



**Wednesday,
28 June 2023
10.30 am**

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

Contact Officer:
Donna Linton
Democratic Services

Cheshire Fire and Rescue Service, Clemonds Hey, Winsford, Cheshire, CW7 2UA

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Cheshire Fire Authority

Notes for Members of the Public

Attendance at Meetings

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

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

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

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.

Access to Information

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

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

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

Recording of Meetings

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Fire Evacuation

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MEETING OF THE CHESHIRE FIRE AUTHORITY

WEDNESDAY, 28 JUNE 2023

Time : 10.30 am

Lecture Theatre - Training Centre, Sadler Road, Winsford, Cheshire CW7 2FQ

AGENDA

PART 1 - BUSINESS TO BE DISCUSSED IN PUBLIC

1 PROCEDURAL MATTERS

1A Recording of Meeting

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

1B Fire Authority Membership 2023-24

The following Member have been appointed to the Fire Authority by the respective constituent authorities:-

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

Labour

Cllr Marilyn Houston
Cllr Nick Mannion
Cllr Laura Smith

Conservative

Cllr Rachel Bailey
Cllr David Brown
Cllr Peter Coan
Cllr Margaret Simon

Independent

Cllr John Bird
Cllr Rob Moreton

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

Labour

Cllr Steve Collings
Cllr Felicity Davies
Cllr Gina Lewis
Cllr Peter Wheeler

Conservative

Cllr Razia Daniels
Cllr Stuart Parker
Cllr Norman Wright

Appointed by Halton Borough Council (3 Lab)

Labour

Cllr Phil Harris
Cllr Stef Nelson
Cllr Rob Polhill

Appointed by Warrington Borough Council (2 Lab, 1 Con, 1 Lib Dem)

Labour

Cllr Karen Mundry
Cllr Brian Gallagher

Conservative

Cllr Kath Buckley

Liberal Democrat

Cllr Peter Walker

1C Apologies for Absence

1D Election of Chair

Members will be invited to elect a Chair of the Authority, to serve until the Annual Meeting in 2024.

1E Election of Deputy Chair

Members will be invited to elect a Deputy Chair of the Authority to serve until the Annual Meeting in 2024.

Note: The Chair and Deputy Chair must be from different constituent authorities.

1F Appointment of Group Spokespersons

A political group may appoint a Group Spokesperson. The respective names will be confirmed at the meeting.

1G Appointment of Lead Members

Each constituent authority is invited to appoint a Lead Member.

Note: Should the Chair and/or Deputy Chair wish to act as a Lead Member for their respective constituent authority they would automatically take the role.

1H Chair's Announcements

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

1I Declaration of Members' Interests

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

1J 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.

1K Minutes of the Fire Authority

To confirm as a correct record the minutes of the Fire Authority Meeting held on 26th April 2023.

(Pages 7 - 12)

1L 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 21st April 2023.

(Pages 13 - 14)

1M Grant of Dispensation to New Members (Pages 15 - 18)
Members are asked to consider the attached report.

1N Appointments of Committees etc., Outside Bodies and Member Roles 2023-24 (Pages 19 - 60)
Members are asked to consider the attached report and appoint Committees etc., Outside Bodies and Member Champion Roles for 2023-24. The Director of Governance sets out the requirements for these appointments in the attached report and appendices.

1O Programme of Member Meetings 2023-24 (Pages 61 - 62)
This had previously been approved by the Fire Authority in December 2022 and since then some minor changes to meeting dates have taken place.

Members are asked to note the Programme.

1P Constitution
Members are asked to adopt the Constitution which contains the following sections:-

Section 1, Cheshire Fire Authority; Section 2, Key Documents; Section 3, Members' Decision Making Bodies; Section 4, Procedural Matters; Section 5, Outside Bodies; Section 6, Members' Roles; Section 7, Protocols; Section 8, Members' Code of Conduct; Section 9, Members' Allowances Scheme; Section 10, Financial Regulations; and Section 11, Scheme of Delegation

A copy of the Constitution can be accessed on the Cheshire Fire and Rescue Service website:-

[Constitution 2023](#)

The Constitution requires some updating and will be reviewed by the Governance and Constitution Committee during the 2023-24 Municipal Year.

In the meantime, Members are asked to agree changes to the officer responsibilities that are contained in the existing Scheme of Delegation (Power of Officers).

Recommended: That Members agree that:

- [1] The Deputy Chief Fire Officer will become the Senior Information Risk Owner (with the Director of Governance deputising for the Senior Information Risk Owner).
- [2] The Head of People and Organisational Development (in place of the Director of Transformation) be responsible for the following:-

- a) Leading, developing, implementing and reviewing strategies, policies and procedures relating to human resources and workforce transformation;
- b) Ensuring that individual and organisational development needs are established and met as far as reasonably practicable;
- c) Securing and managing payroll, pension and occupational health requirements;
- d) Maintaining a suitable policy and effective procedures intended to secure appropriate checks on potential (and current) employees and volunteers (e.g. DBS);
- e) Fulfilling the role of lead officer for dignity at work issues;
- f) Managing and chairing the JCNP and leading on trade union relations;
- g) Acting as panel member in consideration and determination of applications for voluntary redundancy;
- h) Fulfilling the role of Scheme Manager responsible for the management and administration of the firefighters' pension schemes;
- i) Leading upon, developing, implementing and reviewing the Service's equality policies and procedures.

ITEMS REQUIRING DISCUSSION / DECISION

2	Finance Report End of Year 2022-23	(Pages 63 - 70)
3	Treasury Management Annual Report 2022-23	(Pages 71 - 78)
4	Exclusion of Press and Public	(Pages 79 - 80)

PART 2 - BUSINESS TO BE DISCUSSED IN PRIVATE

5	Blue Light Collaboration	(Pages 81 - 128)
6	Fire Station Modernisation Programme - Year Three	(Pages 129 - 136)



MINUTES OF THE MEETING OF THE CHESHIRE FIRE AUTHORITY held on Wednesday, 26 April 2023 at Lecture Theatre - Training Centre, Sadler Road, Winsford, Cheshire CW7 2FQ at 10.30 am

PRESENT: Councillors Bob Rudd (Chair), Rachel Bailey, Michael Beanland, David Brown, Kath Buckley, Brian Gallagher, Phil Harris, Marilyn Houston, Nick Mannion, Rob Moreton, Karen Mundry, Stef Nelson, James Nicholas, Rob Polhill, Peter Wheeler and Norman 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 Razia Daniels, Gina Lewis Denis Murphy, Nathan Pardoe, Stuart Parker, Jonathan Parry and Peter Walker.

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.

The Chair advised that firefighter Ken Wong had sadly passed away on Tuesday 18th April 2023 at the age of 44. Ken joined Green Watch at Crewe Fire Station in 2018 after serving with West Midlands Fire and Rescue Service and Warwickshire Fire and Rescue Service. Crewe was his hometown, and he was very proud to serve for Cheshire. He leaves his wife Gretta and sons Louie and Leo. Ken was an excellent firefighter, a popular colleague and a much-loved friend. A minute's silence was observed at the meeting.

The Chair reported that he had the pleasure of announcing the appointment of the Deputy Chief Fire Officer, Lee Shears and Assistant Chief Fire Officer, Neil Griffiths following a formal interview and presentation to Members of the Authority's Staffing Committee on 21st April 2023. Lee and Neil were congratulated.

D Declaration of Members' Interests

There were no declarations of Members' interests.

E Questions from Members of the Public

There were no questions submitted.

F Minutes of Fire Authority

RESOLVED:

That the minutes of the Fire Authority meeting held on 15th February 2023 be approved as a correct record.

G Minutes of Performance and Overview Committee

RESOLVED: That

[1] the minutes of the Performance and Overview Committee held on 1st March 2023 be noted.

H Minutes of Brigade Managers' Pay and Performance Committee

RESOLVED:

That the minutes of the Brigade Manager's Pay and Performance Committee held on 22nd March 2023 be noted.

I Minutes of Audit Committee

RESOLVED:

That the minutes of the Audit Committee held on 19th April 2023 be noted.

J Minutes of Governance and Constitution Committee

RESOLVED:

[1] That the minutes of the Governance and Constitution Committee held on 19th April 2023 be noted;

[2] That the current Member Champion arrangements for 2022-23 be carried forward into 2023-24, with a requirement for Member Champions to provide an update to Members about the work associated with the role; and

[3] That the Members' Code of Conduct be amended to acknowledge the fact that the Fire Authority now has a co-opted member on one of its committees.

K Notes of the Risk Management Board

RESOLVED:

That the notes of the Risk Management Board held on 14th March 2023 be noted.

L Notes of the Local Pension Board - Firefighters Pension Scheme

RESOLVED:

That the notes of the Local Pension Board – Firefighters Pension Scheme held on 29th March 2023 be noted.

M Notes of the Member Training and Development Group

RESOLVED:

That the notes of the Member Training and Development Group held on 4th April 2023 be noted.

2 EXTERNAL AUDIT PLAN 2022-23

The Audit Manager, Liz Luddington, from Grant Thornton presented the report which allowed Members to consider the External Audit Plan for 2022-23 and risks to be considered as part of the audit. Members were advised that the External Audit Plan for 2022-23 was considered by the Audit Committee on 19th April 2023.

The Audit Manager confirmed the fee and stated that the slight increase was due to new auditing standards requiring additional procedures to be included within the audit. The additional procedures included the ISO135 on financial systems and ISO240 for enhanced and direct enquiries with those charged with governance.

RESOLVED: That

[1] the External Audit Plan for 2022-23 be approved; and

[2] it be confirmed that the processes and controls, including judgements and assumptions in determining key accounting estimates, as set out by management in the document ‘Informing the audit risk assessment for Cheshire Fire & Rescue Service 2022-23’ are consistent with Members’ understanding and are considered appropriate.

3 INTERNAL AUDIT PLAN 2023-24

The Internal Auditor, Anne-Marie Harrop, from Mersey Internal Audit Agency (MIAA) presented the Internal Audit Plan for 2023-24. Members were advised that the draft Internal Audit Plan for 2023-24 was considered by the Audit Committee on 19th April

2023.

Members were advised that the findings from internal audits were used by management to take action where control weaknesses were 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. Progress against the Plan would be monitored during 2023-24 by the Audit Committee.

Members were concerned that membership of the Audit Committee could alter as a result of change to the Fire Authority due to the local elections that were taking place next month. They were given some reassurance: members of the Audit Committee would be trained; and there would be no provision for substitutes.

RESOLVED: That

[1] the Internal Audit Plan for 2023-24 be approved.

4 STATEMENT OF ASSURANCE 2022-23

The Director of Governance introduced the report that sought approval of the Statement of Assurance 2022-23, as required in the Fire and Rescue National Framework. The Statement had been prepared in accordance with national guidance and included sections on financial assurance, governance and operational assurance.

RESOLVED: That

[1] the Statement of Assurance 2022-23 be approved.

5 REVIEW OF MEMBER TRAINING AND DEVELOPMENT 2022-23 AND MEMBER DEVELOPMENT PROGRAMME 2023-24

The Director of Governance presented a report that contained a review of the member development activities over the last year and included a summary of the delivery of the Member Development Programme.

