



**MINUTES OF THE MEETING OF THE CHESHIRE FIRE AUTHORITY held on Wednesday, 8 December 2021 at Lecture Theatre - Training Centre, Sadler Road, Winsford, Cheshire CW7 2FQ at 10.30 am**

**PRESENT:** Councillors Bob Rudd (Chair), Phil Eastty, Rob Moreton, Rachel Bailey, Michael Beanland, David Brown, Razia Daniels, Brian Gallagher, Phil Harris, Jill Houlbrook, Marilyn Houston, Nick Mannion, Karen Mundry, Stef Nelson, Stuart Parker, Jonathan Parry, 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 Mike Biggin, Martyn Delaney, Gina Lewis and James Nicholas.

**C Chair's Announcements**

The Chair asked Members to note the content of the Chair's announcements that included activities carried out by Cheshire Fire and Rescue Service during the Coronavirus pandemic and details of Authority achievements and events Members had attended since the last meeting of the Fire Authority.

The Chair advised that Cheshire Fire and Rescue Service had won two Excellence in Fire and Emergency trophies at this year's Fire Magazine Fire and Emergency Awards. The Prevention team won the Collaboration of the Year category and Firefighter Pete Owens won the Young People's Supporter of the Year. The Service was also shortlisted for the Burn Awareness Campaign and the Community Support Management Team for the Team of the Year awards.

The Chair advised that this would be the last meeting that Treasurer, Allan Rainford would attend as he was due to retire on 31<sup>st</sup> December 2021. The Chair on behalf of the Authority thanked Allan for the hard work and commitment he had given to the Service over the years and wished him all the best for the future.

**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 29<sup>th</sup> September 2021 be approved as a correct record.**

**G Minutes of Brigade Managers' Pay and Performance Committee**

**RESOLVED:**

**That the minutes of the Brigade Managers' Pay and Performance Committee held on 8<sup>th</sup> November 2021 be noted.**

**H Minutes of Staffing Committee**

**RESOLVED:**

**That the minutes of the Staffing Committee held on 8<sup>th</sup> November 2021 be noted.**

**I Minutes of Governance and Constitution Committee**

The Director of Governance and Commissioning advised that there were three minutes where the Governance and Constitution Committee had made recommendations to the Fire Authority that were to be considered at this meeting:-

Minute 2 – New Members' Code of Conduct

Minute 5 – Members' Allowance Scheme 2022-23

Minute 6 – Independent (Non-Elected) Member – Further Term of Officer

**RESOLVED: That**

**[1] the minutes of the Governance and Constitution Committee held on 10<sup>th</sup> November 2021 be noted;**

**[2] the New Members' Code of Conduct be adopted;**

**[3] the Members' Allowances Scheme 2022-23 be approved; and**

**[4] a further term of office for Derek Barnett to act as an independent (non-elected) member be agreed.**

**J Minutes of Performance and Overview Committee**

The Director of Governance and Commissioning advised that the Performance and Overview Committee had made a recommendation to the Fire Authority that was to be considered at this meeting.

The Chair confirmed that he would write a joint letter with the Member Champion for Road Safety.

**RESOLVED: That**

**[1] the minutes of the Performance and Overview Committee held on 24<sup>th</sup> November 2021 be noted; and**

**[2] the Fire Authority to write to the Cheshire Councils and other key partners with a view to securing progress with the Road Safety Strategy Plan for Cheshire.**

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

**RESOLVED:**

**That the notes of the Member Training and Development Group held on 5<sup>th</sup> October 2021 be noted.**

**L Note of the Risk Management Board**

**RESOLVED:**

**That the notes of the Risk Management Board held on 12<sup>th</sup> October 2021 be noted.**

**M Notes of the Local Pension Board - Firefighters Pension Scheme**

**RESOLVED:**

**That the notes of the Local Pension Board – Firefighters Pension Scheme held on 10<sup>th</sup> November 2021 be noted.**

**N Programme of Member Meetings 2022-23**

**RESOLVED: That**

**[1] the Programme of Member Meetings for 2022-23 be approved.**

**2 2022/23 DRAFT BUDGET AND MEDIUM TERM FINANCIAL PLAN**

The Treasurer presented the report which provided an update on the progress made in preparing a draft revenue budget and capital programme for 2022-23.

