work (Risk Manager) mobile app. The NM SHW advised that the app is under development and is yet to be set up, which is why the SHW team are monitoring the Safe@Work system and following up as required.

6.	NOTING PAPERS	
6.1	LEVY PUBLIC CONSULTATION FEEDBACK SUMMARY	JIM STUART-BLACK/ DARRYL PURDY



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The Chair welcomed the Acting DCE Organisational Strategy and Capability Development (OSCD) and the FSIC Chair to the meeting at 1:07pm.

The Acting DCE OSCD presented the Levy Public Consultation Feedback Summary and the DCE FaBO presented the Part 3 levy financial projections. These presentations can be found in the Resource Centre.

The Board:

- Asked if management are confident the funding allocated to different areas will be spent. The DCE FaBO advised that the allocated funding is based on the organisation's current expenditure level and spending it will be possible by focusing on initiatives and delivering them within the timeframes set out under the scope agreed. The Training Function and the capability of frontline personnel requires an uplift.
- Noted the element of volatility in revenue and the contingent liabilities that the organisation is not fully aware of yet.
- Encouraged transparent communication with Minister and DIA.

A member of the Board departed at 1:30pm.

The Board resolved to:

1. **note** the updated financial forecasts for the 2026/27 to 2028/29 levy period including the increased capital expenditure and training forecasts.
2. **approve** the updated financial forecasts for the 2026/27 to 2028/29 levy period to be provided to the Department of Internal Affairs and the Minister of Internal Affairs.

Board Action:

1. The Deputy Board Chair will consult the other members of the Board on the 'Part Three Levy Board Briefing Paper' and implications and advise the Chief Executive of the Board's recommended actions no later than the afternoon of 4 June 2024.

8.	REPORTING	
8.1	CHIEF EXECUTIVE'S REPORT	KERRY GREGORY

The Chair introduced the CE's report and the CE provided an overview.

The key points to note during this discussion were:

- Since the May 2024 CE's report was written, the Volunteer Student Army Chief Executive role has been disestablished. The CE will now attend a rescheduled meeting with the Volunteer Student Army Head of Operations.
- The organisation deployed a six-person contingent to Papua New Guinea on 30 May 2024 to assist with the devastation caused by the major landslide event.
- Urban Search and Rescue NZL-01 achieved their International Exercise Reclassification this week and maintains classification as a Heavy USAR team.

The Board acknowledged the utilisation of Fair Way's service offerings from Fire and Emergency personnel. And would be interested to review the statistical data when it becomes available.

8.2	SAFETY, HEALTH AND WELLBEING REPORT	JANINE HEARN
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The Chair introduced the SHW report and the DCE People advised that the report could be taken as read.

IN CONFIDENCE

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8.3	PEOPLE AND CULTURE COMMITTEE REPORT BACK	CHAIR
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The Chair introduced the PCC report back and advised that the report could be taken as read.

The Board resolved to:

1. **note** the report of the meeting held on 6 May 2024.

9.	GENERAL BUSINESS AND CLOSING	
9.1	KEY MESSAGES	CHAIR

No key messages were shared.

9.2	CORRESPONDENCE	CHAIR
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The Board reviewed the incoming and outgoing correspondence.

9.4	GENERAL BUSINESS	CHAIR
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The CE provided an overview of the key themes outlined in the Minister's Letter of Expectations to the Board for 2024/25 which can be found in the Resource Centre. A response is in the process of being drafted which will come to the Deputy Board Chair for sign out.

The Minister has requested to attend the next Board meeting in Hamilton on 25-26 July 2024. A proposal for this meeting will be presented to the Board in due course.

The meeting was closed at 2:45pm with a joint karakia.

Next Meeting: Thursday 25 – Friday 26 July 2024



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MEETING DETAILS	
Committee <i>Komiti</i>	Board
Date <i>Rangi</i>	Monday, 24 June 2024
Time <i>Wā</i>	2:00pm – 3:00pm
Location <i>Wāhi</i>	NHQ 7.4W Matawai / MS Teams

ATTENDEES	
Chairperson <i>Tiamana</i>	Hon Ruth Dyson QSO (Acting)
Committee Members <i>Ngā mema</i>	<ul style="list-style-type: none"> • Belinda Clark QSO • Mary-Anne Macleod • Amit Prasad • Danny Tuato'o • Mary-Anne
Standing Attendees <i>Ērā atu</i>	<ul style="list-style-type: none"> • Kerry Gregory, Chief Executive • Darryl Purdy, Deputy Chief Executive, Finance and Business Operations • Sarah Sinclair, Deputy Chief Executive, Organisational Strategy and Capability Development • Murray Coppersmith, Financial Sustainability and Investment Committee Chair • Emma Coats, National Manager Board and Ministerial Services • Sophie Pugsley (Secretariat)
Apologies <i>Ngā whakapāha</i>	<ul style="list-style-type: none"> • Rebecca Keoghan MNZM • Bryan Dunne, Deputy Chief Executive, Office of the Chief Executive



2:00PM	OPENING KARAKIA	
1.	DECISION/NOTING PAPERS	
1.1	FINAL STATEMENT OF PERFORMANCE EXPECTATIONS 2024/25 / MOVEMENT FROM APRIL 2024 SPE (PROVISIONAL) TO UPDATED SPE (PROPOSED)	SARAH SINCLAIR / DARRYL PURDY

Final Statement of Performance Expectations 2024/25 (SPE)

The Chair introduced the SPE and the Deputy Chief Executive Organisational Strategy and Capability Development (DCE OSCD) provided a summary of the paper and the SPE.

The Board:

- Asked if management thought that the outcomes of what Fire and Emergency New Zealand (Fire and Emergency) are trying to achieve was reflected in the updated SPE. Management confirmed that they did.
- Expressed confusion about both the Chair and the Deputy Chair signing out the foreword.
- Sought confirmation that the Minister's request to decrease the public contribution amount to eight million has been factored into forward years. This was confirmed.

9(2)(j)

9(2)(j)

The Board resolved to:

1. **approve** the 2024/25 Statement of Performance Expectations (SPE) (Appendix A).
2. **note** the steps to release the SPE.
3. **approve** the draft SPE to be updated to reflect the recalculated payroll non-compliance accrual estimate with a footnote to reflect the amended divisor.

Movement from April 2024 SPE (provisional) to updated SPE (proposed)

The Chair introduced the SPE and the DCE FaBO provided a summary of the paper.

The Board resolved to:

1. **note** the comparison tables and variances as outlined.

Management actions:

1. Management to delete the duplicated word under *Our long-term indicators* on page 25 of the draft SPE.
2. Management to amend the spelling of the word **all** under *Our long-term indicators* on page 25 of the draft SPE.

1.2 PART 3 LEVY SUMMARY OF CONSULTATION REPORT FOR PUBLIC RELEASE

SARAH SINCLAIR

The Chair introduced the Part 3 Levy Summary of Consultation report for public release paper and the DCE OSCD provided a summary of the paper.

The DCE OSCD advised the Board that the version of the report going to the Minister this week will be the draft design version and that that final design version will be published online in July 2024 subject to the Minister's agreement.

The Board:

- Asked if management have visibility of the policy proposals that the DIA are recommending to the Minister. The DCE OSCD advised that management have requested visibility of these proposals but have not received them.
- Referred to page three of the paper and noted that the timeline is inaccurate. The DCE OSCD advised that the Minister's decision-making has been pulled forward, but that the formal consultation and Cabinet times remain valid.

The Board resolved to:

1. **note** the findings from the consultation undertaken on the Stage 3 Levy from 8 April – 17 May 2024.
2. **approve** the public release of the consultation summary document subject to the Minister's agreement.
3. **note** that Fire and Emergency New Zealand (Fire and Emergency) is supporting the Department of Internal Affairs (DIA) to develop final policy proposals for Ministerial consideration.
4. **note** the timeframe for completion of this work.



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Management actions:

1. Management to amend recommendation two in the paper to include *subject to the Minister's agreement*.
2. Management to amend the heading *Our consultation was successful* on page six of the report to *High engagement*.
3. Management to remove the dollar signs from one of the tables.

2.	GENERAL BUSINESS AND CLOSING	
2.1	GENERAL BUSINESS	SARAH SINCLAIR

The Board considered their approach to the next engagement with the Minister at the July 2024 Board on 26 July 2024. The CE outlined the high-level concept of previous Board/Minister engagements, involving the Minister speaking for 10 minutes followed by Board questions and then the Board progressing with their agenda with the Minister in attendance.

Management action: Management to be strategic about the order of agenda items at the Board meeting on 26 July 2024 and to consider the approach to the organisation's current, key issues.

The meeting was closed at 2:45pm with a karakia.

Next Meeting: Thursday 25 – Friday 26 July 2024



OUT-OF-CYCLE MINUTE – PART 3 LEVY

On 14 June 2024, the following minute of the out-of-cycle Board meeting on 3 June 2024 was ratified by the Board:

Part 3 Levy

Apologies: Rebecca Keoghan, Board Chair

The Board met out of cycle on 3 June 2024 to further discuss the updated Part 3 levy modelling presented to the Board at its meeting on 31 May 2024.

The Board discussed the volatile nature of the Fire and Emergency funding stream, and the known risks that could present significant fiscal challenges in the near future, including:

- *The Capital asset programme and state of Fire and Emergency's current assets*
- *Eke Taumata*
- *Health standards*
- *HRIS/Payroll*
- *NZPFU negotiations*
- *Training Strategy.*

In the context of the above known risks; the efficiency and financial sustainability programmes of work underway; and expenditure control measures that the Board have put in place, the Board discussed the levy increase required to ensure Fire and Emergency's long-term financial viability.

The Board resolved to:

1. **note** the updated part 3 levy modelling presented to the Board for its meeting on 31 May 2024 and further information provided by Murray Coppersmith.
2. **agree** to recommend to the Minister of Internal Affairs a levy increase of 2.2%.

MEETING DETAILS	
Committee <i>Komiti</i>	Board
Date <i>Rangi</i>	Friday, 26 July 2024
Time <i>Wā</i>	8:00am – 3:00pm
Location <i>Wāhi</i>	Te Hiku Region Headquarters

ATTENDEES	
Chairperson <i>Tiamana</i>	Rebecca Keoghan MNZM
Committee Members <i>Ngā mema</i>	<ul style="list-style-type: none"> Hon Ruth Dyson QSO (Deputy Chair) Belinda Clark QSO (<i>departed at 2:15pm</i>) Mary-Anne Macleod Amit Prasad Danny Tuato'o
Standing Attendees <i>Ērā atu</i>	<ul style="list-style-type: none"> Executive Leadership Team Sophie Pugsley (Secretariat)
Other Attendees <i>Ērā atu</i>	<ul style="list-style-type: none"> Hon Brooke van Velden, Minister of Internal Affairs (<i>item 2.1 and 2.2</i>) Suzanne Doig, Deputy Chief Executive, Department of Internal Affairs (<i>item 2.1 and 2.2</i>) Abigail Johnson, Advisor to Minister of Internal Affairs (<i>item 2.1 and 2.2</i>) Lara Ariell, Independent HRIS/Payroll Advisor to the Board (<i>items 2.5, 3.1 and 3.2</i>) (<i>via MS Teams</i>) Carmel Ali, HRIS and Payroll Replacement Programme Sponsor (<i>items 3.1 and 3.2</i>) (<i>via MS Teams</i>) Meena Patel, National Manager Assurance and Risk (<i>items 3.1 and 3.2</i>) (<i>via MS Teams</i>) Murray Coppersmith, Financial Sustainability and Investment Committee Chair and Audit and Risk Committee Chair (<i>items 3.1, 3.2, 7.1 – 7.4</i>) (<i>via MS Teams</i>) Sarah Dwen, Chief Legal Advisor (<i>item 4.2</i>) (<i>via MS Teams</i>) Chantel Kokich, Manager Levy (<i>item 5.1</i>) (<i>via MS Teams</i>) Stephanie Beswick, Senior Levy Analyst (<i>item 5.1</i>) (<i>via MS Teams</i>) Lynley Lewis, Advisor Governance (Observer)
Apologies <i>Ngā whakapāha</i>	Piki Thomas, Deputy Chief Executive Kaupapa Māori and Cultural Communities

8:00AM	OPENING KARAKIA	
1.	CLOSED SESSIONS	
1.1	BOARD ONLY TIME	CHAIR

The Board met in closed session from 8:00am to 9:00am.

2.	EXTERNAL ENGAGEMENTS/CLOSED SESSIONS	
2.1 - 2.2	ENGAGEMENT WITH THE MINISTER OF INTERNAL AFFAIRS	CHAIR

The Board met in closed session with the Minister of Internal Affairs (the Minister), Advisor to Minister of Internal Affairs and the Deputy Chief Executive (DCE) of the Department of Internal Affairs (DIA) from 9:00am to 10:15am.

Management actions:

1. Management to form a working group to be led by the DCE Finance and Business Operations to develop a \$60m savings plan for the levy period 2026-2029.
2. Management to facilitate a property deep dive at a Board meeting before the end of 2024.

Secretariat action: Secretariat to invite the Minister to all future Board meetings for the first hour of the meeting.

2.3	BOARD AND CHIEF EXECUTIVE ONLY TIME	CHAIR
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The Board met in closed session with the Chief Executive (CE) from 10:30am to 11:20am.

