



Northern Ireland  
Assembly

Committee for Health, Social Services and  
Public Safety

# OFFICIAL REPORT (Hansard)

Fire and Rescue Service: Senior  
Management Briefing

24 October 2012

# NORTHERN IRELAND ASSEMBLY

## Committee for Health, Social Services and Public Safety

### Fire and Rescue Service: Senior Management Briefing

24 October 2012

**Members present for all or part of the proceedings:**

Ms Sue Ramsey (Chairperson)  
Mr Roy Beggs  
Mr Gordon Dunne  
Mr Samuel Gardiner  
Mr Kieran McCarthy  
Mr Conall McDevitt

**Witnesses:**

Mr Chris Kerr	Northern Ireland Fire and Rescue Service
Mr Jim Wallace	Northern Ireland Fire and Rescue Service

**The Chairperson:** Good afternoon, gentlemen. Apologies for keeping you. You are more than welcome. Don't you be taking off, now, Chris.

**Mr Gardiner:** He is coming into a real fire here.

**The Chairperson:** The next item on the agenda is the evidence session with the chief executive and Chief Fire Officer. I will hand over to you, Jim and Chris, to do a presentation, and then we will invite questions from members.

**Mr Jim Wallace (Northern Ireland Fire and Rescue Service):** Thank you, Chair. Good afternoon. I am Jim Wallace, the chief executive of the Northern Ireland Fire and Rescue Service (NIFRS) since 13 August this year. Joining me today is Chris Kerr, whom some of you may know is the Chief Fire Officer. He took up his appointment on 27 June this year. Chris and I are here today to respond to your questions. I hope that, by the end of our discussions, you will have sensed a real desire and commitment from us both to lead the Northern Ireland Fire and Rescue Service forward. We will take on board all the recommendations that have been included in the recently published reports. More importantly, we will learn the lessons from the past to make sure that we build a better, stronger and more transparent organisation. Also, coming out from today's session, I suggest that there will be a sense that some of the issues that are referred to in the reports have been addressed already through the normal workings of our organisational audit and scrutiny.

It is fair to say that the reports that were published last week and which the Minister reported to the Assembly do not make pleasant reading for me or, I suggest, any of us who are here today. Working in the public sector, we all accept that audit, scrutiny, inspection and investigation are all part and parcel of how we operate. Reading some of the comments and conclusions during the past week affects not only me and Chris but everyone who works for the Fire and Rescue Service in Northern Ireland. The reputational damage that we are suffering will take some time to address. Rebuilding

people's morale and confidence is fundamental in that recovery process. It can be done, and the challenges, although significant, will be embraced by the organisation. The workforce is determined and committed to restoring the proud and good name of the NIFRS and its brand. Given clear and concise leadership, our people will respond.

The Minister referred to the publication of the reports as being a watershed. That is a particularly appropriate description in terms of looking ahead while learning the lessons from the recent past. A cornerstone in taking the organisation forward is good governance, linked with individual and collective accountability. As the accountable officer, it is inherent in my responsibilities to ensure that the governance, structures and processes support open, transparent and sound decision-making and that the accountability elements in our respective roles, whether it be the Department, the service or the board, are clearly defined and complied with. I can give the Committee a personal assurance that those principles will be embraced across all aspects of the Fire and Rescue Service's activities.

Although clearly focusing on the specific events that were referred to in the reports and audits, it would be remiss of me not to make reference to the work that has continued to be undertaken by the front line service delivery of the organisation throughout the prolonged period of difficulties. Chris Kerr has led on the majority of that work during that time, and he will continue to do that with my full support and confidence. We have, in spite of everything, continued to deliver a high-performing service to the people of Northern Ireland. We hope that the communities will take confidence and comfort from the high level of professionalism and commitment of our operational colleagues.

There are many key issues for the service to now take forward. For me, one of the first ones will be to resolve outstanding grievances that have been in place for an unreasonable period. As part of the learning points from the whistle-blowing process, I would also like to take the opportunity to endorse the Minister's comments about the value and importance of a whistle-blowing policy to any organisation. It is often a regret to me that the whistle-blowing policy has to be adopted, because it suggests that other policies and processes have, perhaps, not supported the individual. However, the presence of such a policy reinforces our commitment to the openness and transparency that all go to create a much better working environment for everyone who is associated with the service.

A number of gaps have been identified in our policy and procedures. In addition, there is little doubt that, in some cases, existing policies were not adhered to or were not tight enough in their content to ensure compliance. Again, we are looking to move forward with a dedicated team who will identify all the areas of our policies and procedures that need to be addressed, updated, rewritten, or all three.

My final point relates to the overall picture that the reports, when read together, create of the organisation. To make sure that we will not miss the need or justification for any further action to be taken as a result of the reports, I have already made enquiries about an independent overview of all of the recommendations that are being undertaken in order to advise and recommend to the service, where appropriate, if further action needs to be taken. The recommendations of that independent overview will be sought as a matter of urgency and reported in their entirety to the board and the Department.

It is almost inevitable, Chair, that we focus in the short term on the mistakes and lessons from the past. However, in times like this, opportunities always present themselves. The Fire and Rescue Service is no different from any other organisation in that respect. We have an opportunity to review many of our processes and to accountability arrangements in order to make them better. That can also deliver some efficiencies for us and provide better and different ways of working — something which can only help to support and deliver our improvement programme.

