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To: All Members of the Authority



R. Groves
Monitoring Officer

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Our ref : SH/RG

Date: 19 February 2025

Dear All,

You are invited to attend a meeting of the **AUTHORITY (BUDGET)** to be held at **1.00 pm** on **THURSDAY, 27TH FEBRUARY, 2025** in the Liverpool Suite at Merseyside Fire and Rescue Service Headquarters, Bridle Road, Bootle.

This meeting will be available to watch via YouTube at the following link:

<https://youtube.com/live/KtuzD0FLgV4?feature=share>

Yours faithfully,

SP – S. Healey

Monitoring Officer

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MERSEYSIDE FIRE AND RESCUE AUTHORITY

AUTHORITY

27 FEBRUARY 2025

AGENDA

Members

Councillor Les Byrom (Chair)
Councillor Jeanie Bell
Councillor Tracy Dickinson
Councillor Edna Finneran
Councillor Sam Gorst
Councillor Jan Grace
Councillor Dave Hanratty
Councillor Brian Kenny
Councillor Doreen Knight
Councillor Ed Lamb
Councillor Andrew Makinson
Councillor Barbara Murray
Councillor Lynn O'Keeffe
Councillor Chris Page
Councillor Lesley Rennie
Councillor James Roberts
Councillor Lynne Thompson
Councillor Gill Wood
PCC Emily Spurrell

1. Apologies

To consider any apologies for attendance.

2. Declarations of Interest

To consider declarations of interest in relation to any item on the agenda.

3. Minutes of the Previous Meeting (Pages 5 - 14)

To consider the minutes of the last Authority meeting held on 17th October 2024.

4. Minutes of the Previous Meeting - Appointments Committee (Pages 15 - 16)

To consider the minutes of the last Appointments Committee held on 6th February 2025.

5. Budget & Financial Plan 2025/26 - 2029/30 (Pages 17 - 98)

To consider the Budget and Financial Plans for 2025/26 – 2029/30 (CFO/85/25)

6. **Asset Management Plans** (Pages 99 - 178)
To consider a report of the Authority relating to Asset Management Plans (CFO/86/25).
7. **Revision of Contract Standing Orders** (Pages 179 - 406)
To consider a revision to the Constitution relating to Contract Standing Orders (CFO/87/25).
8. **Procurement of Non-Domestic Water, Wastewater and Ancillary Services Contract** (Pages 407 - 410)
To consider a report of the Authority relating to the Procurement of Non-Domestic Water, Wastewater and Ancillary Services Contract (CFO/88/25).

EXEMPT ITEMS

The following agenda items are exempt by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

9. **Paratech Rescue Systems (ND2)** (Pages 411 - 418)
To consider a report of the Authority relating to the procurement of equipment under New Dimensions 2 (CFO/89/25).
10. **Procurement of 19 USAR First Response Vehicles** (Pages 419 - 422)
To consider a report of the Authority relating to the procurement of first response vehicles as part of National Resilience (CFO/90/25).

MERSEYSIDE FIRE AND RESCUE AUTHORITY

17 OCTOBER 2024

AUTHORITY

PUBLIC MINUTES

Present: Councillors Les Byrom (Chair), Edna Finneran, Jeanie Bell, Sam Gorst, Jan Grace, Dave Hanratty, Brian Kenny, Ed Lamb, Andrew Makinson, Linda Maloney, Lynn O’Keeffe, Lesley Rennie, James Roberts and Lynne Thompson.

Also Present: Chief Fire Officer Phil Garrigan
Monitoring Officer Ria Groves
Director of Finance and Procurement Mike Rea

25. Apologies

Apologies for absence were received from Councillors Doreen Knight, Barbara Murray, Gill Wood, Lynn Thompson and the Police and Crime Commissioner for Merseyside Emily Spurrell.

26. Chairs Announcement

The Chair of the Authority recorded the sad passing of Councillor Linda Maloney who had been a Member of the Authority for a long time and who during that time had held various positions including that of Vice-Chair. Councillor Byrom commented on Councillor Maloney’s love for Merseyside Fire and Rescue Service, her ward, and her community. It was noted that she was passionate about her job and the people she represented as a dedicated public servant. The Members were advised of the details for her funeral and the Authority held a minute’s silence in remembrance of Councillor Maloney.

It was also reported that the Chief Fire Officer, Phil Garrigan, has been successful in the election process for the new Chair of the National Fire Chiefs Council and as such would be leaving the Authority in the coming year. The Members wished him every success in this new role and thanked him for all he had done during his years at the Authority. It was noted that a recruitment process would take place for the next Chief Fire Officer and the Monitoring Officer would provide guidance throughout that process.

27. Declarations of Interest

There were no declarations of interest in relation to any item on the agenda.

28. Minutes of the Previous Meeting

RESOLVED that the minutes of the last meeting held on the 26th June 2024 be approved as an accurate record.

29. Ten-Year Performance Report

The Chief Fire Officer, Phil Garrigan presented the report which provided a ten-year review of the Authority's performance.

The Chief Fire Officer acknowledged the importance of this data and recognised the hard work of the Strategy and Performance team, as this kind of information aided the Authority in directing its resources effectively.

The report provided a high-level overview of the incidents attended by the Service over the last decade noting that there had been an increase in incidents. This was in part attributed to the Service's collaboration with other blue light services on special service calls. With regards to an increase in false alarms, it was noted that the Authority continued to encourage 'good intent' calls and had made a policy decision to always attend domestic properties in those instances.

It was reported that the number of accidental dwelling fires blighting communities was at an all-time low as a result of the preventative work the Service had undertaken. In particular, the Service had aimed to engage with Merseyside's most vulnerable and impoverished residents and provide safety advice through Home Fire Safety Checks.

The Chief Fire Officer noted that there had been a fire fatality over the period, and although that in itself was a tragedy, there had been a significant reduction in fire fatalities in Merseyside.

There had also been a significant reduction in the number of fires in non-domestic properties, wherein the Service's advice and support had proven effective. Overall, it was explained that the Authority was performing well in preventing and reducing fires and other emergencies in the community and that was evident by a drop in the number of deliberate fires.

Members were advised that the data outlined that there were more incidents during the day than in the night. This intelligence had impacted how the Authority allocated resources and also formed part of the Community Risk Management Plan (CRMP) planning process.

With regards to response times, it was noted that for the third year the Service's call handling time had reduced with quicker mobilisation and an improved response time, bucking the trend nationally.

The report provided a comparison with other metropolitan Fire and Rescue Services in the country which outlined that Merseyside Fire and Rescue Service were performing exceptionally well, particularly in response to accidental fires, nondomestic property fires and staff absence.

The Vice Chair, Councillor Kenny, welcomed the report and asked for further information relating to the increase in domestic false alarms. The Chief explained that these were largely accidental and related to things like setting the alarm off when cooking. If the alarm was linked to a call received by Control, then resources would be mobilised as individuals with alarm systems tended to be particularly vulnerable and crews could provide advice on cooking safety and utilise the opportunity to do a Home Fire Safety Check if it was not an actual fire.

With regards to accidental secondary fires and special service data, Councillor Bell asked for further detail about whether the Service sought to increase preventative measures in those areas. It was explained a change in how these incidents were reported had in part led to an increase in reporting and that preventative work did take place (as Councillor Bell suggested) to try and reduce the number of deliberate fires.

Members were advised that response to special service calls was not performance managed because the Authority had a duty to work with other blue light agencies to collaborate.

Councillor Hanratty thanked officers for the comprehensive report, identifying automatic fire alarms as an area of concern. The Chief Fire Officer assured the Members that the Authority was liaising with alarm receiving companies to ensure that they were working to avoid unnecessary deployments where possible.

Councillor Hanratty also raised concerns over road traffic collisions, referencing a recent tragedy in Wales wherein there had been four fatalities. The Members had received a demonstration of the Authority's virtual reality (VR) headsets as part of a review of its preventative work and Councillor Hanratty wanted to understand the influence that MFRA had on this issue nationally. With regards to road traffic collisions, it was reported that the Authority focused on young drivers aged 16-25 and utilised VR to highlight the dangers of careless driving. Nationally, the Chief Fire Officer assured Members that encouraging behavioural change in terms of driving safety, would be part of his new role at the NFCC.

Councillor Makinson noted that the report showed an increase in incidents involving hazardous materials as well as instances of flooding. He noted that there had been significant work undertaken around lithium battery fires, and he asked if there were plans for similar efforts in relation to flooding. Members were assured that flooding featured in the CRMP and that there was also a role for the Service to play in terms of educating the public. Nationally, environmental change was a significant risk for the sector and the Deputy Chief Fire Officer, Nick Searle was working with other Fire and Rescue Services on wildfire and flooding.

RESOLVED that:

- a) the contents of the report be noted; and
- b) publication of the reports on the website be approved.

30. CRMP 2024-27 Post-Consultation Report

The Chief Fire Officer presented the report, explaining that the Authority was required to produce a CRMP to outline how the Authority planned to resource areas of foreseeable and emergent risk.

It was highlighted that the CRMP being considered by Members continued to reinvest into the front line of the Service with an increase in the number of appliances as well as increasing the Service's specialist capabilities. The CRMP sought to address areas of vulnerability and deprivation to ensure that resources were deployed effectively and also took into consideration factors like time of day and location.

It was explained that there had been significant consultation on the proposal and the sections in red identified the changes that had been made based on feedback. Members were reminded that the CRMP was part of a suite of documents including the Medium-Term Financial Plan and People Plan that laid out the Authority's future plans.

The Chief Fire Officer provided a breakdown of the themes within the CRMP and noted there had been exceptional feedback from Merseyside's community groups and that the final proposal was the result of collaboration between all key stakeholders.

The Chair thanked the officers involved as well as the representative bodies and the Members for their involvement in the final CRMP. He explained that since the last meeting, further work had been undertaken with union representatives to provide the version being considered today.

Councillor Kenny noted that the CRMP sought to increase the number of appliances from 32 to 34 and to continue to make improvements which would benefit the people of Merseyside. He noted that the Trade Unions were in support of the CRMP and thanked the public for taking part in the consultation. It was noted that there would be a review in 12 months which would allow for any necessary tweaks to be considered and he commended the improved response to life risk incidents outlined in the CRMP.

Councillor Hanratty recorded his thanks to all those involved and commented on the hard work of the officers noting that the report would reassure Members and staff that the Authority was moving in the right direction. He reminded Members that during austerity, funding for the Service had been cut significantly and asked that a meeting be held after the budget update on the 30th October to consider any potential financial risks for the Authority. The need for a multiyear settlement was emphasised and the importance of reacting to emerging legislation was also noted in terms of the future of the Service. Members were reassured that the Authority was lobbying for an extended settlement and would continue to invest in the front line for the benefit of Merseyside.

A representative from the Fire Brigades Union (FBU) was invited to comment on the CRMP and he explained that as previously reported, there had been extensive

collaboration with the Union and as such the FBU were in support of the proposed CRMP. It was reported that there had been significant positive engagement on this piece of work and the Unions praised the positive dialogue that had taken place.

With regards to flooding, Members were advised that the Unions were lobbying central Government for funding to ensure that Fire and Rescue Services had the resources they needed.

RESOLVED that:

- a) the actions within this CRMP have been subject to extensive public consultation (the outcomes of this consultation have been attached as appendices to this report) be noted;
- b) whether the responses to consultation have been adequately considered by Officers and are reflected within the CRMP 2024-2027 (Appendix 1), where appropriate be considered;
- c) the CRMP for 2024-27 and its implementation be approved – which will result in:
 - i) further increases in fire engine availability (32-24) building on the 2021-24 Integrated Risk Management Plan (IRMP)
 - ii) quicker response times
 - iii) an improved response to life risk incidents
 - iv) quicker mobilisation
 - v) improvements in the way we mobilise our specialist capabilities removing any delay in our response
 - vi) more targeted Prevention and Protection activities; and
- d) the CRMP 2024-27 be approved for publication on the website on 17th October.

31. Project Completion Report on the New Aintree Fire Station, Training and Development Academy / National Resilience Centre of Excellence at Long Lane, Aintree.

A video of the new Training and Development Academy/National Resilience Centre of Excellence (TDA) was played, and the Chair invited any Members who had not yet been, to visit the site.

The Chief Fire Officer presented the report and noted that the investment into the TDA would help to keep firefighters safer in Merseyside and beyond.

Members were advised that the project had spanned four years, noting that the previous TDA site had been well-loved but was no longer fit for purpose for a modern-day Fire and Rescue Service. As a result, the new 12-acre site which was equidistant from Aintree and Croxteth, was identified. The site hosted incredible training facilities with 2.5 acres of land remaining fallow to support any future

emerging risks that could form part of firefighter training. The site allowed for firefighters to safely train for a myriad of challenging situations, and it was noted that there had been significant interest both nationally and internationally for other Fire and Rescue Services to train there.

It was noted that Minister of State, the Rt Hon Dame Dianna Johnson DBE, had recently highlighted the National Resilience Centre of Excellence in Merseyside as a significant resource for firefighters.

RESOLVED that:

- a) the contents of the report be noted; and
- b) the release of £275k from the Capital Investment Reserve to allow for final closure of the project be approved.

32. Equality, Diversity and Inclusion Annual Report 2023/24

Councillor Grace, Lead Member for People, introduced the report commenting that Merseyside Fire and Rescue Service were 'streets ahead' in terms of equality, diversity and inclusion. She noted that the Authority was not being complacent in its actions and that the Service was a welcoming place for anyone who wanted to excel.

The report showed the Authority's performance against its equality, diversity and inclusion objectives for 2021-24 and demonstrated its commitment to meeting its equality duties. Members attention was drawn to the People Plan and the Cultural Action Plan which included further information on the work being undertaken by the Authority.

The Chief advised that external visitors to the TDA had recently commented on how welcoming the Service was and the Chief attributed this to the efforts made to create an environment where people felt like they belonged.

Members attention was drawn to page 352 of the agenda which provided an executive summary of the total work force noting that MFRA had more female firefighters (81) than the national average. It was explained that 22 of those individuals were in Crew or Watch Manager roles and it was hoped would progress to more senior positions during their career.

Sexual orientation was also broken down in the report with 55% of staff feeling comfortable in expressing their orientation without judgement.

The number of ethnic minority staff in the Service had also increased to 66 which was a positive move in ensuring that the Service reflected the communities of Merseyside.

With regards to pay gaps, it was noted that the gender pay gap had dropped from 9.1% to 8.4% (which was lower than others in the sector) and the ethnicity pay gap now stood at 6.1%.

The report also provided a breakdown of data relating to the discipline and grievance procedure.

Councillor Bell welcomed the report, in particular the in-depth analysis provided in relation to gender statistics. Councillor Bell asked if there were any concerns for underreporting, particularly in the figures relating to grievances from female employees. She asked if the Authority had an outcomes-based approach to reporting, particularly when it came to the 'Safe Call' line.

The Chief Fire Officer explained that trust and confidence in the process was instilled when staff could see their concerns were being taken seriously and dealt with effectively. The Authority was currently working towards implementing 'just culture' arrangements, wherein relatively low-level incidents could be dealt with informally. Members were assured that if people's behaviour was abhorrent, then that would be dealt with formally through the established discipline and grievance procedures and it was felt that the staff understood how seriously their concerns were taken. With regards to the 'Safe Call' reporting line it was felt that this had not been as effective as the Authority would have hoped and that was being worked on with the Director of People and Organisational Development, Nick Mernock.

Nick Mernock explained that HMI had voiced a desire for an independent reporting line for Authorities but that its utilisation at MFRA had been minimal. Members were advised that this had been fed back to the company and Nick Mernock was due to meet with the Managing Director in a few weeks with a view to help improve the system and make it more effective. It was felt that a 'talking heads' promo to explain its purpose to staff would help to address people's misconceptions. In circumstances where people did not feel comfortable reporting an issue, it was hoped that 'just culture' arrangements would help staff to resolve low level problems quickly and effectively.

Councillor Makinson welcomed the fantastic progress that the Authority had made over the last few years to have a Fire and Rescue Service that was reflective of the people it serves. It was noted that the number of ethnic minority staff was in line with the demographic of the county and that great progress has been made in regard to recruiting more female firefighters. It was queried whether the Authority had considered its representation of ethnic minority women. The Chief Fire Officer explained that there was the potential to provide intersectional information and it could be considered for future reports.

With regards to the data captured in the report, Councillor Gorst asked if the Authority had any transgender staff and Members were advised that if there was a sensitive way to reflect that data then it would be considered.

RESOLVED that:

- a) the contents of the report be noted;
- b) the ED&I Annual Report for publication on the Merseyside Fire & Rescue Service (MFRS) website to demonstrate MFRA's commitment to equality,

diversity and inclusion and how MFRA has met its Public Sector Equality Duty by approved; and

the Equality Analysis – Workforce and Employment Data, 1st April 2023 to 31st March 2024 Report for publication on the Merseyside Fire and Rescue Service (MFRS) website in order to demonstrate MFRA's commitment to equality, diversity and inclusion and how it has met its Public Sector Equality Duty be approved

33. Occupational Health Contract

This minute contains exempt information by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972

Close

Date of next meeting Thursday, 27 February 2025

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

This report is Restricted

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MERSEYSIDE FIRE AND RESCUE AUTHORITY

6 FEBRUARY 2025

APPOINTMENTS COMMITTEE

MINUTES

Present: Councillors Les Byrom (Chair), Brian Kenny, James Roberts and Lynne Thompson

In attendance: Monitoring Officer Ria Groves
Deputy Chief Fire Officer Nick Searle
Head of People and Organisational Development Nick Mernock

1. **Apologies for Absence**

There were no apologies for absence for this meeting,

2. **Declarations of Interest**

There were no declarations of interest for this meeting.

3. **Minutes of the Last Meeting**

RESOLVED that the minutes of the last meeting held on the 12th December 2024 be approved as an accurate record.

2. **Exclusion of the Press and Public**

Resolved that under the Local Government Act 1972, the press and public be excluded from the meeting for agenda item 4 on the grounds that it would involve the likely disclosure of exempt information as defined in paragraphs 1 and 2 of Part 1 of Schedule 12A to the Act.

4. **Deputy Chief Fire Officer Recruitment**

The Committee interviewed the respective candidates for the post of Deputy Chief Fire Officer.

The chair nominated the appointed of David Mottram to be appointed into the Deputy Chief Fire Officers post. This was seconded by Cllr Kenny and unanimously agreed by all Committee Members.

RESOLVED that the appointment of David Mottram to the post of Deputy Chief Fire Officer be approved on when the current Deputy Chief Fire Officer vacates the post.

Close

MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	BUDGET AUTHORITY		
DATE:	27 FEBRUARY 2025	REPORT NO:	(CFO/85/25)
PRESENTING OFFICER	DIRECTOR OF FINANCE AND PROCUREMENT, MIKE REA		
RESPONSIBLE OFFICER:	MIKE REA	REPORT AUTHOR:	MIKE REA
OFFICERS CONSULTED:	CHIEF FIRE OFFICER PHIL GARRIGAN STRATEGIC LEADERSHIP TEAM		
TITLE OF REPORT:	BUDGET & FINANCIAL PLAN 2025/26 - 2029/30		
APPENDICES:	APPENDIX A:	DRAFT SUMMARY REVENUE BUDGET ANALYSIS	
	APPENDIX B:	PROPOSED CAPITAL PROGRAMME 2025/26 – 2029/30	
	APPENDIX C:	PROPOSED 2025/26 – 2029/30 FIVE YEAR MTFP	
	APPENDIX D:	RESERVES	
	APPENDIX E:	DISCRETIONARY SERVICES FEES AND CHARGES	

Purpose of Report

1. To present information to allow Members to set a medium-term capital and revenue financial plan that allocates resources in line with the Authority’s strategic aims and ensures that the Authority delivers an efficient and effective value for money service aligned with its budget principles.

2. This will enable the Authority to set a budget for 2025/2026 while determining a precept level in line with statutory requirements.

Recommendation

It is recommended that Members

- (a) note the report and proposed budget;

- (b) approve the 2025/2026 Merseyside Fire and Rescue Authority budget as detailed in this report.

- (c) approve the Director of Finance and Procurement's recommendation on maintaining the current general fund balance at £3.700m and maintaining the reserves as outlined in paragraphs 148 to 158 of this report.
- (d) approve the proposal to increase the precept by £5.00 for Band D properties in 2025/2026, raising the Band D Council Tax from £91.25 to £96.25 and confirm the strategy for future precept rises (the plan assumes further increases of 2% in each year after that).
- (e) note the assumptions in developing a five-year financial plan outlined in the report and approve the 2025/2026 budget estimate of £77.934m.
- (f) approve the Capital Programme as summarised in Appendix B.
- (g) approve the 2025/2026 – 2029/2030 updated Medium Term Financial Plan (MTFP) outlined in the report and summarised in Appendix C.
- (h) approve the discretionary fees and charges uplift outlined in the report and summarised in Appendix E.
- (i) approve the Minimum Revenue Provision (MRP) strategy for 2025/2026, as this report outlines in paragraphs 87 to 96.
- (l) note the prudential indicators relating to the proposed capital programme, outlined in paragraphs 97 to 106 of this report.
- (m) approve the Treasury Management Strategy outlined in Section F and agree the Treasury Management indicators set out in the section for:
- External Debt Prudential Indicators
 - Operational Boundary for Debt
 - Upper limits on fixed interest rate exposure
 - Upper limits on variable rate exposure
 - Upper and lower on the maturity structure of debt
 - Total principal sums invested for periods longer than 365 days
- (n) note that the recommendations above provide an approved framework within which officers undertake the day-to-day capital and treasury management activities.

Introduction and Background

14. The Authority is required to determine its budget and precept level for 2025/2026 by 1st March 2025.

15. This report will present all the necessary financial information in a single report.

This report considers:

- a. Forecast Revenue Estimates
 - b. The Proposed Capital Programme
 - c. Any Revenue Savings and Growth Options
 - d. The Treasury Management Strategy
 - e. The Minimum Revenue Payment Policy for the Authority
16. Considering all the financial issues to be taken into account in a single report ensures that the Authority can:
 - a. Consider the borrowing freedoms available under the prudential code
 - b. Reflect best practice
 - c. Provide value for money
 - d. Focus on the link between capital investment decisions and revenue budgets
 - e. Continue developing their strategic financial plan
 17. The following report structure will be adopted:

Section	Focus	Paragraph
A	Executive Summary	18 - 34
B	Background Information	35 – 67
C	Capital Programme Strategy	68 – 86
D	Minimum Revenue Provision Statement	87 - 96
E	Prudential Indicator Report	97 - 106
F	Treasury Management Strategy Statement	107 - 109
G	Revenue Forecasts 2025/2026 – 2029/2030	110 – 138
H	Adequacy of Reserves and Balances	139 – 160
I	Budget Timetable & Resolution	161 - 164

A) EXECUTIVE SUMMARY

18. The Authority must set a balanced 2025/2026 budget and precept level by 1st March 2025.
19. The budget and financial plan should allocate resources in line with the Authority's Vision and Purpose:

Our Vision:

To be the best Fire and Rescue Service in the UK.
One team, putting its communities first.

Our Purpose:

Here to serve. Here to protect. Here to keep you safe.

20. Members approved a 2024/2025 – 2028/2029 medium term financial plan (MTFP) at the Budget Authority meeting on 29th February 2024. Based on assumptions around the 2025/2026 and future years funding and expenditure, the MTFP identified a financial challenge in 2025/2026 of £0.931m, rising to £1.695m by 2028/2029. Due to the uncertainty over future funding and expenditure, the Authority agreed to deal with any financial challenge once its future Government funding had been confirmed.
21. The MTFP has now been updated for the 2025/2026 Government Settlement Funding Assessment (SFA) and takes account of the changes to the MTFP's assumptions and technical adjustments that Members approved at the January 2025 Budget Strategy Day. Section G of this report outlines the changes in the proposed new MTFP in detail. The changes to the current MTFP are summarised below:-

	2025/26	2026/27	2027/28	2028/29	2029/30
	£'000	£'000	£'000	£'000	£'000
<u>Current 2025/26 MTFP Forecast</u>	931	832	1,099	1,695	1,695
<u>Summary of impact changes to 2024/25 MTFP</u>	-931	-182	-140	-556	-253
<u>Forecast (Surplus) / Deficit</u>	0	650	959	1,139	1,442

22. Overall, the changes to the assumptions, technical adjustments, and funding amendments have resulted in the forecast balanced position for 2025/2026, and the updated MTFP is attached to this report as Appendix C.
23. Although a deficit is forecast from 2026/2027 onwards, uncertainty over government funding, potential changes to the funding mechanism, and future pay awards mean substantial uncertainty exists over these forecasts. Members are, therefore, asked to note any forecast financial challenge at this time.
24. As with any assumptions, those built into the medium-term financial plan will be at risk from factors beyond the Authority's control, for example, pay awards. If any

actual future cost or funding level varies from the MTFP assumption, then the forecast budget position will be affected. The Authority receives regular financial review reports throughout the year, and any corrective action to keep the 2025/2026 budget and MTFP balanced will be considered by Members as part of this reporting process.

25. The proposed updated MTFP assumes the Authority will increase the 2025/2026 precept by £5.00 for Band D properties. If the Authority wished to hold a referendum and increase the precept by more than £5.00, then the Authority would face a risk, if the electorate voted against the increase, of incurring the expense of re-billing all the districts within Merseyside at an estimated cost of +£1m.
26. The Authority has created reserves in recent years to meet the cost of future projects and initiatives or as a contingency against specific risks. Section H of this report considers the current reserves and planned use. Consequently, committed reserves at the start of 2025/2026 are estimated at £10.067m, of which £2.7m will be utilised by the end of 2026/2027. The overall movement in reserves over the next 10+ years is outlined below and in Appendix D:

Committed Reserves															
	Balance C/fwd From 2024/25	Proposed Increase	Revised Balance C/fwd for 2025/26	Estimated 2025/26 Use	Estimated 2026/27 Use	Estimated 2027/28 Use	Estimated 2028/29 Use	Estimated 2029/30 Use	Estimated 2030/31 Use	Estimated 2031/32 Use	Estimated 2032/33 Use	Estimated 2033/34 Use	Estimated 2034/35 Use	Estimated 2035/36 Use	Held to Cover Risk
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Emergency Related Reserves															
Bellwin / Emergency Planning Res	222		222												222
Insurance Reserve	534		534												534
Modernisation Challenge															
Smoothing Reserve	1,400		1,400												1,400
Pensions Reserve	300		300		-200	-100									0
Recruitment Reserve	1,814		1,814		-314	-300	-300	-300	-300	-300					0
Collection Fund Reserve	100		100		-100										0
Capital Investment Reserve															
Capital Investment Reserve	1,830	234	2,064		-1,064	-500	-500								0
PFI Annuity Reserve															
PFI Annuity Reserve	1,235		1,235	-69	-69	-69	-69	-69	-69	-69	-69	-69	-69	-69	476
Specific Projects															
Community Sponsorship Reserve	55		55		-55										0
Equipment Reserve	342		342		-342										0
Training Reserve	270		270		-100	-100	-70								0
Health and Wellbeing Reserve	7		7		-7										0
Inflation Reserve	1,200		1,200												1,200
Clothing	90		90		-90										0
Ringfenced Reserves															
Community Risk Management Res	246		246		-121	-125									0
Energy Reserve	111		111		-111										0
New Dimensions Reserve	77		77		-77										0
Forecast Use of Reserves in the year	9,833	234	10,067	-69	-2,650	-1,194	-939	-369	-369	-369	-69	-69	-69	-69	3,832
Total Earmarked Reserves Bal C/fwd	9,833	234	10,067	-69	-2,650	-1,194	-939	-369	-369	-369	-69	-69	-69	-69	3,832
General Revenue Reserve	3,700	0	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700
Total Reserves	13,533	0	13,767	3,631	1,050	2,506	2,761	3,331	3,331	3,331	3,631	3,631	3,631	3,631	7,532

27. The Director of Finance and Procurement recommends that the Authority maintains the current General Fund Reserve of £3.700m.
28. Members should be mindful that reserves, balances, and one-off savings should only be used to finance one-off expenditure. If such monies are used to fund ongoing revenue expenditure without taking action to reduce underlying expenditure, the Authority would face the same deficit in the next and future years but without reserves available to finance it. This is underlined by the Auditor's 'Golden Rule' - that "one-off" revenue reserves should not be used to support 'ongoing' revenue expenditure.

