



**Wednesday,
4 December 2024
10.30 am**

**Meeting of
Cheshire Fire Authority
Sadler Road
Winsford
CW7 2FQ**

Contact Officer:
Donna Linton
Democratic Services

Cheshire Fire and Rescue Service Headquarters, Sadler Road, Winsford, Cheshire, CW7 2FQ

Tel: 07776297806
E-mail: donna.linton@cheshirefire.gov.uk

Cheshire Fire Authority

Notes for Members of the Public

Attendance at Meetings

The Cheshire Fire Authority welcomes and encourages members of the public to be at its meetings and Committees. You are requested to remain quiet whilst the meeting is taking place and to enter and leave the meeting room as quickly and quietly as possible.

All meetings of the Authority are held at the Training Centre, Sadler Road, Winsford. If you plan to attend please report first to the Reception Desk where you will be asked to sign in and will be given a visitors pass. You should return your pass to the Reception Desk when you leave the building. There are some car parking spaces available on site for visitors at the front of the building. Please do not park in spaces reserved for Fire Service personnel.

If you feel there might be particular problems with access to the building or car parking please contact the Reception Desk at Sadler Road Winsford Tel (01606) 868700.

Access to Information

Copies of the Agenda will be available at the meeting. A copy can also be obtained from the contact officer named on the front of the Agenda. Alternatively, the Agenda and individual reports are available on the Authority's website (www.cheshirefire.gov.uk)

The Agenda is usually divided into two parts. Most business is dealt with in the first part which is open to the public. On some occasions some business may need to be considered in the second part of the agenda, in private session. There are limited reasons which allow this to take place, e.g. as confidential information is being considered about an individual, or commercial information is being discussed.

This agenda is available in large print, Braille, audio CD or in community languages upon request by contacting; Telephone: 01606868414 or email: equalities@cheshirefire.gov.uk

Recording of Meetings

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Fire Evacuation

If the Fire Alarm sounds you should make your way to the nearest exit as quickly as possible and leave the building. Please follow any instructions from staff about evacuation routes.



MEETING OF THE CHESHIRE FIRE AUTHORITY

WEDNESDAY, 4 DECEMBER 2024

Time: 10.30 am

Lecture Theatre - Fire Service Headquarters, Sadler Road, Winsford,
Cheshire CW7 2FQ

AGENDA

PART 1 - BUSINESS TO BE DISCUSSED IN PUBLIC

1 PROCEDURAL MATTERS

1A Recording of Meeting

Members are reminded that this meeting will be audio-recorded.

1B Apologies for Absence

1C Chair's Announcements

To receive any announcements that the Chair wishes to make prior to the commencement of the formal business of the meeting.

1D Declaration of Members' Interests

Members are reminded to disclose any interests that are relevant to any item on the Agenda.

1E Questions from Members of the Public

To receive any questions submitted, in accordance with procedure rules 4.47 to 4.54 by members of the public within the area covered by the Fire Authority.

1F Minutes of Fire Authority

To confirm as a correct record the minutes of the Fire Authority Meeting held on 25th September 2024.

(Pages 7 - 20)

1G Minutes of the Audit Committee

To receive, for information, the minutes of the Audit Committee meetings held on 18th September and 20th November 2024.

(Pages 21 - 30)

1H Minutes of Governance and Constitution Committee

To receive, for information, the minutes of the Governance and Constitution Committee meeting held on 6th November 2024.

(Pages 31 - 42)

Item 2 – Conclusion of the 2024 Review of the Members' Allowances Scheme

The Committee was satisfied with the Report of the Independent Reviewer and took her Report into account in agreeing its recommendation to the Fire Authority about the Members'

Allowances Scheme for 2025-26 and beyond.

The Report of the Independent Reviewer was shared with Members of the Fire Authority shortly after the Committee met. It can be accessed using this [LINK](#)

No decision is required about the Review, but it does provide context for the decisions being sought below.

Item 3 – Members’ Allowances Scheme: Annual Increase to be Applied to 2024-25 Scheme; and Draft 2025-26 Scheme

The Report considered by the Committee is attached as Annex 1. The Appendix to the Report, as slightly amended by the Committee, is attached as Annex 2.

Two decisions are required.

Recommended that: the Fire Authority

- [1] agrees that an annual increase of 3.83% should be applied to the Members’ Allowances Scheme 2024-25; and**
- [2] approves the Members’ Allowances Scheme for 2025-26 at Appendix 1 to the report (accepting the minor change noted during the meeting and highlighted in these minutes).**

PLEASE NOTE: Annex 2 on pages 37 to 41 is the Members’ Allowance Scheme 2025-26 that is recommended by the Committee. It assures that the 3.83% increase for 2024-25 is agreed and has been adjusted accordingly.

- 1I Minutes of Brigade Managers’ Pay and Performance Committee** (Pages 43 - 44)
To receive, for information, the minutes of the Brigade Managers’ Pay and Performance Committee meeting held on 13th November 2024.
- 1J Minutes of the Staffing Committee** (Pages 45 - 48)
To receive, for information, the minutes of the Staffing Committee meeting held on 13th November 2024.
- 1K Minutes of Performance and Overview Committee** (Pages 49 - 56)
To receive, for information, the minutes of the Performance and Overview Committee meeting held on 20th November 2024.

- 1L Notes relating to Member Training and Development** (Pages 57 - 60)
To receive, for information, notes concerned with Member training and development.

There were no Members of the Group able to meet on 1st October 2024. However, Councillor Gina Lewis, who is not a Member of the Group attended and the notes reflect her views on the agenda item.

- 1M Programme of Member Meetings for 2025-26** (Pages 61 - 62)
The Programme attached is similar to previous years, taking into account as far as possible the anticipated meeting arrangements of constituent authorities. Members are asked to note the Programme.

ITEMS REQUIRING DISCUSSION / DECISION

- 2 Draft 2025-26 Budget: Council Tax and Medium Term Financial Plan 2025-30** (Pages 63 - 70)
- 3 Treasury Management - Mid-Year Report 2024-25** (Pages 71 - 82)
- 4 Exclusion of Press and Public** (Pages 83 - 84)

PART 2 - BUSINESS TO BE DISCUSSED IN PRIVATE

- 5 Sale of Surplus Land to the Rear of Chester Fire Station** (Pages 85 - 90)

This report is contained in Part 2 of the Agenda, because it deals with commercial matters relating to the sale of surplus land held by the Fire Authority.

Reports about this were previously considered by the Fire Authority in June 2022 and the Public Report can be accessed via this [LINK](#). The Authority is being asked to determine how it wishes the sale to proceed.

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MINUTES OF THE MEETING OF THE CHESHIRE FIRE AUTHORITY held on Wednesday, 25 September 2024 at North West Fire Control, Lingley Mere Business Park, Lingley Green Avenue, Great Sankey, Warrington WA5 3UZ at 10.30 am

PRESENT: Councillors Stef Nelson (Chair), Rachel Bailey, John Bird, Peter Coan, Steve Collings, Razia Daniels, Phil Harris, Mo Hussain, Gina Lewis, Nick Mannion, Phil Marshall, Rob Polhill, Geoff Smith, Peter Walker, Mick Warren, Peter Wheeler and Sagheer Zaman

1 PROCEDURAL MATTERS

A Recording of Meeting

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

B Apologies for Absence

Apologies for absence were received from Councillors Sherin Akhtar, David Brown, Laura Crane, Karen Mundry, Phil Rimmer and Margaret Simon. Dan Price (Police and Crime Commissioner) also sent his apologies.

C Chair's Announcements

The Chair asked Members to note the content of the Chair's announcements which included details of Authority achievements and events Members had attended since the last meeting of the Fire Authority.

Members were invited to attend the 'Wellbeing Marketplace' event at Headquarters on Thursday 10th October 2024 to celebrate World Mental Health Day. Further details would be circulated outside the meeting.

Members were reminded that a tour of North West Fire Control was due to take place at the rise of the meeting and Members were encouraged to take the opportunity to view the facilities and speak to Fire Control staff. In addition, the Chair invited Members to visit staff at North West Fire Control on 5th November 2024; this was one of their busiest times of the year.

D Declaration of Members' Interests

There were no declarations of Members' interests.

E Questions from Members of the Public

There were no questions submitted.

F Minutes of Fire Authority

The Director of Governance advised that since the last meeting had taken place there had been a change in appointments to the Fire Authority by Warrington Borough Council in July 2024. Councillor Tim Price had been replaced by Councillor Mo Hussain. Councillor Mo Hussain had been allocated the place/roles originally allocated to Councillor Tim Price i.e. a seat on the Performance and Overview Committee and Phoenix Boxing Club Board (Substitute Member).

The Annex to the minutes reflected the current position, i.e. at the date of the September meeting.

RESOLVED:

That the minutes of the Fire Authority meeting held on 26th June 2024 be approved as a correct record.

G Minutes of Brigade Managers' Pay and Performance Committee

RESOLVED:

That the minutes of the Brigade Manager's Pay and Performance Committee held on 8th July 2024 be noted.

H Minutes of Performance and Overview Committee

RESOLVED:

That the minutes of the Performance and Overview Committee held on 10th July and 11th September 2024 be noted.

I Minutes of Governance and Constitution Committee

RESOLVED:

That the minutes of the Governance and Constitution Committee held on 10th July 2024 be noted.

J Minutes of Audit Committee

RESOLVED:

That the minutes of the Audit Committee held on 10th July 2024 be noted.

K Notes of the Member Training and Development Group

RESOLVED:

That the notes of the Member Training and Development Group held on 9th July 2024 be noted.

L Notes of Local Pension Board - Firefighters Pension Scheme

Councillor Nick Mannion, Chair of the Local Pension Board – Firefighter Pension Scheme advised that he had recently attended the LGA Annual Firefighters’ Pension Scheme AGM and Conference. He commented that due to the McCloud Remedy and Matthews Remedy relating to the Firefighters’ Pension Scheme fire and rescue services were in a challenging position. However, he felt reassured that Cheshire Fire and Rescue Service and XPS the pension provider were well prepared to deal with the outcomes from the two remedies.

The Chief Fire Officer and Chief Executive advised that all staff and retired staff affected by the McCloud Pension Remedy were update regularly on progress and all information was available on the Service’s intranet. The Service was also working closely with the representative bodies.

RESOLVED:

That the notes of the Local Pension Board – Firefighters Pension Scheme held on 13th August 2024 be noted.

2 ANNUAL REPORT 2023-24

The Head of Communications and Engagement introduced the report which sought approval for the release of the Annual Report 2023-24 in website and social media format.

Members were advised that this year it was proposed that the Annual Report 2023-24 would be presented in the form of multi-image social media posts, with live links to more detailed background information on the annual report section of the Service’s website. The social media posts would present headline performance figures in a graphic design style, under the title ‘Our Year in Numbers’ and would be published on the Service’s Facebook, X, LinkedIn, Instagram and TikTok accounts, which had a combined reach of 117,000 users.

Once the annual report was approved, the social media posts and supporting web page would be published before the end of September 2024.

Members welcomed the new format, however, asked how the Service would engage with local communities that did not use social media and with key stakeholders such as the Town and Borough Councils. In response, the Head of Communications and Engagement, advised that the Service had recently introduced an External Communications and Engagement Strategy 2024-28 which provided a framework for

the way the Service would talk, listen and respond to the public and its stakeholders using a range of different communication methods.

RESOLVED: That

- [1] the release of the Annual Report 2023-24 in website and social media format be approved for publication.**

3 FIRE SERVICE MODERNISATION PROGRAMME PHASE FIVE - WINSFORD FIRE STATION

Katie Whitehead, Head of Service Improvement presented a report which provided an overview of the Fire Station Modernisation Programme (the Programme) to date and included information about Phase 5 of the Programme. The report sought approval to proceed with modernisation works at Winsford Fire Station.

Members were advised that in planning for Phase 5 of the Programme, officers had arranged for pre-construction activities to be undertaken which included defining a clear scope of work required, estimating the costs of project delivery and developing a detailed construction schedule. The work to modernise Winsford Fire Station had been priced at £2,143,899.02 and Appendix 2 to the report provided a summary of the intended works.

The Head of Service Improvement confirmed that the outcomes from the review of the programme would be presented to a future Member Planning Day.

RESOLVED: That:

- [1] the progress that has been made in delivering the Programme and the current funding position be noted;**
- [2] Officers be authorised to proceed with the modernisation works at Winsford Fire Station; and**
- [3] Officers be authorised to exceed the capital budget set for 2024-25 by drawing forward on the 2025-26 capital budget for Winsford Fire Station Modernisation.**

4 CREATION OF NEW HEAD OF DEPARTMENT POST

The Chief Fire Officer and Chief Executive presented a report which sought approval for the creation of a new full-time head of department post.

Members were advised that in recent months a Review of the work carried out in the Governance Department had been commenced. This had, ultimately, led to further consideration of the recommendations from the Blue Light Collaboration (BLC) Review mentioned in the report and the broader support provided by the Director of Governance (Monitoring Officer).

Following the Review, it was concluded that the optimum solution for the Service/Authority would be to create a full-time post to replace the current part-time Director of Governance post. The post would be entitled Head of Governance (Monitoring Officer) and filled by a solicitor/barrister. A job description and person specification had been prepared for the new post and the job description was attached to the report as Appendix 1. The Joint Legal Service would continue to provide legal advice and support to the Service.