What I must do is provide clear and visible leadership in order to take the organisation forward, address the issues that have been highlighted to us and try to ensure that mistakes of that magnitude and nature do not happen again. We will work closely with our board and the Department to ensure that we have a clear understanding of what is expected from us and that we are held individually and collectively to account. The service's management team will give an early response to the reports. That will be followed by a more detailed action plan for fuller consideration by both the Department and the board. We can give the Committee our personal commitment in seeking to make sure that we deliver on the change agenda which is clearly laid out before us.

**The Chairperson:** For the record, it is important to reiterate what we said when the Minister made his statement and during the earlier presentation, which is that this, in no way, reflects on the work that firefighters do on the ground. There is an issue with senior management, but it is also about staff morale. When people's heads are down, their heads are down. I want to put on record the

Committee's appreciation of the men and women of the Fire and Rescue Service for the job that they do — sometimes, as I said earlier, at the risk of their own lives. We should not lose sight of that.

This is a serious issue. Jim, you said yourself that the reports make grim reading. Our earlier evidence session with the Department did not end the issue. After your presentation, we will discuss, as a Committee, what our next steps are, because there are still questions that we need answered at management level, at Department level and also through the structures. So, to that end, we have some specific questions.

You took up post on 13 August. I assume that you were well aware of the reports before they were made public. Between then and now, have you brought forward any short-, medium- or long-term recommendations to the Department to try to deal with stuff right away? And what is the Department's view on that?

Other issues in the body of the report are whole-time recruitment, expense claims and the payment principles that were all approved by the assistant chief fire officer. Is he still in post?

**Mr Wallace:** The assistant chief fire officer is currently in post but is on sick leave.

**The Chairperson:** Right, that was confirmed by the Department earlier. Are you going to make any recommendations for changes if and when that person comes back? Will you make any recommendations for disciplinary action or changes to the control that the assistant chief fire officer or, indeed, the Chief Fire Officer and other senior management figures, had over different aspects?

**Mr Wallace:** In my opening comments I made a brief reference to an independent overview that I was planning to undertake. I am very conscious of the Minister's comments when he presented the reports. Given some of the not unreasonable expectations from the Minister and the Floor of the Assembly, it was important to get a very balanced overview of all the recommendations.

There are clear implications in some of the recommendations in each of the reports for other recommendations in other reports. Rather than jump to the immediate conclusion that disciplinary and/or other action is required, I am asking for someone independent to look at all of those and come back with recommendations to us and the board on actions that they would consider appropriate, given the evidence that is presented to that independent person, and, again, if you are using the suggestion about discipline per se, very much looking at the evidence to support going down that route.

**The Chairperson:** Do you have an idea who is going to do the independent review? Have you a time frame on that?

**Mr Wallace:** Assuming that I get board approval and departmental support for it, which I suspect I will, I hope to have someone engaged within the next 10 days.

**The Chairperson:** And have you a time frame for finishing that job?

**Mr Wallace:** That is for discussion with the people who will be doing it, but the early discussions reflect the urgency of it. Certainly, it is in no one's interest to prolong any of these further overviews or reflections on what has taken place. I will discuss that with them to try to bring about a very tight timescale, but to make sure that it is still done.

**The Chairperson:** I listened with interest to some of the media interviews that you did when you were in position and then on this stuff at the minute. Are you not independent? Can you not carry out these reviews?

**Mr Wallace:** It would not be appropriate for me to carry them out and give single subjectivity to it. It needs to be someone who has not become immersed in some of the issues or in close proximity to them. I would have a view, but I would always expect my views to be challenged and discussed elsewhere. It would not be appropriate for that to be done within the organisation, but, externally, I have got a suitable independent person or persons who can provide that challenge.

**The Chairperson:** But as chief executive, is that not something that you can do?

**Mr Wallace:** Given the short period in which I have been in post, I would take more comfort and be more resolute in taking recommendations to the board and the Department if it was done by others.

**The Chairperson:** OK. You see the issue in the reports around the allegations made by the whistleblower flagging up a number of concerns about decisions that were made by a director of finance? Again, we went over this in detail in the earlier presentation today. Who is the director of finance?

**Mr Wallace:** By name? It is Mr Terry McGonigal.

**The Chairperson:** And he is still in position?

**Mr Wallace:** He is currently in post, yes.

**The Chairperson:** Do you have any proposals or recommendations, because this has been proven, to take disciplinary procedures in relation to the director of finance? Has he been sent on training courses? Has the Department done anything to ensure that this cannot happen again?

**Mr Wallace:** I cannot comment on the specific actions that the Department have put in place to ensure that it cannot happen again. We obviously have a number of grievances which are still outstanding, which I touched on, and which involve Mr McGonigal and others, but until those grievances are heard or the issues are resolved it would probably be inappropriate to put in place any action or reaction to the situation that we have at present.

Of course, one of the commitments that I have already made is to make sure that the grievances are addressed very quickly, and hopefully out of that may come a series of recommendations and actions for all those who have outstanding issues.

**The Chairperson:** OK. When is the board meeting?

**Mr Wallace:** The next fire board meeting takes place next Tuesday.

**The Chairperson:** Is that an open meeting?

**Mr Wallace:** I understand that all fire board meetings are public.

**The Chairperson:** Is all of its meeting public?

**Mr Wallace:** Unless there are specific elements of the board's agenda that can be taken in private.

**The Chairperson:** Sorry for laughing.

**Mr Wallace:** [*Inaudible.*] this has always been the fire board's —

**The Chairperson:** [*Inaudible.*] that some of this was taken in private was actually OK. I would appreciate your letting us know whether it is all open to the public. The whole issue of the cultural change in the Fire Service — again, have you ideas about how you intend to deal with all that?