2.3	BOARD, CE, AND BOARD INDEPENDENT HRIS/PAYROLL ADVISOR ONLY TIME	CHAIR
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The Board met in closed session with the Independent HRIS/Payroll Advisor to the Board from 11:20am to 11:40am.

3.	HRIS UPDATES	
3.1	HRIS AND PAYROLL REPLACEMENT PROGRAMME UPDATE	KERRY GREGORY

A member of the Board recited an opening karakia.

The Chair welcomed the Executive Leadership Team (ELT), National Manager Assurance and Risk (NM AAR), HRIS and Payroll Replacement Programme Sponsor, Financial Sustainability and Investment Committee (FSIC) Chair and the Board Secretariats to the meeting at 11:45am.

The CE introduced the HRIS and Payroll Replacement Programme (the Programme) update.

The key points to note during this discussion were:

- The Big Room event has now taken place.
- 9(2)(f)(iv) [REDACTED]
- To enable calculations to be undertaken in the new system one years' worth of data must be migrated.
- The new system will automate many remedial calculations.
- The new system enables back pays to be broken down.

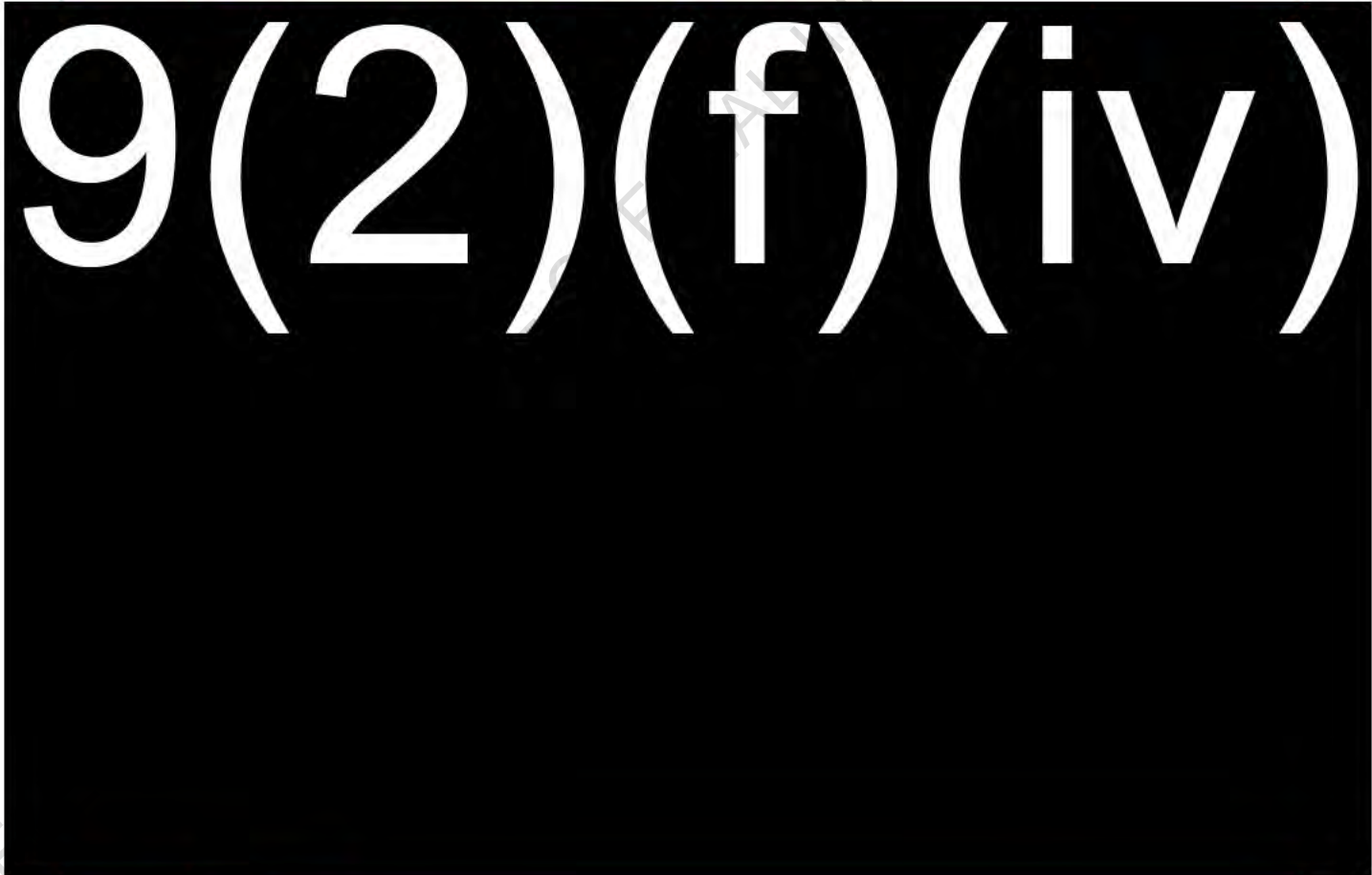


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- Work has commenced with Treasury on the Business Case. The Business Case will also need to consider Cabinet Office Circular CO (23) 9. Work is underway to understand how the circular fits into the programme’s existing procurement timeline.
- The CE expects to receive a recommendation to progress negotiations with the new Provider in the coming weeks.
- The Programme’s current focus is on:
 - Final contract negotiations.
 - Submitting the final recommendations to the Board for approval with the updated Business Case.
 - Data migration.

The HRIS and Payroll Replacement Programme Sponsor and the NM AAR departed the meeting at 11:50am.

3.2	DEPENDENCIES BETWEEN HRIS AND PAYROLL REPLACEMENT PROGRAMME AND PAYROLL COMPLIANCE PROJECT	JANINE HEARN
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4.	REPORTING	
4.1	CHIEF EXECUTIVE’S REPORT	KERRY GREGORY

The Chair introduced the CE’s report and the CE provided an overview of the report.



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The key points to note during this discussion were:

- The most recent Pulse Survey focused on Safety, Health and Wellbeing (SHW) had a 25% response rate. A range of methods have been explored to encourage Volunteers to participate. A Volunteer Voice Panel is being established and will be made up of a range of Volunteers across the organisation who will represent the Volunteer voice as future programmes and initiatives are developed. ELT have considered whether the organisation is at risk of creating survey fatigue and have agreed to run surveys for another year.
- Since the report was written:
 - The Select Committee hearing has now been confirmed as taking place on 28 August 2024.
 - Six Incident Management Team members deployed for British Columbia on 21 July 2024 to support the Canadian wildfires response.

The Board:

- Acknowledged the new format of the report and noted that it addressed what they had asked for.
- Noted the volume of projects and programmes going on across the business and reinforced the need to keep capability forefront of mind.
- Expressed concern about the key issues raised at the meeting between the Acting Board Chair and New Zealand Professional Firefighters Union (NZPFU) on 9 July 2024.
- Sought clarification on the KiwiSaver compulsory employer contributions issue.

The Board asked:

- Who is on the External Māori Advisory Rōpū.
- If the Eke Taumata six-monthly report to the Minister can become an annual report to the Minister. The Board were advised that it must be a six-monthly report for the next three years and that there is benefit in the six-monthly report as it is also published internally and keeps the organisation focused on its culture change journey.
- If the Local Advisory Committee (LAC) boundaries could be amended to align with District boundaries. The Board were advised that when the LAC boundaries were being set, the decision by the then Board was to align them with Civil Defence Emergency Management Group boundaries. The Fire and Emergency New Zealand (Fire and Emergency) Act provides guidance as to how to set the boundaries, but there is provision for the Board to make decisions based on efficiencies, noting the knock-on effect that moving the boundaries would have on (e.g.) Fire Plans.

- 9(2)(j)

Management actions:

3. Management to confirm with the NZPFU Secretary that the Official Information Act request from the NZPFU regarding Board interactions with the Minister has been delayed, not declined.
4. Management to circulate the correspondence that has been distributed regarding the KiwiSaver compulsory employer contributions issue to the Deputy Board Chair, together with how many people are impacted by the issue.

Secretariat action: Secretariat to send the External Māori Advisory Rōpū membership to the Board.

4.2

9(2)(h)

BRYAN DUNNE /
SARAH DWEN

9(2)(h)

4.3

QUARTER FOUR SAFETY, HEALTH, AND WELLBEING REPORTS

JANINE HEARN

The Chair introduced the Quarter four(Q4) SHW reports and the DCE People provided an overview of the reports.

The key points to note during this discussion were:

- WorkSafe have advised that they are satisfied with the information provided to them regarding the Firefighter that sustained a burn during live fire training in March 2024 and have closed their case.
- The first critical risk deep dive of 2024 is taking place at the People and Culture Committee (PCC) meeting on 5 August 2024 on the topic of psychological wellbeing. If the PCC are satisfied with this deep dive it will be presented to the Board at their August 2024 meeting.



The Board:

- Noted that the maturity of the SHW reports is growing and reminded management to include context and any preventative actions in place behind figures in future reports.
- Sought to understand the reason behind the injury compensation processing backlog and were advised that there were various compounding factors which will be included in the next SHW report to the Board.
- Asked what the organisation’s contact is with the families of the fallen Muriwai Firefighters. The Board were advised that management is considering the appropriate level of communication with the families following the wrap up of the corrective actions and the commencement of the coronial inquest. Furthermore, management acknowledged the impact that the coronial inquest may have on some Fire and Emergency personnel as some of those that will be involved were also involved in the 2023 Loafers Lodge incident. Management will ensure that the right support is readily available to personnel in anticipation of the coronial inquest commencing.

4.4	REGULATORY COMPLIANCE BRIEFING	DR STEPH ROTARANGI
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The Chair introduced the Regulatory Compliance briefing and the DCE Service Delivery Design provided an overview of the briefing.

The key points to note during this discussion were:

- A review of existing guidance, policies and templates is being undertaken to ensure they are fit for purpose.
- The Āwhina platform will assist with reporting and triaging.
- Temporary and emergency accommodation is a current, whole of Government priority.

The Board

- Noted that regulatory compliance is a foundational priority for the organisation.
- Noted that they would like to understand where the organisation would like to be as a Regulator and in relation to Regulatory Stewardship, and would like to see a plan on how that ambition can be achieved.

The Board resolved to:

1. **note** that work is in progress to minimise the risk of the effectiveness of Fire and Emergency’s regulatory functions being challenged.

Management actions:

1. Management to formulate a plan (including a timeline and fiscal requirements) with the ARC around where the organisation is as a Regulator versus where the organisation would like to be as a Regulator.

5.	PRESENTATION	
5.1	HOW LEVY IS CALCULATED AND INCURRED – BASIS, RISKS, ISSUES	CHANTEL KOKICH / STEPHANIE BESWICK

The Chair welcomed Levy Manager and Senior Levy Analyst to the meeting at 1:52pm. The Levy Manager and Senior Levy Analyst presented the *How Levy is calculated and incurred* presentation to the Board.

6.	ADMINISTRATION	
6.1	INTERESTS REGISTER AND CONFLICTS OF INTEREST	CHAIR

There were no changes made to the Interests Register and no conflicts of interest raised.

6.2	MINUTES OF PREVIOUS MEETING – 31 MAY 2024/24 JUNE 2024	CHAIR
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The minutes of the May Board meeting on 31 May 2024 were approved.

The minutes of the out-of-cycle June Board meeting on 24 June 2024 were approved subject to one minor amendment.

6.3	REVIEW ACTION LOG	CHAIR
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The action log was reviewed. Updates and closures were progressed as required.

Secretariat action: Secretariat to transfer action B088 to the PCC action log.

7.	FINANCE/AUDIT ITEMS	
7.1	FINANCE REPORT (JUNE 2024)	DARRYL PURDY

The Chair introduced the June 2024 Finance report which the Board took as read without discussion.

The Board resolved to:

1. **note** the interim June full year 2023/24 financial result against budget.
2. **note** the June full year 2023/24 financial result against the forecast as at May 2024.
3. **note** financial results for the year ended 30 June 2024 are subject to audit by Audit New Zealand (Audit NZ).

7.2	AUDIT AND RISK COMMITTEE REPORT BACK	DARRYL PURDY
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The Chair welcomed the FSIC/ARC Chair to the meeting at 2:20pm for the ARC report back. The ARC Chair provided an overview of the report back.

The Board resolved to:

1. **note** the report of the meeting held on 24 June 2024.

7.3	FISCAL RESPONSE PLAN AND PLANNING OPTIONS	DARRYL PURDY
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The Chair introduced the Fiscal Response Plan (FRP) and Planning options paper. The CE provided some introductory comments.

The key points to note during this discussion were:

- The paper follows the initial FRP and planning options paper included in the May 2024 Board meeting pack.
- The FRP has resulted from the Board wanting to ensure the organisation is ready if there is a sudden decrease in the levy. This is separate from the Minister's expectation of the organisation to produce a savings plan.



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- The FRP will continue to be refined and improved and is likely to be resubmitted to the Board in a quarter's time.

The Board noted that management have considered what could move into the savings plan from table two in the paper and have considered how to give effect to those savings.

The Board resolved to:

- note** the updates to the FRP.
- refer** recommendation two: Ratify the implementation of \$10 million cost savings items for FY 2024/25 set out in Table 2 as proposed to the Minister by the Deputy Chair on 13 June 2024 to the FSIC for consideration at their August 2024 meeting.

