



MEETING OF THE FIRE AUTHORITY

WEDNESDAY, 18 JULY 2018

Time : 10.30 am

Lecture Theatre - Sadler Road, Winsford, Cheshire

SUPPLEMENTARY AGENDA – ITEMS MARKED ‘TO FOLLOW’

- | | | |
|-----------|---|-----------------|
| 1F | Minutes of Governance and Constitution Committee
To receive, for information, the minutes of the Governance and Constitution Committee meeting held on 4 th July 2018. | (Pages 1 - 6) |
| 1G | Minutes of Estates and Property Committee
To receive, for information, the minutes of the Estates and Property Committee meeting held on 5 th July 2018. | (Pages 7 - 8) |
| 1I | Minutes of Closure of Accounts Committee
To receive, for information, the minutes of the Closure of Accounts Committee meeting held on 30 th May 2018. | (Pages 9 - 12) |
| 2 | Audit Findings Report 2017-18 | (Pages 13 - 42) |
| 3 | Final Accounts 2017-18 | (Pages 43 - 50) |
| 4 | Annual Statement of Assurance 2017-18 | (Pages 51 - 82) |

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MINUTES OF THE MEETING OF THE GOVERNANCE AND CONSTITUTION COMMITTEE held on Wednesday, 4 July 2018 at Lecture Theatre - Sadler Road, Cheshire at 10.00 am

PRESENT: Councillors S Wright (Chair), D Beckett, E Johnson, D Mahon, R Polhill, N Jones and independent (non-elected member) L Thomson

1 PROCEDURAL MATTERS

A Recording of Meeting

Members were reminded that the meeting would be audio-recorded.

B Apologies for Absence

Apologies were received from independent (non-elected) member D Barnett.

C Declarations of Members' Interests

There were no declarations of Members' interests.

D Minutes of the Governance and Constitution Committee

RESOLVED: That

[1] the minutes of the meeting of the Governance and Constitution Committee held on Wednesday 11th April 2018 be confirmed as a correct record.

2 DISPENSATIONS

The Director of Governance and Commissioning introduced the report which asked Members to extend the benefit of the existing dispensations to new Members of the Fire Authority. This would allow them to take part in debates and votes on the setting of the council tax precept and approval of the Members' Allowance Scheme (and any changes and/or additions to it).

Appendix 1 to the report contained a copy of the legislation and Appendix 2 to the report contained an extract which explained the rationale for the granting of the original dispensations.

The Director of Governance and Commissioning informed the Committee that the following new Members had requested that the dispensations be extended so that they could benefit from them:

Councillors Barker and Hayes

RESOLVED: That

[1] the dispensations granted to Fire Authority Members on 5th October 2016 be extended to benefit Councillors Barker and Hayes thereby allowing them to take part in debates and votes on the setting of the Council Tax precept and the approval of the Members' Allowance Scheme (and any changes and/or additions to it).

3 DRAFT STATEMENT OF ASSURANCE 2017-18

The Director of Governance and Commissioning introduced the report which provided Members with the opportunity to review the draft Statement of Assurance 2017-18.

He explained that the Fire and Rescue National Framework for England 2012 required the Authority to publish an Annual Statement of Assurance. The 2012 document had recently been superseded by the 2018 National Framework. The 2018 version had altered the requirements of the Annual Statement of Assurance and would be taken into account when the Statement was prepared for 2018-19. For 2017-18 the 2012 document, which applied throughout the year, had been considered in preparing the Statement.

The Director of Governance and Commissioning referred Members to the Draft Statement of Assurance 2017-18, attached as Appendix 1 to the report. He explained the purpose of the Statement of Assurance, which was to provide an easy and accessible way in which communities, government, local authorities and partners could make a valid assessment of the Authority's performance and governance arrangements.

He also drew Members' attention to other key sections of the report, including financial assurance, the Annual Governance Statement, operational assurance and key areas of improvement. For 2017-18, the following key improvement areas were identified:

- Development of the arrangements and relationships for the delivery of support services by the Joint Corporate Teams.
- Embedding of the Partnership Governance Model and relaunch of the revised policy.
- Development and streamlining of the budget preparation and management processes.

The Director mentioned that the external auditors had suggested some potential changes to the Annual Governance Statement (Section 3 of the Statement of Assurance). It was his intention to make changes prior to the presentation of the document to the Fire Authority.

RESOLVED: That

[1] the draft Statement of Assurance 2017-18 be noted.

4 WHISTLEBLOWING POLICY AND PROCEDURE ANNUAL REPORT 2017-18

The Director of Governance and Commissioning introduced the report which provided information about whistleblowing for 2017-18. The policy had been reviewed and no changes were required, apart from some amendments to the list of the names and contact details of officers within and outside the Authority to whom concerns could be reported.

The Director informed Members that the Authority had been contacted by Safecall four times since the last report to the Committee in 2017. He explained that further information would be provided during Part 2 of the meeting.

A Member said that she was pleased to see that calls were taken seriously and asked the Chair to confirm that he was happy to remain as a whistleblowing contact on behalf of the Authority. The Chair confirmed that he was.

RESOLVED: That

[1] the contents of the report be noted.

5 COMPLIMENTS AND COMPLAINTS ANNUAL REPORT 2017-18

The Director of Governance and Commissioning introduced the report which provided information about compliments and complaints received about the Service during the period 1st April 2017 to 31st March 2018.

The Director provided an overview of the comparison figures for the past five reporting periods which were contained within a table in the report. He explained that there had been a significant reduction in complaints and compliments during 2017-18. However, there had been a slight increase in formal complaints received. The three formal complaints received concerned the Service's Integrated Risk Management Plan and related to the Crewe and Ellesmere Port decisions.

RESOLVED: That

[1] the information regarding compliments and complaints made during the period 1st April 2017 to 31st March 2018 be noted.

6 SUMMARY OF MEMBER ATTENDANCE 2017-18

The Director of Governance and Commissioning introduced the report which provided information about Member attendance for the last municipal year. Appendix 1 to the report summarised Member attendance at meetings of the Fire Authority and its three main committees: Estates and Property Committee,

Governance and Constitution Committee and Performance and Overview Committee. Appendix 2 to the report contained details of the planning days and additional meetings attended, as well as conferences and events attended.

Members were asked to consider whether they wished to take any action in relation to the reported attendance statistics. Members discussed the statistics and it was agreed that no action was necessary.

RESOLVED: That

[1] the summary of Member attendance at meetings of the Authority and its three main committees for 2017-18 be noted.

7 FURTHER INVOLVEMENT OF THE POLICE AND CRIME COMMISSIONER FOR CHESHIRE IN CHESHIRE FIRE AUTHORITY

The Director of Governance and Commissioning introduced the report which provided information about forthcoming changes to legislation which would enable the Police and Crime Commissioner for Cheshire (Cheshire PCC) to be appointed as a Member of the Fire Authority.

The Director explained that he and other legal officers felt that the Government needed to provide more clarity about the status of a PCC appointed to a fire authority e.g. would the PCC be subject to the Members' Code of Conduct.

Members asked about the process associated with a PCC wishing to become a member of a Fire Authority. The Director outlined what was anticipated and the fact that reasons would need to be provided by a Fire Authority whether it chose to allow or deny a request.

RESOLVED: That

[1] the contents of the report be noted.

8 APPOINTMENT OF FIRE AUTHORITY MEMBERS BY CONSTITUENT AUTHORITIES

The Director of Governance and Commissioning explained that the report provided information in response to a question raised at the meeting of the Fire Authority on 20th June 2018 about the ability of constituent authorities to appoint additional Members to act as reserves.

He informed Members that the Combination Scheme did not contain an explicit provision that would enable a constituent authority to appoint reserve Members. He also explained that officers believed that the provisions in the Combination Scheme did not suggest an implied power to do so.

Members accepted the view of the Director and that the Combination Scheme did not contain an explicit or implicit provision that would allow a constituent authority to

appoint reserve Members.

RESOLVED: That

[1] the contents of the report be noted.

9 EXCLUSION OF PRESS AND PUBLIC

RESOLVED:

That under Section 100(A) (4) of the Local Government Act 1972, as amended by the Local Government (Access to Information) Order 2006, the press and public be excluded from the meeting for the items of business listed below on the grounds that they involve the likely disclosure of exempt information as defined in Schedule 12 A to the Act in the paragraphs indicated:

Item 10

Provision of additional information about Safecall referrals mentioned in the report at Item 4

Paragraph

(2) Information which is likely to reveal the identity of an individual

10 PROVISION OF ADDITIONAL INFORMATION ABOUT SAFECALL REFERRALS MENTIONED IN THE REPORT AT ITEM 4

The Director of Governance and Commissioning presented information relating to Item 4.

RESOLVED:

That the information be noted.

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MINUTES OF THE MEETING OF THE ESTATES AND PROPERTY COMMITTEE held on Thursday, 5 July 2018 at Lecture Theatre - Sadler Road, Winsford, Cheshire at 10.00 am

PRESENT: Councillors J Mercer (Chair), E Johnson, D Mahon, G Merry, S Nelson and independent (non-elected) member L Thomson

1 PROCEDURAL MATTERS

1A RECORDING OF MEETING

Members were reminded that the meeting would be audio-recorded.

1B APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor T Sherlock.

1C DECLARATIONS OF MEMBERS' INTERESTS

A Member appointed by Cheshire West and Chester asked whether it was necessary to declare an interest. Both sites were in the areas of Cheshire West and Chester Council and both would require planning permission. The Member was involved in determining planning applications. The Director of Governance and Commissioning said that he could see no reason to declare an interest at the meetings of the Fire Authority or its committees. However, he felt that it would be important for Members to be clear about their involvement in determining planning applications made on behalf of the Fire Authority.

1D MINUTES OF THE ESTATES AND PROPERTY COMMITTEE

RESOLVED: That

[1] the minutes of the meeting of the Estates and Property Committee held on Wednesday 6th December 2017 be confirmed as a correct record.

2 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED: That

by virtue of Section 100(A) (4) of the Local Government Act 1972, as amended by the Local Government (Access to Information) Order 2006, the press and public be excluded from the meeting for the item of business listed below on the grounds that they involved the likely disclosure of exempt information as defined in Schedule 12A to the Act in the paragraph indicated:

Item 3: Chester Fire Station Update

(3) Information relating to the financial or business affairs of any particular person (including the authority holding the information)

Item 4: Training Centre Update

(3) Information relating to the financial or business affairs of any particular person (including the authority holding the information)

3 CHESTER FIRE STATION UPDATE

The Director of Governance and Commissioning presented the report to Members, which contained an update detailing the progress to date during the initial design phase of the project to replace Chester Fire Station.

RESOLVED: That

[1] the content of the report and additional information providing during the meeting be noted.

4 TRAINING CENTRE UPDATE

The Director of Governance and Commissioning presented a discussion paper to Members. A number of officers and an external adviser provided additional information to Members. They explained how the initial design had been prepared, challenged and finalised. They provided details of the results of the surveys that had been carried out. They also provided details of the initial cost plan, which totalled a considerably higher sum than the available budget.

The Director of Governance and Commissioning explained that the main challenge had been unexpected, abnormal costs and that officers had spent time looking at the potential for reducing the project to fit the available budget, as well as considering the potential ending of the project and refurbishment of the existing facilities. Members considered the options and were clear that the project should continue as planned and that they wished to recommend the Fire Authority allocate additional budget.

RESOLVED: That

[1] the project, as originally conceived and described in the initial design, should proceed; and

RECOMMENDED: That

[1] the Fire Authority should allocate additional funds.



MINUTES OF THE MEETING OF THE CLOSURE OF ACCOUNTS COMMITTEE held on Wednesday, 30 May 2018 at Lecture Theatre - Fire Service Headquarters, Winsford, Cheshire at 10.00 am

PRESENT: Councillors D Bailey, M Biggin and T Sherlock

1 PROCEDURAL MATTERS

A Recording of Meeting

Members were reminded that the meeting would be audio-recorded.

B Membership of Committee

Members of Performance and Overview Committee fulfil the role of the Closure of Accounts Committee.

C Apologies for Absence

Apologies were received from Councillors A Dirir, P Harris, J Saunders and M Simon.

D Declaration of Members' Interests

There were no declarations of Members' interests.

2 2017-18 DRAFT FINAL ACCOUNTS

The Treasurer introduced the report and advised Members that it was a statutory requirement that he approve the draft annual accounts of the Authority by the end of May each year. He explained that, as part of the annual accounts process, a draft set of accounts was reported to this Committee for its consideration.

He advised that the accounts were subject to external audit and that this process had already commenced. Once the audit was completed the Authority would formally consider the accounts for approval in July. This was a shorter timescale than in previous years due to a change in regulations which stated that the draft accounts must be released by the end of May and final accounts audited and published by the end of July.

The Treasurer referred Members to the Comprehensive Income and Expenditure Statement (CI&E Statement) within the draft accounts (Appendix 1 to the report), which reported the net cost of all of the activities of the Authority for the year. He referred Members to the final line of the table, 'Total Comprehensive Income & Expenditure', which indicated a loss incurred of £27m. Notes included within the accounts provided further information on the CI&E Statement.

He drew Members' attention to the Balance Sheet within the draft accounts, which detailed the value, as at the Balance Sheet date, of the assets and liabilities recognised by the Authority. It indicated that the Authority had a negative net worth of £478m, compared to £451m in the previous financial year. This reflected the loss of £27m captured within the CI&E Statement. He explained that net pension liability figure of £563m was the main factor affecting net worth. This was mainly due to the firefighter pension schemes currently being unfunded, meaning that there were no investment assets built up to meet the liabilities associated with the schemes.

The Treasurer explained that, in order to make the Balance Sheet balance, a contra entry had to be included against the net pension liability figure of £563m. This contra entry was included in the unusable reserves: a technical accounting adjustment reflecting the difference between the outcome of applying proper accounting practices and the statutory requirements for funding expenditure within the public sector. Unusable reserves for 2017-18 totalled £506m. The Treasurer highlighted that money actually available for the Authority to utilise was £28m, as shown in the usable reserves.

The Treasurer informed Members that, due to the new deadlines for producing the final accounts, the Head of Finance and her team had prepared the accounts a month earlier than in previous years. He explained that the team had worked hard to meet the deadline and wanted to credit them for all of their hard work. He then introduced the Head of Finance who provided further information on the draft accounts.

The Head of Finance referred Members back to the CI&E Statement and explained that the Authority had to supplement the figures set out within the CI&E Statement for the services that the Authority provided with additional non-cash costs which reflected:

- the use of assets and depreciation;
- the movement in pension liabilities;
- the movement in items such as the collection fund; and
- accumulated absences.

She referred Members to the remeasurement of the net defined benefit liability/(asset) within the CI&E Statement, which captured the movement between 2016/17 from £42m to £19.67m in 2017/18. This coupled with depreciation accounted for the larger figures within the CI&E statement.

The Head of Finance drew Members' attention to the Expenditure and Funding Analysis Note 2017/18, containing the following information:

- Net Expenditure – Comprehensive Income and Expenditure Statement
- Adjustments between the Funding and Accounting Basis
- Net Expenditure Chargeable to the General Fund

She explained that the net expenditure chargeable to the general fund reflected what the Authority actually had to fund from council tax, government grants and precept.

The Authority was in surplus by £90k and further information would be provided to the Authority in June explaining how the underspend had occurred.

