



**Wednesday,  
24 April 2019  
10.30 am**

**Meeting of  
Cheshire Fire Authority  
Sadler Road  
Winsford**

Contact Officer:  
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Democratic Services

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## **Cheshire Fire Authority**

### **Notes for Members of the Public**

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#### **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 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 Sadler Road. Please do not park in spaces reserved for Fire Service personnel.

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#### **Questions by Electors**

An elector in the Fire Service area can ask the Chair of the Authority a question if it is sent to the Monitoring Officer at Fire Service HQ to arrive at least five clear working days before the meeting. The contact officer named on the front of the Agenda will be happy to advise you on this procedure.

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#### **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, individual reports are available on the Authority's website ([www.cheshirefire.gov.uk](http://www.cheshirefire.gov.uk))

The Agenda is usually divided into two parts. Members of the public are allowed to stay for the first part. When the Authority is ready to deal with the second part you will be asked to leave the meeting room, because the business to be discussed will be of a confidential nature, for example, dealing with individual people and contracts.

**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](mailto:equalities@cheshirefire.gov.uk)**

#### **Recording of Meetings**

Anyone attending the meeting should be aware the Authority audio-records its meetings. There is a protocol on reporting at meetings which provides further information. Copies are available on the Service's website [www.cheshirefire.gov.uk](http://www.cheshirefire.gov.uk) or alternatively contact Democratic Services for details

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## **MEETING OF THE CHESHIRE FIRE AUTHORITY**

**WEDNESDAY, 24 APRIL 2019**

**Time : 10.30 am**

**Lecture Theatre - Sadler Road, Winsford, Cheshire**

### **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 that the Members' Code of Conduct requires the disclosure of Statutory Disclosable Pecuniary Interests, Non-Statutory Disclosable Pecuniary Interests and Disclosable Non-Pecuniary Interests.

###### **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 13<sup>th</sup> February 2019

(Pages 1 - 14)

###### **1G Minutes of Performance and Overview Committee**

To receive, for information, the minutes of the Performance and Overview Committee meeting held on 27<sup>th</sup> February 2019

(Pages 15 - 20)

###### **1H Minutes of Brigade Managers' Pay and Performance Committee**

To receive, for information, the minutes of the Brigade Managers' Pay and Performance Committee meeting held on 27<sup>th</sup> March 2019 and 2<sup>nd</sup> April 2019

(Pages 21 - 24)

###### **1I Minutes of Staffing Committee**

To receive, for information, the minutes of the Staffing Committee meeting held on 27<sup>th</sup> March 2019

(Pages 25 - 26)

- 1J Minutes of Estates and Property Committee** (Pages 27 - 30)  
To receive, for information, the minutes of the Estates and Property Committee meeting held on 28<sup>th</sup> March 2019
- 1K Minutes of Governance and Constitution Committee** (To Follow)  
To receive, for information, the minutes of the Governance and Constitution Committee meeting held on 10<sup>th</sup> April 2019
- 1L Notes of the Risk Management Board** (Pages 31 - 38)  
To receive, for information, the notes of the Risk Management Board meeting held on 19<sup>th</sup> March 2019
- 1M Programme of Member Meetings 2019-20** (Pages 39 - 40)  
Several small changes have been made to the programme of meetings for 2019-20. A copy of the revised programme has been attached for Members' to consider and approve.

#### **ITEMS REQUIRING DISCUSSION / DECISION**

- 2 External Audit Plan for 2018-19** (Pages 41 - 60)
- 3 Internal Audit Plan 2019-20** (Pages 61 - 70)
- 4 Service Housing Stock** (Pages 71 - 72)
- 5 Joint Use of Birchwood Fire Station by Cheshire Constabulary** (Pages 73 - 78)



**MINUTES OF THE MEETING OF THE FIRE AUTHORITY held on Wednesday, 13 February 2019 at Lecture Theatre - Sadler Road, Winsford, Cheshire at 10.30 am**

**PRESENT:** Councillors B Rudd (Chair), D Bailey, D Beckett, M Biggin, B Dooley, D Flude, P Harris, G Hayes, E Johnson, N Jones, D Mahon, J Mercer, G Merry, S Nelson, S Parker, R Polhill, T Sherlock, M Simon, M Tarr, J Weatherill and S Wright

**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 M Barker, K Mundry and Police and Crime Commissioner, David Keane.

**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 in December 2018.

The Chair took the opportunity to congratulate Cheshire Fire and Rescue Service on achieving 3<sup>rd</sup> place on the Stonewall Workplace Index 2019, showing the progress the Scheme had made on LGBT inclusion in the workplace and in service delivery.

**D Declaration of Members' Interests**

The Chair stated that Members were likely to have an interest in Item 2 when setting the Council Tax. Members confirmed this by a show of hands. He reminded Members that dispensations had been granted to allow Members to take part in the debate and vote in relation to the setting of the Council Tax precept.

**E Questions from Members of the Public**

Two questions submitted by members of the public from within the area covered by the Fire Authority were dealt with at this point in accordance with procedural rules 4.47 to 4.54. Supplementary questions were also posed and the Chair committed to providing a written response.

The questions and responses are annexed to these minutes.

**F Minutes of the Fire Authority**

**RESOLVED:**

**That the minutes of the Fire Authority meeting held on 12<sup>th</sup> December 2018 be approved as a correct record.**

**G Minutes of the Estates and Property Committee**

**RESOLVED:**

**That the minutes of the Estates and Property Committee meeting held on 14<sup>th</sup> December 2018 be received, for information.**

**H Minutes of the Brigade Managers' Pay and Performance Committee**

**RESOLVED:**

**That the minutes of the Brigade Managers' Pay and Performance Committee meeting held on 16<sup>th</sup> January 2019 be received, for information.**

**I Notes of the Member Training and Development Group**

**RESOLVED:**

**That the notes of the Member Training and Development Group meeting held on 5<sup>th</sup> December 2018 be received, for information.**

**2 DRAFT 2019-20 BUDGET, COUNCIL TAX PRECEPT AND MEDIUM TERM FINANCIAL PLAN 2019-22**

Consideration was given to a report of the Chief Fire Officer and Chief Executive which sought Members' approval for the Authority's budget for 2019-20, the Authority's precept, as required by law, for 2019-20 and its Medium Term Financial Plan (MTFP) for 2019 to 2022.

The Authority was required to approve its budget and set the Council Tax precept for the financial year commencing 1<sup>st</sup> April 2019. The Authority was required to take into account Government funding, precept regulations and organisational demands. This requirement was supported by the production of a MTFP with the annual budget forming the first year of the MTFP. The creation and maintenance of the MTFP was fundamental in promoting good financial planning and delivery of value for money. The MTFP was detailed at Appendix 1 to the report.

Members had considered the Authority's financial information at their Planning Day on 11<sup>th</sup> January 2019 where Members had the opportunity to challenge the assumptions and proposals being put forward by officers as part of the draft budget and MTFP.

The 2019-20 budget proposals were based on the final year of the Government's four year settlement. Going forward funding was uncertain and subject to the proposed spending review in 2019. Savings had been identified as a result of thorough reviews of budgets with the intention to protect front-line services and

ensure continuity of service delivery. Table 3 and 4 of the report showed the proposed level of precepts for each local authority and the individual amount levied per council tax band based on the three proposed budget options.

Based on the three options the budget requirement would be the following:-

- a) 2.99% proposal: £43.461m;
- b) 1.99% proposal: £43.177m; or
- c) 0% proposal: £42.615m.

It was reported that the Authority was required to set a budget by 14th February 2019 each year, and to issue a precept to the billing authorities before 1st March each year.

Members were reminded that at the Authority meeting on 14<sup>th</sup> February 2018, the Authority agreed to retain a Wholetime fire appliance in Crewe. This was funded from reserves in 2018-19 and had been included in the base budget from 2019-20 and was shown as the commitment within Table 1 of the report of £450k. In addition, funding (within the one-off items) had been included in the proposed budget for the second fire appliance at Ellesmere Port whilst the review, commissioned by Members at the Authority meeting in February 2018, was being undertaken.

It was reported that within the growth proposals there were a number of initiatives to provide firefighters with appropriate equipment to support their fitness and wellbeing e.g. a Mental Health and Wellbeing Advisor was proposed for a 12-month trial. Members welcomed the appointment of a Mental Health and Wellbeing Advisor, and the Chair put on record his thanks to the Staff Engagement Forum for the suggestion and welcomed further suggestions to improve staff wellbeing in the future.

In order to produce a balanced budget as required under statute, assuming the proposed increases in expenditure were approved, savings would be required as the level of funding from the Government and council tax precept, was not sufficient to meet expenditure. A full list of the proposed savings for 2019-20 was detailed in Appendix 2c of the report. The main savings were described in paragraphs 18 to 25 of the report.

Section 25 of the Local Government Act 2003 also placed a requirement on chief finance officers to formally report on the adequacy of the reserves. A Reserves Strategy 2019-24 was detailed at Appendix 4 of the report. It was reported that one of the key elements of the Reserves Strategy was to use the earmarked Capital and Integrated Risk Management Plan Reserves to support capital expenditure. The Capital Strategy for 2019-24 indicated that expenditure of over £30m was planned to take place between April 2019 and March 2022 with approximately £20m being financed from reserves. The resulting balances on reserves were detailed in Annex A to Appendix 4.

Members raised a series of questions and comments relating to the Reserves Strategy. In response, the Treasurer advised that the Fire and Rescue National Framework required that a Reserves Strategy should explain how the "level of

general reserve has been set” and should include “justification for holding a general reserve larger than 5% of budget”. As part of the Reserves Strategy approved in February 2018 the level of the General Reserve for Cheshire Fire Authority would be maintained at around £2.2m, approximately equivalent to 5% of budget and it was proposed that this approach would be maintained across the medium term. The Strategy would be kept under review as capital spending was incurred and the level of reserves would be adjusted to reflect the actual spend at the end of each financial year.

Members had a discussion on the draft 2019-20 Budget and Council Tax Precept and due to financial uncertainties supported the Council Tax precept increase of 2.99% for 2019-20 as set out in Table 3 of the report.

The Chair advised that at the request of the Fire Authority he had written to the Minister of State for Policing and the Fire Service, Nick Hurd MP on 10<sup>th</sup> December 2018 to raise concerns regarding the reduction in central funding provided to Cheshire Fire Authority and the potential impact on the provision of fire and rescue services this could have if funding reductions continued. A response had been received from the Minister dated 31<sup>st</sup> January 2019 that would be circulated accordingly.

The Chair advised that he would write again to the Minister on behalf of the Fire Authority to request that the fire and rescue services funding was properly reflected in the Spending Review. Members suggested that local MPs should also be lobbied.

On being put to the vote Members decided to increase the Council Tax precept by 2.99% with 20 votes in favour and 1 abstention.

**RESOLVED: That**

- [1] the Medium Term Financial Plan, as set out in Appendix 1 of the report be approved;**
- [2] the Budget Requirement as set out in Table 1, paragraph 9 of the report, be agreed, noting the base budget and inflation figures and agreeing the Commitments, Growth and one-off items contained in Appendices 2a and 2b of the report;**
- [3] the Funding Elements as set out in Table 1, paragraph 9 of the report, and Identified Savings as set out in Appendix 2c be noted;**
- [4] A Council Tax increase of 2.99% for 2019-20 be agreed and the Council Tax precepts as set out in Table 3 of the report be approved;**
- [5] the proposed capital programme for 2019-20 as set out in Table 2 of the report be approved;**
- [6] the Capital Strategy as set out in Appendix 3 of the report be approved;**
- [7] the Reserves Strategy as set out in Appendix 4 of the report be approved;**

- [8] the Statement of Robustness of Estimates as set out in Appendix 5 of the report be noted; and**
- [9] the Financial Health Targets as detailed in paragraph 27 of the report be adopted.**

### **3 TREASURY MANAGEMENT STRATEGY 2019-20**

Consideration was given to a report of the Head of Finance which sought approval of the Treasury Management Strategy for the year 2019-20. This was a requirement of guidance issued by the Department for Communities and Local Government, the 2009 CIPFA Treasury Management Code and the CIPFA Prudential Code. It also assisted the Authority in demonstrating its compliance with requirements contained in the Local Government Act 2003.

The Treasury Management Strategy comprised of four main elements: Capital Expenditure Plans and Prudential Indicators; Borrowing Strategy and Prudential Limits; Annual Investment Strategy; and Minimum Revenue Provision (MRP) Statement.

The Head of Finance explained that the Borrowing Strategy for the Authority reflected the current approach that whilst interest rates for investments remained low, the Authority would finance its capital programme from cash balances as far as possible. The Authority had, however, approved the use of borrowing to fund its training centre project (and associated works) at Sadler Road in order to preserve reserves for other matters requiring capital expenditure. In addition further borrowing would be required from 2021-22 onwards to fund capital programme plans as available reserves were exhausted.

It was proposed that the Authority continued to set the MRP at 6.7% of the opening Capital Financing Requirement (CFR) in respect of its existing CFR. This was considered to be a prudent and sustainable approach, however the 6.7% level remained subject to review. Any future new borrowing would be subject to MRP charged over a period that was reasonably commensurate with the estimated useful life applicable to the asset purchased or created.

#### **RESOLVED: That**

- [1] the Authority's Treasury Management Strategy for the year 2019-2020 be approved; and**
- [3] the Authority's Prudential Indicators included the Authorised Limit and Operational Boundary, as detailed at Appendix 1 of the report, be approved.**

### **4 INTEGRATED RISK MANAGEMENT PLAN 2019-20 (IRMP 16)**

Consideration was given to a report of the Chief Fire Officer and Chief Executive which sought approval to publish the Authority's action plan for 2019-20 (IRMP 16),

following the conclusion of a formal 13 week consultation programme.

The report included an overview of the consultation programme and a summary of the key issues highlighted within the full consultation report, copies of which had been circulated to Members and was also available to view online on the Authority's website.

It was reported that a total of eight roadshows had been held across Cheshire in a number of supermarkets and Members questioned the low survey returns at Morrisons in Chester. In response, Graeme Worrall, Policy and Transformation Officer, advised that this was the first time this location had been used. This low response in the Chester area had been mitigated as a good response had been received to the online survey from the Chester area.

Members were advised that efforts were made to ensure that the consultation was prominent on the Service's website throughout the consultation period and there were regular updates on the Service's social platforms and the use of the two paid-for advertisements on Facebook to extend the awareness of the consultation. A link was also included within the Service's FireLink newsletter.

Members had a discussion about the IRMP proposals and welcomed the report. One Member raised a specific concern about the service delivery model and commented on the culture within the organisation.