**Mr Wallace:** Looking at the difficulties that have emerged, it is fair to say that the culture change is probably the single biggest challenge that we face. I think that the organisation recognises that things need to change, and I genuinely believe that people within the organisation will welcome that change. I think that, given the clear leadership that I have also touched on, they will respond to that. It is clearly not going to happen overnight, because we have morale issues in certain elements of the organisation. It is unfortunate that many of the issues relate to a relatively small part of the organisation, and, maybe, one particular place, but the impact on the whole organisation has been quite significant. In morale terms, that will take some addressing, but what encourages me is that it can be done, as I have seen in four other fire services.

By starting a programme of change — and I have to also say that work had already started on some of the cultural change prior to my taking up post. Some of the work that Chris and others have led on prior to my appointment has started to make some changes, and I am reasonably confident that we can build on that. It is good practice [*Inaudible.*] to roll that out. We are reinforcing and reinvigorating

the ethics and values of the organisation, which are things that are fundamental to getting a clear message to our people about what is expected of them. By starting at the top, we can begin to change the culture and lift morale at the same time.

**The Chairperson:** Chris, the report refers to stores management and stock control. In May 2012, only four of the 11 recommendations had been implemented following that internal audit almost a year previously. Can you let us know, then, or are you aware, why those recommendations were not implemented? Whose responsibility was that? Have the recommendations that were outstanding now been implemented?

**Mr Chris Kerr (Northern Ireland Fire and Rescue Service):** The stores function is the responsibility of the assistant chief fire officer for technical development — now known as technical services.

**The Chairperson:** Sorry; is that the same assistant chief fire officer who is out on long-term sick leave?

**Mr Kerr:** That is correct. In the officer's absence, I tasked the group commander who has been put into the stores, as well as carrying out other functions commensurate with his role, to undertake a review of those. I furnished that full internal audit update — a full stock check — to the chief executive and to the Department in the past number of days, and all of the recommendations that can be taken forward have been. There are two that require significant ICT interfacing between two systems, but significant progress has been made since the report was put together. I have been able to assure the chief executive and the Department that that matter has now been dealt with much faster than it had been hitherto.

**The Chairperson:** Before I bring in other members; the assistant chief fire officer, who is in post but on long-term leave, and the director of finance, who is in post, are mentioned throughout these reports. Where were you in the Fire Service when a lot of this stuff was going on?

**Mr Kerr:** As Jim said, I was appointed on 27 June as the interim Chief Fire Officer. Prior to that, on 1 April 2011, I was promoted to deputy chief fire officer, before which I was the substantive area commander in Belfast for seven years.

**The Chairperson:** I think that it is useful to clear that up because of the culture within the Fire Service.

**Mr Gardiner:** I have two questions, so you can select who will answer what. Have you assessed the impact that the issues raised by whistle-blowers have had on the service's morale, and what immediate steps are ongoing to rebuild morale?

**Mr Wallace:** I will just build on some of my earlier comments, before inviting Chris to give a perhaps more accurate reflection of the operational crews. Certainly, I think that, without any hard evidence, it is almost a sense that you can feel that people have now reached the point where they just want everything to be sorted. I said earlier that things have dragged on for far too long; I do not think that there is any question about that, and I do not think that that has been fair on the individuals who have raised issues. There was a reasonable expectation that they would be dealt with quickly.

I consider that the weak leadership that was demonstrated by those things not being dealt with was immediately picked up by all the staff, who then started to have doubts, which is when uncertainties and anxieties creep in. Given that things have been going on for 18 months to two years, inevitably our staff feel that they want it all to end. That is not an unreasonable expectation to have.

In the short time that I have been here, I have gone round the stations and seen some of the new area commanders and spoken to some of the crews. I am content and comfortable that the crews are still motivated to do the job and that they will still turn out. Chris may want to build on that. However, it is a real issue and something that can be dismantled only by us addressing the outstanding issues and rebuilding that trust and morale that is, perhaps, not quite as much in evidence as it should be.

**Mr Gardiner:** Thank you very much. I welcome that response. I think that you are going in the right direction, and I wish you well in it.

The internal audit investigation found that there were weaknesses in management and conflicts of interest. What immediate steps have been taken to avoid a repeat of those problems?

**Mr Kerr:** There are two things. I am conscious that you mentioned morale and, given that the responsibility for operational service delivery sits with me, I want to assure the Committee. First of all, I fully support the comments that Jim made about the value that whistle-blowers have in public scrutiny. It is a source of embarrassment, I think, to the organisation that it took whistle-blowers to bring out issues, such as they are. However, there was other information in the organisation that would have and has corroborated what has been said in some aspects. In terms of that, in my tenure, just after 27 June, I facilitated the return to work through representative bodies of the whistle-blowers, and that whistle-blower currently works in my directorate with me. I can give an assurance that the protection that whistle-blowers rightly expect has been afforded in those circumstances.

In terms of morale, I can, with confidence, speak for the operational firefighters in the service. The courage and professionalism that they show every day, which I am gratified that the Committee acknowledged, will be displayed in addressing the difficulties that we now face. They are not insurmountable, but they are significant. I would not want to diminish those. However, they, like me, are angry and embarrassed that the actions and omissions of a few have tarnished the reputation of the many. I can give a firm assurance today that my colleagues and I will address that. It has been very reassuring to me personally that, during the past number of weeks, operational colleagues, non-uniformed support colleagues at every level of the organisation and senior representatives of the Fire Brigades Union have made contact with Jim and me to assure us of their confidence and support, and that will sustain us going forward.