The report also presented the proposed Member Training and Development Programme for 2023-24 for approval.

Councillor Karen Mundry, on behalf of the Chair of the Member Training and Development Group thanked all Members of the Fire Authority for their attendance and contributions to the Authority's Member Development Programme throughout the year and encouraged all Members to attend the training and development sessions planned for 2023-24.

Members were satisfied with the training and development received by the Service and suggested that the Service should explore seeking an award in recognition of the training and development activities that are provided.

RESOLVED: That

- [1] the Member Development activities for 2022-23 be noted; and**
- [2] the Member Development Programme for 2023-24 be approved.**

6 RESPONSIBILITIES OF AUDIT COMMITTEE (AND ANCILLARY MATTERS)

The Director of Governance referenced to the report that was considered by Audit Committee and recommendations from the Governance and Constitution Committee. He also referred to pages 43 and 44 of the Supplementary Agenda Pack. Finally, he mentioned the consequent changes to the Constitution that were set out on page 163 of the Agenda Pack.

RESOLVED: That

- [1] The document on pages 43 and 44 of the Supplementary Agenda Pack setting out the responsibilities (and ancillary matters) relating to Audit Committee be approved; and**
- [2] the constitutional revisions as set out on page 163 of the Agenda Pack be approved.**

7 URGENT ITEM

The Chair of the Fire Authority accepted that this Item could be discussed and determined as the matter was of an urgent nature.

Donation of Further Assets to Support Firefighters in Ukraine

The Assistant Chief Fire Officer presented the report.

RESOLVED: That

Two vehicles be donated to support firefighters in Ukraine.

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MINUTES OF THE MEETING OF THE BRIGADE MANAGERS' PAY AND PERFORMANCE COMMITTEE held on Friday, 21 April 2023 at Fire Conference Room - Fire Service HQ, Clemonds Hey, Winsford, Cheshire, CW7 2UA at 9.30 am

PRESENT: Councillors Bob Rudd (Chair), Stef Nelson, Denis Murphy and Stuart Parker

1 PROCEDURAL MATTERS

A Apologies for Absence

There were no apologies for absence.

B Declaration of Members' Interests

There were no declarations of Members' interests.

C Minutes of the Brigades Managers' Pay and Performance Committee

RESOLVED:

That the minutes of the Brigade Managers' Pay and Performance Committee held on 22nd March 2023 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 – Appointment of Deputy Chief Fire Officer and Assistant Chief Fire Officer

Paragraph 1 - Information relating to an individual

3 APPOINTMENT OF THE DEPUTY CHIEF FIRE OFFICER AND ASSISTANT CHIEF FIRE OFFICER

The Committee conducted an interview for the positions of Deputy Chief Fire Officer and Assistant Chief Fire Officer. The Committee was provided with a debrief about other areas of the assessment process.

RESOLVED: That

- [1] Mr Lee Shears be appointed as Deputy Chief Fire Officer; and**
- [2] Mr Neil Griffiths be appointed as Assistant Chief Fire Officer.**

CHESHIRE FIRE AUTHORITY

MEETING OF: CHESHIRE FIRE AUTHORITY
DATE: 28th JUNE 2023
REPORT OF: DIRECTOR OF GOVERNANCE
AUTHOR: ANDREW LEADBETTER

SUBJECT: GRANT OF DISPENSATION TO NEW MEMBERS

Purpose of the Report

1. To ask Members to extend the benefit of the dispensation to new members of the Fire Authority to enable them to take part in debates and votes upon the approval of the Members' Allowances Scheme (and any changes and/or additions to it).

Recommended that:

- [1] The dispensation granted to Fire Authority Members on 29th January 2020 be extended to benefit the new Members of the Fire Authority that have requested it, thereby allowing them to take part in the debates and votes on the approval of the Members' Allowances scheme (and any changes and/or additions to it).

Background

2. A dispensation relating to the approval of the Members' Allowances Scheme (and any changes and/or additions to it) was granted by the Governance and Constitution Committee on 29th January 2020 to all Members of the Fire Authority. The dispensation is effective until January 2024.

Information

3. The dispensation concerned with Members' allowances is available to any Member that seeks it. It continuous to apply until January 2024. The following paragraphs explain the legal requirements associated with the grant of dispensations.
4. In considering whether to grant dispensations Members are required to consider the provisions in Section 33 of the Localism Act 2011 (the Act). A copy of the section is attached as Appendix 1 to this report.
5. Section 33(1) states that there must be a written request from a Member to the proper officer (taken to be the Monitoring Officer). The names of the new Members that have confirmed that they wish to take advantage of the dispensation will be stated at the meeting.

6. Section 33(2) states that a dispensation can only be granted by an Authority if, after having had regard to all relevant circumstances, it is satisfied that one of the reasons described is applicable.
7. All Members receive an allowance and would appear to have a Statutory Disclosable Interest in the approval of the Members' Allowance Scheme (and any changes and/or additions to it). On disclosing such an interest, if no dispensation existed, a Member would be unable to remain in the meeting and have no opportunity to take part in the debate, nor vote.
8. As all Members will need to make such a disclosure when the Members' Allowances Scheme is to be determined the transacting of business would be impeded (Section 33(2)(a))
9. The responsibility to grant a dispensation is delegated to the Governance and Constitution Committee. However, as the next item on the Agenda includes a recommendation which might lead to a change to the Members' Allowances Scheme it makes sense for the Fire Authority to consider extending the dispensation.

Financial Implications

10. There are no financial implications arising from this report.

Legal Implications

11. The legal implications are covered in the body of the report.

Equality and Diversity and Environmental Implications

12. There are no equality and diversity or environmental implications arising from this report.

CONTACT: DONNA LINTON, CLEMONDS HEY, WINSFORD

TEL [01606] 868804

BACKGROUND PAPERS: NONE

Section 33 of the Localism Act 2011

33 Dispensations from section 31(4)

- (1) A relevant authority may, on a written request made to the proper officer of the authority by a member or co-opted member of the authority, grant a dispensation relieving the member or co-opted member from either or both of the restrictions in section 31(4) in cases described in the dispensation.
- (2) A relevant authority may grant a dispensation under this section only if, after having had regard to all relevant circumstances, the authority—
 - (a) considers that without the dispensation the number of persons prohibited by section 31(4) from participating in any particular business would be so great a proportion of the body transacting the business as to impede the transaction of the business,
 - (b) considers that without the dispensation the representation of different political groups on the body transacting any particular business would be so upset as to alter the likely outcome of any vote relating to the business,
 - (c) considers that granting the dispensation is in the interests of persons living in the authority's area,
 - (d) if it is an authority to which Part 1A of the Local Government Act 2000 applies and is operating executive arrangements, considers that without the dispensation each member of the authority's executive would be prohibited by section 31(4) from participating in any particular business to be transacted by the authority's executive, or
 - (e) considers that it is otherwise appropriate to grant a dispensation.
- (3) A dispensation under this section must specify the period for which it has effect, and the period specified may not exceed four years.
- (4) Section 31(4) does not apply in relation to anything done for the purpose of deciding whether to grant a dispensation under this section.

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CHESHIRE FIRE AUTHORITY

MEETING OF: CHESHIRE FIRE AUTHORITY
DATE: 28th JUNE 2023
REPORT OF: DIRECTOR OF GOVERNANCE
AUTHOR: ANDREW LEADBETTER

SUBJECT: APPOINTMENTS TO COMMITTEES ETC.,
OUTSIDE BODIES AND MEMBER ROLES
2023-24

Purpose of Report

1. This report enables Members to consider/determine the following issues:
 - Responsibilities of the Fire Authority and its committees, boards etc.;
 - Political proportions on the Fire Authority;
 - Political proportionality rules (where they apply and where they don't and their affect upon the allocation of seats on committees etc.);
 - Appointment of Members to seats on committees etc;
 - Involvement of independent (non-elected) member;
 - Appointments to outside bodies;
 - Appointments to Member Champion roles; and
 - Continuation of Member/officer buddy arrangements.

Recommended:

Members are asked to:

- [1] Confirm the responsibilities of the Fire Authority set out in Appendix 1A;**
- [2] Agree the responsibilities of Committees, Boards and Groups set out in Appendix 1B;**
- [3] Note the political proportions on the Fire Authority set out in paragraph 4 of the report;**
- [4] Agree the approach to the allocation of seats explained in paragraphs 5 to 8 of the report and Appendix 2A;**
- [5] Agree the appointments required as set out in Appendix 2B;**
- [6] Agree the involvement of the independent (non-elected) member (to act in an advisory capacity) as set out in paragraph 10 of the report**

and reflected in Appendix 2B;

- [7] Agree the appointments to outside bodies set out in Appendix 3;
- [8] Agree the appointments to Member Champions roles set out in Appendix 4; and
- [9] Agree the continuation of the Member/officer buddy arrangements.
- [10] Determine whether a Members' allowance should be introduced for the respective roles of Chair of the Audit Committee and Chair of the Local Pension Board – Firefighters Pension Scheme and if so the amount of the allowance payable (authorising officers to make the necessary changes to the Members' Allowances Scheme).

RESPONSIBILITIES OF THE FIRE AUTHORITY

- 2. The responsibilities of the Fire Authority are set out in Appendix 1A.

RESPONSIBILITIES OF COMMITTEES, BOARDS ETC.

- 3. Appendix 1B contains details of the responsibilities of the respective committees etc.

Note: Responsibilities for relevant plans, strategies and policies are included.

POLITICAL PROPORTIONS ON THE FIRE AUTHORITY

- 4. Political proportions are important as they determine the allocation of seats on some committees. At the time of writing it is anticipated that there will be three Political Groups.

Political Group	Seats	Percentage
Labour	12	52.17
Conservative	8	34.78
Independent	2	8.70
Total	22*	95.65

* A Liberal Democrat is also appointed to the Fire Authority, but is not a member of a Political Group.

POLITICAL PROPORTIONALITY RULES (WHERE THEY APPLY AND WHERE THEY DON'T AND THEIR EFFECT UPON THE ALLOCATION OF SEATS ON COMMITTEES ETC.)

- 5. The Local Government (Committees and Political Groups) Regulations 1990 and Local Government and Housing Act 1989 make provision for the handling of political group representation on the Fire Authority's committees. For the sake of simplicity the term 'political proportionality rules' has been used.

6. The political proportionality rules are not straight-forward. They involve the application of certain principles ‘...as far as reasonably practicable...’ in allocating seats to political groups. These principles are set out below:
- a) that not all the seats on the body are allocated to the same political group;
 - b) that the majority of the seats on the body is allocated to a particular political group if the number of persons belonging to that group is a majority of the authority’s membership;
 - c) subject to paragraphs (a) and (b) above, that the number of seats on the ordinary committees of a relevant authority which are allocated to each political group bears the same proportion to the total of all the seats on the ordinary committees of that authority as is borne by the number of members of that group to the membership of the authority; and
 - d) subject to paragraphs (a) to (c) above, that the number of the seats on the body which are allocated to each political group bears the same proportion to the number of all the seats on that body as is borne by the number of members of that group to the membership of the authority.
7. Not all of the Authority’s bodies are caught by the political proportionality rules. For example, the Member Training and Development Group is not.
8. Some other bodies exist where there is no requirement for appointments to be made by the Fire Authority, e.g. Audit Committee (which is formed from members of Governance and Constitution Committee).