**RESOLVED: That**

- [1] the publication of the annual action plan for 2019-20 (IRMP 16) by 31<sup>st</sup> March 2019 be approved; and**
- [2] the Chief Fire Officer and Chief Executive be authorised to make any final drafting changes to the IRMP, including the addition of final performance and financial information.**

**5 HMICFRS INSPECTION REPORT**

Consideration was given to a report of the Head of Protection and Organisational Performance which presented the outcomes from the report about the inspection of Cheshire Fire and Rescue Service by Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) in the summer of 2018.

Members were advised that the inspection process consisted of a wide variety of pre-inspection evidence gathering in the form of data, documents and a qualitative self-assessment. The outcome from the inspection was that HMICFRS found no Causes for Concern during the inspection. However, nine Areas for Improvement had been identified, within the 'People' aspect requiring improvement under the diagnostics 'Promoting the right values and culture' and 'Ensuring fairness and promoting diversity'.

Officers had prepared an outline Action Plan which concentrated on the Areas for Improvement. The intention was to present the Action Plan to the Performance and

Overview Committee on 27<sup>th</sup> February 2019 and thereafter report program. The Action Plan would be used to evidence the actions that have been carried out to bring about the necessary improvements.

Members had a discussion on the outcomes from the report. The Chair on behalf of the Authority took the opportunity to thank all staff involved in the HMICFRS inspection for the time and commitment given to the process and to the Service for achieving a 'Good' HMICFRS result. The Chair advised that he had also written to the Chair of Lancashire Fire and Rescue Service congratulating the Service on achieving an 'Outstanding' HMICFRS result.

**RESOLVED: That**

- [1] the content of the inspection report be noted;**
- [2] the relative performance of the Service compared to the other services in the first tranche of inspections be noted; and**
- [3] the progress reporting arrangements relating to the Action Plan as referred to in paragraph 15 of the report be confirmed.**

**6 NEW BRIGADE MANAGER STRUCTURE**

Consideration was given to a report of the Chief Fire Officer and Chief Executive which provided information about the proposed new Brigade Manager structure, appointment process and changes to the Constitution that would be required if the proposal was approved.

Members were reminded that in recognition of the need to have a sustainable Brigade Manager structure with sufficient capacity to lead effectively whilst supporting the initial development and settling in of a new Chief Fire Officer and Chief Executive (CFO), the Fire Authority agreed to pilot a revised Brigade Manager structure for a period of six months. An internal recruitment process was undertaken and two substantive Area Managers were appointed into two temporary Assistant Chief Fire Officer (ACFO) posts for the duration of the pilot which ran from 1st July.

On evaluating the pilot it was clear that the new structure had fulfilled the design principles and had seen a significant improvement in the ability of the Brigade Managers to apply sufficient time and focus on their areas of responsibility. The new structure had also enabled significant progress to be made in addressing the challenge and stated problem of staff engagement, visibility and accessibility. As part of the evaluation of the pilot and prior to submitting the report to Members, wider research was carried out to understand and compare the brigade management structures within other fire and rescue services.

Members had a discussion about the changes to the Constitution and requested that any reference to the Deputy Chief Fire Officer (DCFO) was removed from the Constitution.

One Member requested clarity that no other teams within the organisation were being increased to support the new Brigade Manager Structure. In response, the Chief Fire Officer and Chief Executive confirmed that this would not be the case.

On being put to the vote the recommendations were carried with 20 votes in favour and 1 abstention.

**RESOLVED: That**

- [1] the new Brigade Manager structure be approved;**
- [2] the creation of two Assistant Chief Fire Officer posts be approved;**
- [3] the appointment process be noted; and**
- [4] minor changes to the Constitution, including any reference to the Deputy Chief Fire Officer being removed, be approved.**

**7 PAY POLICY STATEMENT 2019-20**

Consideration was given to a report of the Director of Transformation which sought approval to publish the Pay Policy Statement for 2019-20 as detailed in Appendix 1 to the report. The publication of the statement was an annual requirement and the statement must be published by 31<sup>st</sup> March immediately preceding the financial year to which it relates.

**RESOLVED: That**

- [1] the Pay Policy Statement attached as Appendix 1 to the report be approved; and**
- [2] the Director of Transformation in conjunction with the Director of Governance and Commissioning be authorised to make any in-year changes to the Pay Policy Statement necessitated by new legislation or guidance.**

**8 PEOPLE STRATEGY 2019-22**

Consideration was given to a report of the Director of Transformation which sought approval of the People Strategy 2019-22 that was now a requirement of all fire and rescue services following the introduction of the updated Fire and Rescue National Framework. Once approved, it was intended that the People Strategy would replace the existing Transformation Plan that was approved and was currently monitored by the Staffing Committee in respect of the key workstreams and priorities relating to people and workforce reform.

**RESOLVED: That;**

- [1] the People Strategy 2019-22 attached as Appendix 1 to the report be approved.**

**9 DELEGATION OF POWERS TO THE CHIEF FIRE OFFICER AND CHIEF EXECUTIVE**

Consideration was given to a report of the Director of Governance and Commissioning which sought approval to secure a fresh delegation to the Chief Fire Officer and Chief Executive to enable him to authorise officers to carry out their duties under legislation associated with the core activities of the fire and rescue service.

**RESOLVED: That**

**[1] the delegation of powers contained in Annex 1 of the report to the Chief Fire Officer and Chief Executive be approved.**

**10 JOINT USE OF FRODSHAM FIRE STATION BY CHESHIRE CONSTABULARY**

Consideration was given to a report of the Director of Governance and Commissioning which sought approval to the grant of a lease of part of Frodsham Fire Station to the Police and Crime Commissioner for Cheshire (PCC).

**RESOLVED: That**

**[1] the grant of a lease of part of Frodsham Fire Station to the Police and Crime Commissioner for Cheshire be agreed with the final terms and conditions to be finalised by the Director of Governance and Commissioning.**

**11 EXCLUSION OF PRESS AND PUBLIC**

**RESOLVED: That**

**[1] 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 12- Land at Holmes Chapel Fire Station**

**Paragraph**

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

**12 LAND AT HOLMES CHAPEL FIRE STATION**

Consideration was given to a report of the Director of Governance and Commissioning which described the land ownership and rights associated with

Holmes Chapel Fire Station and provided information about a set of proposals that would involve a change of land ownership and rights.

**RESOLVED: That**

- [1] Officers be authorised to sell land adjacent to Holmes Chapel Fire Station and make the necessary changes to the associated rights upon the terms outlined in the report.**

## Annex to minutes of Cheshire Fire Authority 13<sup>th</sup> February 2019

### 1F Questions from Members of the Public

#### Question 1

Michael Jones:

I note that the Officers of Cheshire Fire and Rescue Service have recently updated the Community Risk Register on behalf of the Cheshire Resilience Forum. For serious incidents at COMAH Sites in Ellesmere Port the new updated risk register foresees a predicted risk impact of 'endangerment to life'.

The previous edition of the Community Risk Register gave more detailed examples associated with the COMAH risks in Ellesmere Port such as 'the possibility of significant fatalities and multiple injuries up to a distance of 10 km Off-Site'. Whilst COMAH risk levels in Ellesmere Port remain broadly unchanged, the presentation of this risk has changed significantly.

'Endangerment to life' is not as explicit as 'the possibility of significant fatalities and multiple injuries up to a distance of 10 km Off-Site' so can the Chair please re-assure Local Communities in Ellesmere Port that the Fire Authority will fully consider the potential for 'significant fatalities and multiple injuries up to a distance of 10km Off-Site' when the Fire Authority make their decision on the future of Ellesmere Port's Second Fire Engine?

Response:

The Authority, alongside other agencies, contribute to the Community Risk Register which is produced by the Cheshire Resilience Forum. In line with the Fire and Rescue National Framework for England, the Fire Authority will assess all foreseeable fire and rescue related risks that could affect the community, and will have regard to Community Risk Registers and any other local risk analyses and feedback as appropriate. The Authority will do this through its Community Risk Management (CRM) model, which will also consider other sources of intelligence such as site-specific risk information.

In accordance with the Constitution the questioner asked supplemental questions. The Chair stated that he did not propose to provide a response at the meeting. He confirmed that a written response would be provided in due course.

The supplemental questions and response is summarised below:-

#### Supplemental Question 1

*"As part of the Fire Authority IRMP Consultations on the Fire Authority's proposals to have just one fire engine in Ellesmere Port can the Chairman please inform us whether the local communities surrounding Ellesmere Port*

***who reside within the 10 km COMAH off-site risk areas were alerted, to the possibility of ‘multiple injuries and significant fatalities’ should an industrial accident occur, and if so, what were the levels, type and details of that engagement?”***

Response:

The proposal to introduce an on-call duty system for the second fire engine at Ellesmere Port is outlined within the Integrated Risk Management Plan 2013-14. Full details of the consultation programme is available to view at [www.cheshirefire.gov.uk](http://www.cheshirefire.gov.uk) This consultation process was independently assessed by the Consultation Institute under its Compliance Assessment Scheme. Such a specific reference was not included as part of the consultation process.

### **Supplemental Question 2**

***“Furthermore could the Chairman please confirm that today is the first collective gathering of the 23 Fire Authority Members since the consultation closed and therefore the first opportunity for all members to openly study, absorb and debate all matters contained in the IRMP before the voting takes place today.”***

Response:

The consultation period exceeds 12 weeks and Members are provided with updates during the consultation period. However, this is the first time that Members have met as the Fire Authority since the consultation closed. Members have access to the reports a week before the meeting so that they have time to consider them.

### **Supplemental Question 3**

***“I suspect the answer to be yes and this in it’s self would possibility indicate why the issues concerning fire cover in Chester have not even made it onto todays agenda despite there having been almost forty written responses and comments including those from MPs and Council Leaders; all of which are specific to Chester!”***

Response:

Fire cover in Chester has not been specifically referenced in the draft IRMP 2019/2020. However, Members are well aware that this is an issue that the Fire Authority will be encouraged to consider in due course. As you know the Fire Authority is expected to receive the outcomes from a Whole Service Review later this year.

### **Question 2**

**Victoria Allman:**

**Unite Community in Chester notes that Cheshire has 0.5 firefighters per 1000 of population compared to a national average of 0.6. With a population of just over**

**1 million, this in effect means we therefore have a shortfall of 100 firefighters in Cheshire based on the per capita national average.**

**In Ellesmere Port, which has major industrial risks and the potential for serious off-site threat to life, we are extremely concerned at plans to scrap the second fire engine.**

**Will the Chair, on behalf of the Fire Authority, please provide some re-assurance to those who live and work in the Ellesmere Port risk areas that everything will be done to look at increasing the number of firefighters to bring the staffing level more in line with the national per capita average in order to keep the second fire engine in Ellesmere Port and allow our local community to sleep safely at night?**

Response:

The original proposal (to alter the crewing of the second fire appliance in Ellesmere Port from wholetime to on-call) was reviewed during 2017/18 and at its meeting on 14th February 2018, Members of the Fire Authority instructed officers to undertake a further review to determine the optimum location for this resource for the benefit of Cheshire as a whole. This review has been subsumed into a larger Whole Service Review which will culminate in a set of proposals that will be subject to consultation in Autumn/Winter 2019/20.

Representations have been made to the Government on behalf of the Fire Authority to highlight Members' concerns over the reduction in central funding.

In accordance with the Constitution the questioner asked a supplemental question. The Chair stated that he did not propose to provide a response at the meeting. He confirmed that a written response would be provided in due course.

The supplemental questions and response is summarised below:-

### **Supplemental Question 1**

***"I note that later in the meeting you will be dealing with the Annual Pay Policy Statement 2019/20 – agenda item 7 Appendix 1 p218 paragraphs 1, 2 and 3. You will be voting on providing 3 new cars for 3 Brigade Managers. Please can you kindly give thought to whether this money would be better spent towards the cost of keeping the second fire engine in Ellesmere Port. Before voting please could you be aware exactly how much public money this involves and let me know how much this will be. As you will be voting today on this, I presume the figure is readily available."***

Response:

The wording in the Pay Policy Statement could be more precise. However, I am able to confirm that the remuneration package for the two newly created Assistant Chief Fire Officer posts will not include a provided car. In other words they will not have a car that is funded by the Fire Authority. The postholders will be able to access the leased car scheme that is open to other officers. However, the Fire Authority does not subsidise the scheme.

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**MINUTES OF THE MEETING OF THE PERFORMANCE AND OVERVIEW COMMITTEE  
held on Wednesday, 27 February 2019 at Lecture Theatre - Sadler Road, Cheshire at  
10.00 am**

**PRESENT:** Councillors P Harris (Chair), T Sherlock, M Biggin, K Mundry, M Simon and independent (non-elected) member D Barnett

**1 PROCEDURAL MATTERS**

**A Record of Meeting**

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

**B Apologies for Absence**

Apologies for absence were received from Councillors Bailey and Hayes.

**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 28 November 2018 be confirmed as a correct record.**

**2 FINANCE REPORT - QUARTER 3, 2018-19**

The Treasurer introduced the report, which provided a summary of the Service's position for the third quarter of 2018-19, reserves position and the status of projects in the capital programme.

He informed Members that, in relation to the revenue budget, the Quarter 3 review was reporting a forecast net overall total underspend for 2018/19 of £779k. He referred Members to Appendix 1 to the report, which contained further details of key areas of change since mid-year, including underspends of:

- £276k in Protection
- £260k in Finance Resources
- £117k in Operational Policy and Assurance
- £99k in Property Management

He drew Members attention to Appendix 2 to the report, which set out details of the movement in reserves. Members were asked to approve the movements for the quarter.

The Treasurer informed Members that the capital programme was forecasting an overall outturn of £23.4m against an approved budget of £23.8m. He referred Members to Appendix 3 to the report, which contained details of the individual projects and schemes within the capital programme.

**RESOLVED: That;**

- [1] the forecast outturn position be noted; and**
- [2] the movement in reserves as set out in Appendix 2 be approved.**

### **3 PROGRAMME REPORT - QUARTER 3, 2018-19**

The Chief Fire Officer and Chief Executive introduced the report, which provided an update on the Service's 2018-19 Integrated Risk Management Plan programmes and projects. He referred Members to Appendix 1 to the report, which contained the health report for the third quarter of 2018-19.

The Director of Governance and Commissioning drew Members attention to the Blue Light Collaboration Programme update. He informed Members that officers had decided not to proceed with the Multi Force Shared Service, which was due to 'Go Live' on 1<sup>st</sup> April as it was not considered to be in the best interest of the Service at this time.

The Chief Fire Officer and Chief Executive drew Members attention to the Whole Service Review Programme update. He thanked Members for their input at the recent Member Planning Days and emphasised the impact they had on shaping the future of the Service. He reminded Members that the Service intended to use independent experts for validation purposes and the consultation institute for the consultation activities due to take place.