The Head of Finance referred Members to the Movement in Reserves Statement 2017/18 which showed the movement in the year on the different reserves held, identifying both usable and unusable reserves. It was linked to the CI&E Statement through the impact of the surplus or deficit on the provision of services on the general fund. She explained that the sale of assets had raised £62k in capital receipts which had been included in the total usable reserves for 2017/18. She also drew Members' attention to the unusable reserves in the Statement and explained that changes to the Firefighters' Pension Scheme from final salary to career average had helped to reduce the pension liability to a certain degree.

The Head of Finance also further elaborated on the Balance Sheet, providing further explanation of each area detailed within the table. She reiterated that the net liability within the Balance Sheet totalled £478m. When the net pension liability was removed from this total, the Authority had an actual net worth of approximately £85m.

The Head of Finance concluded by referring to the Notes to the Accounts. She explained that Note 2 contained information on the new regulations that the 2018/19 accounts would need to be prepared by, highlighting that new requirements under IFRS 16 relating to leases would have a particularly significant impact. Note 10 contained further information on taxation and non-specific grant income; the Head of Finance explained that there had been a reduction from £7.68m in 2016/17 to £5.98m in 2017/18 in capital grants and contributions received. This reflected the impact of austerity and the lowering of government funding.

She also referred Members to the following notes within the accounts for further information:

- Note 4 – Assumptions made about the future and other major sources of estimation uncertainty
- Note 11 – Property, Plant and Equipment
- Note 18 – Provisions
- Note 19/20 – Usable/Unusable Reserves
- Note 22 – Members' Allowances
- Note 23 – Officers' Remuneration

A Member highlighted that the number of electors in Cheshire West and Chester had increased and queried whether this increase was reflected in the other three constituent authorities. The Head of Finance explained that all four authorities were showing increase and that an assumed increase was built into the accounts, with a 1-2% increase to the tax base expected per annum.

A Member raised concerns about the reduction in grants and funding from the Government, stating that the financial burden was shifting towards local authorities to cover the shortfall in funding. The Treasurer stated that, by the early 2020s, it was expected that revenue support grants would reduce to near zero for most parts of the public sector. Therefore, local authorities were having to grow their council

tax base and business rates base to compensate for the shortfall.

A Member referred to the £155k paid in Members' Allowances for 2017/18 and queried what percentage of the total budget this represented. The Head of Finance confirmed that she would provide this figure for Members.

A Member queried whether the decision by the Authority in February 2018 to maintain the second wholetime appliances at Crewe and Ellesmere Port had been factored in to the 2017/18 accounts. The Head of Finance explained that this was not included in the 2017/18 accounts, but would be included in the Authority's Medium Term Financial Plan and 2018/19 accounts.

Members thanked the Treasurer and Head of Finance for their work on the accounts.

RESOLVED: That

[1] the draft Statement of Accounts 2017-18 and going concern document (Appendix 2) be noted.

CHESHIRE FIRE AUTHORITY

MEETING OF: CHESHIRE FIRE AUTHORITY
DATE: 18TH JULY 2018
REPORT OF: GRANT THORNTON, EXTERNAL AUDITORS
AUTHOR: HEAD OF FINANCE

SUBJECT: AUDIT FINDINGS REPORT 2017-18

Purpose of Report

1. To present the 2017-18 audit findings of the external auditors Grant Thornton.

Recommended that:

[1] the content of the Audit Findings Report 2017-18 be noted.

Information

2. Under the International Standards of Auditing (UK) (ISAs), external audit are required to report whether, in their opinion:
 - the Authority's financial statements give a true and fair view of the Authority's financial position and of the group and Authority's expenditure and income for the year;
 - have been properly prepared in accordance with the CIPFA/LASAAC code of practice on local authority accounting and prepared in accordance with the Local Audit and Accountability Act 2014; and
 - report on the value for money arrangements
3. the Audit Findings Report 2017-18, attached as Appendix 1, sets out the processes and checks Grant Thornton have undertaken together with their findings and opinions.
4. Representatives from Grant Thornton will attend the meeting to present the report and receive questions from Members.

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Audit Findings

Year ending 31 March 2018

Cheshire Fire Authority

9 July 2018

Page 15



Contents



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Page 16

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Section

1. Headlines
2. Financial statements
3. Value for money
4. Independence and ethics

Page

- 3
- 4
- 15
- 18

Appendices

- A. Action plan
- B. Audit adjustments
- C. Fees
- D. Draft audit opinion
- E. Management representations

The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of expressing our opinion on the financial statements. Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify control weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all defalcations or other irregularities, or to include all possible improvements in internal control that a more extensive special examination might identify. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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Headlines

This table summarises the key issues arising from the statutory audit of Cheshire Fire & Rescue Authority ('the Authority') and the preparation of the Authority's financial statements for the year ended 31 March 2018 for those charged with governance.

<p>Financial Statements</p>	<p>Under the International Standards of Auditing (UK) (ISAs), we are required to report whether, in our opinion:</p> <ul style="list-style-type: none"> the Authority's financial statements give a true and fair view of the Authority's financial position and of the group and Authority's expenditure and income for the year; and have been properly prepared in accordance with the CIPFA/LASAAC code of practice on local authority accounting and prepared in accordance with the Local Audit and Accountability Act 2014. <p>We are also required to report whether other information published together with the audited financial statements (including the Statement of Accounts, Annual Governance Statement (AGS) and Narrative Report), is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.</p>	<p>Our audit work was completed on site during June and July. Our findings are summarised on pages 4 to 14. We have identified one adjustment to the financial statements that has resulted in a £2.044m adjustment to the Statement of Comprehensive Income and Expenditure and the revaluation reserve which is an unusable reserve. Audit adjustments are detailed in Appendix C. We have also raised recommendations for management as a result of our audit work in Appendix A.</p> <p>There were no recommendations from the prior year's audit that needed to be followed up.</p> <p>Subject to outstanding queries being resolved, we anticipate issuing an unqualified audit opinion following the Authority meeting on 18 July 2018, as detailed in Appendix D. These outstanding items include:</p> <ul style="list-style-type: none"> work in progress on journals and the pensions liability, receipt of management representation letter; and review of the final set of financial statements. <p>We have concluded that the other information published with the financial statements, which includes the Statement of Accounts, Annual Governance Statement and Narrative Report, are consistent our knowledge of your organisation and with the financial statements we have audited.</p>
<p>Value for Money arrangements</p>	<p>Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to report whether, in our opinion:</p> <ul style="list-style-type: none"> the Authority has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources ('the value for money (VFM) conclusion') 	<p>We have completed our risk based review of the Authority's value for money arrangements. We have concluded that Cheshire Fire Authority has proper arrangements to secure economy, efficiency and effectiveness in its use of resources.</p> <p>We therefore anticipate issuing an unqualified value for money conclusion, as detailed in Appendix D. Our findings are summarised on pages 15 to 17.</p>
<p>Statutory duties</p>	<p>The Local Audit and Accountability Act 2014 ('the Act') also requires us to:</p> <ul style="list-style-type: none"> report to you if we have applied any of the additional powers and duties ascribed to us under the Act; and certify the closure of the audit 	<p>We have not exercised any of our additional statutory powers or duties</p> <p>We have completed the majority of work under the Code and expect to be able to certify the completion of the audit when we give our audit opinion.</p>

Acknowledgements

We would like to take this opportunity to record our appreciation for the assistance provided by the finance team and other staff during our audit.

Summary

Overview of the scope of our audit

This Audit Findings presents the observations arising from the audit that are significant to the responsibility of those charged with governance to oversee the financial reporting process, as required by International Standard on Auditing (UK) 260 and the Code of Audit Practice ('the Code'). Its contents have been discussed with management.

As auditor we are responsible for performing the audit, in accordance with International Standards on Auditing (UK), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

Audit approach

Our audit approach was based on a thorough understanding of the Authority's business and is risk based, and in particular included:

- Consideration of the developments in Blue Light Collaboration
- The development of the Integrated Risk Management Plan and the implications for resource deployment
- Review for updates to the Accounts and Audit Regulations and the CIPFA Code Practice on Local Authority Accounting in the UK.
- Consideration of the financial pressures affecting the wider local government sector

Conclusion

We have substantially completed our audit of your financial statements and subject to outstanding queries being resolved, we anticipate issuing an unqualified audit opinion following the Authority meeting on 18 July 2018, as detailed in Appendix D. These outstanding items include:

- work in progress on journals and the pensions liability
- receipt of management representation letter; and
- review of the final set of financial statements.

Summary

Our approach to materiality

The concept of materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to the monetary misstatements but also to disclosure requirements and adherence to acceptable accounting practice and applicable law.

Our assessment of the value of materiality and clearly trivial matters has been adjusted to reflect the fall in gross expenditure since last year. We detail in the table below our assessment of materiality for Cheshire Fire Authority.

	Authority Amount (£)	Qualitative factors considered
Materiality for the financial statements	£801k	Materiality has been based on 2% of the Authority's gross expenditure. This is considered an appropriate benchmark because the Authority's stakeholders will be interested in how it has used resources to deliver services. We reduced our materiality from the planned £847k to £801k due to lower than expected expenditure in the draft accounts.
Performance materiality	£561k	Our performance materiality is set at 70% of our financial statements materiality; this enables to sufficiently detail and coverage across our audit testing. Performance materiality has reduced from the planned £593k to £561k due to the change in overall materiality.
Trivial matters	£40k	This is set at 5% of financial statements materiality and reflects a level below which stakeholders are unlikely to be concerned by uncertainties. Triviality has reduced from the planned £42k to £40k due to the change in overall materiality.
Materiality for specific transactions, balances or disclosures	£20k	Officer remuneration and termination benefits are sensitive items over which stakeholders will expect the Authority to take particular care.

Going concern

Our responsibility

As auditors, we are required to “obtain sufficient appropriate audit evidence about the appropriateness of management's use of the going concern assumption in the preparation and presentation of the financial statements and to conclude whether there is a material uncertainty about the entity's ability to continue as a going concern” (ISA (UK) 570).

Going concern commentary

Management's assessment process

Management has reviewed the grounds on which the financial statements are prepared on a Going Concern basis and reported these considerations to members at the Closure of Accounts Committee. Management has specifically referred to:

- The Authority is responsible for the delivery of essential public services, should it find itself in financial difficulty, those services would continue to be delivered either by Central Government or another agency or local authority.
- The Authority prepares a Medium Term Financial Plan (MTFP) covering the current and following three financial years, this plan is based on assumptions derived from the best available information and supports the view that the Authority remains financially viable.
- The Authority has significant reserves available and an established strategy for managing and using those reserves.
- The Authority prepares high level cash-flow forecasts that support the MTFP, and daily cash-flow forecasts ensuring it is able to meet its liabilities as they fall due.
- Financial risks are incorporated into the Strategic Risk Register.
- The significant pensions liability reported in the financial statements is an actuarial liability and the MTFP shows that the Authority is able to meet pensions contributions as they fall due throughout the planning period.

Work performed

We have reviewed the assessment by management and cross referred this to our work on the Authority's value for money arrangements.

Concluding comments

Auditor commentary

- Management's assessment of the applicability of the Going Concern basis is appropriate for a statutory body
 - The process has drawn on the arrangements and information available for its normal planning and reporting processes.
 - The review has been carried out by and reported to Members by the Treasurer who is a s151 officer.
-
- We have not identified any material uncertainties relating to the application of the Going Concern basis.
-
- Our audit opinion will be unmodified.

Significant audit risks

Risks identified in our Audit Plan	Commentary
<p>1 Improper revenue recognition</p> <p>Under ISA 240 (UK) there is a presumed risk that revenue may be misstated due to the improper recognition of revenue.</p> <p>This presumption can be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud relating to revenue recognition.</p>	<p>Having considered the risk factors set out in ISA240 and the nature of the revenue streams at the Authority, we have determined that the risk of fraud arising from revenue recognition can be rebutted, because:</p> <ul style="list-style-type: none"> • there is little incentive to manipulate revenue recognition • opportunities to manipulate revenue recognition are very limited • The culture and ethical frameworks of local authorities, including Cheshire Fire Authority, mean that all forms of fraud are seen as unacceptable <p>Therefore we do not consider this to be a significant risk for Cheshire Fire Authority.</p>
<p>2 Management override of controls</p> <p>Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management over-ride of controls is present in all entities. ...</p>	<ul style="list-style-type: none"> • We have: <ul style="list-style-type: none"> – reviewed accounting estimates, judgements and decisions made by management – tested journal entries – looked to identify unusual significant transactions – reviewed of significant related party transactions and considered whether they fall outside the normal course of business <p>Our audit work has not identified any issues in respect of management override of controls.</p>

Significant audit risks

Risks identified in our Audit Plan

Commentary

3

Valuation of property, plant and equipment

The Authority revalues its land and buildings on a five-yearly basis to ensure that carrying value is not materially different from fair value. This represents a significant estimate by management in the financial statements.

We identified the valuation of land and buildings revaluations and impairments as a risk requiring special audit consideration.

The work undertaken was:

- Review of management's processes and assumptions for the calculation of the estimate.
- Review of the competence, expertise and objectivity of any management experts used.
- Review of the instructions issued to valuation experts and the scope of their work
- Discussions with the Authority's valuer about the basis on which the valuation was carried out, challenging the key assumptions.
- Review and challenge of the information used by the valuer to ensure it was robust and consistent with our understanding.
- Testing of revaluations made during the year to ensure they were input correctly into the Authority's asset register
- Evaluation of the assumptions made by management for those assets not revalued during the year and how management satisfied themselves that these were not materially different to current value.

The Authority commissioned a review of its asset portfolio values and adjusted where there was a material difference between gross book value and the current value as determined by the valuer. The Code at 4.1.2.37 requires authorities to review carrying value, i.e. net book value, against the current value at each reporting date. When applying this criteria further revaluations needed to be recognised.

This resulted in an increase to asset values of £2.044 million and a corresponding increase to the surplus on revaluations within other comprehensive income. There is no impact on the general fund as a result of these changes.

Significant audit risks

Risks identified in our Audit Plan

Commentary

4

Valuation of pension fund net liability

The Local Government Pension Scheme (LGPS) pension net liability as reflected in the balance sheet, and asset and liability information disclosed in the notes to the accounts, represent significant estimates in the financial statements.

The Firefighters Pension schemes pension fund liability as reflected in the balance sheet and notes to the accounts represent significant estimates in the financial statements.

These estimates by their nature are subject to significant estimation uncertainty, being sensitive to small adjustments in the assumptions used.

We identified the valuation of the pension fund net liability as a risk requiring special audit consideration.

The undertaken was:

- Identifying the controls put in place by management to ensure that the pension fund net liability is not materially misstated and assessing whether those controls were implemented as expected and whether they were sufficient to mitigate the risk of material misstatement. At the time of writing this report, the work of testing these arrangements was in progress and we expect to complete it before the Authority meeting on 18 July.
- Review of the competence, expertise and objectivity of the actuary who carried out the Authority's pension fund valuation.
- Gaining an understanding of the basis on which the IAS 19 valuation was carried out, undertaking procedures to confirm the reasonableness of the actuarial assumptions made.
- Review of the consistency of the pension fund net liability disclosures in notes to the financial statements with the actuarial report from your actuary.

We have not identified any issues from our work to date, we will confirm the outcome of our testing on 18th July.