RESOLVED: That

- [1] the creation of the full-time post, Head of Governance (Monitoring Officer) be approved.**

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FIRE AUTHORITY MEMBERSHIP 2024-2025

GROUPS - LAB 13, CON 7, IND 2 (PLUS 1 LIB DEM)

APPOINTMENTS BY CONSTITUENT AUTHORITIES

Appointed by Cheshire East Borough Council (3 Lab, 4 Con, 2 Ind)

<u>Labour</u>	<u>Conservative</u>	<u>Independent</u>
Cllr Laura Crane	Cllr Rachel Bailey	Cllr John Bird
Cllr Nick Mannion	Cllr David Brown	Cllr Mick Warren
Cllr Geoff Smith	Cllr Peter Coan	
	Cllr Margaret Simon	

Appointed by Cheshire West and Chester Borough Council (4 Lab, 3 Con)

<u>Labour</u>	<u>Conservative</u>
Cllr Sherin Akhtar	Cllr Razia Daniels
Cllr Steve Collings	Cllr Phil Marshall
Cllr Gina Lewis	Cllr Phil Rimmer
Cllr Peter Wheeler	

Appointed by Halton Borough Council (3 Lab)

<u>Labour</u>
Cllr Phil Harris
Cllr Stef Nelson
Cllr Rob Polhill

Appointed by Warrington Borough Council (3 Lab, 1 Lib Dem)

<u>Labour</u>	<u>Liberal Democrat</u>
Cllr Karen Mundry	Cllr Peter Walker
Cllr Mo Hussain	
Cllr Sagheer Zaman	

APPOINTMENTS

Chair: Cllr Stef Nelson

Deputy Chair: Cllr Gina Lewis

Group

Spokespersons:	Labour	Conservative	Independent
	Cllr Stef Nelson	Cllr Rachel Bailey	Cllr Mick Warren

Lead Members:	Cheshire East Borough Council	Cheshire West and Chester Borough Council	Halton Borough Council	Warrington Borough Council
	Cllr Nick Mannion	Cllr Steve Collings	Cllr Stef Nelson	Cllr Sagheer Zaman

APPOINTMENTS TO COMMITTEES, BOARDS AND GROUPS 2024-25

BODIES COVERED BY POLITICAL PROPORTIONALITY RULES

PERFORMANCE AND OVERVIEW COMMITTEE – 8 Members and 1 independent member

Chair: Cllr Phil Harris

Deputy Chair: Cllr Peter Wheeler

CONSERVATIVE	LABOUR	INDEPENDENT
Cllr Razia Daniels	Cllr Phil Harris	Cllr John Bird
Cllr Margaret Simon	Cllr Nick Mannion	
Cllr Phil Rimmer	Cllr Mo Hussain	
	Cllr Peter Wheeler	

independent member
Derek Barnett

Substitute Members for Performance and Overview Committee

CONSERVATIVE	LABOUR	INDEPENDENT
Cllr Peter Coan	Cllr Rob Polhill	Cllr Mick Warren

GOVERNANCE AND CONSTITUTION COMMITTEE – 7 Members and 1 independent member

Chair: Cllr Rob Polhill

Deputy Chair: Cllr Sherin Akhtar

CONSERVATIVE	LABOUR	LIBERAL DEMOCRAT
Cllr Rachel Bailey	Cllr Sherin Akhtar	Cllr Peter Walker
Cllr David Brown	Cllr Rob Polhill	
	Cllr Peter Wheeler	
	Cllr Sagheer Zaman	

independent member
Derek Barnett

Substitute Members for Governance and Constitution Committee

CONSERVATIVE	LABOUR
Cllr Razia Daniels	Cllr Geoff Smith

BRIGADE MANAGERS' PAY AND PERFORMANCE COMMITTEE – 7 Members

It is the usual convention that the Committee includes the Fire Authority Chair, Deputy Chair, and Group spokesperson(s).

Chair: Cllr Stef Nelson

Deputy Chair: Cllr Gina Lewis

CONSERVATIVE	LABOUR	INDEPENDENT
Cllr Rachel Bailey	Cllr Gina Lewis	Cllr Mick Warren
Cllr Margaret Simon	Cllr Karen Mundry	
	Cllr Stef Nelson	
	Cllr Peter Wheeler	

Substitute Members for Brigade Managers' Pay & Performance Committee

CONSERVATIVE	LABOUR	INDEPENDENT
Cllr Phil Marshall	Cllr Laura Crane	Cllr John Bird

ESTATES AND PROPERTY COMMITTEE – 8 Members and 1 independent member

Chair: Cllr Karen Mundry

Deputy Chair: Cllr Laura Crane

CONSERVATIVE	LABOUR	INDEPENDENT
Cllr Peter Coan	Cllr Steve Collings	Cllr John Bird
Cllr Phil Marshall	Cllr Laura Crane	
	Cllr Gina Lewis	
	Cllr Karen Mundry	
	Cllr Stef Nelson	

independent member
Derek Barnett

Substitute Members for Estates and Property Committee

CONSERVATIVE	LABOUR	INDEPENDENT
Cllr Margaret Simon	Cllr Phil Harris	Cllr Mick Warren

Note: It may be helpful for appointments to this body to include the four Lead Members and the Procurement and Environment Member Champions

JOINT CONSULTATIVE COMMITTEE – 4 Members

Chair: Cllr Peter Wheeler

Deputy Chair: Cllr Phil Harris

CONSERVATIVE	LABOUR	LIBERAL DEMOCRAT
Cllr Phil Marshall	Cllr Phil Harris	Cllr Peter Walker
	Cllr Peter Wheeler	

Substitute Members for Joint Consultative Committee

CONSERVATIVE	LABOUR
Cllr David Brown	Cllr Rob Polhill

BODIES NOT COVERED BY POLITICAL PROPORTIONALITY RULES

MEMBER TRAINING AND DEVELOPMENT GROUP – 5 Members and 1 independent (non-elected) member

Chair: Cllr Geoff Smith

Cllr Peter Coan	Cllr Karen Mundry	Cllr Geoff Smith	Cllr Phil Rimmer
	independent member		

PHOENIX BOXING CLUB BOARD – 2 Members (Warrington Members only)

Members		Substitutes	
Cllr Karen Mundry	Cllr Sagheer Zaman	Cllr Mo Hussain	Cllr Peter Walker

HEALTHY HEART RUNCORN TRAINING GYM BOARD – 1 Member (from Halton Members)

Member	Cllr Stef Nelson
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PENSION BOARD – 1 Member

Member	Cllr Nick Mannion
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SPRINKLER GROUP – 4 Members (one from each constituent authority)

Chair: Cllr Gina Lewis

Members	
Cllr Rachel Bailey	Cllr Gina Lewis
Cllr Stef Nelson	Cllr Sagheer Zaman

EQUALITY, DIVERSITY AND INCLUSION GROUP – 2 Members

CONSERVATIVE	LABOUR
Cllr Razia Daniels	Cllr Laura Crane

HEALTH, SAFETY AND WELLBEING COMMITTEE – 1 Member

Member
Cllr Geoff Smith

BODIES WHERE NO APPOINTMENTS ARE REQUIRED

CLOSURE OF ACCOUNTS COMMITTEE

The Audit Committee now fulfils this role.

STAFFING COMMITTEE – 7 Members

The Brigade Managers' Pay and Performance Committee sits as the Staffing Committee.

AUDIT COMMITTEE – 4 Members

The Audit Committee is comprised of 4 Members appointed from and by Governance and Constitution Committee

BUSINESS CONTINUITY COMMITTEE

The membership of the Business Continuity Committee comprises the Chair, Deputy Chair, Group Spokesperson(s) and Lead Member(s). The Committee meets on an ad-hoc basis, as required.

UNITARY PERFORMANCE GROUPS

The Unitary Performance Groups are the performance delivery groups in each of the Unitary Performance Areas and are chaired by the local Unitary Performance Manager and attended by the local Members for that area.

OUTSIDE BODIES – INFORMATION

REGIONAL APPOINTMENTS – NORTH WEST

(A) NORTH WEST FIRE FORUM

This forum oversees collaborative work being undertaken by the fire and rescue services in the North West.

NB: 3 representatives only - Chair, Deputy Chair and Leader of Main Opposition

Members
Chair of Fire Authority – Cllr Stef Nelson
Deputy Chair of the Fire Authority – Cllr Gina Lewis
Leader of Main Opposition – Cllr Rachel Bailey

(B) NW FIRE CONTROL LTD – BOARD OF DIRECTORS

This Company is jointly owned by the Authority and Cumbria County Council, Greater Manchester Combined Authority and Lancashire Combined Fire Authority. It is responsible for the provision of call handling and mobilising services to the Authorities. It has a Board of Directors and each Authority is able to appoint two of its Members to the Board.

NB: 2 representatives only - Chair + 1

Members
Chair of the Fire Authority – Cllr Stef Nelson
Deputy Chair of the Fire Authority – Cllr Gina Lewis

REGIONAL APPOINTMENTS – OTHER

(C) LOCAL GOVERNMENT ASSOCIATION (LGA) - FIRE COMMISSION

The Fire Commission provides a focus for the needs and concerns of fire authorities. All Fire and Rescue Services with full or corporate membership have the right to nominate a representative to this forum. At Cheshire this is usually the Chair of the Authority. Additional Members from Fire Authorities are appointed as necessary by the political groups to ensure political balance. The Commission meets quarterly and is an opportunity for Members to network and share information and ideas. The Commission is subject to the Constitution and Standing Orders of the Local Government Association.

Member
Chair of Fire Authority – Cllr Stef Nelson

(D) SAFER CHESHIRE EAST PARTNERSHIP

Safer Cheshire East Partnership is a statutory requirement under the Crime and Disorder Act 1998 and Cheshire Fire Authority is a statutory partner. The Fire Authority is represented by a Senior Officer and a (Cheshire East) Fire Authority Member is also appointed by the Fire Authority. The partnership meets on a 6-monthly basis and its key priorities include crime prevention, anti-social behaviour, preventing offending, road safety and domestic abuse.

NOTE: Cheshire East is reviewing the arrangements for the Safer Cheshire East Partnership.

Member
Cllr Nick Mannion

(E) SUB-REGIONAL PUBLIC LEADERSHIP BOARD

The Board provides strategic direction and focus on sub-regional matters for any sub-regional commissions, working groups, sub-committees, project steering groups or task and finish groups established to develop and implement sub-regional strategy. The Board comprises of elected Leaders of Cheshire East Council, Cheshire West and Chester Council and Warrington Borough Council, the Police and Crime Commissioner for Cheshire, the Chair of Cheshire Fire Authority, the Chair of Cheshire and Warrington Local Enterprise Partnership and the Chair of the Cheshire, Warrington & Wirral PCT Cluster. In addition the Leader of Halton Borough Council has membership of the Board in an Associate Capacity.

Member
Chair of the Fire Authority – Cllr Stef Nelson

MEMBER CHAMPION ROLES 2024-25

Equality and Diversity (2 Members) Sits on Equality Steering Group	Cllr Laura Crane Cllr Razia Daniels
Health and Safety Sits on Health and Safety Committee	Cllr Geoff Smith
Information and ICT	Cllr Rob Polhill
Environment	Cllr Karen Mundry
Procurement	Cllr Steve Collings
Finance (2 Members)	Cllr Steve Collings Cllr David Brown
Older People	Cllr Peter Walker
Young People	Cllr Sherin Akhtar
Performance Management	Cllr Phil Harris
Commercial/Business Risk Reduction	Cllr Phil Marshall
Industrial Relations (JCC Chair)	Cllr Peter Wheeler
Road Safety	Cllr Nick Mannion
Pensions (Local Pension Board Chair)	Cllr Nick Mannion
Sprinklers	Cllr Gina Lewis
Rural	Cllr Phil Rimmer
Mental Health	Cllr John Bird



MINUTES OF THE MEETING OF THE AUDIT COMMITTEE held on Wednesday, 18 September 2024 at Lecture Theatre - Fire Service Headquarters, Sadler Road, Winsford, Cheshire CW7 2FQ at 1.00 pm

PRESENT:

Members:

Councillor Peter Wheeler (Chair)
Councillor Rachel Bailey
Councillor Sagheer Zaman
Suzanne Horrill, Independent Audit Committee Member

Auditors:

Anne-Marie Harrop, Merseyside Internal Audit Agency (MIAA)
Charles Black, MIAA

Officers:

Andrew Leadbetter, Director of Governance
James Cunningham, Treasurer
Katie Whitehead, Head of Service Improvement
Chris Astall, Project and Risk Officer
Emilie Salkeld, Governance Officer

1 RECORDING OF MEETING

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

2 APOLOGIES FOR ABSENCE

Apologies were received from Councillor Sherin Akhtar.

3 DECLARATIONS OF MEMBERS' INTERESTS

There were no declarations of Members' interests.

4 MINUTES OF THE AUDIT COMMITTEE

RESOLVED:

That the minutes of the Audit Committee held on Wednesday 10th July 2024 be confirmed as a correct record.

5 ACTION TRACKER OF THE AUDIT COMMITTEE

The Director of Governance provided an update against each action. It was noted that the following actions could be closed:

12th July 2023

Item 5 – Microsoft 365 (M365) Project Rollout Review

17th April 2024

Item 4 – Risk Management – Core Controls Review Assignment Report

6 INTERNAL AUDIT PROGRESS REPORT

Charles Black, from MIAA, was in attendance to present the Internal Audit Progress report. He advised that THE Fleet Management assignment had been concluded and would be reported to the Committee in the next agenda item. The draft terms of reference for the equipment asset management review were also in progress.

Charles did, however, indicate that there was a need to change the agreed Internal Audit Plan by postponing the On Call Pay Review assignment. This was due to the timing of an uplift to the On Call retainer fee which was due to be implemented in January 2025. It was felt that the impact of this would not be known in time for an audit during the year of the current Plan. It was proposed that the On Call Pay Review assignment would be moved to Quarter 1, 2025-26.

A discussion was held to address some concerns Members had with the proposed rescheduling of the On Call Pay Review assignment.

A Member asked about the events promoted within the report. The internal auditor advised that the events were free to clients and the Audit Committee members were welcome to attend.

RESOLVED: That

[1] the Internal Audit Progress Report be noted;

[2] the change in the Internal Audit Plan schedule be agreed.

7 FLEET MANAGEMENT REVIEW ASSIGNMENT REPORT

Charles Black presented the Fleet Management Review Assignment Report. He advised that substantial assurance was given, with two medium risks and one low risk identified.

A Member asked about the training records that were recorded within the department and whether they could be inputted onto an IT system following the recommendation to establish a training needs analysis. The Treasurer explained that as the fleet staff were non-operational, they completed e-Learning through the PDRPro system and only the IRTEC qualification was not monitored. Work was

ongoing to establish whether IRTEC monitoring could be incorporated into PDRPro.

RESOLVED: That

[1] the Fleet Management Review Assignment Report be noted.

8 RECOMMENDATIONS FOLLOW UP ASSIGNMENT REPORT

Anne-Marie Harrop, from MIAA, was in attendance to present the Recommendations Follow Up report. Members noted that several outstanding recommendations were now complete and praised the progress made within the report.

RESOLVED: That

[1] the Recommendations Follow Up Assignment Report be noted.

9 REVIEW OF THE STRATEGIC RISK REGISTER

The Treasurer introduced the report which summarised the Service's Strategic Risk Register. He provided an update of each risk included within the table which had previously been reported to the Risk Management Group for evaluation.

Members noted that the Capital Building risk had recently been escalated to the Strategic Risk Register. A Member queried whether the capital building programme would be completed by the original agreed timescale. The Head of Service Improvement assured the Committee that the capital build programme was still on target to be completed within the current CRMP lifespan subject to planning timescales remaining on track.

A Member asked for the commentary within the Beechmere risk to be reviewed.

RESOLVED: That

[1] the Review of the Strategic Risk Register be noted.

10 AUDIT COMMITTEE WORK PROGRAMME 2024-25

Members noted the table which included items which had been identified and agreed to date.