The Director of Governance and Commissioning referred Members to the update on the Chester project. He confirmed that the planning application had been refused and an appeal had been lodged with a hearing expected to take place in late summer. A second application had been submitted with an expected decision no earlier than mid-May.

The Chief Fire Officer and Chief Executive informed Members that over 80% of high rise buildings in Cheshire will have sprinkler systems retrofitted and commended the efforts of the Members and officers involved in the Sprinkler Group.

**RESOLVED: That**

- [1] the report be noted.**

### **4 PERFORMANCE REPORT - QUARTER 3, 2018-19**

The Head of Organisational Performance introduced the report, which provided Members with an update on the Service's performance against the key performance indicators (KPIs) for Quarter 3 2018-19. Appendix 1 to the report contained the corporate performance scorecard reflecting the Quarter 3 position against targets set

and year-on-year direction of travel for the Services KPIs.

Members were referred to Appendix 2 of the report, which contained a detailed description of each KPI, including a summary of current performance and any actions taken to improve performance. Alongside the Head of Protection and Organisational Performance, the Head of Service Delivery provided further information on the KPIs relevant to the Service Delivery department.

The Head of Protection and Organisational Performance highlighted several updates on the performance against targets for KPIs. He advised Members of the positive performance at Quarter 3 for 'Fires in Non Domestic Properties' and 'Thematic Inspections'.

He drew Members attention to 'Fire Safety Audits in Non Domestic Premises' performance indicator. He reported a significant improvement of achieving 85% against the target, whilst still behind target it was an improvement compared with 67% of the target at the end of Quarter 3 2017-18. He explained this was mainly because more staff had gained further qualifications and competency allowing them to carry out the audits.

The independent (non-elected) member queried the reason for the target for Fire Safety Audits in Non-Domestic Properties being much higher than the national average. In response, the Chief Fire Officer and Chief Executive advised that Cheshire had always pushed targets to achieve a higher number for several reasons e.g. Cheshire values the benefits of the fire safety audits and the protection they offer the residents of Cheshire and its heritage sites.

Another Member congratulated staff delivering Safe and Well activities on performance achieved during the third quarter of 2018-19.

The Head of Service Delivery drew Members attention to the KPI for on-call availability. He advised Members that whilst overall performance was behind for the quarter, he reminded Members of the plan that had been developed by officers which would enable on-call to achieve 85% availability pan-Cheshire. He informed Members that the overall performance has improved compared with last quarter.

**RESOLVED: That**

**[1] the report be noted.**

## **5 INTERNAL AUDIT PLAN 2018-19 - QUARTER 3 PROGRESS REPORT**

Ann-Marie Harrop (the Auditor), a representative from Mersey Internal Audit Agency (MIAA) was in attendance at the meeting to present the quarterly progress summary of the 2018-19 Internal Audit Plan (attached as Appendix 1 to the report).

She provided Members with a brief overview of the progress made against the audit plan and informed them that reviews had taken place in the following areas: Operational Training; Safe and Well and the Station Management Framework. It was reported that substantial assurance was found in each area.

**RESOLVED: That**

**[1] the report be noted.**

**6 EQUALITY AND INCLUSION UPDATE**

The Equality and Inclusion Officer introduced the report, which provided an overview of key equality and inclusion developments within the Service and progress made against the Equality, Diversity and Inclusion Action Plan.

She informed Members that the Service had been awarded third place in the Stonewall UK Workplace Equality Index, making them the highest performing public sector organisation.

Members were informed of the recent positive recruitment campaign activities. The independent (non-elected) member commended the report and asked for reassurance about the Service's approach to positive discrimination. The Equality and Inclusion Officer advised that the focus of the campaign was to attract minority groups to enter into the application process and once they were a candidate they would be treated the same as any other candidate.

A Member thanked the Equality and Inclusion Officer for her efforts and highlighted her work on the white ribbon campaign.

**RESOLVED: That;**

**[1] progress to date be noted.**

**7 BONFIRE REPORT 2018**

The Arson Reduction and Road Safety Manager introduced the report which appended the Authority's Annual Bonfire Period Report 2018, containing details of the preventative and operational activities of the Service and its partners during the bonfire period dated 24 October 2018 to 7 November 2018.

A Member congratulated the Arson Reduction and Road Safety Manager on consistent reduction in the number of deliberate fires year on year.

**RESOLVED: That;**

**[1] the report be noted; and**

**[2] the recommendations be supported.**

**8 HMICFRS INSPECTION 2018 - ACTION PLAN**

The Head of Protection and Organisational Performance presented the report which provided Members with the initial draft action plan prepared in response to the inspection report produced by Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS).

He advised Members that the document had been developed with a variety of inputs including; focus groups and management conferences. He explained that the plan would be a living document and would be altered accordingly as the Service responded to its first inspection programme.

**RESOLVED: That;**

**[1] the proposed monitoring arrangements be approved.**

## **9 FORWARD WORK PROGRAMME**

The table included those items that have been identified/agreed to-date. Members were asked to agree and note the programme for July 2019.

**RESOLVED: That;**

**[1] the Forward Work Programme be noted.**

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**MINUTES OF THE MEETING OF THE BRIGADE MANAGERS' PAY AND PERFORMANCE COMMITTEE held on Wednesday, 27 March 2019 at Leadership Team Conference Room - Fire Service, Clemonds Hey at 10.00 am**

**PRESENT:** Councillors B Rudd (Chair), S Nelson, D Flude, E Johnson, S Parker and M Tarr

**1 PROCEDURAL MATTERS**

**A Apologies for Absence**

Apologies for absence were received from Councillor G Merry.

**B Declaration of Members' Interests**

There were no declarations of Members' Interest.

**C Minutes of the Brigades Managers' Pay and Performance Committee**

**RESOLVED:**

**That the minutes of the Brigade Managers' Pay and Performance Committee held on 16<sup>th</sup> January 2019 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 3 – Chief Fire Officer and Chief Executive – Performance Appraisal and Development Scheme**

**Paragraph**

**(1) Information relating to any individual**

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

Consideration was given to a report of the Director of Transformation which outlined the Performance Appraisal and Development Scheme [PADS] that enabled CFRS 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 operated from top to bottom across the whole of the Service and is particularly important at the top of the organisation, as Members seek to agree objectives with the Chief Fire Officer and Chief Executive, which ensure delivery of the Service's Integrated Risk Management Plan [IRMP].

Members were asked to review the performance of the Chief Fire Officer and Chief Executive against the objectives set in 2018-19 and to agree key objectives and development needs, following discussions with the Chief Fire Officer and Chief Executive, for the coming year.

The Chief Fire Officer and Chief Executive's interim appraisal discussion was scheduled to take place on 23<sup>rd</sup> October 2019.

**RESOLVED That:**

- [1] the Chief Fire Officer and Chief Executive's appraisal be agreed as discussed;**
- [2] the appraisal key objectives for 2019-20 are drafted and circulated to Members for review and approval; and**
- [3] Members agree to carry out an interim appraisal discussion on 23<sup>rd</sup> October 2019.**



**MINUTES OF THE MEETING OF THE BRIGADE MANAGERS' PAY AND PERFORMANCE COMMITTEE held on Tuesday, 2 April 2019 at Leadership Team Conference Room - Fire Service, Clemonds Hey at 9.30 am**

**PRESENT:** Councillors B Rudd (Chair), S Nelson, D Flude and S Parker

**1 PROCEDURAL MATTERS**

**A Apologies for Absence**

Apologies for absence were received from Councillor G Merry (Councillor S Parker attended as a Substitute Member).

**B Declaration of Members' Interests**

There were no declarations of Members' Interest.

**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 3 – Appointment of Assistant Chief Fire Officer**

**Paragraph (1) Information relating to any individual**

**3 APPOINTMENT OF ASSISTANT CHIEF FIRE OFFICER**

The Committee conducted interviews with the shortlisted candidates for the two positions of Assistant Chief Fire Officer. The Committee was also provided with a debrief about the other elements of the assessment process.

**RESOLVED:** That

**[1] Mr G O'Rourke and Mr A Waller be appointed as Assistant Chief Fire Officers.**

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**MINUTES OF THE MEETING OF THE STAFFING COMMITTEE held on Wednesday, 27 March 2019 at Leadership Team Conference Room - Fire Service, Clemonds Hey at 12.00 pm**

**PRESENT:** Councillors B Rudd (Chair), S Nelson, D Flude, E Johnson, S Parker and M Tarr

**1 PROCEDURAL MATTERS**

**A Record of Meeting**

Members were reminded that this meeting would be audio recorded.

**B Apologies for Absence**

Apologies for absence were received from Councillor G Merry.

**C Declaration of Members' Interests**

There were no declarations of Members' interest.

**D Minutes of the Staffing Committee**

**RESOLVED:**

**That the minutes of the Staffing Committee held on 31<sup>st</sup> October 2018 be confirmed as a correct record.**

**2 STAFF ENGAGEMENT SURVEY CORPORATE ACTION PLAN UPDATE**

Consideration was given to a report from the Director of Transformation which provided an update on progress against the corporate action plan developed to address the outcomes of the 2017 Staff Engagement Survey.

Members were advised that following the 2017 Staff Engagement Survey, officers had undertaken an exercise to solicit feedback from across the organisation to determine if the results mirrored the experiences of the staff and to inform the development of an action plan aimed at dealing with key issues. This resulted in the development of both local action plans and a corporate action plan to address the findings of the Staff Engagement Survey.

Progress against the corporate action plan was monitored regularly at meetings of the Staff Engagement Group and it was agreed that progress against the corporate action plan would also be reported to Staffing Committee on a six-monthly basis.

Members discussed each of the key themes, namely, recognition and feeling valued; management accessibility and visibility; communication and change; and common sense principles.

It was reported that the date for the 2019 Star Awards had now be set and would take place on Thursday 7<sup>th</sup> November 2019 at the Village Hotel in Warrington. The Chair encouraged all Members to attend the event. The Chief Fire Officer and Chief Executive advised that officers could assist Members with travel arrangements, where necessary.

It was reported that ahead of the launch of the next staff survey, scheduled for Summer 2019, a communications campaign and update newsletter would be delivered to provide information to staff on the changes made as a result of the survey. This would enable staff to see how their feedback and opinions have directly led to changes in a number of areas across the organisation. In response, a Member requested that following the survey could an item be included on each of the four UPG agendas to advise that the survey had taken place and to explain the outcomes that had taken place as a result of the survey at a local level. The Chief Fire Officer and Chief Executive welcomed the suggestion and confirmed that this would be actioned.

**RESOLVED: That**

**[1] The Staff Engagement Survey Corporate Action Plan Update be noted.**



**MINUTES OF THE MEETING OF THE ESTATES AND PROPERTY COMMITTEE held on Thursday, 28 March 2019 at Leadership Team Conference Room - Fire Service, Clemonds Hey at 10.00 am**

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

**1 PROCEDURAL MATTERS**

**A Recording of Meeting**

Members were reminded that the meeting would be audio recorded.

**B Apologies for absence**

Apologies for absence were received from Councillor Merry.

**C Declarations of Members' Interests**

There were no declarations of Members' interests.

**D Minutes of the Estates and Property Committee**

**RESOLVED:**

**That the minutes of the Estates and Performance Committee held on 14 December 2018 be confirmed as a correct record.**

**2 FIRE STATION MODERNISATION PROGRAMME – PROGRESS REPORT**

The Director of Governance and Commissioning introduced the report, which provided information on the progress made with the Fire Station Modernisation Programme and sought confirmation of the procurement route for the rest of the works to deliver the Fire Station Modernisation Programme.

He drew Members attention to Year One of the Delivery Schedule at Appendix 1 to the report. He advised Members that the delivery of the works at; Birchwood, Middlewich and Sandbach should be completed within Year One as expected, but that Runcorn, which is considered to be a major project and may require planning permission is expected to take longer to complete.

The Procurement and Contracts Manager from the Joint Procurement Team attended the meeting to advise Members on the preferred procurement route for the associated works and the activities that had taken place to reach the current position.

**RESOLVED: That;**

- [1] progress be noted; and**
- [2] the Procure North West Framework be utilised to deliver the rest of the Fire Station Modernisation Programme.**

### **3 CHESTER FIRE STATION**

The Director of Governance and Commissioning introduced the report, which provided Members with an update on the Chester Fire Station project.

He advised Members that a second planning application had been submitted which was believed to have satisfactorily dealt with the reason for refusal of the original planning application.

He referred Members to Appendices 1 and 2 to the report, which showed the proposed site layout plans of the original and second planning applications.

The Director of Governance and Commissioning informed Members that the public consultation on the second planning application had closed and that 13 comments had been made. These had two common themes: operational cover and value for money of a refurbishment compared to a rebuild.

He advised Members that due to the delays due to the refusal of the original planning application, there were some factors that would affect the agreed cost plan. However, a more detailed report would be, if necessary, submitted to the Fire Authority in the summer months when the second planning application had been dealt with.

**RESOLVED: That;**

- [1] the report be noted; and**
- [2] the potential for a further report to the Fire Authority concerned with funding be noted.**

### **4 CREATING A JOINT FIRE AND POLICE FACILITY ON THE CREWE FIRE STATION SITE**

The Director of Governance and Commissioning introduced the report, which provided Members with an update on progress to create a joint fire and police facility on the Crewe Fire Station site.

He informed Members that the requirements of both fire and police had now been agreed and external lawyers to represent the Fire Authority had been appointed.

A Member asked if there could be some reassurance on the timeframe and commitment to the project due to potential uncertainties associated with the election of the Police and Crime Commissioner next year. The Director of Governance and Commissioning advised that the intention was to have the necessary governance arrangements and legal documentation in place before the election.

**RESOLVED: That;**

**[1] progress made to date be noted.**

**5 SERVICE HOUSING STOCK**

The Director of Governance and Commissioning introduced the report, which provided an update on the development of a programme, which would see the refurbishment of the houses owned by the Fire Authority.

He informed Members that Service Delivery had confirmed the Service need and that the Joint Estates Team were in the process of documenting the current standard of the houses by completing a condition survey.

A Member asked if there were arrangements in place to move the occupiers of the houses when renovation works were scheduled. The Group Manager for Blue Light Collaboration advised Members that if occupiers needed to vacate during the works, every effort would be made to support them.

Another Member asked if any of the properties were empty. The Director of Governance and Commissioning advised that one was empty and that the intention would be to prioritise the sale of that particular house.

**RESOLVED: That;**

**[1] the report be noted; and**

**[2] the intention to sell five of the houses be endorsed.**

**6 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 12 A to the Act in the paragraphs indicated:

**Item 7 – Fire Station Modernisation Programme – Year Zero Works**

**Item 8 – Training Centre Programme**

**Paragraph**

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

**7 FIRE STATION MODERNISATION PROGRAMME - YEAR ZERO WORKS**

The Director of Governance and Commissioning introduced the report which provided details of the work carried out to determine the requirements at the first two fire stations in the programme (Year Zero) (Bollington and Tarporley) and the associated costs. The report sought Member approval to proceed with the works at the two fire stations.