APPOINTMENT OF MEMBERS TO AVAILABLE SEATS ON COMMITTEES ETC.

9. Members are asked to note the information above and that contained in Appendix 2A when considering the allocation of seats and appointments required in Appendix 2B.

INVOLVEMENT OF INDEPENDENT (NON-ELECTED) MEMBER

10. Last year the Authority continued to operate with one independent (non-elected) member. He attended Governance and Constitution Committee, Performance and Overview Committee and Estates and Property Committee. He was also involved in the Member Training and Development Group. He is happy to continue.

OUTSIDE BODIES

11. Members are asked to make appointments to the outside bodies covered in Appendix 3. Members will see that the roles of the bodies and delegated powers (if any) are set out in the Appendix.

MEMBER CHAMPIONS

12. Members are asked to appoint the Member Champions covered in Appendix 4.

MEMBER/OFFICER BUDDY ARRANGEMENTS

13. The Authority operates a Member/officer buddy arrangement. This is intended to provide Members with officer support to help develop their knowledge of the organisation and the fire and rescue sector generally.
14. Members are asked to agree the continuation of the buddy arrangements. The alignment of Members with officers will be confirmed shortly after the meeting to take account of Member appointments e.g. Chairs and Member Champion roles.

Financial Implications

15. The cost of operating the democratic process is obviously contained within the Authority's budget.
16. Recommendation [10] is concerned with the recognition of two roles: the Chair of the Audit Committee and the Chair of the Pension Board – Firefighters Pension Scheme. Both roles involve a requirement for training and at least four meetings should take place each Municipal Year.
17. The Audit Committee was only created in the last Municipal Year. Any allowance paid to the Chair would be an increase to the Members' Allowances Scheme.
18. Currently, the Chair of the Pension Board – Firefighters Pension Scheme receives an allowance, by virtue of the role being linked to the Member Champion role.
19. It has been suggested that these roles may be commensurate with those of the Chairs of the Estates and Property Committee and the Governance and Constitution Committee.
20. A Member Champion receives an allowance of £577.94. The Chairs of the Estates and Property Committee and the Governance and Constitution Committee each receive £1,733.85. If the Chair of the Audit Committee and the Chair of the Pension Board – Firefighters Pension Scheme both received the same level of allowance there would be an increase to the Members' Allowances Scheme of around £2,900.

Legal Implications

21. The Fire Authority has delegated certain functions to various decision making bodies and has in place arrangements to facilitate good

communications between Members and officers. The appointments made as a result of this report help to ensure that decisions made will be set within an appropriate legal framework.

Equality and Diversity Implications

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

Environmental Implications

23. There are no environmental implications arising from this report.

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

BACKGROUND PAPERS: NONE

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RESPONSIBILITIES OF THE FIRE AUTHORITY

- 1.1 Makes all Member decisions that are not delegated to other Member Decision-Making Bodies.
- 1.2 Makes key decisions, including but not limited to:
 - Approval of the budget (including capital and revenue proposals)
 - Setting the precept
 - Approval of the annual accounts
 - Approval of the Annual Statement of Assurance
- 1.3 Approves key/significant plans (and considers associated documentation, e.g. annual reports).
- 1.4 Approves key/significant strategies (and considers associated documentation, e.g. annual reports).
- 1.5 Approves key/significant policies (and considers associated documentation, e.g. annual reports).
- 1.6 Establishes and determines the responsibilities, and composition of, and appointments to all Members' Decision-Making Bodies and determines Member Roles and makes appointments to all outside bodies.
- 1.7 Adopts the Members' Codes of Conduct.
- 1.8 Approves the Members' Allowances Scheme.
- 1.9 Considers and determines any matters referred to it by any of the Members' decision-making bodies.
- 1.10 Receives key external reports and determines appropriate actions e.g. Operational Assessment and HMICFRS.
- 1.11 Appoints the Chief Fire Officer and Chief Executive.
- 1.12 Approves the creation of any new post with a salary package in excess of £100,000 such decisions involving a vote at a meeting of the Fire Authority.
- 1.13 Agrees overall Scheme of Delegation.
- 1.14 Agrees any transfer of functions and/or powers and/or major changes to service delivery (including the establishment of a trading company etc.).
- 1.15 Settles responses to key consultations.
- 1.16 Agrees to buy or sell land and/or buildings.
- 1.17 Agrees to enter into key and/or long-term contractual commitments.

- 1.18 Approves statutory statements e.g. Annual Pay Policy Statement.
- 1.19 Approves annual report.
- 1.20 Considers External Audit Findings and Value for Money Conclusion report (including approval of Audit Arrangements and Fees).
- 1.21 Approves the Constitution and any amendments to it.
- 1.22 Acts as duty holder for matters relating to health and safety.
- 1.23 Takes the leading role in respect of risk management (with the support of the Risk Management Board).

IF IN DOUBT TREAT THE MATTER AS 'KEY/SIGNIFICANT' AND REPORT THE MATTER TO THE FIRE AUTHORITY.

List of Plans, Strategies and Policies associated with Members' Decision Making Bodies

Fire Authority	
Key Plans	Integrated Risk Management Plan
	Medium Term Financial Plan
	Crisis Management Plan
Key Strategies:	Five Year Strategy
	Member Development Strategy (and Programme)
	Treasury Management Strategy
	People Strategy
Key Policies:	Heritage Policy
	Unwanted Fire Signals Policy
Significant Plans:	
Significant Strategies:	Asset Management Strategy
	Children and Young People Strategy
	CFP Business Liaison Strategy
	Consultation and Engagement Strategy
	Corporate Communications Strategy
	Corporate Equalities and Inclusion Strategy
	Risk Management Strategy
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	Health and Safety Management Policy
	ICT and Information Security Policy
	Partnership Policy
	Pay and Recognition Policy
	Pension Abatement and Re-employment Policy
	Re-organisation and Redeployment Policy
	Retirement Policy
	Sprinkler Policy
	Pay Policy Statement

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SECTION 3 – MEMBERS’ DECISION-MAKING BODIES

INTRODUCTION

This section sets out the responsibilities of the Members’ Decision-Making Bodies. It sets out the responsibilities of the Fire Authority and lists the matters that it has delegated.

The table on the next page summarises the structure of the Members’ Decision-Making Bodies providing key information and outlining requirements associated with each of the Bodies.

SECTION 3 – MEMBERS’ DECISION-MAKING BODIES

TABLE OF KEY INFORMATION AND REQUIREMENTS

BODY	NUMBER OF ELECTED MEMBERS	APPOINTMENT	QUORUM	OTHER REQUIREMENTS				NO OF MEETINGS
FIRE AUTHORITY	23	By Constituent Authorities allocated seats in ratio of electors in each of the areas covered by Fire Authority. Constituent Authorities appoint in political proportion.	One third and All Constituent Authorities must be represented.	Police and Crime Commissioner attends as non-elected, non-voting member.				6
PERFORMANCE AND OVERVIEW COMMITTEE	8	By Fire Authority. Appoints in political proportion. Appoints Chair and Deputy Chair of Committee	Any three elected Members.	One independent non-elected member attends in advisory capacity.		Independent non-elected members to agree which one sits on this Committee. If agreement can't be reached the Fire Authority will decide.	Act as Closure of Accounts Committee.	4
GOVERNANCE AND CONSTITUTION COMMITTEE	7	By Fire Authority. Appoints in political proportion. Appoints Chair and Deputy Chair of Committee.	Any three elected Members.	Two independent non-elected members attend in advisory capacity.		An independent audit committee member and four elected members appointed from the membership of the Governance and Constitution Committee sit on the Audit Committee.	Complaints about Members' conduct will involve an independent person that is not a member of this committee.	4
AUDIT COMMITTEE	4	By the Governance and Constitution Committee in political proportion. Appoints Chair of Committee.	Any three Members.	One Independent Audit Committee Member attend in a co-opted capacity.	Members from Audit Committee required to undertake mandatory audit training.			4
BRIGADE MANAGERS' PAY AND PERFORMANCE COMMITTEE	7	By Fire Authority. Appoints in political proportion. Appoints Chair and Deputy Chair of Committee.	Any three elected Members.					3
STAFFING COMMITTEE	7	No appointments required.	Any three elected Members.		Members from Brigade Managers' Pay and Performance Committee act as this committee.			2
ESTATES AND PROPERTY COMMITTEE	7	By Fire Authority. Appoints in political proportion. Appoints Chair and Deputy Chair of Committee.	Any three elected Members.	One independent non-elected member attends in advisory capacity.	To include, wherever possible, Lead Members and the Procurement and Environment Member Champions.	Independent non-elected members to agree which one sits on this Committee. If agreement can't be reached the Fire Authority will decide.		Ad Hoc
JOINT CONSULTATIVE COMMITTEE	4	By Fire Authority. Appoints in political proportion. Appoints Chair and Deputy Chair of Committee.	Any three elected Members.	Union Officials attend. Up to 3 FBU, 1 from FOA, 1 from Unison, as necessary.				Ad Hoc

SECTION 3 – MEMBERS’ DECISION-MAKING BODIES

TABLE OF KEY INFORMATION AND REQUIREMENTS

BUSINESS CONTINUITY COMMITTEE	Varies	By virtue of role.	Any three elected Members.		Chair, Deputy Chair, Group Spokespersons, Lead Members.			Ad Hoc
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SECTION 3 – MEMBERS’ DECISION-MAKING BODIES

RESPONSIBILITIES OF THE FIRE AUTHORITY

- 3.1 Makes all Member decisions that are not delegated to other Member Decision-Making Bodies.
- 3.2 Makes key decisions, including but not limited to:
 - Approval of the budget (including capital and revenue proposals)
 - Setting the precept
 - Approval of the annual accounts
 - Approval of the Annual Statement of Assurance
- 3.3 Approves key/significant plans (and considers associated documentation, e.g. annual reports).
- 3.4 Approves key/significant strategies (and considers associated documentation, e.g. annual reports).
- 3.5 Approves key/significant policies (and considers associated documentation, e.g. annual reports).
- 3.6 Establishes and determines the responsibilities, and composition of, and appointments to all Members’ Decision-Making Bodies and determines Member Roles and makes appointments to all outside bodies.
- 3.7 Adopts the Members’ Codes of Conduct.
- 3.8 Approves the Members’ Allowances Scheme.
- 3.9 Considers and determines any matters referred to it by any of the Members’ decision-making bodies.
- 3.10 Receives key external reports and determines appropriate actions e.g. Operational Assessment and HMICFRS.
- 3.11 Appoints the Chief Fire Officer and Chief Executive.
- 3.12 Approves the creation of any new post with a salary package in excess of £100,000 such decisions involving a vote at a meeting of the Fire Authority.
- 3.13 Agrees overall Scheme of Delegation.
- 3.14 Agrees any transfer of functions and/or powers and/or major changes to service delivery (including the establishment of a trading company etc.).
- 3.15 Settles responses to key consultations.
- 3.16 Agrees to buy or sell land and/or buildings.
- 3.17 Agrees to enter into key and/or long-term contractual commitments.
- 3.18 Approves statutory statements e.g. Annual Pay Policy Statement.