Reasonably possible audit risks

Risks identified in our Audit Plan

Commentary

7

Employee remuneration

Payroll expenditure represents a significant percentage 73% of the Authority's operating expenses.

As the payroll expenditure comes from a number of individual transactions and an interface with sub-systems there is a risk that payroll expenditure in the accounts could be understated. We therefore identified completeness of payroll expenses as a risk requiring particular audit attention

We have undertaken the following work in relation to this risk:

- documented our understanding of processes and key controls over the transaction cycle;
- undertaken walkthrough of the key controls to assess the whether those controls were in line with our documented understanding;
- Completed a detailed substantive analytical review of employee remuneration;
- Tested changes in workforce numbers by sample testing starter and leaver records;
- Substantively tested disclosures for senior officer pay bandings and for exit packages.

Our conclusion is that employee remuneration is not materially misstated.

8

Operating expenses

Non-pay expenses on other goods and services also represents a significant percentage (27%) of the Authority's operating expenses. Management uses judgement to estimate accruals of un-invoiced costs.


We identified completeness of non- pay expenses as a risk requiring particular audit attention:

We have undertaken the following work in relation to this risk:




- evaluated the Authority's accounting policy for recognition of non-pay expenditure for appropriateness;
- gained an understanding of the Authority's system for accounting for non-pay expenditure and evaluate the design of the associated controls;
- Substantively tested a sample of transactions;

Our conclusion is that operating expenses are not materially misstated.

Accounting policies

Accounting area	Summary of policy	Comments	Assessment
Revenue recognition	<ul style="list-style-type: none"> Revenue from the sale of goods is recognised when the Authority transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority. Revenue from the provision of services is recognised when the Authority can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority. The council tax and NNDR income included in the Comprehensive Income and Expenditure Statement is the Authority's share of the accrued income for the year, adjusted for the surpluses and deficits on Collection fund accounts. Government grants and third party contributions and donations are recognised as due to the Authority when there is reasonable assurance that, the Authority will comply with the conditions attached to the payments and the grants or contributions will be received. 	<ul style="list-style-type: none"> The accounting policies for revenue recognition is appropriate under the accounting framework set out in the CIPFA Code of Practise on Local Authority Accounting in the UK and the statutory requirements for Local Government. There is limited need for the Authority to exercise judgement when applying these policies because the vast majority of transactions will be settled by the reporting The accounting policy is adequately disclosed in the financial statements and given prominence within the Accounting policies note The accounting policy is consistent with those of similar authorities. 	

Assessment

-  Marginal accounting policy which could potentially be open to challenge by regulators
-  Accounting policy appropriate but scope for improved disclosure
-  Accounting policy appropriate and disclosures sufficient

Accounting policies

Accounting area	Summary of policy	Comments	Assessment
Judgements and estimates	<p>Key estimates and judgements include :</p> <p>Useful life of PPE</p> <p>The authority has estimated the useful life of PPE based the inherent lives of the assets, where appropriate having taken technical advice from a suitably qualified officer and the assumption that the authority will continue to deliver services beyond the life of the asset.</p> <p>Revaluations</p> <p>The Authority commissions full revaluations of its PPE portfolio at least every five years and commissions an annual review for material changes.</p> <p>Investment in NW Fire Control Limited</p> <p>The authority has determined that this relationship is a joint operation based on the control arrangements and has an immaterial impact on the reported balances of the Authority based on a quantitative assessment.</p> <p>Valuation of pension fund net liability</p> <p>The net pension fund liability has been determined on the basis of an assessment of appropriate assumption by an independent actuary. The assets have been valued on a fair value basis, the returns on investments on have been calculated on a market basis and liabilities estimated based on assumptions about longevity, wage growth and inflation. All assumptions have been subjected to sensitivity analysis and the results disclosed in the financial statements.</p>	<ul style="list-style-type: none"> • These judgements and estimates are appropriate for the underlying accounting policy to which they relate under the accounting framework set out in the CIPFA Code of Practise on Local Authority Accounting in the UK and the statutory requirements for Local Government. • The extent of judgement involved, is clearly disclosed in the notes to the financial statements. • Potential impact on financial statements of different assumptions or variations as a result of sensitivity have been appropriately disclosed. • The estimates and judgements used in applying these accounting policies are consistent with those used by similar authorities. 	●
Other critical policies		<p>We have reviewed the Authority's policies against the requirements of the CIPFA Code of Practice. The Authority's accounting policies are appropriate and consistent with previous years.</p>	●

Page 26

Assessment

- Marginal accounting policy which could potentially be open to challenge by regulators
- Accounting policy appropriate but scope for improved disclosure
- Accounting policy appropriate and disclosures sufficient

Other communication requirements

We set out below details of other matters which we, as auditors, are required by auditing standards and the Code to communicate to those charged with governance.

Issue	Commentary
① Matters in relation to fraud	<ul style="list-style-type: none"> We have previously discussed the risk of fraud with the Authority. We have not been made aware of any incidents in the period and no other issues have been identified during the course of our audit procedures.
② Matters in relation to related parties	<ul style="list-style-type: none"> We are not aware of any related parties or related party transactions which have not been disclosed.
③ Matters in relation to laws and regulations	<ul style="list-style-type: none"> You have not made us aware of any significant incidences of non-compliance with relevant laws and regulations and we have not identified any incidences from our audit work.
④ Written representations	<ul style="list-style-type: none"> A standard letter of representation has been requested from the Authority, including specific representations in respect of the accounting treatment of NWFC Limited, and the fair value of PWLB loans which is appended.
⑤ Confirmation requests from third parties	<ul style="list-style-type: none"> We requested from management permission to send confirmation requests to banks and other deposit holders. This permission was granted and six requests were sent. One of these requests was returned with positive confirmation, two requests were queried by the bank and further information has been provided, three have not been returned; to verify these balances not confirmed by responses we undertook alternative procedures, including confirmation to contemporaneous bank reports and statements.
⑥ Disclosures	<ul style="list-style-type: none"> We identified one disclosure anomaly at note 7 to the financial statements, the analysis of income and expenditure by nature. Management has amended the note; We identified omissions 5 from, and one error within, the banding of employees paid more the £50,000; <p>The full details are set out in appendix B.</p>

Other responsibilities under the Code

We set out below details of other matters which we, as auditors, are required by the Code to communicate to those charged with governance.

Issue	Commentary
① Other information	<ul style="list-style-type: none"> We are required to give an opinion on whether the other information published together with the audited financial statements (including the Statement of Accounts, Annual Governance Statement and Narrative Report), is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. No inconsistencies have been identified. We plan to issue an unqualified opinion in this respect.
② Matters on which we report by exception	<p>We are required to report on a number of matters by exception in a numbers of areas:</p> <ul style="list-style-type: none"> If the Annual Governance Statement does not meet the disclosure requirements set out in the CIPFA/SOLACE guidance or is misleading or inconsistent with the other information of which we are aware from our audit If we have applied any of our statutory powers or duties <p>We have nothing to report on these matters</p> <p>The Accounts and Audit Regulation 15 sets out the requirements for publication at the start of the inspection period and 15) 2) a) ii) requires the Annual Governance Statement to be made available, at the same time as the financial statements, even if not yet approved by the Authority. The Financial Statements were published following the Closure of Accounts Committee on 30 May 2018. The Annual Governance Statement was published at a later date with the papers for the Constitution and Governance Committee. As the Annual Governance Statement was not published at the same time as the accounts, we believe the Authority has not fully complied with the regulation. We recommend that Authority publishes the Financial Statements and Annual Governance Statement together in future years to ensure compliance.</p>
③ Specified procedures for Whole of Government Accounts	<p>We are required to carry out specified procedures (on behalf of the NAO) on the Whole of Government Accounts (WGA) consolidation pack under WGA group audit instructions.</p> <ul style="list-style-type: none"> Note that work is not required as the Authority does not exceed the threshold.
④ Certification of the closure of the audit	<p>We intend to certify the closure of the 2017/18 audit of Cheshire Fire Authority in the audit opinion, as detailed in Appendix D (opinion)</p>

Value for Money

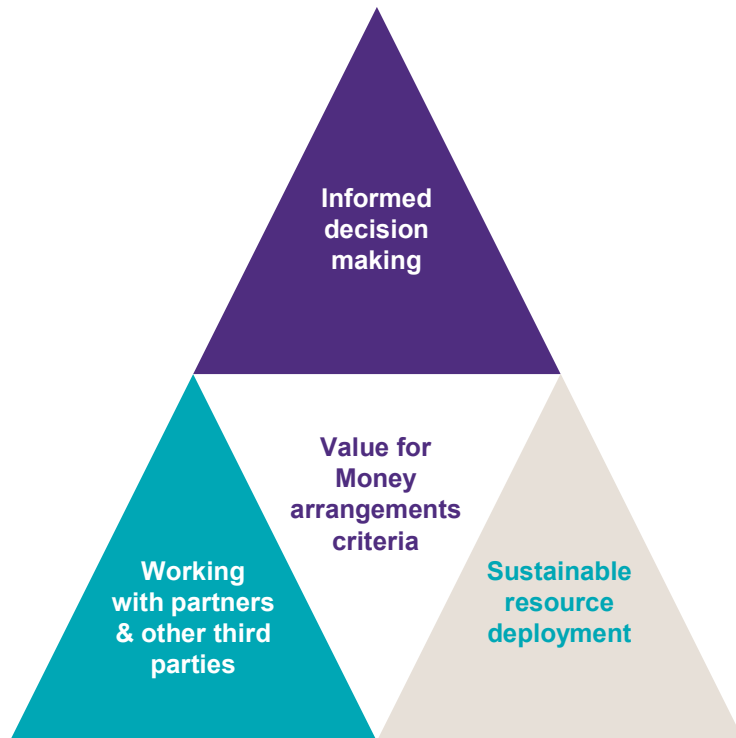
Background to our VFM approach

The NAO issued its guidance for auditors on Value for Money work for 2017/18 in November 2017. The guidance states that for local government bodies, auditors are required to give a conclusion on whether the Authority has proper arrangements in place.

The guidance identifies one single criterion for auditors to evaluate:

“In all significant respects, the audited body takes properly informed decisions and deploys resources to achieve planned and sustainable outcomes for taxpayers and local people.”

This is supported by three sub-criteria, as set out below:



Risk assessment

We carried out an initial risk assessment in February 2018 and identified a significant risk in respect of specific areas of proper arrangements using the guidance contained in AGN03. We communicated these risks to you in our Audit Plan dated 14 March 2018.

We have continued our review of relevant documents up to the date of giving our report, and have not identified any further significant risks where we need to perform further work.

We carried out further work only in respect of the significant risk we identified from our initial and ongoing risk assessment. Where our consideration of the significant risk determined that arrangements were not operating effectively, we have used the examples of proper arrangements from AGN 03 to explain the gaps in proper arrangements that we have reported in our VFM conclusion.

Value for Money

Our work

AGN 03 requires us to disclose our views on significant qualitative aspects of the Authority's arrangements for delivering economy, efficiency and effectiveness.

We have focused our work on the significant risk that we identified in the Authority's arrangements. In arriving at our conclusion, our main considerations were:

- Whether the Authority's financial planning was soundly based on an understanding of service needs, whether financial performance was accurately monitored.
- Whether the outturn position was consistent with reported plans and the way in which the Authority has managed in-year developments.

We have set out more detail on the risks we identified, the results of the work we performed and the conclusions we drew from this work on page 17.

Overall conclusion

Based on the work we performed to address the significant risks, we concluded that:

"The Authority had proper arrangements in all significant respects to ensure it delivered value for money in its use of resources."

The text of our report, which confirms this can be found at Appendix D.

Recommendations for improvement

We discussed findings arising from our work with management and have no agreed recommendations for improvement.

Significant difficulties in undertaking our work

We did not identify any significant difficulties in undertaking our work on your arrangements which we wish to draw to your attention.

Significant matters discussed with management

There were no matters where no other evidence was available or matters of such significance to our conclusion or that we required written representation from management or those charged with governance.

Key findings

We set out below our key findings against the significant risks we identified through our initial risk assessment and further risks identified through our ongoing review of documents.

Significant risk	Findings	Conclusion
<p>Financial sustainability</p> <p>The Authority is operating against a background of:</p> <ul style="list-style-type: none"> • Funding reductions • Changes in the legislative and policy requirements • Changes to the regulatory bodies and frameworks <p>At the same time it is planning to maintain council tax rises at less than 2% and fund its capital programme from reserves. To achieve this the Authority will need to exercise strong financial discipline.</p>	<ul style="list-style-type: none"> • We reviewed the Authority's arrangements for budgeting and for monitoring and reporting financial performance. • We examined evidence in the form of Authority agenda and Meeting papers, and Published Policy documents such as the Efficiency Plan and Integrated Risk Management Plan. • We held discussion with officers and reviewed internal documents such as working drafts of the Medium Term Financial Plan. • We critically reviewed out-turn performance against budget. 	<p>We found:</p> <ul style="list-style-type: none"> • The Medium Term Financial Plan is soundly based and is driven by the needs identified in the Integrated Risk Management Plan, balanced against the need for savings identified in the Efficiency Plan. • Planned spend on services was £40,018k actual spend in the year was £41,620k. • £2,226K of current year expenditure was planned to be funded from reserves. • There has been a mix of over and underspends, with some over spends the result of changed circumstances, for example the response Grenfell Tower and the changes crewing at to Crewe and Ellesmere Port stations. • Savings have been achieved in part through planned efficiencies and in part through identifying savings opportunities as they arise such managing vacancies. • The Authority has identified that the rates available for suitably secure investments are low and is able to utilising cash balances for capital projects while maintaining adequate resources to meet day to day liabilities. • The changing nature the work Fire and Rescue Authorities are expected to undertake will lead to challenges but can contribute to overall efficiency. <p>Conclusion</p> <ul style="list-style-type: none"> • The Authority has in place proper arrangements to manage the identified risk and therefore had proper arrangements in all significant respects to ensure it delivered value for money in its use of resources.

Independence and ethics

Independence and ethics

Ethical Standards and ISA (UK) 260 require us to give you timely disclosure of all significant facts and matters that may bear upon the integrity, objectivity and independence of the firm or covered persons. relating to our independence. We encourage you to contact us to discuss these or any other independence issues with us. We will also discuss with you if we make additional significant judgements surrounding independence matters.

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements. Further, we have complied with the requirements of the National Audit Office's Auditor Guidance Note 01 issued in December 2016 which sets out supplementary guidance on ethical requirements for auditors of local public bodies.

We confirm that we have implemented policies and procedures to meet the requirements of the Ethical Standard. For the purposes of our audit we have made enquiries of all Grant Thornton UK LLP teams providing services to the Authority.

Non-audit services

No non-audit services were identified

Any changes and full details of all fees charged for audit related and non-audit related services by Grant Thornton UK LLP and by Grant Thornton International Limited network member Firms will be included in our Audit Findings report at the conclusion of the audit.

Action plan

We have identified one recommendations for the Authority as a result of issues identified during the course of our audit. We have agreed our recommendations with management and we will report on progress on this recommendation during the course of the 2018/19 audit. The matter reported here is limited to the deficiency we have identified during the course of our audit and that we have concluded are of sufficient importance to merit being reported to you in accordance with auditing standards.