**Mr Gardiner:** Thank you very much. As an individual from the Upper Bann constituency, where we have a fire station in Portadown and one in Banbridge, I wish you well and hope that you get over these difficulties. The people outside who have these problems and have to dial 999 and ask for the Fire Service really do appreciate the lifesaving work that you do. On behalf of my constituency, thank you very much.

**Mr McCarthy:** Thank you for your presentation. You are very welcome. It is good to see two fresh faces, I hope, as we move forward after our previous session.

I have a number of questions. First, I am glad, Chris, that you acknowledged what I would call the shocking treatment of the whistle-blowers and that it even had to come to that. They were treated abysmally. Hopefully, that will never happen again.

Jim, you said that you were going to appoint an independent somebody to do something. Are you confident that you will not be overruled by the Department, as was the case previously when the former Chief Fire Officer wanted to appoint an independent person or persons to overlook all this nonsense that has happened? Your predecessor was overruled by the Department — the permanent secretary — to an internal health audit committee. Are you confident that you can withstand any challenges that may come your way?

I presume that you have an audit committee and internal audit processes. You may not be able to answer this question, but I will ask it anyway. Could what happened have been picked up long before it was if those processes had been working right? Why did the audit committee not ensure that robust management policies and risk management procedures were in place prior to all this?

Finally, are you satisfied with your current equipment, and do you have everything you need for a safe and effective Fire and Rescue Service? Again, like others, I want to pay tribute to the fire people in our constituencies who do excellent work and risk their lives day and daily in fire and rescue situations; they are involved in everything.

Will you give us feedback on those general questions? I wish you well, and you will have our support, I am sure, if we can overcome this horrendous stuff in front of us.

**Mr Wallace:** Thank you. That is much appreciated. I hope that we overcome it as well, otherwise I may be home for Christmas.

**Mr McCarthy:** I was going to ask you about that. When you got what is in front of you, did you regret taking up the post?

**Mr Wallace:** Categorically, no. I think that that is an important point and a reasonable question. This the fourth Fire and Rescue Service that I have worked in, and it has been an honour to work in each of

them. Be clear; the Northern Ireland Fire and Rescue Service is a good service. It has some local issues. We know what they are, and we are going to deal with them. However, to support Chris's comments, let us not get away from the fact that it is a very good service, and people must remember that. I can say that, having seen other services. I looked at eight services in Scotland as part of the process of combining them into one service in order for it to get better. We have got one here, and it is a good one. Let us build on that.

As regards my robustness in being able to make sure that the recommendations come forward; whatever is presented to us as a management team will certainly be presented to the board with our recommendations. It will be presented on the basis of the recommendations that I support. Hopefully, the board, and the Department, can then support those recommendations. If we disagree, then we will have an open and robust discussion about it. We have already had such discussions on many issues with the Department. That is the nature of the relationship, and it is vital for us going forward. Again, having had some experience of working in central government, where I worked the other way with services, and I know that this is a very important relationship. It should be one that is based on trust, openness and robustness. Long may that continue.

I am reasonably confident that we will be able to make sure that people buy in collectively to the recommendations or the findings rather than just seeing them as the service management team's recommendations or the board's recommendations. I believe that the neutrality of the overview to be undertaken will support that.

I do not necessarily feel that I am in a position to comment on the audit processes and the audit committee. I was not party to the thinking and the specific discussions that took place. Audit, by its very nature, is about looking back. I suspect that we can always learn lessons from audit processes and even from the discussions that take place at audit committees. I think that it would be unfair of me to comment on the specifics. Again, all I would say is that lessons are there to be learned. Let us make sure that we take those on board and go forward.

On the last bit about the equipment, I assume that you mean operational equipment.

**Mr McCarthy:** I mean basic safety equipment such as uniforms, etc.

**Mr Kerr:** At present, I could not give the Committee that assurance. We have conducted a number of reviews on issues impacting on firefighter safety. In March/April this year, I initiated an operations, management and safety programme board. One of the issues identified was that the procurement of fire kit is way behind where it should be. I personally intervened in that issue. The business case went to the Department a matter of weeks ago, and after the very good work of colleagues in the offices there, that has been turned round very quickly, and we are now in the process of placing an order. I hope that we get that by the end of the financial year. If not, we will be asking for carry-over of the requisite funds.

Another significant risk to the organisation is our command and mobilising system, which is referred to as GD92. One of my colleagues — a different assistant chief fire officer — is leading that project. He has progressed that matter equally at pace, and we are getting assistance from departmental colleagues about centres of procurement expertise. I am confident that, if that help is sustained, we will address both those issues, but they are currently vulnerabilities for the organisation and they exercise me as the chief fire officer.

**Mr McCarthy:** I am glad to hear you say that.

**The Chairperson:** So that we do not get into that discussion — this is not to say that it is not important — we will get an update from the Department on those specifics.

**Mr McCarthy:** What do you call her said that she was moving ahead with that.

**The Chairperson:** Yes, but we will get a timeline.

**Mr McCarthy:** Sure. Good. Many thanks.

**The Chairperson:** That is not for one minute saying that this is not important. We will get an update on the time frame. OK, Kieran?



**Mr McCarthy:** Yes. That is fine.

**Mr McDevitt:** You are welcome, gentlemen. For the record, who is the current corporate management team? Who are they and what are their ranks?