SECTION 3 – MEMBERS’ DECISION-MAKING BODIES

- 3.19 Approves annual report.
- 3.20 Considers External Auditor’s Annual Report.
- 3.21 Approves the Constitution and any amendments to it.
- 3.22 Acts as duty holder for matters relating to health and safety.
- 3.23 Takes the leading role in respect of risk management (with the support of the Audit Committee).

IF IN DOUBT TREAT THE MATTER AS ‘KEY/SIGNIFICANT’ AND REPORT THE MATTER TO THE FIRE AUTHORITY.

SECTION 3 – MEMBERS’ DECISION-MAKING BODIES

RESPONSIBILITIES PERFORMANCE AND OVERVIEW COMMITTEE

The Performance and Overview Committee:

- 3.24 Assists the Authority in the development, review and monitoring of plans (e.g. Integrated Risk Management Plan), strategies and policies (e.g. Health and Safety Management Policy, receiving the Annual Health and Safety report), making recommendations and offering advice, as appropriate.
- 3.25 Monitors performance (financial and non-financial) with a view to securing efficiency, effectiveness and value for money, making recommendations and offering advice, as appropriate.
- 3.26 Reviews the implementation of decisions by the Authority, making recommendations and offering advice, as appropriate.
- 3.27 Monitors delivery of the Authority’s programmes and projects, making recommendations and offering advice, as appropriate.
- 3.28 Monitors arrangements with third parties, e.g. partners and contractors, making recommendations and offering advice, as appropriate.
- 3.29 Refers matters to the Authority for consideration/determination when it believes that matters should be brought to its/their attention.
- 3.30 In order to fulfil these responsibilities the Committee may establish task and finish groups if specific issues require in-depth examination.
- 3.31 The Committee may request officers and/or Members to attend a meeting to provide information and answer questions about a matter that is before the Committee.

SECTION 3 – MEMBERS’ DECISION-MAKING BODIES

RESPONSIBILITIES OF GOVERNANCE AND CONSTITUTION COMMITTEE

The Governance and Constitution Committee:

- 3.32 Discharges the requirements of Chapter 7 of Localism Act 2011.
- 3.33 Assists the Fire Authority in the promotion and maintenance of high standards.
- 3.34 Recommends the Members’ Code of Conduct to the Fire Authority (and updates/amendments).
- 3.35 Secures applications for the role of Independent Person and make recommendations to the Fire Authority.
- 3.36 Manages the relationship with the Independent Persons.
- 3.37 Considers requests for dispensation and grant them (where appropriate).
- 3.38 Ensures delivery of training for Members on standards issues.
- 3.39 Issues advice to Members on standards issues.
- 3.40 Approves the format of the register of Members’ interests and monitor completion.
- 3.41 Agrees arrangements for investigation and decision-making in relation to allegations of breaches of the Members’ code of conduct.
- 3.42 Monitors Member attendance and recommend action to the Fire Authority.
- 3.43 Arranges for the review of Members’ allowances and recommend to the Fire Authority.
- 3.44 Secures appropriate corporate governance arrangements (with the assistance of Audit Committee) and monitor them.
- 3.45 Monitors compliments and complaints (including ombudsman matters).
- 3.46 Reviews Fire Authority’s constitution and make recommendations to Fire Authority.
- 3.47 Provides support to the Monitoring Officer and Section 151 Officer (Local Government Act 1972).
- 3.48 Considers and act upon developments related to standards in its broadest sense.
- 3.49 Agrees any indemnity afforded to Members and/or officers.
- 3.50 Settles the terms of any Member/officer protocol.
- 3.51 Monitors the effectiveness of Member/officer relationships.

SECTION 3 – MEMBERS’ DECISION-MAKING BODIES

- 3.52 Considers matters referred by Performance and Overview Committee.
- 3.53 Determines the Authority’s approach to the transparency agenda and monitor compliance with information-related legislative requirements.

RESPONSIBILITIES OF MEMBERS’ CODE OF CONDUCT SUB-COMMITTEE

MEMBERSHIP

- 3.54 The Sub-Committee will consist of three Members drawn from the Governance and Constitution Committee.
- 3.55 It will fulfil the role(s) identified in the Fire Authority’s Procedure for Dealing with Complaints about a Breach of the Members’ Code of Conduct.

SECTION 3 – MEMBERS’ DECISION-MAKING BODIES

RESPONSIBILITIES OF ESTATES AND PROPERTY COMMITTEE

- 3.56 To ensure that the Fire Authority’s property management arrangements are appropriate, providing guidance to officers as necessary.
- 3.57 To provide guidance to officers and the Fire Authority in relation to property transactions.
- 3.58 To provide guidance to officers and the Fire Authority in relation to the sharing of its sites/premises with third parties.
- 3.59 To assist in the co-ordination of and agreeing the prioritisation of property-related projects/programmes.
- 3.60 To assist in the co-ordination of and agreeing the prioritisation of environmental projects/programmes and supporting officers and the Fire Authority in the delivery of matters that further the Authority’s Environmental Strategy.
- 3.61 To engage in key procurement issues as necessary.
- 3.62 To oversee the arrangements for Safety Central.

RESPONSIBILITIES OF JOINT CONSULTATIVE COMMITTEE (JCC)

- 3.63 To apply due consideration to an issue when there has been a failure to agree, with a view to determining an outcome.

RESPONSIBILITIES OF BRIGADE MANAGERS’ PAY & PERFORMANCE COMMITTEE

- 3.64 To determine and undertake the appointment process for the posts of Chief Fire Officer and Chief Executive, Deputy Chief Fire Officer and Assistant Chief Fire Officer.
- 3.65 To appraise the Chief Fire Officer and Chief Executive.
- 3.66 To determine the remuneration of the Chief Fire Officer and Chief Executive.
- 3.67 To appoint to the roles of Deputy Chief Fire Officer and Assistant Chief Fire Officer.
- 3.68 To review the appraisal of the Deputy Chief Fire Officer and Assistant Chief Fire Officer.
- 3.69 To determine (in accordance with the relevant policies and procedures) HR/IR matters concerning/affecting the Chief Fire Officer and Chief Executive, Deputy Chief Fire Officer and Assistant Chief Fire Officer.

SECTION 3 – MEMBERS’ DECISION-MAKING BODIES

RESPONSIBILITIES OF STAFFING COMMITTEE

- 3.70 To appoint Area Managers and roles of equivalent standing.
- 3.71 To determine HR/IR matters (not delegated to officers or handled by JCC).
- 3.72 To determine pension matters.
- 3.73 To oversee key staff engagement and staff-related transformation activities.
- 3.74 To oversee discipline, grievance, employment claims etc.
- 3.75 To oversee relationships with representative bodies.
- 3.76 To approve the re-engagement of staff who have been retired or made redundant (excluding on call).
- 3.77 To approve policies concerned with human resources, industrial relations and pensions.

RESPONSIBILITIES OF BUSINESS CONTINUITY COMMITTEE

MEMBERSHIP

- 3.78 The committee comprises of the Chair, Deputy Chair, Group Spokesperson(s) and Lead Member(s).

RESPONSIBILITIES

- 3.79 To introduce, monitor and review contingency planning arrangements in the event of disruptions to the delivery of the service.
- 3.80 To provide guidance on issues arising in relation to business continuity events.

SECTION 3 – MEMBERS’ DECISION-MAKING BODIES

RESPONSIBILITIES OF AUDIT COMMITTEE

PURPOSE

- 3.81 To provide an independent high-level focus on the adequacy of governance, risk and control arrangements.

RESPONSIBILITIES

- 3.82 The core functions of the audit committee are to provide oversight of a range of core governance and accountability arrangements, responses to the recommendation of assurance providers and helping to ensure robust arrangements are maintained. The specific responsibilities include:

- 3.83 Maintenance of governance, risk and control arrangements

- Support a comprehensive understanding of governance across the organisation and among all those charged with governance, fulfilling the principles of good governance.
- Consider the effectiveness of the authority’s risk management arrangements. It should understand the risk profile of the organisation and seek assurances that active arrangements are in place on risk-related issues, for both the body and its collaborative arrangements.
- Monitor the effectiveness of the system of internal control, including arrangements for financial management, ensuring value for money, supporting standards and ethics and managing the authority’s exposure to the risks of fraud and corruption.

- 3.84 Financial and governance reporting

- Be satisfied that the authority’s accountability statements, including the annual governance statement, properly reflect the risk environment, and any actions required to improve it, and demonstrate how governance supports the achievement of the authority’s objectives.
- Support the maintenance of effective arrangements for financial reporting and review the statutory statements of account and any reports that accompany them.

- 3.85 Establishing appropriate and effective arrangements for audit and assurance

- Consider the arrangements in place to secure adequate assurance across the body’s full range of operations and collaborations with other

SECTION 3 – MEMBERS’ DECISION-MAKING BODIES

entities.

- In relation to the authority’s internal audit functions:
 - i. Oversee its independence, objectivity, performance and conformance to professional standards
 - ii. Support effective arrangements for internal audit
 - iii. Promote the effective use of internal audit within the assurance framework.
- Consider the opinion, reports and recommendations of external audit and inspection agencies and their implications for governance, risk management or control, and monitor management action in response to the issues raised by external audit.
- Contribute to the operation of efficient and effective external audit arrangements, supporting the independence of auditors and promoting audit quality.
- Support effective relationships between all providers of assurance, audits and inspections, and the organisation, encouraging openness to challenge, review and accountability.

MEMBERSHIP

- 3.86 Four elected Members drawn from the membership of the Governance and Constitution Committee and appointed in political proportion. One co-opted Independent Audit Committee Member.
- 3.87 The Chair of the Audit Committee will be one of the four elected Members. NB – Substitutes are not allowed.

QUORUM

- 3.88 Three of the five members of the Committee must be in attendance for the meeting to be quorate.

ATTENDEES

- 3.89 In addition to the Audit Committee members, the individuals fulfilling the following roles will normally be expected to attend each meeting of the Audit Committee:

SECTION 3 – MEMBERS’ DECISION-MAKING BODIES

- Chief Fire Officer and Chief Executive, or Deputy Chief Fire Officer, or Assistant Chief Fire Officer
- Treasurer/Section 151 Officer and/or Head of Finance (or similar role(s))
- Monitoring Officer
- Internal Audit representative
- External Audit representative
- Officer responsible for risk management

3.90 Other officers can be required to attend upon request from the Committee.

TRAINING

3.91 All members of the Audit Committee are expected to undertake training. The Treasurer/Section 151 Officer will, in consultation with the External Auditor and Internal Auditor, prepare a training plan which will be approved by the Audit Committee. The Treasurer/Section 151 Officer will secure delivery of the training plan.

MEETING FREQUENCY AND OUTPUT

3.92 The Audit Committee must meet regularly and in any event no less than four times a year. The timing of meetings will be coordinated taking into account various reporting requirements.

3.93 The Audit Committee must prepare an annual report which will include an evaluation of its impact.

MEMBER TRAINING AND DEVELOPMENT GROUP

MEMBERSHIP

3.94 The group comprises of 4 Members and 1 independent (non-elected) member and appointments are made by the Fire Authority.