A Member queried when the audited Statement of Accounts would be submitted for formal sign off. The Treasurer confirmed that the audited Statement of Account was due to be submitted at the next Audit Committee meeting on Wednesday 20th November 2024.

RESOLVED: That

[1] the Audit Committee Work Programme 2024-25 be noted.

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MINUTES OF THE MEETING OF THE AUDIT COMMITTEE held on Wednesday, 20 November 2024 at Lecture Theatre - Fire Service Headquarters, Sadler Road, Winsford, Cheshire CW7 2FQ at 1.00 pm

PRESENT:

Members:

Councillor Peter Wheeler (Chair)
Councillor Sherin Akhtar
Councillor Rachel Bailey
Councillor Sagheer Zaman
Suzanne Horrill, Independent Audit Committee member

Auditors:

Alex Walling, Bishop Fleming Chartered Accountants (via Teams)
Charles Black, Merseyside Internal Audit Agency (MIAA)

Officers:

Lee Shears, Deputy Chief Fire Officer
Andrew Leadbetter, Director of Governance
James Cunningham, Treasurer
Chris Astall, Project and Risk Officer
Donna Linton, Governance and Corporate Planning Manager
Eve Eaton, Business Admin Apprentice

1a RECORDING OF MEETING

Members were reminded that the meeting would be audio recorded.

1b APOLOGIES FOR ABSENCE

There were no apologies for absence received.

1c DECLARATIONS OF MEMBERS' INTERESTS

There were no declarations of Members' interests.

1d MINUTES OF THE AUDIT COMMITTEE

RESOLVED:

That the minutes of the Audit Committee held on 18th September 2024 be confirmed as a correct record.

1e ACTION TRACKER OF THE AUDIT COMMITTEE

The Director of Governance provided an update against each action. It was noted that the following actions could be closed:-

17th April 2024

Item 2 – Appointment of External Auditor

10th July 2024

Item 3 – Draft Annual Governance Statement 2023-24

10th July 2024

Item 10 – Audit Committee Work Programme 2024-25

2 STATEMENT OF ACCOUNTS 2023-24

The Treasurer and Alex Walling, Director at Bishop Fleming Chartered Accountants provided an introduction and background information to the audit and public sector accounts environment. It was reported that most local authorities had not had audits completed for this year due to a backlog caused by various reasons. Cheshire Fire and Rescue Service was in a good position, the audit was progressing and was due to be completed by 31st December 2024.

The Treasurer reported that the draft Statement of Accounts 2023-24 was considered by this Committee at its meeting in July 2024, prior to the external audit taking place. The Statement of Accounts 2023-24 had been finalised with no material adjustment. There had been some very minor changes, mainly typographical that were detailed below:

Narrative Report - Non-financial performance

A difference was noted between the target number of Business Safety Inspections in the dashboard and the figure that appeared in the Annual Governance Statement 2023-24. This had been corrected.

Note 12 - Financial Instruments

The figures for Financial Instruments at amortised cost and Items not classified as Financial Instruments had been corrected.

Note 28 - NW Fire Control Limited.

A typographical error was noted in the presentation of the figures for the accounts of NW Fire Control Ltd. This had been corrected.

None of the above matters had any material impact on the Statement of Accounts. The Statement of Accounts that was presented to the Committee in July could be accessed on the Fire Authority website.

There remained some outstanding issues, which were explained in Item 4 on the agenda. However, it was not anticipated that these issues would have any material

impact on the final version of the Statement of Accounts 2023-24.

RESOLVED: That

[1] the Chair and Treasurer be given approval to sign the final Statement of Accounts for 2023-24, provided that any further changes that need to be made prior to signature have no material impact on the document.

3 ANNUAL GOVERNANCE STATEMENT 2023-24

The Treasurer introduced the Annual Governance Statement (AGS) 2023-24, required to accompany the draft Statement of Accounts. The production of the Annual Governance Statement was a requirement under the Accounts and Audit Regulations (England) 2015 and helped to ensure that a reliable system of internal controls could be demonstrated. The document complied with the Chartered Institute for Public Finance and Accounting's best practice guidance on Delivering Good Governance.

Members were reminded that the draft Annual Governance Statement 2023-24 was considered by this Committee at its meeting in July 2024, prior to the external audit taking place. The Annual Governance Statement 2023-24 was unchanged from the draft that was considered, save for the inclusion of 'Areas for Action' for 2024-25 which included:-

- Internal Governance and Assurance Fire Standard
- Overarching Asset Management Arrangements
- Cyber Security

RESOLVED: That

[1] the Annual Governance Statement 2023-24 be approved.

4 AUDIT COMPLETION REPORT

Alex Walling, Director at Bishop Flemming Chartered Accountants introduced a report which presented the Audit Completion Report for year ended 31st March 2024. The scope of the work was set in accordance with the National Audit Office's Code of Audit Practice (the Code) and the International Standards of Auditing (ISAs) (UK). The work was planned to provide focused and robust audit.

The report summarised the audit conclusions, highlighted the key findings arising from the Auditors work and detailed several points that had been discussed with officers.

The Report set out some matters that need to be concluded to the satisfaction of the external auditor prior to the final audit opinion being concluded and released. These matters fall into three categories:

1. Items awaiting third party reports and clarification:

Further information was required about the property revaluation review from Bruton Knowles

A 'ceiling' report was required from the actuaries of the Cheshire Pension Fund (Hymans Robertson) as well as the final audit opinion on the Cheshire Pension Fund.

Should there be any adjustments required in relation to either of these items, these would impact the Revaluation Reserve and/or the Pension Reserve, both of which sit in the Unusable Reserves and do not form part of the General Fund Balance. Therefore, this did not have any impact.

2. Items waiting on Cheshire Fire and Rescue Service: Approval of the Annual Governance Statement and completion of administrative issues, e.g. systems notes. These would be completed either at the Audit Committee meeting, or shortly thereafter.

3. Items awaiting Bishop Fleming: A number of these were interlinked, for example the opinion cannot be released until Bishop Fleming had received the signed Letter of Representation, which could be finalised until all the information from the Pension Fund has been received.

There was one Management letter point, in Section 7 of the Report, that had been raised, relating to Employees ID. Officers had reviewed this point and felt it related to a time prior to the current process, but it would be investigated and resolved.

The Letter of Representation required by the external auditor was detailed on pages 18 and 19 of the Report. A copy of this would need to be signed on behalf of the Committee. However, the wording would only be finalised once the external audit is completed.

A Member referred to the 'Audit and accounts process' which detailed the key accounting issues which should be performed on a timely basis, so that they could be considered before the audit commenced. The report stated that the 'Readiness for audit' and 'Availability of Staff' had been rated as improvements needed and the Member wanted to understand the reason for the ratings. In response, the External Auditor advised that the ratings were subjective, but the availability of key finance team members was limited at times during the audit, which impacted on the ability to progress as smoothly as planned. The Treasurer commented that they rebutted some of the assertions on availability and the same was on both sides.

The Treasurer advised that Bishop Fleming Chartered Accountants were appointed very late by the Public Sector Audit Appointments (PSAA), as such no interim audit was performed and the opportunity to interact and familiarise between the two teams on systems and processes was lost. This would be improved going forward.

The Committee requested that following the audit an External Audit Process Review was undertaken to assess how processes could be improved for the next audit.

The External Auditor presented the final fee for the 2023-24 (subject to approval by PSAA). The finalised fee would be presented once the audit was concluded.

RESOLVED: That

- [1] the Audit Completion Report for year ended 31st March 2024 and comments raised be noted;**
- [2] the Chair of the Committee be given authorisation to sign the final version of the Letter of Representation, provided that there are no material changes to it before signature; and**
- [3] the Treasurer undertake an External Audit Process Review and submit the findings to the next meeting of the Audit Committee on 29th January 2025.**

5 AUDITOR'S ANNUAL REPORT

Alex Walling, Director at Bishop Flemming Chartered Accountants introduced a report which presented the draft External Auditor's Report for 2023-24 that covered the Authority's arrangements for value for money during the year. The report was not in a position to be finalised until the final audit opinion had been concluded and released.

The External Auditor's Annual Report 2023-24 was attached at the agenda. Once approved the Report would be published on the Fire Authority's website.

The Report contained one recommendation associated with the external audit for 2023-24; the absence of a nil return for gift declarations on the Service's website and noted one recommendation from a previous audit, concerned with the Performance Management Framework requiring an update. These had been accepted by officers and would be actioned. All other recommendations from a previous audit had been actioned.

The Treasurer confirmed that value to report gifts and hospitality was £50 and over. In response, a Member suggested that best practice going forward would be to report any gifts and hospitality that had been offered and then declined by officers on the Fire Authority's website.

RESOLVED: That

- [1] the External Auditor's Annual Report 2023-24 be noted.**

6 AUDIT COMMITTEE WORK PROGRAMME 2024-25

The Director of Governance presented the Audit Committee Work Programme 2024-

25 which included items which had been identified and agreed to date. Members agreed to the following items being included on the Work Programme:-

29 January 2025
External Audit Process Review (Treasurer)

23 April 2025
External Audit Options (Treasurer)

RESOLVED: That

[1] The Audit Committee Work Programme 2024-25 be noted.



MINUTES OF THE MEETING OF THE GOVERNANCE AND CONSTITUTION COMMITTEE held on Wednesday, 6 November 2024 at Lecture Theatre - Fire Service Headquarters, Sadler Road, Winsford, Cheshire CW7 2FQ at 10.00 am

PRESENT: Councillors Rob Polhill (Chair), Sherin Akhtar, Rachel Bailey, David Brown, Peter Walker, Sagheer Zaman and independent (non-elected) member Derek Barnett

1 PROCEDURAL MATTERS

A Recording of Meeting

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

B Apologies for Absence

Apologies for absence were received from Councillor Peter Wheeler.

C Declarations of Members' Interests

There were no declarations of Members' interests.

D Minutes of the Governance and Constitution Committee

RESOLVED:

That the minutes of the Governance and Constitution Committee held on Wednesday 10th July 2024 be confirmed as a correct record.

2 CONCLUSION OF THE 2024 REVIEW OF THE MEMBERS' ALLOWANCES SCHEME

The Director of Governance introduced the report which asked Members to consider the Report of the Independent Reviewer concerned with her review of the Members' Allowances Scheme. The report summarised the findings of the Independent Reviewer.

Members were asked to note the minor change made on page 10, paragraph 9, under bullet point 5. 'North West Fire Forum attendance' needed to be crossed out and removed.

A Member questioned whether the Independent Reviewer took into account Constituent Authorities percentage increases to allowances in recent years. The Director of Governance explained that this was not her role; she was focused on the Fire Authority's Scheme rather than how the constituent authorities approached the application of annual increases.

Members discussed the dependents' carers' allowance. It was suggested that this allowance may not have been claimed by any Member in recent years due to the potential criticism they may receive. Members were, however, eager to ensure that this allowance was publicised hopefully ensuring that Members would be comfortable claiming the allowance in appropriate circumstances.

RESOLVED: That

[1] Members indicated that they were satisfied with the Report of the Independent Reviewer (which would be taken into account in agreeing the future Members' Allowances Scheme for 2025-26 and beyond).

3 MEMBERS' ALLOWANCES SCHEME: ANNUAL INCREASE TO BE APPLIED TO 2024-25 SCHEME; AND DRAFT 2025-26 SCHEME

The Director of Governance introduced the report which recommended that Members considered the annual increase to the Members Allowances Scheme 2024-25 and the draft Members Allowances Scheme for 2025-26.

Members were asked to note a minor change to the Scheme that appeared at Appendix 1 page 22, paragraph 4 of the Agenda Pack. The payments of £75/£150 per meeting for Regional Appointments were incorrectly stated; there was no recommendation to change the current £35 payment per meeting.

Members discussed the difference in payment for an Independent (non-elected) member and an Independent Audit Committee member. Members were informed the two roles were not necessarily comparable. One role required the holder to attend significantly more meetings than the holder of the other role. One role required the holder to have a specific background/skillset that was necessary to ensure that they were effective in role.

RECOMMENDED: That the Fire Authority

[1] agrees that an annual increase of 3.83% should be applied to the Members' Allowances Scheme 2024-25; and

[2] approves the Members' Allowances Scheme for 2025-26 at Appendix 1 to the report (accepting the minor change noted during the meeting and highlighted in these minutes).

ANNEX 1

CHESHIRE FIRE AUTHORITY

MEETING OF: GOVERNANCE AND CONSTITUTION COMMITTEE
DATE: 6TH NOVEMBER 2024
REPORT OF: DIRECTOR OF GOVERNANCE
AUTHOR: ANDREW LEADBETTER

SUBJECT: MEMBERS' ALLOWANCES SCHEME:
ANNUAL INCREASE TO BE APPLIED TO 2024-25
SCHEME; AND DRAFT 2025-26 SCHEME

Purpose of Report

1. To enable Members to consider the annual increase to the Members' Allowances Scheme 2024-25; and
2. To allow Members to consider the draft Members' Allowances Scheme for 2025-26

Recommended: That Members

- [1] Make a recommendation to the Fire Authority about the annual increase to be applied to the Members' Allowances Scheme for 2024-25; and
- [2] Make a recommendation to the Fire Authority about the Members' Allowances Scheme for 2025-26 (which covers the period 1st April 2025 to 31st March 2026).

Background

The Law

3. The provisions governing Members' allowances are contained in the Local Authorities (Members' Allowances) (England) Regulations 2003. The Regulations do not apply to the Fire Authority in full.

The 2024 Review

4. The outcome of the Review is covered earlier on the Agenda. Part of this report has been written upon the basis that the recommendations in the Independent Reviewer's report have been accepted. If this is not the case, then some amendments will be required.

Information

Members' Allowances Scheme 2024-25

5. The Members' Allowances Scheme 2024-25 states that:

The Basic and Special Responsibility Allowances in this scheme shall be increased by the same percentage increase as the NJC pay award for Local Government employees (Green Book).

The increases shall apply from the same date as the pay increases take effect and will be backdated, if necessary.