	Assessment	Issue and risk	Recommendations	Management response
1	●	<p>The Annual Governance Statement was not published alongside the Financial Statements and Narrative at the start of the period for the exercise of electors rights.</p> <p>We believe the Authority has not fully complied with the Accounts and Audit Regulations 2015.</p>	<p>The Authority should publish the Annual Governance Statement alongside the Financial Statements and Narrative Report in future years to ensure full compliance with the regulations.</p>	<p>Agreed action</p> <p>Timetable for publication will be amended</p> <p>Responsible officers</p> <p>The Treasurer and the Director of Governance and Commissioning</p> <p>Due date</p> <p>31 May 2019</p>

Page 33

Controls

- High – Significant effect on control system
- Medium – Effect on control system
- Low – Best practice

Audit Adjustments

We are required to report all non trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.

Impact of adjusted misstatements

All adjusted misstatements are set out in detail below along with the impact on the key statements and the reported net expenditure for the year.

Detail	Comprehensive Income and Expenditure Statement £'000	Balance Sheet £' 000	Impact on total net expenditure £'000
1 The Authority commissioned a review of its asset portfolio values and adjusted where there was a material difference between gross book value and the current value as determined by the valuer. The Code at 4.1.2.37 requires authorities to review carrying value, i.e. net book value, against the current value at each reporting date. When applying this criteria further revaluations needed to be recognised; this changed the comprehensive income and expenditure account and revaluation reserve but had had no effect on the general fund.	Cr £2,044	Dr £2,044	Cr £2,044
Overall impact	Cr 2,044	Dr 2,044	Cr £2,044

Misclassification and disclosure changes

The table below provides details of misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements.

Disclosure error	Detail	Auditor recommendations	Adjusted?
Note 7 Expenditure and Income analysed by nature	This is a note to the Comprehensive Income and Expenditure Statement (CIES) and is intended to show the reader the goods and services on which expenditure is incurred and from which income is derived rather than the activities it contributes to. The format is set out in paragraph 3.4.2.43 of the Code and the analysis agrees back to the surplus or deficit on provision of surpluses. The Authority had provided an analysis that shows the movement on General Fund and therefore breaks the link to the CIES.	<ul style="list-style-type: none"> Amend the analysis in line with the Code. Management response <ul style="list-style-type: none"> Agreed 	✓
Note 23 Officers remuneration-officers receiving more than £50,000	<p>A number of employees have two remunerated roles with the Authority, the draft financial statements only the included remuneration for the primary role.</p> <p>The impact has been to bring in five additional employees to the band £50,000-£54,999, and to move one employee from that band to the band £60,000- £64,999</p>	<ul style="list-style-type: none"> Amend the analysis in line with the Code. Management response <ul style="list-style-type: none"> Agreed 	✓

Audit Adjustments

Impact of unadjusted misstatements

The table below provides details of adjustments identified during the 2017/18 audit which have not been made within the final set of financial statements. The Authority is required to approve management's proposed treatment of all items recorded within the table below:

Detail	Comprehensive Income and Expenditure Statement £'000	Balance Sheet £' 000	Impact on total net expenditure £'000	Reason for not adjusting
1 The Authority has adjusted for its in-year transactions with NWFC Limited and accounted for its share of the income and expenditure for the year. The authority has not accounted separately for its share of the assets and liabilities of NWFC. The impact on the balance sheet would be as follows;				The inclusion NW Fire Control Limited on the reported balances of Cheshire Fire Authority is not material on either an aggregate or line by line basis.
PPE	0	Dr 30	0	Qualitative aspects of materiality have been considered and are considered to be fully addressed through the existing disclosure for Related Party Transactions and separate disclosure of NWFC Limited relationship.
Intangibles Assets	0	Dr 366	0	
Debtors	0	Cr 62	0	
Cash at bank	0	Dr 164	0	
Pensions liability	0	Cr 785	0	
Net Liabilities	0	Cr 287	0	
Reserves	0	Cr 593	0	
2 Loans from the PWLB are carried on the balance sheet at their amortised cost. In addition the fair value of the loans is disclosed in the notes to the Accounts. The Authority has disclosed the fair value of £2,206k as advised by Link Asset Management Services, (LAMS) calculated using a discount rate derived from the redemption rate and the new loan certainty rate. Our view is that standard new loan should be used and LAMS acknowledge that the standard new loan rate may be more appropriate. Using the standard new loan rate would give a fair value of £2,089k.	0	0	0	The purpose of the disclosure is to provide the reader with more information about the liabilities the authority carries on its balance sheet and the risks associated with those liabilities. The Authority reviews its borrowing strategy each year and the current strategy is to meet capital expenditure from internal borrowing therefore it is unlikely that new borrowing will be incurred yet. The difference in the disclosed fair value and that on new loan basis is immaterial and unlikely to be of value the reader of the accounts.
	Disclosure only	Disclosure only	Disclosure only	
Overall impact	0	Cr 593	0	

Impact of prior year unadjusted misstatements

There were no unadjusted misstatements reported in the previous year.

Fees

We confirm below our final fees charged for the audit and confirm there were no fees for the provision of non audit services.

Audit fees	Proposed fee	Final fee
Audit of the authority	29,860	29,860
Total audit fees (excluding VAT)	29,860	29,860

Provide details of any variations in final fees from the proposed fee (per the audit plan).

The proposed fees for the year were in line with the scale fee set by Public Sector Audit Appointments Ltd (PSAA).

Non-Audit Fees

We confirm that no non-audit or audited related services have been undertaken for the Authority.

Audit opinion

We anticipate we will provide the Cheshire Fire Authority with an unmodified audit report

Independent auditor's report to the members of Cheshire Fire Authority

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Cheshire Fire Authority (the 'Authority') for the year ended 31 March 2018 which comprise, the Comprehensive Income and Expenditure Statement, the Movement in Reserves Statement the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including the Expenditure and Funding Analysis note and a summary of significant accounting policies and include the firefighters' pension fund financial statements comprising the Fund Account, the Net Assets Statement and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom 2017/18.

Our opinion the financial statements:

- give a true and fair view of the financial position of the Authority as at 31 March 2018 and of its expenditure and income for the year then ended;
- have been prepared properly in accordance with the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom 2017/18; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

This report is made solely to the members of the Authority, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Authority's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Treasurer's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Treasurer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Authority's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Treasurer is responsible for the other information. The other information comprises the information included in the Statement of Accounts set out on pages **[**xx to xx**]**, the Narrative Report, and the Annual Governance Statement, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge of the Authority obtained in the course of our work including that gained through work in relation to the Authority's arrangements for securing value for money through economy, efficiency and effectiveness in the use of its resources or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with the 'Delivering Good Governance in Local Government: Framework (2016)' published by CIPFA and SOLACE or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matter required by the Code of Audit Practice

In our opinion, based on the work undertaken in the course of the audit of the financial statements and our knowledge of the Authority gained through our work in relation to the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources, the other information published together with the financial statements in the Statement of Accounts, the Narrative Report, and the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Under the Code of Audit Practice we are required to report to you if:

- we have reported a matter in the public interest under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we have made a written recommendation to the Authority under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we have exercised any other special powers of the auditor under the Local Audit and Accountability Act 2014.

We have nothing to report in respect of the above matters.

Responsibilities of the Authority, the Treasurer and Those Charged with Governance for the financial statements

As explained more fully in the Statement of Responsibilities set out on page(s) x to x the Authority is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this authority, that officer is the Treasurer. The Treasurer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom 2017/18, which give a true and fair view, and for such internal control as the Treasurer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Treasurer is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Authority lacks funding for its continued existence or when policy decisions have been made that affect the services provided by the Authority.

The Authority is Those Charged with Governance.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements - Conclusion on the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources

Conclusion

On the basis of our work, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in November 2017, we are satisfied that the Authority put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2018.

Responsibilities of the Authority

The Authority is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the review of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in November 2017, as to whether in all significant respects the Authority had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Authority put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2018.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to be satisfied that the Authority has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Report on other legal and regulatory requirements - Certificate

We certify that we have completed the audit of the financial statements of the Authority in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Andrew Smith
for and on behalf of Grant Thornton UK LLP, Appointed Auditor
Date

4 Hardman Square
Spinningfields
Manchester
M3 3EB

Management representations

Our Ref
Your Ref

Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester
M3 3EB

18 July 2018

Dear Sirs

Cheshire Fire Authority

Financial Statements for the year ended 31 March 2018

This representation letter is provided in connection with the audit of the financial statements of Cheshire Fire Authority for the year ended 31 March 2018 for the purpose of expressing an opinion as to whether the Authority financial statements are presented fairly, in all material respects in accordance with International Financial Reporting Standards and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2017/18 and applicable law.

We confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

1. We have fulfilled our responsibilities for the preparation of the Authority's financial statements in accordance with International Financial Reporting Standards and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2017/18 ("the Code"); in particular the financial statements are fairly presented in accordance therewith.
2. We have complied with the requirements of all statutory directions affecting the Authority and these matters have been appropriately reflected and disclosed in the financial statements.
3. The Authority has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of any regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.
4. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
6. Except as disclosed in the financial statements:
 - there are no unrecorded liabilities, actual or contingent
 - none of the assets of the Authority has been assigned, pledged or mortgaged
 - there are no material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.

7. We confirm that we are satisfied that the actuarial assumptions underlying the valuation of pension scheme assets and liabilities for IAS19 Employee Benefits disclosures are consistent with our knowledge. We confirm that all settlements and curtailments have been identified and properly accounted for. We also confirm that all significant post-employment benefits have been identified and properly accounted for.
8. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards and the Code.
9. All events subsequent to the date of the financial statements and for which International Financial Reporting Standards and the Code require adjustment or disclosure have been adjusted or disclosed.
10. We have considered the adjusted misstatements, and misclassification and disclosures changes schedules included in your Audit Findings Report. The Authority financial statements have been amended for these misstatements, misclassifications and disclosure changes and are free of material misstatements, including omissions.
11. We have considered the unadjusted misstatements schedule included in your Audit Findings Report and attached. We have not adjusted the financial statements for these misstatements brought to our attention as they are immaterial to the results of the Authority and its financial position at the year-end.
12. The financial statements are free of material misstatements, including omissions.
13. Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards.
14. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
15. We believe that the Authority's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the Authority's needs. We believe that no further disclosures relating to the Authority's ability to continue as a going concern need to be made in the financial statements.

Information Provided

16. We have provided you with:
 - access to all information of which we are aware that is relevant to the preparation of the Authority financial statements such as records, documentation and other matters;
 - additional information that you have requested from us for the purpose of your audit; and
 - unrestricted access to persons within the Authority from whom you determined it necessary to obtain audit evidence.
17. We have communicated to you all deficiencies in internal control of which management is aware.
18. All transactions have been recorded in the accounting records and are reflected in the financial statements.
19. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
20. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Authority and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements.

Management representations

21. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, analysts, regulators or others.
22. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.
23. We have disclosed to you the identity of the Authority's related parties and all the related party relationships and transactions of which we are aware.
24. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Annual Governance Statement

25. We are satisfied that the Annual Governance Statement (AGS) fairly reflects the Authority's risk assurance and governance framework and we confirm that we are not aware of any significant risks that are not disclosed within the AGS.

Narrative Report

26. The disclosures within the Narrative Report fairly reflect our understanding of the Authority's financial and operating performance over the period covered by the Authority financial statements.

Approval

The approval of this letter of representation was minuted by the Authority at its meeting on 18th July 2018.

Yours faithfully

Name.....
Position.....
Date.....

Name.....
Position.....
Date.....

Appendix A

Schedule of unadjusted Misstatements

Detail	Comprehensive Income and Expenditure Statement £'000s	Balance Sheet £'000s	Impact on total net expenditure £'000s
The authority has not accounted separately for its share of the assets and liabilities of NWFC. The impact on the balance sheet would be as follows;			
PPE	0	Dr 30	0
Intangibles Assets	0	Dr 366	0
Debtors	0	Cr 62	0
Cash at bank	0	Dr 164	0
Pensions liability	0	Cr 785	0
Net Liabilities	0	Cr 287	0
Reserves	0	Cr 593	0
The fair value of the loans is disclosed in the notes to the Accounts at £2,206k as advised by Link Asset Management Services, (LAMS) calculated using a discount rate derived from the redemption rate and the new loan certainty rate. Using the standard new loan rate would give a fair value of £2,089k.	0	0	0
	Disclosure only	Disclosure only	Disclosure only



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CHESHIRE FIRE AUTHORITY

MEETING OF: CHESHIRE FIRE AUTHORITY
DATE: 18TH JULY 2018
REPORT OF: CHIEF FIRE OFFICER AND CHIEF EXECUTIVE
AUTHOR: HEAD OF FINANCE

SUBJECT: FINAL ACCOUNTS 2017-18

Purpose of Report

1. The Authority is required to approve its final accounts for publication before the end of July (previously September). This report provides an overview of the accounts and should be read in conjunction with the Audit Findings Report.
2. Copies of the accounts have not been attached to this report because of their considerable length. Hard copies of the accounts will be available in group rooms prior to the meeting and are available on the internet for Members to access.

Recommended that:

- [1] the accounts are formally approved for publication;
- [2] the current balances of the Authority's reserves are noted;
- [3] the Authority's underspend in 2017-18 is transferred to the general reserve; and
- [4] the terms of the Letter of Representation are approved and the Chair of the Authority is authorised to sign it.

Background

3. The draft final accounts were reported to the Performance and Overview Committee acting as the Closure of Accounts Committee on 30th May 2018.
4. The End of Year Finance Report 2017-18, reported to the Fire Authority meeting on 20th June 2018, identified a forecast underspend against the Authority's revised budget of £90k.

Final Accounts

5. The Authority's external auditors, Grant Thornton, have now completed their audit and intend to issue an unqualified opinion. This means that they are satisfied that the accounts fairly reflect the financial position of the Authority.

The Audit Findings Report also comments favourably on the systems of internal financial control and includes a positive value for money conclusion.

6. Following the audit, the Authority has agreed to make some minor changes to the draft accounts as signed off by the Treasurer and presented to the Closure of Accounts Committee. These changes do not affect the position on the Authority's usable reserves.
7. The accounts show an underspend of £90k against the revised revenue budget of £41.221m. Details of this may be seen in the narrative report on page 6 of the accounts. The budget is revised after the quarterly performance reports to Performance and Overview Committees and the Authority during the year. It is recommended that the small underspend is transferred into the general reserve.
8. The Authority has adopted a financial health target that requires the final outturn position on the revenue budget to be within 1% of the revised budget. The actual figure is 0.2%.
9. The Authority's Balance Sheet shows a significant liability of £563m in respect of pensions as a result of the need to account for liabilities under International Accounting Standard IAS19. This standard requires the Authority to estimate all its future pension liabilities in respect of existing pensioners and current staff and does not represent an immediate call on resources. It is a liability which is discharged over the lifetime of pensioners and staff.
10. The effect of IAS19 makes the Balance Sheet look as though the Authority is significantly indebted. Whilst future pension liabilities cannot be ignored, removing the liability under IAS19 would show that the Authority's net assets are worth £87m.

Reserves

11. The Authority's overall reserve position is shown in the Movement in Reserves Statement on page 14 of the accounts. The Authority started 2017-18 with £28.1m of usable reserves and by the end of the financial year these had slightly increased to £28.2m, reflecting the small underspend and modest capital receipts from the sale of surplus equipment.
12. The Authority holds reserves to support the funding of capital expenditure, the purchase of operational equipment, personal protective equipment and to support the development of ICT systems. The general reserve of £8.2m is held in case any of the Authority's corporate risks materialise. The use of these reserves together with the split between earmarked and general reserves has been reviewed as part of the 2018-19 Reserves Strategy as reported to the Authority on 14 February 2018.