Management actions:

- Management to refer recommendation two: *Ratify the implementation of \$10 million cost savings items for FY 2024/25 set out in Table 2 as proposed to the Minister by the Deputy Chair on 13 June 2024 to the FSIC for consideration at their August 2024 meeting.*
- Management to provide the Board with an overview of the interrelationships between the three fiscal envelopes 9(2)(j) the \$10m commitment to the Minister and the \$60m cost savings plan) through a paper to the FSIC at their August 2024 meeting.

7.4	AUDIT NEW ZEALAND FRAUD QUESTIONNAIRES 2023-2024	DARRYL PURDY
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The Chair introduced the Audit NZ fraud questionnaires 2023-2024 which the Board took as read without discussion.

The Board resolved to:

- note** the Audit NZ questions, to those charged with governance, are to the Chair of the Board and the Chair of ARC.
- note** the Audit NZ questions, to management, are to the CE, Chief Financial Officer (CFO) and the National Manager Assurance and Risk.
- note** that the ARC has endorsed the completed questionnaires for submission to the Board.
- note** the questions and draft responses for Chair of the Board in **Appendix 1**.
- approve** submitting these responses to Audit NZ.

The FSIC/ARC Chair departed the meeting at 2:38pm.

8.	DECISION PAPERS	
8.1	QUARTERLY PERFORMANCE SUMMARY DASHBOARD FOR QUARTER FOUR 2023/24	SARAH SINCLAIR

The Chair introduced the Quarterly Performance Summary Dashboard for Q4 2023-2024 (the Dashboard).

The Board resolved to:

- note** the off-track measures, and proposed approach to providing explanations in the Annual Report and developing refreshed measures in future performance documents.
- approve** the Dashboard to be provided to the Minister and the Crown Entity Monitoring team at the DIA subject to management ensuring the Dashboard is succinct, clear and that there is no ambiguity

around the numbers and *the Committee* being amended to *the Evaluation and Appointments Committee* under Partnership and Engagement.

Management action: Management to ensure the Dashboard is succinct, clear and that there is no ambiguity around the numbers and *the Committee* being amended to *the Evaluation and Appointments Committee* under Partnership and Engagement.

8.2	2023/24 ANNUAL REPORT STRUCTURE AND KEY DATES	SARAH SINCLAIR
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The Chair introduced the 2023/24 Annual Report (the report) structure and key dates paper.

The Board requested that a section be added to the report on risks, challenges and opportunities and that this is also reflected throughout the wider report.

The Board resolved to:

1. **note** the drivers for improvements, high-level structure and key dates for the 2023/24 Annual Report.
2. **note** that the 2023/24 Annual Report will report progress against the 2023/27 Statement of Intent and the 2023/24 Statement of Performance Expectations (SPE).
3. **agree** to include new information from the 2024/25 SPE in the 2023/24 Annual Report to ensure there is measurement information for each output as recommended by Audit NZ.

Management action: Management to include risks, challenges and opportunities as a section to the report and to ensure this is reflected throughout the wider report.

8.3	FIRESUPER DIRECTOR APPOINTMENT RECOMMENDATION	BRYAN DUNNE
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The Chair introduced the FireSuper Director appointment recommendation paper.

The Board resolved to:

1. **reappoint** Angela Hauk-Willis as a Director of FireSuper Trustee Ltd for a further two-year term with effect from 1 August 2024, subject to Ms Hauk-Willis' consent to appointment.
2. **note** the Chair will write to:
 - a) Ms Hauk-Willis asking her to indicate her consent to appointment for a further term, and confirming that the conditions of her appointment, including Director remuneration, are otherwise unchanged.
 - b) Denis Fitzmaurice, Chair of the FireSuper Trustee's Board, advising of the reappointment of Ms Hauk-Willis for her further two-year term and asking to arrange the necessary Companies Office formalities to record it.
 - c) Ms Hauk-Willis confirming her appointment and relevant terms once the Board has received her consent to the appointment and confirmation of conditions (2a).
3. **agree** that Fire and Emergency Office of the Chief Executive will formulate a **recruitment** plan and methodology for the appointment of future Board appointed FireSuper Trustee Ltd Directors.
4. **authorise** the CE of Fire and Emergency or their delegate to identify suitable candidates for future Director vacancies.
5. **delegate** to the Board Chair the authority to initiate recruitment of Director/s when required.

Management action: Management to draft and send the letters outlined in recommendation two regarding FireSuper Director appointments on behalf of the Board Chair.

8.4

APPOINTMENT RECOMMENDATIONS FOR LOCAL ADVISORY COMMITTEES

BRYAN DUNNE

The Chair introduced the LAC appointment recommendations paper for members of the new LACs in Waikato, Taranaki, Nelson-Tasman, Southland, additional members for Hawke's Bay LAC, and the West Coast LAC Deputy Chair.

The Evaluation and Appointments Committee Chair acknowledged the work done by the people involved in the appointments process and emphasised that testing applicants' commitment, capacity and demand was a critical part of the process.

The Board resolved to:

1. **approve** the members recommended for appointment and terms outlined in **Appendix B**.
2. **approve** the Chairs and Deputy Chairs recommended in **Appendix B** for three-year terms from 1 September 2024 to 31 August 2027.
3. **approve** the appointment of Christopher Rea as Deputy Chair of the West Coast LAC from 1 August 2024 to 9 April 2026.

8.5

PROGRESS ON STRENGTHENING LOCAL ADVISORY COMMITTEE FUNCTIONS

BRYAN DUNNE

The Chair introduced the Progress on strengthening LAC functions paper.

The DCE Office of the Chief Executive advised an evaluation process is being scoped to assist with testing the effectiveness of the existing LACs and that this will be completed before all of the appointments to the remaining LACs are confirmed.

The Board agreed that this paper should be withdrawn, the information in the paper relating to screening for Conflicts of Interest should be checked and the paper should be resubmitted for the August 2024 Board meeting.

Management action: Management to check the information in the paper relating to screening for Conflicts of Interest and resubmit it for the August 2024 Board meeting.

8.6

APPROVAL OF A CONTRACT VARIATION REGARDING HYDRAULIC ROAD RESCUE EQUIPMENT

SARAH SINCLAIR

The Chair introduced the approval of a contract variation regarding hydraulic road rescue equipment paper which the Board took as read without discussion.

The Board resolved to:

1. **note** contract NP 2550 is subject to a valid exemption from open advertising (retrospective) under the Government Procurement Rules (**Appendix 1**).
2. **note** the contract includes an annual price review that is driven by pricing increases from the original equipment manufacturer (OEM) and freight and distribution cost escalations.
3. **approve** a variation providing for a one-year right of renewal of the NP 2550 contract for Hydraulic Road Rescue Equipment from 1 August 2024 to 31 July 2025 for equipment purchase in April/May 2025 (delivery FY2025/26).

4. **note** a one year right of renewal of the NP 2550 contract from 1 August 2024 to 31 July 2025 has a Whole of Life Cost (WOLC) of 9(2)(j)
5. **delegate** financial authority to the CE to sign the variation to contract NP 2550 with the supplier against a WOLC of up to 9(2)(j)

8.7	APPROVAL TO DELEGATE CONTRACT, AND STATEMENT OF WORK SIGNING AND FUTURE VARIATION FOR SECONDARY PROCUREMENT LAY FLAT AND EXTRUDED HOSE	SARAH SINCLAIR
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The Chair introduced the approval to delegate contract, and statement of work signing and future variation for secondary procurement lay flat and extruded hose paper which the Board took as read without discussion.

The Board resolved to:

1. **note** the secondary closed tender process is compliant with the Government Procurement Rules and Fire and Emergency procurement policy.
2. **note** the maximum total estimated value of the secondary closed tender is \$10.5 million which sits above the CE's DFA.
3. **note** the procurement plan and recommendation report has been approved by the CE under delegation.
4. **delegate** financial authority to the CE to sign:
 - a) the contract/s with the successful suppliers resulting from the secondary closed tender.
 2. future variations over the term of the contract and any variations, that are within +/-5% of approved and forecast national capital expenditure (CAPEX) of \$10.5 million (three-year initial contract with two possible two-year extensions).

9.	GENERAL BUSINESS AND CLOSING	
9.1	KEY MESSAGES	CHAIR

No key messages were shared.

9.2	CORRESPONDENCE	CHAIR
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The Board reviewed the incoming and outgoing correspondence.

9.3	EVENTS	CHAIR
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The Board reviewed the schedule of upcoming events.

A member of the Board reiterated that the purpose of reviewing the schedule of upcoming events at Board meetings was also to discuss Board members' availability to attend events.

Secretariat actions:

1. Secretariat to ensure that future event papers submitted to the Board include a recommendation for the Board to let the Secretariat know if they are available to attend any of the events listed in the events schedule.
2. Secretariat to note that the Board Chair can attend the Reefton Brigade 150 Year event on 26 October 2024.



9.4

GENERAL BUSINESS

CHAIR

The CE, DCE Service Delivery Operations, NZPFU Secretary and NZPFU Vice President have engaged about the Fire and Emergency/NZPFU working parties and are working through what progressing the working parties looks like.

The Board agreed to 2025 Board meetings being held on a Friday, with at least two away days spread across the motu.

A member of the Board closed the meeting with a karakia at 3:07pm.

Next Meeting: Friday, 30 August 2024 8:00am – 4:00pm

OUT-OF-CYCLE MINUTE – FINANCIAL DELEGATION OF INSURANCE REIMBURSEMENT PAYMENTS – NZPFU GROUP INSURANCE SCHEME

On 29 July 2024, a paper requesting that the Board approve a delegation of authority for the CE or their delegate to approve reimbursement of income protection and life insurance premiums for NZPFU members, was sent to the Board out-of-cycle, via email.

The Board resolved to:

1. **note** the agreed terms and conditions of the NZPFU CEA relating to Income Protection and Life Insurance.
2. **note** the agreed payment method from June 2024 onwards.
3. **delegate** to the Chief Executive the authority to approve the reimbursement payments for 1 July 2023 – 31 May 2024 at a total of \$2,002,520.
4. **delegate** to the Chief Executive or their delegate, the authority to approve the reimbursement payments for future periods, to a maximum of \$4,456,000 per annum, the maximum amount payable, based on current staffing numbers, in accordance with the Collective Employment Agreement.

Rebecca Keoghman MNZM
Board Chair
29 July 2024



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MEETING DETAILS	
Committee / <i>Komiti</i>	Fire and Emergency Board
Date / <i>Rangi</i>	Friday, 30 August 2024
Time / <i>Wā</i>	9:00am – 1:13pm
Location / <i>Wāhi</i>	NHQ 7.12W Takapau / MS Teams

ATTENDEES	
Chairperson <i>Tiamana</i>	Rebecca Keoghan MNZM
Committee Members <i>Ngā mema</i>	<ul style="list-style-type: none"> • Danny Tuato'o (Deputy Chair) • Hon Ruth Dyson QSO • Mary-Anne Macleod • Amit Prasad
Standing Attendees <i>Ērā atu</i>	<ul style="list-style-type: none"> • Executive Leadership Team • Lynley Lewis (Secretariat)
Other Attendees <i>Ērā atu</i>	<ul style="list-style-type: none"> • Megan MacPherson, Chair, Otago Local Advisory Committee (item 1.3) • Lara Ariell, Independent HRIS/Payroll Advisor to the Board (items 1.4, 2.1, 2.2) • Meena Patel, National Manager Assurance and Risk (items 2.1, 2.2) • Murray Coppersmith, Audit and Risk Committee Chair (items 2.1, 2.2, 3.1) Financial Sustainability and Investment Committee Chair (item 3.2) • Ken Cooper, Acting Deputy Chief Executive Service Delivery Design (item 5.8) • Jim Stuart-Black, Acting Deputy Chief Executive, Organisational Strategy and Capability Development (items 5.4, 5.5, 5.6, 5.7) • April Christie, National Manager Safety, Health, and Wellbeing (item 7.1) • David Pealing, Principal Advisor Governance (Observer)
Apologies <i>Ngā whakapāha</i>	<ul style="list-style-type: none"> • Belinda Clark QSO • Dr Steph Rotarangi, Deputy Chief Executive, Service Delivery Design • Sarah Sinclair, Deputy Chief Executive Organisational Strategy and Capability Development

1.	CLOSED SESSIONS	
1.1	BOARD ONLY TIME	CHAIR

The Board met in closed session from 9:00am to 9:15am.

1.2	BOARD AND CHIEF EXECUTIVE ONLY TIME	CHAIR
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The Board met in closed session with the Chief Executive (CE) from 9:15am to 9:40am.

	EXTERNAL ENGAGEMENT	
1.3	BOARD, CE, AND OTAGO LOCAL ADVISORY COMMITTEE CHAIR ONLY TIME	CHAIR

The Board and CE met in a closed session with the Chair, Otago Local Advisory Committee from 9:40am to 9:55am.

1.4	BOARD, CE, AND BOARD INDEPENDENT HRIS/PAYROLL ADVISOR ONLY TIME	CHAIR
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The Board met in closed session with the Independent HRIS/Payroll Advisor to the Board from 9:55am to 10:15am.

2.	HRIS UPDATES	
2.1	HRIS AND PAYROLL REPLACEMENT PROGRAMME UPDATE	KERRY GREGORY

A member of the Board recited an opening karakia at 10:20am.