The Chancellor issued the Autumn Budget and Spending Review 2021 on 27<sup>th</sup> October 2021 (SR21). It set out the Government's financial plans for the next three years. SR21 confirmed that total departmental spending was set to grow in real terms at 3.8% a year, on average, over the current Parliament – a cash increase of over £150 billion a year by 2024-25 (£90 billion in real terms). Although there was no specific mention of fire and rescue in SR21, the headline figures for the Home Office were for a real terms increase of 1.99% per annum and for local government “spending power” to increase by 3% in real terms each year.

The Chancellor's announcement signalled the end of the “pay pause” for public sector employees. However, it was not clear if there would be additional funding to meet the cost of pay awards or the previously announced employers' national insurance increases. This may become clearer when the Provisional Local Government Finance Settlement is published. This was due by mid-December 2021.

The Treasurer made reference to the table in paragraph 11 of the report. The table illustrated that if the Council Tax Referendum Principles allowed a council tax increase of 1.99%, this would not be sufficient on its own to balance the budget for 2022-23 and this was the case before the inclusion of any growth proposals. As part of the budget process, the Chief Fire Officer and Chief Executive had led discussions with the Service Management Team to review the current base budget, consider levels of unavoidable cost increases and identify revenue savings. This process was still ongoing. However, it was on track to deliver proposals for a balanced budget.

A Member referred to the impact of the McCloud ruling on pension costs and asked if this would have a significant impact on the Service in the future. In response, the Head of Finance advised that the Government was aware of the situation and understood that individual authorities would be able to cover the costs. It was expected that authorities would receive assistance, but a firm commitment had not been made thus far.

**RESOLVED: That**

**[1] the position in the 2022-23 draft revenue budget and medium term financial plan be noted.**

**3 TREASURY MANAGEMENT - MID YEAR REPORT 2021/22**

The Head of Finance presented the report which provided an update on performance against the Authority's Treasury Management Strategy (TMS).

Members were referred to the section of the report containing information on the current economic background. The Head of Finance highlighted the economic uncertainty currently being faced within the UK and globally due to the Coronavirus pandemic.

The table at paragraph 17 of the report contained a forecast of interest rates from December 2021 to March 2024. This showed small increases over the period.

The table at paragraph 20 of the report provided an overview of the capital programme, the resulting amount of annual borrowing required and the associated revenue financing costs over the current and next 3 years. Members were reminded that the ongoing requirement to fund an annual capital programme for essential vehicle, equipment and technology replacements beyond the current financial planning period would also require the Authority to increase revenue funding for the programme and/or enter into new external borrowing.

The Head of Finance referred Members to information within the report regarding the Authority's investment portfolio for 2021-22, which totalled £19,98m at 31<sup>st</sup> October 2021.

**RESOLVED: That:**

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

**[2] the requirement to borrow to support the capital programme be noted.**

#### **4 EXTERNAL AUDITOR'S ANNUAL REPORT 2020-21**

Michael Green and Liz Luddington from Grant Thornton (the External Auditor) introduced the Annual Report and provided an overview of its content and purpose.

The Annual Report advised that the External Auditor considered 'Financial Stability', 'Governance' and 'Improving Economy, Efficiency and Effectiveness'. The External Auditor found no significant weaknesses in any of these areas. However, three improvement recommendations were made as detailed at pages 13, 14 and 18 of the Annual Report, with associated Management comments.

A Member referred to the 'Financial sustainability – funding gaps and use of reserves' part of the report and asked if the Service needed to review its current reserves strategy. In response, Michael Green commented that it was recommended that an organisation should review its policies on a regular basis.

A Member referred to the recommendation concerned with establishing an audit committee with independent members sitting on it. The Director of Governance and Commissioning stated that he envisaged that a report would be submitted to the next meeting of the Governance and Constitution Committee providing options to consider, with any new reporting structure being in place for June 2022.