Capital

13. The Authority has a financial health indicator which requires capital slippage to be no more than 25% of the capital programme. At the end of March 2018, the Authority had an approved capital programme of £35.1m with a forecast spend of £35.6m – on overspend of £0.5m (1.4%variance).

Letter of representation

14. Each year, the Authority is required to sign a letter of representation to the Auditors. The letter explains the Authority's responsibilities in relation to the audit, and a copy is attached as Appendix 1 to this report. It is recommended that the Authority approves the letter and authorises the Chair to sign it.

Financial Implications

15. This report deals with financial matters. There are no direct budgetary implications as a result of the report.

Legal Implications

16. The approval and publication of the accounts is a legal requirement.

Equality and Diversity Implications

17. There are no equality and diversity implications arising from this report.

Environmental Implications

18. Copies of the accounts will be made available in electronic format, but the number of hard copies published will be kept to a minimum in recognition of the environmental impact.

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Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester
M3 3EB

Your Ref: AJS/GWS/C00100046
18 July 2018

Dear Sirs

Cheshire Fire Authority - Financial Statements for the year ended 31 March 2018

This representation letter is provided in connection with the audit of the financial statements of Cheshire Fire Authority for the year ended 31 March 2018 for the purpose of expressing an opinion as to whether the Authority financial statements are presented fairly, in all material respects in accordance with International Financial Reporting Standards and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2017/18 and applicable law.

We confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

1. We have fulfilled our responsibilities for the preparation of the Authority's financial statements in accordance with International Financial Reporting Standards and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2017/18 ("the Code"); in particular the financial statements are fairly presented in accordance therewith.
2. We have complied with the requirements of all statutory directions affecting the Authority and these matters have been appropriately reflected and disclosed in the financial statements.
3. The Authority has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of any regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.
4. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
6. Except as disclosed in the financial statements:

- a. there are no unrecorded liabilities, actual or contingent
 - b. none of the assets of the Authority has been assigned, pledged or mortgaged
 - c. there are no material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.
7. We confirm that we are satisfied that the actuarial assumptions underlying the valuation of pension scheme assets and liabilities for IAS19 Employee Benefits disclosures are consistent with our knowledge. We confirm that all settlements and curtailments have been identified and properly accounted for. We also confirm that all significant post-employment benefits have been identified and properly accounted for.
 8. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards and the Code.
 9. All events subsequent to the date of the financial statements and for which International Financial Reporting Standards and the Code require adjustment or disclosure have been adjusted or disclosed.
 10. We have considered the adjusted misstatements, and misclassification and disclosures changes schedules included in your Audit Findings Report. The Authority financial statements have been amended for these misstatements, misclassifications and disclosure changes and are free of material misstatements, including omissions.
 11. We have considered the unadjusted misstatements schedule included in your Audit Findings Report and attached. We have not adjusted the financial statements for these misstatements brought to our attention as they are immaterial to the results of the Authority and its financial position at the year-end.
 12. The financial statements are free of material misstatements, including omissions.
 13. Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards.
 14. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
 15. We believe that the Authority's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the Authority's needs. We believe that no further disclosures relating to the Authority's ability to continue as a going concern need to be made in the financial statements.

Information Provided

16. We have provided you with:
 - a. access to all information of which we are aware that is relevant to the preparation of the Authority financial statements such as records, documentation and other matters;
 - b. additional information that you have requested from us for the purpose of your audit; and
 - c. unrestricted access to persons within the Authority from whom you determined it necessary to obtain audit evidence.
17. We have communicated to you all deficiencies in internal control of which management is aware.

18. All transactions have been recorded in the accounting records and are reflected in the financial statements.
19. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
20. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Authority and involves:
 - a. management;
 - b. employees who have significant roles in internal control; or
 - c. others where the fraud could have a material effect on the financial statements.
21. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, analysts, regulators or others.
22. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.
23. We have disclosed to you the identity of the Authority's related parties and all the related party relationships and transactions of which we are aware.
24. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Annual Governance Statement

25. We are satisfied that the Annual Governance Statement (AGS) fairly reflects the Authority's risk assurance and governance framework and we confirm that we are not aware of any significant risks that are not disclosed within the AGS.

Narrative Report

26. The disclosures within the Narrative Report fairly reflect our understanding of the Authority's financial and operating performance over the period covered by the Authority financial statements.

Approval

The approval of this letter of representation was minuted by the Authority at its meeting on **18th July 2018**.

Yours faithfully

Signed:

Signed:

Position: Chair of Cheshire Fire Authority
18th July 2018

Position: Treasurer
18th July 2018

Appendix A

Schedule of unadjusted Misstatements

Detail	Comprehensive Income and Expenditure Statement £000s	Balance Sheet £000s	Impact on total net expenditure £000s
The authority has not accounted separately for its share of the assets and liabilities of NWFC.	0	Dr 30	0
The impact on the balance sheet would be as follows;	0	Dr 366	0
PPE	0	Cr 62	0
Intangibles Assets	0	Dr 164	0
Debtors	0	Cr 785	0
Cash at bank	0	Cr 287	0
Pensions liability	0	Cr 593	0
Net Liabilities			
Reserves			
<hr/>			
The fair value of the loans is disclosed in the notes to the Accounts at £2,206k as advised by Link Asset Management Services, (LAMS) calculated using a discount rate derived from the redemption rate and the new loan certainty rate. Using the standard new loan rate would give a fair value of £2,089k.	0	0	0
	Disclosure only	Disclosure only	Disclosure only

CHESHIRE FIRE AUTHORITY

MEETING OF: CHESHIRE FIRE AUTHORITY
DATE: 18TH JULY 2018
REPORT OF: DIRECTOR OF GOVERNANCE AND COMMISSIONING
AUTHOR: CHRIS ASTALL

SUBJECT: ANNUAL STATEMENT OF ASSURANCE 2017-18

Purpose of Report

1. To present Members with the Annual Statement of Assurance 2017-18 for approval.

Recommended: that Members

- [1] approve the Annual Statement of Assurance 2017-18.

Background

2. The Fire and Rescue National Framework for England 2012 required the Authority to publish an Annual Statement of Assurance that:

'must provide assurance on financial, governance and operational matters and show how they have had due regard to the expectations set out in their integrated risk management plan and the requirements included in this [Fire and Rescue National] Framework.'

3. The 2012 document has recently been superseded by the 2018 National Framework. The 2018 version has altered the requirements for the Annual Statement of Assurance and will be taken into account when the Statement of Assurance is prepared for 2018-19. For 2017-18 the 2012 document, which applied throughout the year, has been considered in preparing the Statement of Assurance.
4. The Delivering Good Governance in Local Government Framework was published by CIPFA, in association with Solace, in 2007. It sets the standard for local authority governance and is used as guidance when producing the Statement of Assurance. It was reviewed in 2015 to ensure it remained 'fit for purpose' and a revised edition was published in 2016.
5. The Authority previously agreed to combine production of the Annual Governance Statement (AGS) with the Statement of Assurance as the

majority of compliance information and evidence is required for both documents.

6. A draft version of the Statement of Assurance was considered by Governance and Constitution Committee earlier this month.

Information

7. The Authority currently fulfils its financial and governance assurance requirements through the production and validation of the Annual Accounts and the Annual Governance Statement (AGS) (which include associated controls, scrutiny and audits). The AGS forms part of the Statement.
8. The Annual Statement of Assurance for 2017-18 is attached as Appendix 1 to the report. The AGS can be found in Section 3. In the interests of transparency all compliance and assurance documentation and other relevant links and signposts will be accessible directly from the Service's website.

Financial Implications

9. There are no significant financial implications other than staff time involved in research and evidence gathering.

Legal Implications

10. There are no direct legal implications arising from this report.

Equality and Diversity Implications

11. There are no differential impacts on any particular section of the community arising from this report.

Environmental Implications

12. There are no specific environmental implications arising from this report.

BACKGROUND PAPERS: None

Appendix 1 – Statement of Assurance 2017-18



Making Cheshire Safer

**Annual Statement of Assurance
2017-18**



Contents

	Page
1. Introduction.....	5
2. Financial Assurance.....	7
3. Annual Governance Statement	8
4. Operational Assurance	22

Executive Summary

The Chief Fire Officer and Chief Executive and Chair of the Fire Authority recognise the importance of having good management, effective processes and appropriate controls in place to deliver services to the communities of Cheshire, Halton and Warrington.

Each year the Authority is required to produce an Annual Statement of Assurance including the Annual Governance Statement (AGS) which describes how its Corporate Governance, Financial and Operational arrangements are working. To support this annual review a refresh of the Authorities Local Code of Corporate Governance Framework is undertaken with each Head of Department, the Governance & Constitution Committee oversee the development of the Statement of Assurance.

This document has been prepared taking into account the requirement of the Fire and Rescue National Framework for England 2012 which applied throughout the period covered.

Governance Issues

Overall we can confirm that the Authority has the appropriate systems and processes in place to ensure good governance and operational arrangements are in place. Whilst we are satisfied that these arrangements work well our annual review has identified a small number of areas for improvement/development:

Key Improvement Area	Lead Department	To be delivered by
Continue to develop the arrangements and relationships for the delivery of support services by the Joint Corporate Teams.	Senior Responsible Officer BLC	March 2019
Continue to embed the Partnership Governance Model and relaunch the revised policy.	Head of Prevention	December 2018
Continue to develop and streamline the budget preparation and management processes.	Treasurer	March 2019

Progress made with governance issues identified in the 2016-17 Annual Governance Statement can be located on page 12.

We propose over the coming year to address the areas identified for improvement in the plan above and implementation progress will be monitored and reported regularly to the Governance and Constitution Committee.

Signatures:

Cllr Bob Rudd
Fire Authority
Chair



Mark Cashin
Chief Fire Officer/
Chief Executive



Allan Rainford
Treasurer

1. Introduction

Intended Purpose of Statement of Assurance

The Statement of Assurance is published annually to provide an easy and accessible way in which communities; government, local authorities and partners may make a valid assessment of the Authority's performance and governance arrangements.

Complying with the Statement of Assurance

The published Statement of Assurance guidance sets out compliance requirements under three broad headings:

Financial:

Cheshire Fire Authority is responsible for ensuring public money is properly accounted for and used economically, efficiently and effectively. The Authority has a robust budget monitoring process that is subject to close scrutiny. The Treasurer is responsible for ensuring that the right controls are in place to ensure that financial assets are properly managed, financial reporting is accurate and that the Annual Statement of Accounts is prepared in accordance with statutory requirements.

Governance:

The Authority is required to ensure that its business is conducted lawfully. The Authority is required to produce an “**Annual Governance Statement**” (AGS). The AGS and supporting assurances can be located in Section 3 of this document.

Operational:

The Authority is required to comply with a range of laws, regulations and guidance, the following is a list of some of the key legislation:

[Fire and Rescue Services Act 2004](#)

[Civil Contingencies Act 2004](#)

[Regulatory Reform \(Fire Safety\) Order 2005](#)

[Fire and Rescue Services \(Emergencies\) \(England\) Order 2007](#)

[Localism Act 2011](#)

[Fire and Rescue National Framework for England 2012](#)

[Local Government Act 1999](#)

[Health & Safety & Work Act 1974](#)

[Policing and Crime Act 2017](#)

To ensure that the Authority can demonstrate how it complies with these requirements, a number of detailed assessments are undertaken. These include:

- Progress against the Authority's Health and Safety policy/framework is regularly presented to the Health, Safety and Welfare Committee.
- The Authority regularly assesses operational capability against risks in the area covered by the Authority to ensure that the right resources, procedures and skills are available to respond to incidents within target response times.
- An annual review of operational risk and performance, supplemented by quarterly scrutiny Member and officer meetings.
- Risk Management Board monitors and scrutinises strategic risks.
- Compliance with National Framework requirements.

Accountable to our Communities

This statement is underpinned by detailed documented evidence, most of which has been made available to the public on the Service website. This includes incident and performance data, quarterly performance reports, policy decisions, audit and assurance reports.

The Authority measures and monitors performance using a range of Key Performance Indicators (KPIs) that are also used to compare performance against other fire and rescue authorities in England. The Authority publishes an Annual Report in September each year summarising progress against plans. All performance information available to the public can be accessed via the Service website and continues to be reviewed and refined.

In addition, the Authority has adopted the best practice guidance set out in the Local Government Transparency Code 2015 as far as is practical.

Key evidence links

[Financial Regulations](#)

[Statement of Accounts](#)

www.cheshirefire.gov.uk

[Annual Report](#)

[Local Government Transparency Code 2015](#)

2. Financial Assurance

Cheshire Fire Authority provides financial assurance through the publication of an Annual Statement of Accounts. This is a statutory requirement under the [Accounts and Audit \(England\) Regulations 2015](#) and the accounts are prepared following the *CIPFA Code of Practice on Local Authority Accounting*. The financial statements are subject to review by independent auditors as directed by the [Audit Commission Act 1998](#).

In addition to the statutory requirement to publish annual financial results, the Authority is committed to increasing transparency. One of the first steps in this process is for the publication of expenditure in excess of £500. This is compliant with the Local Government Transparency Code.

External Audit:

Grant Thornton Limited Liability Partnership (LLP) is the appointed external auditor for Cheshire Fire Authority and is responsible for completion of the following assurance activities:

- Audit of the 2017-18 financial statements
- Opinion on the Authority's accounts
- Value for Money conclusion

Internal Audit:

The Internal Audit function for 2017-18 was provided by Mersey Internal Audit Agency (MIAA) and their audit opinion for the year ending **March 2018** can be located in Section 3 of this document.

Key evidence links

[Accounts and Audit \(England\) Regulations 2015](#)
[Audit Commission Act 1998](#)
[Statement of Accounts](#)
[CFRS Website: What we spend](#)

3. Annual Governance Statement (AGS)

What is the Annual Governance Statement?

An Annual Governance Statement explains how an organisation manages its governance and internal control arrangements and measures the effectiveness of those arrangements.

What is Corporate Governance?

Good Governance can mean different things – in the public sector it means “Achieving the Intended Outcomes While Acting in the Public Interest at all Times”.

Corporate Governance generally refers to the processes by which an organisation is directed, controlled, led and held to account.

The Authority’s governance arrangements and framework aims to ensure that in conducting its business it:

- Operates in a lawful, open, inclusive and honest manner.
- Makes sure public money is safeguarded, properly accounted for and spent wisely.
- Has effective arrangements in place to manage risk.
- Meets the needs of the communities of Cheshire East, Cheshire West and Chester, Halton and Warrington.
- Secures continuous improvements in the way it operates.

Local Code of Corporate Governance

CIPFA published a new version of the framework ‘Delivering Good Governance in Local Government’ in 2016 (the Framework).

The Framework lists a range of requirements. The overarching requirements appear below with a short summary setting out the organisation’s view

An acknowledgement of responsibility for ensuring that there is a sound system of governance (incorporating the system of internal control) and reference to the authority’s code of governance

Reference to and assessment of the effectiveness of key elements of the governance framework and the role of those responsible for the development and maintenance of the governance environment, such as the authority, the executive, the audit committee, internal audit and others as appropriate

Ultimately, Cheshire Fire Authority has responsibility. However, a range of individuals and bodies are also engaged in creating and monitoring the policies, procedures, controls etc. that secure appropriate governance arrangements.