29. Section C of this report details the proposed five-year capital programme. The table below summarises the proposed £43.291m of investments:

Capital Expenditure	Total Cost £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £
Buildings & Land	9,393,600	3,631,800	2,592,500	1,073,300	993,500	1,102,500
Fire Safety	3,175,000	635,000	635,000	635,000	635,000	635,000
ICT	10,147,820	2,796,960	1,187,660	818,900	2,008,900	3,335,400
NRAT Resilience Assets	0	0	0	0	0	0
Operational Equipment & Hydrants	8,228,800	1,722,800	3,350,000	843,000	1,252,000	1,061,000
Vehicles	12,345,850	4,370,850	2,021,100	2,623,900	690,000	2,640,000
Expenditure	43,291,070	13,157,410	9,786,260	5,994,100	5,579,400	8,773,900

30. The Authority needs to be mindful of the revenue costs of borrowing. The Table below outlines how the £43.291m of investment will be funded:

Financing Available	Total £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £
Capital Receipts	1,715,000	1,715,000	0	0	0	0
RCCO	1,875,000	375,000	375,000	375,000	375,000	375,000
Total Non Borrowing	3,590,000	2,090,000	375,000	375,000	375,000	375,000
Unsupported Borrowing	39,701,070	11,067,410	9,411,260	5,619,100	5,204,400	8,398,900
Total Funding	43,291,070	13,157,410	9,786,260	5,994,100	5,579,400	8,773,900

31. The proposed capital programme has a borrowing requirement of £11.067m in 2025/2026 and £39.701m across the whole life of the plan. These commitments have been built into the proposed financial plan, and this report provides members with several prudential indicators so they can ensure that this commitment is considered affordable, prudent, and sustainable in light of these prudential indicators (see Section E of the report).

32. The Prudential Code requires the Authority to set a Treasury Management Strategy that includes several indicators and limits. It sets a framework for managing investments and borrowing for the Director of Finance and Procurement.

33. The proposed strategy is set out in Section F and includes limits for the next three years on: -

- Overall Level of External Debt
- Operational Boundary for Debt
- Upper limits on fixed interest rate exposure
- Upper limits on variable rate exposure
- Upper and lower limits on the maturity structure of debt
- Total principal sums invested for periods longer than 365 days

34. Minimum Revenue Provision (MRP) is the amount of money set aside in the revenue budget by the Authority each year to reduce its overall level of debt. The Authority is required under the Local Authorities (Capital Finance and Accounting, England, Amendment) Regulations 2008 to prepare a statement on its policy for MRP for the forthcoming year. Regulations require the Authority to pay the debt at a rate that it

considers prudent. The Director of Finance and Procurement has reviewed the MRP policy in line with the legislation, and the report outlines the proposed MRP policy for 2025/2026 and future years in section D of this report.

B) BACKGROUND INFORMATION

35. This section provides general financial information on the Authority's finances and financial health.
36. If any organisation wants to be successful, its budget setting and MTFP must allocate resources to support its key strategic aims and priorities. This is a vital consideration when organisations face periods of severe financial challenges. For many years, the Authority has maintained a comprehensive rolling five-year MTFP and capital programme.
37. From 2010 to 2020, the Government implemented an austerity plan to reduce the national debt. A significant element of the plan was to reduce Government funding for local government (this includes fire and rescue authorities). As the Authority had a relatively low council tax base, it relied more on Government grant funding to support its revenue budget and, therefore, suffered a more proportionate financial loss than almost every other fire and rescue authority in the country. The cumulative percentage reduction in Government revenue support for the Authority between 2010/11 (£46.3m) and 2019/20 (£30.8m) equated to a 33% cash reduction or approximately 50% in real terms. That resulted in unavoidable decreases in the front-line operational services over this period.
38. In 2010, the Authority;
- employed approximately 1,000 Full-Time Equivalents (FTE) firefighters,
 - employed 42 FTE fire control staff,
 - employed 425 FTE support and technical staff,
 - had 42 wholetime fire appliances immediately available and 1 retained - 43 appliances in total,
 - had 26 full-time fire stations.
39. The current budget provides for;
- 642 FTE firefighters (36% lower),
 - 35 FTE staff in fire control (17% lower)
 - 295 FTE support and technical staff (31% lower),
 - Appliances;
 - Days: 27 immediately available plus 5 on a 30-minute recall
 - Night: 21 immediately available plus 11 on a 30-minute recall
 - 21 fire stations maintained by various demand-led duty cover systems.

40. The proposed MTFP looks to:
- Increase in fire engine/appliance availability from 32 to 34, enhancing the Authority's resilience and response to foreseeable risk (specialist response),
 - Increase in investment in training and assurance (competency) given the Grenfell Tower Phase 2 report, Personal Protective clothing, bespoke equipment and consumables,
 - Improved ICT facilities,
 - Increased investment in properties, including further station refurbishments to ensure they are welcoming and well managed (contaminants risk)
41. The Authority's revenue budget requirement (gross day-to-day revenue spending less fees, specific grants, and other income) is funded approximately 50% from the Government and 50% from Council Tax (precept income).

Government Funding - Settlement Funding Assessment (SFA):

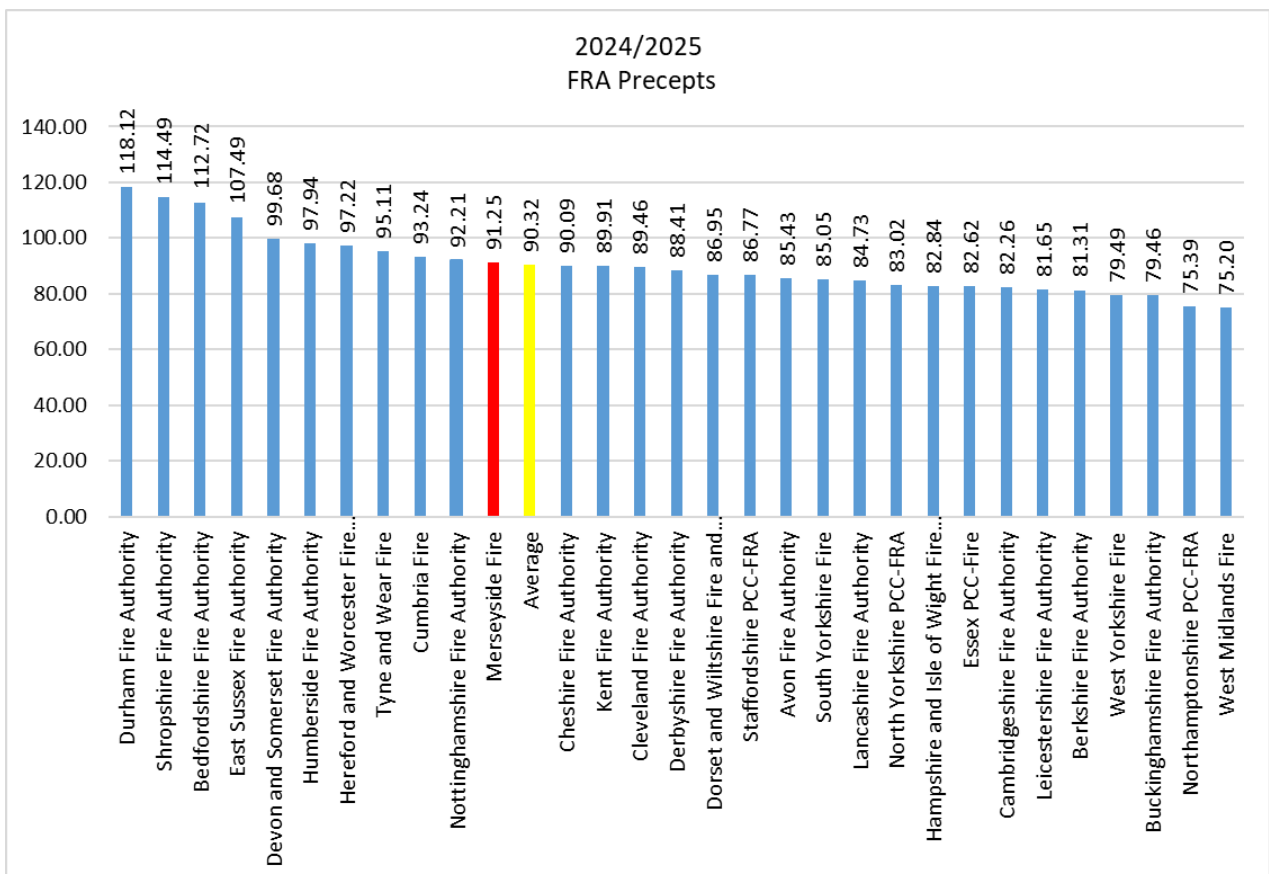
42. The SFA is made up of a couple of elements, the first element is the Baseline Funding Level (which includes the estimated share of Local Business Rates and a top up grant from government). The second element is the Revenue Support Grant.
43. On the 28th November 2024, Minister of State (Minister for Local Government and English Devolution) Jim McMahon announced the publication of the government's 2025-26 Local Government Finance Policy Statement. The Statement announced that Local Authorities will see an increase in baseline funding levels to reflect the increase in the standard multiplier and that local authorities will be compensated in the usual way for the freeze in the small business rates multiplier via an increase in the under-indexation compensation. The Statement also announced the Revenue Support Grant will also continue to increase in line with September CPI (1.7%) and fire and rescue authorities will have the flexibility to raise council tax by up to £5.00.
44. The Authority will receive £22.093m in Baseline Funding in 2025/26 (estimate share of local business rates £4.691 plus top up grant £17.401), this is an increase of £252k or 1.14% on the 2024/25 finance settlement. The 2025/2026 Revenue Support Grant will increase by £285k or 1.7% to £16.914 in 2025/26.
45. The Authority will continue to receive compensation for under indexation, this will increase by £187k or 4.47% to £4.364m in 2025/26. The combination of baseline funding and the compensation for under indexation will increase by a total of £0.439m or 1.7% to £26.457m for 2025/26.
46. The overall change in SFA/Business Rates compensation for under indexation grant funding was an increase of £0.724m or 1.7%. The 2024/25 MTFP assumed a 2% increase in SFA/Business Rates compensation.

Government Funding - Services Grant 2025/2026

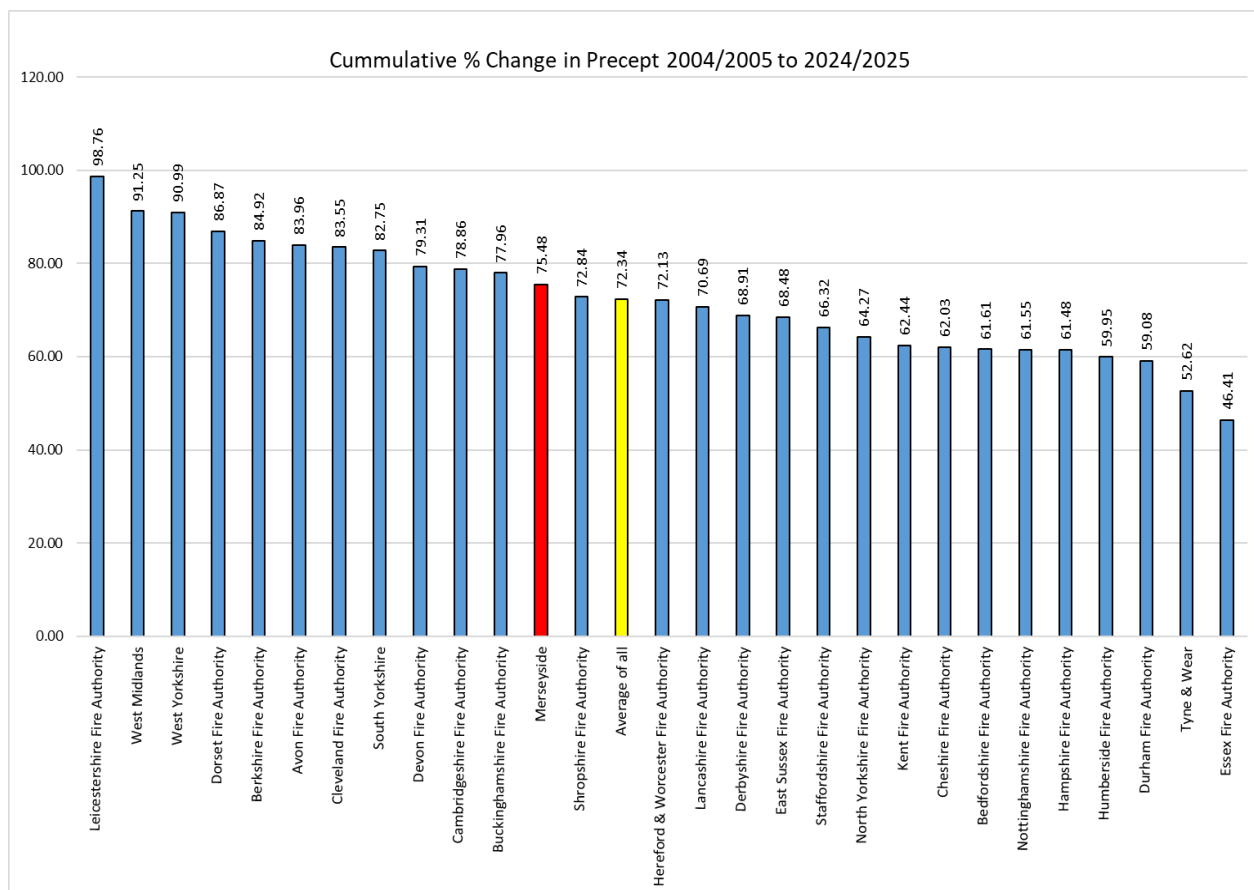
47. The Government announced in the Local Government Finance Policy Statement that this grant will be removed entirely. The Authority received a Services Grant of £0.141m in 2024/2025 and assumed this would continue in future years in the MTFP. The proposed MFTP has removed this entirely.

Council Tax:

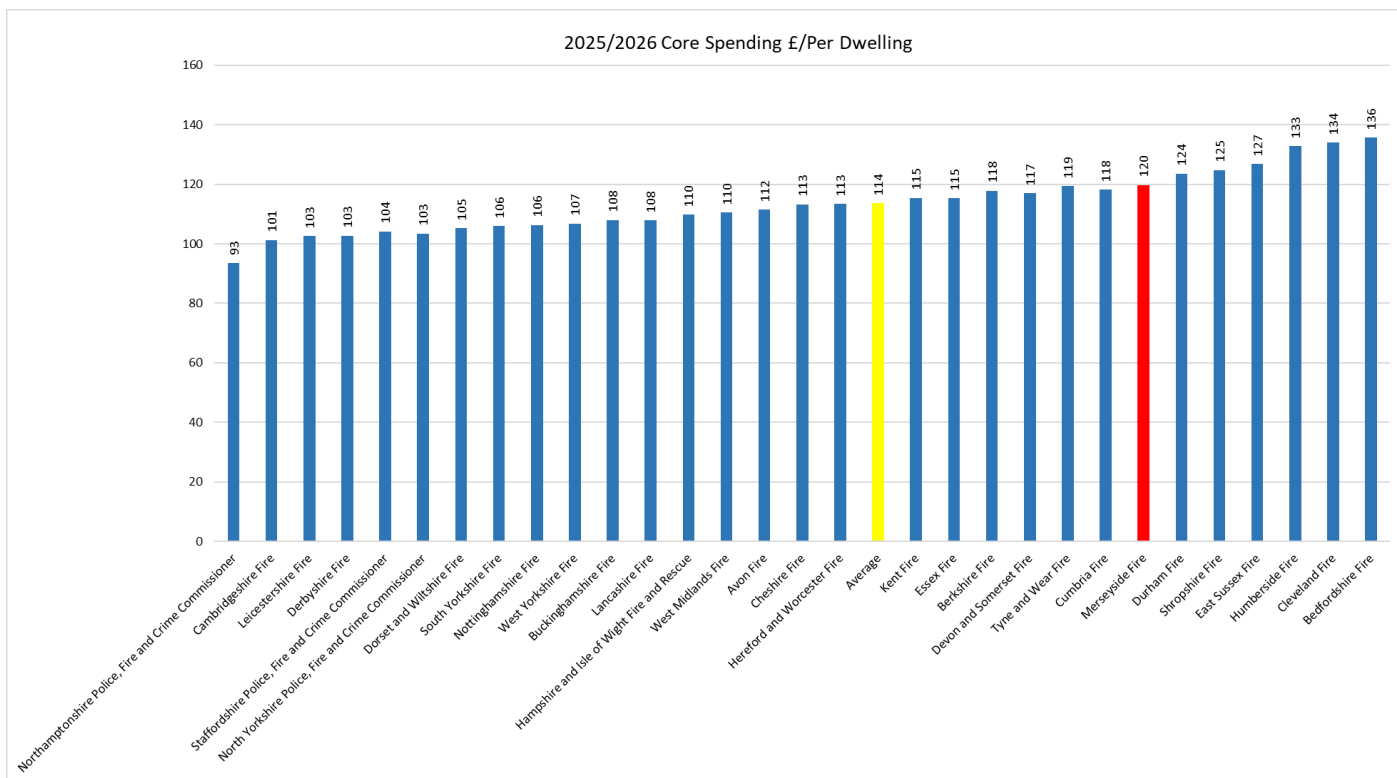
48. The level of council tax yield is dictated by the number of properties and the charge level on each. Each year, the billing authorities provide the Authority with the estimated Band “D” equivalent tax base, which is then used to calculate the expected council tax income based on a Band D Precept charge. The Authority then notifies each billing authority of the Precept to charge each property band and the forecast income yield that the billing authority must pay the Authority.
49. The Authority’s current 2024/2025 Band D Council Tax of £91.25 is slightly above the FRS national average of £90.32, as shown in the bar chart below. The proposed increase of £5.00 to £96.25 in 2025/2026 is unlikely to change this position:



50. Over the past 20 years, when compared to the other FRA's, Merseyside is again slightly above the national average for cumulative council tax increases:



51. The Authority's control of council tax should be considered in light of the fact that Merseyside's council tax base has had one of the lowest increases across the same period. The tax base reflects how much income is generated by £1 of the "Band D" equivalent council tax. So, if the tax base increases, income will increase, even if the council tax charge remains unchanged. MFRA remained just above the average for council tax base in 2024/25.
52. However, despite recent improvements, it should be noted that we remain, compared to our peers, a relatively high spending Authority on a core spending per dwelling basis. (*Core Spending is a Government measure of the estimated overall budget, which includes Government funding plus council tax income based on future precept and tax base increases and the compensating small business rates grant*). The table overleaf outlines the core spending power / per dwelling as outlined in the 2025/2026 finance settlement data produced by the Government:



53. The proposed updated MTFP assumes the Authority will increase the 2025/2026 precept by £5.00 per Band D property, which is within the limit that, if exceeded, requires the Authority to hold a referendum. The updated MTFP assumes that future years' precept increases will be 2% p.a. In addition, based on the tax base information for 2025/2026, the increase is 2.32%, which is 1.82% greater than the amount anticipated in the current MTFP. This has meant an increase in Council Tax yield of £2.820m. The proposed MTFP assumes a 0.5% p.a. increase in the future years' tax base.

54. The Authority may increase the 2025/2026 precept by more than £5.00. However, this would be subject to a referendum of the electorate of Merseyside. Any vote against such an increase will require a revised budget and incur the expense of re-billing all the districts within Merseyside, estimated at +£1m.

Council Tax and Business Rates - Collection Fund

55. Any variation between the estimated yield of council tax and locally retained business rates income and the actual collected by the billing authorities is adjusted for in the following year. Any deficit is re-paid to the billing authority, and any surplus is paid to the Authority.

56. The Council Tax Collection Fund forecasts a surplus of £0.319m.

57. The Business Rates Collection Fund forecasts a surplus of £0.095m.

58. Overall, the Collection Fund has a surplus of £0.414m.

Pay:

59. The current MTFP assumption was for a 3% annual pay award increase in 2024/2025 and a 2.5% increase in future years. The proposed 2025/2026 MTFP includes the impact of the 2024/2025 of the additional pay awards above the budgeted 3%. The firefighter pay award was agreed at 4% an additional 1% or £338k above the budget in 2024/25 (part year) and £450k in a full year. The non-operational pay award was agreed at a flat £1,290 per full-time employee or 2.5% (whichever is the highest), this was 0.25% or £40k above the budget. In addition, the pay award assumption for 2025/2026 has been maintained at 2.5% as per the MTFP.

Amendments to the current MTFP Assumptions:

60. As well as the changes identified above to the current MTFP, **Section G** of this report outlines all the changes in the proposed new MTFP in more detail.

Updated 2025/2026 – 2029/2030 MTFP:

61. This report provides the Authority with an updated MTFP covering five years, 2025/2026 – 2029/2030. The proposed MTFP considers the Government’s 2025/2026 financial settlement, updated council tax funding, and other budget assumptions discussed at the Budget Strategy Day. The proposed updated MTFP is attached to this report as Appendix C and is summarised below;

Proposed 2025/26 - 2029/30 MTFP					
	2025/26	2026/27	2027/28	2028/29	2029/30
	£'000	£'000	£'000	£'000	£'000
Current 2024/25 MTFP Forecast (Surplus) / Deficit	931	832	1,099	1,695	1,695
2025/26 MTFP Issues to build in future MTFP:-					
Impact of 2024/25 Grey Book Pay Award (4% - Budget 3%)	450	450	450	450	450
Impact of 2024/25 Green Book Pay Award (£1,290 or 2.5% whichever is greater) = c3.25%	40	40	40	40	40
Increase in Employers National Insurance (15%-13.8% £9,100 - £5,000) (2024 Autumn Budget)	1,000	1,000	1,000	1,000	1,000
Impact of Higher Prices (Indirect NI / Inflation)	771	936	1,016	1,116	1,116
2029/30 Inflation Provision	0	0	0	0	1,742
Contribution to Capital Reserve to fund Capital Programme and additional Inflationary Pressures	234	0	0	0	0
Loss of Fire Link Grant in 2025/26	54	0	0	0	0
Reverse MRP/Interest additional £400k from 2028/29	0	0	0	-400	-400
Unavoidable Growth	761	856	867	800	800
Efficiency Target (Procurement, Interest Payments, Inflation etc)	-262	-262	-262	-262	-262
Increase in Bus Rates Multiplier s31 compensation grant	-187	-187	-187	-187	-187
Annual Pension Grant (Following 2020 Actuarial Review) 28.8% to 37.6%	-992	-992	-992	-992	-992
LGPS Pension Rebate - Increase Rebate for 2025/26 £286k	-286	0	0	0	0
Employers National Insurance Grant 42.5% of NI cost	-425	-425	-425	-425	-425
Reduction in Services Grant (2025/26 £141k to £0)	141	141	141	141	141
Decrease in SFA Funding in 2024/25 below current MTFP Assumption	233	236	238	240	-162
Council Tax Precept	-1,927	-1,976	-2,026	-2,076	-3,114
Collection Fund Change	-414				
SFA Local Business Rate Estimate Adjustment	-122				
Summary of impact of changes to 2025/26 MTFP	-931	-182	-140	-556	-253
Forecast (Surplus) / Deficit	0	650	959	1,139	1,442

62. The MTFP delivers a balanced financial position in 2025/2026 but outlines a potential financial challenge from 2026/2027. Members are asked to note this at this point due to the significant uncertainty over future Government funding. The Autumn 2024 Budget announced the Government's intention to pursue a comprehensive set of reforms to place local government in a more sustainable position and these will be delivered through a multi-year settlement from 2026-27.

Allocation of Resources:

63. If any organisation wants to be successful, its budget setting and medium-term financial plan must allocate resources to support its key strategic aims and priorities.
64. The Community Risk Management Plan (CRMP) is the key driver in allocating the Authority's resources in response to the risks facing Merseyside. The 2025/2026 MTFP includes the budget (revenue and capital) to support CRMP 2024 - 2027.
65. The financial plan also seeks to aim the allocation of resources to deliver the Authority's Vision and Purpose:-

Our Vision:

To be the best Fire and Rescue Service in the UK.
One team, putting its communities first.

Our Purpose:

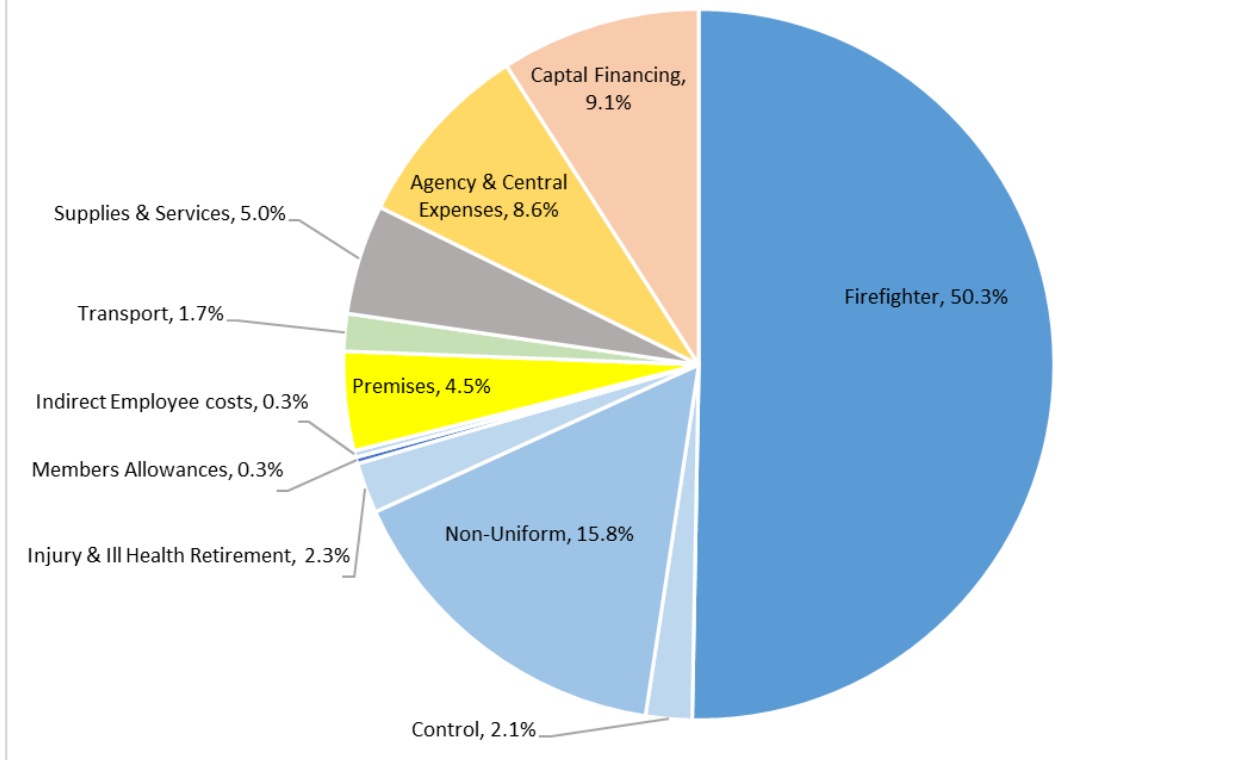
Here to serve. Here to protect. Here to keep you safe.

66. The updated 2025/2026 MTFP will support the delivery of the CRMP and the Authority's key strategic aims and priorities.