The Chair welcomed the Executive Leadership Team (ELT), National Manager Assurance and Risk (NM AAR), Audit and Risk and Financial Sustainability and Investment Committee (FSIC) Chair, Principal Advisor Governance, and the Board Secretariat to the meeting at 10:25am.

The CE introduced the HRIS and Payroll Programme – Change Request.

The key points to note include:

- the Board has only approved funding of the programme to 30 June 2024
- the recently completed procurement process has identified a preferred payroll provider that can deliver 99% of Fire and Emergency's business requirements
- all business cases for this programme must go through the new Treasury and Cabinet consideration process
- there will be a period where the current Fire and Emergency payroll system is unsupported and would not be able to deliver changes required should there be tax or legislative changes over the period. The longer this out of support period the greater the risk to the organisation
- the Board will be asked to approve the programme in two stages:
 - review of the contract for service
 - consideration of the Implementation Business Case.

The Board:

- acknowledged the uncertainty around this project and the challenges it provides
- advised that the paper was missing information required to allow the Board to make an informed decision, including:

- the financial cost to reach the contract signing stage
- the financial cost to walk-away from this provider (including the worse-case scenario)
- the financial cost of developing a business case
- more background on the suggested provider, including a list of other users
- the actual risk of operating an unsupported payroll system and what potential mitigations or work arounds are available
- next steps and timeframes explicitly included.

Given this, the Board requested this paper be withdrawn and resubmitted out-of-cycle so progress can be made before the Board's next scheduled meeting.

Management action: DCE People to develop detailed information for the Board on the two stages of the HRIS/Payroll replacement programme including:

- the financial cost to reach the contract signing stage
- the financial cost to walk-away from this provider (include worse-case scenario)
- the financial cost of developing a business case
- further information about the provider, including other users
- detailed next steps and timeframes
- risks of operating an unsupported payroll system highlighted and potential mitigations of that risk.

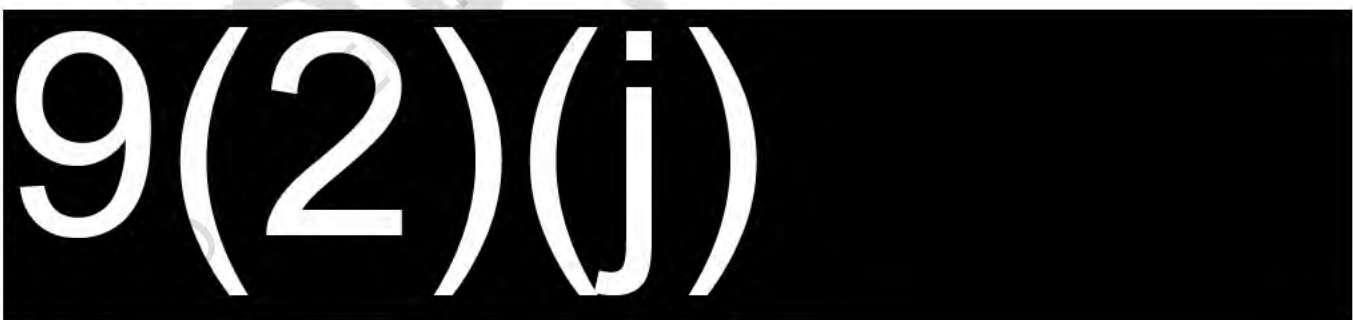
Secretariat Action: Send the redeveloped HRIS/Payroll replacement programme paper to the Board Chair and organise an out-of-cycle meeting if required.

The HRIS and Payroll Replacement Programme Sponsor and the NM AAR departed the meeting at 10:39am.

2.2	HRIS AND PAYROLL REPLACEMENT PROGRAMME ASSURANCE APPROACH	MEENA PATEL
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The National Manager Assurance and Risk gave a verbal update on the HRIS and Payroll Replacement programme assurance approach.

The key points to note include:



The Independent HRIS/Payroll Advisor and National Manager Assurance and Risk departed the meeting at 10:41am.

3.	FINANCE REPORTING	
3.1	FINANCE REPORT (JULY 2024)	DARRYL PURDY

The CE introduced the July 2024 Finance report.

Key points to note include:

- levy collections were up, but there are indications of policy date changes that may impact future levy revenue
- there is an upward trend of sick leave but more time is needed to see if this becomes a permanent trend post-Covid
- there are variances arising from the Public Safety Network project
- the Public Safety Network Programme and its relationship with Next Generation Critical Communications and its three components (Public Safety Network, Voice Console and Personal Alerting) has impacts on Fire and Emergency fiscally. Further information will be presented to the Board in October 2024.

The Board resolved to:

1. **note** the July 2024/25 financial result against budget.

3.2	FINANCIAL SUSTAINABILITY AND INVESTMENTS COMMITTEE REPORT BACK	MURRAY COPPERSMITH
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The Chair welcomed the FSIC Chair to the meeting at 10:40am for the FSIC report back. The FSIC Chair provided an overview of the report.

Key points to note include:

- Update to medium-term fiscal outlook
 - two key scenarios
- Board Approved Financial Assumptions – this extends the updated assumptions from the SPE across the forecast period and shows a sustainable position for the seven-year period
 - Management projection – updated to take account of a different starting position (with close off of year-end). Includes: \$10M savings, 9(2)(j) [REDACTED], uplift of Capex; updated longer-term outlooks for wage and cost inflation. Does not include outcome of asset management plans, risk of levy take being lower, and accuracy of predicted payroll remediation costs
- Savings plan – it is important to consider:
 - the Ministerial direction to save \$60m
 - what Fire and Emergency can further do to manage its costs in a restrained revenue environment, with longer term and possibly significant risks.

The Committee Chair challenged Fire and Emergency to identify areas for cost reduction and look at how those cost reductions might be used to build up reserves, including to use to build capacity in areas where it is needed.

The FSIC Chair suggested that consideration be given to how 9(2)(j) [REDACTED] could be achieved (on top of the \$10m savings requested by the Minister).

The Board acknowledged it is a very challenging time for the organisation and thanked the Committee for its work and the report. They also requested alignment between the work programmes on future cost structures, strategic direction, and operational resourcing and capability. The Board noted that the whole organisation will need to be embrace a culture of fiscal responsibility.

The Board resolved to:

1. **note** the report of the meeting held on 14 August 2024.
2. **note** that the Committee requested management to develop a plan to access the necessary data from levy payers to assess the risk associated with the proposed non-residential levy rate of 7.26 cents per \$100 sum insured.
3. **note** that the Committee requested that the HRIS / Payroll business case coming back to the Board contains a full explanation of the total cost relative to earlier forecasts and analysis of why the option (and cost) recommended represents the minimum reasonable cost for the minimum viable product given the environment faced by Fire and Emergency.
4. **agree** to the \$10 million cost saving proposal outlined in the letter to the Minister from the Deputy Chair dated 13 June 2024, noting that the actual programme may need to be adjusted over time based on the plan to be developed at item 5 below.
5. **commission** a plan, including an implementation approach, for the Board to consider at the 25 October 2024 meeting to address:
 - the Minister's call for \$60 million savings by 2029
 - the risk of a potential shortfall in levies in 2026 to 2029 as a result of the non-residential (commercial) levy rate change (11.88 cents to 7.26 cents)
 - opportunities for reinvestment of some savings realised into emerging priorities, e.g., regulator role, capability (training), asset management plans.

Noting for item 5) management will need to:

- estimate the total savings required in the plan across the three elements and agree that with the Board
 - provide advice on the readiness for and potential impact on the organisation of implementing the plan
 - ensure the plan aligns to the draft sharpened strategy, addresses embedded costs and the operating model of the organisation so that the savings are targeted and enduring
 - tie the savings programme into the baseline expenditure limits noted in the draft Cabinet paper 'Proposals for Fire and Emergency Levy Rates and other levy matters' for 2026-2029 of \$2.69 billion plus a savings target of \$60 million, \$2.75 billion in total
 - ensure there is a sound communication of the plan to the organisation, especially district and region staff
 - be mindful of the impact on volunteers given their substantial role in delivery of frontline services
 - clarify the role the value for money programme will play in the plan
 - ensure the savings plan aligns with all concurrent strategy, operational and resource capability programmes.
- a) Do not proceed with implementing other elements of the existing Fiscal Response Plan, which will be subsumed into item 5).

4.1	INTERESTS REGISTER AND CONFLICTS OF INTEREST	CHAIR
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There were no changes made to the Interests Register and no conflicts of interest raised.

4.2	MINUTES OF PREVIOUS MEETING – 26 JULY 2024	CHAIR
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The minutes of the July Board meeting on 26 July were approved.

4.3	REVIEW ACTION LOG	CHAIR
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The action log was reviewed. Updates and closures were progressed as required.

Secretariat action: Resend correspondence that has been distributed regarding the KiwiSaver compulsory employer contributions issue to Board member Hon Ruth Dyson's alternative email address.

5.	DECISION PAPERS	
5.1	EKE TAUMATA SIX MONTHLY REPORT TO THE MINISTER	JANINE HEARN

The Chair introduced the draft Eke Taumata Six-monthly report to the Minister (the Report).

The Board:

- acknowledged and appreciated the improvements to the report
- recognised there are several audiences for this report and a detailed report should always be produced
- agreed to send a detailed report to the Minister for this reporting cycle, and asked that a more concise report be prepared for the Minister for future periods
- reflected there is room for more development within this report, for example, including the impacts of the initiatives that have been delivered.

The DCE People updated the Board that on Tuesday 3 September Eke Taumata will begin phase two of consultation with Fire and Emergency personnel and Unions and Associations. Two draft policies will be open for consultation: a draft Criminal Conviction Vetting Policy and draft Managing Inappropriate Behaviour and Conduct Policy.

The DCE People also informed the Board that all Eke Taumata recommendations should be closed out well ahead of their deadlines.

The Board resolved to:

1. **note** the feedback provided by the Minister on the Eke Taumata report for the period 1 July 2023 to 31 December 2023.
2. **note** that this feedback has been considered in preparing the draft report for the period 1 January 2024 to 30 June 2024.
3. **note** that the draft report has been reviewed by the People and Culture Committee, and that their feedback has been incorporated into the version.
4. **approve** the report for release to the Minister, subject to its comments.

Management action: DCE People to develop abridged Eke Taumata six-monthly report to send to the Minister for future reporting periods.

5.2	ANNUAL REMUNERATION MARKET REVIEW OPTIONS	JANINE HEARN
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9(2)(j)

5.3

PROGRESS OF STRENGTHENING LAC FUNCTIONS

BRYAN DUNNE

The DCE OCE introduced the progress of strengthening LAC functions paper.

The Board discussed the three options presented in the paper to strengthen declarations of interests and management of conflicts for LAC applicants and members.

The Board considered the trade-off between ensuring a rigorous process and discouraging well-qualified candidates whose conflicts could be managed. The Board approved Option 2 as set out in the paper.

The Board resolved to:

1. note the progress of improvements to support LAC key functions.
2. approve option 2 – to determine interests where the conflict is considered unmanageable and make this information available to potential applicants
3. approve amendments to the Local Advisory Committees' Terms of Reference and Operating Principles.

5.4 ANNUAL REPORT – FIRST DRAFT

JIM STUART-BLACK

The CE introduced the Annual Report – first draft. The Acting DCE OSCD provided an overview.

The Board:

- acknowledged some laudable changes have been made and looked forward to receiving external feedback
- asked for confirmation that the proposed approach of sharing the draft report with the Board, and then Audit NZ and the Minister is the same as was followed last year for the SPE
- provided specific feedback on content and format for consideration.

The Board resolved to:

1. **note** that areas of the 2023/24 Annual Report still require further input and refinement, and these will be progressed between the first and final draft.
2. **provide** feedback on the first draft of the 2023/24 Annual Report.
3. **authorise** management to provide the first draft of the Annual Report 2023/24, subject to Board changes, to DIA, Audit NZ, and the Minister for their feedback.
4. **note** the final draft will be presented to the Board for approval in October.

Management Action: DCE OSCD to confirm if the proposed approach of report going to Board, Audit NZ and then to the Minister is the same as was followed last year for the SPE.

5.5 APPROVAL TO DISPOSE OF SURPLUS PROPERTY

JIM STUART-BLACK

The Acting DCE OSCD introduced the Approval to dispose of surplus property paper.

Key points to note include:

- the current valuation was confirmed shortly prior to the paper being finalised
- the CE committed to assess current delegations from the Board to ensure that such low-level disposals do not come to future meetings unless novel, contentious or had significant consequences.

The Board resolved to:

1. **note** that this site is surplus to requirements and is no longer required for operational or administrative purposes.
2. **note** an independent valuation has been received for this site.
3. **note** clearances necessary to dispose of the site will be undertaken before this site is disposed of.
4. **note** this site is not subject to 'offer back' requirements under the Public Works Act 1981.
5. **approve** the disposal of this site, subject to all mandatory clearance processes being satisfactorily completed.
6. **authorise** the National Manager Property to dispose of this site in accordance with the *Property Disposal Policy*.

Management action: DCE OSCD to review the policy that covers disposal delegations from Board.

5.6	TREATY RIGHT OF REFUSAL REQUEST: 1) IWI OF HAURAKI AND 2) MŌKAI PĀTEA IWI	JIM STUART-BLACK
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The Acting DCE OSCD introduced the paper setting out two Treaty Right of First Refusal Requests.