Members expressed concerns about the works that were excluded from the specification. The Director of Governance and Commissioning felt that it was important to protect the budget and learn from the experience of delivering the specified works at Bollington and Tarporley Fire Stations. However, he committed to further consider the issues raised with a view to secure additional works.

**RESOLVED: That;**

- [1] progress be noted; and**
- [2] the works at Bollington and Tarporley fire stations should proceed.**

**8 TRAINING CENTRE PROGRAMME**

The Director of Governance and Commissioning introduced the report, which provided Members with an update on the process to reach a finalised design and budget. He also confirmed the receipt of planning permission. The report sought approval to enter into the design and build contract and proceed into the construction phase of the programme.

**RESOLVED: That;**

- [1] the report be noted; and;**
- [2] the Director of Governance and Commissioning be authorised to enter into a design and build contract with ISG Construction Limited.**



**MINUTES OF THE MEETING OF THE RISK MANAGEMENT BOARD held on Tuesday, 19 March 2019 at Fire Conference Room, Clemonds Hey, Winsford at 10.00 am**

**PRESENT:**

Members:

Councillor S Nelson

Auditor:

Anne-Marie Harrop, Mersey Internal Audit Agency

Officers:

Mark Cashin, Chief Fire Officer and Chief Executive

Andrew Leadbetter, Director of Governance and Commissioning

Allan Rainford, Treasurer

Louise Willis, Planning, Performance and Risk Manager

Chris Astall, Planning, Performance and Risk Officer

Donna Linton, Governance and Corporate Planning Manager

Emilie Salkeld, Governance Officer

**1 APOLOGIES**

Apologies were received from Councillor J Weatherill.

**2 NOTES FROM THE PREVIOUS RISK MANAGEMENT BOARD**

The notes of the previous meeting of the Risk Management Board held on 16<sup>th</sup> October 2018 were presented and the following action was noted:-

376 – Fire in Iconic Heritage Building

The Chief Fire Officer and Chief Executive commented that contact had been made with all of the heritage building owners across Cheshire. Whilst most building owners had responded and actions had been made to reduce fire risks; some offshore building owners were yet to respond. Board members were reminded that it was the responsibility of the building owners to introduce sprinklers within heritage buildings.

The Chief Fire Officer and Chief Executive requested that the Head of Protection and Organisational Performance produce a report to demonstrate the overarching actions that had been taken to reduce the risk of fires in heritage buildings and submit the report to the next Risk Management Board meeting on 15<sup>th</sup> October 2019.

**RESOLVED: That**

- [1] the notes of the meeting held on 1st May 2018 be approved as a correct record.**

**ACTION: That**

- [1] the Head of Protection and Organisational Performance produce a report summarising the overarching actions taken to reduce the risk of fires in heritage buildings and submit it to the next meeting of the Risk Management Board.**
- [2] the Governance and Corporate Planning Manager would arrange for all Members to visit heritage sites around Cheshire as part of the Member Training and Development Programme prior to the next meeting.**

**3 TERMS OF REFERENCE - RISK MANAGEMENT BOARD 2019-20**

Revised Terms of Reference were presented to the Board for approval. The Chief Fire Officer and Chief Executive requested changes to the Board membership, e.g. the addition of representatives from the Joint Planning and Performance team and the removal of the External Auditor.

The Governance and Corporate Planning Manager reminded the Board that the External Auditor received a copy of the Fire Authority agenda pack which included the minutes from the Risk Management Board.

**RESOLVED: That**

- [1] subject to the minor changes proposed at the meeting, the revised Terms of Reference be approved**

**4 OPTIONS REPORT - ALARM BENCHMARKING**

The Planning Performance and Risk Officer presented a report to the Board intended to determine whether it was beneficial for the Service to take part in the ALARM Risk Management Benchmarking exercise in 2019.

The report set out the advantages and disadvantages of participating in the ALARM Benchmarking exercises and the views of internal stakeholders during a consultation process. A gap analysis of the ALARM Benchmarking exercise which consisted of 39 questions, was also attached as an appendix to the report.

The Chief Fire Officer and Chief Executive questioned the value of the ALARM Benchmarking exercise to the organisation. The Treasurer stated that the Service was one of three fire and rescue services to take part in the ALARM Benchmarking and therefore, a direct comparison could not be made against a sufficient number of fire and rescue services. The Organisational Performance Manager also stated that the HMI feedback suggested that the ALARM Benchmarking exercise would not add value.

The Chief Fire Officer and Chief Executive noted that the report was not in favor of commissioning of the ALARM Benchmarking exercise. However, he noted the importance to finding an alternative method to compare risk processes in order to continuously improve organisational systems. He requested research into alternative processes that could be considered at the next Risk Management Board.

The Internal Auditor questioned whether an annual risk report was submitted every year end. The Chief Fire Officer and Chief Executive confirmed that a report as such was not submitted, but could be considered in the future.

**RESOLVED: That**

**[1] the ALARM Benchmarking exercise would no longer be commissioned.**

**ACTION: That**

**[1] the Planning and Performance Team would look at alternative options for benchmarking and submit a report to the next Risk Management Board held on the 15<sup>th</sup> October 2019.**

**5 REVIEW OF STRATEGIC RISK REGISTER**

A copy of the Strategic Risk Register was circulated by the Planning and Performance Team and the following observations were made:-

376 – Fire in Iconic Heritage Building

Minute Item 2 refers to the actions that arose from this risk.

807 – Competing Demands on Resource and Achieving Medium Term Financial Planning (MTFP) Targets

The Treasurer confirmed that the autumn spending review would bring further clarity in relation to funding of fire and rescue services. Although the Treasurer believed that the likelihood of the risk should be lower, as the Service had been working to reduce the risk; the risk score should remain the same. The Service should continue to be proactive in mitigating the risk. It was agreed that the risk score would be reviewed after the autumn spending review had been announced.

889 – Lack of Commitment from housing providers to fit sprinklers

The Planning, Performance and Risk Manager assured the Board that there had been significant progress to mitigate the risk. The Chief Fire Officer and Chief Executive suggested that the risk could be reduced and suggested that a report be submitted at the next Risk Management Board meeting.

995 – Fire Pensions- Increase in employers' contributions to firefighter pensions

The Planning, Performance and Risk Manager advised that the risk likelihood would depend on the outcomes of the autumn spending review. The Treasurer stated the pension contribution cost was accommodated in the Medium Term Forecast.

997 – Brexit

Board Members noted that Brexit could affect the Service's supply of goods. The

Director of Governance and Commissioning confirmed that the lead on Brexit, the Head of Operational Policy and Assurance, had been in discussions with the Head of the Joint Procurement team regarding the supply chain impact. He advised the Board that the Service was following NFCC guidelines.

The Chief Fire Officer and Chief Executive expected the risk of civil unrest to remain unlikely in Cheshire. However, the risk was expected to be greater in the metropolitan cities.

#### 1000 – Inability to Sustain Sufficient Level of experienced Operational Staff

The Planning, Performance and Risk Manager had liaised with Human Resources who advised that the increased number of operational staff transferring away from Cheshire was due to Greater Manchester Fire and Rescue Service opening their inter-brigade transfer process. 17 operational staff had transferred to Greater Manchester Fire and Rescue Service, of which only 3 agreed to an optional exit interview. The Human Resources department was closely monitoring the levels of transferees over a 12 month period and would report the figures to the Risk Management Board.

The Chief Fire Officer and Chief Executive suggested various methods to reduce the numbers of operational staff transferring. The Board was reminded that although the transferee leavers had increased, the recruitment activity had been successful in bolstering numbers.

#### 1001 – North West Fire Control Limited

The Director of Governance and Commissioning informed Board Members that Greater Manchester Combined Authority had decided to appoint an elected Member to the Board of Directors North West Fire Control Ltd. He advised that the risk could now be closed.

#### **ACTION: That**

**[1] risk 1001 would be closed.**

#### 1004 – ESCMP- Ongoing Maintenance

The Operational Support, Risk, Research and Development Lead advised the Board that the Service would not be able to source new San A and San J radios and that the current versions were failing. Alternative methods were to be explored.

#### 1006 – Extension of Payroll Contract- Kier

The current provider of payroll services had decided not to extend the current contract. The Board was informed that the Project Business Manager had produced an options paper to be presented to the Director of Governance and Commissioning, the Treasurer, the Chief Fire and Chief Executive. A decision on the future payroll provider would be made by 22<sup>nd</sup> March 2019.

**RESOLVED: That**

**[1] the update on the Strategic Risk Register be noted.**

## **6 OPERATIONAL AND CORPORATE SERVICES RISK MAP**

Consideration was given to a report from the Planning, Performance and Risk Officer which presented a high level overview of the Service's organisational risk profile mapped by each department.

The Chief Fire Officer and Chief Executive noted that there were many green coded risks recorded on the risk map. He asked that some of the green risks be removed unless for monitoring purposes. He also asked that the risk score for the shortfall or loss in Prince's Trust Funding be reviewed.

A Member requested a Risk Register Deep Dive report to be created concerned with resilience of Safety Central staffing and continued use of the centre. The Director of Governance and Commissioning believed this report would be more appropriately submitted to the Performance and Overview Committee to encourage debate over the topic. It was agreed that a report highlighting both Safety Central risks were to be submitted to the Performance and Overview committee held on the 4<sup>th</sup> September 2019.

The Director of Governance and Commissioning commented on the payroll arrangements and suggested that a report be submitted to the next Risk Management Board.

**RESOLVED: That**

**[1] the Operational and Corporate Services Risk Map (Fire) be noted.**

**ACTIONS: That**

**[1] the Head of Prevention to produce a report concerned with Safety Central risks to be submitted to the Performance and Overview Committee held on 4<sup>th</sup> September 2019.**

**[2] the Director of Governance and Commissioning produce a report about the payroll arrangement be submitted to the next Risk Management Board on 15<sup>th</sup> October 2019.**

## **7 DEEP DIVE - CYBER SECURITY**

Stuart Rogers, Chief Information Security Officer, presented the Risk Register Deep Dive Report – Cyber Security to Board Members. The report provided assurance that the risk was being managed robustly and actions were being implemented in a timely manner to mitigate cyber security risks.

The Director of Governance and Commissioning had been in discussions with the Chief Information Security Officer and the Head of Information and Compliance to

mitigate the risk of cyber security threats. The Chief Information Security Officer was satisfied with the action plan created to reduce the risk.

The Board welcomed the informative update and the Chief Fire Officer and Chief Executive personally thanked the Chief Information Security Officer for his work to protect the Service from cyber security threats.

**RESOLVED: That**

**[1] the Risk Register Deep Dive Report – Cyber Security be noted.**

## **8 RISKS BELOW THE THRESHOLD REPORT**

The Planning and Performance team presented a report to Board Members which highlighted the corporate risks that fell below the strategic threshold and provided progress updates for each risk. The following observations were made:-

417 – Incidents occurring in high risk domestic properties that have not received fire safety advice

Board Members were informed that this risk had become business as usual and that it was to be closed.

**ACTION: That**

**[1] risk 417 be closed.**

616 – SSRI- Failure to manage operational risk information

The Planning, Performance and Risk Officer had requested evidence of a control measure which had recently been included to reflect the more robust monthly Service Delivery Group Manager audits.

**ACTION: That**

**[1] evidence of the control measure be presented at the next Risk Management Board held on 15<sup>th</sup> October 2019.**

851 – On Call- Failure to manage On Call availability (including Whole Time)

The Board discussed how the failure to manage On Call availability would impact service delivery. The Chief Fire Officer and Chief Executive requested that a report regarding response times be submitted at the next Risk Management Board.

**ACTION: That**

**[1] the Head of Service Delivery produce a report in relation to response times to incidents be submitted to the next Risk Management Board held on 15<sup>th</sup> October 2019.**

854 – Cadet Leaders- Failure to recruit adult volunteer cadet leaders

The Chief Fire Officer and Chief Executive advised that the risk was being mitigated by the Assistant Chief Fire Officer.

888 – Holiday Pay back claim timelines

The Chief Fire Officer and Chief Executive advised that the holiday pay back claims were a national risk which would be removed from the risk register once the claims had been paid.

1002 & 1003 – Chester Fire Station rebuild

The Director of Governance and Commissioning provided an update on the progress of the Chester Fire Station rebuild and advised that a report regarding the Chester Fire Station would be submitted at the next Estates and Property Committee due to take place on 28<sup>th</sup> March 2019.

The Chief Fire Officer and Chief Executive requested that the risk owner be changed from the Head of Service Delivery to the Director of Governance and Commissioning.

**ACTION: That**

**[1] the Planning, Performance and Risk Officer to change the risk owner of 1002 and 1003 from the Head of Service Delivery to the Director of Governance and Commissioning.**

1004 – ESCMP Ongoing maintenance contract and renewal of legacy San A / San J radios

The Operational Support, Risk, Research and Development Lead informed the Board that the Government would intervene with the maintenance contracts for San A and San J radios and that he would develop a plan of alternative solutions.

**RESOLVED: That**

**[1] the Risks Below the Threshold report be noted.**

**9 ANNUAL REVIEW OF CRISIS MANAGEMENT PLAN**

Consideration was given to a verbal update from the Operational Support, Risk, Research and Development Lead which provided the Board with an update on the Crisis Management Plan. He advised that changes to the fall-back locations in the Crisis Management Plan were made in May 2017.

The Operational Support, Risk, Research and Development Lead advised that the Crisis Management Exercise should be every 3 years. The Planning, Performance and Risk Manager suggested that the Police would be interested in a Joint Crisis

Management Exercise.

**RESOLVED: That**

**[1] the annual review of Crisis Management Plan be noted.**

**10 WORK PROGRAMME 2019-20**

The Board discussed the proposed work programme for 2018-19. The Chief Fire Officer and Chief Executive was satisfied that the work programme could be approved subject to the addition of the reports discussed within the meeting to be included at the next Risk Management Board held on 15<sup>th</sup> October 2019.