Analysis of the Budget Allocation by Service and Spend type:

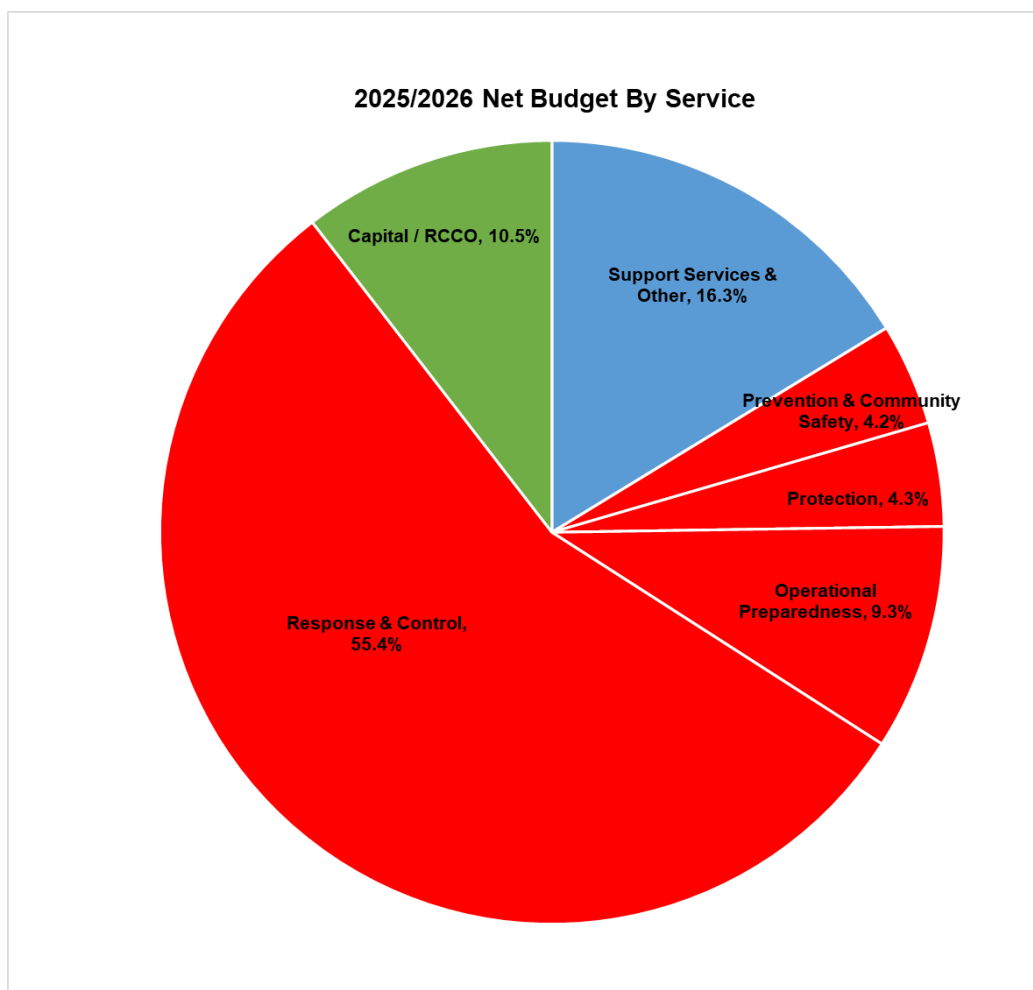
67. An analysis of the planned revenue expenditure outlines that it is predominantly employee-related (71%). The pie chart overleaf analyses the revenue expenditure over the different main subjective headings (the blue sections relate to employee costs):

Analysis of 2025/2026 Gross Revenue Budget (excl. National Resilience Spend)



A complete subjective analysis of the base budget for 2025/2026 is set out in **Appendix A**. A subjective analysis is only part of the overall view on spending. To assist Members, the same data is shown in a “thematic” view in the following paragraphs and is based upon the Service’s strategic objectives.

68. The Authority has an excellent track record of investing in line with its corporate priorities. The pie chart below outlines that most expenditure, 55.4%, goes on emergency and specialist response. In addition, 9.3% goes on Operational Preparedness and 8.5% on Protection, Prevention & Community Safety. Therefore, 73.2% of expenditure is on the “front line” services. The 10.4% on capital costs relate mainly to previous investments in front line assets, fire stations, vehicles and equipment. The remaining 16.4% is on support and operational enabling services.



Looking in more detail at each area, the expenditure includes:

Operational Response & Control (Total £43.2m)

- Service delivery and emergency response through its 21 fire stations and control room.
- Specialist capabilities such as the Search and Rescue Team.
- Invested in staff safety – procured state of the art fire kit, helmets, boots, breathing apparatus and appliances, ensuring the service maintains safe effective firefighters.
- Health & Safety & Assurance.
- Delivering a HFSC programme.
- Marine Rescue Unit to support safety on the River Mersey.

Prevention & Community Safety (Total £3.3m)

- Community Prevention work and youth engagement.
- Employment of specialist Advocates and continuation of the King's Trust and other programmes.
- Fire Service Direct.

- Purchase and installation of smoke alarms per annum (**capital expenditure**).

Protection (Total £3.2m)

- Protection Response Officers.
- Enforcement & Prosecution.
- ICT Information systems.

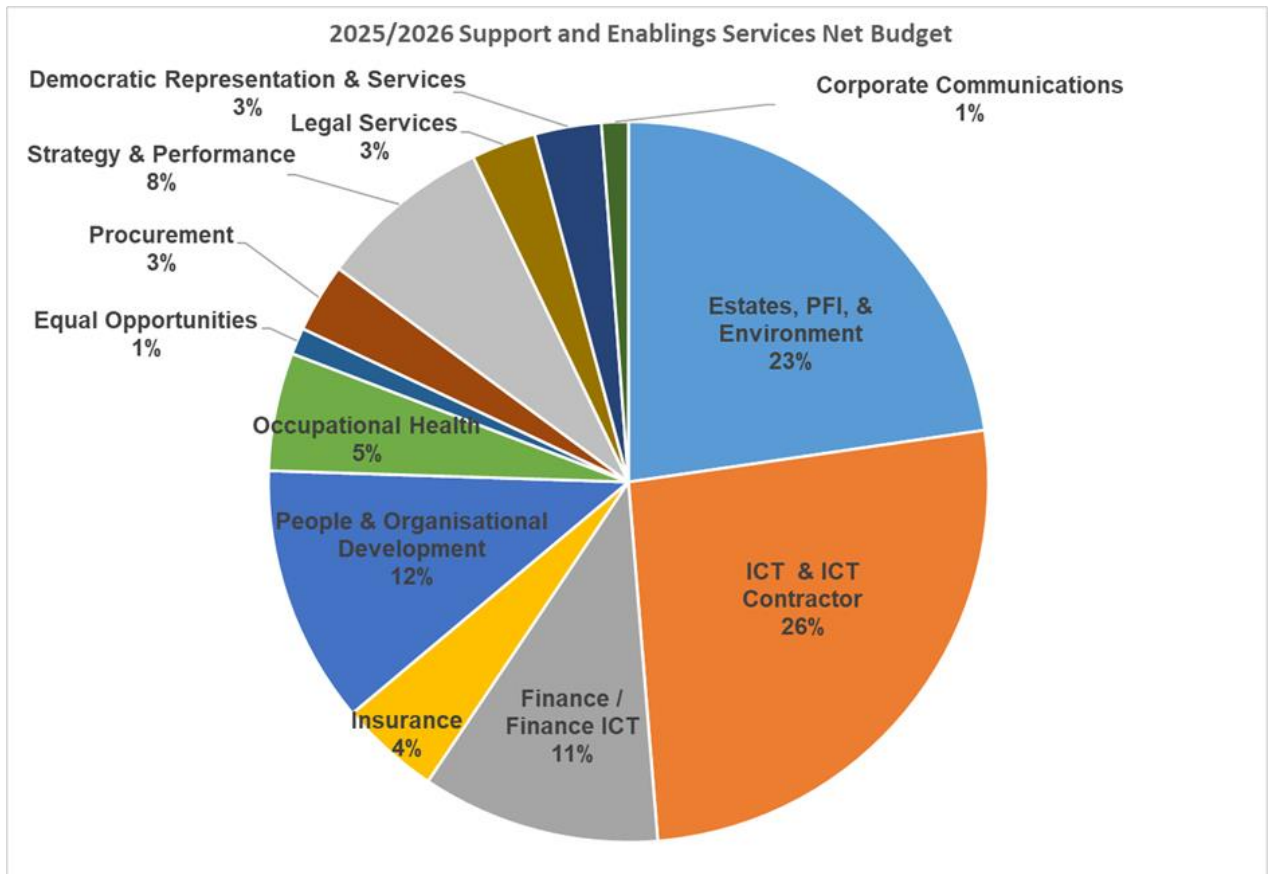
Operational Preparedness (Total £7.3m)

The investment delivers various services that help prepare for a full range of possible incidents in Merseyside and ensure Firefighter safety.

- Training Delivery
- Operational Planning and Policy
- Contingency Planning
- Training and Development Academy
- Operational Equipment Team
- Water Section
- Health and Safety Department
- Transport/Fleet Management – to keep vehicles operating effectively
- Workshops
- National Operational Guidance Review Team

Support Services & Enabling Services (Total £12.7m)

The investment in support services represents 16.4% of the budget. The pie chart below shows the breakdown of those support areas:



It should be noted that many of the support and enabling services are key “front line” elements of a modern FRA. For example:

- Estates – includes the running costs of buildings, including 21 Community Fire Stations,
- ICT – includes the cost of the ICT for Fire Control and stations,
- Occupational Health – to support staff wellbeing and manage attendance.

In addition, some support functions are unavoidable for any organisation:

- Insurance - to cover 3rd party, vehicle, public and employer liabilities,
- Legal, Payroll, Accountancy, Human Resources, Procurement, etc., to support the organisation in paying its staff and suppliers and ensuring activities are carried out within the relevant laws.

The cost of governance in relation to elected members is also contained within support and other costs.

C) CAPITAL STRATEGY AND PROGRAMME

68. Capital is considered first in this report so that Members can consider the revenue impacts of capital investment and borrowing decisions as part of the revenue budget and council tax considerations. The proposed capital investment contributes to the future provision of operational and other Authority services as it facilitates the required infrastructure investment in, property, ICT, vehicles, and operational equipment needed by the Service to deliver future day to day activities. ***The following sections (C) to (F) anticipate the Authority's agreement to the proposed capital programme and its financing.***
69. From 1st April 2004, the Local Government Act 2003 replaced the previous regime of capital controls with the Prudential System for Capital Finance. Local Authorities are free to decide how much they can afford to borrow for capital purposes, subject to various safeguards. The Government has reserve powers to limit an authority's borrowing if it believes it to be unaffordable or in times of public spending restraint. A key part of the revised capital system is the CIPFA "Prudential Code for Local Authority Capital Finance," which provides a framework of decision-making under which authorities will decide their capital investment and financing plans and set limits for borrowing.
70. Authorities will be required to 'have regard to' the "Prudential Code" when setting their future budgets and Council Tax levels - which in practice means they would need to have very good reasons not to comply. The overriding objective of the "Prudential Code" is to ensure that the capital investment plans of local authorities are affordable, prudent, sustainable, and follow good practices.
71. Some of the main features of the "Prudential Code" are as follows:
- The full Authority must consider and set several indicators and limits for its capital plans as part of the annual budget setting process. The limits can be revised during the year but only by the full Authority. The mandatory indicators are shown in Section E.
 - The indicators and limits must be monitored during the year, and outturn figures must be reported.
 - The Authority must produce and maintain capital and revenue plans for at least three future years, including three-year estimates of its future Council Tax, taking into account the proposed capital programme and other plans.
 - The Authority must set an authorised limit for its total debt (including borrowing and long-term liabilities), which may not be exceeded.
 - Limits relating to treasury management matters must be considered as part of the Annual Treasury Management Strategy Report.

72. Fundamentally, the objective of the Code is that the total of an Authority's capital investment remains within sustainable limits, following consideration of the impact on the "bottom line" Council Tax. This is ultimately determined by a judgement about what Members consider an acceptable level of Council Tax.
73. Proposals for capital investment are aligned to Authority and Service priorities. The starting point for this programme has been an assessment of the capital investment requirements for the Authority for future years based on needs identified by the various expert professionals in areas like buildings, vehicles, ICT, and operational equipment. Initial bids were requested and through an iterative process, and officers have modified the programme taking into account the: -
- Updated five-year asset management plans (the asset management plans can be found on today's Authority agenda).
 - Service requirements, particularly investments required to support and deliver the CRMP.
 - Need to adopt a prudential approach to capital borrowing under the new regime, being mindful of affordability, prudence, and sustainability and, in particular, the impact on Council Tax levels.
74. The Authority produces a rolling five-year capital programme to manage major capital schemes each financial year. Owing to the nature of capital expenditure, many schemes span more than one financial year, so the programme is a rolling programme covering five future financial years.
75. Although the proposed capital programme covers a five-year period, an extended term view of future capital investment exists for assets with a significantly longer life. This is true specifically for property investment as these assets may have a +50-year asset life. Property asset management objectives exist to identify planned spend over a +10-year period. In addition, fire appliances and specialist vehicles have a 10 to 16 year asset life, and a replacement strategy ensures the Authority maintains the appropriate levels of operational capability. The vehicle replacement strategy ensures appliance and specialist vehicle refresh is spread over several years to allow flexibility on model options and to keep pace with new technology and innovations in design and development.
76. The proposed £43.291m five-year programme set out in Appendix B is summarised in the table overleaf. This table also identifies programme funding and a resultant borrowing requirement of £39.701m.

Capital Programme 2025/26 to 2029/30

Capital Expenditure	Total Cost £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £
Buildings & Land	9,393,600	3,631,800	2,592,500	1,073,300	993,500	1,102,500
Fire Safety	3,175,000	635,000	635,000	635,000	635,000	635,000
ICT	10,147,820	2,796,960	1,187,660	818,900	2,008,900	3,335,400
Operational Equipment & Hydrants	8,228,800	1,722,800	3,350,000	843,000	1,252,000	1,061,000
Vehicles	12,345,850	4,370,850	2,021,100	2,623,900	690,000	2,640,000
Expenditure	43,291,070	13,157,410	9,786,260	5,994,100	5,579,400	8,773,900
Financing Available	Total £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £
Capital Receipts	1,715,000	1,715,000	0	0	0	0
RCCO	1,875,000	375,000	375,000	375,000	375,000	375,000
Capital Reserves	0	0	0	0	0	0
Grants	0	0	0	0	0	0
Total Non Borrowing	3,590,000	2,090,000	375,000	375,000	375,000	375,000
Unsupported Borrowing	39,701,070	11,067,410	9,411,260	5,619,100	5,204,400	8,398,900
Total Funding	43,291,070	13,157,410	9,786,260	5,994,100	5,579,400	8,773,900

77. The updated capital programme includes new schemes and growth and inflation of existing schemes, these have increased the overall expenditure by £13.356m. The table below summarises the proposed changes:

Capital Expenditure	Total Cost £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £
Building/Land						
Growth/Inflation	237,900	237,900	-	-	-	-
New Schemes	2,162,500	280,000	260,000	260,000	260,000	1,102,500
	2,400,400	517,900	260,000	260,000	260,000	1,102,500
Fire Safety						
New Schemes	635,000	-	-	-	-	635,000
	635,000	-	-	-	-	635,000
ICT						
Growth/Inflation/Savings	81,000	97,000	11,000	8,000	- 53,000	18,000
New Schemes	5,310,400	521,000	232,000	130,000	1,110,000	3,317,400
	5,391,400	618,000	243,000	138,000	1,057,000	3,335,400
Operational Equipment & Hydrants						
Growth/Inflation	1,025,000	200,000	825,000	-	-	-
New Schemes	1,061,000	-	-	-	-	1,061,000
	2,086,000	200,000	825,000	-	-	1,061,000
Vehicles						
Growth/Inflation	203,000	173,000	-	-	30,000	-
New Schemes	2,640,000	-	-	-	-	2,640,000
	2,843,000	173,000	-	-	30,000	2,640,000
Expenditure						
Inflation/Growth	1,546,900	707,900	836,000	8,000	- 23,000	18,000
New Schemes	11,808,900	801,000	492,000	390,000	1,370,000	8,755,900
Total	13,355,800	1,508,900	1,328,000	398,000	1,347,000	8,773,900
Financing Available	Total	2025/26	2026/27	2027/28	2028/29	2029/30
	£	£	£	£	£	£
Total Non Borrowing	0	0	0	0	0	0
Unsupported Borrowing	13,355,800	1,508,900	1,328,000	398,000	1,347,000	8,773,900
Total Funding	13,355,800	1,508,900	1,328,000	398,000	1,347,000	8,773,900

78. Of the £13.556m planned increase:

- (a) Adding the “extra year” to the programme, 2029/2030, adds £8.774m
- (b) New 2025/2026 – 2028/2029 proposals including Growth/Inflation/New Schemes/Savings add £4.582m. The key items are for investment in:

- Refurbishment of Kirkby £0.238m
- Training Tower Improvements £0.800m
- Installation of Photovoltaic Panels (Renewable Energy) £0.240m
- Replacement of Firewalls £0.100m
- Security Information & Event Management Software £0.297m
- Windows 11 Hardware Upgrade £0.100m
- Computer Aided Dispatch Replacement £1.000m
- Mitel Server Upgrade Corporate Telephony £0.150m
- Improvements to Fleet £0.200m
- BA Equipment £0.825m
- Ancillary Vehicles Pool Cars (Electric) £0.173m

79. The £13.356m of new planned capital spending requires unsupported additional borrowing, and this commitment has been built into the proposed MTFP.

80. **Appendix B** comprehensively analyses the proposed 5-year capital programme. The main areas of capital programme expenditure are summarised below: -

a. Building Investment Strategy (£9.394m):

The estate comprises 21 fire stations, a Training and Development Academy (TDA), a Service Headquarters including Fire and Rescue Control, a Marine Rescue Unit, Engineering Centre and three houses used by firefighters who work our Low Level of Activity and Risk (LLAR) duty system.

The capital programme reflects the funding required to replace, maintain and enhance the current estate portfolio and, when possible, seeks to attract external funding or specific contributions (capital grants, capital receipts, capital reserves) to reduce the level of borrowing required. The Estates Team maintain and revise a 5-year property asset management plan supported by a 10-year property strategy. The proposed capital programme is consistent with the priority areas contained within the plan.

Major refurbishment works of £4.310m at fire stations and other property works are planned over the programme period, including major refurbishments of Kirkby and Wallasey fire stations and other refurbishments including City Centre and Kensington fire stations and service headquarters.

General station upgrade work, £2.108m, is planned over the programme period, including investment in station roofs and canopy replacements, appliance room door repairs, appliance room floor repairs and sanitary accommodation refurbishments.

The balance, £2.976m, relates to other property work on schemes such as energy conservation, boiler replacements, access compliance and furniture replacement.

b. Fire Safety (Community Risk Management) (£3.175m)

Smoke alarms and sprinkler systems are being classed as capital expenditure per Government guidance. This follows the awarding of historic

capital grants by the (then) Office of the Deputy Prime Minister towards the purchase cost of such items in financial years 2004/05 through to 2007/08. The current policy is to capitalise the installation costs of smoke alarms, estimated at £1.875m over the period. However, this expenditure is not funded through borrowing but financed in the year by a revenue contribution to capital. The Capital Programme includes £1.300m for smoke alarms and deaf alarms.

c. ICT – Investing in line with the ICT Strategy (£10.147m)

In line with the increasing use of technology to improve the service, there is a significant investment in ICT within the programme. The most significant investments are:

- ICT Software £2.462m including licenses, security Information and event management software and Microsoft agreements
- Planned replacement of ICT Hardware including PC's, monitors, AV equipment and peripherals £1.976m
- ICT Servers including Mitel Server upgrade and Virtualisation refresh £1.176m
- ICT Network replacement and growth including Network Switch/Router upgrade £1.285m
- Operational ICT Equipment & ICT security £1.001m
- Other applications and ICT schemes including Command & Control Suite and Computer Aided Dispatch replacement £2.247m

d. Operational Equipment & Hydrants (£8.228m)

Provision is also made to ensure that a modern fire and rescue service can be delivered, and firefighters kept safe; in particular, provision is made for investment in specialist rescue equipment and new breathing apparatus such as -

- Hydraulic rescue equipment replacement programme £1.460m
- Pod Equipment including demountable unit refurbishment £0.265m
- Improvements to Fleet £0.650m
- Breathing Apparatus replacement programme £3.015m
- Radiation/Gas Detection Equipment £0.122m
- Fire Ground Equipment £0.319m
- Search and Rescue equipment £0.280m
- Gas detection Equipment £0.166m
- Water Rescue Equipment £0.172m
- CCTV Equipment £0.203m
- Operational Ladders £0.105m
- Water Delivery Hoses £0.111m
- Electrical Equipment £0.121m
- Emerging Technologies £0.250m
- Other Specialist Equipment £0.804m

- Installation of new or replacement hydrants per our water strategy, £0.185m.

e. Vehicle Replacement Strategy (£12.346m)

The vehicle asset management plan elsewhere on today's agenda has identified the vehicle needs of the Authority and the required replacement and procurement strategy. The proposed capital programme reflects the ask within the asset management plan: -

a. Fire Appliances - £6.624m

The Authority has developed an appliance replacement strategy based on the economic life of an appliance. Papa 1 and Papa 2 Pumping Appliances will be replaced at 10 years. This then creates a roll down process of the refreshed appliances to move to Papa 3, reserve and support appliances positions. This will enable MFRS to achieve a life period for Papa 3 and reserve appliances of no more than 16 years and support appliances of no more than 19 years. The plan provides for 19 new appliances (including an electric fire appliance).

b. Specialist Vehicles - £2.940m

There is a need to make provision for the purchase of specialist vehicles to support the wider range of roles for the fire and rescue service, including:

- Incident Command Unit (ICU)
- Prime Movers (4)
- POD Long Term capability management (1)
- Forklift Truck (1)
- BA Support Pod (1)
- Crane Lorry (1)
- Wildfire Appliance (2)
- Curtain Sided Truck
- Water Bowser Appliance (1)

c. Ancillary Vehicles – £2.132m

Provision is included for the phased renewal of the ancillary vehicle fleet.

d. Marine Rescue Boats - £0.445m

e. Workshop Equipment - £0.205m

Funding:

81. A mixture of specific funding sources and borrowing will fund the proposed capital spend:
82. **Capital receipts:** - capital receipts are usually the proceeds from the sale of assets. Any such receipts can be applied to reduce an Authority's outstanding debt or reinvest in the capital infrastructure. The Authority has (when available) used capital receipts as a source of funding for new capital investment with little, if any, being

used for debt repayment – unless regulations require a proportion of the receipts to be explicitly used to repay debt.

83. The proposed capital programme anticipates capital receipts from a number of site disposals totalling £1.715m. It assumes this income will be used to reinvest in the capital infrastructure and support the capital programme. Members should note that the anticipated capital receipt values are based on the best estimates at a point in time.
84. **Revenue Contribution to Capital Outlay (RCCO):** Capital spending can be funded by a contribution from the approved revenue budget. The proposed capital programme includes an annual RCCO of £1.875m, which comes from the “freed-up” employee budget following the capitalisation of smoke alarm installation costs (salary costs).
85. **Borrowing:** Under the Prudential capital system, local authorities can now determine their borrowing level. However, the Government has retained reserve powers to limit an Authority’s borrowing if the Government believes an Authority’s proposals to be “unaffordable” or in times of national public spending constraint. After considering any specific funding, the proposed capital programme requires prudential “unsupported” borrowing of £39.701m. The revenue budget and MTFP include adequate provision for this debt's future revenue servicing cost.
86. When the Authority borrows money, it must factor the debt repayment and interest costs into its financial plans. The minimum revenue provision (MRP) methodology calculates how much debt repayment is required each year. Following the new Capital Regulations announced in 2008, the Authority must approve an MRP Statement each year that sets out the policy on MRP. Section D of this report outlines the proposed MRP policy for 2025/2026 – 2029/2030 for Members and the methodology for calculating the MRP. More information on the impact on the Capital Programme is shown in the section on Prudential Indicators (see Section E).

(D) MINIMUM REVENUE PROVISION STATEMENT

87. Under the Local Authorities and Accounting Regulations, the Authority must set aside a sum of money each year to reduce the overall level of debt; this sum is known as the Minimum Revenue Provision (MRP). The 2003 Local Authorities (Capital Finance and Accounting) (England) Regulations set a minimum annual amount to be charged to revenue based on the Authority's Capital Financing Requirement (CFR), which is an amount broadly equivalent to the Authority's outstanding debt. The regulations were updated in 2008 Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations and now require each Authority to repay debt at a rate it considers **prudent** and to set out in an annual statement the Authority's policy on making MRP in respect of the forthcoming year.
88. The regulations guidelines interpret that MRP may be deemed to be prudent if it is either:
- (a) Based over a period that is reasonably commensurate with that over which the capital expenditure/asset provides benefits (asset life), or
 - (b) For the element of expenditure met from borrowing supported by Government Grant, a period reasonably commensurate with the period in the determination of that grant (this, in reality, would equate to a 4% MRP methodology).
89. The regulations and guidelines set out four options for calculating MRP; however, as the government is issuing no new supported borrowing, only 2 of the 4 options are applicable for new borrowing. (Asset Life Method or Depreciation methods):
1. **Regulatory Method** – This allows local authorities to continue calculating MRP in line with the minimum existing statutory charge of 4% of outstanding debt related to supported borrowing only. This option is available for all capital expenditure incurred before 1st April 2008.
 2. **Capital Financing Requirement Method** – This is very similar to the regulatory method, but it does not take into account the adjustment that ensures authorities do not pay more MRP than under the previous capital regulatory regimes. This method may not be appropriate for most authorities as it would result in a higher level of provision than option 1.
 3. **Asset Life Method** – MRP is determined by reference to the life of the asset, and the amount is either based on:
 - i equal instalments method. This generates a series of equal annual amounts over the life of each asset financed from borrowing, or
 - ii annuity method. This method links the MRP to the flow of benefits from an asset where the benefit is expected to increase in later years.
 4. **Depreciation Method** - MRP is to be equal to the provision required in accordance with depreciation accounting in respect of the asset on which

expenditure has been financed by borrowing. This option is available to both supported and unsupported borrowing in determining the MRP requirement.

90. The guidance indicates that for finance leases and on balance sheet PFI contracts, the MRP requirement is met by making a charge equal to the element of the finance lease rental that goes to write down the balance sheet liability under proper accounting practices. This is, in effect, a modified version of the asset life-annuity method; the impact on the revenue account is neutral with MRP for these items matching the principal repayment embedded within the PFI or lease agreement.
91. The 2025/2026 MRP is determined by the actual level of outstanding debt (CFR) at the end of 2024/2025. It is recommended that the Authority adopt a similar strategy for MRP determination as that in 2024/2025:
 - (a) For all capital expenditure incurred after 1st April 2008 financed by **unsupported (prudential) borrowing**, MRP will be calculated using the Asset Life Method – equal instalments method.
 - (b) For credit arrangements such as **on balance sheet leasing arrangements (finance leases)**, the MRP charge is to be equal to the principal element of the annual rental.
 - (c) For **on balance sheet PFI contracts**: the MRP charge will equal the principal element of the annual rental.
92. For all capital expenditure incurred before 1st April 2008 and funded via supported borrowing, the MRP is determined via a straight line (equal instalment) method for up to 40 years (except land for which 50 years is used). The Director of Finance and Procurement views this as a prudent methodology to ensure that all debt is repaid over a finite timeframe.
93. The options set out above meet the requirement for MRP to be deemed prudent but also allow for certainty and predictability over MRP charges. The financial plan outlined in this report takes into account the proposed Authority's policy on MRP.
94. In addition, it is proposed that any revenue budget savings identified in a year may be used to make additional one-off MRP payments if the overall financial position of the Authority in that year remains consistent with the approved financial plan.
95. Interest on loans to fund capital expenditure is estimated at £1.877m.
96. The proposed financial plan includes budget provision to meet the MRP and interest payments based on historic and planned future capital spend. In the past, the Authority has determined it can afford and sustain significant prudential borrowing to allow the required level of investment in the infrastructure and assets of the Authority to deliver a modern, well-equipped fire and rescue service.

(E) PRUDENTIAL INDICATOR REPORT

97. Having formulated a draft Capital Programme, the Authority, in making final decisions upon that Capital Programme and Revenue Budget 2025/2026, will need to consider a report setting out a range of Prudential Indicators aimed at demonstrating the intended Investment Programme's affordability, prudence and impact upon Treasury Management activity and strategy.
98. It should be noted, however, that to provide those indicators, capital and revenue financial plans need to be prepared for each of the following three financial years, commencing with 2025/2026.
99. The financial plans prepared for the financial years 2026/2027 and 2027/2028 are not to be mistaken for approved budgets. They are, at this stage, only a guide for financial planning and, as such, subject to significant change as a result of decisions made by the Authority. However, such plans must be supported by an indication of future Council Tax. At this stage, an assumption of Council Tax increases of £5.00 in 2025/2026 and 2% in 2026/27 and after that.
100. The Authority must demonstrate that its spending plans comply with the Prudential Code by publishing several performance indicators, known as the Prudential Indicators. ***Details of the prudential indicators for the Authority are provided below.***
- (a) The purpose of the indicators is to demonstrate that capital investment remains within sustainable limits and that the Authority has considered the impact of the whole plan on future levels of Council Tax. The indicators that will measure this are: - Estimates of the ratio of capital financing charges to the net revenue budget.
- (b) Estimates of the precept that would result from the three-year capital plan.
- (c) Estimates of the capital financing requirement.
101. The prudential indicators for the Authority are: -

- **Capital Expenditure**

The actual capital expenditure that was incurred in 2023/2024 and the estimates of capital expenditure to be incurred for the current and future years that are recommended for approval are:

	Actual 2023/24 £000,s	Estimate 2024/25 £000,s	Estimate 2025/26 £000,s	Estimate 2026/27 £000,s	Estimate 2027/28 £000,s	Estimate 2028/29 £000,s	Estimate 2029/30 £000,s
Capital Expenditure	34,895	11,664	13,157	9,786	5,994	5,579	8,774

Members will note that the significant expenditure over 2023/2024 and 2024/2025 period covers the £41m investment in a new TDA and station.