In conclusion, Members welcomed the report and thanked officers involved with the preparation of the report.

**RESOLVED: That**

**[1] the External Auditor's Annual Report be noted; and**

**[2] the Chief Fire Officer and Chief Executive, Treasurer and Monitoring Officer be given authorisation to make changes to the Financial Regulations to more closely align the Authority's procurement practices with those operated by Cheshire Constabulary, confirming the changes that have been made at the next meeting of the Fire Authority.**

**5 DRAFT 2022-2023 ANNUAL ACTION PLAN - CONSULTATION INTERIM FEEDBACK**

The Consultation and Engagement Officer introduced a report that provided an update about the consultation to-date on the draft 2022-2023 Annual Action Plan.

Members were advised that consultation on the draft plan commenced on 4<sup>th</sup> October and would run for 13 weeks until 7<sup>th</sup> January 2022. Due to Covid restrictions being in place consultation activity had been focussed online through the Service's website and social media and was supplemented with a postal survey. The report provided an overview of the initial feedback received at the time of writing the report.

A Member sought more information on the consultation process. In response, the Consultation and Engagement Officer advised that the geographical split of responses received was proportionate to the population of Cheshire and the age profile was inline with previous consultations. This year there had been more focus online to encourage the younger population of Cheshire to respond.

**RESOLVED: That**

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

**6 MEMBER DEVELOPMENT STRATEGY 2022-24**

Consideration was given to a report of the Director of Governance and Commissioning which sought approval of the Member Development Strategy for 2022-24.

The Member Development Strategy sets out how the Fire Authority intends to develop its elected Members to ensure that they are effective in fulfilling their roles and responsibilities. It provides a structured framework for the delivery of the Member Development and Induction Programme, future Member support and training and development and promotes continuous improvement.

**RESOLVED: That**

**[1] the Member Development Strategy for 2022-23 be approved.**

**7 PROCUREMENT OF EXTERNAL AUDITORS**

The Treasurer presented a report that enabled Members to determine how they wish the procurement of external auditors to be progressed.

The Treasurer explained that there were three possible options available to the Fire Authority for it to secure its external auditors. These included the national external auditor appointment arrangements run by Public Sector Audit Appointments Limited (PSAA) (referred to as 'the PSAA route' in the following paragraphs); a collaborative procurement with other public sector bodies; or, its own procurement (both referred to as 'the Local Audit Procurement'). The options involve different levels of resourcing.

**RESOLVED: That**

- [1] officers be instructed to accept the invitation from Public Sector Audit Appointments Limited to opt into the national external auditor appointment arrangements, with a view to securing external auditors for five financial years commencing with financial year 2023-24.**

**8 ETHICAL PROCUREMENT STRATEGY AND SOCIAL VALUE POLICY**

The Head of Procurement and Contracts presented a report which sought adoption of an Ethical Procurement Strategy and Social Value Policy.

Members were advised that The Public Services (Social Value) Act 2012 required the commissioners of public services to consider how they could secure wider social, economic, and environmental benefits and in September 2020 a Procurement Policy Note heralded the launch of a Social Value Model by the Government to be applied to its procurement activity from 2021. The Model meant that social value took on greater significance in decisions about contract award. The Government believed that a minimum weighting of 10% of the total score was expected to be sufficiently large to be a differentiating factor in contract awards.

Members discussed the following issues during the meeting: animal welfare; the practice of firing and rehiring; buying locally; and ethically sourced goods. They asked officers to consider whether the Strategy/Policy could be developed further to cover these issues

Members were comfortable approving the documents on an interim basis and it was agreed that an item would be placed on a Members' Planning Day.

**RESOLVED: That**

- [1] the Ethical Procurement Strategy be approved on an interim basis subject to further consideration being given to the issues raised at the meeting; and**
- [2] the Social Value Policy be approved on an interim basis (to be applied for procurements with a value greater than £50,000) subject to further consideration being given to the issues raised at the meeting.**