**RESOLVED: That**

**[1] the work programme for 2019-20 be approved subject to the requested additions.**

**PROGRAMME OF MEETINGS FOR THE MUNICIPAL YEAR 2019-20**

<b>Cheshire Fire Authority (10:30am)</b>	<b>Governance &amp; Constitution Committee (10:30am)</b>	<b>Performance and Overview Committee (10:30am)</b>	<b>Staffing Committee dates (12pm)</b>
<b>19 June 2019</b> (Annual meeting)	<b>3 July 2019</b>	<b>10 July 2019</b> (Q4 – End of Year Reports 2018-19)	
<b>24 July 2019</b> (Sign off final accounts)			
<b>18 September 2019</b> (Annual report & IRMP Consultation)		<b>4 September 2019</b> (Q1 Performance Report 2019-20)	<b>23 October 2019</b>
<b>11 December 2019</b> (Consider outline budget)	<b>13 November 2019</b>	<b>27 November 2019</b> (Q2 Mid Year Performance Report 2019-20)	
<b>12 February 2020</b> (Approve final budget & IRMP sign- off)	<b>29 January 2020</b>	<b>26 February 2020</b> (Q3 Performance Report 2019-20)	
<b>22 April 2020</b>	<b>1 April 2020</b>		<b>25 March 2020</b>

## **ADDITIONAL MEMBER MEETINGS**

### **Estates and Property Committee:**

Dates to be arranged as required.

### **BM Pay & Performance Committee dates: 10am – 12pm**

CFO Interim Appraisal:

Wednesday 23 October 2019

BM Pay Review:

Wednesday 15 January 2020

CFO Appraisal:

Wednesday 25 March 2020

### **Pension Board: 2pm – 4pm**

Wednesday 2 October 2019

Wednesday 18 March 2020

### **Closure of Accounts (pm):**

Wednesday 27 May 2020

### **Risk Management Board: 10am – 12pm**

Tuesday 15 October 2019

Tuesday 17 March 2020

### **Member Training and Development Group: 10am – 12pm**

Tuesday 2 July 2019

Tuesday 1 October 2019

Tuesday 10 December 2019

Tuesday 24 March 2020

### **Member Planning Days:**

Friday 12 July 2019

Friday 26 July 2019

Friday 6 September 2019

Friday 8 November 2019

Friday 10 January 2020

## CHESHIRE FIRE AUTHORITY

**MEETING OF:** CHESHIRE FIRE AUTHORITY  
**DATE:** 24<sup>TH</sup> APRIL 2019  
**REPORT OF:** TREASURER  
**AUTHOR:** ALLAN RAINFORD

---

**SUBJECT:** EXTERNAL AUDIT PLAN FOR 2018-19

---

### Purpose of Report

1. To present the External Audit Plan for 2018-19, which includes the audit fee. A representative from Grant Thornton will attend the meeting to present the report.

### Recommended: That

- [1] The External Audit Plan for 2018-19 be noted; and
- [2] The external audit fee for 2018-19 be approved.

### Background

2. The National Audit Office's Code of Audit Practice (the Code) sets out the external auditor's statutory responsibilities in relation to local public bodies. These are to:
  - a. Give an opinion on whether the Statement of Accounts gives a true and fair view of the Fire Authority's financial position and financial performance for the year being reported on and whether the accounts have been prepared in accordance with proper practices; and
  - b. Conclude on whether the Fire Authority has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources: the Value for Money conclusion.
3. The Code requires that the approach of the external auditors reflects their understanding of the issues facing the Fire Authority and of the relevant risks that the Authority faces. These are set out in the External Audit Plan which is attached to this report as Appendix 1.

### Information

4. Grant Thornton have been the external auditors to Cheshire Fire Authority since 2012. As a result of a process managed by Public Sector Audit Appointments Limited – the successor to the Audit Commission - it was confirmed in December 2017 that Grant Thornton would continue as external auditors to

Cheshire Fire Authority for a further five years, covering the audits of the accounts for 2018-19 to 2022-23.

5. The External Audit Plan largely relates to the requirement to publish the statement of accounts for 2018-19 by 31 July 2019. The External Audit Plan sets out the approach of the external auditors to ensure that their work is completed by this deadline.
6. The External Audit Plan fee for 2018-19 will be £22,992 a reduction on the fee for last year.

### **Financial Implications**

7. There are no direct financial implications as a result of this report.

### **Legal Implications**

8. There are no legal implications as a result of this report. The External Audit Plan has been prepared to help the external auditors to meet the statutory responsibilities under the Local Audit and Accountability Act 2014 and the Code of Practice 2015.

### **Equality and Diversity Implications**

9. There are no equality and diversity implications as a result of this report.

### **Environmental Implications**

10. There are no environmental implications as a result of this report.

**CONTACT: DONNA LINTON, FIRE SERVICE HQ, WINSFORD  
TEL [01606] 868804**

**BACKGROUND PAPERS: GRANT THORNTON AUDIT PROGRESS REPORT  
SECTOR UPDATE – CONSIDERED BY THE FIRE AUTHORITY ON 12 DECEMBER  
2018**

**APPENDIX 1 – EXTERNAL AUDIT PLAN YEAR ENDING 31 MARCH 2019**

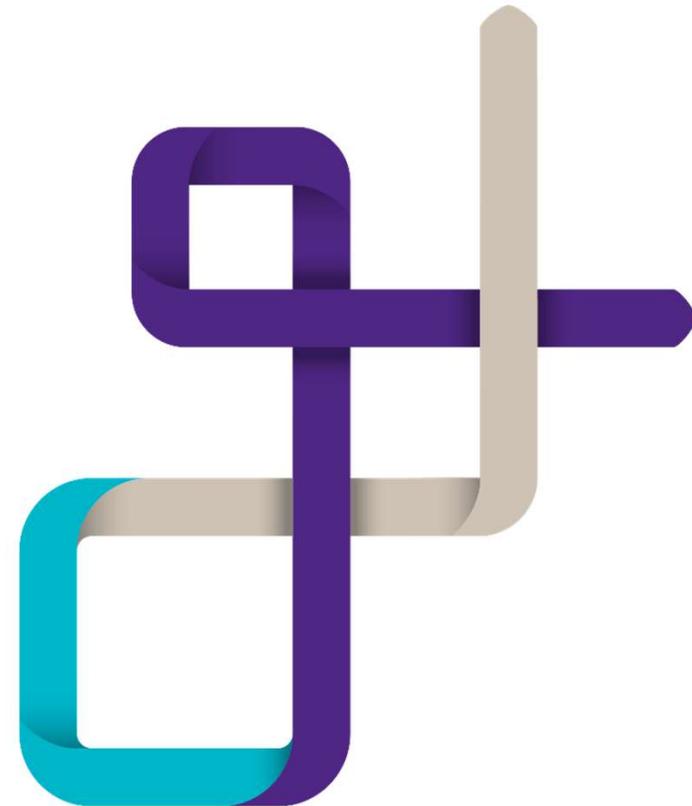


# External Audit Plan

*Year ending 31 March 2019*

Cheshire Fire and Rescue Authority  
8 January 2019

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# Contents



Your key Grant Thornton  
team members are:

Page 44

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The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit planning process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Authority or all weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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# Introduction & headlines

## Purpose

This document provides an overview of the planned scope and timing of the statutory audit of Cheshire Fire and Rescue Authority ('the Authority') for those charged with governance.

## Respective responsibilities

The National Audit Office ('the NAO') has issued a document entitled Code of Audit Practice ('the Code'). This summarises where the responsibilities of auditors begin and end and what is expected from the audited body. Our respective responsibilities are also set out *in the Terms of Appointment and Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA), the body responsible for appointing us as auditor of Cheshire Fire and Rescue Authority. We draw your attention to both of these documents on the [PSAA website](#).*

## Scope of our audit

The scope of our audit is set in accordance with the Code and International Standards on Auditing (ISAs) (UK). We are responsible for forming and expressing an opinion on the :

- financial statements that have been prepared by management with the oversight of those charged with governance (the Authority); and
- Value for Money arrangements in place at the Authority for securing economy, efficiency and effectiveness in your use of resources.

The audit of the financial statements does not relieve management or the Audit Committee of your responsibilities. It is the responsibility of the Authority to ensure that proper arrangements are in place for the conduct of its business, and that public money is safeguarded and properly accounted for. We have considered how the Authority is fulfilling these responsibilities.

Our audit approach is based on a thorough understanding of the Authority's business and is risk based. We will be using our new audit methodology and tool, LEAP, for the 2018/19 audit. It will enable us to be more responsive to changes that may occur in your organisation.

---

## Significant risks

Those risks requiring special audit consideration and procedures to address the likelihood of a material financial statement error have been identified as:

- The revenue cycle includes fraudulent transactions (rebuttable)
- Management override of controls
- Valuation of property, plant and equipment
- Valuation of pension fund net liability

We will communicate significant findings on these areas as well as any other significant matters arising from the audit to you in our Audit Findings (ISA 260) Report.

---

## Materiality

We have determined planning materiality to be £801k (PY £801k) for the Authority, which equates to 2% of your prior year gross expenditure for the year. We are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. Clearly trivial has been set at £40k. Officers remuneration and related party transactions are sensitive to public scrutiny, therefore we will apply a lower level of materiality when auditing these aspects and report further in our Audit Findings Report.

---

## Value for Money arrangements

We will complete our risk assessment of your arrangements to secure value for money in March 2019. Our initial planning has identified financial sustainability as a potential significant risk.

---

## Audit logistics

Our interim visit will take place in late February and March 2019 and our final visit will take place in June and July 2019. Our key deliverables are this Audit Plan and our Audit Findings Report. Our audit approach is detailed in Appendix A.

Our fee for the audit for the Authority will be £22,992 (PY: £29,860), subject to the Authority meeting our requirements set out on page 13

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## Independence

We have complied with the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements.

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# Key matters impacting our audit

## Factors

### The wider economy and political uncertainty

Local Government funding continues to be stretched with increasing cost pressures and demand from residents. For Cheshire Fire and Rescue Authority, the impact of these pressures is being managed in the following ways:

The Authority are managing their financial position to date, and maintaining levels of reserves. There are plans in progress to utilise the smaller revenue and capital reserves on a station renewal programme.

At a national level, the government continues its negotiation with the EU over Brexit, and future arrangements remain clouded in uncertainty. The Authority will need to ensure that it is prepared for all outcomes, including in terms of any impact on contracts, on service delivery and on its support for local people and businesses.

### Changes to the CIPFA 2018/19 Accounting Code

The most significant changes relate to the adoption of:

- IFRS 9 Financial Instruments which impacts on the classification and measurement of financial assets and introduces a new impairment model.
- IFRS 15 Revenue from Contracts with Customers which introduces a five step approach to revenue recognition.
- We do not anticipate that the above will have a significant impact upon the Authority

## Our response

- We will consider your arrangements for managing and reporting your financial resources as part of our work in reaching our Value for Money conclusion.
- We will consider whether your financial position leads to material uncertainty about the going concern of the Authority and will review related disclosures in the financial statements.
- We will follow up on recommendations in the prior year Audit Findings Report. Please refer to Appendix B to view these.

- We will keep you informed of changes to the financial reporting requirements for 2018/19 through on-going discussions and invitations to our technical update workshops.
- As part of our opinion on your financial statements, we will consider whether your financial statements reflect the financial reporting changes in the 2018/19 CIPFA Code.

# Significant risks identified

Significant risks are defined by ISAs (UK) as risks that, in the judgement of the auditor, require special audit consideration. In identifying risks, audit teams consider the nature of the risk, the potential magnitude of misstatement, and its likelihood. Significant risks are those risks that have a higher risk of material misstatement.

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
<b>ISA240 revenue recognition risk</b>	Under ISA 240 (UK) there is a rebuttable presumed risk that revenue may be misstated due to the improper recognition of revenue. The presumption can be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud relating to revenue recognition.	<p>Having considered the risk factors set out in ISA 240 and the nature of the revenue streams at the Authority, we have determined that the risk of Fraud arising from revenue recognition can be rebutted, because:</p> <ul style="list-style-type: none"> <li>• there is little incentive to manipulate revenue recognition</li> <li>• opportunities to manipulate revenue recognition are very limited</li> <li>• the culture and ethical frameworks of local authorities, including Cheshire Fire and Rescue Authority, mean that all forms of fraud are seen as unacceptable.</li> </ul> <p>Therefore we do not consider this to be a significant risk for Cheshire Fire and Rescue Authority.</p>
<b>Management over-ride of controls</b>	<p>Under ISA 240 (UK) there is a non-rebuttable presumed risk that the risk of management override of controls is present in all entities. The Authority faces external scrutiny of its spending and this could potentially place management under undue pressure in terms of how they report performance.</p> <p>We therefore identified management override of control, in particular journals, management estimates and transactions outside the course of business as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	<p><b>We will:</b></p> <ul style="list-style-type: none"> <li>• evaluate the design effectiveness of management controls over journals</li> <li>• analyse the journals listing and determine the criteria for selecting high risk unusual journals</li> <li>• test unusual journals recorded during the year and after the draft accounts stage for appropriateness and review corroborating documents</li> <li>• gain an understanding of the accounting estimates and critical judgements applied made by management and consider their reasonableness with regard to corroborative evidence</li> <li>• evaluate the rationale for any changes in accounting policies, estimates or significant unusual transactions.</li> </ul>

# Significant risks identified

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
<b>Valuation of Property, Plant and Equipment</b>	<p>The Authority revalues its land and buildings on a five-yearly basis. In the intervening years, such as 2018/19, to ensure the carrying value in the Authority financial statements is not materially different from the current value or the fair value (for surplus assets) at the financial statements date, the Authority requests a desktop valuation from its valuation expert to ensure that there is no material difference. This valuation represents a significant estimate by management in the financial statements due to the size of the numbers involved and the sensitivity of this estimate to changes in key assumptions.</p> <p>We therefore identified valuation of land and buildings as a significant risk, which was one of the most significant assessed risks of material misstatement, and a key audit matter.</p>	<p>We will:</p> <ul style="list-style-type: none"><li>• evaluate management's processes and assumptions for the calculation of the estimate, the instructions issued to valuation experts and the scope of their work</li><li>• evaluate the competence, capabilities and objectivity of the valuation expert</li><li>• write to the valuer to confirm the basis on which the valuation was carried out to ensure that the requirements of the Code are met</li><li>• challenge the information and assumptions used by the valuer to assess completeness and consistency with our understanding</li><li>• test revaluations made during the year to see if they had been input correctly into the Authority's asset register</li></ul>

We will communicate significant findings on these areas as well as any other significant matters arising from the audit to you in our Audit Findings Report in [July 2019](#).