**Mr Wallace:** The people who are in post are me; Chris Kerr; ACO Dale Ashford; ACO Doyle, who is on sick leave; Terry McGonigal, the director of finance; and Adele Davidson, the temporary head of HR. There is one vacancy, which is currently advertised, for the director of planning and corporate affairs.

**Mr McDevitt:** OK. So that is six people at the moment, with one vacancy. It is a potential team of seven, two of whom were involved in the events under investigation.

**Mr Wallace:** Yes.

**Mr McDevitt:** Did you say that you have confidence in the current corporate management team?

**Mr Wallace:** In respect of the business that we have transacted on the team in my short tenure, I have been very encouraged by the commitment and professionalism of those sitting round the table. When you have had instability at the top level of an organisation over a prolonged period, it is very difficult to sustain any clear direction in delivering strategic objectives. I am sure that many accept that. Given that we are under numbers, and the vacancies that we have, the response by the management team that I have inherited to me has been professional and without fault.

**Mr McDevitt:** I am trying to figure out whether that is a yes or a no.

**Mr Wallace:** It is very much a positive yes.

**Mr McDevitt:** OK. Allegation 13 from the whistle-blower in the audit investigation into alleged irregularities in the Northern Ireland Fire and Rescue Service relates to control of administrative rights of the finance system. I have never been a finance director, but it seems to be very strange that the situation at the time at which the report was written was that the finance director appeared to have very substantial control over the IT system. Has that changed since the report was written?

**Mr Wallace:** I cannot comment on the specifics in the report. Certainly, however, I would expect any director of finance working with me or to me to have in place quite strict controls over who accesses certain elements of the financial system. I cannot comment on the specifics, but I have always had the clear brief given to me about just who can and cannot access the financial systems for obvious reasons of security and individual data protection. I expect the current director of finance to adopt similar principles as a finance professional.

**Mr McDevitt:** Six specific recommendations are made. Have any of them been implemented?

**Mr Wallace:** Which ones?

**Mr McDevitt:** Recommendations 10.4 to 10.11 are on pages 25 and 26 of the report. They are the last set of recommendations in your tabular format: 10.4 to 10.11 under group 13.

**The Chairperson:** Which page, Conall?

**Mr McDevitt:** In the report, Chair, they are on pages 25 and 26, and, in the table, they are on pages 55 to 57.

**Mr Wallace:** I cannot give specific updates on that. The management team has not yet had the opportunity to consider the report and the recommendations schedule in their entirety. The recommendations that we put together will be taken to both the board and the Department as a matter of priority. I cannot make specific comments on any of those.

**Mr McDevitt:** Jim, you are the accounting officer and, as such, unfortunately, carry the can for what happened previously as well as what is happening today. It is just the way it is, as you know, in the public service. When the Department gave evidence earlier, it confirmed that the current director of finance was a beneficiary of one of the unapproved bonus payments back in 2008. I do not think that I am misrepresenting the director of finance in the Department, but she took the view that it was strange that, given his position as director of finance, he did not raise an issue with the payment of unapproved bonuses. Yet he did not. There is no record that he ever raised an issue with the payment of an unapproved bonus. In fact, it is a fact that he received one.

**Mr Wallace:** Are you asking me if he should —

**Mr McDevitt:** You are the accounting officer. I am asking you if you think that that was good practice and if you think that he was properly fulfilling his duty to the Northern Ireland Fire and Rescue Service by not raising an issue in his capacity as director of finance and by accepting an unapproved bonus personally as director of finance, with all the duties that a director of finance in an arm's-length body in the public service has.

**Mr Wallace:** Given that I am, as you have quite rightly pointed out, the accounting officer, I would be responsible for such decisions. I would have expected the finance professional to have challenged the appropriateness of the payments. Perhaps there were opportunities prior to that for the proposal to be challenged in other forums and through other mechanisms.

**Mr McDevitt:** The report goes into some detail about the decision-making process around bonuses, and it seems to me that there would have been ample opportunities but that they do not appear to have been taken. We will move on from that.

Can I ask a couple of other questions of fact? Is the media services supplier to the Northern Ireland Fire and Rescue Service the same today as it was at the time of allegation 4?

**Mr Wallace:** No.

**Mr McDevitt:** The replacement tyre contract is referred to in allegation 5 in relation to the issue of unapproved sponsorship. Is that company still the major supplier of tyres to the Northern Ireland Fire and Rescue Service?

**Mr Wallace:** My understanding is that it is the same one.

**Mr McDevitt:** Finally, which member of the corporate management team is the decision-maker on that contract?

**Mr Wallace:** At the time when it was placed?

**Mr McDevitt:** Who is responsible for it today?

**Mr Kerr:** The person responsible for media currently is the chief fire officer of safety services.

**Mr McDevitt:** Is he the decision-maker? Is he the final approver, Chris?

**Mr Kerr:** No, that is a tender evaluation process, and an evaluation team is put together. This year, the board decided that a board member must sit on a tender evaluation team. So, he is not the final arbiter.

**Mr McDevitt:** So, who is the decision-maker? Who finally signs the contract?

**Mr Kerr:** Ultimately, any tender will go to the board.

**Mr McDevitt:** Does the chairman sign the contract?

**Mr Kerr:** The chairman and the accounting officer have done so in the past.

**Mr McDevitt:** I will leave it at that for now. Thanks very much, guys.

**Mr Dunne:** Thanks very much for coming along, gentlemen. This is a serious issue. We all pledge our support and appreciation to the Fire and Rescue Service for the excellent job that it does in serving the public and taking the risks that it does. We very much appreciate it. That has been difficult over the years through the Troubles, and it gave unstinting service to everyone in most difficult circumstances.