An opinion on the level of assurance that the governance arrangements can provide and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework

Working with internal and external auditors Cheshire Fire Authority and its officers are able to satisfy themselves that the arrangements are fit for purpose and satisfy the requirements of the framework.

An agreed action plan showing actions taken, or proposed, to deal with significant governance issues

Cheshire Fire Authority does not believe that there are significant governance issues. However, the Statement does highlight some areas which the Authority intends to concentrate upon during 2018/19.

Reference to how issues raised in the previous year's annual governance statement have been resolved

Last year's statement did not include any significant governance issues. However, it did highlight some areas which the Authority intended to progress. The Statement includes a brief narrative about progress.

A conclusion – a commitment to monitoring implementation as part of the next annual review

The Authority remains committed to ensuring that the requirements of the Statement are monitored and met.

A new National Framework document was issued by the Government in May 2018 and this refers to the Annual Statement of Assurance. This in turn may have an impact on the way the Authority produces the Annual Governance Statement. The Authority has already begun a process whereby it will satisfy itself as to compliance with the new National Framework.

The framework defines seven core principles (A-G); these principles were used in the development of our **Local Code of Corporate Governance** (see link below to access the LCCG). Principle H in the LCCG requires evidence of operational assurance and compliance with the Fire National Framework and was included in our Local Code for consistency. The Authority's Local Code of Corporate Governance and compliance evidence is published on the Authority's website [Local Code of Corporate Governance Principals A-H](#). Some elements which were highlighted by the external auditor are summarised in the following paragraphs:

Principle A Behaving with Integrity

The Authority has a set of Core Values which are promoted and used widely to encourage the behaviour that supports this aspect of this Principle.

The Authority has a Members' Code of Conduct which is reviewed regularly. It includes the seven principles of public life. Members are required to disclose their interests by virtue of the law and the Authority's constitution. Members are required to withdraw from meetings in certain circumstances. The Monitoring Officer ensures that Members obtain relevant advice when required.

The Service has an officers' Code of Conduct which is reviewed regularly. There are a wide range of policies and procedures that help govern the way that conduct issues are dealt with.

A whistleblowing police ensures that there is an outlet for individuals to raise concerns which they feel unable to do in a more traditional manner. There is an independent body that is able to take calls/references on behalf of the Service.

The Authority's Governance and Constitution Committee reviews a number of the policies and procedures that encourage the necessary behaviours, e.g. anti-fraud, anti-bribery, whistleblowing.

Principles C and D Defining Outcomes and Determining Interventions

The Authority has a vision: a Cheshire where there are no deaths, injuries, or damage from fire and other emergencies.

The Authority produces a longer term strategy (Five Year Strategy) supported by annual action plans (together referred to as an Integrated Risk Management Plan – hereafter IRMP).

It also has a risk management policy with risk being considered by the Risk Management Board comprised of officers and Members of the Fire Authority.

It has a set of key performance indicators which are regularly reported to officer and Member meetings. The KPIs are widely reported. There are local performance measures too.

The planning cycle for the IRMP involves a period of consultation with a wide range of interested parties – internal and external. The outcomes from the consultation are considered by the Fire Authority before it settles the IRMP. Performance concerned with deliver of projects in the IRMP is regularly reported to officers and Members.

In determining the IRMP the Fire Authority is appraised of the budget position and given options for service delivery (where appropriate). The Medium Term Financial Plan is the vehicle for defining the high level financial position and is regularly updated and reported to officers and Members.

The IRMP for 2017-18 includes a number of projects that have been completed:

- Co-location and transfer of staff under Blue Light Collaboration project;
- Carrying out a staff survey;
- Delivery of over 40,000 Safe and Well visits;
- Opening and operation of Safety Central;
- Introduction of new unwanted fire signals policy;
- Developed a plan for the future training provision at Sadler Road.

Principle E Developing the entity's capacity

The Service's Director of Transformation is responsible for organising two senior manager away days per year for the Service Management Team.

Alongside colleagues from the joint human resources team a range of psychometric diagnostics such as MBTI Steps 1 and 2, 16F, Belbin are used to better understand the approaches and requirements of senior managers (in particular).

Senior managers are provided with media training as early as possible after their appointment (this training takes places annually).

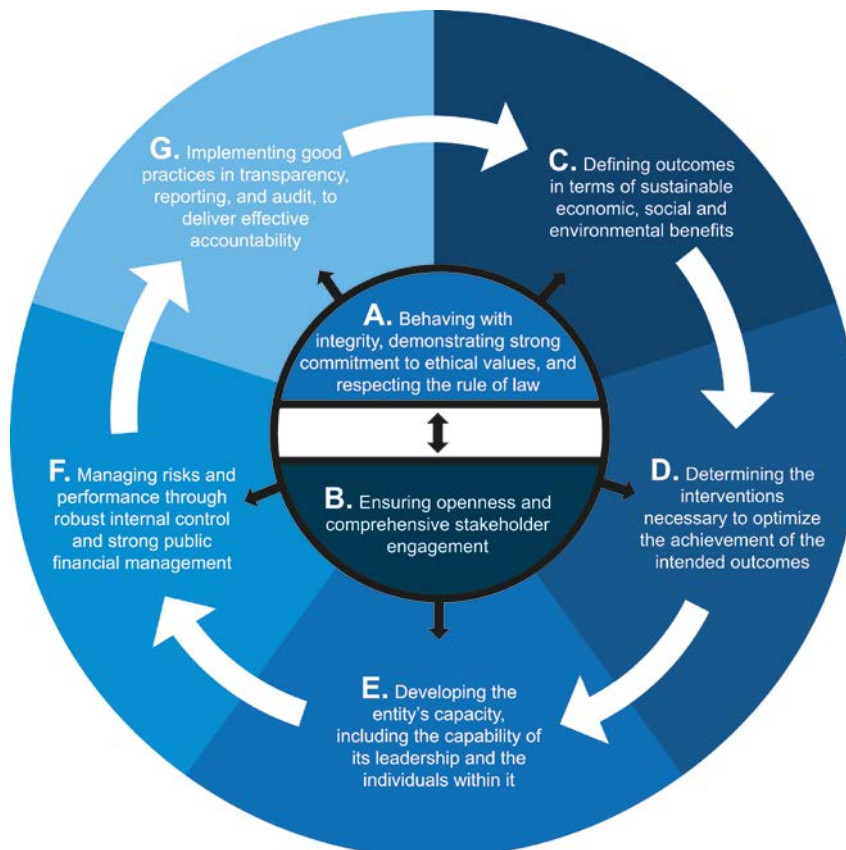
The Service arranges coaching and mentoring for senior managers wherever this is felt to be needed.

360 degree feedback is obtained for senior managers (on a 3 year rotation).

Bespoke development plans are prepared for senior managers.

Bi-annual succession planning meetings take place between the Director of Transformation and the Chief Fire Officer when skills, gaps, training requirements, potential career progression options, etc. are considered.

Read on to see a summary of the core principles and what we do to comply:



Summary of the Principles

Principle A	Principle B	Principle C	Principle D
Integrity & Values	Openness and Engagement	Working Together	Making a Difference
What we do			
<p>Stay true to our core values.</p> <p>Respect the law.</p> <p>Create a culture of openness and transparency.</p> <p>Ensure management processes are in place for dealing effectively with fraud.</p> <p>Provide a safe environment to raise concerns and learn from mistakes.</p>	<p>Engage, inform and consult with members of the public.</p> <p>Consultation feedback from the public supports IRMP and budget decisions.</p> <p>Effective scrutiny to constructively challenge what we do.</p>	<p>Clear vision and five year strategy – make the best use of resources providing value for money.</p> <p>Develop and maintain constructive partner and collaboration relationships.</p> <p>Good planning and performance management strategies in place.</p> <p>Proactively consult with staff and public.</p>	<p>Have a clear vision and strategy providing intended outcomes for public and service users.</p> <p>Delivery of Integrated Risk Management Plan (IRMP)</p>

Principle E	Principle F	Principle G	Principle H *CFRS Only
Capability	Managing Risk and Performance	Transparency & Accountability Compliance	Compliance to Fire National Framework
What we do			
<p>Clear roles & responsibilities for Senior Officers.</p> <p>Regular scrutiny of performance and oversight of compliments and complaints.</p> <p>Collaboration and partnership benefits.</p>	<p>Joint Corporate Services risk management arrangements are in place and effective.</p> <p>Effective performance management system integrated in departments</p> <p>Members and officers receive risk management training to perform their roles</p> <p>Effective Committee structure.</p>	<p>Transparent decision making processes in place.</p> <p>Effective scrutiny process.</p> <p>Effective internal and external audit function.</p> <p>Authority meetings recorded and transparent.</p> <p>Produce the Annual Report which is public focused and distributed to every household in the area.</p>	<p>Fully compliant with the National Framework.</p>

Scope of Responsibility

Cheshire Fire Authority

The Authority has responsibility for ensuring that its business is conducted in accordance with the law and that proper standards are in place.

Members and Officers

In discharging the statutory responsibilities of the Authority, Members and senior officers are responsible for ensuring that proper governance arrangements are in place. These demonstrate good management of the Authority's key risks in accordance with legislation and appropriate standards.

Our Governance Framework

The Authority's governance and internal control framework includes the systems, processes, procedures, culture and core values by which it is directed and controlled.

The framework focuses on the Authority's strategic aims and objectives and includes:



Corporate

- The organisation's vision and purpose which drive the service planning, delivery, risk, project and performance management frameworks
- The Integrated Risk Management Plan (IRMP)
- Consultation Engagement and Communications Strategies
- A published set of core values

Committee Structure and Member Scrutiny

- The Authority's Constitution
- Established structure of Authority and Committee meetings, each with formal Terms of Reference (ToR)
- Scrutiny by Members e.g. Performance and Overview Committee responsible for thematic areas such as Risk, E&D. Performance Management
- Local Code of Corporate Governance Action Plan reviewed by the Governance and Constitution Committee
- Published Anti-Fraud, Corruption, Whistle-blowing and Complaints policies and procedures
- Medium term financial forecasting and budget management processes
- Code of Conduct

Scrutiny and Reporting

- Integrated Corporate and Financial planning processes with regular reporting
- Treasury Management Strategy
- Risk Management Board - responsible for championing an effective Risk Management Policy and Framework - regular review of the Strategic Risk Register
- Performance & Programme Board - responsible for monitoring and reviewing organisational performance including the Corporate Performance Scorecard setting out the Authority's key indicators and scrutiny of key projects and programmes
- Joint IT Steering Group (Fire/Police) - strategic direction for the Authority's IT delivery
- Information Governance arrangements

People

- Dynamic, intelligent training programme which is tailored to the development needs of the Authority's frontline staff
- Appraisal system and personal development programmes
- Established Health, Safety & Wellbeing policies – compliance Health, Safety & Wellbeing Board
- Health, Safety & Wellbeing Board review of fitness performance
- Crisis Management Plan – Owned and Scrutinised by Risk Management Board

Key evidence links

- [Delivering Good Governance 2016](#)
- [Local Code of Corporate Governance](#)
- [Principals A-H](#)
- [CFRS Vision, Mission, Core values](#)
- [IRMP](#)
- [Treasury Management Strategy](#)
- [Whistle-blowing Policy](#)
- [Five Year Strategy](#)
- [Equality and diversity strategy 20-17-20](#)
- [Stonewall Top Employers 2018](#)
- [Environmental Strategy 2014 - 2020](#)
- [Information Management Policy](#)
- [Freedom Of Information Act 2000](#)

Looking back 2016-17 - Action Plan

The table below summaries progress made on the 2016-17 Action Plan, an update is provided twice yearly to the Governance and Constitution Committee:

Improvement Area	Lead Department	Update Position
Policy Management – Comprehensive review of all corporate policies	Governance and Commissioning	Review of all key policies has commenced. During 2017 80% of CFRS key policies were reviewed and refreshed following the normal review cycle. The small number outstanding will be undertaken during 2018-19.
Relaunch of partnership Policy and Governance Model	Prevention	Following an internal audit of Partnerships in 2017, work is currently ongoing to make improvements and amendments to the Partnership policy and governance model. The Partnership toolkit is being updated via the Cheshire Planning System. – This will be rolled over to 2018-19
Environmental Initiatives	Estates (Joint Corporate Services)	Cheshire Fire & Rescue Service is showing a reduction in carbon emissions from baseline levels as 808 Tonnes CO ₂ e. This represents a 27% reduction from baseline, which is an average reduction of 135 Tonnes per annum. CFRS need to reduce carbon emissions by a further 381 Tonnes CO ₂ e by 2020. At the current rate the prediction is that the carbon emission figure for 2019/20 will be 1,759 Tonnes 41% reduction.

Our Key Partnerships

Blue Light Collaboration Programme (BLC) - Principles B & E

The programme has made significant progress during 2017-18 with within scope in the Corporate Services departments (IT, Finance, Stores, Procurement, Planning & Performance, Strategic Change, Estates, Communications, Information Management, Legal and HR) all co-locating and subsequently TUPE transferring across to Cheshire Constabulary.

Senior Officers and the Democratic Services team from Cheshire Fire and Rescue Service have moved into Clemonds Hey, assisting in the development of a closer working relationship to between the senior ranks from fire and police organisations. This close proximity has resulted in a renewed focus and energy to explore future potential collaborative opportunities, eg. procurement activities and deployment of technology.

Whilst the staff moves have been completed there is now a focus on how those departments can work jointly to deliver excellent services to both organisations in the most effective and efficient way.

Underpinning the entire programme is a robust governance structure put in place at the beginning of the programme with both parties sharing decision-making; enabling transparency and working together to overcome any challenges.

A key strength of the programme has been the People Strategy and People Transition process document. The Strategy set out the guiding principles to help staff understand how both organisations intended to work together with staff and trade unions/staff associations in a fair, transparent and consistent way.

The legal documentation continues to be progressed as do the financial arrangements that will underpin the collaboration. Following a 'bedding-in' period for the new structures and on-boarding to IT systems it is anticipated that the delivery stage of the programme will formally close in the autumn 2018. Thereafter, the parties will work together to further develop the arrangement to the satisfaction of both parties.

North West Fire Control (NWFC) – Principles B & E

North West Fire Control is a unique collaboration between four partner fire and rescue services Cheshire, Cumbria, Lancashire and Greater Manchester. NWFC is run by a company owned by the four services. Over the past year the Authority has continued to work closely with NWFC and the partners to ensure that the company delivers the call handling and mobilisation service to the requisite standards. Quarterly statistical performance data is sent from NWFC to each service for scrutiny. Members of the Performance and Overview Committee review this on behalf of the Authority.