# Significant risks identified

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
Valuation of pension fund net liability	<p>The Local Government Pension Scheme (LGPS) pension net liability as reflected in the balance sheet, and asset and liability information disclosed in the notes to the accounts, represent a significant estimate in the financial statements.</p> <p>The Firefighters Pension schemes pension fund liability as reflected in the balance sheet and notes to the accounts represent significant estimates in the financial statements.</p> <p>These estimates by their nature are subject to significant estimation uncertainty being sensitive to small adjustments in the key assumptions used.</p> <p>We therefore identified valuation of the Authority's pension fund net liability as a significant risk, which was one of the most significant assessed risks of material misstatement, and a key audit matter.</p>	<p>We will:</p> <ul style="list-style-type: none"> <li>• update our understanding of the processes and controls put in place by management to ensure that the Authority's pension fund net liability is not materially misstated and evaluate the design of the associated controls</li> <li>• evaluate the instructions issued by management to their management expert (an actuary) for this estimate and the scope of the actuary's work</li> <li>• assess the competence, capabilities and objectivity of the actuary who carried out the Authority's pension fund valuation</li> <li>• assess the accuracy and completeness of the information provided by the Authority to the actuary to estimate the liability</li> <li>• test the consistency of the pension fund asset and liability and disclosures in the notes to the core financial statements with the actuarial report from the actuary</li> <li>• undertake procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as the auditor's expert) and performing any additional procedures suggested within the report and</li> <li>• obtain assurances from the auditor of Cheshire Pension Fund and the Firefighters Pension Fund as to the controls surrounding the validity and accuracy of membership data; contributions data and benefits data sent to the actuary by the pension fund and the fund assets valuation in the pension fund financial statements.</li> </ul>

We will communicate significant findings on these areas as well as any other significant matters arising from the audit to you in our Audit Findings Report in July 2019.

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# Other matters

## Other work

In addition to our responsibilities under the Code of Practice, we have a number of other audit responsibilities, as follows:

- We read your Narrative Report and Annual Governance Statement to check that they are consistent with the financial statements on which we give an opinion and consistent with our knowledge of the Authority.
- We carry out work to satisfy ourselves that disclosures made in your Annual Governance Statement are in line with the guidance issued by CIPFA.
- We carry out work on your consolidation schedules for the Whole of Government Accounts process in accordance with NAO group audit instructions.
- We consider our other duties under legislation and the Code, as and when required, including:
  - giving electors the opportunity to raise questions about your 2018/19 financial statements, consider and decide upon any objections received in relation to the 2018/19 financial statements
  - issue of a report in the public interest or written recommendations to the Authority under section 24 of the Act, copied to the Secretary of State
  - Application to the court for a declaration that an item of account is contrary to law under Section 28 or for a judicial review under Section 31 of the Act; or
  - Issuing an advisory notice under Section 29 of the Act.
- We certify completion of our audit.

## Other material balances and transactions

Under International Standards on Auditing, 'irrespective of the assessed risks of material misstatement, the auditor shall design and perform substantive procedures for each material class of transactions, account balance and disclosure'. All other material balances and transaction streams will therefore be audited. However, the procedures will not be as extensive as the procedures adopted for the risks identified in this report.

## Going concern

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

# Materiality

## The concept of materiality

The concept of materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to the monetary misstatements but also to disclosure requirements and adherence to acceptable accounting practice and applicable law. Misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

## Materiality for planning purposes

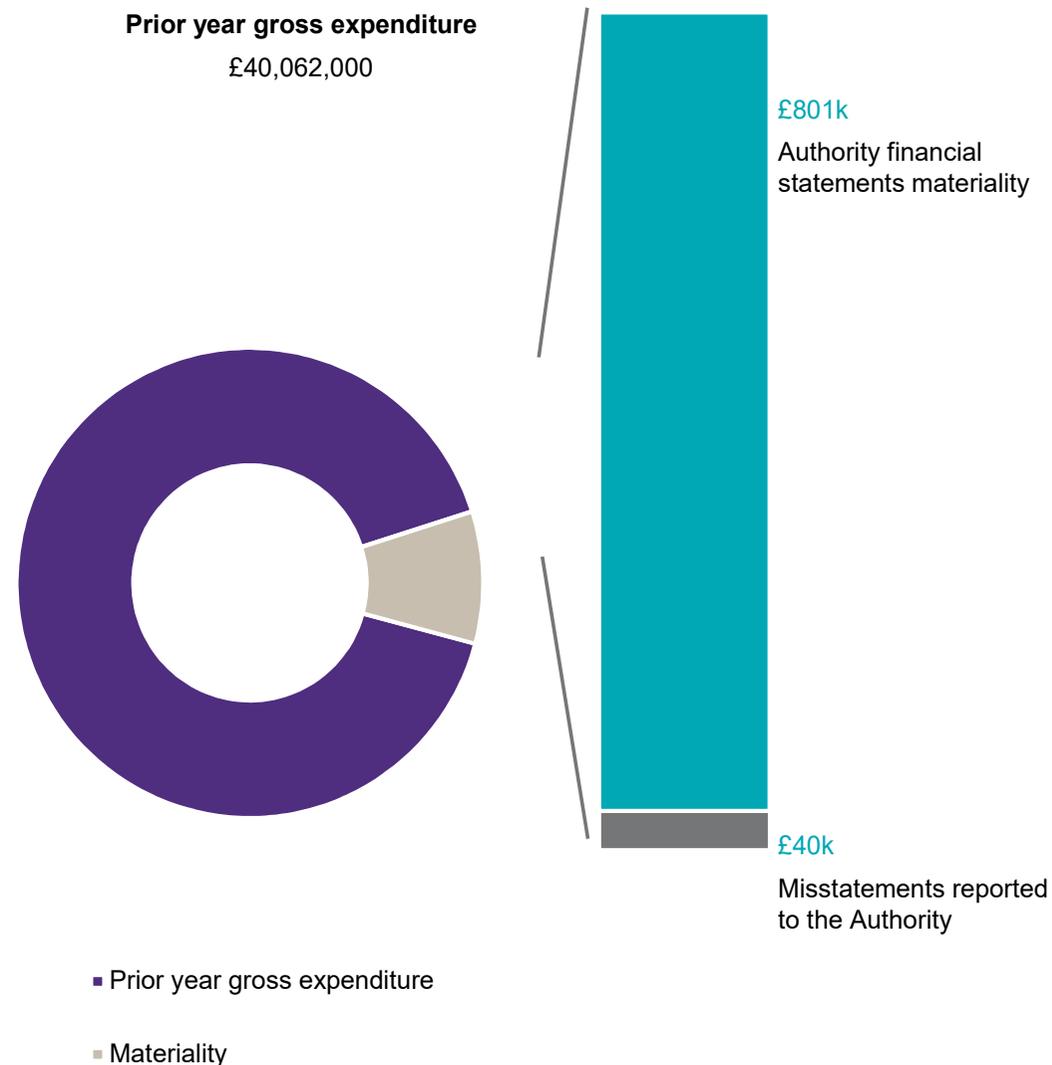
We have determined financial statement materiality based on a proportion of the gross expenditure of the Authority for the financial year. In the prior year we used the same benchmark. Materiality at the planning stage of our audit is £801k for the Authority, which equates to 2% of your prior year gross expenditure for the year. We design our procedures to detect errors in specific accounts at a lower level of precision which we have determined to be 2% of the reported figures for senior officers remuneration and related party transactions and £100k for Termination Benefits.

We may reconsider planning materiality if, during the course of our audit engagement, we become aware of facts and circumstances that would have caused us to make a different determination of planning materiality.

## Matters we will report to the Audit Committee

Whilst our audit procedures are designed to identify misstatements which are material to our opinion on the financial statements as a whole, we nevertheless report to the Audit Committee any unadjusted misstatements of lesser amounts to the extent that these are identified by our audit work. Under ISA 260 (UK) 'Communication with those charged with governance', we are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. ISA 260 (UK) defines 'clearly trivial' as matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria. In the context of the Authority, we propose that an individual difference could normally be considered to be clearly trivial if it is less than £40k.

If management have corrected material misstatements identified during the course of the audit, we will consider whether those corrections should be communicated to the Authority to assist it in fulfilling its governance responsibilities.



# Value for Money arrangements

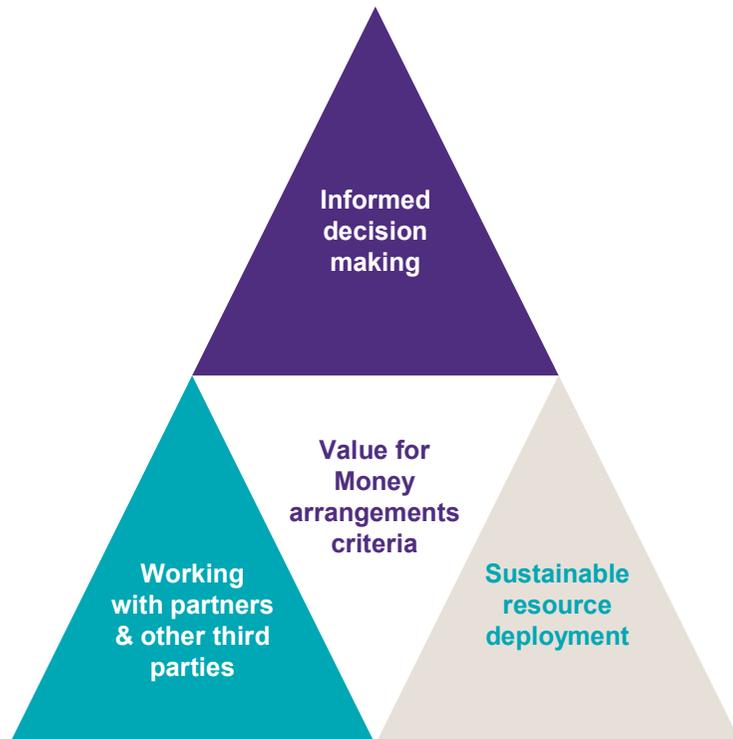
## Background to our VFM approach

The NAO issued its guidance for auditors on Value for Money work in November 2017. The guidance states that for Local Government bodies, auditors are required to give a conclusion on whether the Authority has proper arrangements in place to secure value for money.

The guidance identifies one single criterion for auditors to evaluate:

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

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



## Significant VFM risks

Those risks requiring audit consideration and procedures to address the likelihood that proper arrangements are not in place at the Authority to deliver value for money.



### Financial Sustainability

The Authority is operating against a backdrop of:

- Funding reductions
- Changes in legislative and policy requirements
- Changes to the regulatory bodies and frameworks

At the same time it is projected to maintain Council Tax rises below 3% and fund its capital programme from reserves. To achieve this the authority will need to continue to exercise financial discipline.

We will review the Authority's arrangements for budgeting and for monitoring and reporting financial performance

# Audit logistics, team & fees



## John Farrar, Engagement Lead

John has overall responsibility for the audit and the opinions, for ensuring the quality of our audit work and for ensuring we provide you with the best service possible.



## Gerard Small, Audit Manager

Gerard is responsible for the technical and logistical aspects of the audit. He will be the first point of contact for your Treasurer and the finance team.



## Stuart Richardson, Audit Incharge

Stuart will lead all the on-site work and manage day to day aspects of the engagement.

## Audit fees

The planned audit fees are £22,992 (PY: £29,860) for the financial statements audit completed under the Code, which are inline with the scale fee published by PSAA. In setting your fee, we have assumed that the scope of the audit, and the Authority and its activities, do not significantly change.

## Our requirements

To ensure the audit is delivered on time and to avoid any additional fees, we have detailed our expectations and requirements in the following section 'Early Close'. If the requirements detailed overleaf are not met, we reserve the right to postpone our audit visit and charge fees to reimburse us for any additional costs incurred.

# Early close

## Meeting the 31 July audit timeframe

In the prior year, the statutory date for publication of audited local government accounts was brought forward to 31 July, across the whole sector. This was a significant challenge for local authorities and auditors alike. For authorities, the time available to prepare the accounts was curtailed, while, as auditors we had a shorter period to complete our work and faced an even more significant peak in our workload than previously.

The Authority had planned well and achieved a close by the 31 July for the 2017/18 audit. As noted in Appendix B, the Annual Governance Statement was not available at the start of the Inspection Period as described in the Accounts and Audit Regulations 2015. The Authority is making arrangements to amend this for the current year.

We have carefully planned how we can make the best use of the resources available to us during the final accounts period. As well as increasing the overall level of resources available to deliver audits, we have focused on:

- bringing forward as much work as possible to interim audits
- starting work on final accounts audits as early as possible, by agreeing which authorities will have accounts prepared significantly before the end of May
- seeking further efficiencies in the way we carry out our audits
- working with you to agree detailed plans to make the audits run smoothly, including early agreement of audit dates, working paper and data requirements and early discussions on potentially contentious items.

We are satisfied that, if all these plans are implemented, we will be able to complete your audit and those of our other local government clients in sufficient time to meet the earlier deadline.

## Client responsibilities

Where individual clients do not deliver to the timetable agreed, we need to ensure that this does not impact on audit quality or absorb a disproportionate amount of time, thereby disadvantaging other clients. We will therefore conduct audits in line with the timetable set out in audit plans (as detailed on page 12). Where the elapsed time to complete an audit exceeds that agreed due to a client not meeting its obligations we will not be able to maintain a team on site. Similarly, where additional resources are needed to complete the audit due to a client not meeting their obligations we are not able to guarantee the delivery of the audit by the statutory deadline. Such audits are unlikely to be re-started until very close to, or after the statutory deadline. In addition, it is highly likely that these audits will incur additional audit fees.

## Our requirements

To minimise the risk of a delayed audit or additional audit fees being incurred, you need to ensure that you:

- produce draft financial statements of good quality by the deadline you have agreed with us, including all notes, the narrative report and the Annual Governance Statement
- ensure that good quality working papers are available at the start of the audit, in accordance with the working paper requirements schedule that we have shared with you
- ensure that the agreed data reports are available to us at the start of the audit and are reconciled to the values in the accounts, in order to facilitate our selection of samples
- ensure that all appropriate staff are available on site throughout (or as otherwise agreed) the planned period of the audit
- respond promptly and adequately to audit queries.

In return, we will ensure that:

- the audit runs smoothly with the minimum disruption to your staff
- you are kept informed of progress through the use of an issues tracker and weekly meetings during the audit
- we are available to discuss issues with you prior to and during your preparation of the financial statements.

---

# Independence & non-audit services

## **Auditor independence**

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

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements.