RESPONSIBILITIES

3.95 To advise on the development, monitoring and evaluation of a Member Training and Development Programme to ensure that Members’ training needs are being met.

3.96 To develop, monitor and review the Member Development Strategy and ensure that the Member Development Programme is developed in line with the strategy and to meet individual Member development needs.

SECTION 3 – MEMBERS’ DECISION-MAKING BODIES

PHOENIX BOXING CLUB BOARD

MEMBERSHIP

- 3.97 The Governance Board includes two elected Members (drawn from Warrington Members) to represent Cheshire Fire Authority and the appointments are made by the Fire Authority.

RESPONSIBILITIES

- 3.98 The main role of the Governance Board is to make decisions regarding the facilities and to promote and support the club.
- 3.99 The Board will hold at least two general meetings a year.

HEALTHY HEART RUNCORN TRAINING GYM BOARD

MEMBERSHIP

- 3.100 The Governance Board includes one elected Member (drawn from Halton Members) to represent Cheshire Fire Authority and the appointment is made by the Fire Authority.

RESPONSIBILITIES

- 3.101 The main role of the Governance Board is to make decisions regarding the facilities and to promote and support the club.

UNITARY PERFORMANCE MANAGEMENT GROUPS

MEMBERSHIP

- 3.102 The Unitary Performance Area Groups are the performance delivery groups in each of the Unitary Performance Areas and are chaired by the local Unitary Performance Manager, and attended by the local Members for that area.
- 3.103 The Unitary Performance Groups are able to engage with constituents about key issues affecting their area in circumstances where normal consultation processes and performance reporting are deemed insufficient.

FUNCTIONS

- 3.104 The group is multi functional and is responsible for the effective delivery of the Service IRMP objectives in that Unitary Performance Area.
- 3.105 The boundary of each group’s responsibilities coincides with the political and administrative boundaries of the Unitary Area in which it meets.

SECTION 3 – MEMBERS’ DECISION-MAKING BODIES

- 3.106 The meetings are an opportunity for local Members to scrutinise local officers on Service Performance and highlight issues of concern raised by the local community.
- 3.107 The Authority has provided a budget for each area to support Service and joint initiatives and is aimed at allowing the Unitary Performance Groups to address local safety concerns and issues. The decisions are made at local level within an agreed financial framework. These arrangements allow the Authority to provide opportunities for the democratic engagement where councillors can meet their constituents face to face and place councillors at the heart of well supported area and neighbourhood structures. It will also allow a greater degree of interaction for councillors and the public and closer scrutiny of Service activities.

PENSION BOARD – FIREFIGHTERS’ PENSION SCHEMES **TERMS OF REFERENCE AND ASSOCIATED RULES**

RESPONSIBILITIES

3.108 The Pension Board will assist the Scheme Manager (the Fire Authority) to:

- (a) Secure compliance with:-
 - (i) The Firefighters’ Pension Scheme (England) Regulations 2014 – which create the Firefighters’ Pension Scheme 2015 (the 2015 Scheme)
 - (ii) Any other legislation relating to the governance and administration of the 2015 Scheme and any connected scheme, and
 - (iii) Any requirements imposed by the Pensions Regulator in relation to the 2015 Scheme and any connected scheme; and
- (b) Ensure the effective and efficient governance and administration of the 2015 Scheme and any connected scheme.

MEMBERSHIP OF THE BOARD

3.109 Pension Member representatives

- (i) Two pension member representatives shall be appointed to the Board.
- (ii) Pension member representatives shall be members of the scheme administered by Cheshire Fire Authority.
- (iii) Pension member representatives should be able to demonstrate their capacity to attend and complete the necessary preparation for meetings and participate in training as required.

SECTION 3 – MEMBERS’ DECISION-MAKING BODIES

3.110 Employer representatives

- (iv) Two employer representatives shall be appointed to the Board.
- (v) One Member of the Fire Authority will be appointed to act as an employer representative together with an officer of the Authority.
- (vi) Employer representatives should be able to demonstrate their capacity to attend and complete the necessary preparation for meetings and participate in training as required.

APPOINTMENT OF CHAIR

3.111 The Fire Authority Member appointed to the Board as an employer representative will act as Chair to the Board.

3.112 If the Chair is unable to attend a meeting of the Board the other employer representative will act as chair at that meeting.

3.113 The Chair of the Board shall:

- (i) ensure the Board fulfils its responsibilities as set out in these Terms of Reference
- (ii) ensure that meetings are productive and effective and that opportunity is given for the views of all Board members to be expressed and considered and
- (iii) Seek to reach consensus and ensure that decisions are properly put to a vote when consensus cannot be reached.

CONFLICTS OF INTEREST

3.114 All members of the Board must declare to Cheshire Fire Authority on appointment and at any such time as their circumstances change any potential conflict of interest arising as a result of their position on the Board.

3.115 On appointments to the Board and following any subsequent declaration of potential conflict Cheshire Fire Authority shall ensure that any potential conflict is effectively managed in line with both the internal procedures of Cheshire Fire Authority and the requirements of the Pensions Regulators Codes of Practice on conflict of interest for Board members.

CAPACITY (INCLUDING TRAINING)

3.116 Board members must have the capacity to devote sufficient time and energy to this role. In particular Board members shall attend and participate in training.

BOARD ADMINISTRATION

SECTION 3 – MEMBERS’ DECISION-MAKING BODIES

3.117 Meetings will be arranged by the Democratic Services team, who will issue agendas and supporting papers at least seven working days in advance of meetings. The Democratic Services team will ensure the availability of all Board members before setting a date for a Board meeting.

3.118 The Democratic Services team will also be responsible for taking minutes of the meetings.

TERM OF OFFICE

3.119 Members of the Board will be appointed initially for a four year term of office which may be extended for a further four year term subject to re-nomination and re-selection.

3.120 Board membership may be terminated prior to the end of the term of office due to:

- (i) A member representative appointed on the basis of their membership of the scheme no longer being a member of the scheme or an employee of Cheshire Fire Authority.
- (ii) An employer representative no longer holding office or employment with, or being a Member of, Cheshire Fire Authority.
- (iii) The representative no longer being able to demonstrate their capacity to attend and prepare for meetings or to participate in required training.

MEETINGS

3.121 The Board is expected to meet four times per year.

3.122 The Chair of the Board may call additional meetings.

QUORUM

3.123 A meeting is only quorate when at least three Board members are present.

VOTING

3.124 Each member of the Board will have one vote.

3.125 Where an equal number of votes are cast the Chair (or in his or her absence the chair of the meeting) will have a casting vote.

SECTION 3 – MEMBERS’ DECISION-MAKING BODIES

List of Plans, Strategies and Policies associated with Members’ Decision Making Bodies

Fire Authority	
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	People Strategy
Key Policies:	Heritage Policy
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Significant Plans:	
Significant Strategies:	Asset Management Strategy
	Children and Young People Strategy
	CFP Business Liaison Strategy
	Consultation and Engagement Strategy
	Corporate Communications Strategy
	Corporate Equalities and Inclusion Strategy
	Risk Management Strategy
Significant Policies:	Adult Safeguarding Policy
	Health and Safety Management Policy
	ICT and Information Security Policy
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	Pay and Recognition Policy
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Political Proportionality Rules and Calculations

1. The table below shows the percentages used in producing the allocations which appear in this document. Where the word 'proportion' is used it also means percentage.

Political Group	Seats on Fire Authority	Seats on Fire Authority (%)
Labour	12	52.17
Conservative	8	34.78
Independent	2	8.70
Total	22	95.65

2. The Principles in Section 15 of the Local Government and Housing Act 1989 that need to be followed as far as reasonably practical are:

- (a) that not all the seats on the body are allocated to the same political group;
- (b) that the majority of the seats on the body is allocated to a particular political group if the number of persons belonging to that group is a majority of the authority's membership;
- (c) subject to paragraphs (a) and (b) above, that the number of seats on the ordinary committees of a relevant authority which are allocated to each political group bears the same proportion to the total of all the seats on the ordinary committees of that authority as is borne by the number of members of that group to the membership of the authority; and
- (d) subject to paragraphs (a) to (c) above, that the number of the seats on the body which are allocated to each political group bears the same proportion to the number of all the seats on that body as is borne by the number of members of that group to the membership of the authority.

3. The descriptions below take into account, wherever possible, the following:

Rounding up from 0.5 and above

Rounding down from below 0.5

Where an additional seat needs to be allocated, but no group has 0.5 and above, the seat is allocated to the Group with the highest proportion below 0.5

4. Whilst noting Principle (a), no options are presented with the Labour Group taking all of the seats on any body.

5. The table below presents a scenario where the Labour Group is initially given the majority of seats on each body. This allocates to all 34 available seats.

PRINCIPLE (b) MAJORITY OF SEATS INITIALLY ALLOCATED TO THE MAJORITY GROUP BALANCE OF SEATS ALLOCATED TO OTHER GROUPS USING PROPORTION CALCULATION ROUNDING UP 0.5 OR OVER.							
		Estates and Property Committee (8 Seats)	Performance and Overview Committee (8 Seats)	Pay and Performance Committee (Staffing Committee) (7 Seats)	Governance and Constitution Committee (7 Seats)	Joint Consultative Committee (4 Seats)	Total no of seats available (34 seats)
Con	%	34.78	34.78	34.78	34.78	34.78	9
	Calc	2.78	2.78	2.43	2.43	1.39	
	Rounded	2	2	2	2	1	
Lab	Majority	5	5	4	4	3	21
Ind	%	8.70	8.70	8.70	8.70	8.70	4
	Calc	0.70	0.70	0.61	0.61	0.35	
	Rounded	1	1	1	1	0	
Totals		8	8	7	7	4	34

6. The table below shows the allocation taking into account the overall total number of available seats having applied the percentages for each Group. This complies with Principle (c) and allocates one less than the total number of seats. This makes sense given the fact that there is a single Liberal Democrat Member. The calculations do not include that single Member as he is not in a Group.

PRINCIPLE (c) THIS SHOWS THE OVERALL NUMBER OF SEATS ALLOCATED BY APPLYING THE PERCENTAGES ATTRIBUTABLE TO EACH GROUP ROUNDING UP 0.5 OR OVER.			
Political Group	%	Calculation – Proportion of 34 Seats	Number of seats allocated per Group
Conservative	34.78	11.83	12
Labour	52.17	17.74	18
Independent	8.70	2.96	3
Totals	95.65	32.53	33

7. The table below applies the proportions to each individual body. This allocates to all 34 available seats.

PRINCIPLE (d) SEATS ALLOCATED ON THE INDIVIDUAL BODIES WHERE POLITICAL PROPORTIONALITY RULES APPLY ROUNDING UP 0.5 OR ABOVE							
		Estates and Property Committee * (8 Seats)	Performance and Overview Committee* (8 Seats)	Pay and Performance Committee (7 Seats)	Governance and Constitution Committee (7 Seats)	Joint Consultative Committee* (4 Seats)	Total number of seats allocated
Con	%	34.78	34.78	34.78	34.78	34.78	12
	Calc	2.78	2.78	2.43	2.43	1.39	
	Rounded	3	3	2	2	2	
Lab	%	52.17	52.17	52.17	52.17	52.17	18
	Calc	4.17	4.17	3.65	3.65	2.09	
	Rounded	4	4	4	4	2	
Ind	%	8.70	8.70	8.70	8.70	8.70	4
	Calc	0.70	0.70	0.61	0.61	0.35	
	Rounded	1	1	1	1	0	
Totals		8	8	7	7	4	34

8. In order to achieve, as far as reasonably practicable the Principles in Section 15, it is necessary to look closely at the table set out above.
9. This does not, on the face of it, achieve Principle (b). However, provided that the Labour Group has the Chairs of those bodies that have an even number of seats (marked with an asterisk in the Table), because the Chair is able to exercise a casting vote, the Labour Group will have the majority on all of the bodies.
10. The table below shows the results of applying Principles (c) and(d). The figures work remarkably well. The only change might be for the Independent Group to give up a seat on one of the bodies (other than Pay and Performance, which should include the Leader of the Group). This seat could be offered to the single Liberal Democrat Member.