The bottom line is, Jim, how can you assure the public that there will be no recurrence of the issues once you get in, get established in the organisation and bring about change?

**Mr Wallace:** The first thing to say is that, when you look at the recommendations in their entirety, they constitute almost a root-and-branch map for starting from scratch. That is not necessarily the case, as I said earlier. Some things have moved on and we have tightened up in some areas, but there is still a significant amount of work to do, let me be quite clear, and we accept that.

The question was asked previously about confidence in the management team. That is fundamental for us as an organisation and how we deliver what is being asked of us. Once we can get a couple of posts filled, put together the programme for change, own that, be clear about what it is that we are trying to achieve and make that clear to the organisation — reinforcing what we said earlier about having the values and the ethics reinforced, and linking that to what we expect and how we will conduct ourselves as an organisation — I think that we will quickly start to see many of the issues and deficiencies that we have inherited disappearing.

Also, the governance and accountability arrangements are crucial. It is all very well for me, Chris and others to take the organisation forward, but we must be held to account. The issue was discussed earlier. The clear lines of accountability are going to be crucial. I am clear about what we need to do as an organisation. Both the board and the Department are also clear; we just need to get together to clarify accountability and map how it is going to work. It is fair to say, from the recommendations and the reports, that we can do better on accountability — all of us — and I do not think that anyone is in denial about that. If we put some fundamental building blocks in place as regards governance arrangements and clarity of accountability, the rest will start to flow from that, and I am confident that, within the management team, we have the desire and the skills to do it.

My only slight reticence is around our capacity. Again, that is no different from other public sector organisations. Much of what we are going to have to do has to be addressed. We will address it. We do have some capacity issues as regards keeping the day job going and making sure that the change programme is implemented and owned. It will not just happen; we have to own it, individually and collectively. We will have issues relating to the capacity of our people to deal with that, but that is our responsibility. We will deal with that, but it also has to temper our expectations of the timescale within which we can do all of that — not the desire or the direction, but the expectations.

**Mr Dunne:** What sort of timescale do you see for implementing the report recommendations, given that it is early days for you and it is going to take time to carry out a number of the recommendations?

**Mr Wallace:** It is early days. I will perhaps just confine it to the shortest term, the 18-month period, for which I will initially be here. I expect us to make significant progress in that time. If we do not, I will take personal responsibility. There is a large and varied agenda, which goes to every aspect of the organisation, and we have to make sure that we get the priorities dealt with first in the short term, look at some of the medium-term issues, which we can do within the next year, and, in terms of the bigger issue of morale and culture, we are looking at a bit longer to have tangible measures that those have changed. We may well get a sense of change very quickly, but to come up with the tangible measures of those improvements in morale and culture, will, I suspect, take a little bit longer.

**Mr Dunne:** How do you see the Northern Ireland Fire Service reporting to the Department? Earlier, some of us felt that there was a gap there. Under questioning, the Department representatives did not seem to know what was happening in the Fire Service. How can we close that gap?

**Mr Wallace:** There are probably two elements to that, I suggest, based on experience elsewhere and what I have heard and seen. Looking at the accounting officer's responsibilities and the corporate management team, we have an individual and collective responsibility to make sure that we take the right business to the board. We need to make sure that we take the big, important, strategic issues to the board for it to consider and that, if there are issues or problems, we do not hide them, they are open and transparent and the board gets an opportunity to look at them. As Chris mentioned earlier,

the Department has already been very supportive in giving us short-term solutions to some procurement and equipment issues. Again, to go back to what I said about clearly defined lines of accountability, this can only enhance the way in which the board works with us as a management team and the way in which the Department holds us to account, both as a management team and as a board. We can always improve. The discussions that we will have about building the improvement or change programme for the organisation is a fundamental inherent part of that process, and we will do that as a matter of urgency. Perhaps the Department may have referred to that earlier today.

**Mr Dunne:** Do you see a role for external audit and review to come into the organisation and give some assurance that such issues are not ongoing? From what we can see, the Fire Service seems to have been working on its own; the accountability and openness were not there, and there seems to have been a breakdown in management at senior level. There was the implication that there was fear in the organisation. Do you agree that there should be no need for whistle-blowers if an organisation is run properly, and if it has openness, integrity and fairness? Obviously, there needs to be proper leadership with leaders who are seen to have integrity. If leaders at the top do not have integrity, that filters right down. It goes back to leadership by example.

With regard to the role of audit and scrutiny, I see a great lack of it in the Fire Service. Some of us are councillors as well. At the moment, local government is full of scrutiny and audit. If half of that effort had gone into the Fire Service, these issues would not have occurred.

**Mr Wallace:** Perhaps Chris can give you an example of the good audit and scrutiny that has taken place in the organisation already. I can make an observation about that. From a professional point of view, I prefer scrutiny. For me, audit always tends to look back on things that have happened. If you can get the scrutiny process working correctly and have it live and up to date, you are taking the right amount of information and the right subject matter to the right forums before anything is decided and before anything goes wrong.