Fire and Rescue Indemnity Company Limited (FRIC) – Principle F

The Authority works in partnership with eight other fire and rescue authorities to provide discretionary protection against claims made against the Authority and procures insurance cover on its behalf. The partnership also helps to inform the Authority's risk management activities. In addition to the arrangement through FRIC the Service has contracts in place with insurance companies to cover:

- Service employees when travelling on Service business
- The use of drones at operational incidents
- The statutory inspection of lifting equipment and pressure equipment

Safe and Well – Principle D

Cheshire Fire and Rescue Service has a strong record of prevention work to help target and protect vulnerable people from the effects of fire in the home. The key delivery mechanism for fire safety advice and information to householders in Cheshire has been through Home safety Assessments (HSA). Nationally, HSA work has played a key role in helping to reduce preventable fire deaths in England. Accidental dwelling fire fatalities, which account for three fifths of all fire fatalities, have reduced by around 50% over the past decade. In line with the

national picture, fire deaths, injuries and incidents have reduced dramatically in Cheshire during the same period. This national success and proactive intervention work has received recognition and praise from the Cabinet office. NHS and Public Health England. NHS England and Public Health England, publicly called for the wider role of the fire and rescue service to be recognised and used to support the broader health agenda.

Cheshire Fire and Rescue Service supports the national programme of work to assist the health agenda. At the request of NHS England (Cheshire and Merseyside Sub-Region), Cheshire Fire and Rescue Service initially agreed to expand the traditional HSA to create a broader Safe and Well visit to help address the following health priorities:

- Prevention of slips, trips and falls
- Smoking cessation and alcohol reduction
- Bowel cancer screening

Outside of the initial partnership with health Halton Borough Council Public Health also asked Cheshire Fire and Rescue Service to help identify people at risk from Atrial Fibrillation.

The following elements comprised Phase 1 in the Safe and Well visit, which commenced on **1 February 2017**:

- Prevention of slips, trips and falls
- Smoking cessation and alcohol reduction
- Bowel cancer screening
- (Atrial Fibrillation in Halton only)

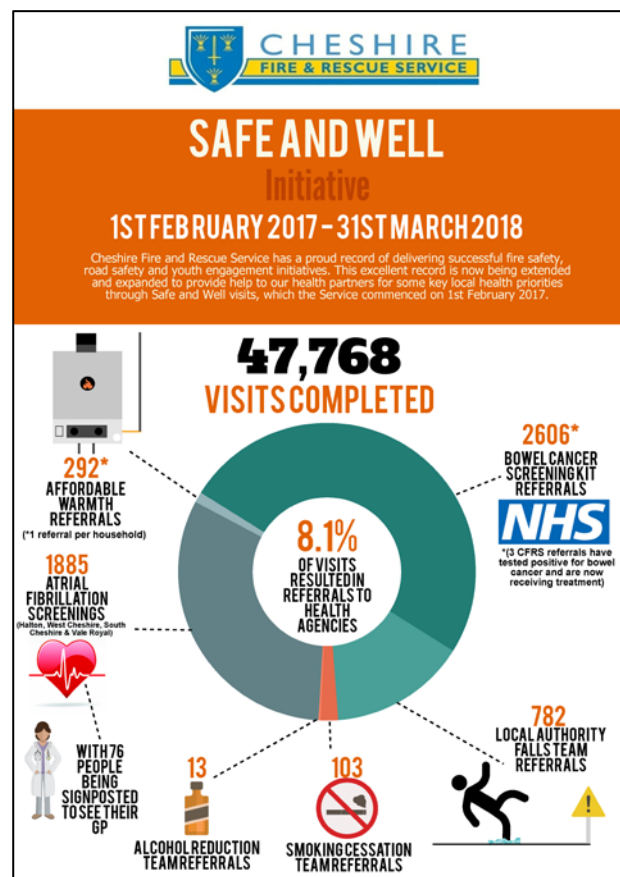
Delivering Partnership Outcomes -

Cheshire Fire and Rescue Service was delivering 25,000 HSAs per year. In order to support the broader health agenda, CFRS has agreed to increase the current number of visits from 25,000 to 40,000. These will be Safe and Well visits from 1 April 2016. We utilise our advocates and operational firefighters to deliver this volume of visits.

During 2017-18, Cheshire FRS worked with health partners to expand the work to include screening for people at risk from fuel poverty/affordable warmth issues and to expand atrial fibrillation work to West Cheshire, South Cheshire and Vale Royal CCG areas.

From 1st February 2017 to 31st March 2018, Cheshire Fire & Rescue Service conducted **47,768** Safe and Well visits, resulting in:

- **2606** referrals to NHS Bowel Cancer Screening Hub;



- **782** referrals to Local Authority falls teams for help and support;
- **103** referrals to Local Authority smoking cessation teams for help and support;
- **13** referrals to Local Authority alcohol reduction teams for help and support; and,
- **188** Atrial Fibrillation screening tests resulting in 76 people being signposted to primary care;
- **292** referrals to Local Authority commissioned service for affordable warmth help and assistance.

2018-19 – Future Safe & Well Work Programme

Reducing hypertension and blood pressure are key objectives for Directors of Public Health in Cheshire and Merseyside. They have therefore subsequently asked that hypertension and blood pressure checks be added to the Safe and Well programme. Cheshire Fire and Rescue Service is happy to take on this additional area of work as part of the Safe and Well visits.

Cheshire Fire and Rescue Service is working to add the following to the Safe and Well programme:

- Screening for Hypertension and blood pressure;
- Expanding Atrial Fibrillation pan-Cheshire to include Warrington and Cheshire East;
- Loneliness and Isolation

Safety Central

Located alongside Lymm Fire Station, Safety Central is Cheshire's first ever facility dedicated to public safety and life skills education. The centre houses a life-sized state-of-the-art indoor village designed to simulate a range of everyday hazards, encouraging visitors to explore ways to keep themselves and others safe in a fun and interactive way.

Learning programmes are aimed at those most at risk of avoidable harm and those who care for them, including primary school and secondary school pupils, parents and carers of infants, older people, people who need support to live independently and professional carers who visit people in their own homes.

Many of the activities are delivered by volunteer rangers, who come from all walks of life and undertake training in a dedicated Ranger Academy. The volunteer programme is sponsored by Cheshire and North Wales' electricity distribution company and several other public and private sector companies are supporting the work of Safety Central by providing resources, expertise and by co-delivering learning activities.



Engaging with our Communities

Extensive efforts are made to engage with the communities and stakeholders of Cheshire East, Cheshire West and Chester, Halton and Warrington. A comprehensive twelve week programme of community consultation and stakeholder engagement is carried out each year

to seek feedback on the Authority's key priorities and proposals set out in its draft annual action plan (IRMP). IRMP 14 covered the period ending **31st March 2018**.

The principles by which the Authority carries out consultation are set out in the Consultation and Engagement Strategy and on key issues the Authority works with the Consultation Institute to assess its performance against best practice.

Identifying and Communicating the Authority's vision

Following a period of public consultation the Fire Authority formally approved the publication of the Five Year Strategy "Planning for a Safer Cheshire" at its meeting on 17th June 2015. The Authority's vision remains "A Cheshire where there are no deaths, injuries or damage from fires or other emergencies" and the Strategy sets out the approach to achieving that vision in the context of the challenges and risks faced by the organisation.

Risk Management Arrangements - Principle F

The risk management function is now part of the new Joint Corporate Services located at Clemonds Hey it provides risk management support to both fire and police.

Good risk management is part of normal day to day activity. It is about taking the right risks when making decisions or where we need to encourage innovation in times of major change, balancing risk, quality, cost and affordability. This puts us in a stronger position to deliver on our promises and provide excellent services to our communities.

In 2018 the Risk Management Policy was refreshed to provide clarity on the risk management approach going forward as part of the Joint Corporate Services and risk management processes are well embedded. The Risk Management Board (RMB) reviews the policy every 2-3 years. Membership of RMB has representation from the Fire Authority Members; principal officers; the Section 151 Officer; the Monitoring Officer; internal and external audit and the new joint corporate services team responsible for facilitating the risk management function. The Strategic Risk Register is regularly reviewed at RMB to provide assurance that risks are being effectively managed.

RMB approved participation in the 2016 ALARM/CIPFA Risk Benchmarking Exercise to provide additional assurance by testing the Authority's risk management arrangements against other public sector organisations. The Authority achieved the highest risk management performance level of 'Driving'.

Quality Assurance – Principle G

Cheshire Fire & Rescue Service's Prevention and Protection activities are certified under the international quality standard ISO 9001:2015. This means that it consistently reviews and monitors the quality and standard of the services provided and its procedures.

The Quality Management System defines the key roles of our staff and their responsibilities. Cost savings can be made through improved efficiency and productivity as procedure or service deficiencies will be highlighted by ongoing reviews.

From this, improvements can be developed, resulting in less waste, reduced errors and fewer complaints.

We have a duty to talk and listen to members of the public, our staff and our partners to make sure our services meet the needs of the communities we serve. Customer satisfaction

surveys are undertaken as part of the fire safety inspection programme and during Safe and Well visits.

Through our Business Safety Team we engage with the business, industrial and commercial sectors in our area to understand the needs and expectations of all stakeholders to help make businesses safer from fire. During 2017-18 Mersey Internal Audit Agency (MIAA) undertook a fire safety audit review which did not identify any major concerns or control weaknesses in the process providing significant assurance.

Cheshire Fire and Rescue Service's provision of the Prince's Trust Team Programme has been assessed and is accredited to the Matrix international quality standard for organisations that deliver information advice and/or guidance.

Her Majesty's Inspectorate of Constabulary and Fire & Rescue Service (HMICFRS) – Principle G

Following the move of fire and rescue services into the Home Office the Government has announced that HMICFRS will be the independent inspectorate for fire and rescue services, in support of the Fire Reform agenda. HMICFRS are utilising their experience of inspecting Police Efficiency, Effectiveness and Legitimacy (in the public interest) across England to adapt this methodology as the blueprint for the Fire Sector. HMICFRS are developing their methodology and inspection programme with a commitment to inspect all fire and rescue services in England against the core areas of Efficiency, Effectiveness and People.

Cheshire Fire and Rescue Service has expanded its Protection department to incorporate the, newly created, Organisational Performance team who are charged with preparing the Service for the forthcoming inspection in July 2018. The team is responsible for preparing a programme of self-assessment and communication across the Service. The team will formulate, communicate and deliver actions plans following the Inspectorate's findings across the Service to improve performance.

Equality and Inclusion – Principles C & D

Cheshire Fire and Rescue Service has in the past used the Fire and Rescue Framework to assess its equality performance and achieved the highest level of the equality framework, 'Excellent' in 2011. In preparation for being assessed according to a new national inspection regime for fire and rescue services in July 2018, the organisation uses a number of external accreditations to benchmark and affirm its commitment to equality – including the Stonewall Workplace Equality Index and the Disability Confidence Scheme. It is also a Mind Blue Light Programme champion; The Authority launched a new Equality, Diversity and Inclusion strategy 2017-2020 in April 2017. Action plans linked to this Strategy are updated annually.

As part of the 2017-18 Annual Audit Plan a review was undertaken on E&D recruitment which received significant assurance.

Stonewall – Principles C & D

In 2018 Cheshire Fire and Rescue Service achieved fourth place in LGBT charity Stonewall's Equality Index Top 100 list of employers, the highest placed of any of the emergency services in the U.K. The Service has been a Stonewall Diversity Champion since 2008 and has featured in the top 50 of the top 100 for the last five years. In 2017 the Service ranked eighth, marking a jump of four places this year.

Positive action

In 2017-18 the Service undertook a positive action campaign to support its recruitment of new wholetime fire fighters and apprentices. This included targeted communications, taster days, the assignment of buddies and mentors and canvassing for potential applicants at a number of local and regional events. As a result of the campaign, a diverse cohort of firefighters and apprentices joined the Service.

Information Security – Principle A

The Authority maintains an information security policy which represents 'best practice' within the security industry. The policy exists to protect Authority information against any type of accidental loss, damage or abuse, by its staff, third parties and partners. In addition it maintains a safeguard to ICT systems that process, store, display and transmit information.

The Director of Governance and Commissioning is the Authority's Senior Information Risk Officer (SIRO), and is responsible for the effective implementation of a consistent framework for management of information security across the Authority.

Information governance

Information management is now one of the joint Corporate Services located at Clemonds Hey. This provides additional resilience and access to specialist staff, including dedicated Information Security and Data Protection officers.

A number of data flow audits have been completed which help Cheshire Fire and Rescue Service fulfil the requirements of the revised Data Protection legislation.

In future information security breaches will be reported to and managed by the Joint Team. An online reporting process has been developed in order to meet the new requirement to be able to report breaches to the Information Commissioner within 72 hours. Information management and security officers meet the SIRO each month.

How the Authority Works

The Annual Governance Statement covers the period **1st April 2017 to 31st March 2018**.

The Service Management Team (SMT) Structure

Due to the impact of the Blue Light Collaboration Programme a revised management structure was put in place in 2017 which introduced the roles of Director of Governance and Commissioning and Director of Transformation.

The operations of the Authority are directed through a clear leadership and management structure with defined roles and responsibilities. The Service Management Team comprises of:

- Chief Fire Officer and Chief Executive
- Deputy Chief Fire Officer
- Director of Governance and Commissioning
- Director of Transformation
- Heads of Department

CFRS Service Management Team Structure Chart



Fire Authority

The Authority's committee structures allow Members to consider key policies and to monitor performance. The Authority has an effective strategic and financial planning process which includes rigorous review and challenge by Members.

The Authority is made up of twenty three elected Members appointed by the constituent Authorities. There are also two non-elected independent members who act in an advisory role.

In 2017 the Authority enabled the Police and Crime Commissioner to attend and speak at its meetings. This is intended to help develop further integration between the Authority and the Police and Crime Commissioner.

The Authority operates with the following main Committee structure:

- Performance and Overview Committee
- Governance and Constitution Committee
- Brigade Managers Pay and Performance Committee
- Staffing Committee
- Estates and Property Committee

Terms of Reference for each Committee are subject to regular review.

Member Champions

Member Champions are assigned to a number of thematic areas to provide additional scrutiny and challenge; these include risk, equality, young people, older people, finance and the environment.

Monitoring Officer:

During the 2017 – 2018 financial year the Director of Governance and Commissioning fulfilled the statutory role of Monitoring Officer for the Authority, ensuring all actions taken were lawful.

Chief Finance Officer:

For the financial year 2017-18 the Joint Corporate Services Head of Finance had responsibility for day to day financial management in accordance with CIPFA guidance and

a new treasurer was appointed in December 2017 to become responsible for the matters set out in Section 151 of the Local Government Act 1972.

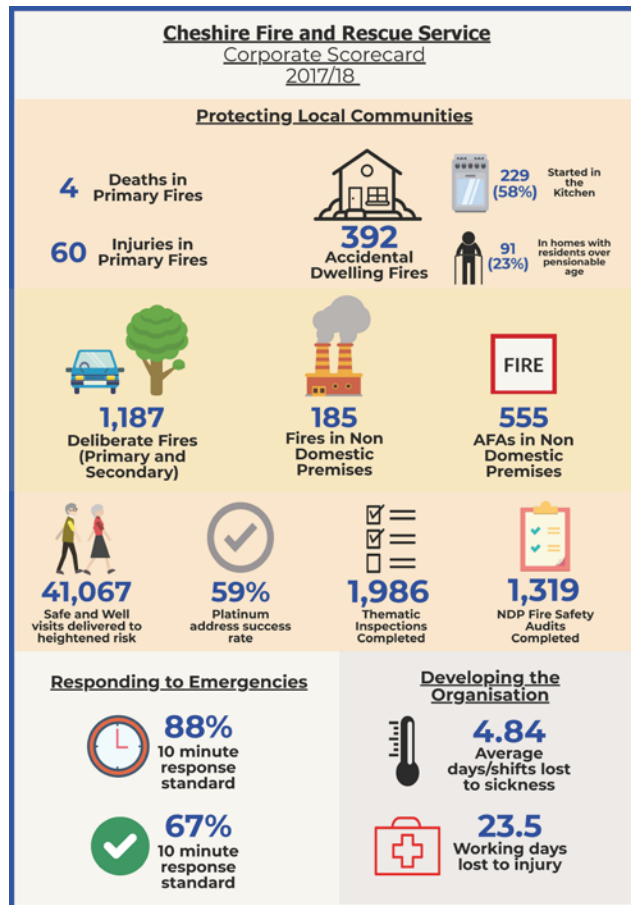
How we performed during 2017 – 2018 - Performance Management:

As part of the corporate planning process the Authority sets out the key corporate performance indicators which measure the delivery of its objectives.