Political Group	Number of Seats		
	Allocations Overall (Principle (c))	Allocations per Body (Principle (d))	
Conservative	12	12	
Labour	18	18	
Independent	3	4	Has one more seat than entitled to
Totals	33	34	

FIRE AUTHORITY MEMBERSHIP 2023-2024

GROUPS - LAB 12, CON 8, IND 2 (PLUS 1 LIB DEM)

APPOINTMENTS BY CONSTITUENT AUTHORITIES

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

Labour	Conservative	Independent
Cllr Marilyn Houston	Cllr Rachel Bailey	Cllr John Bird
Cllr Nick Mannion	Cllr David Brown	Cllr Rob Moreton
Cllr Laura Smith	Cllr Peter Coan	
	Cllr Margaret Simon	

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

Labour	Conservative
Cllr Steve Collings	Cllr Razia Daniels
Cllr Felicity Davies	Cllr Stuart Parker
Cllr Gina Lewis	Cllr Norman Wright
Cllr Peter Wheeler	

Appointed by Halton Borough Council (3 Lab)

Labour

Cllr Phil Harris
Cllr Stef Nelson
Cllr Rob Polhill

Appointed by Warrington Borough Council (2 Lab, 1 Con, 1 Lib Dem)

Labour	Conservative	Liberal Democrat
Cllr Brian Gallagher	Cllr Kath Buckley	Cllr Peter Walker
Cllr Kare Mundry		

APPOINTMENTS

Chair:

Deputy Chair:

	Labour	Conservative	Independent	
Group Spokespersons:				
Lead Members:	Cheshire East Borough Council	Cheshire West and Chester Borough Council	Halton Borough Council	Warrington Borough Council

APPOINTMENTS TO COMMITTEES, BOARDS AND GROUPS 2023-24

BODIES COVERED BY POLITICAL PROPORTIONALITY RULES

PERFORMANCE AND OVERVIEW COMMITTEE – 8 Members and 1 independent member

Chair: Labour

Deputy Chair: Labour

CONSERVATIVE	LABOUR	INDEPENDENT

independent member
Derek Barnett

Substitute Members for Performance and Overview Committee

CONSERVATIVE	LABOUR	INDEPENDENT

GOVERNANCE AND CONSTITUTION COMMITTEE – 7 Members and 1 independent member

Chair:

Deputy Chair:

CONSERVATIVE	LABOUR	LIBERAL DEMOCRAT

independent member
Derek Barnett

Substitute Members for Governance and Constitution Committee

CONSERVATIVE	LABOUR

BRIGADE MANAGERS' PAY AND PERFORMANCE COMMITTEE – 7 Members

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

Chair:

Deputy Chair:

CONSERVATIVE	LABOUR	INDEPENDENT

Substitute Members for Brigade Managers' Pay & Performance Committee

CONSERVATIVE	LABOUR	INDEPENDENT

ESTATES AND PROPERTY COMMITTEE – 8 Members and 1 independent member

Chair: Labour

Deputy Chair: Labour

CONSERVATIVE	LABOUR	INDEPENDENT

independent member

Derek Barnett

Substitute Members for Estates and Property Committee

CONSERVATIVE	LABOUR	INDEPENDENT

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

JOINT CONSULTATIVE COMMITTEE – 4 Members

Chair: Labour

Deputy Chair: Labour

CONSERVATIVE	LABOUR

Substitute Members for Joint Consultative Committee

CONSERVATIVE	LABOUR

BODIES NOT COVERED BY POLITICAL PROPORTIONALITY RULES

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

Chair:

	independent member		

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

Members		Substitutes	

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

Member	
--------	--

PENSION BOARD – 1 Member

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

Members	

EQUALITY STEERING GROUP – 1 Member

Member

HEALTH, SAFETY AND WELLBEING COMMITTEE – 1 Member

Member

BODIES WHERE NO APPOINTMENTS ARE REQUIRED

CLOSURE OF ACCOUNTS COMMITTEE

The Audit Committee now fulfils this role.

STAFFING COMMITTEE – 7 Members

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

AUDIT COMMITTEE – 4 Members

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

BUSINESS CONTINUITY COMMITTEE

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

UNITARY PERFORMANCE GROUPS

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

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OUTSIDE BODIES – INFORMATION

REGIONAL APPOINTMENTS – NORTH WEST

(A) NORTH WEST FIRE FORUM

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

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

Members
Chair of Fire Authority –
Deputy Chair of the Fire Authority –
Leader of Main Opposition –

(B) NW FIRE CONTROL LTD – BOARD OF DIRECTORS

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

NB: 2 representatives only - Chair + 1

Members
Chair of the Fire Authority –
Deputy Chair of the Fire Authority –

REGIONAL APPOINTMENTS – OTHER

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

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

Member
Chair of Fire Authority –

(D) SAFER CHESHIRE EAST PARTNERSHIP

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

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

Member

(E) SUB-REGIONAL PUBLIC LEADERSHIP BOARD

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

Member
Chair of the Fire Authority –

MEMBER CHAMPION ROLES 2023-24

Equality and Diversity (2 Members) Sits on Equality Steering Group	
Health and Safety Sits on Health and Safety Committee	
Information and ICT	
Environment	
Procurement	
Finance (2 Members)	
Older People	
Young People	
Performance Management	
Commercial/Business Risk Reduction	
Industrial Relations (JCC Chair)	
Road Safety	
Pensions (Local Pension Board Chair)	
Sprinklers	
Rural	
Mental Health	

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PROGRAMME OF MEMBER MEETINGS FOR THE MUNICIPAL YEAR 2023-24

Cheshire Fire Authority (Wednesday at 10.30am)	Governance and Constitution Committee (Wednesday at 10am)	Performance and Overview Committee (Wednesday at 10am)	Audit Committee (Wednesday)	Staffing Committee (Monday at 10am)
28 June 2023 (Annual meeting)	5 July 2023	12 July 2023 (Q4 Performance Report)	12 July 2023 at 1pm (Note: to take place at the rise of the Performance and Overview Committee)	10 July 2023 at 12noon (Note: to take place at the rise of the BM Pay and Performance Committee)
27 September 2023 (Annual report) (IRMP Consultation) (Sign off final accounts)		13 September 2023 (Q1 Performance Report)	26 September 2023 at 10am	11 September 2022
6 December 2023 (Consider outline budget)	8 November 2023	22 November 2023 (Q2 Mid Year Performance Report)		20 November 2023 at 12.00 (Note: to take place at the rise of the BM Pay and Performance Committee)
14 February 2024 (Approve final budget & IRMP sign-off)	24 January 2024	6 March 2024 (Q3 Performance Report)	Wednesday 24 January 2024 (Note: to take place at the rise of the Governance and Constitution Committee)	18 March 2024 at 12.00 (Note: to take place at the rise of the BM Pay and Performance Committee)
24 April 2024	17 April 2024		17 April 2024 at 1pm (Note: to take place at the rise of the Governance and Constitution Committee)	

ADDITIONAL MEMBER MEETINGS:

Estates and Property Committee:

Dates arranged as required.

Brigade Manager's Pay and Performance Committee dates:

10am – 12pm

Monday 10 July 2023

CFO Review:

Monday 20 November 2023

CFO Appraisal:

Monday 22 January 2024

BM Pay Review:

Monday 18 March 2024

CFO Appraisal:

Pension Board: 2pm – 4pm

Tuesday 15 August 2023

*Additional dates TBA

Tuesday 14 November 2023

Tuesday 19 March 2024

Member Training and Development Group: 10am – 12pm

Tuesday 4 July 2023

Tuesday 3 October 2023

Tuesday 12 December 2023

Tuesday 26 March 2024

Member Planning Days:

Friday 7 July 2023

Friday 11 August 2023

Friday 8 September 2023

Friday 10 November 2023

Friday 12 January 2024

Friday 29 March 2024 (TBC)

CHESHIRE FIRE AND RESCUE SERVICE

MEETING OF: CHESHIRE FIRE AUTHORITY
DATE: 28TH JUNE 2023
REPORT OF: TREASURER
AUTHOR: PAUL VAUGHAN

SUBJECT: FINANCE REPORT END OF YEAR 2022-23

Purpose of Report

1. This report provides Members with a review of the Authority's revenue outturn financial position and reports on the progress against the capital programme at the end of the financial year 2022-23

Recommended: That Members

- [1] note the outturn position on revenue and capital expenditure (subject to audit); and
- [2] approve the movement in reserves set out in Table 1

Background

2. On 9th February 2022, the Authority approved the revenue budget of £46.6m and the capital programme of £16.2m. Performance against the revenue budget and capital programme is reported quarterly to the Performance and Overview Committee

Information

3. A summary of the revenue outturn is shown in Table 1. There is an overspend against the revenue budget of £282k. Appendix 2 shows the estimated capital outturn against the capital programme. There is an estimated underspend of £983k.
4. The audit of the Authority's accounts is planned to commence in July and be complete in time for the accounts to be approved at the Authority's meeting in September. Any changes to the outturn position as a result of the audit will be reported to that meeting.

Revenue Spending

5. Table 1 below shows the estimated variance against budget for 2022-23 after taking reserve movements into account. Explanations for the variances are shown in the paragraphs following the table. A more detailed breakdown of the position is shown in Appendix 1.

Table 1 – Summary revenue outturn position

Fire Authority's Service Area	2022-23 Budget £000	2022-23 Actual £000	Reserve Move- ments £000	Revised Variance £000
Firefighting & Rescue Operations	29,614	30,528	(47)	867
Protection	1,887	1,972	(116)	(31)
Prevention	2,465	2,322	(24)	(167)
Support Services	11,044	10,543	26	(475)
Unitary Performance Groups	100	40	60	-
Finance resources / centrally held costs and contingencies	2,272	960	1,457	145
Finance resources – S31 grants	(2,104)	(2,136)	-	(32)
Capital Financing (including investment income)	1,308	627	681	-
Funding	(46,586)	(46,847)	236	(25)
2022-23 deficit taken from reserves	-	-	(282)	(282)
Cheshire Fire Total	-	(1,991)	1,991	-

General

6. The 2022-23 budget included an allowance for a 3% pay award for all staff. Grey Book staff accepted an offer of 7% to take effect from July 2022. Green book staff accepted a flat rate offer which equates to 7.6% across the Green Book payroll. No additional funding has been made available to the Authority to cover any additional costs arising from the pay award and this has led to some overspend against the budget.