6. By agreeing the Scheme at the Fire Authority meeting held on 6th December 2023 Members agreed to uplift the Scheme in accordance with the pay award.
7. As has happened in the past few years the pay award, which has only recently been agreed, has been expressed as a fixed amount, rather than a percentage. The sum of £1,290 is to be applied to the NJC pay scale points 2 to 43, with 2.5% being applied to pay scale points above 43. The increase can be expressed as a range of percentages, e.g. pay scale point 2 is increased by 5.77% and pay scale point 43 by 2.5%.
8. In recent years the Authority has chosen to apply the average percentage increase to the Members' Allowances Scheme. It is assumed that this will be the case again for 2024-25.
9. Cheshire Fire and Rescue Service does not use some of the pay scale points covered by the NJC pay award (because it pays no less than the Real Living Wage) and has some additional pay scale points (agreed locally). An average increase has been calculated by considering all of the pay scale points relevant to the Service; the average increase is 3.83%. If this was agreed, it would be applied to basic and special responsibility allowances.
10. The same percentage increase has previously and will continue to be applied to the allowances payable to the Independent (non-elected) member and the Independent Audit Committee member. This is now explicitly stated in the Scheme.
11. The pay award for operational staff (Grey Book) has also been taken into account in determining the annual increase in recent years. Members may recall that the Grey Book pay award was 4%, payable from 1st July 2024 (the Green Book pay award will be backdated to 1st April 2024). The 'requirement' to take the Grey Book pay award into account has been described further in the draft Members' Allowances Scheme 2025-26.

Draft Members' Allowances Scheme 2025-26

12. A draft of the Members' Allowances Scheme for 2025-26 is attached to this report as Appendix 1. This has been drafted taking into account the recommendations and narrative from the Review (dealt with in the earlier Item) and incorporates an annual increase of 3.83% (applied to the 2024-25 Scheme). However, the draft Scheme for 2025-26 may need to be altered, e.g. if Members decide on a different annual uplift for 2024-25, or have alternative wording that they prefer to the appended draft.

Financial Implications

13. The annual increase for 2024-25 can be funded from the Authority's existing budget for Members' allowances. Any increase for 2025-26 should also be capable of being funded from the Authority's existing budget for Members' allowances.

Legal Implications

14. The legal position is summarised in the report.

Equality and Diversity Implications

15. There are no equality and diversity implications associated with this report.

Environmental Implications

16. There are no environmental implications associated with this report.

**CONTACT: DONNA LINTON, GOVERNANCE AND CORPORATE PLANNING
MANAGER**

TEL 07776297806

BACKGROUND PAPERS: NONE

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INTRODUCTION

- 9.1 Local authorities are required to introduce a scheme dealing with Member remuneration complying with the provisions contained in the Local Authorities (Members Allowances) (England) Regulations 2003 (and amendments thereto).
- 9.2 Local authorities must establish and maintain an Independent Remuneration Panel to make recommendations on their schemes. Whilst the Regulations do not require a fire authority to have its own Independent Remuneration Panel, it must have regard to the recommendations made by Panels of the local authorities that appoint its Members (i.e. the constituent authorities).
- 9.3 The amounts payable under the Regulations are for individual authorities to decide, taking into account local circumstances, ways of working and the make up of individual decision making arrangements.
- 9.4 Authorities determine the amount of each allowance within the scheme on an annual basis.
- 9.4 The Regulations enable authorities to make provision for the annual adjustment of allowances by reference to an index which may apply for no longer than four years. Cheshire Fire Authority undertakes a review of the scheme every four years with the assistance of a member of an Independent Remuneration Panel operated by a constituent authority. The most recent review was carried out in 2024.
- 9.5 Schemes must include a Basic Allowance payable to all Members of the Authority and any Special Responsibility Allowances. Travel and subsistence are discretionary. The current Scheme of Members' Allowances is attached as **Appendix 1**.

BASIC AND SPECIAL RESPONSIBILITY ALLOWANCES

- 9.6 Each Member is paid a basic allowance which is the same for each Member. The allowance recognises the time commitment of all Members including attending meetings and working within their locality.
- 9.7. A special responsibility allowance is payable to those Members who have significant responsibilities e.g. the Chair and Deputy Chair of the Authority.

TRAVEL AND SUBSISTENCE

- 9.8. The Authority has made provision in its scheme for reimbursing Members for the cost of travel and subsistence in performing their duties. The allowances can only be claimed in respect of meetings and duties as prescribed in the Scheme.

FURTHER DETAILS

- 9.9. Further information on the Scheme can be obtained from the Governance and Corporate Planning Manager, Fire Service HQ, Winsford, Cheshire.

Appendix 1

Members' Allowance Scheme 2025-26

Basic Allowance

- 1 Each Member of the Fire Authority shall receive a sum of **£4,978.96** (2025-26) per annum in the form of a Basic Allowance from 1st April 2025. Payment of this Allowance shall be monthly in arrears.

Special Responsibility Allowance

- 2 The following roles shall attract the amounts specified as Special Responsibility Allowances:

Office	2025/26 Entitlement £
Chair of the CFA	16,379.84
Deputy Chair of the CFA	8,191.18
Chair of Performance and Overview Committee	3,276.47
Chair of Governance and Constitution Committee	1,890.27
Chair of Estates and Property Committee	1,890.27
Chair of Audit Committee	1,890.27
Chair of Local Pension Board	1,890.27
Business Continuity Leads (Group Spokespersons and Lead Members – Constituent Authorities)	1,260.18
Member Champions (includes Chair of Member Training & Development Group)	630.08

- 3 Only one SRA shall be paid to an individual Member. Where a Member holds two, or more positions which attract an SRA only the highest amount will be paid. This excludes regional appointments.

Regional Appointments

- 4 Members appointed to the North West Fire Forum will receive a payment of **£35** per meeting.

Independent (non-elected) member

- 5 An Independent (non-elected) member will receive an annual allowance of **£1,458.56**.

Independent Audit Committee member

- 6 An Independent Audit Committee member will receive an annual allowance of **£1,430.91**.

Independent Persons

- 7 Independent Persons will receive a payment of **£75** per meeting attended that lasts up to 4 hours, or **£150** per meeting attended that lasts 4 hours, or more, as well as re-imbursement of expenses incurred (travel/subsistence).

Travel, Subsistence and Other Allowances

Travel

- 8 Members may claim travel expenses for mileage to and from meetings/ events associated with the Fire Authority at the prevailing HMRC rate (currently 45p per mile).

Subsistence

- 9 As a general rule lunch and other refreshments for meetings held at Fire Service HQ and other Service establishments are provided free of charge and, therefore, no claim for any allowance or reimbursement can be made. This may also include meals/refreshments provided at conferences/ seminars/meetings free of charge at other non-Service venues.
- 10 For meetings where refreshments are not provided and Members are required to pay for meals, the actual expenditure will be reimbursed up to a maximum rate. At present these rates are as follows:

Breakfast	£7
Lunch	£9
Dinner	£15
Dinner (London)	£20

If it is unavoidable and Members need to book their own accommodation the following rates are the maximum that will be paid:

Hotel	£100
Hotel (London)	£120

Dependants' Carers' Allowance

- 11 A Dependants' Carers' Allowance is payable to Members where actual costs are incurred for the care of dependent relatives whilst discharging their approved duties for the Fire Authority.
- 12 The Dependants' Carers' Allowance will be paid up to a maximum of £3,000 per annum and in reimbursement of incurred expenditure upon submission of receipts.

Annual Increase

- 13 The Basic and Special Responsibility Allowances in this scheme shall be increased by the same percentage increase as the NJC pay award for Local Government employees (Green Book). This will take place automatically, without a requirement for Members to make a decision.
- 14 If the NJC (Green Book) pay award is expressed as a figure rather than a percentage the increase will be determined as follows:
- The figure will be applied to the relevant spinal column points for Green Book staff. This will give a range of percentage increases. An average increase can then be calculated.
 - Provided that the average increase is no greater than any Grey Book pay award then it will be the annual increase and automatically applied to the Scheme.
 - If the average increase is higher than the Grey Book pay award the annual increase will be determined by the Fire Authority (after consideration by the Governance and Constitution Committee).

If the Grey Book pay award has not been settled the annual increase to the Scheme will be held in abeyance until the Grey Book pay award is known.

- 15 The annual increase shall apply from the same date as the Green Book pay increase takes effect and will be backdated, if necessary.
- 16 This index shall apply for four years (from 1st April 2025 to 31st March 2029) unless the Scheme is amended.
- 17 The annual increase will also be applied to the allowances payable to an Independent (non-elected) member and an Independent Audit Committee member.

Cheshire Fire Authority: List Of Approved Duties

- Attendance at meetings of the Fire Authority, Committees, Sub-Committees, Special Committees, Panels, Boards, Forums and Working/Task Groups
- Authorised briefings for Committees/Sub-Committees including all meetings which are called by officers e.g. Members Planning Days and pre-meeting briefings
- All approved conferences and seminars
- Regional Bodies - North West Fire Forum, NW Fire Control Ltd Board of Directors and associated working groups
- National Bodies – LGA Fire Commission and associated working groups
- Member Learning and Development Events (including induction and attendance at cluster exercises)

In addition to the above, the Chair or his nominee, attend other functions on behalf of the Fire Authority and in these circumstances these are regarded as approved duties for the purpose of the Members' Allowance Scheme.

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MINUTES OF THE MEETING OF THE BRIGADE MANAGERS' PAY AND PERFORMANCE COMMITTEE held on Wednesday, 13 November 2024 at POs Conference Room - Fire Service HQ, Sadler Road, Winsford, Cheshire CW7 2FQ at 10.00 am

PRESENT: Councillors Stef Nelson (Chair), Rachel Bailey, Gina Lewis, Karen Mundry, Margaret Simon, Mick Warren and Peter Wheeler

1 PROCEDURAL MATTERS

A Apologies for Absence

There were no apologies for absence.

B Declaration of Members' Interests

There were no declarations of Members' interests.

C Minutes of the Brigades Managers' Pay and Performance Committee

RESOLVED:

That the minutes of the Brigade Managers' Pay and Performance Committee held on 8th July 2024 be confirmed as a correct record.

2 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED: That:

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 12A to the Act in the paragraphs indicated:

Item 2 – Cheshire Fire Officer and Chief Executive: Performance Appraisal and Development Scheme

Paragraph 1 - Information relating to an individual

3 CHIEF FIRE OFFICER AND CHIEF EXECUTIVE: PERFORMANCE APPRAISAL AND DEVELOPMENT SCHEME REVIEW

Consideration was given to a report of the Independent HR Consultant which outlined the Performance Appraisal and Development Scheme [PADS] that enabled

the Service to review an employee's performance against delivery of agreed priorities/objectives, grade the contribution and performance, identify individual and organisational development needs, and support succession planning.

The PADS scheme operates from top to bottom across the whole of the Service. Members monitor progress against the key objectives set for the Chief Fire Officer and Chief Executive, that were aligned with the Service's Community Risk Management Plan.

This was the Interim Appraisal meeting and Members received a progress update from the Chief Fire Officer and Chief Executive on the objectives set, that would be delivered by the end of the performance year.

The next performance appraisal discussion was the final for the performance year and would take place on 26th March 2025.

RESOLVED That:

- [1] progress against the key objectives set for the Chief Fire Officer and Chief Executive in July 2024 were reviewed, scrutinised and discussed; and**
- [2] the end of year appraisal discussion for this performance year will take place on 26th March 2025.**



MINUTES OF THE MEETING OF THE STAFFING COMMITTEE held on Wednesday, 13 November 2024 at POs Conference Room - Fire Service HQ, Sadler Road, Winsford, Cheshire CW7 2FQ at 12.00 pm

PRESENT: Councillors Stef Nelson (Chair), Rachel Bailey, Gina Lewis, Karen Mundry, Margaret Simon, Peter Wheeler and Mick Warren (Councillor Phil Marshall was in attendance as an observer)

1 PROCEDURAL MATTERS

A Recording of Meeting

Members were reminded that this meeting would be audio recorded.

B Apologies for Absence

There were no apologies for absence.

C Declaration of Members' Interests

There were no declarations of Members' interests.

D Minutes of the Staffing Committee

RESOLVED:

That the minutes of the Staffing Committee held on 1st December 2023 be confirmed as a correct record.

2 ANNUAL WORKFORCE PLANNING UPDATE

The Head of Service Delivery presented the report which provided an update as of October 2024 of the current operational staffing levels and overview of the workforce planning process that was used to plan for and recruit the required number of operational firefighters.

It was noted that there continued to be an increase in staff leaving the Service to other fire and rescue services, careers and retirements. The total number of retirements for 2023-24 was 17, whilst other leavers for the same year totalled 6. The total retirements for 2024-25 to date was 12, with other leavers to date totalling 6.

The anticipated retirements until March 2027 was 36 and other leavers estimated 10 per annum. In response, officers had developed a detailed medium term workforce model which forecasted the recruitment and training requirements up to March 2027.

In the last 12 months the Service had recruited 6 wholetime firefighters, with 8 further firefighters joining through On-Call Migration. Further recruitment was planned to fill a course in 2024-25. To date there had been 26 leavers 21 due to retirements, 4 transfer to other fire services and sadly, there had been a death of a serving member of staff.

The latest round of promotion boards for Crew, Watch and Station Managers were completed in October 2024 which had resulted in 1 permanent Group Manager and 1 temporary Group Manager appointment, 3 permanent Station Manager appointments; 10 permanent Watch Manager appointments; and 11 permanent Crew Manager appointments.

The Community Risk Management Plan 2024-28 was approved by the Fire Authority in February 2024. This involved the inception of the four Weekday Pumps and the reversion of Knutsford to the day crewing duty system. A significant amount of work had been done to secure on-call redeployment, preferencing and relocation of staff.

Members were advised that On-Call Recognition Events had been arranged to recognise the commitment of colleagues who had staffed the on-call fire engines that were being converted to the new duty systems. Special events had been organised at Stockton Heath, Winsford, Northwich, Runcorn and Knutsford.

RESOLVED: That

[1] the Workforce Planning Update be noted.

3 DISCIPLINE AND GRIEVANCE UPDATE

The HR Business Partner presented a report which provided an update on discipline cases, grievances, dignity at work complaints and performance improvement/capability procedures within the Service.

The HR Business Partner reported that the discipline figures for 2023 showed an increase in discipline cases when compared with the data for 2022. However, although the data for 2024 was incomplete, to date (pro-rata) already appeared to be a significant decrease in discipline cases compared with the previous years. There also appeared to have been a decrease in grievances submitted in the past two years, with the number of grievances submitted in 2024 and 2023 looking like they had returned to pre-2022 levels. The level of discipline and grievance cases appeared to be comparable with other similar services.

During 2023 and 2024 there had been four Dignity at Work cases. The Service continued to promote its 'Who do I turn to?' campaign which seeks to heighten awareness of what constitutes unacceptable behaviour and how to report it, and to encourage managers to manage such matters appropriately. It was felt that this effort was now being reflected in the consistently low number of Dignity at Work complaints in recent years.

RESOLVED: That

[1] the Discipline and Grievance Update be noted.

4 PRESENTATION ON THE PEOPLE STRATEGY 2022-25

The Head of People and Organisational Development gave a presentation which provided an update about developments associated with the People Strategy 2022-25 (the Strategy).