There is a balance between audit — looking back — and scrutiny, in being proactive in moving forward. You can depend on audit processes to find out where things are not being done correctly. We have external auditors who do some work for us on our own internal audit function. One of the things to come from the recommendations, and which will be considered by the audit committee and this Committee very soon, is just how the internal audit function in the organisation is structured and managed. That is a key priority and something that we have already kicked off prior to the session today. Your points are very well made, and I would not disagree with you that there is some work to be done.

**Mr Kerr:** I am conscious that Jim said that I would give you an example. To be candid, the audit process in the organisation with regard to holding all line managers to account needed to be addressed.

In the operational service delivery sphere, we introduced the operations management framework, which has performance data in which all our commanders, down to station level, have performance information that can be remotely monitored. It is called the service management assurance process. An audit mechanism is built into that, which reflects national guidance. On a monthly basis, area commanders meet me and are held to account and then, individually, once a quarter, we go through every aspect of their business plan, their financial plan, etc. The recommendation that I have made is that if that can be done for the operational side of the service, which provides a very effective and efficient service, surely it can be migrated across to the rest of the service. The indication is that our board has been very supportive of that, and that is where we hope to go.

**Mr Beggs:** Thank you both for coming along today to allow the Committee to hold you to account for your recent actions. From what I have seen already, it seems that staff and the wider population have reason for hope. I am pleased to see that. I see that we have an experienced officer who has worked his way up and is a manager of the service. Jim, would you be a troubleshooter in the Fire Service at a regional basis? Would that be a fair description?

**Mr Wallace:** I have been called many things in my 24 years in the Fire Service, but that is not necessarily one of them.

**Mr Beggs:** You have certainly wider experience that can bring benefit. I will move on to my questions. Sorry if I have embarrassed you there. One of your first actions was to bring in a consultant to give you advice. I am trying to understand that. I can see that this is a very big complex web with lots of

different actions happening at the same time. Is it advice in legal and personnel matters, because of the complexity of the grievances? Is that what is going on? I am just trying to understand why you need advice if you are the troubleshooter.

**Mr Wallace:** For me, it provides reassurance. When you look at some of the issues that have been raised this afternoon about specific individuals, by taking advice from someone who is one step removed from the organisation, it gives complete independence and reassurance to me that there is no possibility whatsoever of any internal influences jeopardising the outcome of that particular report.

We need a clean, clinical view of what the recommendations mean. Again, given the suggestions in the questioning this afternoon, as to discipline, which is a very serious issue and one that I take seriously, as I am sure the rest of management team does, we need to be clear that the evidence of decisions that we get must stand up to any scrutiny, if we are to support and proceed with issues like that. I would be concerned that, if we did it internally, there may be scope for us to be criticised.

**Mr Beggs:** Fine. Another aspect that strikes me about this whole issue is that you can look at it and say that it is the Department's fault, the audit committee's fault or the board's fault. Each of them has a degree of responsibility and they should have spotted things earlier. Ultimate responsibility, however, is borne by the core management team, the team that you described earlier. That is the primary team that should have been spotting some of those issues and dealing with them.

What training is given to someone who works his way up through the system from fire officer into those positions? What knowledge is he given of corporate responsibility, rights and wrongs, so that he can highlight, at one of these team management meetings, whether the chief executive has gone off in the wrong direction or is not dealing with something in the right way, so that, collectively, the management can keep each other right? What training has been given, and is it something needs to be improved on?

**Mr Kerr:** There are two things there. In career progression, one of the things that has not worked very well in the service, over the past number of years, is succession planning. Obviously, I will not go into personal details, but we have a situation in which we have one and two people applying for positions. We do not have the candidate pool that we should have, and there are a number of reasons for that.

When I became director of operations last year, we had 176 staff vacancies at management level, and HR and our predecessors had not been able to progress the promotions, in some cases for part-time or retained colleagues, for over four years. Since November last year, in the absence of a HR director, I undertook that specific project, ably helped, I have to say, by a number of HR managers who assisted the process and we are just at the end of an annual process to address that.

Immediately, you will have worked out, as I did, that if we did not have 176 managers, middle managers, front line supervisors or senior managers in an organisation, that has an impact on governance. So, the immediate issue was to address the succession-planning issue by getting people into post, and, once in post, giving them induction training, so that we can say that the development process prepares them for their role.

I think that Jim alluded to the fact that there is a three- to five-year return on that investment. We are seeing that return already. In March, all our territorial area commanders were appointed: the positions were all vacant. As to core progression courses in training, we follow the corporate governance model and the Nolan principles. Last year, all these things have, in many cases for the first time, been part of the induction training of our officers. Many of us, me included, have taken third-level post-entry education to masters level in a variety of disciplines in order to prepare us for that role. The service is certainly reflecting the national trend in that, in recent years, but I would have to be candid and say that it did not always do so. I can go into detail on the ability of the corporate management team to flag issues. I have a wealth of electronic and documentary evidence, which I am happy to share. However, I can assure you that individual members of the team did flag where the organisation was going, and, sadly, early attention to those indicators was not taken.

I can point to the number of occasions on which correspondence was sent about the impact of not filling key posts and the impact on corporate governance — the impact of certain courses of action. I have raised important issues about governance myself. Therefore, I can assure you that that has happened. It is about the actions that have been taken subsequent to that, and clearly, a more junior member of a corporate management team cannot override the decisions of the accounting officer or a more senior person.

Nevertheless, I would not want to give members the impression that people sat quietly. Certainly, it is the actions of whistle-blowers that have brought things to attention, but there are others who have had the moral courage to raise issues during their time in post.