The Board resolved to:

- note** Fire and Emergency has undertaken legal due diligence with respect to land associated with nine Volunteer Brigades in the Te Hiku Region: the Coromandel, Oneroa, Onetangi, Tapu, Pauanui, Thames, Whangamatā, Puriri, and Ngātea fire stations.
- note** Fire and Emergency has undertaken legal due diligence with respect to land associated with five Volunteer Brigades in the Te Ūpoko Region: Taihape, Mangaweka, Rangiwahia, Hunterville, and Kimbolton fire stations.
- note** the land at Pauanui Fire Station is likely to be held subject to the offer-back obligations in section 40 of the Public Works Act 1981.
- note** that, if agreed to, the commitment will then appear in two separate draft land settlement agreements currently being prepared by Te Arawhiti (The Office of Treaty Settlements).
- approve** the inclusion of land associated with nine Volunteer Brigades in the Te Hiku Region: the Coromandel, Oneroa, Onetangi, Tapu, Pauanui, Thames, Whangamatā, Puriri, and Ngātea fire stations in treaty negotiations with the Iwi of Hauraki.
- approve** the inclusion of land associated with five Volunteer Brigades in the Te Ūpoko Region: Taihape, Mangaweka, Rangiwahia, Hunterville, and Kimbolton fire stations in treaty negotiations with Mōkai Pātea Iwi.

5.7	SEEKING APPROVAL FOR THE MICROSOFT CLOUD, SOFTWARE AND SERVICES AGREEMENT	JIM STUART-BLACK
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The Acting DCE OSCD introduced the Seeking approval for the Microsoft Cloud, Software and Services Agreement.

The Board resolved to:

- note** the Department of Internal Affairs (DIA) is currently negotiating an All of Government (AoG) Microsoft Cloud, Software and Services Agreement (MCSSA) for the period October 2024 to September 2027.
- note** that, with DIA's permission, Fire and Emergency is negotiating directly with Microsoft for a lower rate because of our volunteer workforce.
- note** that all agencies need to sign the annual subscription for year one prior to 1 October 2024 to take advantage of the negotiated discounts.
- approve** Fire and Emergency entering the All of Government Agreement for the period 1 October 2024 to 30 September 2027 with a maximum budget of \$4.6m per annum for the three-year term of the MCSSA.
- approve** the delegation of authority to the Chief Executive to approve and sign the annual subscription agreements up to \$13.8m in total for the financial years 24/25 through to 26/27.

5.8	EXTENSION OF LEVEL 2 PERSONAL PROTECTIVE CLOTHING AND ASSOCIATED LOGISTICS SERVICES CONTRACT	KEN COOPER
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The Acting DCE SDD introduced the Extension of Level 2 Personal Protective Clothing and Associated Logistics Services Contract paper. The Board asked for an update on the procurement process. It was confirmed that progress should be made over the next week.

The Board resolved to:

1. **delegate** authority to the Chief Executive to sign an extension of the existing contract for Level 2 PPC and the associated logistics service requirements for up to six months from 1 November 2024.
2. **note** the whole life cost of this contract is 9(2)(j) inclusive of the proposed extension of 9(2)(j) and is within the current budget.

6.	NOTING PAPERS	
6.1	UNITED FIRE BRIGADES' ASSOCIATION QUARTER FOUR REPORT	BRYAN DUNNE

The Chair introduced the United Fire Brigades' Association Quarter Four Report. The DCE OCE provided an overview.

The Board discussed:

- amending resolution 4 to delegate approval to the Chief Executive
- adding an additional clause to resolution 4 to limit transfer funding from core to non-core services
- the funds spent on legal counsel.

The Board resolved to:

1. **note** the UFBA's Quarter Four report has been received and analysed by Fire and Emergency New Zealand.
2. **note** that management have confirmed the UFBA Quarter Four report meets the UFBA's reporting obligations to the Board under the 2023/24 Conditional Grant Agreement.
3. **approve** a written response from the Chair of the Fire and Emergency New Zealand Board be provided to the UFBA acknowledging the contents of the report.
4. **authorise** the Chief Executive to approve variations to Conditional Grant Agreements, provided any variations do not result in total funding exceeding the maximum grant as authorised by the Board, and that variations do not transfer funding from core to non-core services.

6.2	WHANAUNGATANGA PROGRAMME	JANINE HEARN
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The DCE People gave a verbal update on the progress of the Whanaungatanga programme.

Key points to note include:

- the results of the 2024 Whanaungatanga survey have been released to the organisation with some statistically significant positive shifts nationally. The Movember Foundation has awarded additional funding for a third survey in 2025
- the next stages of the Whanaungatanga programme are being planned and will continue to imbed pilot initiatives in Te Hiku, extend initiatives nationally (where appropriate), and continue the work already started with communication centres



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- Fire and Emergency’s relationship with FECA will be strengthened further through this work.

The meeting took a break at 12:05pm.

7.1	DEEP DIVE – PSYCHOLOGICAL WELLBEING	JANINE HEARN APRIL CHRISTIE
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At 12:15pm the DCE People and National Manager Safety, Health, and Wellbeing shared a presentation on a deep dive into psychological wellbeing.

The Board:

- acknowledged the presentation and the work involved with preparing it
- asked that thought be given to how to explain the benefits of doing something, rather than listing what the organisation does
- recognised this is a challenge for Fire and Emergency and that different ways of communication are being investigated, especially to extend our reach to our volunteer workforce
- discussed Fire and Emergency’s ability to capture detail on people seeking support to enable better targeting of preventative measures.

Secretariat action: The secretariat to load the psychological wellbeing deep dive presentation to the Diligent resource centre.

8.	REPORTING	
8.1	CHIEF EXECUTIVE’S REPORT	BRYAN DUNNE

The Chair introduced the CE’s report and the DCE OCE provided an overview of the report.

Key points to note include:

- work is currently underway on strategic alignment and the performance measurement piece of work has commenced
- a national campaign to recognise volunteers’ employers has been running in the Auckland and Wellington metropolitan areas and in newspapers and on social media

Since the report was written the organisation has been notified of proposals for structural changes within DIA.

The Board:

- requested that the CE report also captures successes such as the Special Achievement in GIS (Geographic Information System) award at the 2024 Esri User Conference in San Diego received in August 2024
- sought a list of LAC boundaries which did not align with Fire and Emergency district boundaries
- inquired if the three working parties set up under the last NZPFU bargaining agreement have been restarted. DCE SDO confirmed he had met with NZPFU earlier this week and agreed recommencement of the fleet and equipment working party, however the business of the equipment working group would continue through other channels
- commented on the high number of OIAs received and their sources
- discussed the learning captured from people deployed overseas



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- 9(2)(j)

Management action: DCE OCE to confirm to Board which LAC boundaries do not align with Fire and Emergency district boundaries, detail any issues that arise from non-alignment and whether any remediation is required.

Management action: DCE OCE to provide to the Board a summary of number of OIAs, their sources and the themes they follow.

8.2	SAFETY, HEALTH, AND WELLBEING REPORT	JANINE HEARN
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The Chair introduced the SHW report and the DCE People provided an overview.

Key points to note include:

- since the report was written there has been an Incident at National Training Centre – a person undertaking training lost consciousness due to a prior unknown medical condition and heat stress. They were taken to hospital and are recovering well.
- The Board asked for clarification on how often specific health and safety incidents occur.

Management Action: DCE People to include incident frequency when reporting health and safety incidents in future Health, Safety and Wellbeing Reports.

8.3	PEOPLE AND CULTURE COMMITTEE REPORT BACK	MARY-ANNE MACLEOD
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The People and Culture Committee Chair introduced the People and Culture Committee report back.

Key points to note include:

- Fair Way provided a presentation at the meeting and delivered valuable insights. This included an indication that Fire and Emergency may have a culture of avoiding difficult conversations, especially in rural communities, and challenges exist for some people promoted on merit rather than tenure.
- the Committee meeting contained good conversations around training.

The Board resolved to:

1. note the report of the meeting held on 5 August 2024.

9.	GENERAL BUSINESS AND CLOSING	
9.1	KEY MESSAGES	CHAIR

No key messages were shared.

9.2	CORRESPONDENCE	CHAIR
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The Board reviewed the incoming and outgoing correspondence.



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9.3

EVENTS

CHAIR

The Board reviewed the schedule of upcoming events.

The Chair reminded Members to advise the secretariat of any events they can attend.

9.4

GENERAL BUSINESS

CHAIR

A member of the Board closed the meeting with a karakia at 1:13`pm.

Next Meeting: 8:00am – 4:00pm Friday 25 October 2024, National Headquarters Wellington.

Rebecca Keoghan MNZM
Board Chair
25 October 2025

MEETING DETAILS	
Committee / Komiti	Board
Date / Rangi	Friday, 25 October 2024
Time / Wā	8:07am – 1:13pm
Location / Wāhi	NHQ 7.12W Takapau / MS Teams

ATTENDEES	
Chairperson <i>Tiamana</i>	Rebecca Keoghan MNZM
Committee Members <i>Ngā mema</i>	<ul style="list-style-type: none"> • Danny Tuato'o (Deputy Chair) • Hon Ruth Dyson QSO (via Teams) • Belinda Clark QSO • Mary-Anne Macleod • Amit Prasad
Standing Attendees <i>Ērā atu</i>	<ul style="list-style-type: none"> • Executive Leadership Team • Lynley Lewis (Secretariat)
Other Attendees <i>Ērā atu</i>	<ul style="list-style-type: none"> • Georgie Johnson, Chair, Tairāwhiti Local Advisory Committee (<i>item 1.3</i>) • Lara Ariell, Independent HRIS/Payroll Advisor to the Board (<i>items 1.4, 3.1, 3.2</i>) • Andrew Clark, Audit Director (Audit NZ) (<i>items 4.1 and 4.2</i>) • Sarah Palima, Audit Manager (Audit NZ) (<i>items 4.1 and 4.2</i>) • Murray Coppersmith, Audit and Risk Committee Chair (<i>item 3.1, 3.2, 4.1, 4.2 and 5.2</i>); Financial Sustainability and Investment Committee Chair (<i>item 5.1 and 5.3</i>) • Maria McDonald, Project Lead Local Advisory Committees (<i>items 8.3, 8.4 and 8.5</i>) • David Pealing, Principal Advisor Governance (Observer)
Apologies <i>Ngā whakapāha</i>	<ul style="list-style-type: none"> • Bryan Dunne, Deputy Chief Executive, Office of the Chief Executive • Sharon Masters, Chief Advisor HRIS and Payroll Replacement Programme (<i>items 3.1, 3.2</i>)

1.	CLOSED SESSIONS	
1.1	BOARD ONLY TIME	CHAIR

The Board met in closed session from 8:07am to 8:30am.

1.2	BOARD AND CHIEF EXECUTIVE ONLY TIME	CHAIR
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The Board met in closed session with the Chief Executive (CE) from 8:30am to 8:45am.

	EXTERNAL ENGAGEMENT	
1.3	BOARD, CE, AND OTAGO LOCAL ADVISORY COMMITTEE CHAIR ONLY TIME	CHAIR

The Board and CE met in a closed session with the Chair, Tairāwhiti Local Advisory Committee from 8:45am to 9:00am.

1.4	BOARD, CE, AND BOARD INDEPENDENT HRIS/PAYROLL ADVISOR ONLY TIME	CHAIR
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The Board met in closed session with the Independent HRIS/Payroll Advisor to the Board from 9:00am to 9:10am.

2.1	INTERESTS REGISTER	CHAIR
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The Chair welcomed the Deputy Chief Executive People (DCE People) and the Board Secretariat to the meeting at 9:10am.

The Interests Register was discussed, and several additions and deletions were noted.

A member of the Board recited an opening karakia.

The Audit and Risk Committee (ARC) Chair and Principal Advisor Governance joined the meeting.

3.	HRIS UPDATES	
3.1	APPROVAL TO CONTINUE HRIS/PAYROLL PROGRAMME TO COMPLETE CONTRACT	KERRY GREGORY

The CE introduced, for ratification, the out of cycle paper that was circulated to the Board from the Chair on 27 September 2024. The paper requested approval to extend the HRIS/Payroll programme's timeline to complete the negotiation phase, and to provide the Board with clarity on the next steps of the programme.

The Board confirmed this paper had been circulated and agreed to in-principle by email in late September 2024 and that it superseded the paper presented but not accepted at the August Board meeting.

The Board resolved to:

1. **approve** continuation of the HRIS/Payroll program to complete contract negotiations.
2. **approve** the use of \$1.35M1 from the previously approved program budget to complete the procurement phase.
3. **note** that the Board will receive the final contract for approval in November/December 2024.
4. **note** the next phases of work, and related Board decision points.

¹ This includes \$100k contingencies for legal and external governance costs.

3.2

APPROVAL OF CONTRACT TERMS: PAYROLL SOLUTION (HRIS AND
PAYROLL REPLACEMENT PROGRAMME)

KERRY GREGORY

9(2)(j)

9(2)(j)

4.	ANNUAL REPORT	
4.1	AUDIT NZ REPORT ON ANNUAL REPORT	SARAH PALIMA ANDREW CLARK

The Chair welcomed the Deputy Chief Executives of Finance and Business Operations, Service Delivery Design, Service Delivery Operations and Organisational Strategy and Capability Development to the meeting at 9:40am.