Members were informed that the Strategy was predicated on the 'Steps Framework' which now consisted of four main elements: Step In; Step Forward; Step Up; Step Away. An overview was provided in respect of each of the elements, confirming activities carried out to-date and future intended activity.

The presentation provided further information on the following:-

- Step in – Recruitment and Training;
- Step forward – Performance and Development;
- Step up – Progression and Leadership
- Step away – Workforce Planning and Retirement
- Future people priorities – to develop a new People Strategy 2025- 28

A Member welcomed the work experience initiative and asked how this was publicised. In response, the Head of People and Organisational Development advised that the offer was communicated to local schools, and that details were published on the website and included in social media posts. Further information would be provided to the Member outside the meeting.

RESOLVED: That

[1] the People Strategy Update be noted.

5 RECRUITMENT OF HEAD OF GOVERNANCE (MONITORING OFFICER)

The Chief Fire Officer and Chief Executive presented a report which provided an update on the arrangements for the recruitment process for the Head of Governance (Monitoring Officer) post.

It was confirmed that on 2nd December nominated Members of the Staffing Committee would conduct the final interview.

RESOLVED: That

[1] the recruitment process be noted; and

[2] Councillors Stef Nelson (Chair), Rachel Bailey, Gina Lewis and Mick Warren be appointed to sit on the interview panel.

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MINUTES OF THE MEETING OF THE PERFORMANCE AND OVERVIEW COMMITTEE held on Wednesday, 20th November 2024 at Lecture Theatre, Fire Service Headquarters, Sadler Road, Winsford, Cheshire CW7 2FQ at 10.00 am.

PRESENT: Councillors Phil Harris (Chair), Razia Daniels, Mo Hussain, Peter Wheeler, and independent (non-elected) member Derek Barnett.

1 PROCEDURAL MATTERS

A Recording of Meeting

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

B Apologies for Absence

Apologies for absence were received from Councillors Nick Mannion, Phil Rimmer and Margaret Simon.

C Declaration of Members' Interests

There were no declarations of Members' interests.

D Minutes of the Performance and Overview Committee

RESOLVED:

That the minutes of the Performance and Overview Committee held on Wednesday 11th September 2024 be confirmed as a correct record.

2 FINANCE REPORT - QUARTER 2, 2024-25

The Treasurer introduced the report, which provided Members with an overview of the Service's forecast revenue financial outturn and reported on progress against 2024-25 capital projects.

The Treasurer drew Members attention to the proposed an underspend for the year of just under £900,000. He explained that the majority of the underspend, £835, had been generated from the overtime and on-call budgets. He advised Members that the new crewing duty system outlined in the CRMP would redress the under-establishment with the new weekday pumps coming online at the start of 2025.

The Treasurer outlined that the underspend in capital financing arose from the

combination of the interest received and the deferral of loans. The underspend would be transferred to the capital reserve to help fund the fire station and house modernisation programmes.

The Treasurer emphasised that the underspend figures were provisional, given the year was only halfway through. He explained that unexpected incidents or rising inflation could impact these numbers, and prudent cash flow management was being carried out to avoid loans with over 5% interest rates.

The Treasurer advised Members that there was a slight overspend in the Capital Programme, with higher inflation continuing to impact material costs on all the capital projects. The Treasurer reported plans to use the maintenance reserve for a battery system to be installed at Chester Fire Station to optimise power from the fire station's solar panels.

The independent (non-elected) member questioned what the problem was with exporting power at Chester Fire Station. The Treasurer explained that it was a technical issue, relating to outdated infrastructure limiting the ability to export power. Installing a battery system was deemed a cost-effective compromise over funding significant infrastructure upgrades.

RESOLVED: That

[1] the Finance Report – Quarter 2, 2024-25 be noted.

3 PERFORMANCE REPORT - QUARTER 2, 2024-25

The Group Manager for Organisational Performance introduced the report, which provided an update on the Service's Quarter 2, 2024-25 performance for each of the Key Performance Indicators (KPIs). The report included the Corporate Scorecard, which reflected the Quarter 2 position against targets set and the year-on-year direction of travel for the KPIs.

The Group Manager highlighted strong overall performance in most areas, with a focus on key exceptions:

- There had been zero deaths in primary fires. However, he highlighted 20 recorded injuries. Upon review, it was determined that 12 of these were not actual injuries and would be removed from the figures, which brought the figure to 8, which was under target;
- Accidental dwelling fires showed strong performance, with 143 incidents against a target of 161. Additionally, the number of deliberate secondary fires, was significantly under target at 321 incidents against a target of 423;
- The Safe and Well target had been exceeded for Quarter 2, which addressed

an AFI (Area for Improvement) identified by HMICFRS. The Group Manager expressed confidence in maintaining this performance for the rest of the reporting period;

- The number of Automatic Fire Alarms (AFAs) in non-domestic properties was over target for Quarter 2 with 305 against a target of 264. The increase was seen in incidents at hospitals where the alarm was attributed to system upgrades and staff unfamiliarity with reporting procedures. Despite this increase the robust call-challenging policy implemented by North West Fire Control, prevented attendance at 2,617 out of 2,922 AFAs received. The Group Manager explained that this saved approximately 57,574 minutes (959.5 hours), equating to approximately £106,831 in staffing costs;
- The 10-minute response standard was green with the Quarter 2 figure at 9 mins 51 seconds and the Group Manager assured Members that this was monitored on a daily basis; and
- The on-call fire engine availability figure was at 49.8%. The lower figure was attributed to the impact of CRMP proposals, with on-call firefighters transitioning to whole-time roles and attending training courses.

The Chief Fire Officer referred Members to the Minimum Fire Cover, Critical Level. He stated that this metric relates to achieving the 10-minute response standard. He explained that during exceptional circumstances (e.g., a pandemic, or industrial action) this level of cover ensures that the Service could meet its statutory duties, although it might affect achieving the 10 minute response. He recommended revising the language in the Service's business continuity plans to make this distinction clearer.

RESOLVED: That

[1] the Performance Report – Quarter 2, 2024-25 be noted.

4 PROGRAMME REPORT - QUARTER 2, 2024-25

The Corporate Programme Manager introduced the report, which provided Members with an update on the Service's key programmes and projects, aligned to delivering the Community Risk Management Plan 2024-28. He covered the following:

- The Emergency Response project had progressed well, which enabled timescales to be brought forward for the cover at Stockton Heath and Birchwood. The final changes to the duty systems will come on board early in the 2025;
- The Fire Station Modernisation Programme, Year 4 was red due to the funding requirements that would be required to complete the Programme. An

appraisal of options was currently ongoing to determine the most effective way for the Service to complete Years 4 and 5;

- The Fire Service Housing Project was amber due to the large amount of work required to bring the houses up to standard. The risk had been escalated through Senior Leadership Team and was forming part of wider discussions around future capital spend; and
- The Full System Review IT Project was amber due to the extended time it had taken to liaise with suppliers to gain a full understanding about how advancements in technology could improve departmental processes and efficiency. A final report exploring the key options was being produced for consideration by the Service Leadership Team.

A Member questioned if there was any update about the replacement fire station at Ellesmere Port. The Corporate Programme Manager confirmed that the Service was working with the council to identify different sites and working through feasibility studies. The Chief Fire Officer confirmed that it was still intended to complete the build within the CRMP period.

RESOLVED: That

[1] the Programme Report – Quarter 2, 2024-25 be noted.

5 HMICFRS 2023 INSPECTION ACTION PLAN

The Group Manager for Organisational Performance introduced the report, which updated Members on the Action Plan to resolve Areas For Improvement (AFIs) identified in the Service's 2023 HMICFRS inspection report. He summarised the following:

- The report stated that the Site Specific Risk Information AFI figure was 98% of sites inspected. He confirmed that the figure now stood at 100%;
- The allocation of enough resources to meet its prevention strategy AFI had progressed well. The plan was to be operating the new team capacity as business as usual by the end of Quarter 3. The number of Safe and Well visits were ahead of the year-to-date target;
- The effective system for learning from operational incidents AFI was progressing. A new Operational Improvement Board had been formed to provide a greater level of scrutiny; and
- The AFI relating to assuring that adequate resources are available for future industrial action was being reviewed. A business continuity officer was being recruited to lead a review of the Service's arrangements and other critical business continuity plans.

A Member questioned what was happening with the Minimum Service Levels Act. The Group Manager for Organisational Performance advised that the law had not been repealed, however, it was understood that the Deputy Prime Minister had advised all government departments not to progress any work or actions associated with it.

RESOLVED: That

[1] the report about the HMICFRS 2023 Inspection Action Plan be noted.

6 HEALTH AND SAFETY ANNUAL REPORT 2023-24

The Health and Safety Manager introduced the report, which provided Members with an update on Health and Safety performance 2023-2024. The Health and Safety Manager highlighted the key areas of the report:

- The number of incidents reported was 173, which was slightly down on last years figure of 176. However, the number of near misses reported was up 27% to 80, which gave him confidence that employees were comfortable reporting incidents;
- There had been a decrease in the number of days lost because of injuries in 2023-24 which totalled 22, a reduction on previous year's total of 40;
- There had been an decrease in the number of minor injuries at 43 in the year 2023-24 a decrease of 8. Manual handling and slip, trip and fall incidents had been the cause of the most accidents;
- A significant improvement had been seen in operational employee fitness with the Service fitness pass rate increasing from 95% to 98%;
- Of the injuries reported by employees, none met the threshold for reporting under the Reporting of Injuries, Diseases and Dangerous Occurrence Regulations, this was the best achievable result; and
- During the reporting period there had not been the usual increase of anti-social behaviour around the bonfire night period. However, anti-social behaviour had been experienced throughout the year. Events had included projectiles being thrown at appliances, and suggestive and inappropriate comments had been made to female employees by business owners during a Protection visit.

The Health and Safety Manager advised Members that the improvement had been achieved due to a combination of the investment of time and money by the Service Leadership Team, and a continuing improvement in the health and safety culture of both managers and employees.

A Member questioned if there was any follow up to business or house owners who had made suggestive or inappropriate comments. The Health and Safety Manager advised that the premises were flagged on our systems and where necessary the police would be informed.

RESOLVED: That

[1] the Health and Safety Annual Report 2023-24 be noted.

7 SAFETY CENTRAL ANNUAL REPORT 2023-2024

The Education Manager introduced the report, which presented a review of the performance of Safety Central between 1st April 2023 and 31st March 2024.

The Education Manager outlined how the staffing levels had fluctuated during the year due to changes of team members and availability of volunteer rangers, staff members were providing lots of resilience for both delivery and managing of educational visits.

The Education Manager advised Members that 3,975 school children and 601 supporting adults had visited the centre from across Cheshire. An additional 3,897 visitors had attended for various reasons: training; meetings; clinical appointments; or for a tour of the facility. This gave an overall total of 8,473 visitors throughout the year.

The Education Manager advised that in April 23 there were 23 rangers registered, this increased throughout the year to 31, in March 24, although only 16 consistently supported the visits. The core team had provided regular resilience and support, and this had impacted on centre development and active volunteer recruitment. During the year the volunteers had given a total of 2,741 hours to the centre.

She explained that the centre was extremely thankful for the Safety Ranger's continued enthusiasm, loyalty, and commitment. A range of social activities had been organised to thank them for their efforts.

The Education Manager highlighted key objectives for 2024/25. One of these was the Cash 4 Coaches project, this finds funding for coach travel for schools in the high risk areas.

A Member asked how many other safety centres were around the country. The Education Manager advised there were 13. Some of the centres were run by charities and some were funded by fire services. The centre managers get together on a regular basis to share best practice, exchange ideas and talk about matters such as national funding.

RESOLVED: That

[1] the Safety Central Annual Report 2023-24 be noted.

8 INTERIM BONFIRE REPORT 2024

The Prevention Station Manager provided Members with an interim update on the preventative and operational activities of the Service during the bonfire period. This ran from 08:00 24th October 2024 to 08:00 on 7th November 2024 (aligned with North West Fire Control). He confirmed that a full report would be presented at the next meeting.

The Prevention Station Manager reported that:

- The Service attended 46 deliberate secondary fires during the reporting period, 15 more than 2023. Over a 5-year period the average was 49.8;
- Winsford accounted for 52% of all the secondary fires. With common ignition items being wheelie bins, loose refuse and small refuse containers;
- There were 41 reported accidental secondary fires during the period. This was an increase from the 5-year average of 31 incidents. The most common locations were Ellesmere Port 5, Runcorn 7 and Warrington 5;
- There was 35 reported incidents of false alarm good intent, bonfires and controlled burning. This was slightly above the 5-year average of 33.2. A lot of prevention work had been carried out prior to the bonfire period to reduce this number;
- There were no reported attacks or injuries of crews during the reporting period in 2024; and
- Historically the service had provided additional appliances during the bonfire period, consisting of 4 fire appliances located in key high activity locations. This year the decision was made to respond over the bonfire period with our normal fire cover. This decision was made after analysing historical data over the previous 5 years and looking closely at the 2023 response. The volume of incidents was managed within the normal fire cover.

The Prevention Station Manager advised Members that work continued outside of the bonfire period and debriefs were held to look at future opportunities to reduce deliberate fire setting and analysing the data, trends and good practice from this year. An awareness week 'Resolve Anti Social Behaviour' was taking place 18th to the 24th November 2024. This will see work being undertaken in the community, improving the community parks, removing rubbish, promoting Crimestoppers and discussing and reporting anti social behaviour.

RESOLVED: That

- 9 [1] the Interim Bonfire Report 2024 be noted.
FORWARD WORK PROGRAMME 2024-25**

The Director of Governance commented that no changes or additions to the Forward Work Programme had been identified.

The Chair requested he was briefed about the HMICFRS 2023 Inspection Culture and Values Update that will be given in March 2025 before the report is finalised.

RESOLVED: That

- [1] the Forward Work Programme 2024-25 be noted.**

NOTE

Before the meeting closed a Member wanted to put on record thanks to everyone involved in a recent fire at a flat in Ellesmere Port. The retrofitted sprinkler system had activated, controlled, and extinguished the fire. The actions of the crews resulted in all other residents remaining in their homes during and after the incident.

The sprinkler system demonstrated the importance and value of the investment made by the Fire Authority towards these fixed installations and the positive impacts they had on life, property, and safety of the operational personnel and one that the Service must celebrate.



NOTES RELATING TO MEMBER TRAINING AND DEVELOPMENT

PRESENT: Councillor Gina Lewis

1 APOLOGIES

Apologies for absence were received from Councillors Geoff Smith (Chair), Peter Coan, Karen Mundry, Phil Rimmer and independent (non-elected) member Derek Barnett. Therefore, the Group did not meet on 1st October 2024

2 NOTES FROM THE PREVIOUS MEETING

That the notes for the meeting on Tuesday 9th July 2024 could only be noted.