This explains why the total expenditure in 2023/2024 and 2024/2025 appears relatively high. In addition, it is important to remember capital costs are shown as the gross, net of any grants or contributions received to contribute towards the cost. More details on the capital programme are given elsewhere in the report (see Section C).

- **Ratio of Financing Costs to Net Revenue Stream**

Estimates of the ratio of capital financing costs to net revenue stream (excludes capital amounts met from Government grants and specific funding) for the actual figures for 2023/2024 and the current and future years are:

	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Ratio of Financing costs to Net Revenue Stream	11.25%	9.36%	5.07%	6.90%	8.17%	8.85%	5.98%

This shows that forecast debt financing costs will decrease from 11.25% down to approximately 6% by 2029/2030. This reflects the current policy of using internal cash (funds held as reserves, unapplied capital and revenue grants, etc.) to temporarily fund capital expenditure to be financed by borrowing. The Authority will need to borrow to fund the planned capital spend as the internal cash is expected to be committed by 2025/2026.

- **Effect on the Precept**

The estimate of the incremental impact of capital investment decisions proposed in this budget report, over and above capital investment decisions that the Authority has previously taken, are:

	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Incremental Impact of Capital Investment Decisions.	£0.00	-£5.26	£2.37	£0.66	-£0.30	-£0.12	£1.64

This indicator compares the capital programme set by the Authority in last year's budget process to the proposed revised capital programme submitted this year. It is intended to show the marginal impact of the overall capital programme and the decisions the Authority makes on the Council Tax levels. The re-phasing of expenditure from 2024/2025 into 2025/2026 approved during the year and the new starts in 2025/2026 – 2029/2030 explain the movement in the figures over this period.

102. The Capital Financing Requirement (CFR) measures the Authority's underlying need to borrow for capital investment purposes.

103. Based on current commitments for 2024/2025 and the latest estimates of capital investment decisions in future years, the capital financing requirement forecast as of 31st March 2025 and future years is as follows:

	Actual 31.3.24 £000,s	Estimate 31.3.25 £000,s	Estimate 31.3.26 £000,s	Estimate 31.3.27 £000,s	Estimate 31.3.28 £000,s	Estimate 31.3.29 £000,s	Estimate 31.3.30 £000,s
Capital Financing Requirement (Excluding PFI & MRD)	45,445	42,057	51,049	57,104	58,504	59,075	62,841

In accordance with best practice, the Authority does not associate borrowing with particular items or types of expenditure. The Authority has, at any point in time, a number of positive and negative cash flows and manages its Treasury position in terms of its borrowings and investments per its approved Treasury Management Strategy and Practices. In day-to-day cash management, no distinction between revenue and capital cash can be made. External borrowing arises as a consequence of all the financial transactions of the Authority and not simply those arising from capital spending. In contrast, the capital financing requirement, CFR, reflects the Authority's underlying need to borrow for capital investment purposes.

104. CIPFA's *Prudential Code for Capital Finance in Local Authorities* includes the following as a key indicator of prudence:

"In order to ensure that over the medium-term debt will only be for a capital purpose, the local authority should ensure that net external borrowing does not, except in the short term, exceed the total capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years."

105. The Authority had no difficulty in meeting this requirement as the Authority's CFR (excluding PFI) is expected to reach a maximum of £62.841m over the next 5 years, and the expected maximum debt position is £53.720m. The reason for the borrowing figure being lower than the CFR figure reflects the availability of cash in the form of reserves to the Authority and, therefore, the ability to defer having to take out new loans for the short to medium term.

106. The Treasury Management Code now recommends including a "liability benchmark" as a measure of how the existing loan portfolio matches the Authority's planned borrowing needs. The table overleaf outlines how the Authority utilises internal cash over the short term and under-borrowing over the medium term. As the Authority utilises its available committed reserves and grants paid in advance of expenditure, it will need to seek additional borrowing. The Director of Finance and Procurement is reviewing the situation with Liverpool City Council's Treasury Management team

to determine when it is best to seek new loans based on future interest rate forecasts. Using internal cash benefits the Authority as it saves on interest payments it would have to make.

	Actual 31.3.24 £000,s	Estimate 31.3.25 £000,s	Estimate 31.3.26 £000,s	Estimate 31.3.27 £000,s	Estimate 31.3.28 £000,s	Estimate 31.3.29 £000,s	Estimate 31.3.30 £000,s
Capital Financing Requirement (Excluding PFI & MRD)	45,445	42,057	51,049	57,104	58,504	59,075	62,841
PWLB Loans	33,720	33,720	38,720	43,720	48,720	53,720	53,720
<i>Forecast New Loans taken out (incl in above)</i>			5,000	5,000	5,000	5,000	
(Under)/Over Borrowed	-11,725	-8,337	-12,329	-13,384	-9,784	-5,355	-9,121

(F) TREASURY MANAGEMENT STRATEGY STATEMENT 2025/2026

INTRODUCTION

107. This report sets out the expected treasury operations for this period, linked to the Budget, Financial Plan and Capital Programme. It is inextricably linked to delivering the Authority's aims and objectives. It contains four key legislative requirements:

- (a) The Treasury Management Strategy Statement which sets out how the Authority's treasury service supports capital decisions, day to day treasury management and the limitations on activity through treasury prudential indicators. The key indicator is the Authorised Limit required by S3 of the Local Government Act 2003 and is in accordance with the CIPFA (The Chartered Institute of Public Finance & Accountancy) Codes of Practice.
- (b) The reporting of the prudential indicators for external debt and the treasury management prudential indicators as required by the CIPFA Treasury Management Code of Practice.
- (c) The investment strategy which sets out the Authority's criteria for choosing investment counterparties and limiting exposure to the risk of loss. This strategy is in accordance with the Ministry for Housing, Communities and Local Government (MHCLG) Guidance on Local Government Investments. It is proposed to maintain the Authority's minimum long-term credit rating requirement of Fitch A- or equivalent.
- (d) The Authority's Minimum Revenue Provision (MRP) Policy, which sets out how the Authority will pay for capital assets through revenue each year as required by Local Authorities (Capital Finance and Accounting) Regulations 2008 (Section D of this report).

Updated Treasury Management and Prudential Codes have recently been released that include a requirement to produce a Capital Strategy; this has been built into section C of this report.

PROPOSED STRATEGY

108. The above policies and parameters provide an approved framework within which the Officers undertake the day-to-day capital and treasury activities. The Authority is recommended to approve each of the key elements contained within this report, which are:

- The Treasury Management Strategy 2025/2026.
- The External Debt and Treasury Management Prudential Indicators and Limits for 2025/2026 to 2027/2028.
- The Investment Strategy 2025/2026.
- The Minimum Revenue Provision (MRP) Statement is included in section D, which sets out the Authority's policy on MRP.

TREASURY MANAGEMENT STRATEGY

109. The suggested strategy for 2025/2026 in respect of Treasury Management is based upon treasury officers' views on interest rates supplemented by leading market forecasts. The strategy covers:

- prospects for interest rates;
- capital borrowing and debt rescheduling;
- annual investment strategy;
- external debt prudential indicators;
- treasury management prudential indicators;
- performance indicators;
- treasury management advisers.

Each of the above is now considered in more detail below:

(a) PROSPECTS FOR INTEREST RATES:

The Treasury Management Strategy 2025/26 will be influenced by both national and geopolitical factors. The impact of the government's Autumn Budget has led to a slowdown in growth coupled with a weaker outlook on future interest rate cuts. The global economy is facing a level of uncertainty that can impact on the UK in terms of inflation and interest rates.

The Bank of England's (BoE) Monetary Policy Committee (MPC) cut the bank rate by 25bps in November 2024, to 4.75% and cut a further 25 bps to 4.5% on the 6th February. The treasury advisors MUFGE Corporate Markets, appointed by Liverpool City Council, have significantly revised their central forecasts for the first time since May 2024. In summary:

- The bank rate is now 40bps – 75bps higher than previously anticipated.
- PWLB forecasts via gilt yields have been materially increased to reflect:
- Growing concerns around the future path of inflation
- The elevated levels of government borrowing projected over the current Parliament.

The MUFGE Corporate Markets view suggests that monetary policy is tight enough to permit some moderate easing but the extent of this will depend on future data. The February cut was included within recent forecasts, followed by a pattern of rate cuts on a quarterly basis – in line with the Bank's Quarterly Monetary Policy Reports (February, May, August and November).

Any movement below a 4% bank rate will depend heavily on inflation data in the second half of 2025. At the November meeting of the MPC, eight Committee members voted to cut, while one member preferred to keep the bank rate on hold at 5%. This indicates that concerns around inflation's stickiness are already emerging. Additionally, recent public sector wage increases are beginning to flow into headline average earnings data, which will be scrutinised closely by the markets in upcoming releases.

The Office of National Statistics reported that the Consumer Price Index (CPI) inflation rate at 1.7% in September 2024, down from 2.2% in previous months and lower than the 1.9% expected. Core CPI also declined further than expected to 3.2% against a forecast of 3.4% and the previous month's 3.6%. The outlook for CPI inflation in the November MPR showed it rising above the MPC's 2% target from 2024 to 2025 and reaching around 2.75% by the middle of 2025. This represents a modest near-term increase due to the ongoing impacts from higher interest rates, the Autumn Budget and a projected margin of economic slack. Over the medium term, once these pressures ease, inflation is expected to stabilise around the 2% target.

In terms of the PWLB forecast, the short to medium part of the curve is expected to remain elevated over the next year. The extent to which rates moderate will depend on the strength of the arguments for further bank rate loosening or otherwise.

The longer the part of the curve will similarly be influenced by inflation factors, however, an additional concern is emerging:

- Major developed economies, such as the US and France are projected to run large budget deficits.
- This could result in a glut of government debt issuance and investors may only be willing to absorb this additional supply, if the interest rates offered provide sufficient reward for the increased borrowing levels.

(b) CAPITAL BORROWING AND DEBT RESCHEDULING:

The borrowing requirement comprises the expected movements in the Capital Financing Requirement and reserves plus any maturing debt which will need to be re-financed. The Authority envisages that new long-term borrowing of £5 million will be required in 2025/26, with a further £5m required in 2026/27, 2027/28 and 2028/29. In the short-term, and at a time when long-term rates are relatively high, the Authority will continue to mitigate interest costs by use of internal resources ahead of further borrowing. Where borrowing is required, the Authority may initially choose to benefit from lower short-term rates available from the intra-authority market and consider taking longer-term PWLB debt when there is no further value to be obtained from the intra-authority market. Against this background, Treasury Officers will monitor the interest rate market and adopt a pragmatic approach to any changing circumstances.

Rescheduling of debt is the early repayment of loans and replacement by loans for different periods and at different interest rates. It can be used to enhance the balance of the long-term portfolio, by for example, amending the maturity profile or changing volatility levels and may on occasion generate cash savings. Debt rescheduling becomes more beneficial when the relationship between short- and long-term rates moves appreciably.

Current PWLB lending terms have severely constrained the option to generate savings via debt rescheduling. Recent rises in long term interest rates may provide more favourable debt rescheduling opportunities. Interest rate structures will be continually monitored for opportunities to generate savings from debt rescheduling. Any rescheduling that takes place will be reported to Members in monitoring reports.

(c) ANNUAL INVESTMENT STRATEGY

The primary purpose of the Annual Investment Strategy is to set out the policies for managing investments giving priority to the security and liquidity of the Authority's investments. It also contains the policy on the use of credit ratings and credit ratings agencies, procedures for determining and limiting the use of higher risk investments and the use of external advisors.

The Authority's investment priorities are (a) the security of capital and (b) liquidity of its investments. The Authority will aim to achieve the optimum return on its investments commensurate with the proper levels of security and liquidity. All investments will be in sterling. All cash balances will be invested in accordance with the Code of Practice and with regard to the statutory guidance.

A counterparty list of institutions with which the Authority will invest shall be maintained by reference to the criteria set out below for the different categories of institution and their credit rating. Regardless of these criteria, the money market will be closely monitored, and any institution will be suspended from the counterparty lending list should any doubts arise concerning its financial standing. Under the guidance, investments fall into two separate categories, either specified or non-specified investments.

Specified Investments: - Specified investments offer high security and high liquidity and satisfy the conditions set out below:

- The investment is denominated in sterling and any payments or repayments in respect of the investment are payable in sterling only.
- The investment is not a long-term investment (has a maturity of less than one year).
- The investment does not involve the acquisition of share capital in any corporate body.
- The investment is made with a body or in an investment scheme which has been awarded a high credit rating by a credit rating agency, or with the UK Government or a local authority.

Specified investments will comprise the following institutions: -

- The UK Government (such as the Debt Management Account deposit facility, UK Treasury Bills or a Gilt with less than one year to maturity).
- Supranational bonds of less than one year's duration.
- UK Local Authorities.
- Money Market Funds.
- Ultra-Short Duration Bond Funds.
- UK Banks.

- Foreign banks registered in the UK.
- Building Societies.

Credit Rating Criteria: - The Authority will invest with UK institutions or non-UK institutions that are domiciled in a country which has a minimum Sovereign long-term rating of “AA”. The institution must have a high credit rating assigned by any of the three credit ratings agencies (Fitch, Moodys and Standard & Poors). To be deemed highly rated the institution must satisfy at least the minimum of the following Fitch (or equivalent) criteria:

Long term credit rating A-

If any of the agencies assigns a rating lower than the Fitch minimum (or equivalent) to an institution, then the Authority will not invest with that institution.

In addition, the Authority will use institutions that are part nationalised UK banks.

Regardless of the credit rating assigned to an institution or whether it is covered by a guarantee, if any doubt over its financial standing exists then that institution is removed immediately from the counterparty lending list.

Investment Limits: - The credit ratings and individual limits for each institution within the categories of investments to be used by the Authority in 2025/26 are as follows:

UK Government (including gilts and the DMADF)	Unlimited
UK Local Authorities (each)	Unlimited
Part Nationalised UK banks	£4m
Money Market Funds (AAA rated)	£3m
Enhanced Money Market (Cash) Funds (AAA rated)	£3m
Ultra-Short Duration Bond Funds (AAA rated)	£3m
UK Banks and Building Societies (A- or higher rated)	£2m
Foreign banks registered in the UK (A or higher rated)	£2m

No limits on investments with the UK Government and Local Authorities have been set because they are considered to be of the highest credit quality and are essentially risk free. The limits placed on other categories reflect some uncertainty and marginally higher risk profile of the institutions within those categories. The status of Royal Bank of Scotland as a part nationalized bank is unlikely to change for many years but in the event the bank is re-privatised it will revert to the lower limit of £2m alongside other UK banks. Money Market Funds although AAA rated, invest in a diverse portfolio so are not completely risk free and have been assigned a lower limit. There is a slightly higher risk for A- rated banks as described in the paragraph on Security below and so these institutions have the lowest limit.

Ways to increase investment returns have been considered including (a) reducing the minimum credit rating criteria from A- to BBB; (b) increasing the limits with individual institutions and (c) investing for periods longer than one year. Any of these ways would involve taking on additional risk because higher investment

returns can only be achieved by taking higher risks. The decision not to do this but to continue with current policies was taken in the light of the Banking Reform Act which enables the Government to force investors to take losses if a bank became insolvent. It is now unlikely that the Government would fully fund a taxpayer bail-out of a failed bank.

The maximum that may be invested with different banks that are part of the same conglomerate shall not exceed the maximum of the highest rated bank within the group. The limits may be exceeded for short periods when there are adverse conditions in the money market with the agreement of the Director of Finance and Procurement, Head of Finance or Treasury Manager.

Non-Specified Investments: - Non-specified investments do not, by definition, meet the requirements of a specified investment. The Ministry for Housing, Communities and Local Government (MHCLG) guidance requires that greater detail is provided of the intended use of non-specified investments due to greater potential risk. The following types of non-specified investments may be used.

- Deposits with the Authority's own banker shall be unlimited for transactional purposes and to allow for unusual cash flow circumstances.
- Deposits with a maturity of greater than one year (including forward deals in excess of one year from inception to repayment) with any bank or building society that meets the credit rating criteria above.
- Building societies which do not meet the normal credit criteria but are one of the top ten building societies, determined by asset size. Those societies that are within the top ten but do not have an agency determined credit rating shall have an individual limit of £1m. Building Society rankings are checked annually with the Building Societies Association.

Risk Management of Investment Counterparties: - Bank and Money Market Fund ratings are checked daily. The Authority is alerted by e-mail when there is an amendment by any of the agencies to the credit rating of an institution. If an amendment means an institution no longer meets the Authority's minimum requirement, or any doubt over its financial standing exists, then that institution is removed immediately from the counterparty lending list. Conversely, an institution may be added to the list should it achieve the minimum rating.

Credit ratings are only the starting point when considering credit risk. The Code of Practice requires the Authority to supplement credit rating information with additional operational market information which will be applied before making any specific investment decision from the agreed pool of counterparties. Credit Default Swaps and negative rating watches/outlooks are examined, and the financial press, internet and financial information systems are monitored for market information regarding its counterparties. It also receives daily e-mails from various market participants that could identify potential problems. Any information that casts doubt on an institution's creditworthiness is acted on by suspending investment with that institution.

Liquidity of Investments: - Each investment decision is made with regard to cash flow requirements resulting in a range of maturity periods within the investment portfolio. Investments are normally short-term having a maturity of less than one year. The Prudential Code does allow longer term investments and under certain money market conditions it may be prudent to invest for up to three years dependent on cash flow forecasts.

Risk Benchmarking: - The CIPFA Codes and the DLUHC Investment Guidance recommend the consideration and approval of security and liquidity benchmarks. Yield benchmarks are currently widely used to assess investment performance. Security and liquidity benchmarks were new requirements introduced in 2018/19, and the application of these is more subjective in nature. The benchmarks are simple guides to maximum risk and so may be breached from time to time depending on movements in interest rates and counterparty criteria. The purpose of them is for officers to monitor the current and trend position and amend the operational strategy to manage risk as conditions change. Any breach of the benchmarks will be reported, with supporting reasons in the Mid-Year or Annual Report.

Security: - Security is currently evidenced by the application of minimum credit quality criteria to investment counterparties, primarily through the use of credit ratings. A method to benchmark security risk is to assess the historic level of default against the minimum criteria used in the Authority's investment strategy. The Authority's minimum credit rating criteria is "A-". The average expectation of default for a one-year investment in counterparty with an "A-" long term rating is 0.10% of the total investment. The inclusion of unrated Building Societies raises this factor to 0.14% e.g. for a £1m investment the average loss would be £1,400. This is only an average and any specific counterparty loss is likely to be higher, but these figures do act as a proxy benchmark for risk across the portfolio. The Authority's maximum security risk benchmark of 0.14% is embodied in the criteria for selecting cash investment counterparties and will be monitored and reported to Members.

Liquidity: - The Authority seeks to maintain liquid short-term deposits of at least £1 million available daily.

Yield: - The Authority's benchmark for investment returns is the Sterling Overnight Index Average (SONIA) rate.

ESG Policy

Environmental, social and governance (ESG) considerations are increasingly a factor in global investors' decision making, but the framework for evaluating investment opportunities is still developing and therefore the Authority's ESG policy does not currently include ESG scoring or other real-time ESG criteria at an individual investment level. When investing in banks and funds, the Authority will prioritise banks that are signatories to the UN Principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, the Net Zero Asset Managers Alliance and/or the UK Stewardship Code.

Business Models

Under the IFRS 9 standard, the accounting for certain investments depends on the Authority's "business model" for managing them. The Authority aims to achieve value from its treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

Reporting Arrangements: - The Investments Strategy forms part of the Treasury Management Strategy which is referred to Policy and Resources or Audit Committee for monitoring. An interim report is produced during the year and a final annual report by 30th September following the end of a financial year.

(d) EXTERNAL DEBT PRUDENTIAL INDICATORS:

The Prudential Code requires the following external debt indicators of prudence:

- Authorised limit for external debt
- Operational boundary for external debt

Authorised Limit: The Authorised Limit for Debt represents the maximum level of debt which the Authority may have during the year. The Authority has no powers to exceed this unless a further report with revised prudential indicators is approved by the Authority. The limit therefore makes appropriate allowance for the risks and uncertainties which affect day-to-day debt levels, and the ups and downs of short-term cash flow.

The authorised limits reflect the Authority's Capital Financing Requirement, identified in its capital expenditure and financing plans. They are consistent with the treasury management policy statement and practices. The limit will ensure that total gross debt does not exceed the total of the CFR in the preceding, current or following two financial years. The Authority is asked to approve the limits below and to delegate authority to the Director of Finance & Procurement, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long-term liabilities.

Authorised Limit for External Debt	2025/26 £'000	2026/27 £'000	2027/28 £'000
	£'000	£'000	£'000
Gross Borrowing	51,000	57,000	59,000
Other Long-Term Liabilities	15,000	14,000	13,000
TOTAL	66,000	71,000	72,000

Operational Boundary: The Operational Boundary indicator represents the expected maximum debt position during each year. It takes into account projections of borrowing requirement and repayments in future years. It may be different from the year end position as it reflects cash flows within each year. The Authority is asked to approve the limits and to delegate authority to the Director of Finance and Procurement, within the total limit for any individual year, to effect

movement between the separately agreed limits for borrowing and other long-term liabilities.

Operational Boundary for External Debt	2025/26 £'000	2026/27 £'000	2027/28 £'000
External Borrowing	46,000	51,000	53,000
Other Long-Term Liabilities	15,000	14,000	13,000
TOTAL	61,000	65,000	66,000

Actual External Debt: The prudential indicator for actual external debt considers a single point in time and hence is only directly comparable to the authorised limit and operational boundary at that point in time. Actual external debt is monitored during the year against the limits. It is forecast to be £33.7 million at 31st March 2025.

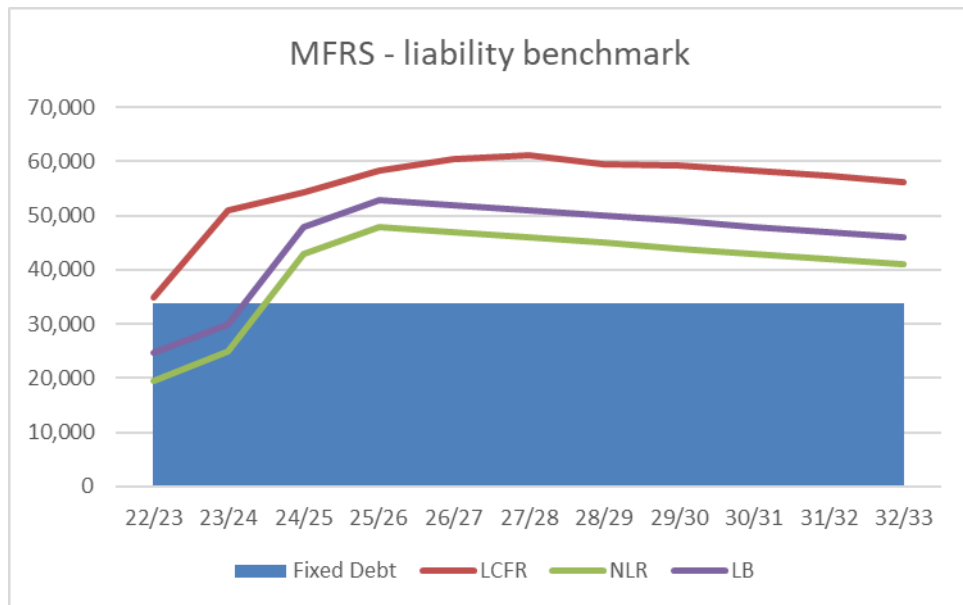
The figure for actual borrowing in recent years has been below the capital financing requirement. In an environment of extremely low interest returns, treasury officers have adopted a strategy whereby the Authorities' capital borrowing need has not been fully funded by external debt, but rather cash supporting the Authorities usable reserves and working capital has been used as a temporary funding measure in lieu of external borrowing. Internal borrowing by its very nature is a temporary measure to contain interest costs in the short term, however the approach does involve an element of interest rate risk given that it postpones the point at which long term borrowing costs are fixed. The following table demonstrates the estimated use of internal borrowing over the budget period, though actual borrowing decisions will be significantly influenced by expectations regarding movements in interest rates.

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£'m	£'m	£'m	£'m	£'m	£'m
Capital Financing Requirement	57.3	65.7	70.9	71.6	71.3	74.2
Less: PFI	(15.2)	(14.6)	(13.8)	(13.1)	(12.2)	(11.4)
Less: MRD	(0.1)	-	-	-	-	-
Borrowing CFR	42.0	51.1	57.1	58.5	59.1	62.8
Existing Debt Portfolio	33.7	38.7	43.7	48.7	53.7	53.7
Over(-)/Under borrowing	8.3	12.4	13.4	9.8	5.4	13.5
Borrowing as a % of CFR	80.0%	75.7%	76.5%	83.3%	90.1%	85.5%

The Treasury Management Code now includes a requirement for authorities to produce a liability benchmark. This is a risk management tool which compares

the authority's actual borrowing against its theoretical net borrowing requirement (which will include an allowance for liquidity). When actual borrowing is below the liability benchmark, then this indicates a future borrowing requirement and thus identifying where an authority is exposed to interest rate, liquidity and refinancing risks. Conversely, where actual borrowing exceeds the liability benchmark then this will highlight an overborrowed position which will result in excess cash in the organisation requiring investment and thus exposing the authority to credit and reinvestment risks and a potential cost of carry. The optimum borrowing position would be to hold a position that sits near to or on the liability benchmark thus maximising the use of internal borrowing and minimising risk.

The authority's liability benchmark is set out in the graph below. The benchmark assumes that cash and investment balances are kept to a minimum level of £5m at each year-end. The benchmark is currently £30.0m for 2024/25 and is forecast to increase to £35.0m in 25/26 based on the combination of the borrowing requirement arising from the capital programme and the anticipated reduction of internal resources that will be available to off-set the need to borrow. The below graph covers an extended period of ten years.



The shaded areas of the graph represent the maturity profile of the authority's actual borrowing portfolio and the lines represent the notional borrowing requirement (red line), the net loans requirement which offsets available balance sheet resources against the borrowing requirement (green line) and finally the liability benchmark (blue line), which factors in a liquidity allowance.

The graph does highlight the extent to which the fire authority borrowing levels has exceeded the liability benchmark in recent years based on the historic borrowing portfolio that is predominately long dated. However, this position has now reversed in 2024/25 with the utilisation of internal borrowing to fund recent capital expenditure plans. The significant movement in interest rates during 2022/23 and 2023/24 has increased the cost of new borrowing and the consideration at this point is whether further risk is reduced by borrowing with longer term borrowing for durations that would reduce the gap between the

existing debt portfolio and the estimated liability benchmark or borrowing for shorter periods. To inform these decisions treasury officers are mindful of the interest rate forecasts from appointed specialist treasury advisors. The latest forecast is that interest rates will start to fall back during 2025/26, as central banks are expected to implement an easing of monetary policy in response to falling inflation rates. As such the current strategy is to continue to defer the point at which long term debt is arranged.

(e) TREASURY MANAGEMENT PRUDENTIAL INDICATORS:

The Treasury Management Code requires the following Treasury Management indicators of prudence:

- Upper limit on fixed interest rate exposures;
- Upper limit on variable interest rate exposures;
- Upper and lower limits for the maturity structure of borrowing;
- Total principal sums invested for periods longer than 365 days.