Firefighting and Rescue Operations.

7. This comprises Service Delivery and Operational Policy and Assurance (OPA). The overspend on Service Delivery is mainly as a result of the impact of the 2023-24 pay award. The overspend on OPA is a result of pay costs including non-achievement of the vacancy provision (ie there is a budgeted expectation that turnover of staff will see some periods when posts are vacant) (£165k); additional costs on driver training (£43k), additional uniforms (£40k) and NWFC (including the Manchester Arena inquiry) (£40k) and reduced funding for the Emergency Services Network (£35k), offset by underspends on training courses (£74k) and Covid equipment (£55k).

Protection

8. Protection is slightly underspent due to vacancies.

Prevention

9. The Prevention Team has had difficulty in recruiting staff and whilst it was hoped that this would be resolved during the year it has led to an underspend. It is hoped that the planned Prevention Department review will alleviate this problem going forward

Support Services

10. Support Services consists of non-operational departments who work in support of the operational activity of the Authority, including those delivered under the Blue Light Collaboration. Overall, Support Services are underspent by £475k.
11. Executive Management is overspent as a result of changes to the Service Leadership Team including the cost of recruiting the new Chief Fire Officer and Chief Executive, the departure of the Assistant Chief Fire Officer, and the addition of a temporary Station Manager post to assist with the fire cover review and the creation of the Community Risk Management Plan.
12. Communications and Engagement is underspent as a result of restructuring after the move from the Blue Light Collaboration arrangement, and delays in recruitment.
13. Property Management is underspent as a result of savings on business rates (£228k) and maintenance costs (£103k), and additional rental and co-location income, (£34k). This is offset by abortive costs for the potential refurbishment of Ellesmere Fire Station (£113k), overspends on the restaurant (£22k) and premises costs relating to the return of the People and Organisational Development Department to the Sadler Road site (£20k), together with small overspends on Blue Light Collaboration charges and Biomass fuel costs.

14. ICT is underspent as a result of lower than expected telephony costs (£51k), Blue Light Collaboration Charges (£41k), radio costs (£20k) and consultants fees (£20k), and a number of other small underspends, offset by the phased reduction of Firelink Grant (£37k).
15. People and Organisational Development is underspent as a result of lower than anticipated spend on a number of budgets including the operation of the Occupational Health Unit, payroll contract costs, Blue Light Collaboration recharges and training, offset by the costs related to the move back to the Sadler Road site during the year.

Finance Resources

16. Finance Resources includes centrally held costs and contingencies which covers items such as insurance, audit fees, centrally held pension costs and movements to and from corporate reserves, for example transfers to the capital reserve. The overall outturn position of the Authority means that less movement from reserves was required than had been anticipated.

Contributions to/from Reserves

17. The Authority's Reserves Strategy approved along with the Authority's budget in February 2022 explains that the Authority holds earmarked revenue reserves to enable future expenditure commitments to be funded from those reserves as required.
18. Net reserve movements for each department of the Authority are shown in Table 1 above
19. In general, reserve movements in departments during the year have been used to support agreed expenditure or to reserve funds for future year's expenditure. Underspending on UPG budgets has been transferred to the central UPG reserve.
20. The main reserve movement on Finance Resources is the contribution to the capital reserve which funds part of the Authority's capital programme.
21. During the year there has been an underspend on capital financing costs and additional investment income, and this has been transferred into the capital reserve.
22. The Authority received some additional funding during the year and this has been transferred into the Authority's funding reserve.
23. The overall deficit for the year of £282k will be met from the Authority's reserves.

Capital Programme

24. At the end of 2022-23, the Authority's capital programme is £26.83m, with a forecast outturn spend of £25.84m, an underspend of £0.98m. The main reasons for this are that the purchases of properties in Wilmslow were less than the allocated capital by £0.48m; two schemes, purchase of a hook lift vehicle and the purchase of support vehicles have been switched to revenue funding; and there has been a delay on the purchase of new Breathing Apparatus. Details of the position can be found in Appendix 2.
25. Table 2 below summarises expenditure in 2022-23 by type and shows how the capital expenditure is funded.

Table 2 - Capital Expenditure 2022-23

Type	£000
Property	6,953
Equipment	26
Vehicles	727
ICT	59
	7,765
Funded by	
Capital Receipts	25
Use of reserves	1,330
Borrowing	6,410
	7,765

Summary

26. Overall, there is an overspend against the revenue budget in 2022-23 of £282k. This will be met from the Authority's reserves.
27. Officers take account of variances from budget for 2022-23 as they monitor the budget for 2023-24 and prepare the budget for 2024-25. Part of that consideration will be the impact of pay awards which were the primary cause of the overspend in 2022-23. Members will be aware that the budget for 2023-24 was approved before the final settlement of the pay award for firefighters for 2022-23 had been confirmed, and that the budget was set at 1% less than the final settlement figure. The likely impact of this will be around £290k. Every effort will be made to ensure that the impact is contained within existing budgets.
28. In accordance with the approved Reserve Strategy, the General Reserve will be maintained at a level of approximately £2.2m, which is broadly equivalent to 5% of the net revenue budget. This is line with the generally accepted level.

Financial Implications

29. The report considers financial matters.

Legal Implications

30. There are no legal implications arising from the report.

Equality and Diversity Implications

31. There are no equality and diversity implications arising from the report.

Environmental Implications

32. There are no environmental impacts arising from the report.

**CONTACT: DONNA LINTON, GOVERNANCE AND CORPORATE PLANNING
MANAGER
TEL [01606] 868804**

Appendix 1

Cheshire Fire Authority Outturn 2022-23

	Budget	Actual	Reserves	Variance
Firefighting and rescue operations				
Service delivery	24,467	25,133	0	666
OPA	5,147	5,395	(46)	202
Protection	1,887	1,972	(116)	(31)
Prevention	2,465	2,322	(24)	(167)
Support services				0
Exec management	1,222	1,371	(100)	49
Comms and Engagement	702	606	4	(92)
Property Management	1,905	1,612	107	(186)
Finance	456	467	2	13
ICT	1,888	1,754	38	(96)
Legal and Democratic Services	565	560	(25)	(30)
People and Development	1,924	1,866	(31)	(89)
Planning and Performance	525	476	(18)	(67)
Procurement & Stores	302	335	0	33
Fleet	1,555	1,496	47	(12)
Unitary Performance Groups	100	40	60	0
Finance Resources				0
Centrally held costs and contingencies	73	960	(779)	108
Capital financing	1,308	627	681	0
S.31 Grants	(2,104)	(2,136)	0	(32)
Contribution to Capital Reserve	2,199	0	2,236	37
Total Expenditure	46,586	44,856	2,036	306
Funding	(46,586)	(46,847)	236	(25)
Net position		(1,991)	2,273	282

Appendix 2
Cheshire Fire Authority Capital 2022-23

		2022-23 Budget	Total Programme Budget	2022/23 Expenditure	Total Expenditure to Date	Expected Outturn	Variance
Service Area	Description	£000	£000	£000	£000	£000	£000
Prior year schemes:	Crewe Fire Station	5,600	7,375	2,794	3,165	7,375	0
	Fire Station Modernisation Programme	4,350	11,500	(113)	7,018	11,500	0
	Technical Rescue vehicle 2020-21 in year - £49.5k	50	50	63	63	63	14
	Rapid Response units *13 - 2020-21 £520k	0	520	40	440	480	(40)
	Water carrier / bowser - 2020-21 £140k	0	140	33	80	80	(60)
	SAFFIRE-hardware and ancillary items - 2020-21 £100k	0	100	52	52	52	(48)
	Mobile data terminals MDT replacement programme - 2020-21 £370k	0	370	7	303	303	(67)
	Appliance Replacement Programme 2021-22 - 2 vehicles £540k	0	540	221	522	522	(18)
	Support Vehicle replacement - 2021-22 £60k	0	60	28	50	50	(10)
	Sub-total	10,000	20,655	3,125	11,694	20,425	(229)
2022-23 Schemes	Thermal Image Cameras - 2022-23 £28k	28	28	26	26	26	(2)
	ICT Equipment 2022-23 £100k	100	100	0	0	100	0
	Appliance Replacement Programme 2022-23 - 3 vehicles £810k	810	810	342	342	885	75
	Vehicle with hooklift ** 2022-23 £159k	159	159	0	0	0	(159)
	Support Vehicle replacements - ** 2022-23 £60k - If leased EVs dont go ahead	60	60	0	0	0	(60)
	Breathing apparatus unit ** 2022-23 £130k	130	130	0	0	0	(130)
	Welfare and contaminants unit ** 2022-23 £140k	140	140	0	0	140	0
	Fire Houses Refurbishment Programme	250	250	252	252	252	2
	Wilmslow - day crewing housing stock	4,500	4,500	4,020	4,020	4,020	(480)
	Sub-total	6,177	6,177	4,639	4,639	5,423	(754)
In-year approvals:	None	0	0	0	0	0	0
	Total	16,177	26,832	7,765	16,333	25,848	(983)

CHESHIRE FIRE AUTHORITY

MEETING OF: CHESHIRE FIRE AUTHORITY
DATE: 28 JUNE 2023
REPORT OF: HEAD OF FINANCE
AUTHOR: WENDY BEBBINGTON

SUBJECT: TREASURY MANAGEMENT ANNUAL REPORT
2022-23

Purpose of Report

1. To present a review of the Authority's treasury management activities undertaken during 2022-23.

Recommended: That

- [1] the report on treasury management activity for 2022-23 be noted; and
- [2] the performance against the Prudential and Treasury indicators be noted.

Background

2. The Chartered Institute of Public Finance and Accountancy (CIPFA) define treasury management as 'The management of the organisation's borrowing, investments and cash flows, including its banking, money market and capital market transactions, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks.'
3. The associated Code of Practice for Treasury Management recommends that those charged with governance are updated on treasury management activities regularly by way of a strategy at the start of the year, a mid-year review and an outturn report. In addition to these three major reports, from 2023-24, additional quarterly reporting (end of June/end of December) is also required. This new reporting requirement will be fulfilled by the inclusion of updated and forecast Treasury/Prudential Indicators within the main First Quarter and Third Quarter financial review reports considered by Performance and Overview Committee.
4. The regulatory environment places responsibility on Members for the review and scrutiny of treasury management policy and activities. This report provides Members with details of the treasury management activities undertaken in 2022/23. It also highlights compliance with the Authority's policies previously approved by Members.

5. This report includes details of:
 - a. the Authority's loans portfolio position at 31 March 2023;
 - b. the Authority's investment portfolio position at 31 March 2023;
 - c. a summary of performance for the year 2022/23;
 - d. the Authority's performance in 2022/23 set against the key Prudential and Treasury Indicators
6. Members should be aware that all of the 2022/23 figures in this report remain subject to audit.