3 MEMBER DEVELOPMENT STRATEGY 2024-26 - IMPLEMENTATION - QUARTERLY MONITORING UPDATE

The Governance and Corporate Planning Manager presented the report on the Member Development Strategy 2024-26 Quarterly Monitoring, updating Councillor Gina Lewis on progress made against the Implementation Plan for the quarter. She provided an update on each of the objectives included in the Strategy.

Objective 1 – Identify and prioritise Member training and development needs

Most Member development interviews had taken place with the Leadership Development Advisor and the Governance Officer. The Leadership Development Advisor provided a verbal update on progress made so far during item 5 – ‘Members’ Personal Development Review Update’.

Objective 3 – Provision of an Annual Member Development Programme

Further discussion was held during item 4 – Member Development Programme 2024-26 – Quarterly Monitoring.

Objective 4 – Delivery of a comprehensive and effective Induction process for new Members

It was reported that seven new Members had joined the Fire Authority in 2024-25. All new Members had met with the Chief Fire Officer and Chief Executive and six had attended the half day induction on 12th July 2024. The Member/Officer buddies arrangements were finalised, and Democratic Services were contacting all Members to arrange an initial meeting.

The Governance and Corporate Planning Manager advised that to date, 19 Members had met with their Buddy Lead Officer, one meeting had been arranged for

later in the month and three were outstanding

It was reported that a copy of the Member Induction Handbook 2024-25 had been circulated at the Fire Authority meeting on 26th June 2024.

Objective 5 – Member Champion

It was reported that most Members had attended meeting with their Lead Officer. Five Members were yet to meet with their lead officer.

That the report about the Member Development Strategy 2024-26 – Implementation – Quarterly Monitoring Update was noted.

4 MEMBER DEVELOPMENT PROGRAMME 2024-26 - QUARTERLY MONITORING

The Governance and Corporate Planning Manager presented a quarterly update on the Member Development Programme 2024-26. She referred to the training sessions covered in Appendix 1 to the report and advised that the Programme was approved by the Fire Authority on 24th April 2024.

Councillor Gina Lewis referred to the lack of Member attendance at meetings and training sessions, and she proposed to raise this with the Chair of the Fire Authority and Lead Members.

There was a discussion about Member training and development suggestions for the remainder of the year and Councillor Gina Lewis requested that additional interview training was arranged for Members who may become involved Service Leadership Team interviews in future.

The Governance and Corporate Planning Manager advised that the following Member Training and Development Sessions had been confirmed since the preparation of the agenda: -

- Friday 18th October 2024: Webinar Teams Session on Fire Safety and IFE Lecturette
- Friday 22nd November 2024: Webinar Teams Session on Strategic Risk Register Overview

It was proposed to arrange a Webinar Teams Session on Equality, Diversity and Inclusion in January 2025.

That the progress on the delivery of the Member Development Programme 2024-25 was noted.

5 MEMBERS' PERSONAL DEVELOPMENT REVIEW UPDATE

The Leadership Development Advisor provided an update on the Member Personal Development Reviews which had been undertaken by both the Leadership

Development Advisor and the Governance Officer. She advised that to date seventeen Members had received their Personal Development Review either via teams or in person. One Member had an appointment booked and five Members were currently outstanding.

There was a discussion about how the current process aided both new and existing Members' understanding of the Service and helped Members to identify areas of improvement. It was suggested that new Members would need to complete their review to understand the process before providing any feedback.

Councillor Gina Lewis added that the preference would be to hold the reviews in person rather than virtually as this would help build relationships with staff and felt that it would be more beneficial to Members.

That the Members' Personal Development Review Update was noted, and a further update be provided at the next meeting.

6 MEMBER OFFICER BUDDY SYSTEM REVIEW (DISCUSSION ITEM)

Agenda Item 6 was deferred to the next meeting, which is held on 10th December 2024.

7 WORK PROGRAMME 2024-25

The Governance and Corporate Planning Manager provided a copy of the Member Training and Development Group Work Programme 2024-25. Councillor Gina Lewis noted the content for the meetings and Members would be contacted by Democratic Services to encourage the identification of any additional items.

That the Work Programme for the Member Training and Development Group was noted.

8 NORTH WEST EMPLOYER'S MEMBER DEVELOPMENT CHARTER

The Governance and Corporate Planning Manager advised that Cheshire Fire Authority had successfully achieved Level 1 of the North West Charter in Elected Member Development in 2011, 2016 and again in 2019. There was an option of reviewing Level 1 every 3 years to ensure the continuous achievement of supporting member development within each Authority assessed and there was a view for Cheshire Fire Authority to undertake the Level 1 Review again this year.

The aim of the North West Charter for Elected Member Development was to demonstrate commitment to, and achieve excellence in, elected member development to ensure that Members are equipped with the knowledge and skills needed to perform their various roles as community representatives including their vital role in modernising local government. The Charter operated at two levels. Firstly, authorities signed a declaration to show their commitment to the principles of the Charter. Secondly, following external assessment, authorities were awarded the Charter to show that they had demonstrated their commitment in practice and had all

the required elements in place.

To sign up to the Charter Level 1 Review the Chairman of the Authority and the Chief Fire Officer and Chief Executive had to sign the 'Declaration of Commitment to the principles'. Evidence required to support an application for the North West Charter Level 1 Review would then be collated. Once this is completed an assessment visit would be undertaken by representatives from North West Employers who would come into Fire Headquarters to meet with the following Members/Officers in small groups:

- Chairman of the Authority
- Chief Fire Officer and Chief Executive
- Leader of Opposition
- Member Champion for Member Development
- A newly Elected Member
- 3 existing Members
- Officer/s Responsible for Member Training.

If the Group was agreeable, it was the intention to complete the Level 1 Review by April 2025.

Councillor Gina Lewis supported the proposal and suggested that this was raised with the Chair of the Fire Authority and Member Training and Development Group outside the meeting.

That the update was noted and this should be raised at the next meeting of the Group.

DRAFT PROGRAMME OF MEMBER MEETINGS FOR THE MUNICIPAL YEAR 2025-26

Cheshire Fire Authority (Wednesday at 10.30am)	Governance and Constitution Committee (Wednesday at 10am)	Performance and Overview Committee (Wednesday at 10am)	Audit Committee (Wednesday)	Staffing Committee (Monday at 10am)
25 June 2025 (Annual meeting)	2 July 2025	9 July 2025 (Q4 Performance Report)	2 July 2025 (Wednesday at 1pm)	
24 September 2025 (Annual report) (CRMP Consultation) (Sign off final accounts)	12 November 2025	10 September 2025 (Q1 Performance Report)	17 September 2025 (Wednesday at 1pm)	15 September 2025
3 December 2025 (Consider outline budget)		19 November 2025 (Q2 Mid Year Performance Report)	19 November 2025 (Wednesday at 1pm)	17 November 2025 at 12.00 (Note: to take place at the rise of the BM Pay and Performance Committee, whichever is later)
11 February 2026 (Approve final budget & CRMP sign-off)	28 January 2026	11 March 2026 (Q3 Performance Report)	28 January 2026 (on rise of G&C)	16 March 2026 at 12.00 (Note: to take place at the rise of the BM Pay and Performance Committee, whichever is later)
29 April 2026	22 April 2026		22 April 2025 (on rise of G&C)	

ADDITIONAL MEMBER MEETINGS:

Estates and Property Committee:

Dates arranged as required.

BM Pay and Performance Committee dates: 10am – 12pm

CFO Appraisal:

Monday 17 November 2025

BM Pay Review:

Monday 26 January 2026

CFO Review:

Monday 16 March 2026

Pension Board: 1pm – 3pm

*Additional dates TBA

Tuesday 22 July 2025

Tuesday 11 November 2025

Tuesday 24 March 2026

**Member Training and Development Group: 10am – 12pm
(Virtual)**

Tuesday 8 July 2025

Tuesday 7 October 2025

Tuesday 9 December 2025

Tuesday 17 March 2026

**Member Planning Days:
(at Safety Central, Lymm)**

Friday 11 July 2025 (if required)

Friday 5 September 2025

Friday 7 November 2025

Friday 16 January 2026

Friday 27 March 2026

CHESHIRE FIRE AUTHORITY

MEETING OF: CHESHIRE FIRE AUTHORITY
DATE: 4TH DECEMBER 2024
REPORT OF: TREASURER & HEAD OF FINANCE
AUTHOR: JAMES CUNNINGAHM

SUBJECT: DRAFT 2025-26 BUDGET;
COUNCIL TAX AND MEDIUM TERM FINANCIAL
PLAN 2025-30

Purpose of Report

1. To present the Authority's draft 2025-26 budget and the current Medium Term Financial Plan (MTFP) and to allow Members to consider whether officers should arrange a consultation in relation to the council tax precept for 2025-26.

Recommended: That Members

- [1] note the information and assumptions relating to the draft 2025-26 budget setting together with the draft Medium Term Financial Plan; and
- [2] consider whether officers should arrange a consultation in relation to the council tax precept for 2025-26 and what they should consult upon.

Background

2. The Authority is required to approve an annual budget and set a council tax precept by mid-February. As part of the budget setting process, the Authority must consider all relevant factors including the likely impact of policy options, the economic climate, funding and the demands on the Service.
3. This is the first of two budget reports with the final report being considered by the Authority in February 2025. This report provides the context in which the 2025-26 budget is likely to be set based upon information available at this point. It reviews the funding and spending assumptions and the potential impact of the current economic climate. It should be noted there are still a number of variables that will not be confirmed until December 2024 and January 2025; as such some of the budget assumptions and elements of the MTFP will need to be re-assessed once this information is available. It would not be surprising if there are changes to the draft MTFP compared to the one presented with the final budget report in February 2025.

Information

4. The Authority receives 3 main sources of funding: Council tax (as a precepting authority), a share of Business Rates (NNDR) and from Central Government (Revenue Support Grant). Approximately two-thirds of its funding comes from Council Tax, a further 23% from Business Rates and 12% from Central Government.

5. It should be noted that the Revenue Support Grant (RSG) was amended last year to include a Government support grant to fund firefighter pension contributions. Whilst the headline value of the RSG is £6.9m, only £4.8m was available to fund the Service, the remainder was to fund pension costs.

Government Funding

6. The Chancellor delivered her Autumn Budget on the 30th October 2025, setting out the new Government's plans for the economy and substantial investment programmes for the country.
7. The Chancellor intends to increase Government spending by around 2% of GDP, on average, over the next five years. Approximately one-third of the additional spend will go on the Government's investment programme for transport, housing and research and development. The remaining additional spending will go to boost departmental day-to-day spending. The spending limits for departments will increase by £33 billion between 2024/25 and 2025/26; a third of which is earmarked for Health and Social Care; with Education receiving 13%; Scottish Government and Ministry of Housing, Communities and Local Government (MHCLG) each accounting for a further 5%. As such a number of departments will see a real terms reduction in funding. It is not clear how this will affect Fire Services.
8. The Authority receives a share of the Business Rates raised by its constituent local authorities. In the Budget the Chancellor announced that she would continue to freeze the rate of the small business multiplier, but raise the standard multiplier in line with inflation. This should mean a slight increase in the Authority's funding from its share of Business Rates, but we will not have precise figures until our four local Unitary Authorities complete their NNDR1 business rates estimates at the end of January 2025. As such no increase has been included in the MTFP at this point.
9. The Budget also confirmed that the Government would maintain the Section 31 grant to compensate local authorities for the cost of the small business rate multiplier being frozen.
10. The Chancellor also announced that she wanted to create a fairer business rate system. In the most part this is to support the "High Street" with lower tax rates for Retail, Hospitality and Leisure, but a higher multiplier to all properties with a rateable value of £500,000 or above. However, these changes will not come into effect until 2026/27. We have not factored these changes into the MTFP, until we have further detail from the collecting authorities.
11. In addition to collecting a share of Business Rates and receiving the Section 31 grant, the Authority receives a further top-up (business rates baseline) grant from MHCLG. There has been no indication if this will be increased in 2025-26.
12. The Funding Guarantee Grant was provided by the Government last year, to "level-up" local authorities' core spending power. It is believed that this was a "one-off" grant and therefore it has not been included in the MTFP. It was worth £0.9m in 2024-25

Council Tax

13. The Authority is a precepting authority which means that part of the council tax bill for each of the four local authorities within Cheshire provides funding to the Authority. It is the responsibility of the Authority to set the level of precept as part of the budget setting process.
14. In addition to the precept rate, funding from Council Tax can also change due to fluctuations in the taxbase. The taxbase is the number of council tax bills issued by the local authorities, adjusted for benefits, discounts and debt etc. As new houses are built or adjustments are made, the taxbase changes, affecting funding to the Authority, irrespective of whether the actual precept rate increases or not. The MTFP includes an assumed increase in taxbase in line with the latest estimates provided by the local authorities.
15. The referendum limit for Council Tax (not including adult social care precept) for local authorities is normally announced in the Local Government Policy statement, which is generally released in early December. However, the Housing Minister announced on the 14th November 2025 that the Government will continue with the previous Government's policy of a core Council Tax referendum limit of 3% (with an additional 2% for adult social care). Councils will only be able to raise more if they hold a successful referendum for a higher rate. We are assuming the limit will also apply to Fire Authorities.
16. An increase of 2.99% to the Authority's Band D Council Tax would take the charge from £ 90.09 (in 2024-25) to £ 92.78, an increase of £ 2.69. This would be expected to yield a further £ 1.6m (including the estimated change in the underlying taxbase).
17. Last year the Authority consulted on a flat £5 increase per Band D property as an alternative to a 2.99% increase. Whilst there was a positive response from the consultation central Government kept the 2.99% limit. A £5 increase in 2025-26 would yield £2.6m compared to 2024-25. Whilst this could be included in the consultation, the Government appear unlikely to consider this as an option in the December policy statement. Therefore, the draft budget is based upon a 2.99% increase.
18. In order for the Authority to make a decision about the Council Tax precept in February 2025 it will need to consult. Whilst it is not clear, at present, what will be included in the consultation, it could be expressed in the same way as in it was in 2024-25, *i.e.* an increase of 2.99% versus an increase of £5. Members are asked to indicate how they would like Officers to frame any consultation.