Item 4.2 Approval of the Annual Report was discussed until 9:47am when the Chair welcomed the Audit Director and Audit Manager from Audit NZ who presented on the Fire and Emergency 2023/24 Annual Report.

Hon. Ruth Dyson left the meeting at 9:47am

The key points to note included:

- the 2023/24 annual audit is due to be completed next week
- items of significance included in annual audit include holiday pay and remediation of payroll system, and Audit NZ agree the estimation is as accurate as possible at this stage
- Audit NZ are working on audit opinion which should be completed shortly. This may include:
 - notes to highlight areas of uncertainty
 - qualification of comparative figures of some of the performance reporting
- the audit findings will include a non-adjusted levy revenue item in the error schedule in the report to the Board. This non-adjusted item happens each year due to the timing of levy and is not material to the financial statements
 - Audit NZ recognised the improvements in performance reporting.

The Board thanked Audit NZ for their work and expertise in preparing the audit report.

The Board resolved to:

1. **note** the feedback on the 2023/24 Annual Report received from Audit NZ.

The Audit NZ Audit Director and Audit Manager departed the meeting at 9:54am.

4.2	APPROVAL OF THE 2023/24 ANNUAL REPORT	DARRYL PURDY SARAH SINCLAIR
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Discussion returned to the 2023/24 Annual Report paper asking for the Board's approval of the 2024 Annual Report subject to any changes required in response to Audit NZ's feedback.

Key points to note include:

- extensive engagement has been undertaken on this report with Department of Internal Affairs (DIA), Audit New Zealand, Office of the Auditor General, the Board and some sub-Committees
- final feedback is awaited from Audit NZ.

The Board:

- requested specific amendments to be made to the annual report
- acknowledged the improvements in the report
- requested the forewords be circulated to the Board for approval before publication
- noted the small proportion of Māori and Pasifika employees in Fire and Emergency and the organisation's ongoing commitment to increase these.

The Board resolved to:

1. **note** the statutory requirement to provide the final Annual Report to the Minister of Internal Affairs 15 working days after the Audit NZ Audit report is received.
2. **note** the considerable improvement in the quality of the Annual Report and acknowledge it is part of a greater journey of improvement in performance reporting.
3. **approve** the Annual Report 2024, subject to final changes in response to Audit NZ feedback and final design.



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Management Action: Circulate Annual Report forewords to the Board for approval before publication.

Management action: Adopt the format of the Incident type graphic used in Quarterly 1 Performance Summary in the 2023/24 Annual Report.

Management action: Include LAC performance review graphic in 2024/25 Annual Report.

The meeting took a ten-minute break at 10:05am.

5.	FINANCE REPORTING	
5.1	FINANCE REPORT (SEPTEMBER 2024)	DARRYL PURDY

The Chair introduced the September 2024 Finance report.

The Deputy Chief Executive Kaupapa Māori and Cultural Communities joined the meeting at 10:23am.

Key points to note include:

- this report includes:
 - funding and costs associated with the Fire and Emergency Public Safety Network (PSN) programme work
 - a request for an adjustment to Treasury policy
 - a financial risk nomenclature as requested by the Board
- some concerns are emerging:
 - revenue from levy has dropped
 - it is difficult to see the predicted increase of 12.8% in levy revenue in the levy receipts to date
 - the levy forecast model shows the growth in levy is slowing
 - if the downward trend continues for another month, it will be necessary to develop a plan for the fiscal management of the remainder of the financial year
- the expenditure associated with sick and accident leave and long-term injuries remains high
- depreciation is challenging due to significant revaluation of buildings at year end
- the costs associated with the Fire and Emergency Public Safety Network (PSN) Programme work are included in this financial report.

The Board:

- discussed the emerging trends and the importance of keeping the Minister and DIA informed
- noted the planned levy systems audit of major insurers
- acknowledged the sick leave trend and the steps being taken to address this
- provided feedback that the financial risk nomenclature could be a valuable framework to give an early indication of the exploratory and provisional costs or liabilities associated with projects. The Board noted that as implemented it may need to be refined, and may not be suitable for all projects.
- sought assurance that the increase in Treasury deposit limit requested was appropriate
- requested more information on the contractor and consultant costs for the 2023/24 financial year.

The Board resolved to:

1. **note** the September month and YTD 2024/25 financial result against budget.
2. **note** the 2024/25 full year forecast against budget.
3. **note** that the financial year forecast includes the current Central Budget Contingency balance of \$7.5 million that will be managed by the CE to address agreed cost pressures.
4. **note** this report has been updated to incorporate funding and costs associated with the Fire and Emergency Public Safety Network (PSN) Programme work.
5. **approve** increasing Fire and Emergency's deposit limit with Bank of New Zealand (BNZ) from \$60 million to \$65 million and the deposit limit with remaining banking counterparties from \$40 million to \$45 million.
6. **provide** feedback on the Financial Estimates Nomenclature at Appendix 4.

Management Action: Provide more information on the contractor and consultant costs compared to the 2023/24 financial year and the reallocation of the \$9m saving from these.

5.2	AUDIT AND RISK COMMITTEE REPORT BACK	MURRAY COPPERSMITH
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The Audit and Risk Committee (ARC) Chair introduced the ARC report back giving the Board an update on the meeting held on 23 September 2024.

Key points to note include:

- the Office of the Auditor General has committed to supplying the agenda and content of the scrutiny week hearing
- there are current challenges in resourcing the internal Audit and Risk function of Fire and Emergency. This may require re-prioritisation of the work programme to ensure critical work is delivered while ensuring the wellbeing of the team
- progress is continuing, albeit slowly, in clearing recommendations from internal audits. ARC is now looking to focus in closing remaining recommendations, including a focus on residual risk
- ARC received a presentation on the source of and solutions to the number of payroll adjustments noted in the Financial Discrepancies Report
- work is underway to collate operational and non-operational reviews undertaken by Fire and Emergency
- the Minister will be attending the Financial Sustainability and Investment Committee (FSIC) meeting on Wednesday 13 November.

The Board resolved to:

1. **note** the report of the Audit and Risk Committee meeting held on 23 September 2024.

5.3	9(2)(j)	DARRYL PURDY
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9(2)(j)

9(2)(j)

9(2)(j)

6.	ADMINISTRATION	
6.1	MINUTES OF PREVIOUS MEETING – 30 AUGUST 2024	CHAIR

The minutes of the August Board meeting on 30 August were approved as a true and correct record.

6.2	REVIEW ACTION LOG	CHAIR
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The action log was reviewed. Updates and closures were progressed as required.

7.	REPORTING	
7.1	CHIEF EXECUTIVE'S REPORT	KERRY GREGORY

Ruth Dyson rejoined the meeting at 11:15am.

The CE introduced the report.

The Board:

- discussed where Fire and Emergency are strategically positioning the organisation in the national emergency system and decided to explore the discussion further at the Board strategy day in January 2025
- indicated that member Hon. Ruth Dyson would talk with the CE outside of the meeting to discuss proposed changes to Schedule 2 of the Accident Compensation Act
- sought assurance that work is underway to keep Local Advisory Committees (LACs) informed of the work of the Volunteer Voice project, and to develop working relationships
- clarified the cost-sharing details of the Memorandum of Understanding (MoU) with the Ministry of Foreign Affairs and Trade (MFAT). It was confirmed that MFAT contribute to our costs of deployment in the Pacific
- discussed the breakdown of Official Information Act requests (OIAs), with insurers as the highest number of requesters
- sought assurance that Fire and Emergency have been requesting to receive cabinet papers from DIA when they are released
- confirmed progress is being made with the Insurance Council of New Zealand regarding data sharing
- requested a progress report on Diversity and Inclusion plan at February Board meeting.

Management action: Present to the Board the emergency stakeholder partnership engagement plan, including the purpose of each engagement.

Management action: Present the Diversity and Inclusion update to the Board at their February meeting.

7.2	SAFETY, HEALTH, AND WELLBEING REPORT	JANINE HEARN
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The Chair introduced the SHW report giving a summary of the progress in safety, health and wellbeing management across Fire and Emergency New Zealand for the quarter ending 30 September 2024. The DCE People provided an overview.

Key points to note include:

- information has been included on three incidents occurring in early October 2024 in a fatal house fire, these are currently under investigation
- since the report was written Fire and Emergency has undergone the audit of participation in ACC Accredited Employer programme:
 - re-accreditation has been recommended pending confirmation
 - this is the final year of the programme in this audit format
 - work is currently underway on the draft audit standard to be refined once the new audit format is released
 - the audit recommended enhancing the health monitoring data currently collected to identify issues early and improve reporting
- the DCE People presented on the organisation's learnings from Muriwai at the first session of the Tier 2 Forum for leaders of Health and Safety (established by the Government Health and Safety lead).

The Board:

- clarified the potential discrepancies in the Injury Management Unit data
- discussed the ongoing issue of injuries occurring in Fire and Emergency gyms. It was confirmed that an audit of Fire and Emergency gyms is underway including:
 - stocktake of age and condition of gym equipment
 - maintenance schedule of equipment
 - what ongoing fitness training is provided for individuals.
- requested further information on the injuries occurring in of Fire and Emergency gyms
- acknowledged the positive trends shown in the Pulse survey
- asked for an update on the firefighter who sustained burns while responding to a fatal house fire earlier in October. It was confirmed they are progressing well
- confirmed that the increase in the number of false alarms in schools is mostly due a 2018 policy change affecting the type of construction and type of alarms fitted in schools. This is a focus for Fire and Emergency's unwanted alarm strategy
- discussed if an answer is available to the Select committee question 'what difference did Firewise make'? It was agreed the evaluation of Firewise on its methodology, updates and feedback would be an effective way to provide this response
- suggested that where possible, all data in data sets should be allocated a category.

Management Action: Provide further information to the Board on the injuries occurring in Fire and Emergency gyms.

8.	DECISION PAPERS	
8.1	QUARTER ONE PERFORMANCE REPORT	SARAH SINCLAIR

The Chair introduced the Quarter One Performance Report, seeking feedback from the Board on the report covering the period 1 July to 30 September 2024.

Key points to note include:

- a correction has been made since the paper was loaded. The cash balance budget was written in May (not March) 2024 and this will be updated prior to submission to the Minister
- the report has an extra page added at the request of DIA.

The Board:

- suggested a consistent reporting format be used across externally facing documents. The incident type matrix presented in this report is also to be used in the 2023/24 Annual Report
- welcomed the addition of the extra information in the report.

The Board resolved to:

1. **note** there are 11 new output measures that were introduced in the 2024/25 SPE.
2. **note** the introduction of a new traffic light system in the Summary with the intent of providing an indication of the status of selected Enabling Activities.
3. **note** the impact and outcome indicators introduced in the 2024/25 SPE are not included in this summary as they are medium to long-term metrics. Management is working to stand up these indicators for the Annual Report (year ending 30 June 2025) based on best practice.
4. **note** that Fire and Emergency has recently been engaging with DIA to incorporate their feedback on the content of Fire and Emergency quarterly reporting to ensure it meets the needs of stakeholders as part of continuous improvement plan.
5. **review/approve** the Q1 summary incorporating our response statistics, performance measures, enabling activities, highlights, financial summary and strategic risks for the quarter prior to submission to the Minister of Internal Affairs.

8.2	ANNUAL REMUNERATION	JANINE HEARN
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The CE introduced the paper on the proposed revision of remuneration rate increase levels, which revised recommendations for the 2024/25 annual market remuneration movement for non-NZPFU members, and for the remuneration movement levels for NZPFU bargaining.

Key points to note include:

- changes in key economic indicators relevant to wage setting have prompted this review
- since the paper was written the latest Consumer Price Index has been released, and this figure was as predicted
- 9(2)(j) [REDACTED]

The Board:

- acknowledged the tight fiscal environment in which the organisation is operating
- noted the financial challenges and need for fiscal prudence as confirmed earlier in the meeting
- recognised the need for sensitive and well-developed communications to our employees regarding this matter
- confirmed that the higher remuneration rates would take effect from 1 July 2024 and apply to non-NZPFU members
- discussed the proposed remuneration rate increases at length. Balancing the need for fiscal prudence with the cost-of-living pressures on Fire and Emergency employees, the Board agreed to approve a 2% increase for those on higher salary bands, and a 2.5% increase for those on lower salary bands.

The Board resolved to:

1. **note** the Board had previously approved the 2024/25 remuneration market movement for non-NZ Professional Firefighters Union (NZPFU) staff members, 9(2)(j) [REDACTED]
2. **note** that since these approvals were given, there have been changes in both the wider economic environment and Fire and Emergency's operating and fiscal environments.
3. 9(2)(j) [REDACTED]
4. **approve** for non-NZPFU roles 2024/25 market movements of:
 - 2% for grade 13 and above.
 - 2.5% for grade 12 and below.

The meeting broke for lunch at 12:00pm.

8.3	LAC ANNUAL INSIGHTS AND PERFORMANCE REPORTING	KERRY GREGORY
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The Project Lead Local Advisory Committees joined the meeting at 12:15pm.

The CE introduced the Local Advisory Committee Annual Insights and Performance reporting paper providing the Board with the Local Advisory Committees' (LACs') Annual Insights and Performance Report for 2023-24 and seeking the Board's approval of the proposed response to the 2023-24 LAC Chairs' Insights Report.

The Chair of the Evaluation and Appointment Committee noted the annual LAC Chairs forum is scheduled for Thursday 14 November.