Interest Rate Exposures: It is recommended that the Authority sets upper limits on its fixed and variable interest rate exposures as a percentage of its net outstanding principal sums as follows: -

Upper Limits on Interest Rate Exposures	2025/26	2026/27	2027/28
	%	%	%
Fixed	100	100	100
Variable	50	50	50

This means that the Director of Finance and Procurement will manage fixed interest rate exposures within the range of 50% to 100% and variable interest rate exposures within the range of 0% to 50% for 2024/25.

Maturity Structure of Borrowing: It is recommended that the Authority sets upper and lower percentage limits for the maturity structure of its borrowings as follows. Percentage of projected fixed rate borrowing that is maturing in each period:

	Upper Limit	Lower Limit
Under 12 months	50%	0%
12 months and within 24 months	50%	0%
24 months and within 5 years	50%	0%
5 years and within 10 years	50%	0%
10 years and above	100%	0%

Total Principal Sums Invested for Periods Longer than 365 Days: It is recommended that the limit for investments of longer than 365 days be set at £2 million for each of the years 2025/26, 2026/27 and 2027/28.

(f) PERFORMANCE INDICATORS

The Code of Practice on Treasury Management requires the Authority to set performance indicators to assess the adequacy of the treasury function over the year. These are distinct historic indicators, as opposed to the prudential indicators, which are predominantly forward looking.

The Authority will maintain performance indicators for borrowing and investment, although it must be stressed that the pursuit of higher performance shall not be at the expense of taking undue risks. The indicators for the treasury function are:

- Borrowing – Average rate of borrowing for the year compared to average available.
- Investments – Internal returns compared to the Sterling Overnight Index Average (SONIA) rate.

The results of these indicators will be reported in the Treasury Management Monitoring and Annual Reports.

Training - CIPFA's Code of Practice requires the Director of Finance to ensure that all members with responsibility for treasury management receive appropriate training relevant to their needs and understand their roles and responsibilities.

(g) TREASURY MANAGEMENT ADVISORS

The Treasury Management service is provided to the Authority by Liverpool City Council. The terms of the service are set out in an agreed Service Level Agreement. The Council employs treasury management advisers appointed under a competitive procurement exercise who provide a range of services which include:

- Technical support on treasury matters and capital finance issues.
- Economic and interest rate analysis.
- Debt services which includes advice on the timing of borrowing.
- Debt rescheduling advice surrounding the existing portfolio.
- Generic investment advice on interest rates, timing and investment instruments.
- Credit ratings/market information service comprising the three main credit rating agencies.

Whilst Liverpool City Council and its advisors provide the treasury function, the responsibility for any decision on treasury matters remains with the Authority.

(G) REVENUE FORECASTS 2025/2026 – 2029/2030

110. The Authority has maintained a robust Medium Term Financial Plan (MTFP) over a number of years. The plan is thoroughly reviewed on an annual basis, monitored throughout the year, and reported on a quarterly basis through the financial review reports to Members.
111. This section of the report will develop a financial forecast for the Authority based upon the latest information. It will: -
- Outline the historical background to the current financial plan,
 - Outline the underlying assumptions to support the forecast,
 - Outline any movement since the previously approved financial plan.
112. Following the financial crisis of 2008, the Government implemented a programme of austerity that resulted in significant reductions in Government grant funding for the Authority since 2010/2011. The cumulative percentage reduction in Government revenue support for the Authority up to 2020 equated to a 33% cash reduction or approximately 50% in real terms. That resulted in unavoidable reductions in the front-line operational services over this period: -
113. In 2010, the Authority;
- (a) employed approximately 1,000 Full-Time Equivalent (FTE) firefighters,
 - (b) employed 42 FTE fire control staff,
 - (c) employed 425 FTE support and technical staff,
 - (d) had 42 wholtime fire appliances immediately available and 1 retained - 43 appliances in total,
 - (e) had 26 full-time fire stations.
114. The current budget provides for;
- (a) 642 FTE firefighters (36% lower),
 - (b) 35 FTE staff in fire control (17% lower)
 - (c) 295 FTE support and technical staff (31% lower),
 - (d) Appliances;
 - Days: 27 immediately available plus 5 on a 30-minute recall
 - Night: 21 immediately available plus 11 on a 30-minute recall
 - (e) 21 fire stations maintained by a variety of demand-led duty cover systems.
115. Based on the information at that time, the 2024/2025 MTFP approved at the Budget Authority meeting on 29th February 2024 delivered a balanced financial position in 2024/2025 and a £0.931m challenge in 2025/2026, rising to £1,695m by 2028/2029. As significant uncertainty existed over future Government funding and future cost increases from 2025/2026, Members were asked to note any financial challenges in future years and deal with any challenge once the future funding became clearer.

116. The current MTFP has been updated for the 2025/2026 government funding settlement (another one-year settlement) and the Merseyside local authorities' 2025/2026 Council Tax Base, Collection Fund, and Business Rate forecasts. All known pay and price inflation increases have been built into the MTFP, and a review of the key assumptions around future funding and cost pressures has been reviewed.

117. At the January 2025 budget strategy day, members considered the key budget assumptions that should be included in the updated MTFP. The following paragraphs summarise the proposed key assumptions to be included within the plan: -

118. Inflation - Pay & Prices Changes: -

PAY;

The 2024/2025 MTFP assumed pay awards of 3%, in light of inflation rates at the time, and assumed future pay awards assumptions would remain at 2.5%. In 2024/25, firefighters received a 4% pay increase, and the non-operational staff received £1,290 or 2.5% (whichever was the greater) pay increase. The firefighter pay award was 1% greater than the 3% budget resulting in an additional budget requirement of £0.338m in 2024/25 (part-year) and £0.450m in a full year. The non-firefighter pay award was £0.040m above the 3% budgeted increase. The proposed MTFP has included a budget increase to cover the 2024/25 additional pay award.

Inflation remains above the Bank of England target of 2%, The outlook for CPI inflation in the November MPR showed it rising above the MPC's 2% target from 2024 to 2025 and reaching around 2.75% by the middle of 2025. This represents a modest near-term increase due to the ongoing impacts from higher interest rates, the Autumn Budget and a projected margin of economic slack. Over the medium term, once these pressures ease, inflation is expected to stabilise around the 2% target. At the Strategy Day in January, Members agreed to maintain the 2025/2026 pay award assumption of 2.5% in light of the current inflation forecast and keep future pay award assumptions at 2.5%.

The 2024 Autumn Budget increased employers' national insurance contributions from 13.8% to 15% and lowered the threshold from £9,100 to £5,000 before employers' national insurance is paid, the increase takes place from 1st April 2025. The adjustment adds an additional 1.7% on a firefighter's salary. The national insurance increase results in an additional cost on the employee budget of £1.000m (£0.700m on the operational pay and £0.300m on the non-operational pay). The government has given local authorities a contribution towards the increase in employers national insurance. MFRA will receive a grant of £0.425m towards the increased employer's insurance.

PENSIONS: -

Firefighter Pension Scheme(s): - Firefighter Pension Scheme Actuarial review 2020:- Following the 2020 Firefighter Pension Scheme actuarial review, the Home Office has announced that there will be a Fire Pension Grant in

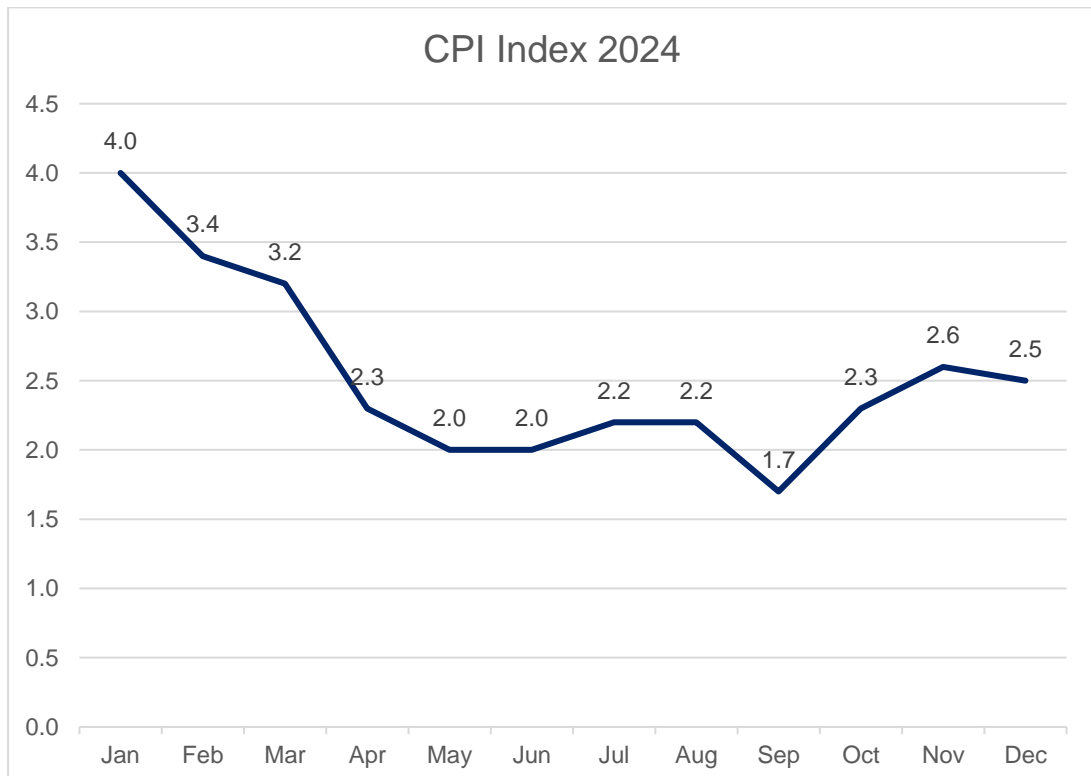
2024/25 to cover the increase in employer contribution rates from 28.8% to 37.6%. The impact on the Firefighter Pension Scheme to MFRA was an overall increase in the employer cost of over £2.300m. The Home Office announced a fixed grant of £2.183m (calculation is based on a four-year average) for 2024/25 to cover the increase. At that time the Authority understood that the additional pension grant (as well as other specific grants for fire and rescue services) would be allocated on a one-year basis with future years subject to the Spending Review in the usual way. The current MTFP plan assumed the Authority would receive a contribution in 2025/26 and future years of £1.191m.

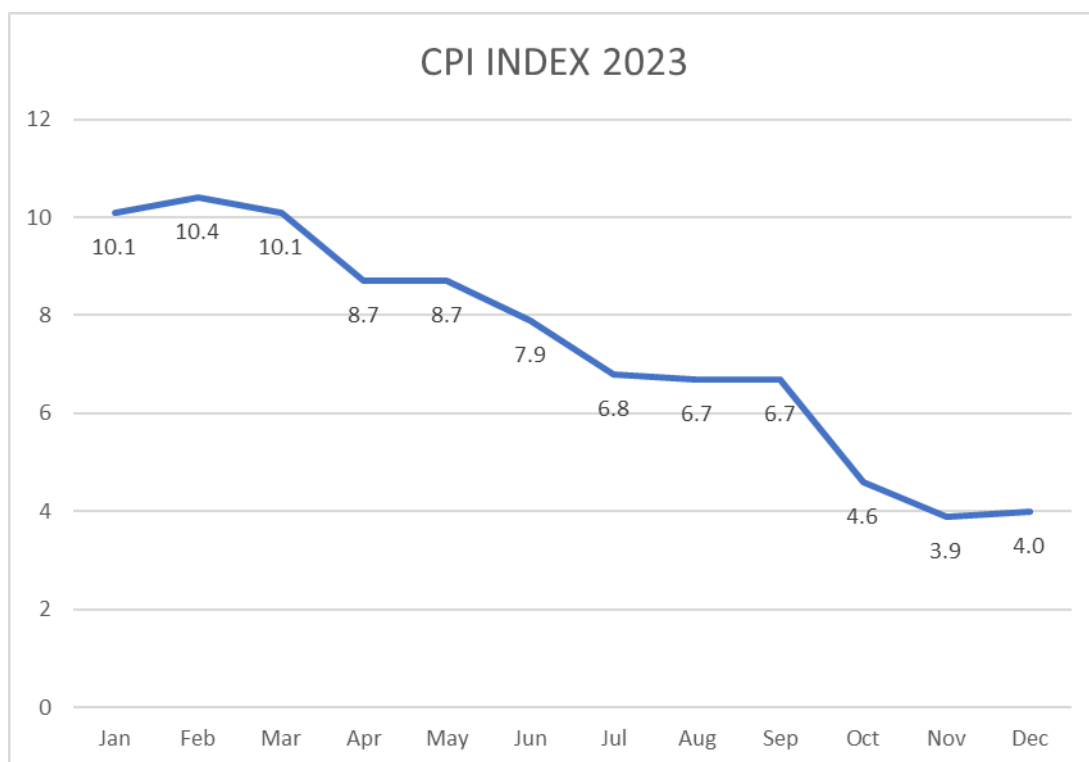
The Authority has been informed by Home Office they will receive a similar grant in 2025/26 to that received in 2024/25 and it is proposed the grant will be rolled into the SFA. The MTFP has been updated to include a Fire Pension Grant of £2.183m in 2025/26 and assumes the grant will continue at this rate for future years.

Future LGPS Employer Rate – The 2020 actuarial review increased the current employer rate from 17.5% to 17.9% from April 2023. However, the review also identified that the fund has a surplus of past service costs that will be repaid to the Authority. The net impact has resulted in an annual saving of £0.200m from 2023/2024 onwards and an additional one-off saving in 2025/26 of £0.286m.

PRICES

The current MTFP included a provision for general price and energy increases of 3% based on inflation forecasts in January 2024. The government expected CPI inflation to fall towards the target of 2% in 2024/25. The Twelve-month CPI inflation did fall to 2.5% in December 2024.





The outlook for CPI inflation is for it to reach around 2.75% by the middle of 2025. Over the medium term, once pressures ease, inflation is expected to stabilise around the 2% target.

The proposed MTFP has built an increase of £0.771m to uplift the contingency for pay and inflation towards the impact of the inflationary pressures in 2024/2025 and the expected 2025/2026 inflationary impact.

An inflation provision of £1.742m is included in the proposed MTFP to cover the new-year, 2029/2030, based on general inflation of 2% and pay uplifts of 2.5%.

119. Revenue Growth

The current plan assumed no future unavoidable growth requirements beyond those approved in the 2024/2025 plan. The CFO, SLT and Officers have identified a number of unavoidable growth issues that need to be built into the proposed MTFP;

- Increase in fire engine/appliance availability from 32 to 34, enhancing the Authority's resilience and response to foreseeable risk (specialist response),
- Increase in investment in training and assurance (competency) given the Grenfell Tower Phase 2 report, Personal Protective clothing, bespoke equipment and consumables,
- Improved ICT facilities,

- Increased investment in properties, including further station refurbishments to ensure they are welcoming and well managed (contaminants risk)

120. **Cost of Capital Borrowing**

The proposed MTFP takes into account the 5-year capital programme and MRP policy, discussed previously in sections C and D. Where the revenue budget has allowed, the Authority has continued to contribute towards the capital programme to reduce the Authority's borrowing requirement. As a result of the additional revenue contributions, the increase in debt servicing budget in the 2024/25 MTFP for 2028/29 and future years has been reversed and the debt servicing budget has been reduced by £0.400m in 2028/2029 and future years.

The Authority seeks to provide its firefighters and other staff with the right equipment, personal protective equipment (PPE), vehicles, and training facilities to enable them to fulfil their role safely and at the best standard possible. As the Government does not make any capital funding available, the Authority has a strategy for building up the Capital Reserve. The proposed MTFP will increase the Capital Investment Reserve by £0.234m to £2.1m to fund a significant proportion of this investment to maintain borrowing at an affordable and sustainable level and to contribute towards the CRMP.

121. **Non-Pay Budget - 2% Efficiency Target**

As part of the spending review, fire and rescue services will be expected to increase wholetime firefighter productivity by 3% and create 2% of non-pay budget efficiency savings. For MFRA, 2% efficiency saving of non-pay budget would equate to £0.262m in 2025/26.

The Director of Finance & Procurement is confident a £0.262m efficiency saving can be offered up from non-pay budgets and the £0.262m efficiency saving has been built into the proposed MTFP.

122. **Firelink Grant**

The Firelink grant has been reducing over the previous four years, with 2025/26 expected to be the final year when the grant was paid, albeit at a reduced level of £0.054m. The Home Office has taken the difficult decision to end the Firelink grant in 2024/25, therefore there will be no Firelink grant provided in 2025/26. The Authority has reduced the Firelink grant by £0.054m in 2025/26.

123. **Resources Available:** The Authority has two primary sources **Government Funding** and **Council Tax**.

124. **Government Funding;**

Settlement Funding Assessment (SFA);

In 2013/2014, the Government reformed the Fire and Local Government funding system and introduced the 50% Business Rates Retention scheme. The new system determines the Authority's funding allocation based on a Settlement

Funding Assessment (SFA), and this support can be broken down into two parts;

- **Baseline** – the estimated value of retained **local business rates** plus a **Top-Up grant** and
- **Revenue Support Grant**.

The Government announced another one-year local government finance settlement, and the small business rates will be frozen again in 2025/2026. However, as business rates can be increased by a factor equal to the previous year's September Consumer Price Index (CPI) (1.7%), the Government announced it would continue to compensate authorities for the loss of income through a specific grant.

The Authority's SFA for 2025/2026;

- Increase in Baseline Funding of +1.14% or £0.252m, and
- Increase in Revenue Support Grant of 1.7% or £0.285m.

The settlement resulted in an overall increase of 1.4% or £0.537m.

Business Rates Multiplier Compensation Grant;

To compensate the Authority for the business rates freeze, a £0.187m increase in the business rates multiplier grant was announced as part of the financial settlement. The MTFP assumes this increase will be permanent.

Taking together the business rates multiplier compensation grant increase and the SFA settlement, the overall increase compared to 2025/2026 is £0.724m or 1.7%. Within the SFA is a forecast of the local retained business rates assumed for the Authority of £4.691m. However, the business rate freeze and other discounts may impact the local business rate yield. Based on the billing authorities forecast for local business rates yield in 2025/2026, the Authority's local share **is estimated at £4.813m, a surplus of £0.122m against the SFA estimate**. The proposed MTFP includes the £0.122m increase in local business rates for 2025/2026.

The proposed MTFP attempts to forecast future government support beyond 2025/2026; however, it is very challenging to predict the likely levels of support in coming years with any certainty. It is tough to forecast as the Government will pursue a comprehensive set of local government reforms to return the sector to a sustainable position. This will include reform of the approach to allocating funding through the Local Government Finance Settlement. The government is committed to reforming the approach to funding allocations within the Local Government Finance Settlement by redistributing funding to ensure it reflects an up-to-date assessment of need and local revenues. position plans to complete and implement the outcome of the Fair Funding Review. These reforms may impact the Authority's share of Government funding.

In order to produce a 5-year MTFP, the **assumption is that the SFA will increase by 1.0% p.a. in 2026/2027 and future years**. Assuming a 1% p.a.

increase in 2026/27 and future years (the Authority may be on the low side of future inflation forecasts), creates some robustness within the forecast to absorb any adverse impact of the local government reform.

Services Grant;

The Government announced a new un-ringfenced “one-off” Services Grant for 2022/2023. The Government stated that this new grant was a one-off, but the intention was to work closely with local government on how to best distribute this funding from 2023/2024 onwards. The Authority received a Services Grant of £0.814m in 2023/2024 and assumed this would continue in future years in the MTFP. In 2024/25, the Authority received a Service Grant of £0.141m, a reduction of £0.673m. The current MTFP assumed the Services Grant of £0.141m would continue in 2025/26 and future years. The government removed the services grant entirely from 2025/26, the proposed MTFP has been adjusted to take the reduction into account.

125. Council Tax Income;

The current plan assumed a Council Tax Base increase of 0.5% for 2025/2026 and future years; the actual increase in 2025/2026 was an increase of 2.32%. The 2025/2026 Tax Base figures are in the table overleaf: -

District	2024/25	2025/26	Variance	
	Council Tax Taxbase	Council Tax Taxbase		
KNOWSLEY	38,957.00	39,638.00	681.00	1.75%
LIVERPOOL	114,955.25	120,257.54	5,302.29	4.61%
SEFTON	86,458.90	87,367.70	908.80	1.05%
ST.HELENS	53,461.00	53,700.00	239.00	0.45%
WIRRAL	95,993.93	97,908.96	1,915.03	1.99%
	389,826.08	398,872.20	9,046.12	2.32%
2024/25 Band D Tax Level	91.25	91.25		
Total Income £	35,571,630	36,397,088	825,458	2.32%

128. This means that for each £1 of Council Tax, the income level will be higher than that generated in 2024/2025 by £9,046. **The result is that the income from the current level of Council Tax is anticipated to be higher by £0.825m.**

129. The Government has announced that for 2025/2026, the maximum increase in Council Tax before holding a referendum will be £5.00 per Band D property. The proposed MTFP assumes that Members will uplift the Precept by £5.00 in 2025/26 and 2% each year after that. A £5.00 increase for 2025/2026 will see the Band D precept increase from £91.25 to £96.25. **The precept increase will raise an additional £1.994m in 2025/2026.**

Council Tax Increase			
District	Change In Band D Tax		
	0%	£5.00	Change
	£91.25	£96.25	£5.00
	£	£	£
KNOWSLEY	3,616,968	3,815,158	198,190
LIVERPOOL	10,973,501	11,574,788	601,287
SEFTON	7,972,303	8,409,141	436,838
ST.HELENS	4,900,125	5,168,625	268,500
WIRRAL	8,934,193	9,423,737	489,544
	36,397,090	38,391,449	1,994,359

Council Tax and Business Rates Collection Fund

130. Each billing authority maintains a **collection fund** account to which any surplus or deficit in the actual collected council tax or local business rate income to that assumed in the budget is charged. The Merseyside authorities have reviewed their collection funds and identified the proportion of any surplus or deficit attributable to the Authority. The tables below summarises the collection fund position for Council Tax and Business Rates: -

Council Tax Collection Fund	
District	deficit/ (surplus)
	2024/25
	£
KNOWSLEY	0
LIVERPOOL	-75,401
SEFTON	-119,462
ST.HELENS	10,546
WIRRAL	-135,103
Net MFRA Impact	-319,420

131. The council tax collection fund has a surplus of £319,420 and this will be taken into account in the 2025/2026 MTFP.

Business Rates Collection Fund	
District	deficit/ (surplus)
	2024/25
	£
KNOWSLEY	-90,738
LIVERPOOL	-5,520
SEFTON	27,427
ST.HELENS	-26,197
WIRRAL	0
Net MFRA Impact	-95,028

132. The business rates collection fund has a surplus of £95,028.

Discretionary service Charges

133. Members approved an overarching charging policy for special and discretionary services at the Policy and Resources Committee on 25th March 2021. The income raised is included within the budget, approximately £0.080m for special services charges. The report approved by members included a recommendation that the charges will be uplifted annually as outlined below, and details about the charges will be included with each annual budget report for consideration.

The proposed increase in charges is based on the following;

- a. Fees and charges have increased by 4%, in line with the 2024/2025 firefighter pay award.
- b. Automatic Fire Alarms have gone up with the CPI rate for December 2024, which was 2.5%.

Appendix E, attached to this report, outlines the proposed 2025/2026 charges.

OVERALL IMPACT

134. The overall impact of all these changes to the 2025/2026 MTFP is outlined overleaf:

Proposed 2025/26 - 2029/30 MTFP					
	2025/26	2026/27	2027/28	2028/29	2029/30
	£'000	£'000	£'000	£'000	£'000
Current 2024/25 MTFP Forecast (Surplus) / Deficit	931	832	1,099	1,695	1,695
2025/26 MTFP Issues to build in future MTFP:-					
Impact of 2024/25 Grey Book Pay Award (4% - Budget 3%)	450	450	450	450	450
Impact of 2024/25 Green Book Pay Award (£1,290 or 2.5% whichever is greater) = c3.25%	40	40	40	40	40
Increase in Employers National Insurance (15%-13.8% £9,100 - £5,000) (2024 Autumn Budget)	1,000	1,000	1,000	1,000	1,000
Impact of Higher Prices (Indirect NI / Inflation)	771	936	1,016	1,116	1,116
2029/30 Inflation Provision	0	0	0	0	1,742
Contribution to Capital Reserve to fund Capital Programme and additional Inflationary Pressures	234	0	0	0	0
Loss of Firelink Grant in 2025/26	54	0	0	0	0
Reverse MRP/Interest additional £400k from 2028/29	0	0	0	-400	-400
Unavoidable Growth	761	856	867	800	800
Efficiency Target (Procurement, Interest Payments, Inflation etc)	-262	-262	-262	-262	-262
Increase in Bus Rates Multiplier s31 compensation grant	-187	-187	-187	-187	-187
Annual Pension Grant (Following 2020 Actuarial Review) 28.8% to 37.6%	-992	-992	-992	-992	-992
LGPS Pension Rebate - Increase Rebate for 2025/26 £286k	-286	0	0	0	0
Employers National Insurance Grant 42.5% of NI cost	-425	-425	-425	-425	-425
Reduction in Services Grant (2025/26 £141k to £0)	141	141	141	141	141
Decrease in SFA Funding in 2024/25 below current MTFP Assumption	233	236	238	240	-162
Council Tax Precept	-1,927	-1,976	-2,026	-2,076	-3,114
Collection Fund Change	-414				
SFA Local Business Rate Estimate Adjustment	-122				
Summary of impact of changes to 2025/26 MTFP	-931	-182	-140	-556	-253
Forecast (Surplus) / Deficit	0	650	959	1,139	1,442

135. The proposed MTFP, as a result of the changes identified in this section of the report, forecasts a balanced position in 2025/2026 but indicates a potential financial challenge in future years, rising to £1.442m by 2029/2030.

136. As the updated MTFP results in a balanced financial position for 2025/2026, Members do not need to consider options for additional savings in 2025/2026. This is subject to the key assumptions, particularly around the 2025/2026 annual pay increases (2.5% for all staff), remaining robust.

137. The MTFP is forecasting a deficit from 2026/2027 onwards, uncertainty over government funding, potential changes to the funding mechanism, and future pay awards, which means substantial uncertainty exists over these forecasts. Whist Members are asked to note any forecast financial challenge at this time; the Authority has access to a range of mitigating strategies that could be deployed to close the funding gap without the need for service reductions.

a Reserves – The Authority maintains a level of reserves set aside to manage unmitigated financial risks. Please see the table overleaf for balances:

Reserve	2025/26	2026/27	2027/28	2028/29	2029/30
	£m	£m	£m	£m	
General Reserve	3.700	3.700	3.700	3.700	3.700
Smoothing Reserve	1.400	1.400	1.400	1.400	1.400
Inflation Reserve	1.200	1.200	1.200	1.200	1.200
Total Reserves Available to Manage General Financial Risk	6.300	6.300	6.300	6.300	6.300

Available balances are sufficient to cover the projected MTFP deficit should the Authority not succeed in closing the gap by other means, in future years.

b Capital Programme – Re-phase/delay the capital programme and look at ways to reduce the revenue cost of borrowing. Extending the life of property, vehicles, and equipment, would allow for the annual revenue contribution to capital to be reduced by £0.250m.

c Non-pay budget Inflation – The Authority could cash limit the Authority’s non pay budget (excluding unavoidable increases), saving £0.241m from the inflation provision.

d Non-pay budget – The Authority could assess the Authority’s non pay budgets and look at reducing these between 5 – 10%. This could generate a saving of between of £0.660m and £1.319m.

138. The updated MTFP is attached to this report as Appendix C.

(H) ADEQUACY OF RESERVES AND BALANCES

139. Responsibilities of Chief Finance Officers - Under Part 2 of the Local Government Act 2003, the Chief Finance Officer of an Authority is now required to comment on the following matters:
- the robustness of the estimates made for the purposes of determining its Budget Requirement for the forthcoming year,
 - the adequacy of the proposed financial reserves.
140. There is then a requirement for the Authority to have regard to the report of the Chief Finance Officer when making decisions on its Budget Requirement and level of financial reserves.
141. The Authority's Chief Finance Officer is the Director of Finance and Procurement. For the purposes of the Act, the “financial reserves” of the Authority would incorporate Committed Reserves and Working Balances.
142. To make a final judgement on these issues, it will be necessary to consider the proposed budget decisions of the Authority in the light of this budget report.