Medium Term Financial Plan (MTFP)

19. Appendix 1 shows the current MTFP and is derived using the following assumptions for the year 2025-26:

Pay inflation 1.7%, based on September 2025 CPI rate of inflation

Non pay inflation, selected items:

Interest payable and MRP in line with the Treasury Management paper

Computer Software/Licences and Cleaning 4%
Utilities 5%
Blue Light Collaboration 4%

In general, inflation for other items is 1.7%

In the years following 2024-25, in general, pay and non pay inflation is assumed to be 2%. It is noted that the most recent CPI data for the year to October 2025 showed an increase to 2.3%

20. Funding assumptions are included in the paragraphs above. In addition, the local authorities are in the process of estimating the surpluses and deficits on their Council Tax and Business Rates Collection Funds. The latest total position is estimated to be a small surplus (£30k). It is proposed to pass this surplus the Authority's reserves.
21. The MTFP has been compiled based on the assumption that the savings required in each year are agreed and delivered in full. Any savings not achieved will add to the following year's savings requirement.
22. In recent months, officers have developed a list of budget requirements and savings for the 2025-26 budget. These are currently being scrutinised by the Service Leadership Team, and more details of these items will be presented to Members for scrutiny at their Planning Day in January 2025. Whilst there are £1.0m of proposed savings, other areas have generated £1.4m in budget requirements, in addition to inflationary pressures. Currently we are estimating a shortfall of £ 967k on the 2025-26 budget. Officers are considering a number of options as they seek to bring the budget into balance.
23. The Authority is one of four partners comprising NorthWest Fire Control (NWFC), the costs of which are shared between the partners. It was agreed and budgeted for Cheshire's share increased to 19.8% in 2024-25. Officers are aware of some cost pressures for NWFC and are awaiting the company draft budget for running costs, but have incorporated a small growth in this budget. In addition, there is a wider capital project for the replacement of the call handling and mobilising system. We are awaiting the outcome of the current tender process before we will have any certainty over the cost of the programme. Currently the MTFP will maintain the previous year's tender cost assumptions.
24. Members should also be aware that officers are considering how best to fund the proposed new fire stations at Ellesmere Port and Warrington in the lifetime of the new CRMP, which will impact significantly on the Authority's MTFP. However estimates for the increase in Revenue cost for additional interest payable and MRP have been incorporated in the MTFP.

Capital Programme

25. Up to 2014, the Authority received capital grants from the Government in support of its capital programme. Since then, all capital investment has been funded from the Authority's own resources unless specific funding was available. The Autumn budget stated that there would be significant capital investment, however it is not clear if any of this investment would come to Fire over Health and Education

budgets. Therefore, we have assumed no Capital Grant money available in the MTFP.

26. The Authority's current Treasury Management Strategy shows that the capital programme is funded through a mix of Public Works Loan Board borrowing, use of the Authority's reserves and a contribution from the revenue budget. Updated versions of the Treasury Management and Capital Strategies will be considered by Members at the Authority meeting in February 2025.
27. Members were updated on the current pressures on the Capital Programme at a recent Member Planning Day, in particular the Fire Station and house modernisation programmes. Two fire stations are currently undergoing modernisation work and there are 5 stations remaining in the Programme. Officers are currently scrutinising the cost of the remaining Programme and what can be achieved. In addition, the Authority is committed to the rebuild of the Ellesmere Port and Warrington Fire Stations. An updated Capital Programme will be considered by Members at the Authority's meeting in February 2025.

Reserves

28. Section 25 of the Local Government Act 2003 requires the Treasurer to present a report assessing the adequacy of the unallocated reserves in the context of operational demands together with the corporate and financial risks facing the Authority. This will be presented as part of the budget report in February 2025.
29. While holding reserves is a recognised and recommended financial management tool, the levels of such reserves must remain prudent, appropriate to the level of risk and opportunity and neither too excessive nor too modest. Members need to balance the necessity for reserves against the cost to council taxpayers and arrive at a level that is both prudent and adequate given the current funding arrangements and proposed spend.
30. Members were given an overview of the current reserves held by the Authority at a recent Planning Day. Officers are currently scrutinising the earmarked reserves and have identified opportunities to reduce some reserve levels. This would enable the Capital Reserve to be increased to help support the Capital Programme. The revised Reserves Strategy will be presented to the Authority in February 2025.

Risks

31. Whilst every effort is made to ensure that the assumptions used in the MTFP are reasonable, there will always be some risk of inaccuracy. When any material change takes place the MTFP is updated and reported to the Authority.
32. Although there are indications that the Government funding will be in line with the last spending review, it does not detail individual organisation's allocations so until the actual financial settlement is published each December, there remains a risk that the amount may change.
33. The four Local Authorities will not finalise the position on their taxbases and business rates until January. There is therefore a risk that the forecast for the

taxbases used in the MTFP for council tax and forecasts for business rates allocated to the Authority may prove to be different.

34. Changes to Employer National insurance rates and the secondary threshold levels were also announced in the Autumn budget. Whilst the Government was clear that Local Authorities would be compensated to mitigate these increased costs, there is no further information available as yet to know the mechanism and calculation of the level of compensation. It could take the form of a total exemption or compensation via a grant, however as we have experienced in the past with grant funding it may not always make up the shortfall. The full impact of the National Insurance changes we estimated to be somewhere between £0.8m -£1m. This is not currently reflected in the MTFP.
35. Dependent on the mechanism of compensation for the changes in Employers NI this will could change the gross amounts of cost and funding, similar to the change in the Pension compensation moving to the RSG funding in 2024-25.

Legal Implications

36. The Authority is required to approve a balanced budget and set its precept charge on the council tax by mid-February 2024.

Equality and Diversity Implications

37. This is a strategic report that does not contain detailed proposals that have any equality and diversity implications. A particular proposal may have such implications but these will be considered as each is assessed.

Environmental Implications

38. This is a strategic report that does not contain detailed proposals that have any environmental implications. A particular proposal may have such implications but will be considered as each is assessed.

**CONTACT: DONNA LINTON, GOVERNANCE AND CORPORATE PLANNING
MANAGER**

TEL: 07776297806

BACKGROUND PAPERS: NONE

Appendix 1
Cheshire Fire Authority

Medium Term Financial Plan

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	£000	£000	£000	£000	£000	£000
Base Budget	50,076	56,767	58,413	59,641	60,867	62,033
Inflation	2,190	1,205	1,153	1,177	1,201	1,225
Savings	-492	-959	-295	-302	-308	0
Growth	4,501	1,400	370	351	273	174
One-off	850	593	396			
Tfr to/(from Rev reserves)	-798					
Tfr to/from cap	152	-396	-396			
TOTAL EXPENDITURE	56,479	58,610	59,641	60,867	62,033	63,432
Council Tax	-35,798	-37,460	-38,583	-39,796	-41,046	-42,337
Business Rates	-10,279	-10,279	-10,279	-10,279	-10,279	-10,279
Section 31 Business Rates	-2,596	-2,826	-2,926	-3,026	-3,126	-3,226
Revenue Support Grant	-6,960	-7,078	-7,199	-7,321	-7,445	-7,572
Other	-846					
TOTAL FUNDING	-56,479	-57,643	-58,987	-60,422	-61,896	-63,414
Budget Deficit/Surplus	0	967	654	445	137	18
Precept (Council Tax- Band £ 90.09	£ 92.78	£ 94.63	£ 96.51	£ 98.43	£ 100.39	
Forecast % increase	2.99%	1.99%	1.99%	1.99%	1.99%	
Forecast £ increase	£ 2.69	£ 1.85	£ 1.88	£ 1.92	£ 1.96	

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CHESHIRE FIRE AUTHORITY

MEETING OF: CHESHIRE FIRE AUTHORITY
DATE: 4th DECEMBER 2024
REPORT OF: TREASURER & HEAD OF FINANCE
AUTHOR: JAMES CUNNINGHAM

SUBJECT: TREASURY MANAGEMENT – MID YEAR
REPORT 2024-25

Purpose of Report

1. To update Members on performance against the Authority's Treasury Management Strategy (TMS).

Recommended That Members:

- [1] note the report; and
- [2] note the future requirement for borrowing to support the ongoing Capital Programme; and
- [3] note the need to consider the approach to the longer term investment of the capital receipts from house sales.

Background

2. The first requirement for treasury management is to ensure that the organisational cash flow is adequately planned with cash being available when it is needed. Surplus monies are invested in low risk counter-parties or instruments commensurate with the low risk appetite, providing adequate liquidity initially before considering investment return. This means the order of priority for all investment decisions is Security, Liquidity (access to cash) and then Yield (interest earned).
3. The second main function of treasury management is the funding of capital plans. These capital plans provide a guide to the borrowing need which is essentially the longer term cash flow planning to ensure that capital spending obligations can be met. The management of longer term cash may involve arranging long or short term loans or by using longer term cash flow surpluses. On occasion any debt currently held may be re-structured in line with risk or cost objectives.
4. Accordingly, treasury management is defined as:

"The management of the authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the

effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

5. This report has been written in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy’s (CIPFA) Code of Practice on Treasury Management (revised 2021) which recommends that those charged with governance are updated on treasury management activities regularly by way of a strategy at the start of the year, followed by quarterly reviews (at Performance and Overview Committee) and an outturn report.
6. CIPFA published revised Prudential and Treasury Management Codes on 20 December 2021 with formal adoption being required for the 2023/24 financial year.
7. The Authority had regard to these changes when approving an annual Treasury Management Strategy and an associated Capital Strategy for 2023/24 on 15 February 2023. It also did so in February 2024.
8. This mid-year report has been prepared in compliance with CIPFA’s Code of Practice on Treasury Management, and covers the following:
 - An economic update for the first part of the 2024/25 financial year;
 - A review of the Treasury Management Strategy Statement (including the Annual Investment Strategy);
 - The capital expenditure and borrowing position;
 - A review of the investment portfolio for 2024/25;
 - A review of compliance with Treasury and Prudential Limits for 2024/25.

ECONOMIC BACKGROUND

9. The first half of 2024/25 (April-Sept) saw:
 - Labour winning the General Election on the 4th July, with an 156 seat majority.
 - Interest rates held at 5.25% until a ¼ rate cut on 25th July 2024. Expected cuts in the interest rate are taking longer to materialise, as the Monetary Policy Committee of the Bank Of England continues to manage inflation against a backdrop of slowing economic output.
 - GDP continues to decline.
 - CPI inflation falling to 1.7% in September, the lowest seen since October 2021.
10. The Bank Of England’s blunt tool for managing inflation down through high interest rates appears to have worked. However there has been a reduction in business confidence and GDP, businesses being unwilling to make loan funded investment due to the high cost of borrowing.

11. Whilst the Bank of England has been messaging that interest rates would start to fall in 2024, it has taken longer than expected. A number of forecasts now suggest rates will eventually fall to 4%-3.75% by the end of next year. This leaves many businesses with the invidious decision to either continue to hold up on loan funded investment or to take the cost of higher interest rates and either pass to the consumer or to reduce profit margin.
12. The Chancellor gave her first Budget speech on the 30th October 2024. She set out ambitious investment plans in the public sector, however funded through extending the fiscal rules on borrowing and a sizeable tax rise for businesses through the Employer National Insurance contribution.
13. The Authority has appointed Link Group as its treasury advisors and part of their service is to assist with formulating a view on interest rates. The latest forecast on 11th November sets out a view that short, medium and long-dated interest rates will be elevated for some little while, as the Bank of England seeks to squeeze inflation out of the economy.

Link Group Interest Rate View 11.11.24													
	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27
BANK RATE	4.75	4.50	4.25	4.00	4.00	3.75	3.75	3.75	3.50	3.50	3.50	3.50	3.50
3 month ave earnings	4.70	4.50	4.30	4.00	4.00	4.00	3.80	3.80	3.80	3.50	3.50	3.50	3.50
6 month ave earnings	4.70	4.40	4.20	3.90	3.90	3.90	3.80	3.80	3.80	3.50	3.50	3.50	3.50
12 month ave earnings	4.70	4.40	4.20	3.90	3.90	3.90	3.80	3.80	3.80	3.50	3.50	3.50	3.50
5 yr PWLB	5.00	4.90	4.80	4.60	4.50	4.50	4.40	4.30	4.20	4.10	4.00	4.00	3.90
10 yr PWLB	5.30	5.10	5.00	4.80	4.80	4.70	4.50	4.50	4.40	4.30	4.20	4.20	4.10
25 yr PWLB	5.60	5.50	5.40	5.30	5.20	5.10	5.00	4.90	4.80	4.70	4.60	4.50	4.50
50 yr PWLB	5.40	5.30	5.20	5.10	5.00	4.90	4.80	4.70	4.60	4.50	4.40	4.30	4.30

14. Unfortunately, the forecast PWLB rates remain stubbornly high. Our current strategy is to continue to utilise internal borrowing and avoid taking on loans. When we do need to take on a loan it would be for a shorter period (3-5 years) and then re-finance for a longer period (40-50 years) once rates have fallen.

TREASURY MANAGEMENT STRATEGY STATEMENT UPDATE

15. The Treasury Management Strategy Statement (TMSS) was approved by the Authority on February 2024.
16. The Authority authorised the sale of the nine houses held at Stockton Heath. The houses were originally in place to support a Day Crew duty system. However, Stockton Heath moved to the on-call duty system and is now part of the Nucleus Day Crew system shared with Birchwood as a result of the CRMP 24-28 fire cover review. As such the houses are no longer required by the Service.
17. The Capital Receipt from the sale of the houses is planned to be used to part fund the rebuild of the fire stations at Ellesmere Port and Warrington. The Authority is committed to rebuilding these stations in the life of the current CRMP.

18. In light of the falling interest rates, Members may wish to consider amending the Treasury Management Strategy in terms of the maximum length of investment held. The current Strategy sets out that we do not hold deposits with a maturity of greater than a year.
19. Given a station re-build project will have a significant lead time (design, consultation, planning and tender), Members may wish to consider placing the receipts from the house sales from Stockton Heath on a longer term deposit to match this timeframe.

CAPITAL PROGRAMME AND BORROWING

20. In preparing the Capital Programme, attention is given to understanding the potential liabilities and risks associated with the expenditure and funding of expenditure, in particular, the combined impact on the overall financial position of the Authority in terms of revenue and capital budgets. This is to ensure that such activity remains proportionate. There is a relationship in anticipating that borrowing which will be required to fund the Capital Programme and the associated Minimum Revenue Provision and interest payable revenue costs.
21. The table below provides an indication of the Capital Programme, the resulting amount of annual borrowing required and the associated revenue financing costs estimated over the next few years. Members should note that the Modernisation Programme is under review and the outcome will impact the estimates.