The Board:

- discussed encouraging LACs to propose solutions to challenges
- applauded the LAC performance review graphic, and requested it be included in the annual report for 2024/25
- suggested an amendment to the response letter to acknowledge and apologise that all concerns around the feedback loop have not yet been addressed
- proposed that future LAC appointment recommendations be accompanied by an industry profile of the area

- supported further search activity to source appropriate applicants if there are gaps in critical communities of interest or industry.

The Board resolved to:

- note** the annual insights reporting, comprising the 2023-24 LAC Chairs' Insight Report; LAC Chairs' Video Report; LAC Local Insights Reports; and the LAC Annual Performance Report.
- note** the annual LAC Self Review and Satisfaction Survey Results.
- approve** the proposed response from the Board to the LAC Chairs' Insights Report (appendix two) with amendments as requested.

Management action: Amend response from the Board to the LAC Committee Chairs in response to the LAC Committee Chairs' Report letter to acknowledge and apologise that all concerns around the feedback loop have not yet been addressed.

Management action: Include an industry/sector profile of the area in future LAC appointment recommendations presented to Evaluation and Appointment Committee and the Board.

8.4

LOCAL ADVISORY COMMITTEE MEMBERSHIP CONFLICT OF INTEREST

KERRY GREGORY

The Chair introduced the Local Advisory Committee membership conflict of interest paper seeking confirmation of the Board's view of interests which present an unmanageable conflict with Local Advisory Committee (LAC) membership, and its approval of the approach to share this with potential LAC applicants.

The Board resolved to:

- confirm** that an unmanageable conflict is deemed to be where the individual holds a role, or responsibilities, which have a specific focus or representation that is likely to interfere with the general role of the Local Advisory Committee.
- agree** that an unmanageable conflict applies where applicants or members are, or become, employees of Fire and Emergency New Zealand, but does not include contractors or volunteers.
- agree** that an unmanageable conflict applies where applicants or members have, or take on, significant or leadership roles in Fire and Emergency unions or associations (including the NZPFU, UFBA, FECA and PSA) or industry bodies that interact closely with Fire and Emergency.
- approve** the changes to the LAC Terms of Reference and the approach to implementing these with LAC applicants and LAC members.

8.5

REAPPOINTMENTS TO TAIRĀWHITI AND CHATHAM ISLANDS LACs

AMIT PRASAD

The Chair of the Evaluation and Appointment Committee introduced the paper seeking reappointments to the Tairāwhiti and Chatham Islands Local Advisory Committees.

It was noted that further discussion is required around the appointment of members to an existing LAC, and some adjustments to the process are to be considered. This will be led by the Chair of the Evaluation and Appointment Committee, with any new processes to be established and approved by that Committee.

The Board resolved to:

- approve** the members and terms of appointment recommended in Appendix B.
- approve** the Chairs and Deputy Chairs and terms of appointment recommended in Appendix B.

- approve** the Chatham Islands LAC membership to be reduced to four members (Chair, Deputy Chair and two members) as per clauses 5(2) and 5(3) of the Fire and Emergency New Zealand (Local Advisory Committees) Regulations 2018.

Management action: Management to provide advice to The Chair of the Evaluation and Appointment Committee on how to involve LAC Chairs in the appointment process for members.

The Project Lead Local Advisory Committees left the meeting at 12:32pm.

8.6	INDEPENDENT DISPUTES RESOLUTION SCHEME ANNUAL REPORT AND INDEPENDENT REVIEW UPDATE	DARRYL PURDY
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The Chair introduced the annual report and an update regarding the recommendations and subsequent actions resulting from the independent review of the Scheme, conducted in the 2023/24 financial year.

The Board resolved to:

- note** the Annual Report and key points.
- note** the progress made against the agreed actions resulting from the independent review of the Scheme.

8.7	AVIATION SERVICES PROCUREMENT	STEPH ROTARANGI
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The Chair introduced the Aviation Services Procurement paper requesting the Board delegates authority to the CE for aviation procurement documentation including the procurement plan and recommendation report related to the aviation services Master Services Agreement.

The Deputy Chief Executive Service Delivery Design (DCE SDD) confirmed more information will be provided after the procurement process.

The Board:

- noted this procurement is significant from a safety perspective, and therefore they have taken both fiscal and safety matters into consideration
- acknowledged aviation services are an essential part of firefighting.

The Board resolved to:

- note** that the costs associated with aviation over a 9-year period, based on desktop analysis, is estimated to be up to 9(2)(j) over nine years. Any actual costs incurred would be subject to operational requirements in the coming years.
- note** that the current Master Services Agreement expires on 31 August 2025 and that current contracts associated with this Agreement are technically non-compliant with the Government Procurement Rules as they were not openly advertised on the Government Electronic Tender Service.
- note** that delegation of the Board's authority to sign the 2025 Master Services Agreement and/or each of the resulting individual agreements is not sought at this time. This will be subject to further Board consideration once procurement processes are completed.
- delegate** authority to the Chief Executive to approve the necessary procurement documentation, including the procurement plan and recommendation report for aviation services up to a whole life cost capped at 9(2)(j) over nine years.
- note** an aviation Master Services Agreement is of critical importance to ensure the Board meets its responsibilities as a PCBU.

8.8

TYPE 3 APPLIANCE ACQUISITION PROJECT RECOMMENDATION

RUSSELL WOOD
SARAH SINCLAIR

The Chair introduced the Type 3 Appliance Acquisition Project Recommendation on Preferred Supplier paper seeking approval of Emergency One Limited as the preferred supplier for our Next Generation Type 3 Appliances. In addition, the paper seeks approval for delegation to the Chief Executive to negotiate and sign the first order to purchase 14 appliances before 31 December 2024, to a maximum cost of 9(2)(b)(ii)

The Deputy Chief Executive Service Delivery Operations (DCE SDO) and the Deputy Chief Executive Organisational Strategy and Capability Development (DCE OSCD) gave an overview.

Key points to note include:

- there is confidence in the consistent quality from the preferred supplier
- while there is a preferred supplier, an alternative supplier exists which has created a competitive environment
- this is not a quick fix; it will take some years to regain stability in the fleet from an age profile.

The Board:

- checked that lessons learned from previous appliance procurement have been addressed
- confirmed that the trials are complete, and modifications agreed from these will be applied to the appliances supplied
- were reassured that the evaluation panel included an independent procurement advisor
- clarified the understanding of the percentage weighting in the final outcomes table
- congratulated the team on completion of a long and complex procurement process.

The Board resolved to:

1. **note** that an extensive compliant procurement process has been undertaken since 2020, to determine a preferred supplier for the Next Gen Type 3 Appliances. This procurement process was undertaken across four key stages and has been conducted in line with the Government Procurement Rules, using approved evaluation criteria and methodology for each stage, with financial assessments to select Emergency One Limited as the preferred Tier 1 panel supplier.
2. **note** that both Angloco Limited and Emergency One Limited entered into the Type 3 Supply Panel Agreement (Panel Agreement) at the end of Stage 3, on or around 25 January 2022, for a 10-year term (with a right of renewal of 10 years) which provides Fire and Emergency with competitive tension across the two Tier 1 panel providers.
3. **note** any future orders made under the Panel Agreement, once the preferred supplier has been approved by the Board, will be managed within current annual Fleet capital budget allocations.
4. **note** the Best and Final Offer provided by Emergency One Limited expires 31 December 2024, at which time, prices will increase for the Scania cab chassis.
5. **note** the Whole of Life Cost (WOLC) for the initial term of the Panel Agreement is circa \$74.93 million, and subsequent approval will be requested from the Board in approximately 6 years, to extend (or otherwise) the Panel Agreement for an additional 10 years, using the available right of renewal, and to provide an updated WOLC based on future Next Gen Type 3 appliance demand.

6. **note** this investment is considered to be in scope of Cabinet Circular CO (23) 9 as it is over \$35 million and as such Fire and Emergency New Zealand will be expected to follow the Treasury investment management process including Cabinet consideration of the investment.
7. **approve** Emergency One Limited as the preferred panel supplier for Next Gen Type 3 appliances and conclude the procurement process.
8. **delegate** authority to the Chief Executive to sign the recommendation report approving Emergency One Limited as the preferred panel supplier.
9. **delegate** authority to the Chief Executive to place orders under the Panel Agreement and/or vary the contracts over the initial ten-year term of the contract, within Fleet capital budgets, including an initial order to purchase 14 Next Gen Type 3 Appliances before 31 December 2024, to a maximum cost of 9(2)(b)(ii)

8.9	FLEET MATTERS	
8.9a	FLEET APPLIANCE MAINTENANCE CONTRACT DELEGATIONS	SARAH SINCLAIR

The DCE OSCD introduced the paper seeking the Board's approval to delegate to the Chief Executive the authority to sign four specified new fleet maintenance contracts and future variations of those contracts.

The Board resolved to:

1. **note** in June 2023, Board delegated approval of fleet maintenance procurement plans, tender documentation, and recommendation reports with an estimated whole of life operating expenditure over \$10 million to the Chief Executive or Deputy Chief Executive Finance and Business Operations.
2. **note** that Fire and Emergency has recently issued Request for Tenders for fleet maintenance contracts with an estimated whole of life operating expenditure exceeding the Chief Executive's \$2 million operating expenditure delegated financial authority for the Tairāwhiti, Taranaki, Hawkes Bay and Bay of Plenty regions, and the resulting contracts are expected to be ready to sign in October to December this year.
3. **delegate** authority to the Chief Executive to sign fleet maintenance contracts for the Tairāwhiti, Taranaki, Hawkes Bay and Bay of Plenty areas with estimated whole of life operating expenditure of \$3.5 million, \$4.3 million, \$5.0 million and \$7.3 million respectively, and all future variations of these contracts (including rights of renewal for a maximum term of nine years) within the WOL estimations above.

8.9a	FLEET MAINTENANCE BUILD AND MAINTENANCE VARIATIONS	SARAH SINCLAIR
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The paper sought Board approval to rescind a previous Board delegation to the Chief Executive (CE) from July 2022 relating to fleet build and maintenance contract variations, and authorise a revised delegation approval for business-as-usual variation management of existing contracts.

The Board resolved to:

1. **note** that in July 2022 the Board was asked to approve the delegation of financial authority to the CE to approve variations to all existing appliance build and maintenance contracts during their terms however there was a drafting error in the recommendations which inadvertently negated the Board's delegation.
2. **rescind** the delegation to the CE in July 2022 of the authority to:

“approve (or further delegate to DCE, OSCD) and sign contract variations for each existing (as at 30 June 2022) fleet appliance build and maintenance contract during its term provided that:

- a) such variation relates only to price changes and/or appliance specification enhancements
- b) funding for such variation is available within an approved budget
- c) the value of such variation is within the DCE OSCD’s delegated financial authority”.

3. **delegate** authority to the CE to approve and sign contract variations for each existing (as at July 2022) fleet appliance build and maintenance contract during its term provided that:

- a) such variation relates only to price changes, compliance or lifecycle requirements, appliance specification changes and/or any other minor change; and
- b) funding for such variation is available within the approved allocated budget.

8.10	MICROSOFT LICENCE AGREEMENT	SARAH SINCLAIR
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The Chair introduced the paper seeking approval for annual purchase of Microsoft subscription for the period of October 2024 through to September 2027. The DCE OSCD gave an overview of the paper.

The Board resolved to:

1. **note** that on 30 August 2024, the Board approved Fire and Emergency entering the Microsoft Cloud, Software and Services License programme for the period of October 2024 through to September 2027 with an anticipated maximum budget of \$4.6 million per annum and whole of life cost of \$13.8 million.
2. **note** that negotiations with Microsoft were still occurring throughout September, and final budget position was not known until 20 September 2024
3. **approve** the annual purchase of Microsoft license for the period of October 2024 through to September 2027 with a maximum budget of \$4.683 million per annum and whole of life cost of \$14.05 million.
4. **delegate** authority to the Chief Executive to approve and sign the annual subscription agreements up to \$4.683 million per annum across financial years 24/25 through to 26/27.

9.	NOTING PAPERS	
9.1	FUTURE OPERATIONAL CAPABILITY PROJECT	STEPH ROTARANGI

The Chair introduced the Overview of Future Operational Capability Project paper. The DCE SDD provided an overview.

Key points to note include:

- this is a high-level summary presented to the Board
- next steps for the future operational capability team:
 - this findings of the local planning internal audit will be presented to ARC in December
 - a detailed delivery plan will be presented to FSIC
- the next step for the project will be delivery of Hazard Awareness Training
- the FSIC is monitoring the evidence-based risk modelling.

The Board:

- welcomed the clarity of the paper

IN CONFIDENCE

- confirmed the project links in with the strategy refresh, as well as the capacity and fiscal efficiencies projects.

The Board resolved to:

- note** the overview of the Future Operational Capability Project.

9.	GENERAL BUSINESS AND CLOSING	
10.1	KEY MESSAGES	CHAIR

No key messages were shared.

10.2	CORRESPONDENCE	CHAIR
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The Board reviewed the incoming and outgoing correspondence.

The Board and Ministerial Services Team were acknowledged for their work in the recent amendments to the condolence letters sent by Fire and Emergency.

10.3	EVENTS	CHAIR
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The Board reviewed the schedule of upcoming events.

Management action: Extend schedule of upcoming events presented to Board to enable a view further into the future.