Robustness of Estimate

143. To fully satisfy the Chief Finance Officer, any proposed Budget or amendment should, therefore: -
- Be fully based upon the advice of Service Officers (supported by Finance Officers) – or based upon or supported by information the Chief Finance Officer considers reasonable to accept.
 - Provide only for Budget proposals that are fully costed to service level and where the implications – both financial and upon service performance – are estimated and identified.
 - Provide for all known future developments either through direct service Budget allocations or the establishment of specific reserves for such purposes.
 - Provide for an adequate level of Balances and Reserves consistent with the requirements of any Regulation that may be committed and/or the Authority’s own risk assessment.
 - Provide for the full revenue implications of the Capital Programme.
 - Establish clear targets for income collection in respect of key income streams.
 - Ensure there are no unidentified savings targets.
 - Where appropriate, ensure that the consequences of current over and under spending have been taken into account.

Adequacy of proposed Financial Reserves

144. Under the 2003 Local Government Act the Secretary of State may enact Regulations that define certain types of “controlled reserves” and the minimum

level for those Reserves. At the time of preparing this report, the Secretary of State had not enacted any such regulations.

145. However, the 2003 Act still requires the Chief Finance Officer to report if the level of reserves is likely to be inadequate. That report should contain comments on the following:
- a the reasons for that situation
 - b the actions, if any, considered appropriate to prevent the situation arising.
146. The Authority must then respond to the report when deciding on its future financial reserves.

Fire and Rescue National Framework for England

147. The Framework requires that each fire and rescue authority publish their reserves strategy on their website, either as part of their medium-term financial plan or in a separate reserves strategy document. This section of the proposed MTFP fulfils that requirement, as it includes details of current and future planned reserve levels and sets out a total amount of reserves and the amount of each specific reserve held for each year over the next 5 years.

General Revenue Reserve £3.7m (5% of the current Revenue Budget)

148. The level of the General Fund Balance is a matter for the Authority to determine with regard to the advice of the Chief Finance Officer. A general assumption over many years was to allow for a balance of 5% of Net Operating Expenditure unless the organisation had a financial risk management process operating, which justified a lower level of reserves. In addition, the Fire and Rescue National Framework requires a statement within the reserves strategy outlining the justification for a general reserve larger than 5%.
149. For this Authority, a 5% forecast Net Operating Expenditure equates to approximately £3.7m. Given the level of specific reserves held by the Authority to cover those issues deemed to be high risk, such as annual pay inflation, the current General Revenue Reserve is deemed prudent. The Director of Finance and Procurement (Chief Finance Officer) recommends **maintaining the general reserve at its current £3.7m level.**

Committed (Earmarked) Reserves

150. The Authority has created these reserves for specific purposes and involves funds being set aside to meet known or predicted future liabilities or risks. The Director of Finance and Procurement has carried out a review of current reserves based on the latest financial review, known financial risks, and the planned future use of the Authority's forecast reserves. The proposed reserves for 2025/2026 and future years are outlined below, and the planned use over the MTFP is in the table at the end of this section and attached as Appendix D.

151. Emergency & Insurance Related Reserves;

- a Bellwin & Emergency Planning, £0.2m** - The Bellwin scheme is intended to reimburse the eligible cost of local authority actions taken in the immediate phase of an emergency. The Government expects councils to cover costs themselves up to a certain level - an individual authority is required to have spent 0.2% of its calculated annual budget on works that have been reported. This reserve is held as a contingency to provide the Authority with the funds to meet those costs not deemed to be eligible for grant support and any other emergency planning costs.

- b Insurance Reserve, £0.5m** - The Authority has a number of insurance premiums that require it to cover an excess (£250k on employee & public liability, £10k on vehicles). Based on recent claims history, this reserve has been established as a contingency to cover those costs that can't be contained within the base revenue budget.

152. Modernisation Challenge Reserves;

- a Smoothing Reserve, £1.4m** – This reserve was created to allow the Authority time to re-engineer the Service and deliver future saving options if the future Government funding assumptions in the proposed MTFP do not reflect the actual future change. This level of uncertainty means the Authority may face significant future funding cuts but with little time to manage any required budget reductions. By having this reserve, the Authority may be able to avoid compulsory redundancies by allowing it time to identify permanent savings to cover any additional costs or reduced funding.

- b Pensions Reserve, £0.3m** – The Firefighters' Pensions (Remediable Service) Regulations 2023 took effect on 1 October 2023. This new legislation allows for retrospective remedy covering the period between 1 April 2015 to 31 March 2022. The Authority has successfully completed the remedy data exercise, but it is important to note that the exercise is still taking place and may take additional time and resources for the pension administrators to complete. The implementation of the remedy will result in significant administration costs as well as possible compensation payments. This reserve will be maintained to contribute towards additional administration costs and possible compensation payments. However, it is hoped the government will continue to fund all such costs as the changes to public pension schemes come about due to changes in government legislation.

- c Recruitment Reserve, £1.8m** – As significant numbers of firefighters will retire over the next few years, the Authority plans to recruit in advance of these employees leaving over this period. This means the firefighter establishment will be, on average, +20 FTE above the budgeted establishment at a potential +£0.3m p.a. This reserve will cover any costs that can't be contained within the establishment budget.

- d Collection Fund Reserve, £0.1m** – Section G of this report outlines the council tax and business rates collection fund positions for 2025/2026. Given the fluctuation over the last year or so, it is felt prudent to keep a small reserve.

153. Capital Reserve, £2.1m

The reserve is committed to contributing towards capital investments and reducing the required level of borrowing. The general capital reserve has been increased by £0.2m to £2.1m to contribute towards the Capital Programme and reduce borrowing costs in the future, given the impact of inflation on major capital schemes.

154. PFI Annuity Reserve, £1.2m

PFI schemes have an affordability gap (existing budget plus grant never covers the proposed total cost of the scheme). As the grant was paid in advance of the full PFI scheme being completed, PFI authorities, therefore, received an "excess" grant relative to the unitary charge payments at the beginning of the scheme. This available grant was put into a reserve and is then drawdown to smooth out the affordability gap over the life of the PFI. This reserve provides the Authority with that resource and will be fully utilised over the PFI life.

155. Specific Reserves;

- a Inflation Reserve, £1.2m** - This reserve provides some resilience if the pay and price inflation assumptions in the MTFP are insufficient and the actual inflation increase is higher than expected. Each additional 1% above the pay inflation assumption would require a permanent budget increase of +£0.6m p.a. This reserve would hopefully allow the Authority time to identify and implement any new savings to fund the pay award if it exceeded the level assumed in the plan.
- b Equipment Reserve, £0.3m** – This reserve has been established to fund those planned projects or investments in equipment that had been budgeted for but not completed in the anticipated year. Therefore, the budget has been carried forward. The equipment refresh is expected to be finalised over the next 12 – 18 months.
- c Training Reserve, £0.3m** – The reserve has been established to fund additional training requirements as a result of firefighter retirements and turnover of staff.
- d Other, £0.2m** – this reserve is to fund community-based initiatives, additional and additional PPE.

156. Ringfenced Reserves, £0.5m - External grants / contributions have been received to fund specific projects such as; Local Authorities funds for community initiatives; energy efficiency schemes; and new dimensions related activities. This reserve ensures the funds are brought forward until they have been fully spent.

157. The anticipated, planned use of these reserves over the MTFP is outlined in the table overleaf and appendix D:

Committed Reserves															
	Balance C/fwd From 2024/25	Proposed Increase	Revised Balance C/fwd for 2025/26	Estimated 2025/26 Use	Estimated 2026/27 Use	Estimated 2027/28 Use	Estimated 2028/29 Use	Estimated 2029/30 Use	Estimated 2030/31 Use	Estimated 2031/32 Use	Estimated 2032/33 Use	Estimated 2033/34 Use	Estimated 2034/35 Use	Estimated 2035/36 Use	Held to Cover Risk
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Emergency Related Reserves															
Bellwin / Emergency Planning Res	222		222												222
Insurance Reserve	534		534												534
Modernisation Challenge															
Smoothing Reserve	1,400		1,400												1,400
Pensions Reserve	300		300		-200	-100									0
Recruitment Reserve	1,814		1,814		-314	-300	-300	-300	-300	-300					0
Collection Fund Reserve	100		100		-100										0
Capital Investment Reserve															
Capital Investment Reserve	1,830	234	2,064		-1,064	-500	-500								0
PFI Annuity Reserve															
PFI Annuity Reserve	1,235		1,235	-69	-69	-69	-69	-69	-69	-69	-69	-69	-69	-69	476
Specific Projects															
Community Sponsorship Reserve	55		55		-55										0
Equipment Reserve	342		342		-342										0
Training Reserve	270		270		-100	-100	-70								0
Health and Wellbeing Reserve	7		7		-7										0
Inflation Reserve	1,200		1,200												1,200
Clothing	90		90		-90										0
Ringfenced Reserves															
Community Risk Management Res	246		246		-121	-125									0
Energy Reserve	111		111		-111										0
New Dimensions Reserve	77		77		-77										0
Forecast Use of Reserves in the year	9,833	234	10,067	-69	-2,650	-1,194	-939	-369	-369	-369	-69	-69	-69	-69	3,832
Total Earmarked Reserves Bal C/fwd	9,833	234	10,067	-69	-2,650	-1,194	-939	-369	-369	-369	-69	-69	-69	-69	3,832
General Revenue Reserve	3,700	0	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700
Total Reserves	13,533	0	13,767	3,631	1,050	2,506	2,761	3,331	3,331	3,331	3,631	3,631	3,631	3,631	7,532

158. The Director of Finance and Procurement recommends that the Authority approve the maintenance of the £10.067m identified above in committed reserves to cover the risks and projects identified in this section of the report and a general reserve of £3.700m.

159. **Members should bear in mind that reserves and balances should only be used to finance one-off expenditure. If such monies are used to fund ongoing revenue expenditure without taking action to reduce underlying expenditure, the Authority would find itself facing the same deficit in the next and future years but without reserves available to finance it. This is underlined by the Auditor's 'Golden Rule' - that "one off" revenue reserves should not be used to support 'ongoing' revenue expenditure.**

160. Members need to consider their strategy on reserves and balances in light of the guidance of the Director of Finance and Procurement.

(I) BUDGET TIMETABLE & RESOLUTION

161. There is a legal requirement for the Authority to set a balanced budget and decide its level of precept before 1st March 2025. The Authority meeting is now invited to:

- a Confirm the financial plan set out in Appendix C, and approve the budget requirement of £77,934m for 2025/2026 as outlined in Appendix C.
- b note that the Authority's council tax base for 2025/2026 is 398,872.20, being the aggregate of the tax bases calculated by the Districts.
- c approve the following amounts calculated in accordance with Sections 42a to 49 of the Local Government Finance Act 1992:-

Calculation of Aggregate Amounts Under Section 42a (2) and (3) of the Local Government Act 1992				
		Gross Expenditure 2025/2026	Gross Income 2025/2026	Estimate 2025/2026
		£'000	£'000	£'000
(A)	sec 42 (2) (a)	Service Budget	91,260	91,260
(B)	sec 42 (3) (a)	Income		-13,491
		Reserves Movement:		
(A)	sec 42 (2) (c)	Contribution to reserves	234	234
(B)	sec 42A (3) (a)	Contribution from reserves		-69
		Budget Requirement	91,494	-13,560
(B)	sec 42A (3) (a)	Spending Funding Assessment		-39,007
(B)	sec 42A (3) (a)	Local NNDR Estimate Adjustment		-414
(B)	sec 42A (3) (a)	Collection Fund Deficit / (Suplus)		-122
		Non-Precept Income		-39,543
(C)	In accordance with Sec 42A (4), aggregate of (A) over (B)	Precept Requirement		38,391
		Tax Base		398,872.20
		Precept Requirement / Tax Base:		£96.25
		Basic Tax Amount At Band 'D'		£96.25

162. The valuation bands calculated by the Authority in accordance with Section 47 (1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands:

2025/26	Property Band		Increase	
£			£	%
£64.17	For properties in Band	A	3.34	5.49
£74.86	For properties in Band	B	3.89	5.48
£85.56	For properties in Band	C	4.45	5.49
£96.25	For properties in Band	D	5.00	5.48
£117.64	For properties in Band	E	6.11	5.48
£139.03	For properties in Band	F	7.22	5.48
£160.42	For properties in Band	G	8.34	5.48
£192.50	For properties in Band	H	10.00	5.48

163. The Authority calculates the precept amounts payable by each constituent district council pursuant to Section 48 of the Act as follows: -

PRECEPT		AUTHORITY
£		
3,815,158	Payable by	KNOWSLEY
11,574,788	Payable by	LIVERPOOL
8,409,141	Payable by	SEFTON
5,168,625	Payable by	ST.HELENS
9,423,737	Payable by	WIRRAL
38,391,449		

164. The precept payments are to be made by 10 equal instalments on or before the following dates: -

Thursday	17/04/2025
Thursday	29/05/2025
Friday	04/07/2025
Monday	11/08/2025
Wednesday	17/09/2025
Thursday	23/10/2025
Friday	28/11/2025
Thursday	08/01/2026
Friday	13/02/2026
Wednesday	18/03/2026

Equality and Diversity Implications

165. The financial plan makes provision for the necessary investment to ensure the Authority meets and exceeds its Equality and Diversity requirements in addition to work carried out by all staff and teams.

Staff Implications

166. The proposed MTFP underpins the Authority's ambition to be the best fire and rescue service in the country - our plan ensures that our people are afforded the relevant training, work equipment and personal protective equipment the job requires.

Legal Implications

167. The Authority must act in accordance with its powers and duties under the legislation, which includes setting a balanced budget and deciding the level of precept prior to 1st March 2025.

Financial Implications & Value for Money

168. See executive summary.

Risk Management and Health & Safety Implications

169. The budget and capital investment programme make large-scale investments in staff Health and Safety.

Environmental Implications

170. There are no Environmental implications directly related to this report.

Contribution to Our Vision: *To be the best Fire & Rescue Service in the UK.*

Our Purpose: *Here to serve, Here to protect, Here to keep you safe.*

171. The proposed financial plan considers how best to allocate resources and deliver a balanced budget aligned to the Authority's vision and purpose of the service and service priorities.

BACKGROUND PAPERS

CFO/13/24 "MERSEYSIDE FIRE AND RESCUE AUTHORITY BUDGET AND FINANCIAL PLAN 2024/2025 – 2028/2029" Budget Authority 29th February 2024

GLOSSARY OF TERMS

CAPITAL	The capital budget covers the money the Authority spends on investing in buildings, infrastructure and expensive equipment with an asset life of more than one year.
CFO	Chief Fire Officer
CFR	Capital Financing Requirement – measures the amount of capital spending that has not yet been financed by capital receipts, capital grants or contributions from revenue income. It measures the underlying need to borrow for capital purposes, although it may not necessarily occur externally (use of available cash, etc.).
CIPFA	Chartered Institute of Public Finance and Accountancy
CPI	Consumer Price Index
CRMP	Community Risk Management Plan
DLUHC	Department for Levelling Up, Housing and Communities
FPS	Firefighters’ Pension Scheme
FTE	Full Time Equivalent employee number
HFSC	Home Fire Safety Check
LGPS	Local Government Pension Scheme
MRP	Minimum revenue provision is an amount set aside from revenue towards the repayment of loan debt.
MTFP/ PLAN	Medium-Term Financial Plan
NRAT	National Resilience Assurance Team
NRAT	National Resilience Assurance Team
NRAT	Private Finance Initiative
PFI	Personal Protective Equipment
PPE	Public Works Loans Board
PWLB	
RESERVES	Amounts set aside to meet future contingencies but whose use does not affect the Authority’s net expenditure in a given year. Appropriations to and from reserves may not be made directly from the revenue account.
	The revenue budget is the term used to describe the amount the Authority spends on its day-to-day running of services. This includes

REVENUE	wages and salaries, property and transport running costs and payments to suppliers. In addition to the running costs of services, the Authority must fund the costs of borrowing money to pay for their capital assets.
RSG	Revenue Support Grant
SFA	Settlement Funding Assessment. Government's estimated funding assessment for the Authority, from a share of Business Rates (local business rates share plus a Top-Up grant) and Revenue Support Grant.
SLT	Strategic Leadership Team
TDA	The Training and Development Academy
UNSUPPORTED BORROWING	No Revenue Support Grant to cover the costs associated with borrowing, and the Authority must earmark revenue funds to cover these costs.

Draft Summary Revenue Budget Analysis

SERVICE REQUIREMENTS	Draft 2025/26 Budget
	£'000
Fire Service	75,509
Corporate Management	639
NRAT MFRS Lead Authority (Budget Neutral)	0
	76,148
Contingency for Pay/Price Changes	1,920
TOTAL SERVICE EXPENDITURE	78,069
Interest on Balances	-300
NET OPERATING EXPENDITURE	77,769
<u>Contribution to/(from) Reserves:</u>	
Emergency Related Reserves	
Bellwin / Emergency Planning Reserve	0
Insurance Reserve	0
Facing The Future COVID-19 Reserve	0
Collection Fund Deficit Reserve	0
Modernisation Challenge	
Smoothing Reserve	0
Retrospective Holiday Pay	0
Pensions Reserve	0
Recruitment Reserve	0
Invest to Save Reserve / Collaboration Reserve	0
Capital Investment Reserve	
Capital Investment Reserve	234
PFI Annuity Reserve	-69
Specific Projects	
Community Sponsorship Reserve	0
Equipment Reserve	0
Community Engagement Reserve	0
Training Reserve	0
Health and Wellbeing Reserve	0
Inflation Reserve	0
Clothing Reserve	0
Ringfenced Reserves	
King's Trust Reserve	0
Community Risk Management Reserve	0
Energy Reserve	0
Movement in Reserves	165
BUDGET REQUIREMENT	77,934
Settlement Funding Assessment	-39,007
Collection Fund Deficit	-414
Business Rates Yield Adjustment	-122
Precept Income	-38,391
<u>BUDGET FUNDING</u>	-77,934

SERVICE REQUIREMENTS	Draft 2025/26 Budget
EMPLOYEES	
Uniformed	
Firefighters	42,778
Control	1,872
Additional Hours	2,201
TOTAL UNIFORMED	46,851
APT&C and Manual	
APT&C	12,885
Tender Drivers	177
Catering	270
Transport Maintenance	781
Hydrant Technicians	64
Casuals	0
TOTAL APT&C/MANUAL	14,177
Other Employee Expenses	
Allowances	49
Removal Expenses	1
Training Expenses	734
Other Expenses	9
Staff Advertising	7
Development Expenses	80
Employee Insurance	147
MPF Pen Fixed Rate	-550
Enhanced Pensions	52
SSP & SMP Reimbursements	0
Catering Expenditure	125
HFRA Capitalisation Payroll	-375
TOTAL OTHER EMPLOYEE EXPENSES	279
Pensions	
Injury Pension	1,825
Sanction Charges	21
Ill Health Retirement Charges	174
Injury Gratuity	0
TOTAL PENSIONS	2,020
TOTAL EMPLOYEES	63,327
PREMISES	
Building Maintenance Repairs	29
Site Maintenance Costs	27
Energy	1,436
Rent	52
Rates	2,047
Water	366
Fixtures	16
Contract Cleaning	0
Insurance	54
TOTAL PREMISES	4,027
TRANSPORT	
Direct Transport	396
Tunnel & Toll Fees	11
Operating Lease	193
Other Transport Costs	533
Car Allowances	91
Insurance	254
Driving Licences	7
TOTAL TRANSPORT	1,485

SERVICE REQUIREMENTS	Draft 2025/26 Budget
SUPPLIES & SERVICES	
Administrative Supplies	13
Operational Supplies	318
Hydrants	11
Consumables	69
Training Supplies	233
Fire Prevention Supplies	55
Catering Supplies	19
Uniforms	336
Printing & Stationery	97
Operating Leases	0
Professional Fees/Service	640
Communications	928
Postage	16
Command/Control	4
Computing	390
Medicals	312
Travel & Subsistence	66
Grants/Subscriptions	115
Advertising	1
Insurances	37
Furniture	13
Laundry	95
Hospitality	7
Seconded Officers In	0
TOTAL SUPPLIES & SERVICES	3,775
AGENCY SERVICES	
Super Fund Admin	149
ICT Service Provider	1,743
ICT Managed Suppliers	547
PFI Unitary Charges ((Int/Principal/Op Costs)	3,210
Estates Service Provider	2,047
TOTAL AGENCY SERVICES	7,696
CENTRAL EXPENSES	
Finance & Computing	496
Central Expenses	0
TOTAL CENTRAL EXPENSES	496
CAPITAL FINANCING	
PWLB Debt Charges	7,480
MRB Debt Charges	60
Revenue Contribution to Capital	376
Early Settlement of Debt (Pfi Refin)	-22
TOTAL CAPITAL FINANCING	7,894
TOTAL EXPENDITURE	88,700
INCOME	
Specific Grants	10,740
Sales	1
Fees & Charges	1,083
Rents etc	893
Recharges Secondments	210
Contributions	141
Recharges Internal	113
Other Income	10
TOTAL INCOME	13,191
NET EXPENDITURE	75,509

2025/26 CORPORATE MANAGEMENT REVENUE

SERVICE REQUIREMENTS	Draft 2025/26 Budget
EXPENDITURE	
Finance & Legal costs	
Finance Officer	79
Legal Officer	92
Democratic Rep (1020)	
- Travel & Subsistence	17
- Conference Fees	2
- Members Allowances	234
- Telephones	1
- Training	1
- Hospitality	1
Capital Financing Costs	0
Central Expenses (1030)	
Bank Charges	15
District Audit Fees	108
Subscriptions	89
TOTAL EXPENDITURE	639

Capital Programme 2025/26 to 2029/30

Capital Expenditure	Total Cost £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £
Buildings & Land	9,393,600	3,631,800	2,592,500	1,073,300	993,500	1,102,500
Fire Safety	3,175,000	635,000	635,000	635,000	635,000	635,000
ICT	10,147,820	2,796,960	1,187,660	818,900	2,008,900	3,335,400
Operational Equipment & Hydrants	8,128,800	1,622,800	3,350,000	843,000	1,252,000	1,061,000
Vehicles	12,345,850	4,370,850	2,021,100	2,623,900	690,000	2,640,000
Expenditure	43,191,070	13,057,410	9,786,260	5,994,100	5,579,400	8,773,900
Financing Available	Total £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £
Capital Receipts	1,715,000	1,715,000	0	0	0	0
RCCO	1,875,000	375,000	375,000	375,000	375,000	375,000
Capital Reserves	0	0	0	0	0	0
Grants	0	0	0	0	0	0
Total Non Borrowing	3,590,000	2,090,000	375,000	375,000	375,000	375,000
Unsupported Borrowing	39,601,070	10,967,410	9,411,260	5,619,100	5,204,400	8,398,900
Total Funding	43,191,070	13,057,410	9,786,260	5,994,100	5,579,400	8,773,900

Buildings Capital Programme 2025/26 to 2029/30

Type of Capital Expenditure	Total Cost £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £
Major Site Works						
BLD039 FS Refurbishment Heswall	10,000	10,000				
BLD057 FS Refurbishment Crosby	391,600	91,600	300,000			
BLD063 FS Refurbishment Kirkby	1,000,000	1,000,000				
BLD073 SHQ Museum	191,000				191,000	
BLD087 F.S. Refurbishment City Centre	250,000	250,000				
BLD088 FS Refurbishment Kensington	121,300	121,300				
BLD089 FS Refurbishment Toxteth	182,500	30,000		152,500		
BLD090 FS Refurbishment Wallasey	1,510,000	10,000	1,500,000			
BLD093 Marine Fire 1 Refurbishment	138,300	20,000		118,300		
BLD098 SHQ Refurbishment						500,000
	4,294,700	1,532,900	1,800,000	270,800	191,000	500,000
LLAR Accommodation Works						
BLD075 LLAR Accommodation Newton-le-Willows	15,000	15,000				
	15,000	15,000				
General Station Upgrade Works						
BLD001 Roofs & Canopy Replacements	400,000	220,000	45,000	45,000	45,000	45,000
BLD003 Appliance Room Door Repairs	155,000	55,000	25,000	25,000	25,000	25,000
BLD004 Concrete Yard Repairs	112,500	22,500	22,500	22,500	22,500	22,500
BLD005 Tower Improvements	925,000	265,000	215,000	215,000	215,000	15,000
BLD013 Appliance Room Floors	275,000	155,000	30,000	30,000	30,000	30,000
BLD033 Sanitary Accommodation Refurbishment	240,000	160,000	20,000	20,000	20,000	20,000
	2,107,500	877,500	357,500	357,500	357,500	157,500
Other Works						
BLD007 LEV System in Appliance Rooms	67,600	47,600	5,000	5,000	5,000	5,000
BLD011 Capital Refurbishment	105,000	15,000	15,000	25,000	25,000	25,000
BLD014 Boiler Replacements	125,000	65,000	15,000	15,000	15,000	15,000
BLD018 Conference Facilities SHQ	55,000	35,000	5,000	5,000	5,000	5,000
BLD020 Electrical Testing	125,000	25,000	25,000	25,000	25,000	25,000
BLD026 Corporate Signage	25,000	5,000	5,000	5,000	5,000	5,000
BLD032 Power Strategy	75,000	15,000	15,000	15,000	15,000	15,000
BLD034 Office Accommodation	195,000	95,000	25,000	25,000	25,000	25,000
BLD044 Asbestos Surveys	68,000	28,000	10,000	10,000	10,000	10,000
BLD053 Lighting Replacement	10,000	10,000				
BLD058 HVAC - Heating, Ventilation & Air Con	150,000	30,000	30,000	30,000	30,000	30,000
BLD060 Equality Act/Access Compliance	450,000	250,000	50,000	50,000	50,000	50,000
BLD061 Lightning Conductors & Surge Protection	65,000	45,000	5,000	5,000	5,000	5,000
BLD062 Emergency Lighting	65,000	45,000	5,000	5,000	5,000	5,000
BLD067 Gym Equipment Replacement	165,000	65,000	25,000	25,000	25,000	25,000
BLD068 SHQ JCC	23,100	23,100				
BLD070 Workshop Enhancement	77,700	77,700				
BLD094 Security Enhancement Works	125,000	25,000	25,000	25,000	25,000	25,000
BLD095 Electric Vehicle Infrastructure Works	175,000	75,000	25,000	25,000	25,000	25,000
BLD096 Passive Fire Strategy	100,000	20,000	20,000	20,000	20,000	20,000
BLD099 Installation of Photovoltaic Panels (Renewable E	300,000	60,000	60,000	60,000	60,000	60,000
BLD100 Emergency Lift Dialer (Copper BT Line Replacem	20,000	20,000				
CON001 Energy Conservation Non-Salix	150,000	30,000	30,000	30,000	30,000	30,000
EQU002 White Goods & Catering Equipment	85,000	25,000	15,000	15,000	15,000	15,000
EQU003 Furniture Replacement Programme	175,000	75,000	25,000	25,000	25,000	25,000
	2,976,400	1,206,400	435,000	445,000	445,000	445,000
	9,393,600	3,631,800	2,592,500	1,073,300	993,500	1,102,500

Fire Safety Capital Programme 2025/26 to 2029/30

Type of Capital Expenditure	Total Cost £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £
FIR002 Smoke Alarms (100,000 HFRA target)	1,175,000	235,000	235,000	235,000	235,000	235,000
FIR005 Installation costs (HFRA)	1,875,000	375,000	375,000	375,000	375,000	375,000
FIR006 Deaf Alarms (HFRA)	125,000	25,000	25,000	25,000	25,000	25,000
	3,175,000	635,000	635,000	635,000	635,000	635,000