Table 1: Capital Expenditure Forecasts	2024/25 £'000s	2025/26 £'000s	2026/27 £'000s	2027/28 £'000s
Forecast Capital Programme	4,643	3,965	9,905	9,655
To be Funded by new borrowing	250	250	4,500	4,500
Estimated associated revenue cost of existing plus new borrowing (MRP & Interest Payable)	1,110	1,722	2,018	2,298

22. The Authority currently has a loan portfolio of £11.5m which includes external borrowing of £11m to finance the Training Centre project, secured from PWLB at favourably low fixed rates in March 2021 (£4m at 1.99%), July 2021 (£4m at 1.65%) and November 2021 (£3m at 1.63%). There is a £0.4m loan to be repaid on the 31st March 2025.
23. In addition to the loans for the Training Centre, it was anticipated that the Authority would take out further loans to fund the purchase of houses at Wilmslow (£3.4m) and the re-build of Crewe fire station (£7.3m). The

Authority has currently avoided taking these loans by utilising cash reserves. However this is only a short term relief and the loans will need to be taken at some point.

24. In addition to the loans taken and loan requirement above, Table 1 sets out the forecast Capital Programme and how much we would fund by new borrowing. The largest element of the forecast Capital Programme relates to the re-builds anticipated at Ellesmere Port and Warrington. However, it must be stressed that these are only estimates at this stage as there are yet no firm plans. The total of loans taken and expected to be taken to fund the Capital Programme is termed the Capital Financing Requirement.
25. There continues to be building cost inflation impacting upon our Fire Station Modernisation programme. Whilst works have started at Knutsford and Winsford in 2024/25, a review of the requirements is taking place at Frodsham and the 4 stations left to complete the programme in 2025/26. A revised Capital Programme will be presented to Members in February 2025.
26. Table 1 includes estimates for loan interest rates and timings of when additional funding will be taken. £10.5m is required for Wilmslow and Crewe (currently funded through internal borrowing); a further £9m for the fire station rebuilds and £1.25m for house refurbishment has already been factored into the estimated revenue impact from interest repayment and MRP calculation.
27. Historically, the Authority has financed the majority of its Capital Programme from reserves and capital grants. However there have been no Capital Grants available since 2014, since when the Authority has used PWLB loans to enable significant capital works. As such all capital funding will come from Revenue, either by direct spend, repayment of loans or setting aside money to a capital reserve for future projects.
28. The following tables show the actual debt maturity profile of current borrowing as at 31 October 2024 and a comparison with approved Upper and Lower Limits.

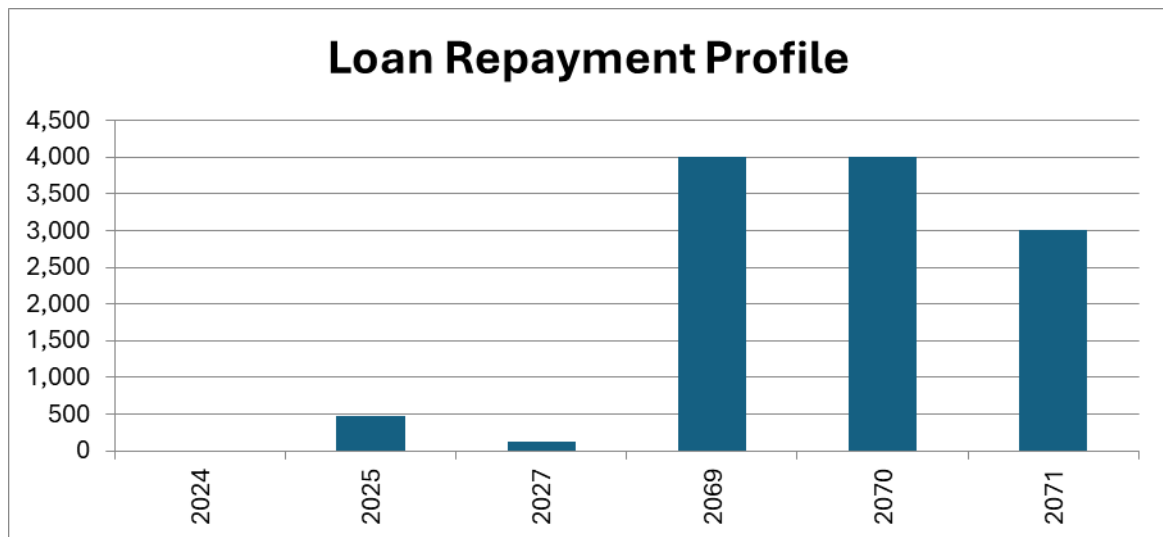


Table 2: Maturity Structure of Authority Borrowing	Lower Limit	Upper Limit	Actual 31/10/24	Amount
	%	%	%	£ 000
Under 12 months	0%	15%	4%	467
12 months to 2 years	0%	15%	1%	119
2 years to 5 years	0%	25%	0%	0
5 years to 10 years	0%	25%	0%	0
10 years and above	50%	100%	99%	11,000
TOTAL			104%	11,586

29. The above indicators are designed to be a control over an authority having large concentrations of fixed rate debt having to be replaced at times of uncertainty over interest rates. The limits will be reviewed for the next Treasury Management Strategy paper in February 2025 and the upper limits are likely to be amended to take account of the potential to undertake shorter term borrowing followed by re-financing to avoid being tied to high interest rates for a long time.
30. Advice has again been sought from the Authority's Treasury Management advisors on the potential for debt restructuring. They suggest that opportunities have been very limited in the current economic climate given the structure of interest rates and associated early loan repayment penalties. No debt rescheduling has therefore been undertaken or is anticipated in the current financial year.

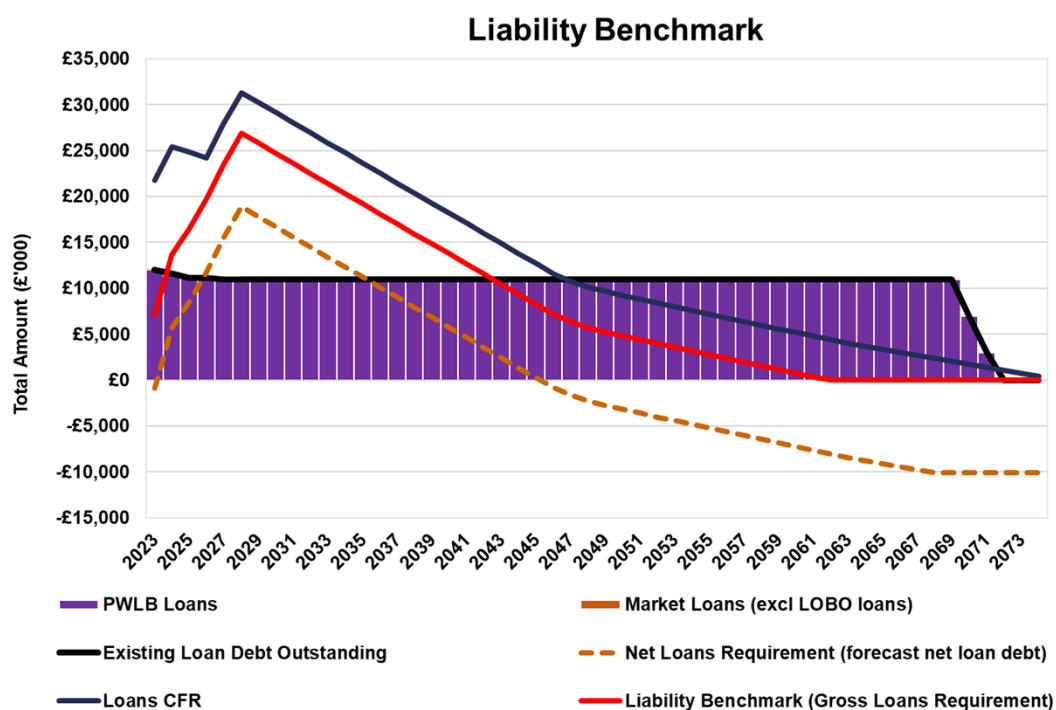
LIABILITY BENCHMARK

31. A new prudential indicator from 2023/24 is the Liability Benchmark (LB). The Authority is required to estimate and measure the LB for the

forthcoming financial year and the following two financial years, as a minimum. However, CIPFA strongly recommends that the LB is produced for at least ten years and should ideally cover the full debt maturity profile of a public body. The chart below covers the Authority's full debt maturity profile as recommended.

32. There are four components to the Liability Benchmark:

1. **Existing loan debt outstanding:** the Authority's existing loans that are still outstanding in future years.
2. **Loans Capital Financing Requirement (CFR):** this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP.
3. **Net loans requirement:** this shows the Authority's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on approved prudential borrowing, planned MRP and any other major cash flows forecast.
4. **Liability benchmark (or gross loans requirement):** this equals net loans requirement plus short-term liquidity allowance.



33. The aim of the LB is to minimise/reduce refinancing, interest rate and credit risks by informing the timing and duration of new external borrowing.

34. The position is largely unchanged from that reported in the Treasury Management Strategy and shows that the Authority's LB is currently rising sharply to a peak in around 2028 indicating the additional borrowing requirement associated with delivery of the currently approved major

estates projects. This requirement then reduces as provision is made to repay outstanding borrowing via the annual MRP charge whilst no further Capital Expenditure financed by borrowing is currently planned beyond 2028.

35. In view of this, by around 2043 the LB will have reduced back down to the level of the existing loan portfolio, indicating that although there is a significant short to medium term requirement for new borrowing, this borrowing would ideally be for a range of durations up to around 20 years, i.e. filling the white triangular period in the chart between 2023 and 2038 where the LB (red line) exceeds the current loan portfolio (black line/bar chart).
36. The chart continues to show that that the existing loan debt portfolio will be fully repaid by 2072 and that the requirement to borrow (CFR) will also be reduced to nil by 2074, indicating that the Authority's current MRP policy remains prudent and appropriate.
37. The chart then indicates that without any further new approved capital expenditure financed by borrowing beyond the period of the current Capital Strategy, the existing borrowing portfolio exceeds the LB after 2043. If this remains the case then it indicates either excess cash requiring investment or an opportunity to repay/restructure debt over this future period.

INVESTMENT PORTFOLIO 2024/25

38. The Annual Investment Strategy has the priorities of security, liquidity and yield. The aim is to achieve the optimum yield within the approved investment counter-parties which are scrutinised regularly for creditworthiness within the security principle. Liquidity is achieved within the forecast spending profile and cashflows.
39. Relatively high interest rates and proactive cashflow management have enabled the Authority to secure significantly increased short to medium term rates of return over the year and will again result in a surplus versus budget in 2024/25. It is however anticipated that the opportunity to generate ongoing investment returns at current levels will reduce towards the end of 2024/25 as planned capital expenditure, and the continuing deferral of approved borrowing, has a significant impact upon cashflow balances available for investment. In addition, the two recent drops in the Bank of England base rate have been passed immediately to deposit rates. Forecasts are for further drops in interest rates ahead.
40. Interest on balances earned to date is £260k to 31 October, with final 2024/25 outturn currently forecast to be around £600k.
41. The Authority has continued with a cautious approach to its choice of counterparties, making use of its External Treasury Management Advisor to monitor the risk profile of the counterparties with whom it places its money. As at 31 October 2024, the Authority's investments were either held in call accounts (immediately available) - Lloyds Bank of Scotland, Federated Hermes Money Market Fund, Aberdeen Standard Liquidity

Money Market Fund- or short term deposit accounts - Goldman Sachs, Lloyds and the HM Government Debt Management Office. The short term deposits mature between November 2024 and February 2025.

Investments 31/10/2023	£'000
<i>Call accounts</i>	
Lloyds	1,200
Federated Hermes MMF	1,885
Aberdeen Standard Liquidity MMF	2,435
<i>Short term deposits</i>	
Goldman Sachs	4,000
Lloyds BOS	4,000
Santander	3,000
DMO	1,600
Total	18,120

42. There have been no instances of non-compliance with approved Annual Investment Strategy limits during the year.

REVIEW OF COMPLIANCE WITH PRUDENTIAL INDICATORS

43. It is a statutory duty for those charged with governance to determine and keep under review a range of prudential indicators and treasury limits. During the financial year to date, treasury management activities have operated within the approved indicators and limits and in compliance with the Treasury Management Practices. The following table compares the estimated performance on key prudential indicators in 2024/25 against those approved by the Authority in February 2024.

Table 3: Prudential and Treasury Indicators			
Prudential Indicators	2024-25 Indicator £000	2024-25 Estimate £000	Comment
Capital expenditure	5,190	5,190	Capex spend on the station modernisation programme is being reviewed and Members will be updated at forthcoming Planning Days.
Capital financing requirement	24,817	25,008	
Annual change in capital financing requirement	(637)	(651)	
Gross borrowing requirement: (Under) / Over borrowing	(6,698)	(6,635)	We will continue to make use of internal borrowing to save on interest costs
Ratio of financing costs to net revenue stream	2.36%	2.33%	
Treasury Indicators	2024-25 Indicator £000	2024-25 Estimate £000	
Authorised limit for external debt	23,319	23,319	Set 14/02/24, no change during 2024-25.
Operational boundary for external debt	21,319	21,319	
Actual external debt - Borrowing - Other long term liabilities Total	18,119 0 18,119	11,586 0 11,586	Current borrowing £11.586m. £0.467m is to be repaid on 31 March 2025. Dependent on cashflow management there may be short term borrowing toward the end of the fiscal year.
Upper limit of fixed interest rate exposure	100%	100%	
Upper limit of variable interest rate exposure	25%	Nil	No variable rate loans held or planned
Upper limit for principal sums invested for over 364 days	£nil	£nil	Consider longer term deposit for house sales to match to Warrington / Ellesmere Port fire station builds

Financial Implications

44. The subject of this report is financial.

Legal Implications

45. The Local Government Act 2003 and the associated CIPFA Code of Practice for Treasury Management recommends that those charged with governance are updated on treasury management activities regularly by way of a strategy at the start of the year, followed by quarterly reviews and an outturn report.

Equality & Diversity Implications

46. There are no known equality and diversity issues arising from this report.

Environmental Implications

47. There are no known environmental issues arising from this report.

**CONTACT: DONNA LINTON, GOVERNANCE AND CORPORATE PLANNING
MANAGER**

TEL: 07776297806

BACKGROUND PAPERS: None

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CHESHIRE FIRE AUTHORITY

MEETING OF: CHESHIRE FIRE AUTHORITY
DATE: 4TH DECEMBER 2024
REPORT OF: GOVERNANCE AND CORPORATE PLANNING
MANAGER
AUTHOR: DONNA LINTON

SUBJECT: EXCLUSION OF THE PRESS AND PUBLIC

Exclusion of the Press and Public

Recommended:

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 5

Sale of Surplus Land to the Rear of Chester Fire Station

Paragraph

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

CONTACT OFFICER: DONNA LINTON, GOVERNANCE AND CORPORATE
PLANNING MANAGER
TEL: 07776297806

BACKGROUND DOCUMENTS: NONE

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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