We confirm that we have implemented policies and procedures to meet the requirements of the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements. Further, we have complied with the requirements of the National Audit Office's Auditor Guidance Note 01 issued in December 2017 [and PSAA's Terms of Appointment] which set out supplementary guidance on ethical requirements for auditors of local public bodies

## **Other services provided by Grant Thornton**

For the purposes of our audit we have made enquiries of all Grant Thornton UK LLP teams providing services to the Authority. No other non-audit services were identified

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# Appendices

A. Audit Approach

B. Recommendations raised in the Prior Year Audit Findings Report

# A. Audit approach

## Use of audit, data interrogation and analytics software

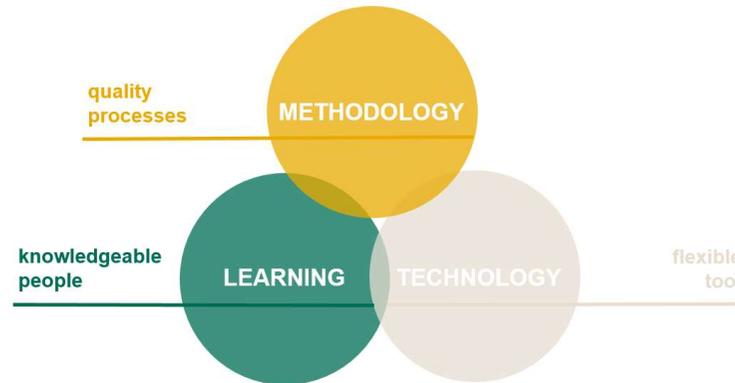
### LEAP



#### Audit software

- A globally developed ISA-aligned methodology and software tool that aims to re-engineer our audit approach to fundamentally improve quality and efficiency
- LEAP empowers our engagement teams to deliver even higher quality audits, enables our teams to perform cost effective audits which are scalable to any client, enhances the work experience for our people and develops further insights into our clients' businesses
- A cloud-based industry-leading audit tool developed in partnership with Microsoft

Page 57



### Info



Cloud based software which uses data analytics to identify trends and high risk transactions, generating insights to focus audit work and share with clients.



#### REQUEST & SHARE

- Communicate & transfer documents securely
- Extract data directly from client systems
- Work flow assignment & progress monitoring



#### ASSESS & SCOPE

- Compare balances & visualise trends
- Understand trends and perform more granular risk assessment



#### VERIFY & REVIEW

- Automate sampling requests
- Download automated work papers



#### INTERROGATE & EVALUATE

- Analyse 100% of transactions quickly & easily
- Identify high risk transactions for investigation & testing
- Provide client reports & relevant benchmarking KPIs



#### FOCUS & ASSURE

- Visualise relationships impacting core business cycles
- Analyse 100% of transactions to focus audit on unusual items
- Combine business process analytics with related testing to provide greater audit and process assurance



#### INSIGHTS

- Detailed visualisations to add value to meetings and reports
- Demonstrates own performance and benchmark comparisons

### IDEA



- We use one of the world's leading data interrogation software tools, called 'IDEA' which integrates the latest data analytics techniques into our audit approach
- We have used IDEA since its inception in the 1980's and we were part of the original development team. We still have heavy involvement in both its development and delivery which is further enforced through our chairmanship of the UK IDEA User Group
- In addition to IDEA, we also other tools like ACL and Microsoft SQL server
- Analysing large volumes of data very quickly and easily enables us to identify exceptions which potentially highlight business controls that are not operating effectively

### Appian



#### Business process management

- Clear timeline for account review:
  - disclosure dealing
  - analytical review
- Simple version control
- Allow content team to identify potential risk areas for auditors to focus on

## B. Recommendations raised in the Prior Year Audit Findings Report

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



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## CHESHIRE FIRE AUTHORITY

**MEETING OF:** CHESHIRE FIRE AUTHORITY  
**DATE:** 24 APRIL 2019  
**REPORT OF:** DIRECTOR OF GOVERNANCE AND COMMISSIONING  
**AUTHOR:** LOUISE WILLIS/CHRIS ASTALL

---

**SUBJECT:** INTERNAL AUDIT PLAN 2019-20

---

### Purpose of Report

1. To seek approval for the Authority's Internal Audit Plan 2019-20 (the Plan).
2. The Plan (attached to the report as Appendix 1) has been prepared by Mersey Internal Audit Agency (MIAA), the supplier of internal audit services to the Authority. A representative of MIAA will attend the meeting to present the Plan to Members.

### Recommended: That Members

[1] Members approve the Internal Audit Plan for 2019-20.

### Background

3. Under the United Kingdom Public Sector Internal Audit Standards (PSIAS), the Authority is required to implement an annual risk-based internal audit plan from which an annual assurance opinion can be derived. The internal audit activity must evaluate and contribute to the improvement of governance, risk management and control environment using a systematic and disciplined approach, focusing on:
  - Achievement of the organisation's strategic objectives;
  - Reliability and integrity of financial and operational information;
  - Effectiveness and efficiency of operations and programmes;
  - Safeguarding of assets
  - Compliance with laws, regulations, policies, procedures and contracts
4. The Authority's internal audit function is outsourced and the current provider is Mersey Internal Audit Agency (MIAA). The plan has been developed with senior officers after considering the Authority's risk profiles and appetite.

### Information

5. The new contract for Internal Audit Services was awarded to MIAA and is based on 70 days per annum. The Plan therefore shows how these days are allocated across the strategic risks identified.

6. Findings from internal audits are used by management to take action where control weaknesses are identified and also to provide the evidence upon which MIAA base a professional opinion about the effectiveness of the Authority's governance, risk management and control arrangements.
7. Progress against the Plan will be monitored by the Performance and Overview Committee (P&O) as part of the Service's quarterly performance reporting cycle and any specific issues identified during the year may be escalated by P&O to the Fire Authority. Implementation of recommendations is also monitored and tracked by senior officers on the Cheshire Planning System, and any critical weaknesses identified are escalated to the Risk Management Board.

### **Financial Implications**

8. Internal audit is an outsourced service funded from base budget. Any additional financial implications arising from internal audit recommendations are assessed individually as part of the management response to final audit reports.

### **Legal Implications**

9. Legal implications are considered when audit reports are presented to senior managers.

### **Equality and Diversity Implications**

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

### **Environmental Implications**

11. There are no specific impacts on the environment arising from this report.

**CONTACT: DONNA LINTON, FIRE SERVICE HQ, WINSFORD  
TEL [01606] 868804**

**BACKGROUND PAPERS: INFORMATION PROVIDED BY MERSEY INTERNAL  
AUDIT AGENCY (MIAA)**

**APPENDIX 1 – INTERNAL AUDIT PLAN 2019-20**

# DRAFT Internal Audit Plan: 2019/20

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Cheshire Fire Authority / Fire & Rescue Service

# Executive Summary

## **Your Risk Assessment**

A strong risk assessment underpins the Internal Audit Plan. We have clearly set out the risks which have been prioritised within the audit plan and those which are not.

## **Your Internal Audit Plan**

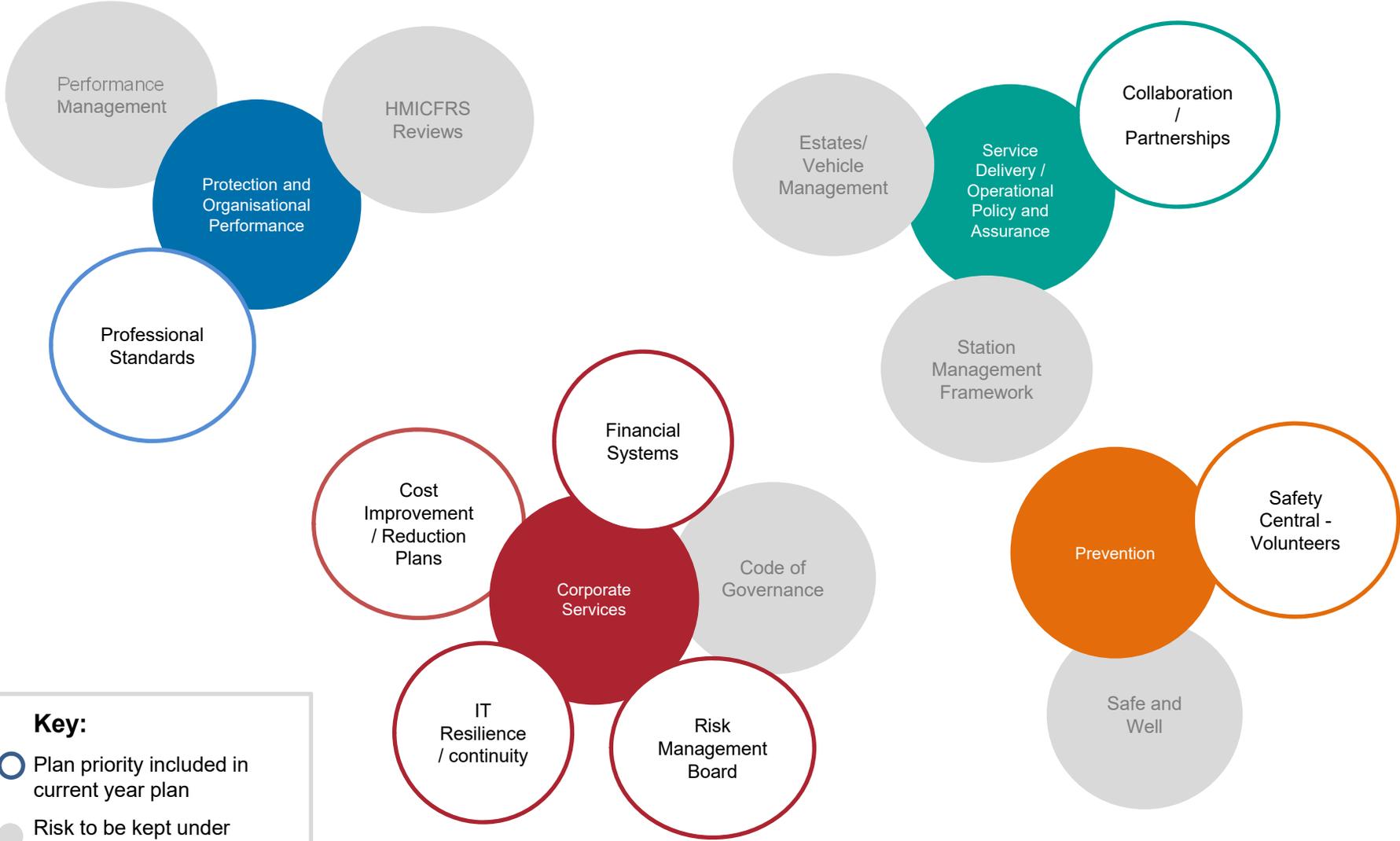
Your internal audit plan includes core assurances, national and local risk areas, strategic risks from your Integrated Risk Management Plan and management requests. Your fees for 2019/20 are £22,700.

## **Your Team**

Your team will be led by Steve Connor, Engagement Lead and Anne-marie Harrop, Engagement Manager. We can confirm sufficient resources, including specialist expertise have been established to delivery your plan.

# 2. Your risk assessment

Your Proposed Internal Audit Plan is built from your strategic risk assessment. We have highlighted below the reviews prioritised within your internal audit plan for 2019/20 included in the current year plan, the remaining areas will be kept under review.



**Key:**

- Plan priority included in current year plan
- Risk to be kept under review

# 3. Your internal audit plan

## Planning Approach

- Risk Assessment of the external environment, system and organisation (including the Integrated Risk Management Plan).
- Engagement of Service Management Team to influence the plan.
- Use of MIAA’s client risk database to inform planning.
- Coverage of Critical Business Systems to support organisation’s objectives through the strategic internal audit plan.
- Provision of sufficient resources and expertise.
- Compliance with Public Sector Internal Audit Standards.

## Your Plan

### Protection and Organisational Performance

The Fire and Rescue National Framework introduced the development of new Professional standards for Fire and Rescue Authorities. We will work with the service to independently assure this process.

### Corporate Services

To provide assurance on the procedures and controls relating to Core Financial Systems. In recognition of the challenging financial environment we will review the effectiveness of Cost Improvement Plans to meet the MTFP.

### Service Delivery / Operational Policy and Assurance

Assurance on Collaboration and Partnership arrangements – on a rolling programme basis we will review the effectiveness of systems to govern and performance manage collaboration arrangements, to assure value for money and positive outcomes for Cheshire .

### Prevention

Assurance in respect of the arrangement to manage Volunteers both within Safety Central and the wider service.

### Follow up and Contingency

Follow Up, Contingency

## Outcomes

Head of Internal Audit Opinion to inform the AGS

Assignment assurance levels

The use of data analytics in a range of ways in how we gather, analyse and present data.

Insight driven dynamic reporting through tools such as heat maps and infographics.

Recommendations, advice, and guidance to enhance the control environment

Insights through briefings.

### 3. Your internal audit plan

Review	Frequency	Rationale/ Risk Register	Planned Delivery	Days	Lead
Combined Financial Systems – Key controls	Annual	IRMP/ Risk Assessment	Q3	10 Days	Treasurer / Head of Finance
Cost Improvement/ Reduction Plans	Ad Hoc	IRMP/ Risk Assessment	Q2	8 Days	Treasurer / Head of Finance
Risk Management Board	Annual	Risk Assessment	Q1 – Q4	2 Days	Director of Governance & Commissioning
Collaboration / Partnerships	Rolling Programme	IRMP/ Strategic Risk Register	Q1	10 Days	Director of Governance & Commissioning
IT resilience/Continuity	Ad hoc	IRMP/Fire & Rescue National Framework	Q2	10 Days	Director of Governance & Commissioning
Professional Standards	Annual	IRMP/Fire & Rescue National Framework	Q3/4	10 Days	Head of Protection and Organisational Performance/ Director of Governance & Commissioning
Safety Central - Volunteers Review	Ad Hoc	IRMP/ Risk Assessment	Q1	10 Days	Head of Prevention
Follow Up	Annual	Public Sector Internal Audit Standards Requirement	Q1 – Q4	3 Days	Head of Information and Technology
Audit Planning and Management	Ongoing	Public Sector Internal Audit Standards Requirement	Q1 – Q4	6 Days	Director of Governance & Commissioning
<b>Total Plan</b>				<b>70 Days</b>	

*The Internal Audit Risk assessment and plan will be reviewed on an ongoing basis throughout the year and any requests for change discussed and approved via the Audit Committee. A formal 6 month review of the plan will also take place.*

## 4. Your team

Your team is led by a designated engagement lead and engagement manager, who will bring together a highly qualified team and range of specialists to deliver your internal audit plan.



**Steve Connor**  
*Engagement Lead*

Bringing strategic oversight and insights to you

 07768 131 785

 [steve.connor@miaa.nhs.uk](mailto:steve.connor@miaa.nhs.uk)



**Anne-marie Harrop**  
*Engagement Manager*

Providing operational management and delivery of your service

 07920 150313

 [Anne-marie.harrop@miaa.nhs.uk](mailto:Anne-marie.harrop@miaa.nhs.uk)

# Appendix A 3 Year Strategic Audit Plan

Your 3 year strategic audit plan is set out below.