ICT Capital Programme 2025/26 to 2029/30

Type of Capital Expenditure	Total Cost £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £
IT002 ICT Software						
Software Licences	10,000	2,000	2,000	2,000	2,000	2,000
MDT Software Solution Refresh	175,000	100,000				75,000
Security Information & Event Mgmt Software (Microsoft Se	500,000	100,000	100,000	100,000	100,000	100,000
3 Year Antivirus & Filtering Software	300,000	150,000			150,000	
3 Year PRTG Subscription License	15,000			15,000		
3 Year Mitel Software Upgrade	10,000			10,000		
Vision 5 Threat Defence License	47,000		17,000	10,000	10,000	10,000
Microsoft EA Agreement (Servers & Security)	152,500	30,500	30,500	30,500	30,500	30,500
Microsoft EA Agreement (Windows & Office)	1,097,000	219,400	219,400	219,400	219,400	219,400
Microsoft EA Agreement (Application Development)	155,500	31,100	31,100	31,100	31,100	31,100
	2,462,000	633,000	400,000	418,000	543,000	468,000
IT003 ICT Hardware						
Desktops (target 20%)	240,000	48,000	48,000	48,000	48,000	48,000
Laptops/Surface Pros/Tablets/Docking Stations (target 20	652,500	170,500	120,500	120,500	120,500	120,500
Monitors & Monitor Arms (target 20%)	70,000	14,000	14,000	14,000	14,000	14,000
Peripherals replacement (target 20%)	15,000	3,000	3,000	3,000	3,000	3,000
Mobile device replacement (target 20%)	61,920	12,360	12,360	12,400	12,400	12,400
Windows 11 Hardware Upgrade	100,000	100,000				
Fire Control & OSR AV Refresh	60,500					60,500
SHQ Conf AV Refresh	215,000					215,000
TDA Conf AV Refresh	250,000					250,000
Station AV Refresh	150,000					150,000
SHQ Offices & TDA AV 5-year refresh	100,000	100,000				
Backup Tape Drive 5-year asset refresh	25,000		25,000			
IPTV 5-year asset refresh	36,800		36,800			
	1,976,720	447,860	259,660	197,900	197,900	873,400
IT005 ICT Servers						
Server/storage replacement (target 20%)	325,000	65,000	65,000	65,000	65,000	65,000
Server/storage growth	56,000		14,000	14,000	14,000	14,000
Mitel Server Upgrade Corporate Telephony	150,000		150,000			
Virtulisation 5 Year Refresh	450,000					450,000
SAN 5 Year Refresh	195,000	195,000				
	1,176,000	260,000	229,000	79,000	79,000	529,000
IT018 ICT Network						
Local Area Network replacement (discrete)						
Network Switches/Router replacement	10,000	2,000	2,000	2,000	2,000	2,000
Network Switches/Routers Growth	25,000	5,000	5,000	5,000	5,000	5,000
Network Data Port Replacement	50,000	10,000	10,000	10,000	10,000	10,000
Mitel IP Telephony Upgrade (inc.Fire Control)	140,000				140,000	
Replacement SIP for FC	50,000	50,000				
MDT Wireless Network Replacement	50,000	50,000				
Public Wi-Fi Replacement	15,000	15,000				
Vesty Road Network Link Refresh	40,000	40,000				
5 Year Core Network Switch/Router upgrade	600,000					600,000
5 Year Secondary Fire Control backup telephony Infrastru	30,000					30,000
5 Year Wireless Access Points and Wireless Controllers	150,000					150,000
5 Year PSTN replacement asset refresh	125,000		125,000			
	1,285,000	172,000	142,000	17,000	157,000	797,000
IT026 ICT Operational Equipment						
Station Equipment Replacement	50,000	10,000	10,000	10,000	10,000	10,000
City Centre Refurbishment	10,000	10,000				
Crosby Refurbishment	10,000		10,000			
Kirkby Refurbishment	35,000	35,000				
MF1 Refurbishment	10,000			10,000		
Toxteth Refurbishment	10,000			10,000		
Wallasey Refurbishment	35,000		35,000			
SHQ Refurbishment	30,000					30,000
5 Yearly Station UPS Replacement	66,000	66,000				
GPS Repeater 5-year asset refresh	55,000			55,000		
Toughpad Asset Refresh - Vehicles	150,000	150,000				
NEW Station End Network Equipment Asset Refresh	140,000	140,000				
ICU existing hardware 5-year asset refresh	20,000		20,000			
MDT (Screen & CPU) Front Line Vehicles asset refresh	210,000	210,000				
	831,000	621,000	75,000	85,000	10,000	40,000

ICT Capital Programme 2025/26 to 2029/30

Type of Capital Expenditure	Total Cost £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £
<u>IT027 ICT Security</u>						
Remote Access Security FOBS	10,000	2,000	2,000	2,000	2,000	2,000
Celestix 3-year renewal - VPN tokens	60,000		30,000			30,000
Replacement of PfSense Firewalls	100,000	100,000				
	170,000	102,000	32,000	2,000	2,000	32,000
<u>IT058 New Emergency Services Network (ESN)</u>						
ESN Radios / Infrastructure - Estimate	54,300	54,300				
	54,300	54,300				
<u>IT063 Planning Intelligence and Performance System</u>						
PIPS System upgrade	90,000	90,000				
	90,000	90,000				
<u>Other IT Schemes</u>						
IT019 Website Development	40,000	40,000				
IT030 ICT Projects/Upgrades	25,000	5,000	5,000	5,000	5,000	5,000
IT033 Incident Ground Management Software	50,000	50,000				
IT055 Fire Control ICT (Non Vision)	25,000	5,000	5,000	5,000	5,000	5,000
IT059 ESMCP Project Control Room Integration	66,100	66,100				
IT062 Capita Vision 5 Update - ICCS ITHC	50,000	10,000	10,000	10,000	10,000	10,000
IT064 999 Emergency Streaming (999EYE)	40,000	40,000				
IT066 ESN Ready	20,700	20,700				
IT067 DCS Upgrade						226,000
IT068 TDA Command & Control Suite	350,000					350,000
IT070 OSHENS Renewal/Replacement	50,000	50,000				
IT071 TRANMAN Renewal/Replacement	100,000	100,000				
IT072 Modern Gov Upgrade	30,000	30,000				
IT073 CAD Replacement	1,000,000				1,000,000	
IT074 Data Management Compliance Supporting Software	30,000		30,000			
	2,102,800	416,800	50,000	20,000	1,020,000	596,000
	10,147,820	2,796,960	1,187,660	818,900	2,008,900	3,335,400

Operational Equipment Capital Programme 2025/26 to 2029/30

Type of Capital Expenditure	Total Cost £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £
<u>OPS001 Gas Tight Suits Other PPE</u>						
Gas Tight Suits	70,500	14,500	7,000	7,000	35,000	7,000
Bump Hats	11,000	2,500	2,500	2,500	2,500	1,000
	81,500	17,000	9,500	9,500	37,500	8,000
<u>OPS003 Hydraulic Rescue Equipment</u>						
Hydraulic Rescue Equipment - Replacement Prog	1,350,000	350,000	150,000	150,000	350,000	350,000
Air Lifting Equipment - Air Bags & Control Units	110,000	80,000		10,000	10,000	10,000
	1,460,000	430,000	150,000	160,000	360,000	360,000
<u>OPS005 Resuscitation Equipment</u>						
Resuscitation Rescue Equipment	51,000	5,500	5,500	10,000	20,000	10,000
Appliance Resuscitation Equipment & Cylinders						
	51,000	5,500	5,500	10,000	20,000	10,000
<u>OPS009 POD Equipment</u>						
Demountable Unit Refurbishment	220,000	50,000	20,000	50,000	50,000	50,000
Gas Monitors	45,000			10,000	10,000	25,000
	265,000	50,000	20,000	60,000	60,000	75,000
<u>OPS022 Improvements to Fleet</u>						
Improvements to Fleet	550,000	250,000	50,000	50,000	100,000	100,000
PPV Fans	72,500	6,000	6,500	25,000	25,000	10,000
Smoke Blockers	28,000	2,000	2,000	2,000	20,000	2,000
	650,500	258,000	58,500	77,000	145,000	112,000
<u>OPS024 BA Equipment</u>						
BA Equipment	969,600		809,600	40,000	40,000	80,000
Cylinder Equipment	645,000	5,000	640,000			
Telemetry sets	1,067,000	5,000	1,062,000			
Face masks	98,900		98,900			
IT Equipment	126,500		126,500			
Vehicles Equipment	59,000		59,000			
Other Equipment	49,000		49,000			
	3,015,000	10,000	2,845,000	40,000	40,000	80,000
<u>OPS036 Radiation/Gas Detection Equipment</u>						
Radiation Detection Equipment	96,000	2,000	2,000	45,000	45,000	2,000
Single Gas Detection Equipment	26,000		2,000	2,000	2,000	20,000
	122,000	2,000	4,000	47,000	47,000	22,000
<u>OPS049 Bulk Foam Equipment</u>						
Bulk Foam Attack Equipment	90,000	20,000			20,000	50,000
Bulk Foam Stock	5,000		5,000			
	95,000	20,000	5,000		20,000	50,000
<u>OPS059 Fire Ground Equipment</u>						
Fire Ground Equipment	313,500	277,500	5,500	5,500	15,000	10,000
Fire Ground Radios						
Fire Ground Communications	5,500			5,500		
	319,000	277,500	5,500	11,000	15,000	10,000
<u>OPS060 SRT Equipment</u>						
SRT Ropes	100,000	15,000	15,000	15,000	35,000	20,000
SRT Equipment	100,000	20,000	20,000	20,000	20,000	20,000
SRT Water	80,000	5,000	5,000	20,000	30,000	20,000
	280,000	40,000	40,000	55,000	85,000	60,000

Operational Equipment Capital Programme 2025/26 to 2029/30

Type of Capital Expenditure	Total Cost £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £
<u>Other Operational Equipment</u>						
OPS011 Thermal imaging cameras	31,000	5,000	5,500	5,500	5,000	10,000
OPS016 Gas Detection Equipment (MYRA DS)	166,000	130,000		12,000	12,000	12,000
OPS023 Water Rescue Equipment	172,500	66,000	16,500	30,000	30,000	30,000
OPS026 Rope Replacement	92,500	16,000	16,500	20,000	20,000	20,000
OPS027 Light Portable Pumps	60,000			30,000	30,000	
OPS031 CCTV Equipment	203,000	90,000	5,000	54,000	54,000	
OPS033 Marine Rescue Equipment	73,500	23,000	11,500	12,000	12,000	15,000
OPS034 Operational Ladders	105,000	15,000	15,000	25,000	25,000	25,000
OPS038 Water Delivery System	50,000	10,000	5,000	5,000	20,000	10,000
OPS039 Water Delivery Hoses	111,000	19,000	20,000	21,000	21,000	30,000
OPS052 DEFRA FRNE	20,000				10,000	10,000
OPS054 Electrical Equipment	121,000	10,500	10,500	30,000	50,000	20,000
OPS056 PV Stop (Solar Panels)	39,000				24,000	15,000
OPS058 Operational Drones	87,300	9,800	5,000	32,500	10,000	30,000
OPS061 Hi-Rise Kits	30,000	12,500	2,500	2,500	2,500	10,000
OPS062 Marine Firefighting	69,000	60,000	2,000	2,000	5,000	
OPS063 Emerging Technologies	150,000		50,000	50,000	50,000	
OPS064 Wildfire Equipment	24,000	9,000	5,000	5,000	5,000	
OPS065 Communications						
	1,604,800	475,800	170,000	336,500	385,500	237,000
<u>Hydrants</u>						
HYD001 Hydrants (New Installations)	92,500	18,500	18,500	18,500	18,500	18,500
HYD002 Hydrants (Replacements)	92,500	18,500	18,500	18,500	18,500	18,500
	185,000	37,000	37,000	37,000	37,000	37,000
	8,128,800	1,622,800	3,350,000	843,000	1,252,000	1,061,000

Vehicles Capital Programme 2024/25 to 2028/29

Type of Capital Expenditure	Price Per Unit	Total		2025/26		2026/27		2027/28		2028/29		2029/30	
		Units	Cost £	Units	£	Units	£	Units	£	Units	£	Units	£
VEH002 Ancillary Vehicles													
<u>Cars</u>													
Pool Cars - Skoda Fabia	25,050	4	100,200	4	100,200								
Pool Cars - Possible Electric 25/26 Price	25,000	19	475,000	19	475,000								
Pool Cars - Possible Electric 28/29 Price	30,000	6	180,000							6	180,000		
Officer Response: Toyota Corolla Hybrid	30,000	7	210,000	7	210,000								
Ford Focus Automatic	35,000	1										1	35,000
People Carrier, 7 seater	40,000	2										2	80,000
Mini Bus, 17 Seater	60,000	2										2	120,000
<u>4X4s</u>													
Isuzi	35,000	1	35,000	1	35,000								
<u>Vans</u>													
Master/Transit Panel	36,850	1	36,850	1	36,850								
Ford Transit	38,500	2	77,000	2	77,000								
Panel	38,000	1	38,000	1	38,000								
Panel - RTC reduction	45,000	1	45,000	1	45,000								
Courier	40,000	4	160,000			4	160,000						
Water Rescue Van	50,000	1	50,000	1	50,000								
Operational Equipment Transit	40,000	2	80,000					2	80,000				
Hydrant Transit	40,000	2	80,000					2	80,000				
T&DA Transit	40,000	2	80,000					2	80,000				
Occupational Health Transit	50,000	1	50,000							1	50,000		
<u>Mini Buses</u>													
Fire Service - Blue Light	45,000	1	45,000	1	45,000								
King's Trust - Disabled Access	44,000	1	44,000	1	44,000								
King's Trust	36,900	3	110,700	3	110,700								
			2,131,750		1,266,750		160,000		240,000		230,000		235,000
VEH004 Special Vehicles													
Prime Movers Long Term Capability Mment	181,400	2	362,800					2	362,800				
POD Long Term Capability Mment	210,600	1	210,600	1	210,600								
Prime Movers	210,000	2	420,000					2	420,000				
ICU	650,000	1	650,000	1	650,000								
BA Support Unit (POD) - NEW	250,000	1	250,000	1	250,000								
Wildfire Appliance 4x4	75,000	2	150,000	2	150,000								
Curtain Sided Truck (Driving School)	86,000	1	86,000					1	86,000				
Water Rescue Unit	70,400	1	70,400	1	70,400								
Crane Lorry	200,000	1	200,000					1	200,000				
Water Bowser Appliance	275,000	1	275,000					1	275,000				
Welfare Vehicle	90,000	1										1	90,000
Fork Lift Truck	75,000	1										1	75,000
Youth Engagement Vehicle	100,000	1										1	100,000
			2,939,800		1,331,000				1,343,800				265,000
VEH010 Marine Rescue Vessels													
RNLI Class 75 Rib Boats (Equipment)	200,000	2	445,300		15,100		15,100		15,100	2	400,000		
			445,300		15,100		15,100		15,100		400,000		
VEH001 Fire Appliances													
2024/25 Price - CRMP	290,000	3	870,000	3	870,000								
2025/26 Price - CRMP	296,000	3	888,000	3	888,000								
NEW Electric Fire Appliances	900,000	1	900,000			1	900,000						
2026/27 Price	302,000	3	906,000			3	906,000						
2027/28 Price	320,000	3	960,000					3	960,000				
2029/30 Price	350,000	6	2,100,000									6	2,100,000
			6,624,000		1,758,000		1,806,000		960,000				2,100,000
WOR001 Workshop Equipment													
Machine Shop Equipment			50,000								50,000		
Workshop Equipment			10,000								10,000		
Workshop Equip Somers vehicle Lift.	25,000	1	25,000					1	25,000				
HGV Brake Tester	40,000	1	40,000					1	40,000				
2 Post Vehicle Lift	20,000	2										2	40,000
4 Post Vehicle Lift	20,000	2	40,000			2	40,000						
			205,000				40,000		65,000		60,000		40,000
			12,345,850		4,370,850		2,021,100		2,623,900		690,000		2,640,000

2025/26 - 2029/30 MTFP					
	2025/26	2026/27	2027/28	2028/29	2029/30
	£'000	£'000	£'000	£'000	£'000
FORECAST NET SPEND IN 2024/25 MTFP	76,635	77,845	79,445	81,403	81,403
2025/26 MTFP Issues to build in future MTFP:-					
Impact of 2024/25 Grey Book Pay Award (4% - Budget 3%)	450	450	450	450	450
Impact of 2024/25 Green Book Pay Award (£1,290 or 2.5% whichever is greater) = c3.25%	40	40	40	40	40
Increase in Employers National Insurance (15%-13.8% £9,100 - £5,000) (2024 Autumn Budget)	1,000	1,000	1,000	1,000	1,000
Impact of Higher Prices (Indirect NI / Inflation)	771	936	1,016	1,116	1,116
2029/30 Inflation Provision					1,742
Contribution to Capital Reserve to fund Capital Programme and additional Inflationary Pressures	234				
Loss of Firelink Grant in 2025/26	54				
Reverse MRP/Interest additional £400k from 2028/29				-400	-400
Unavoidable Growth	761	856	867	800	800
Efficiency Target (Procurement, Interest Payments, Inflation etc)	-262	-262	-262	-262	-262
Increase in Bus Rates Multiplier s31 compensation grant	-187	-187	-187	-187	-187
Annual Pension Grant (Following 2020 Actuarial Review) 28.8% to 37.6%	-992	-992	-992	-992	-992
LGPS Pension Rebate - Increase Rebate for 2025/26 £286k	-286				
Employers National Insurance Grant 42.5% of NI cost	-425	-425	-425	-425	-425
Reduction in Services Grant (2025/26 £141k to £0)	141	141	141	141	141
TOTAL	1,299	1,557	1,648	1,281	3,023
FORECAST NET SPEND IN 2025/26 MTFP	77,934	79,401	81,093	82,684	84,426
FORECAST FUNDING IN CURRENT MTFP					
<u>Government Funding-Settlement Funding Assessment:</u>					
Top Up Grant	-17,401				
Estimate of Local Business Rate Share	-4,691				
Baseline Funding Level	-22,093				
Baseline Funding 1.14% p.a. increase for 2025/26 then 1% from 2026/27		-22,314	-22,537	-22,762	-22,990
Revenue Support Grant	-16,914				
Revenue Support Grant 1.7% p.a. increase for 2025/26 then 1% p.a. from 2026/27		-17,083	-17,254	-17,427	-17,601
Settlement Funding Assessment	-39,007	-39,397	-39,791	-40,189	-40,591
Assumed Government Funding - Settlement Funding Assessment	-39,007	-39,397	-39,791	-40,189	-40,591
<u>Adjustment forecast Business Rates yield based on NNDR1 returns</u>					
Adjust for Local Business Rate income forecast from Districts	-122	0	0	0	0
Collection Fund (surplus)/deficit	-95				
Adjustment to Local Business Rates income forecast	-217	0	0	0	0
<u>Council Tax -</u>					
Base Precept Income	-35,571	-38,391	-39,355	-40,343	-41,355
Council Tax Base increase of 2.32% in 2025/26 then 0.5% p.a.	-825	-192	-197	-202	-207
Precept Increase of £5.00 in 2025/26, then 2% p.a.	-1,994	-772	-791	-811	-831
Council Tax Collection Fund (surplus)/deficit	-319				
Forecast Council Tax Income	-38,710	-39,355	-40,343	-41,355	-42,393
TOTAL FUNDING	-77,934	-78,752	-80,134	-81,544	-82,984
Forecast (Surplus) / Deficit	0	650	959	1,139	1,442

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Committed Reserves															
	Balance C/fwd From 2024/25	Proposed Increase	Revised Balance C/fwd for 2025/26	Estimated 2025/26 Use	Estimated 2026/27 Use	Estimated 2027/28 Use	Estimated 2028/29 Use	Estimated 2029/30 Use	Estimated 2030/31 Use	Estimated 2031/32 Use	Estimated 2032/33 Use	Estimated 2033/34 Use	Estimated 2034/35 Use	Estimated 2035/36 Use	Held to Cover Risk
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Emergency Related Reserves															
Bellwin / Emergency Planning Res	222		222												222
Insurance Reserve	534		534												534
Modernisation Challenge															
Smoothing Reserve	1,400		1,400												1,400
Pensions Reserve	300		300		-200	-100									0
Recruitment Reserve	1,814		1,814		-314	-300	-300	-300	-300	-300					0
Collection Fund Reserve	100		100		-100										0
Capital Investment Reserve															
Capital Investment Reserve	1,830	234	2,064		-1,064	-500	-500								0
PFI Annuity Reserve															
PFI Annuity Reserve	1,235		1,235	-69	-69	-69	-69	-69	-69	-69	-69	-69	-69	-69	476
Specific Projects															
Community Sponsorship Reserve	55		55		-55										0
Equipment Reserve	342		342		-342										0
Training Reserve	270		270		-100	-100	-70								0
Health and Wellbeing Reserve	7		7		-7										0
Inflation Reserve	1,200		1,200												1,200
Clothing	90		90		-90										0
Ringfenced Reserves															
Community Risk Management Res	246		246		-121	-125									0
Energy Reserve	111		111		-111										0
New Dimensions Reserve	77		77		-77										0
Forecast Use of Reserves in the year	9,833	234	10,067	-69	-2,650	-1,194	-939	-369	-369	-369	-69	-69	-69	-69	3,832
Total Earmarked Reserves Bal C/fwd	9,833	234	10,067	-69	-2,650	-1,194	-939	-369	-369	-369	-69	-69	-69	-69	3,832
General Revenue Reserve	3,700	0	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700
Total Reserves	13,533	0	13,767	3,631	1,050	2,506	2,761	3,331	3,331	3,331	3,631	3,631	3,631	3,631	7,532

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Merseyside Fire & Rescue Authority

Proposed Fees & Charges: 2025/26

TYPE OF INCOME		eFin Sales Product Code	eFin Stock Product Code	Net Charge £	VAT £	VAT Code	Total Charge £
a)	Special services ('non-emergency' calls) per hour (or part hour) upto rank of Watch Manager	SC19 / SC403 SC404	-	460.00	92.00	S	552.00
b)	Environment & Safety Information Act 1988: Copies of entries from the register	SC17	-	52.00	Non-VAT	OU	52.00
c)	Ex-directory lines (Automatic Fire Alarms)	OPS001	-	624.00	124.80	S	748.80
d)	Incident Investigation Team (full report) *	SC400	-	1,180.00	236.00	S	1,416.00
e) Private hydrant testing:							
	- 1st Test	WAT001	-	128.00	25.60	S	153.60
	- Any subsequent test	WAT002	-	36.00	7.20	S	43.20
f)	Inspection of hydrant records	WAT004	-	193.00	38.60	S	231.60
g)	Hydrant flow and pressure readings	WAT003	-	61.00	12.20	S	73.20
h)	Standard incident reports (IRS) *	SC20	-	193.00	Non-VAT	OU	193.00
i)	Special report or search of statistical records (per year, per location) *	SC23	-	193.00	Non-VAT	OU	193.00
j)	The reproduction or copy of a document / report produced by MFRS (Protection)	SC18	-	193.00	Non-VAT	OU	193.00
k)	Interviews (per hour, per customer, per officer, up to rank of Area Manager)	SC2	-	193.00	Non-VAT	OU	193.00
l)	Photographs (per photograph) *	SC402	-	7.00	Non-VAT	OU	7.00
m)	Video footage (per hour) *	SC401	-	193.00	Non-VAT	OU	193.00
n)	Dry riser tests	SC29	-	228.00	45.60	S	273.60
o)	Attendance at Football Grounds	OPS002	-	394.00	78.80	S	472.80
p) Fire safety – alarms (General Public)							
	- Alarm 1	-	23139120FB	18.42	3.68	S	22.10
	- Alarm 2	-	23139120FB	24.95	4.99	S	29.94
	- Alarm 3	-	23139120FB	31.48	6.30	S	37.78
	- Alarm 4	-	23139120FB	38.01	7.60	S	45.61
	- Alarm 5	-	23139120FB	44.54	8.91	S	53.45

Note:

1. Other than Fire Safety Equipment, the rates for 2025/26 are those approved for 2024/25, increased with the Firefighters pay award (4%).
2. For convenience, the values are rounded up to the nearest whole £1.00 and VAT added to that figure where appropriate.
3. Ex-Directory Lines (i.e. Automatic Fire Alarms) have been increased in line with the Consumer Price Index (2.5%).

* Items marked with an asterisk are non-chargeable where the General Data Protection Regulation applies.

Examples include, but not limited to:

- o Lift Rescues;
- o Removal of debris from premises, highways etc.;
- o Provision or removal of water such as filling swimming pools or barriers, pumping out basements;
- o Removal of dangerous structures such as scaffolding, slates and guttering, chimney stacks, hoardings and aerials);
- o Effecting entry to premises i.e. lock ins, lock outs

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MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	BUDGET AUTHORITY		
DATE:	27 FEBRUARY 2025	REPORT NO:	CFO/86/25
PRESENTING OFFICER	CHIEF FIRE OFFICER, PHIL GARRIGAN		
RESPONSIBLE OFFICER:	DEB APPLETON, GED SHERIDAN	REPORT AUTHOR:	STEWART WOODS, PAUL TERRY, DAVE SEASMAN
OFFICERS CONSULTED:	STRATEGIC MANAGEMENT TEAM		
TITLE OF REPORT:	ASSET MANAGEMENT PLANS		

APPENDICES:	APPENDIX A: ESTATES / PROPERTY ASSET MANAGEMENT PLAN APPENDIX B: ICT ASSET MANAGEMENT PLAN APPENDIX C: TRANSPORT ASSET MANAGEMENT PLAN
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Purpose of Report

1. The purpose of this report is to set out how Merseyside Fire and Rescue Authority ('the Authority'), plans to align its physical assets and systems with its corporate aims and objectives over the next 5 years (2025/26 – 2029/30).
2. The Asset Management Plans take account of the financial and environmental challenges faced by the Authority, whilst delivering its aspirations for the future.
3. The plans underpin the changes that are detailed in the Authority's current Community Risk Management Plan (CRMP), Service Delivery Plan, People Plan and Medium Term Financial Plan, thereby meeting expectations of both internal and external service users.

Recommendation

4. It is recommended that Members approve the 2025/26-2029/30 Asset Management Plans provided as appendices to this report.

Introduction and Background

5. The report introduces the Asset Management Plans, which are strategic plans that set out how the Authority will use its physical assets in an efficient and effective manner over the various life cycles of the assets to support service delivery.

6. The asset management arrangements divide the Authority's physical resources into three broad areas:
 - Buildings, land and contents
 - Data & Technology (D&T) in the ICT Asset Management Plan
 - Transport/Vehicle fleet
7. The Asset Management Plan for each of the three areas sets out the strategic goals for the asset portfolio by outlining what programmes will be delivered, the methods of programme delivery, and what assets and resources will be required.
8. The Asset Management Plans enable the practical implementation of the Authority's strategic goals and helps in identifying the optimal asset base that is necessary to support service delivery requirements.
9. The underlying principle in developing Asset Management Plans is that each asset will deliver future benefit to the Authority by supporting service delivery, whether directly or indirectly.
10. The Asset Management Plans also acknowledge that it is important to ensure the provision of physical assets which fully enable staff to work in the most effective, efficient and productive way possible.
11. The Asset Management Plans should be viewed in conjunction with other strategic documents, in particular, the CRMP, People Plan, Capital Strategy and Capital Programme, supporting and informing the Financial Strategy and the Medium Term Financial Plan for 2025/26 to 2029/30.

Equality and Diversity Implications

12. All Asset Management Plans acknowledge the need to comply with all relevant equalities' legislation and best practice. Equality Impact assessments are carried out in relation to the CRMP, People Plan, Service Delivery Plan and individual projects and programmes within the Asset Management Plans.

Staff Implications

13. The plans are reflective of the statutory duties placed on the Fire and Rescue Service including the Public Sector Equality Duty and health and safety responsibilities, all of which are considered within the respective plans. The plans demonstrate the Services' ambition to reflect the communities it serves whilst keeping the public safe.

Legal Implications

14. Each plan recognises the relevant legislative and regulatory requirement of the particular area and details how compliance will be achieved.

Financial Implications & Value for Money

15. There are no direct financial implications as a result of this report.
16. The Asset Management Plans are essential to enable use of financial resources in the most efficient and effective way. They provide supporting information that enables the prioritisation of both capital and revenue expenditure on each of the asset groups to feed into the Authority's 2025/26 – 2029/30 Medium Term Financial Plan elsewhere on today's agenda.
17. The focus on managing assets to support strategic change programmes plays a crucial role towards the Authority's aims of securing measurable efficiency, effectiveness, and value for money in delivery of its services.

Risk Management and Health & Safety Implications

18. The use of the Asset Management Plans minimises the risk of the Authority's major assets failing to support its overall aims, objectives and health and safety responsibilities and thus failing to support efficient and effective delivery of services to the community.

Environmental Implications

19. The environmental implications have been considered throughout the Asset Management Plans.

Contribution to Our Vision: *To be the best Fire & Rescue Service in the UK.*

Our Purpose: *Here to serve, Here to protect, Here to keep you safe.*

20. The use of the Asset Management Plans supports the Authority's priorities of supporting efficient and effective delivery of services to the people of Merseyside.