10.4	GENERAL BUSINESS	CHAIR
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A farewell was held for Board member Hon. Ruth Dyson, QSO.

A member of the Board closed the meeting with a karakia at 1:13pm

Next Meeting: 8:00am – 3:00pm Friday 29 November 2024 – National Headquarters Wellington



Hui Miniti / Minutes

MEETING DETAILS	
Committee / Komiti	Board
Date / Rangī	Friday, 29 November 2024
Time / Wā	8:00am – 2:23pm
Location / Wāhi	NHQ 7.4W Matawai / MS Teams

ATTENDEES	
Chairperson <i>Tiamana</i>	Rebecca Keoghan MNZM
Members <i>Ngā mema</i>	<ul style="list-style-type: none"> • Danny Tuato'o (Deputy Chair) • Belinda Clark QSO • Mary-Anne Macleod • Amit Prasad • Dr Daniel Tulloch
Standing Attendees <i>Ērā atu</i>	<ul style="list-style-type: none"> • Executive Leadership Team • David Pealing, Principal Advisor Governance (Secretariat)
Other Attendees <i>Ērā atu</i>	<ul style="list-style-type: none"> • Hon Brooke van Velden, Minister of Internal Affairs (<i>item 8.1</i>) • Suzanne Doig Deputy Chief Executive (Acting) Regulation and Policy, Department of Internal Affairs (<i>item 8.1</i>) • Kate Taylor, Chair, Hawke's Bay Local Advisory Committee (<i>item 1.3</i>) • Lara Ariell, Independent HRIS/Payroll Advisor to the Board (<i>item 1.4</i>) • Murray Coppersmith, Financial Sustainability and Investment Committee Chair (<i>items 3.1, 4.1 and 4.2</i>) • Sarah Dwen, Chief Legal Advisor (<i>item 11.1</i>)
Apologies <i>Ngā whakapāha</i>	<ul style="list-style-type: none"> • Dr Steph Rotarangi, Deputy Chief Executive, Service Delivery Design

1.	CLOSED SESSIONS	
1.1	BOARD ONLY TIME	CHAIR

The Board met in closed session from 8:07am to 8:30am.

A member of the Board recited an opening karakia.

1.2	BOARD AND CHIEF EXECUTIVE ONLY TIME	CHAIR
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The Board met in closed session with the Chief Executive (CE) from 8:30am to 9:00am.

	EXTERNAL ENGAGEMENT	
1.3	BOARD, CE, AND HAWKE'S BAY LOCAL ADVISORY COMMITTEE CHAIR ONLY TIME	CHAIR

The Board and CE met in a closed session with the Chair, Hawke's Bay Local Advisory Committee from 9:00am to 9.15am.

1.4	BOARD, CE, AND BOARD INDEPENDENT HRIS/PAYROLL ADVISOR ONLY TIME	CHAIR
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The Board met in closed session with the Independent HRIS/Payroll Advisor to the Board from 9:15am to 9:30am.

2.1	INTERESTS REGISTER	CHAIR
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The Chair welcomed the Financial Sustainability and Investment Committee Chair, Executive Leadership Team and the Board Secretariat to the meeting at 9:30am.

The Interests Register was discussed, and several additions and deletions were noted.

3.	HRIS UPDATES	
3.1	HRIS AND PAYROLL REPLACEMENT PROGRAMME UPDATE	JANINE HEARN

The DCE People gave a verbal update on progress with the HRIS and payroll programme. Following a question from the Board, the DCE People confirmed updates on the programme would be provided as a standing item at future Board meetings. The next decision-making point anticipated for the Board would be the business case at the June 2025 Board meeting.

Management action: DCE People to provide regular updates on progress with the HRIS and Payroll Replacement Programme as a standing item at Board meetings.

4.	FINANCE REPORTING	
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9(2)(j)



9(2)(j)



Hui Miniti / Minutes

Management action: DCE FaBO to provide written updates, when required, on finance issues via the Chair's weekly reports until the next Board meeting in February 2025.

The FSIC Chair left the meeting at 10.20am.

5.	ADMINISTRATION	
5.1	MINUTES OF PREVIOUS MEETING – 25 OCTOBER 2024	CHAIR

The minutes of the Board meeting on 25 October 2024 were approved as a true and correct record.

5.2	REVIEW ACTION LOG	CHAIR
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The action log was reviewed. Updates and closures were progressed as required.

6.	REPORTING	
6.1	CHIEF EXECUTIVE'S REPORT	KERRY GREGORY

The CE introduced the report. The Board highlighted an apparent issue raised by the Chair of the Hawke's Bay LAC around planning and procurement. Fire and Emergency would be reaching out to the Hawke's Bay LAC Chair after the Board meeting to understand the point raised and identify how best to assist.

6.2	BARGAINING UPDATE	JANINE HEARN
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The DCE People gave a verbal update on progress in bargaining with the New Zealand Professional Firefighters' Union.

6.	SAFETY, HEALTH, AND WELLBEING REPORT	JANINE HEARN
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The Chief Executive opened the item before handing over to DCE People who introduced the SHW report.

The Board:

- was advised that most not-recorded incidents presented in the report were due to timing issues with month-end cut-off dates, and specific issues would likely be resolved by the next time the data was reported
- heard that the "N/A" field was being analysed to add new categories where needed.

7.	DECISION PAPERS	
7.1	ASSET MANAGEMENT PLANS	SARAH SINCLAIR

The DCE Organisational Strategy and Capability Development (OSCD) gave a presentation in support of the report.

The Board welcomed the paper and agreed that the plans would improve transparency in decision making, and communication with unions, associations, LACs and other stakeholders.

The Board requested a roadmap be presented at a future meeting, that set out overlaps or interactions between the asset management plans and future operating capability programme.

The Board resolved to:

1. **note** that 10 year Asset Management Plans have been drafted, and are being aligned to existing budgets for known and planned revenue up to mid 2029
2. **note** that increases in investment in both capex and opex will be required at the next Stage 3 levy cycle to continue to address the infrastructure deficit



- note management will communicate the asset hierarchy applied in determining the criticality of work to prioritise our asset expenditures through till mid 2029
- endorse the philosophy of mid-term reduction in asset liability, subject to available funding.

Management actions:

DCE OSCD to present key milestones for Asset Management Plans
DCEs OSCD and SDD to provide information on the relationship between Asset Management Plans and the Future Operating Capability Programme.

At this point in the meeting, the order of the agenda was modified to take other items ahead of the attendance of the Minister.

9.1	APPOINTMENT RECOMMENDATIONS FOR LOCAL ADVISORY COMMITTEES: BAY OF PLENTY AND MANAWATŪ-WHANGANUI	AMIT PRASAD
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Amit Prasad, Chair, Evaluation and Appointments Committee introduced the report setting out recommendations for appointments to the Local Advisory Committees (LACs) for Bay of Plenty and Manawatū-Whanganui.

The Board resolved to:

- approve the members and terms of appointment recommended in Appendix B to the report.
- approve the Chairs and Deputy Chairs and terms of appointment recommended in Appendix B to the report.

9.2	DELEGATION TO APPROVE LEVEL 2 PERSONAL PROTECTIVE CLOTHING AND ASSOCIATED LOGISTICS SERVICES CONTRACT	DR STEPH ROTARANGI
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The Chief Executive introduced this paper requesting delegation to the Chief Executive to approve and sign the contract for the supply of Level 2 Structural Personal Protective Clothing (L2 PPC) and Associated Logistics Services.

The Board resolved to:

- note that the procurement process for L2 PPC has been conducted within the Government Procurement Rules and Fire and Emergency New Zealand's Procurement Policy and has included independent probity support provided by Audit New Zealand.
- note that in April 2024 the Board delegated authority to the Chief Executive to approve the procurement plan including the preferred supplier recommendation.
- note this investment is considered to be in scope of Cabinet Circular CO (23) 9 as it is over \$35 million and as such Fire and Emergency New Zealand will be expected to follow the Treasury investment management process including Cabinet consideration of the investment.
- delegate to the Chief Executive authority to approve and sign the L2 PPC and Associated Logistics Services contract and any subsequent variations up to a whole of life cost (WOLC) of 9(2)(j)



9.3	PROPOSAL FOR FUNDING FOR GISBORNE CAREER FIREFIGHTER STAFFING UPLIFT	RUSSELL WOOD
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The DCE Service Delivery Operations introduced the paper seeking approval for funding to increase the Career Firefighter establishment numbers in Gisborne to increase operational crewing from 1.5 to two full crews.

The Board discussed:

- the unique circumstances of this decision, and noted that the Future Operating Capability programme would provide the framework for robust decision making in relation to any further requirement for increases in firefighter numbers at stations, including as part of the Board's previous decision to increase the number of firefighters across the country
- the plan in relation to the 235 FTE increase in firefighter numbers would return to Board in the last quarter of 2024/25, following it being considered by the joint staffing working party
- the implications for property and facilities at Gisborne, especially in light of the Board's previous concern at the number of injuries in fire station gyms
- the importance of working with marae and iwi, as well as other emergency services, in Fire and Emergency's volunteerism work and in career recruitment for Gisborne.

The Board resolved to:

1. **note** that increasing establishment in Gisborne by nine FTE (two per shift and a reliever) has been identified as an operational priority to mitigate both operational capability gaps, as well as health, safety and wellbeing concerns and operational stressors for career and volunteer personnel.
2. **note** that establishing an additional nine FTE in Gisborne will require approximately \$8.36m in funding over a ten-year period (commencing 2024/2025), which is above the Chief Executive's financial delegations. This will be an ongoing baseline cost for the organisation.
3. **delegate** financial authority to the Chief Executive to approve nine FTE in Gisborne for the purposes of increasing establishment from six to eight per shift, with a reliever.
4. **agree** that this increase in establishment is funded through the following mechanisms:
 - \$0.25m from contingency in 2024/2025
 - repurposing provisioned funds for an increase in staffing ratios from 2025/2026
5. **note** the potential for a small offset of current call out overtime of circa \$0.12m p.a.
6. **note** the impact of repurposing funds provisioned for the increase in staffing ratios is considered to have no practical or material impact and can be absorbed by the larger Districts.

8.	EXTERNAL ENGAGEMENT IN CLOSED SESSION	
8.1	ENGAGEMENT WITH HON. BROOKE VAN VELDEN	

The Board met with the Minister for Internal Affairs, Hon. Brooke Van Velden in closed session.

The agenda now resumes the order set out in advance of the meeting.

10.	NOTING PAPERS	
10.1	PEOPLE AND CULTURE COMMITTEE REPORT BACK TO THE BOARD	MARY-ANNE MACLEOD

Mary-Anne Macleod, the Chair of the People and Culture Committee, introduced the report of the meeting of the Committee on 4 November 2024.

Following a request, the DCE Office of the Chief Executive (OCE) gave an update on Speak Safe @ Fairway and confirmed that Fairway was invited to present to the Board at its February 2025 meeting.

The Board resolved to:

1. note the report of the meeting held on 4 November 2024.

10.2	EMISSIONS REDUCTION PLAN	SARH SINCLAIR
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The DCE OSCD gave a presentation on the emissions reduction plan, which had been provided to the Board via the resource centre.

10.3	UNITED FIRE BRIGADES' ASSOCIATION QUARTER ONE REPORT	BRYAN DUNNE
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The DCE OCE introduced the paper which provided a summary of the United Fire Brigades' Association (UFBA) report for the period 1 July 2024 to 30 September 2024 (Quarter One).

Management confirmed that this report meets the UFBA's reporting obligations to the Board under the 2024/25 Conditional Grant Agreement (CGA).

The Board noted the appointment of a UFBA relationship manager in the Office of the Chief Executive.

The Board resolved to:

1. note that the United Fire Brigades' Association (UFBA) Quarter One report has been received and analysed by Fire and Emergency New Zealand (Fire and Emergency).
2. note that Fire and Emergency management have confirmed the UFBA Quarter One report meets the UFBA's reporting obligations to the Board under the 2024/25 Conditional Grant Agreement.
3. approve a written response from the Chair of the Board to the UFBA acknowledging the contents of the report.

11.	DEEP DIVE	CHAIR
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9(2)(h) The presentation was loaded to the resource centre.

The Board confirmed that where no dissenting views were aired, it was appropriate to present the Board's voice as unanimous in minutes. However, it was noted that minutes should reflect individual Member's views if they differed from the decision taken. Members were responsible for agreeing the minutes of the meeting.

12.	WORKSHOP	CHAIR
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The DCE People took the Board through a workshop on the Code of Conduct learning module. All Board members completed the module.



Hui Miniti / Minutes

13.	GENERAL BUSINESS	
13.1	KEY MESSAGES	

There were none.

13.2	CORRESPONDENCE RECEIVED/SENT BY THE BOARD SINCE 25 OCTOBER 2024	CHAIR
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The Board reviewed the received and sent correspondence log.

13.3	EVENTS	CHAIR
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The Board reviewed the schedule of upcoming events.

13.3	CLOSING	CHAIR
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It was marked that Russell Wood, DCE SDO and National Commander, had attended his final Board meeting, and that his final day of service would be 31 January 2025. The Board commended Russell on his mahi at Fire and Emergency and wished him well in his future.

A member of the Board closed the meeting with a karakia at 2:23pm

Next Meeting: Friday 28 February 2025 – National Headquarters Wellington

(Board Strategy Day: Wednesday 29 January 2025 – National Headquarters Wellington)