

# CHESHIRE FIRE AUTHORITY

**MEETING OF:** BMs PAY AND PERFORMANCE COMMITTEE  
**DATE:** 8<sup>TH</sup> MAY 2018  
**REPORT OF:** DIRECTOR OF GOVERNANCE AND COMMISSIONING  
**AUTHOR:** ANDREW LEADBETTER

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**SUBJECT: PROVIDED CARS**

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## Purpose of Report

1. To present Members with information about vehicles provided to the Chief Fire Officer and Chief Executive and Deputy Chief Fire Officer.
2. To allow Members to consider the existing arrangements and determine whether they are satisfied with them.

## Recommended:

That Members note the information provided and consider the following questions :

- [1] Is it still appropriate to provide cars to the Chief Fire Officer and Chief Executive and Deputy Chief Fire Officer?
- [2] If the answer to question (1) is 'yes' should the policy of supplying 4 x 4 vehicles continue?
- [3] If the answer to question (1) is 'yes' is the cost of the provided cars acceptable?

## Background

3. Following questions at the Fire Authority about the vehicles provided to the Chief Fire Officer and Chief Executive and Deputy Chief Fire Officer (hereafter referred to as Principal Officers) the Chair asked for a report to be prepared for consideration by Members.

## Information

### Contractual Position

4. It is important to understand the contractual position. The Principal Officers' Statements of Particulars contain identical provisions concerning the provision of vehicles for their use. The key provisions have been captured in Appendix 1 to this report.
5. Members will see that the Authority is required to provide the Principal Officers with an emergency response vehicle, which can be used for personal purposes as well as official business use. The Authority

reserves the right to determine the value, make and model of vehicle to be provided (albeit with an intention to consult on the choice of vehicle).

6. The Principal Officers are, according to their Statements of Particulars, deemed to be on continuous duty (when not undertaking positive hours - minimum of 42 hours per week). Whilst continuous duty is not defined the expectation is developed in the Pay and Recognition Policy which refers to primary and secondary response requirements. Essentially, the Principal Officers take it in turns to provide primary and secondary response. A primary response is immediate and secondary response is within eight hours.

#### Vehicle Type

7. As can be seen the provisions in the Statement of Particulars do not specify or dictate the kind or value of vehicle to be provided.
8. In recent years, following a particularly bad winter (2010/11), 4 x 4 vehicles have been provided to ensure that the Principal Officers are able to fulfil their duties even when there are difficult driving conditions, e.g. ice, snow etc. Currently, the vehicles are a Land Rover Discovery and BMW X5.

#### Costs of Provided Cars

9. The provided cars have been purchased, rather than leased. The Fire Authority is able to access various framework contracts and is often offered worthwhile discounts off list price (up to 15%). On average the provided cars have been replaced every two years. Although some provided cars have previously been retained for re-use within the Service this no longer occurs with the vehicles being sold at the time that they are replaced. The Fleet Manager seeks to secure the best resale value for the vehicles, advising on the optimum time to replace them. A table showing the costs associated with the provided cars is contained in Appendix 2 to this report.
10. The Fleet Manager has carried out an exercise comparing costs of purchase and lease. He is confident that the current approach (purchase) should continue to be significantly cheaper than the leasing of vehicles. However, he does keep the situation under review and appreciates the range of factors that can impact upon the respective costs, e.g. availability of discounts and timing of sale.

#### **Financial Implications**

11. The Authority covers the cost of the provided vehicles and details are shown in Appendix 2 attached to this report. Currently, there is a budget of £55,000 per vehicle.
12. Members may recall that there have been recent changes in the tax rules concerned with the private use of emergency vehicles. Staffing

Committee considered this matter in October 2017. HMRC has recently written to the Authority seeking information about any officers that are deemed to be permanently on call, which for Cheshire only includes the Principal Officers. HMRC has also indicated that it expects organisations that apply exemptions from tax to keep records: exemptions are currently applied in relation to the provided cars used by the Principal Officers.

13. Officers are working with HMRC on this and a further report may be necessary in due course.

### **Legal Implications**

14. The Authority has a contractual obligation to provide an emergency response vehicle to the Principal Officers. However, it has discretion concerning the value, make and model of vehicle.

### **Equality and Diversity Implications**

15. A decision about provided cars should not have any equality and diversity implications. However, the requirements of a specific individual appointed to a Principal Officer role may involve the Authority in considering such issues when determining the vehicle to be provided.

### **Environmental Implications**

16. The Authority has a carbon reduction target. It should, wherever possible, use vehicles which are deemed to be 'environmentally-friendly'.

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## APPENDIX 1

### EXTRACTS FROM STATEMENT OF PARTICULARS

#### 4. *Remuneration and Allowance*

- 4.4 *You will be provided with an emergency response vehicle which is used for business use. Further details are attached to this Statement of Written Particulars*

*Emergency Response Vehicle Contract Clause (appended to the Statement of Written Particulars)*

2. *The Authority permits the employee to use the vehicle for personal purposes as well as official business use.*
3. *The expense of taxing, insuring, MOT testing, repairing, maintaining and [in so far as attributable to the use of the emergency response vehicle for employment purposes] running the emergency response vehicle shall be borne by Cheshire Fire and Rescue Service (CFRS)...*
9. *The Authority reserve the right to determine the value, make and model of the vehicle to be provided to the employee and to change, vary or withdraw the employee's allocated car. In practice, however, CFRS will endeavour to consult the employee with a view of offering a reasonable choice as to the make, model and colour of the vehicle to be allocated. Replacement of the emergency response vehicle will be entirely at CFRS' discretion, but will normally be every 2/3 years.*

## APPENDIX 2

### COSTS ASSOCIATED WITH PROVIDED CARS

Registration Prefix	Description	Purchase Cost	Blue Light Conversion	Service, Maintenance etc.	Sale Price	Ave cost p.a.
DK61	Land Rover Discovery	£38,188	£5,391	£2,310	£24,078	£10,905.50
DK61	Land Rover Discovery	£38,188	£5,391	£1,517	£24,078	£10,509.00
DK62	Land Rover Discovery	£49,771	£4,325	£5,137	£19,523	£13,236.67
DE64	Land Rover Discovery	£45,543	£2,479	£948	£25,833	£11,568.50
DE64	Land Rover Discovery	£44,814	£2,479	£1,080	£26,250	£11,061.50
DK65	Land Rover Discovery	£52,713	£2,190	£730	-	-
LJ66	BMW X5	£48,198	£2,947	£2,030	-	-

#### Notes:

The table covers a period when there were three provided cars which reduced to two when the Assistant Chief Fire Officer left.

The 62 plate Land Rover Discover was retained for three years.

The 65 plate Land Rover Discovery has been retained beyond two years (firstly used by the Assistant Chief Fire Officer and then by the Chief Fire Officer and Chief Executive).