2019/20	2020/21	2021/22
<ul style="list-style-type: none"><li>• Financial Systems - Key Controls</li><li>• Cost Improvement Plan</li><li>• Collaboration / Partnerships - Rolling Programme</li><li>• IT Resilience</li><li>• Professional Standards</li><li>• Safety Central - Volunteers</li></ul>	<ul style="list-style-type: none"><li>• Financial Systems - Key controls</li><li>• Collaboration / Partnerships - Rolling programme</li><li>• Commercial Activities</li><li>• People Strategy</li><li>• Estates Management</li><li>• Professional Standards</li></ul>	<ul style="list-style-type: none"><li>• Financial Systems</li><li>• Collaboration / Partnerships - Rolling Programme</li><li>• Professional Standards</li><li>• Procurement</li><li>• Cyber Security</li><li>• Safeguarding</li></ul>

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## CHESHIRE FIRE AUTHORITY

**MEETING OF:** CHESHIRE FIRE AUTHORITY  
**DATE:** 24 APRIL 2019  
**REPORT OF:** DIRECTOR OF GOVERNANCE AND COMMISSIONING  
**AUTHOR:** PETER HAYES

---

**SUBJECT:** SERVICE HOUSING STOCK

---

### Purpose of Report

1. To provide an update on the development of a programme which will see the refurbishment of the houses owned by the Fire Authority.
2. To secure approval to sell five houses with a view to the sale proceeds being released to cover the costs of the refurbishment works.

### Recommended: That Members;

- [1] note the report;
- [2] authorise the Director of Governance and Commissioning to arrange the sale of five of the Service houses.

### Background

3. The Fire Authority owns fifty-four houses in five locations (Congleton, Knutsford, Northwich, Stockton Heath and Winsford). All of the houses were originally used by staff operating the day crewing duty system. Knutsford and Stockton Heath fire stations now operate the on-call duty system.
4. Staff occupying the day crewed houses pay a subsidised rent. Other staff pay a higher rent. Overall, the maintenance of the houses costs more than the rental income. The condition of the houses has deteriorated. Their upkeep has, due to budget constraints, been quite piecemeal.
5. A report in very similar terms to this one was considered by the Estates and Property Committee on 28<sup>th</sup> March 2019. The Committee endorsed the sale of five houses.

### Information

6. Officers have prepared an outline plan associated with creating a refurbishment programme for the houses. It includes the following activities:
  - Confirmation of Service need
  - Description of the Service's standard
  - Establishment of a budget requirement
  - Delivery of an end to end process for licences

- A refreshed and reinvigorated property management process
  - Preparation of a new licence agreement
  - Sale of surplus houses on the open market to secure funds
7. A number of the officers that will deliver the programme have been fully committed to other activities and it is likely that the work described above will need additional resources.
  8. In the meantime, Service Delivery has carried out an assessment of Service need. There is a requirement for ten houses at each of the locations where the day crewed duty system operates (Congleton, Northwich and Winsford). The houses in the other locations offer a significant incentive to those considering a role as an on-call firefighter. The key at those locations (Knutsford and Stockton Heath) is whether the houses deliver a value by helping to secure and maintain on-call cover.
  9. Service Delivery has agreed that five houses are surplus to requirements. These include two in Congleton, two in Knutsford and one in Northwich. The sales will take time to achieve, but will be an important step in delivering the programme.
  10. The programme will need to be delivered with some sensitivity. Some occupiers will need to relocate either to allow sales to take place, or because some refurbishments will need to be completed with the houses vacant. The Head of Service Delivery will ensure that occupiers are kept informed.

### **Financial Implications**

11. There is no specific budget associated with maintenance of the houses. Given that there appears to be a considerable amount of work required to bring them up to standard, the sale of surplus houses is a logical step. The sale proceeds will provide a capital receipt that could be used to fund the capital expenditure associated with a refurbishment programme.

### **Legal Implications**

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

### **Equality and Diversity Implications**

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

### **Environmental Implications**

14. There are no direct environmental implications arising from this report. However, some refurbishment works will positively impact the environment as improved glazing, insulation and heating will be involved.

**CONTACT: DONNA LINTON, CLEMONDS HEY, WINSFORD**  
**TEL [01606] 868804**  
**BACKGROUND PAPERS: NONE**

## CHESHIRE FIRE AUTHORITY

**MEETING OF:** CHESHIRE FIRE AUTHORITY  
**DATE:** 24 APRIL 2019  
**REPORT OF:** DIRECTOR OF GOVERNANCE AND COMMISSIONING  
**AUTHOR:** ANDREW LEADBETTER

---

**SUBJECT:** JOINT USE OF BIRCHWOOD FIRE STATION BY  
CHESHIRE CONSTABULARY

---

### Purpose of Report

1. To obtain approval to the grant of a lease of part of Birchwood Fire Station to the Police and Crime Commissioner for Cheshire (PCC).

### Recommended: That Members;

- [1] Agree to the grant of a lease of part of Birchwood Fire Station to the Police and Crime Commissioner for Cheshire with the final terms and conditions to be finalised by the Director of Governance and Commissioning.

### Background

2. The rationalisation of the respective estates of the Fire Authority and the PCC is part of the Blue Light Collaboration Programme. Members will recall that the Authority agreed some Estates Sharing Principles in September 2018 and at the same meeting committed funds to establish the feasibility of creating a new joint fire and police facility on the Crewe Fire Station site. At its last meeting the Fire Authority agreed to grant a lease of part of Frodsham Fire Station to the PCC.

### Information

3. The Police Station at Risley is under-utilised, but a police presence needs to be maintained in the Risley/Birchwood area of Warrington. The Police Station and Birchwood Fire Station are about 0.3 miles apart and the fire station was an obvious option for joint use as there was some capacity and Cheshire Constabulary's requirements were relatively insignificant. Following public consultation the PCC has confirmed that he wishes to move the police base from Risley Police Station to Birchwood Fire Station.
4. The joint use at Frodsham Fire Station has been ongoing for some time now. Despite some initial challenges the arrangement is now working well. The working practices adopted at Frodsham would be applied at Birchwood.

5. The terms of a lease to the PCC would be similar to those for Frodsham. The table below provides an outline.

Legal Basis	Lease contracted out of the security afforded by the Landlord and Tenant Act 1954
Area	Exclusive occupation of the rooms shown on the plan attached as Appendix 1 to this report and shared use of communal areas, e.g. corridors, kitchen, toilets. Parking spaces would also be allocated.
Term	20 years with breaks allowed at 5, 10 and 15 years
Permitted Use	Office associated with the activities of Cheshire Constabulary, specifically excluding any custodial use
Payment	PCC to pay a sum based on the proportion of the Fire Station that the Area represents together with a sum towards the communal areas, i.e. a payment towards rates and services; maintenance and cleaning; and annual lifecycle costs. The sum has been calculated at just over £7.5k per annum
Standard Terms	Usual provisions will be included that are intended to protect both parties. For example:  Fire Authority: promises not to interfere with or obstruct Permitted Use  PCC: promises not to cause nuisance, make alterations, interfere with or obstruct fire and rescue services etc.

## Financial Implications

6. The Authority will receive sufficient funds from the PCC to cover the costs of the occupation of the fire station by Cheshire Constabulary.

## Legal Implications

7. Creating a legal interest in a fire station could restrict what can be done with the building in the future. However, the lease will include provisions that allow the arrangement to be brought to an end at specific times and the normal security of the Landlord and Tenant Act 1954 will be excluded so that the PCC will not have an automatic right to a new lease at the end of the Term.

## **Equality and Diversity Implications**

8. It may be necessary to review the current facilities at the fire station to ensure that they are appropriate for the regular users of the building.

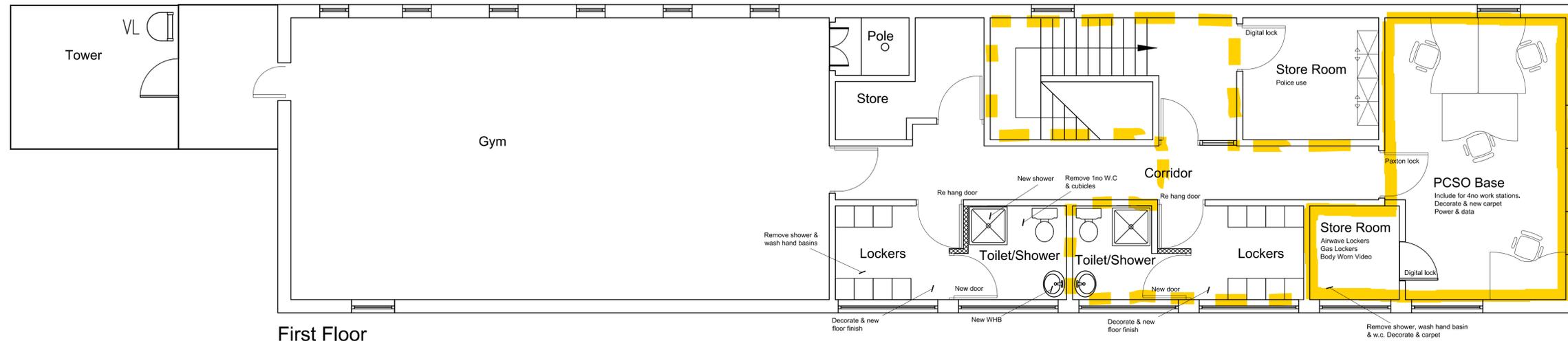
## **Environmental Implications**

9. The modernisation programme should consider any environmental impact and improvements that are needed associated with the change in the use of the site and intensification of activity on it.

**CONTACT: DONNA LINTON, DEMOCRATIC SERVICES, CLEMONDS HEY,  
WINSFORD  
TEL [01606] 868804  
BACKGROUND PAPERS: NONE**

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REV	DATE	BY	CHKD	APPD



First Floor  
Scale 1/50

NOTES

**DO NOT SCALE - WORK ONLY TO FIGURED DIMENSIONS**

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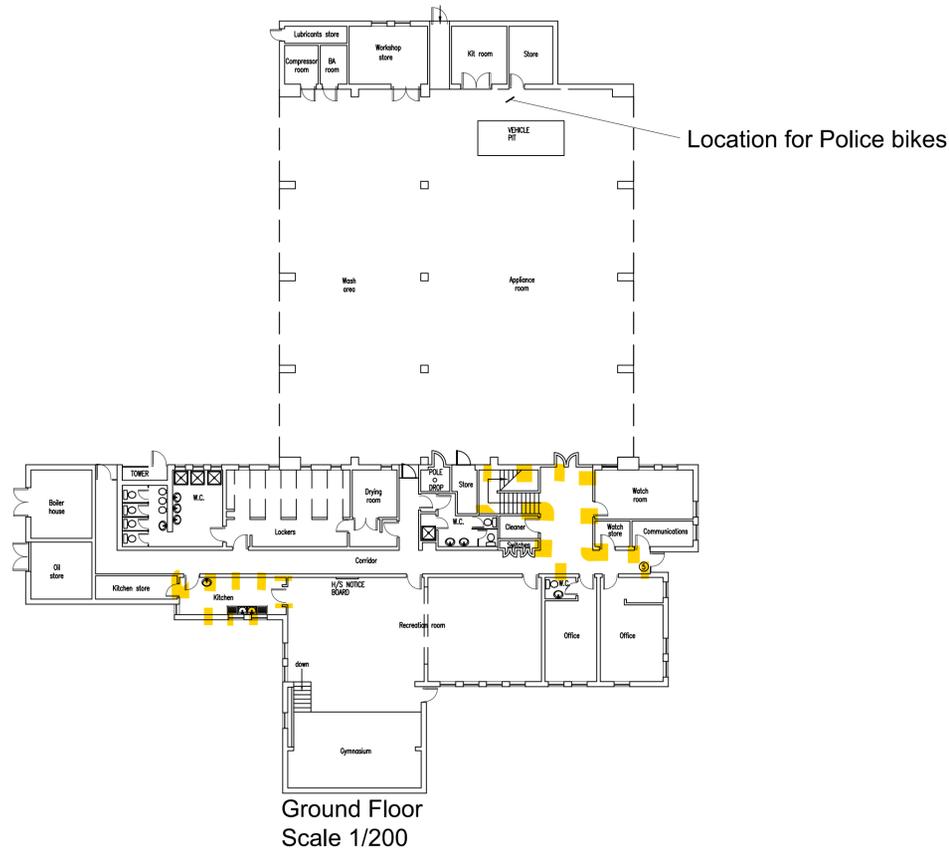
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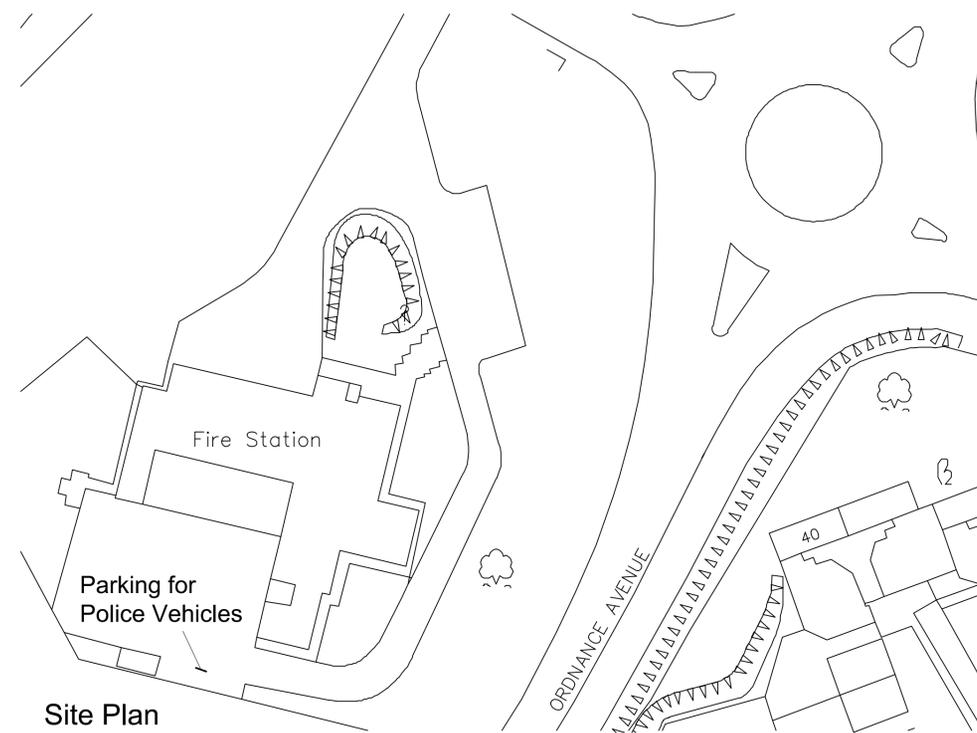
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Ground Floor  
Scale 1/200



Site Plan

- CLIENT  
Birchwood Fire Station
- PROJECT  
PCSO Base
- TITLE  
As Proposed

DATE	28/07/16	DRAWN BY	
SCALE	1/50 & 1/200	PRODUCED BY	
CAD REF		CHECKED	
		APPROVED	



Cheshire Constabulary

Estates Management Business Services Support Cheshire Constabulary  
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