Achievements against these indicators are scrutinised quarterly by the Performance and Overview Committee and Performance and Programme Board and annually by the Fire Authority.

Performance relating to the handling of calls by North West Fire Control is also monitored quarterly, in line with agreed standards.

An Annual Report is produced setting out how the Authority has performed over the last 12 months.



External Assurance

Internal Audit:

The Authority's Internal Audit function for 2017-18 was outsourced to Mersey Internal Audit Agency (MIAA), and established protocols are in place for working with External Audit. A risk-based internal audit plan and three year strategy was agreed with senior management and approved by the Authority in 2017. A number of audits were commissioned in line with our risk profile and appetite which provided an independent assurance level on the Authority's control frameworks.

The internal audit team completed a number of compliance and assurance audits during 2017-18 aligned to the approved internal audit plan, which have generally resulted in positive opinions with a small number of recommendations made as a result of their findings. Action Plans have been put in place to resolve any issues and deliver solutions.

Internal Audit Opinion 2017-18:

Director of Internal Audit Opinion:

Significant Assurance can be given that there is a generally sound system of internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently.

External Audit Opinion 17-18:

Grant Thornton Opinion including Value For Money. This will be added once it is available.

Key evidence links

[Blue Light Collaboration Programme](#)
[People Strategy](#)
[Safe and Well Visits](#)
[Fire Authority](#)
[Corporate Scorecard 16-17](#)
[Annual Report](#)
[Unitary Performance Area Profiles 16-17](#)
[Director of Audit Opinion](#)
[External Audit Opinion](#)

4. Operational Assurance

Statutory Responsibilities

Fire and Rescue Authorities function within a clearly defined statutory and policy framework. Links to some of the key legislation/guidance can be accessed below:

Corporate Planning

The Fire Authority published a five year strategy, titled '*Planning for a Safer Cheshire 2015-2020*'. The strategy clarifies some of the stark choices facing the Authority and outlines the approach and principles adopted to ensure the Authority does not compromise on its commitment to protecting local communities, reducing risk and maintaining firefighters' safety. There is a robust corporate planning process in place which facilitates the development of the Integrated Risk Management Plan (IRMP).

Community Risk Management

Through its Community Risk Management Policy the Service undertakes risk, intelligence and performance analysis in order to ensure that strategic, tactical and operational activities are intelligence-led and evaluated. This is achieved by using specialist systems, software, data and skills delivered by the Joint Corporate Service Business Intelligence team located at Clemonds Hey.

Unitary Area Plans

In addition to and complementing the IRMP, Unitary Area Plans are developed for each council area. Each plan is unique to that area and contains the actions the Unitary teams will take in order to mitigate risk and improve community safety. These plans are informed by the Community Risk Model which brings together historic incident data, demographic, commercial and external risk factors.

Stakeholder Engagement

The Authority is committed to involving all of its stakeholders in the development of its strategies and plans. It encourages this by carrying out a comprehensive annual consultation programme on its draft IRMP. Local communities, partners, staff, representative bodies and other stakeholder's are invited to comment to ensure that before any decision is taken a broad range of views are taken into account. To enable active and informed participation, data and information relevant to the plan is made available to the public on the Service's website and via social media, in consultation packs, which are distributed at community roadshow events held across Cheshire, and also at key local stakeholder forums and meetings.

Fire Protection Activities

Cheshire Fire and Rescue Service operates a risk based intelligence-led inspection programme of non-domestic premises. If a business is audited, the audit will be carried out by a qualified fire-safety officer who will follow a set procedure which is designed to establish compliance with the requirements of the Regulatory Reform (Fire Safety) Order 2005. We always aim to help businesses comply with fire safety legislation; however, at times we have to enforce the law by implementing a formal enforcement procedure and will on occasion

prosecute. This is always a last resort for us and we will endeavour to avoid this course of action by working with business owners/managers via a range of key interventions:

- A dedicated team of non-enforcing officers who proactively deliver interventions and offer advice tailored to the different sectors of the business community.
- Protection staff offer support to businesses to assist in complying with legislation and business continuity advice.
- Information provided digitally to support businesses.
- Proactively working with partners and key stakeholders to raise awareness of the fire safety and property benefits of sprinkler systems.

The government's Primary Authority Scheme is a means for business to receive assured and tailored advice on meeting environmental health, trading standards or fire safety regulations through a single point of contact. This enables business to invest with confidence in products, practices and procedures, knowing that the resources they devote to compliance are well spent. The Service supports the Primary Authority Scheme and will consider entering into partnerships with a business or organisation to provide assured and tailored fire safety advice. The approach we adopt creates a more consistent and co-ordinated regulatory environment.

Fire Investigation

Fire investigation is an integral part of the Service's Prevention and Protection activities. The main purpose of fire investigation is to determine the origin, cause and development of a fire and to contribute to organisational learning.

All fires attended will be investigated to establish the cause of fire. Where a fire has occurred, investigators have power of entry under Section 45 of the Fire & Rescue Services Act 2004 which allows an authorised employee to gain entry to premises in order to investigate the cause and progression of the fire that has occurred there.

Investigation outcomes will steer future prevention and protection activities and will assist in the prevention and detection of crime:

- Types of fires are determined in our Fire Investigation Policy will be investigated and the most likely cause recorded.
- All fatal fires and fires involving significant injuries to persons, significant damage to property and suspected arson will be investigated by an Advanced Fire Investigator (usually in collaboration with Cheshire Police).
- Fire Investigation reports will be produced to support Criminal and Coroners' Courts to enable a verdict to be reached.

Operational debriefs

Operational debriefs are used at both incidents and the Authority's exercises and form part of the quality control system concerned with its core activities. These debriefs provide valuable lessons learned which contribute to improving the service provided. They are undertaken following every incident and at a level which recognises the scale of the incident and also the involvement of other partner agencies. Debriefs will therefore fall into Level 1 Hot debriefs or more in-depth Level II Structured debriefs. Multi-agency incidents will also prompt a multi-agency debrief which will be facilitated and reported through the Cheshire Resilience Forum with learning outcomes reviewed and managed through the affiliated Cheshire Emergency Response Collaboration (CERC) group.

Section 28 reform – formerly known as Rule 43 Notices

In accordance with its commitment to ensure a safe and competent workforce, the Authority has conducted a thorough review of policies, procedures and training programmes in response to tragic events nationally. The learning has come from the services directly affected, information notices (Coroner “Rule 43” Notices) issued as a result of inquests and recommendations to all FRSs. Rule 43 Notices are used to inform policy and procedural reviews and to advise on the procurement/upgrade of operational equipment where necessary/appropriate.

Business Continuity – Civil Contingencies Act 2004

Business Continuity is an important part of the Authority’s strategy and a robust programme is well established to ensure responsibilities align to best practice standards, e.g. BS25999-2. Departmental plans which support the Authorities Crisis Management Plan are maintained and tested regularly. The Crisis Management Plan is owned by the Risk Management Board and reviewed and approved annually.

A major Crisis Management Team exercise took place in May 2017. The purpose of the exercise was to test business continuity arrangements and manage reputational risk following the targeting of the Service by animal rights protesters. Key colleagues from Cheshire Constabulary also took part with joint service teams providing support. An action plan following the exercise was established with the headlines presented to Risk Management Board in October.

The Service’s Business Continuity arrangements were also reviewed by Mersey Internal Audit Agency (MIAA). Following a comprehensive review the Service was awarded a “Significant Assurance” rating.

Interoperability, Resilience and Safety

A comprehensive range of risk intelligence data and information is taken into account as part of the risk identification and analysis process underpinning the IRMP. This includes Community Risk Registers, with the Authority having a leading role in the Cheshire Local Resilience Forum (CRF) which focuses on interoperability and joint planning with other emergency services using the Joint Emergency Services Interoperability Principles (JESIP).

CRF structures, policies and practices are regularly reviewed to better reflect the changing make up of partner agencies. Governance is managed through a monthly meeting cycle of the Management Group which reports twice yearly to the CRF Executive Group.

Over the Border Mutual Aid Arrangements

Sections 13 and 16 of the Fire and Rescue Services Act 2004 allow mutual arrangements to be agreed with neighbouring Services to improve resilience and capacity in border areas. Cheshire Fire Authority has in place contractual agreements with the following bordering Fire Authorities for response to life risk incidents:

- Merseyside
- Staffordshire
- Shropshire
- Derbyshire
- Greater Manchester
- North Wales

Health and Safety

The Authority seeks to comply with the requirements of the Health and Safety at Work etc. Act 1974 and relevant legislation in managing its health and safety (H&S) duties.

The Authority has an H&S management system based on Health & Safety Executive (HSE) guidance. As part of this we have clearly defined management responsibilities; as far as reasonably practicable we assess and manage the risks arising from our activities, we consult our employees on matters affecting H&S, we provide training and information to our employees.

The Service has an Occupational Health Unit to support the health and wellbeing of staff. We have a programme of health and wellbeing campaigns e.g. we have signed up to the MIND Blue Light campaign to support mental health and wellbeing in the Service and provided training to mental health champions and are looking to introduce more widely a Trauma Risk Management (TRiM) process.

We have introduced an electronic system to support the reporting and investigation of all accidents and near misses that occur within the Service and to track the investigations conducted with the intention of preventing a recurrence. The Service seeks to learn not only from events that happen within the Service but also from events that occur in other FRSS; we conduct review of our own policies and procedures in light of these and make improvements when necessary with completion of action plans tracked through the Cheshire Planning System. We have arrangements to respond to any emergency that occurs at work.

As part of the H&S Management System there is a program of audits and inspections; the audits are based on the Royal Society for Prevention of Accidents Quality Safety Audit (ROSPA) (QSA) system and its performance indicators. These audits and inspections inform our annual review of H&S Policy and performance. They also contribute towards an annual H&S report submitted to the Authority's Performance and Overview Committee.

Firefighter Fitness

The Authority has had a policy to ensure the fitness of its operational staff for some time; in December 2014 the Department for Communities and Local Government (DCLG) issued an addendum to the National Framework for England in relation to firefighter fitness. In 2015 the Authority proposed amendments to its then current fitness policy to align it to the National Framework requirements and the national fitness standard proposed by CFOA.

The Authority recruited a full-time Fitness Advisor to lead on supporting the firefighters to attain and maintain the fitness standards required, and to undertake fitness testing. Fitness testing for all operational staff takes place annually. Performance is monitored at the Service Health Safety and Wellbeing Committee. The Service Fitness Policy has been amended to include the option to use the activities that must be completed within a set time. An audit of compliance with the National Framework requirements on management of firefighter fitness concluded that the Authority complied with the requirements of the framework.

Operational Training

The operational training strategy was formally launched in 2012. This strategy is underpinned by a number of specialist training policies and together these deliver a competence training framework covering a three year training cycle. The Service is now commencing its seventh year of training planning, delivery and review against this strategy.

All new firefighters attend basic training which is broken down into modules and each module is assessed. Whilst attending the Training Centre on their initial training they are regarded as Trainee Firefighters. After training they are posted to their fire station where they are allowed to commence riding the station's fire appliance in a limited capacity and under the close watch of their supervisory managers and their competent co-workers. As the newly appointed firefighter enters their development phase of their career they are enrolled and registered with the awarding body Edexcel onto a level three National Vocational Qualification Diploma, Operations in the Community. During this phase they are assessed by competent qualified vocational assessors who ensure that the firefighters meet the assessment criteria of National Occupational Standards within their role map and go on to achieve competence within three years. This robust process of assessment is internally quality assured by vocationally qualified level 4 Internal Quality Assurers. It is later externally quality assured by an independent external Standards Verifier from Edexcel, the awarding body.

All front line operational staff, inclusive of new starters attend regular station planned training as detailed within their Station Training Forecast in order to maintain their operational abilities and competence. They also attend centrally planned refresher training in order to support this maintenance programme.

Breathing apparatus refresher training takes place in dedicated 'hot fire' conditions annually and the Authority aims to ensure that 100% of all eligible staff attend through an electronic course management and staffing system.

Compartment fire behaviour training capability is refreshed every two years and a joint venture with Manchester Airport Fire Service and Greater Manchester Fire & Rescue Service commenced in June 2013 whereby all three services use training facilities at the airport to train and assess gas cooling and backdraft awareness skills, knowledge and understanding. This collaboration is currently being reviewed but as yet it still continues to be successful and effective and has underpinned the Authority's operational capability to deal safely and competently with severe compartment scenarios. Once again the Authority aims to ensure 100% of all eligible staff attend.

Road traffic extrication techniques, trauma care, hazardous materials, and working safely at height skills are refreshed over a three year period and each year the Service aims to refresh the skills, knowledge and understanding of one third of its operational workforce with an overall target set to achieve 100% of all eligible staff attendance after three years. The Swift water rescue capability of the Service's key water fire stations is validated by the staff attending two days of assessment every year.

The Service delivers in-house Large Goods Vehicle training on a one to one basis for its front line firefighters. Once they pass their test their driving skills are consolidated at station by driving fire appliances on routine non-emergency duties. After this consolidation they return to the driver training school and undertake a two week emergency response driver training course where they are taught to drive safely and efficiently at speed and under blue light conditions. Once they are designated as an appliance emergency response driver they

then go on to attend a one day emergency response driving refresher within a five year period.

To enhance the teaching and training capability of the training staff, all have now achieved or are in the process of achieving the level three award in education and training.

The Operational Training Group (OTG) also manages the Authority's Accredited Centre; currently Edexcel and Skills for Justice are the awarding bodies. Visits by external standards verifiers annually assess and confirm that the Authority operates to and maintains the awarding standards and this assists OTG in quality assuring its planning, delivery and review of training and assessment.

As well as external verification OTG also reviews all operational training delivery annually against its policies and annual training plan to assess its effectiveness and to ensure that the requisite number of operational personnel has attended these continuous professional development programmes.

Managers are all trained and assessed for their skills, knowledge and understanding in Incident Command. A dedicated Command Training Group (CTG) of vocationally qualified Officers plan, deliver and assess these training programmes. The quality of the Incident Command Training within the Service has attracted business from several other fire and rescue services and other emergency services as well as private and public organisations including several high risk industries.

Key evidence links

[IRMP](#)
[CRM Policy](#)
[Unitary Performance Area Profiles](#)
[Fire Safety advice for Businesses](#)
[Corporate Scorecard](#)
www.cheshirefire.gov.uk
[Annual Report](#)
[Operational Peer Challenge](#)
[Annual Health and Safety Report 2015](#)
[Firefighter Fitness Addendum](#)
[Firefighter Fitness Policy](#)
[Operational Training Strategy](#)
[JESIP Decision Model](#)