**Mr Beggs:** Thank you for your frankness.

**The Chairperson:** Who were the issues raised with?

**Mr Kerr:** I can comment only on my own case, and those issues were raised with the former Chief Fire Officer in e-mail correspondence.

**The Chairperson:** Peter Craig?

**Mr Kerr:** That is correct.

**The Chairperson:** Who took early retirement. Are you aware of the size of the package that he got when he took early retirement?

**Mr Kerr:** That would be a matter of speculation. It would be less than candid of me to tell you that we did not have a fair idea of what it would be for someone with that length of service, but I do not know the specifics.

**The Chairperson:** Internally, outside of the stuff that the whistle-blowers raised, did many people in middle and senior management also raise matters with the former Chief Fire Officer about which nothing had been done?

**Mr Kerr:** That is correct.

**The Chairperson:** OK. Again, you may not have the answers to some of these questions. Are you aware of who owned the lock-up where the jeep was parked?

**Mr Kerr:** I am not. The information about the Land Rover came to senior management's attention in the aftermath of the vehicle being returned to headquarters.

**The Chairperson:** OK. I want to look at the issue of the whistle-blowers. You are probably joint number one in the organisation now. Are you openly protecting and supporting the whistle-blowers and sending out a clear message that they what they did was right?

**Mr Kerr:** I mentioned earlier that we know the identity of only one whistle-blower. I say that advisedly because that person has come forward publicly. That whistle-blower currently works for me. If members have been following recent events, they will know that it is a matter of public record that that person has acknowledged that she has been treated with dignity and respect since coming back to the organisation.

I have not been involved in any other aspects of protection of whistle-blowers, so I cannot account for those, but I can give you my assurance and that of colleagues that the protection that has been afforded thus far will continue.

**The Chairperson:** It is important that that message come from people at senior level.

Jim, you have a substantial number of years' experience in different fire services, but if this were the private sector, would you come in and sack the director of finance right away?

**Mr Wallace:** That is a very leading question, Chairperson. Having not been in the private sector for a considerable period, I am not sure that I would be in an informed position to give you an answer to that.

**The Chairperson:** Oh, you are very good, I have to say, Jim. Would you have approved the early retirement package for the former Chief Fire Officer?

**Mr Wallace:** I am not aware of the circumstances around that and whether it was an early retirement or a normal retirement. I understood that it was a normal retirement, but I could be wrong.

**Mr Beggs:** Can we seek clarification on that?

**The Chairperson:** The Department will come back to us on that.

**Mr McDevitt:** I have a quick question about something that we have not really touched on in this session, and I would like the gentlemen's opinion on it. I am looking at the separate report that was conducted into what we might colloquially call "the uniform business". When you read that report, did you read a report into corruption?

**Mr Wallace:** Which report?

**Mr McDevitt:** The one into stock and stores titled, 'Investigation of Alleged Irregularities at Northern Ireland Fire and Rescue Service: Stores Management and Stock Control', dated 12 October 2012.

**Mr Wallace:** I certainly did not read corruption. As with the other reports, I certainly read that a number of gaps existed, either through a lack of appropriate policy or, as I said in my opening comments, a failure to adhere to existing policies. Again, looking at the conclusions and recommendations in the report, I do not read the report as a mandate of corruption.

**Mr McDevitt:** Do the actions of the late stores manager amount to a conflict of interest?

**Mr Wallace:** Looking at the facts as they are presented to me, I think that we could clearly have taken steps as an organisation at the time. Again, I cannot comment on the specifics. However, one would expect steps to be taken, and, given the process and procedures that are now in place, I can give an assurance that such a scenario would not happen again.

Chris may want to make some specific comments about what is in place to safeguard against a reoccurrence.

**Mr Kerr:** I cannot comment on the specifics, as it was not an area that I was responsible for at the time. This year, we have introduced a rule so that anyone involved in any aspect of procurement has to sign a conflict-of-interest form. That includes all directors, not just those directly involved in procurement.

I echo Jim's comments that we would have a view if similar circumstances were to pertain today, because we are very conscious that it is not just about probity but about perception. The public rightly need to be reassured of that. That is not any to draw any inference from the report's findings, but today we take a different view. All operational firefighters have to request the permission of the Chief Fire Officer to engage in secondary employment, and permission is given only if there is no conflict of interest. There could be opportunities in the operational service-delivery sector that might easily migrate across into the wider organisation. That has been a factor for many years with uniformed firefighters.

**The Chairperson:** Gentlemen, thanks very much.

**Mr Kerr:** There is one point of clarity I want to make. Mr McDevitt asked a question of the chief executive, and I want to make sure that I give the right advice to the chief executive. Did you ask whether the current media supplier is different to the one at the material time?

**Mr McDevitt:** Correct.

**Mr Kerr:** The media supplier at that material time is no longer providing the service.

**Mr McDevitt:** Thanks, Chris. I appreciate that.

**The Chairperson:** You will come back and let us know about the board meeting on Tuesday?

**Mr Kerr:** Yes.

**The Chairperson:** On behalf of the Committee, I wish you well. You came into positions a matter of months ago. The first thing that we need to do is to send out a clear message that times have changed in the service. Staff morale is also important. We still have questions for the Department, which may involve you, as an organisation, coming back.

I thank the Fire and Rescue Service for the work that it is doing and the work that it has done. Hopefully, staff morale will lift, and we will get the information that members asked for. I genuinely wish you well. It is a tough road ahead, but hopefully we will see the end of it. Thanks very much.

**Mr Wallace:** Thank you very much.