The Economy and Interest Rates

7. The Coronavirus Pandemic resulted in huge economic damage to the UK economy and to economies around the world and investment returns had remained close to zero for much of 2020/21 and 2021/22. The expectation for interest rates within the Treasury Management Strategy for 2022/23 was that the Bank Rate would begin a slow rise to normality during the year but would end the year at 0.75%. However, investment returns have picked up sharply throughout the course of 2022/23 as central banks, including the Bank of England, realised that inflationary pressures were not transitory, and that tighter monetary policy was called for. Starting April 2022 at 0.75%, the Bank Rate moved up in stepped increases of either 0.25% or 0.5%, reaching 4.25% by the end of the financial year, with the potential for a further one, or two increases in 2023/24.
8. While the Authority has maintained a cautious approach to investing, it is also fully appreciative of changes to regulatory requirements for financial institutions in terms of additional capital and liquidity that have been introduced over recent years. These requirements have provided a far stronger baseline for financial institutions, with annual stress tests by regulators evidencing how institutions are now far more able to cope with extreme stressed market and economic conditions.
9. Looking at Public Works Loan Board (PWLB) maturity loan borrowing rates, the 50 year rate started 2022/23 at 2.42% on 1/4/2022 and finished the year on 31/3/2023 at 4.41%, after hitting a high of 5.51% on 28/9/2022. Table 1 below provides a summary of PWLB rates comparing the high, low and average rates throughout the year.

Table 1

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	1.95%	2.18%	2.36%	2.52%	2.25%
Date	01/04/2022	13/05/2022	04/04/2022	04/04/2022	04/04/2022
High	5.11%	5.44%	5.45%	5.88%	5.51%
Date	28/09/2022	28/09/2022	12/10/2022	12/10/2022	28/09/2022
Average	3.57%	3.62%	3.76%	4.07%	3.74%
Spread	3.16%	3.26%	3.09%	3.36%	3.26%

Outlook for 2023/24

10. In 2023/24, recent data suggests that the global economy had a better start to the year than previously feared. The plunge in wholesale gas prices since the end of last year has decreased the size of the drag on real incomes. As a result, markets expect falls in real consumer spending of about 1.0%, real business investment of around 12% and real residential investment in the region of 17%, which will result in overall GDP declining by around 1.0% over the first three quarters of this year.
11. CPI inflation has already fallen from its peak of 11.1% in October 2022 to 8.7% in April 2023 and will drop further this year. A lot of that will be due to falls in utility and fuel prices. Domestic inflationary pressures are also expected to ease as a higher unemployment rate leads to lower wage growth and the recession, forcing firms to absorb more of the rises in costs in their margins.
12. If the UK economy proves to be more resilient than most expect and/or inflation proves to be stickier, bank rates may rise above 5% and/or stay high well into 2024. However, the central forecast is that a recession will weaken domestic inflation pressures enough to allow the Bank to cut interest rates in the first half of 2024.
13. There is likely to be a fall in PWLB rates across the whole range of durations over the next one to two years as the Bank Rate first rises to dampen inflationary pressures and a tight labour market, and is then cut as the economy slows, unemployment rises, and inflation (on the Consumer Price Index measure) moves closer to the Bank of England's 2% target.

Portfolio Position at 31 March 2023

14. A summary of the Authority's long-term borrowing and investments at 31 March 2023 is shown in Table 2, including the equivalent treasury portfolio position at 31 March 2022 for reference.

Table 2 – Portfolio Position		
	31 March 2022 £000	31 March 2023 £000
Long Term Borrowing	12,012	12,012
Treasury Investments	(18,646)	(12,940)
Net Borrowing / (Investments)	(6,634)	(928)

Note: All investments held relate to Treasury Management activities. The Authority has not engaged in any commercial investments and has no non-treasury investments.

15. Long-term borrowing as at 31 March 2023 is made up entirely of maturity loans from the Public Works Loans Board (PWLB). This includes borrowing of £11m to finance the Training Centre project, secured from PWLB at favourably low fixed rates in March 2021 (£4m at 1.99%), July 2021 (£4m at 1.65%) and November 2021 (£3m at 1.63%). No new borrowing was entered into during 2022/23.
16. Investment balances (including cash on deposit in Money Market Funds) have reduced during 2022/23. This is due to expenditure on major estates projects during the year.

Treasury Management Performance 2022/23

Investments

17. Over recent years, it has been impossible to generate significant levels of investment income due to the 0.1% Bank Rate, leading to available short-term investment rates with suitable counterparties (financial institutions that investments are placed with) being barely above zero. However the increases to Bank Rate during 2022/23 and proactive cashflow management, have enabled the Authority to secure significantly increased short to medium term rates of return over recent months. Investment income in 2022/23 is £417k, increased from the £41k generated in 2021/22.
18. The Authority has continued with a cautious approach to its choice of counterparties. As at 31 March 2023, the Authority's investments are with UK Debt Management Office, Santander, Aberdeen Standard Liquidity Money Market Fund and in its National Westminster Bank Liquidity account, which the Authority continues to use regularly to manage day to day cashflows. An investment was also held with Goldman Sachs earlier in the year. The current investment counterparty criteria selection approved in the Treasury Management Strategy is meeting the requirement of the treasury management function.
19. There have been no instances of non-compliance with approved Annual Investment Strategy limits during the year.

Borrowing

20. The amount of borrowing as at 31 March 2023 is £12.012m. During 2022/23 interest rates have been monitored and no debt rescheduling took place during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.
21. As previously reported to Members and in line with the currently approved Treasury Management Strategy, £11m of this current borrowing relates to the Training Centre.

22. The approved Treasury Management Strategy included provision for £7.5m of new external borrowing during 2022/23 mainly in respect of major estates projects at Crewe and Wilmslow. However, in view of the sharp rise in interest rates and current market volatility, together with reduced cashflow pressure from re-profiling of the Fire Station Modernisation programme expenditure into 2023/24 and 2024/25, the timing of this new borrowing is currently being deferred. Market rates and forecasts will continue to be kept under close review in order to secure the borrowing at the optimum point.
23. The Authority currently remains in an under-borrowed position, which means that decisions have been made to internally finance expenditure as opposed to entering into new external borrowing. As a result of deferring this planned 2022/23 new external borrowing, the position at 31 March 2023 is now forecast to be around £9.7m internally borrowed. This is consistent with the current strategy of increasing internal borrowing over the period of major estates projects delivery in order to minimise new long term external borrowing over this period. It will be achieved through careful cashflow management.
24. At this point increasing internal borrowing as detailed above, supported by short periods of temporary external borrowing if required, is considered to be manageable and a sensible target position in view of the current high cost of borrowing and forecasts that this will begin to reduce as the economy stabilises over the next two, to three years. The position was reviewed as part of the 2023/24 Treasury Management Strategy and will continue to be monitored closely.
25. The maturity structure for borrowing can be seen in Table 3. This indicator is designed to be a control over an authority having large concentrations of fixed rate debt which need to be replaced at times of uncertainty over interest rates. The limits set represent sensible boundaries and are intended to draw attention to potential issues before they arise. There are currently no potential issues.

Table 3 - Maturity Structure of Borrowing – 31/03/2023				
	Upper Limit %	Lower Limit %	Actual %	Amount £000
Under 12 months	15	0	3	426
12 months and within 24 months	15	0	4	467
24 months and within 5 years	25	0	1	119
5 years and 10 years	25	0	0	0
10 years and above	100	50	92	11,000
Total			100	12,012

Prudential and Treasury Indicators

26. The Authority must approve Prudential and Treasury Indicators annually, to reflect the impact of the Capital Programme on the Authority's financial position. Table 4 below shows performance in 2022/23 against the indicators, which were approved by the Authority in February 2022.

Table 4: Prudential and Treasury Indicators			
Prudential Indicators	2022/23 Indicator £000	2022/23 Outturn £000	Comment
Capital expenditure	16,177	7,769	Pause / re-profiling of Fire Station Modernisation programme, later than anticipated start to Crewe new build and £0.5m underspend re: Wilmslow project.
Capital financing requirement	25,424	21,735	
Annual change in capital financing requirement	9,298	5,609	
Gross borrowing requirement: (Under) / Over borrowing	(5,912)	(9,723)	Deferral of planned £7.5m borrowing in 2022/23 offset by lower borrowing requirement due to lower spend as above.
Ratio of financing costs to net revenue stream	2.32%	2.23%	Deferral of new borrowing.
Treasury Indicators	2022/23 Indicator £000	2022/23 Outturn £000	
Authorised limit for external debt	24,212	24,212	Set 9/2/22, no change during 2022/23.
Operational boundary for external debt	22,212	22,212	
Actual external debt - Borrowing - Other long term liabilities Total	19,512 0 19,512	12,012 0 12,012	Planned £7.5m new borrowing deferred due to current high interest rates and improved cash balances resulting from re-profiling of Fire Station Modernisation programme into 2023/24 and 2024/25.
Upper limit of fixed interest rate exposure	100%	100%	
Upper limit of variable interest rate exposure	25%	Nil	No variable rate loans held or planned
Upper limit for principal sums invested for over 364 days	£nil	£nil	No longer term investments held or planned.

27. The above table shows that the Authority remained within both the authorised limit and operational boundary for external debt. These are limits on the amount of external debt permitted and include both loans and financial leases.
28. Capital expenditure in 2022/23 was lower than originally anticipated due to some re-profiling of expenditure relating to both the Fire Station Modernisation Programme and the Crewe Fire Station replacement project. In addition the project to purchase additional service housing in Wilmslow was completed with a final underspend of £0.5m.

Conclusion

29. Increases to the Bank Rate during 2022/23 and proactive cashflow management, have enabled the Authority to secure significantly increased investment returns over recent months which will continue into 2023/24. Opportunities for seeking improved returns will continue to be pursued within the approved confines of the Annual Investment Strategy.
30. Borrowing rates remain high and new borrowing is required to finance the major estates projects at Crewe and Wilmslow. In view of the recent sharp rise in interest rates and current market volatility, together with reduced cashflow pressure from re-profiling of the Fire Station Modernisation programme expenditure into 2023/24 and 2024/25, the timing of required new borrowing is currently being deferred. This will be secured at the optimum point taking into account available cash balances along with prevailing and forecast market rates.

Financial Implications

31. The report is in its nature financial and the implications are covered in the body of the report.

Legal Implications

32. All transactions between the Authority and counterparties are governed by the agreements between the two parties, and take into account advice from our Treasury Management partner Link Asset Services.

Equality and Diversity Implications

33. There are none.

Environmental Implications

34. There are none.

**CONTACT: DONNA LINTON, GOVERNANCE AND CORPORATE PLANNING
MANAGER
TEL [01606] 868804
BACKGROUND PAPERS: NONE**

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CHESHIRE FIRE AUTHORITY

MEETING OF: CHESHIRE FIRE AUTHORITY
DATE: 28TH JUNE 2023
REPORT OF: GOVERNANCE AND CORPORATE PLANNING
MANAGER
AUTHOR: DONNA LINTON

SUBJECT: EXCLUSION OF THE PRESS AND PUBLIC

Exclusion of the Press and Public

Recommended:

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

Item 5

Blue Light Collaboration

Paragraph

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

Item 6

Fire Station Modernisation Programme – Year Three

Paragraph

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

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

BACKGROUND DOCUMENTS: NONE

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