BACKGROUND PAPERS

NONE

GLOSSARY OF TERMS

MFRA	Merseyside Fire and Rescue Authority
MFRS	Merseyside Fire and Rescue Service
D&T	Data and Technology
ICT	Information and Communication Technology
CRMP	Community Risk Management Plan

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Property Asset Management Plan

2025/2030

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1 Overview

1.1 Asset Management

This is our Property Asset Management Plan 2025/2030. It supersedes the 'Property Asset Management Plan 2024/2029, following our annual internal review.

The purpose of this Property Asset Management Plan is to provide clear guidance on the management of property assets, along with setting out guiding principles for our Property Asset Management Planning process.

Our property assets are important to the Authority's overall business as a base for operational staff, support staff, volunteers, and advocates along with being a fundamental and integral part of our community work. Our properties provide a hub for community integration allowing the community to approach the fire and rescue service and they provide a base for our community outreach work.

Effective asset management will provide assets that are sustainable, fit for purpose and provide value for money. To achieve this, we will

- Dispose of assets we no longer require
- Maintain, rationalise and develop the assets we keep
- Plan and acquire assets we require to meet operational needs

The plan outlines the asset management process and guiding principles used to ensure the assets meet the current and future needs of Merseyside Fire and Rescue Authority, our staff and the communities we serve. It details the current position regarding key assets and sets out the key capital priorities and budget requirements to achieve them.

Despite being in times of economic uncertainty, the Authority has invested in modernising its estate over the last 10 years. With the ongoing budget challenges, it remains vital for the Authority to implement best practice in the management of its land and buildings. It is anticipated that the proposals contained within this Plan can be implemented over the next five years improving and modernising our Property Assets where appropriate.

The Plan integrates fully with the Authority's business and financial planning processes, with clear alignment between the Asset Plan and other service plans. It reflects the Authority's Vision and takes cognisance of, and should be read in conjunction with the current Community Risk Management Plan (CRMP) 2024/27.

1.2 Estates

The Estates Department are responsible for managing the Authority's property assets, with an estate currently comprising of approximately 42,000m² of managed space located over 39 acres of land in the Merseyside region, which has a population of some 1.4 million residents and spans 249 square miles (645km²). This incorporates 21 operational Fire and Rescue Stations and a further 10 non-operational support sites including a Marine Rescue Unit and three houses used by firefighters who work our Low Level of Activity and Risk (LLAR) duty system.

The department can be split into three key delivery areas

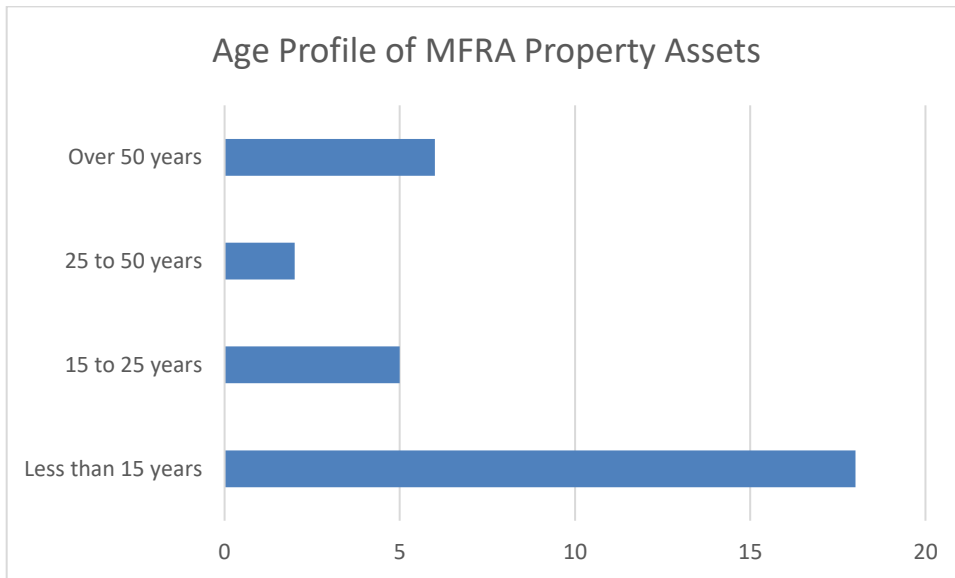
- Facilities Management – Equans (formerly known as Bouygues) were awarded a new five-year contract to provide the facilities service provision in September 2022, covering the following service lines - cleaning, security, reactive and planned maintenance, Helpdesk, condition monitoring, waste, pest control, energy/environmental and statutory compliance.
- Project Management – project management of all major and minor capital build project are developed and managed within the department.
- Private Finance Initiative (PFI) – management of the 16 North West PFI fire stations built by Balfour Beatty (seven in Merseyside; four in Lancashire and five in Cumbria).

During the last ten years, there has been significant investment and changes to the Authority's property portfolio with the completion of:

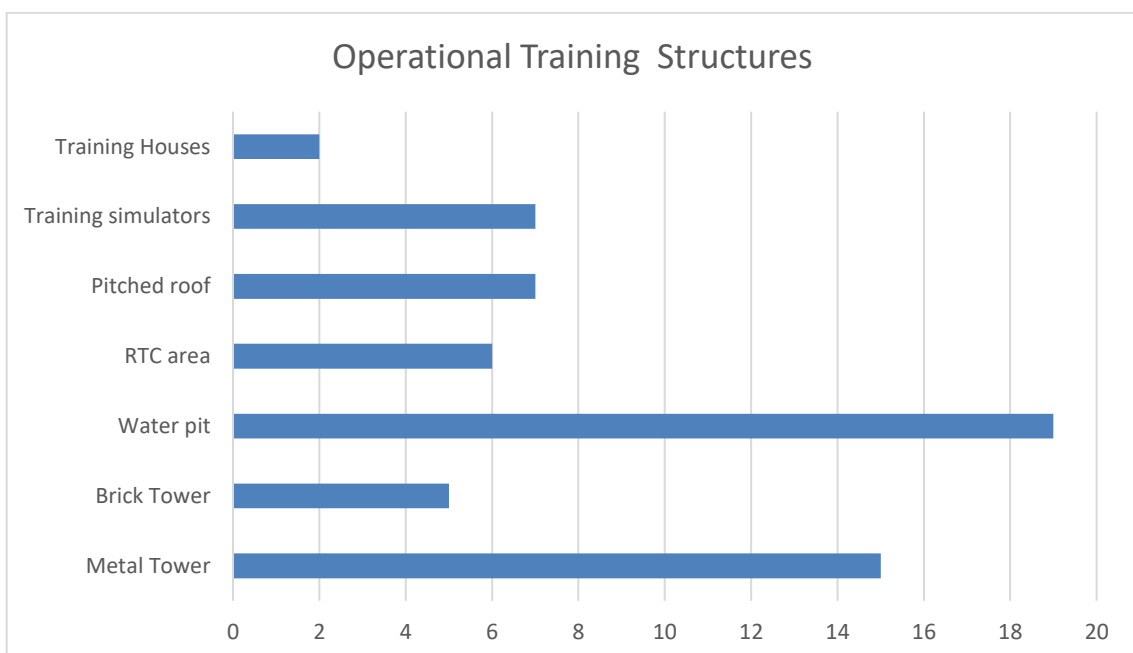
- Refurbishment of Service Headquarters building
- Donation of land adjacent to Birkenhead Fire Station to Wirral Borough Council to allow the construction of a Youth Hub
- Emergency Stores – Vesty Road
- Prescott Community Fire and Police Station
- Saughall Massie Community Fire Station
- New St Helens Community Fire Station
- New Formby LLAR house
- Refurbishment of Heswall Community Fire Station
- New LLAR House in Newton Le Willows
- Refurbishment of Speke and Garston Community Fire Station
- Refurbishment of Old Swan Community Fire Station
- Construction of a new multi pump Aintree community station, Training and Development Academy and National Resilience Centre of Excellence
- Refurbishment of Bromborough Community Fire Station

As a result of these works, much of the Estate has been refreshed or completely replaced during the last decade but there is still a mixture of buildings dating back to 1940's. The historic nature of the older estate means that some of the properties are old fashioned, lack community facilities and are unwelcoming to the local

community. Although the number of older stations is reducing as a result of recent Authority investment, there is a high maintenance requirement associated with the older buildings, which are both oversized and environmentally inefficient, with a requirement to ensure compliance with the Equality Act 2010 in relation to accessibility; this clearly provides a challenge for the Estates department managing a high level of backlog maintenance, which also increases the levels of reactive works.



Within the property portfolio are operational structures used for training of operational staff. Given the extremes of their individual uses, many are short life assets and all require regular safety checks and maintenance.



MFRA manages a number of National Resilience assets for national and regional incidents of large scale nature; these assets require suitable storage and the means to ensure they can be deployed quickly and effectively to any incident.

2 Property Aims & Objectives

The Property Asset Management Plan aims to deliver an efficient estate, which is fit for purpose to achieve the Authority's Vision; To be the best Fire & Rescue Service in the UK.

The Authority publishes a Community Risk Management Plan (CRMP) that sets out the ways in which it deals with local risks and challenges and improves services to the public. The CRMP updates stakeholders on the progress made against objectives and how it intends to deal with future challenges. The focus of the Asset Management Plan is determined by the CRMP and as such will be reviewed in line with the CRMP.

The Property Asset Management objectives are to ensure our property assets provide:

- Excellent facilities to meet operational response requirements.
- Excellent facilities to support prevention and protection work in the community.
- Excellent facilities which are resilient and adaptable.
- Buildings which are fit for purpose and provide a healthy environment for all our employees and stakeholders
- Value for Money property solutions, maximising space utilisation by exploring opportunities for collaboration with partners and other similar authorities.
- Sustainable, environmental and energy considerate sites.
- Safe sites, maintained in good condition, and compliant with current legislation.
- Sites which are accessible to all and compliant with the Equality Act 2010.
- To achieve the Building Research Establishment Environmental Assessment Method 'BREEAM' standard of 'very good' for all new builds.

3 Review of Current Property Assets

Property assets are an important resource in delivering efficient and effective services to our community. A fundamental aspect of any Asset Management Plan is accurate information about the property portfolio.

Property information for each property is held within the Estates Department, this information and data is used to review and monitor our property performance on an annual basis. A snapshot of this data can be found in Appendix A – Summary of Property Assets.

The facilities management contract awarded to Equans in 2015 was re let under the Fusion 21 framework and awarded again to Equans and Services in September 2022 for a further five-year contract. An asset condition survey was undertaken along with updating the computerised maintenance management system used to record and manage asset condition and life cycle costs.

The purpose of the asset condition survey is to provide verification and information about the condition of all mechanical, electrical and building fabric assets which are maintained across the MFRA Estate. Each asset is then assigned a condition code and priority based on industry best practice.

All property, including premises and operational structures, is subject to inspection and examination regimes. These vary in frequency and content, by asset type to reflect their use, construction method, legal obligations and failure implications of the asset.

A property valuation report was completed in March 2023 which showed the property asset book value (land and buildings) to be £103m. This has increased in line with depreciation, acquisitions, revaluations and disposals to a Book Value at March 2024 of £134m.

A number of Local Performance Indicators are monitored and reported monthly to manage the energy and environmental performance of our buildings.

- Carbon output of all buildings
- Electricity used by MFRA buildings divided by floor space
- Gas used by all MFRA buildings divided by floor space
- Water used by all MFRA buildings divided by floor space
- Waste generated per person per annum

Contract management of the facilities management contract and the PFI contract are fundamental to achieve effective asset management. Both contracts have a number of Key Performance Indicators linked to the Service Level Agreements which are reported and reviewed on a monthly basis.

4 Property Asset Management Strategy

The Estates department manage MFRA assets effectively to help deliver against strategic priorities and services in line with the following key principles.

- Prioritise work based on the following weighting:
 - **Health and Safety** – Urgent work that will prevent immediate closure of the premises and/or address an immediate high risk to Health and Safety of the occupants and/or remedy a serious breach of the legislation
 - **Key Stations Methodology** – 10 key stations have been identified that form the basis of MFRA operational cover model for our control room. By ensuring all 10 stations have an appliance in their station ground, MFRA can meet its 10 minute response standard for life risk incidents on 90% of occasions
 - **Operational Requirements** – The Authority will continue to review its shift patterns and duty systems, in order to provide the most efficient and effective emergency response in Merseyside. The premises need to be flexible and fit for purpose for this service to be delivered.
- Explore opportunities for collaboration with partners, particularly other similar blue light authorities.
- Create community fire stations flexible enough to provide excellent facilities to:
 - Meet the support staff and community requirements
 - Establish premises as Safe Havens
 - Be accessible for all
 - Enable the Authority to build on their previous success of reducing anti-social behaviour and arson in the community.
- Develop buildings which are sustainable, environmental and energy considerate and deliver real cost efficiencies to meet the financial challenges placed on the Authority and their commitment to meet 'Net Zero' by 2040.
- To provide a modern infrastructure and enable new ways of working to change the way we deliver services with our partners.
- To carry out ongoing review to provide properties which are fit for purpose, in a satisfactory condition, safe, accessible for all users and comply with relevant statutory requirements and financial reporting requirements.

The Estates Department has a robust reporting process to provide systematic and timely reporting of compliance and performance to enable prompt asset-related decision-making regarding Estates assets.

In conjunction with the MFRA Procurement Team, both the PFI and FM contract, have robust contract management and reporting procedures in place to ensure effective delivery of asset maintenance.

A project database held within the Estates Department details the projects currently under consideration; those approved and those currently under development, see Appendix B - Summary of Key Property Projects.

5 Governance

The Estates function is part of the Strategy and Performance Directorate (S&P). The S&P Board (Estates) oversees the development of land and property assets and delivery against the CRMP. The overall function of the Board is to enable the use of land and property assets to facilitate and drive transformation.

The Board is accountable for the successful development and delivery of the Estate programmes.

The Board has responsibility for:

- Implementing the strategic direction for land and property set by MFRA.
- Supporting the duty to collaborate with partners in both development and estate disposal programmes.
- Approving bid submissions, defining and realising benefits, managing strategic risks, quality, budgets and timelines, making and resourcing decisions, taking account of environmental considerations and assessing requests for changes to the scope of the programme and any complementary initiatives.

The Board will approve the remit of the Estates Team (Head of Estates and any additional support including consultancy support), which has the primary purpose of managing programmes and individual projects (Programme) in line with the Board's direction.

The role of the Board is to oversee *Programme direction*:

- Agree the programme scope and any changes to scope during the course of the programme.
- Provide overall direction for the programme team and agree the scope for each stage of the programme.
- Report any major changes to programme deliverables or timescales.
- Address and resolve tensions between partners and objectives during the programme lifecycle.

In addition, Programme management:

- Ensure that the required resources are committed for the programme team.
- Request the initiation of a major capital project via Strategic Leadership Team (SLT).
- Sign off each stage or exception plan of the programme.
- Authorise the closure of a project or programme.

In addition, programme delivery:

- Oversee the Authority's approach to managing assets
Including:
 - Ensuring that assets are managed in the most effective way to drive forward growth.
- support the delivery of service transformation and unlock significant efficiency savings.
- Ensuring alignment with any asks of government.
- Preparing local plans and partnerships to drive collaboration at the local level.
- Prepare, review and monitor the Service and Asset Management Plan for MFRA.
- Sign off funding submissions.

Funding:

- Ensure financial administration of any programme is consistent with the terms and conditions required by the Authority / Home Office and any other funders and by the authority's financial regulations.
- Seek to identify other opportunities for project funding.

Reporting:

- Monitor and evaluate the process and outcomes and benefits from any programme.
- Ensure reporting of progress, outcomes and benefits achieved, as required to, SLT, MFRA, Home Office, and other stakeholders.
- The Strategy and Performance Board (Estates) may delegate its duties as it sees fit.

6 Property Asset Monitoring

Effective Property Asset management requires a monitoring process to provide systematic and timely reporting of compliance and performance to enable prompt asset related decision making.

Monthly FM reports are produced on all MFRA properties to enable asset information, building performance and contractor's performance to be monitored and reviewed.

Information contained with the report includes:

- Health and Safety
- Energy consumption
- Reactive works
- Planned maintenance activities
- Lifecycle costs
- Statutory compliance

For premises and operational structures, environmental and other external factors have a significant impact on asset degradation. The constant heating and cooling cycle within training simulators is also a further major degradation aspect that must be considered. Each of these degradation effects can cause defects that may lead to a loss of stability or integrity. Action has to be taken to proactively monitor these assets and maintain and repair to ensure integrity is maintained. We manage asset degradation risk by a comprehensive inspection, programmed maintenance and renewal regime.

All property, including premises and operational structures, are subject to inspection and examination regimes. These vary, in frequency and content, by asset type to reflect their use, construction method, legal obligations and failure implications of assets.

- Structural inspection of training structures over a 5-year cycle
- Annual Inspection of Hot Fire Training Units
- 5 yearly fixed electrical inspections
- Annual portable appliance testing
- 5 yearly Mechanical & Electrical asset condition surveys
- 5 yearly detailed property/valuation condition surveys
- Annual fitness equipment inspections
- Statutory inspections with frequencies ranging from 1-5 years

A major asset failure report is produced and reviewed to establish lessons learned and to feed back into the planning process, whenever a major property asset fails.

7 Property Asset Capital Spend Strategy

To manage the Property Asset investment process Estates Department classifies spend into four main categories:

- Upgrade works
- Energy conservation works
- Major site refurbishments
- New build

These are explained in the following table:

Property Assets Capital spend Matrix

	Spend	Why	Benefit
Upgrade works	Spend on the existing asset / Infrastructure e.g. upgrade of external lighting, replacing of floor coverings	This spend stops the assets/Infrastructure failing or becoming out of date	More than just 'keeping' the lights on. Ensures assets and systems are robust, secure and resilient.
Energy Conservation Works	Projects that produce a reduction in energy costs. Help reduce and meet the authority's carbon commitment including the use of LED lighting, installing building management systems	This spend delivers value for money, innovation and savings where appropriate.	Accommodating change with a focus on a sound business case and clear deliverables.
Major Site Refurbishment works	Spend on specific projects where the asset/premises is an enabler to change or becoming towards the end of its useful life. e.g. refurbishment of 30-year-old station.	This spend delivers the Authority's CRMP.	To be the best Fire & Rescue Service in the UK. Asset value increases.
New Build	Spend on specific new build projects.	This spend delivers the Authority's CRMP.	Protecting public safety and increasing resilience. New asset value.

The 5-year Property capital budget for 2025/2030 can be found in appendix C – 5-year capital programme but a summary is provided below.

Following a review of the Training and Development Academy facility a new site 12-acre site within Merseyside was acquired in 2022. Full Planning approval was achieved in Aug 2022 with construction works starting on site in late 2022 and was completed in May 2024. The New Training and Development Academy and a new Aintree fire station have replaced the existing ageing facilities at Croxteth and Aintree.

Major refurbishment works started in November 2024 at Bromborough Community Fire Station and are due for completion March / April 2025.

Further major refurbishment works are planned for:

- Kirkby Community Fire Station in 2025/26
- Wallasey Community Fire Station 2026/27

In line with the Authority's commitment to achieving Net Zero by 2040, a review of alternative fuel vehicles has commenced, with a view to have the critical infrastructure in place before 2040.

A full detailed access audit of all the Authority's properties was completed in 2021/22. A new Building Accessibility Reference Group was formed to consider the recommendations from the audit and provides ongoing support to the Estates Team. All the actions have been prioritised and are being implemented within the current plans for building maintenance, refurbishment and replacement.

A route map to deliver Net Zero carbon emissions was completed in 2022, a strategic working group is in place and action plan has been developed. The Estates Department is working with other departments to deliver the action plan.

Appendix A – Summary of Property Assets

FIRE STATIONS					
ID	Property	Details			
10	Kirkdale Studholme St Liverpool	Date Of Construction	2012	Total Floor Area (m2)	1872
		No of Appliance Bays	3	Total Site Area (acres)	0.95
11	City Centre St Annes St Liverpool	Date Of Construction	2006	Total Floor Area (m2)	1516
		No of Appliance Bays	4	Total Site Area (acres)	0.59
12	Kensington Beech St Liverpool	Date Of Construction	2010	Total Floor Area (m2)	962
		No of Appliance Bays	2	Total Site Area (acres)	0.025
14	Speke and Garston Cartwrights Farm Road	Date Of Construction	1999	Total Floor Area (m2)	1331
		No of Appliance Bays	3	Total Site Area (acres)	1.1
15	Toxteth Windsor St Liverpool	Date Of Construction	2013	Total Floor Area (m2)	885
		No of Appliance Bays	2	Total Site Area (acres)	1
16	Old Swan Queens Drive Liverpool	Date Of Construction	1999	Total Floor Area (m2)	1331
		No of Appliance Bays	3	Total Site Area (acres)	1.55
17	Belle Vale Childwall Valley Road	Date Of Construction	2013	Total Floor Area (m2)	1596
		No of Appliance Bays	2	Total Site Area (acres)	0.95
19	Aintree Long Lane , Liverpool	Date Of Construction	2024	Total Floor Area (m2)	1300
		No of Appliance Bays	4	Total Site Area (acres)	2
20	Birkenhead Exmouth St Liverpool	Date Of Construction	2013	Total Floor Area (m2)	1204
		No of Appliance Bays	3	Total Site Area (acres)	0.85
21	Brombough Dock Road, Wirral	Date Of Construction	1959	Total Floor Area (m2)	926
		No of Appliance Bays	3	Total Site Area (acres)	0.8
22	Heswall Telegraph Road, Wirral	Date Of Construction	1940	Total Floor Area (m2)	660
		No of Appliance Bays	3	Total Site Area (acres)	0.48
25	Wallasey Mill Lane Wirral	Date Of Construction	1973	Total Floor Area (m2)	1963
		No of Appliance Bays	6	Total Site Area (acres)	1.2
26	Saughall Massie saughall massie Road, Wirral	Date Of Construction	2019	Total Floor Area (m2)	647
		No of Appliance Bays	2	Total Site Area (acres)	0.48
30	Bootle & Netherton Buckley Hill Bootle	Date Of Construction	2012	Total Floor Area (m2)	1421
		No of Appliance Bays	2	Total Site Area (acres)	1.2
31	Crosby Crosby Road North	Date Of Construction	1961	Total Floor Area (m2)	1015
		No of Appliance Bays	3	Total Site Area (acres)	0.9
32	Formby Church Road Formby	Date Of Construction	2012	Total Floor Area (m2)	813
		No of Appliance Bays	2	Total Site Area (acres)	0.57
33	Southport Manchester Road	Date Of Construction	2013	Total Floor Area (m2)	1649
		No of Appliance Bays	5	Total Site Area (acres)	0.7
42	Kirkby Webster Drive Liverpool	Date Of Construction	1960	Total Floor Area (m2)	915
		No of Appliance Bays	2	Total Site Area (acres)	1
43	Prescot Manchester Road, Prescot	Date Of Construction	2018	Total Floor Area (m2)	1200
		No of Appliance Bays	3	Total Site Area (acres)	2
50	St Helens Violet way	Date Of Construction	2020	Total Floor Area (m2)	1000
		No of Appliance Bays	3	Total Site Area (acres)	2
51	Newton Le Willows Borron Road	Date Of Construction	2012	Total Floor Area (m2)	813
		No of Appliance Bays	2	Total Site Area (acres)	0.55

Non Operational Sites					
15	Toxteth Fire Fit Hub Windsor street	Date Of Construction No of Appliance Bays	2013	Total Floor Area (m2) Total Site Area (acres)	3427 2.6
71	Service Headquarters Bridle Road	Date Of Construction No of Appliance Bays	1965	Total Floor Area (m2) Total Site Area (acres)	3310 5.6
71	Joint Control Centre Bridle Road	Date Of Construction No of Appliance Bays	2014	Total Floor Area (m2) Total Site Area (acres)	3710
19b	Training & Development Acdemey Long Lane, Liverpool	Date Of Construction No of Appliance Bays	2024	Total Floor Area (m2) Total Site Area (acres)	tbc 10
V1	Vesty Unit 1 Vesty Business Park, Vest Road	Date Of Construction No of Appliance Bays	2008	Total Floor Area (m2) Total Site Area (acres)	3505 2
V5B	Vesty Unit 5B Vesty Business Park, Vest Road	Date Of Construction No of Appliance Bays	2008	Total Floor Area (m2) Total Site Area (acres)	378 4
81	Marine Fire 1 Pier Head, Liverpool	Date Of Construction No of Appliance Bays	2012	Total Floor Area (m2) Total Site Area (acres)	251 n/a
17a	Belle Vale LLAR Chidwall Valley Road	Date Of Construction No of Appliance Bays	2010	Total Floor Area (m2) Total Site Area (acres)	209
18a	Old Stores Richie Avenue	Date Of Construction No of Appliance Bays	1926	Total Floor Area (m2) Total Site Area (acres)	240 0.2
51c	Newton Le Willows LLAR (New) Silverdale Road, Newton Le Willows	Date Of Construction No of Appliance Bays	2024	Total Floor Area (m2) Total Site Area (acres)	200 0.22
32b	Formby New LLAR 3a Cable street, Formby	Date Of Construction No of Appliance Bays	2020	Total Floor Area (m2) Total Site Area (acres)	200 0.2

Asset by Station	Quantity
Kirkdale	PFI
Liverpool City	139
Kensington	97
Speke & Garston	107
Toxteth	196
Old Swan	104
Belle Vale	PFI
Aintree (new)	tbc
Birkenhead	PFI
Bromborough	102
Heswall	102
Wallasey	120
Bootle & Netherton	PFI
Crosby	100
Formby	PFI
Southport	PFI
Prescot	150
Saughall Massie	130
Kirkby	99
St Helens (new)	140
Newton le Willows	PFI
Service Headquarters /Joint Control Centre	560
Training and Development Academy (new)	tbc
Vesty 1 (workshops)	100
Vesty 5a (offices)	50
Vesty 5b (offices)	50
Marine Rescue Unit	62
Formby LLAR house	42
Newton Le Willows LLAR house	19
Belle Vale LLAR house	34
Richie Avenue (stores)	n/a

Assets by Category (excluding PFI)	Quantity
Automatic Doors and Gates	100
Boilers	119
Building fabric	160
Catering Equipment	272
Doors	72
Electrical equipment & infrastructure	706
Fans	249
Fuel Tanks	28
Generators and ancillary equipment	16
Gym Equipment	178
HVAC	494
Portable appliance tests	9300
Local Exhaust Ventilation system and ancillary equipment	20
Lifts	15
Lighting protection	9
Man safe equipment	9
Metering equipment	11
Pumps	159
Sanitary equipment	326
Sprinkler / de mist equipment	34
Tanks	21

Appendix B – Summary of Key Property Projects

Location	Project	Project Status	Estimated Start Date	Estimated Completion Date
Service Headquarters	Upgrade to electrical supply capacity, air conditions within Communications room	Feasibility stage, funding application submitted to Salix	tbc	tbc
Kirkby	Major Refurbishment	Specification design stage	2025	2026
Bromborough	Major Refurbishment	Works have started	March 2024	March/April 2025
All locations	Review of security – access control and CCTV provision	On going	March 2023	March 2025
All Locations	Review of alternative fuelled vehicle- installation of EV charging points	Feasibility study	March 2023	March 2040
Wallasey	Major refurbishment		March 2026	
Liverpool City	Individual gender-neutral facilities		April 2025	
Marine Rescue Unit	Refurbishment of station	Feasibility	2027	
Toxteth	Review of shared services in line with the end of grant conditions	Feasibility	2027	
Crosby	Replacement of appliance bay doors	Feasibility	2026	
Service Headquarters	Refurbishment of office accommodation	Feasibility	2029	2030
Various	Replacement of older brick towers	Feasibility	2025	2028

Appendix C - 2025/2030 Build / Land Five Year Capital Programme

Buildings Capital Programme 2025/26 to 2029/30

Type of Capital Expenditure	Total Cost £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £
Major Site Works						
BLD039 FS Refurbishment Heswall	10,000	10,000				
BLD055 FS Refurbishment Bromborough						
BLD057 FS Refurbishment Crosby	391,600	91,600	300,000			
BLD063 FS Refurbishment Kirkby	1,000,000	1,000,000				
BLD073 SHQ Museum	191,000				191,000	
BLD085 FS Refurbishment Speke/Garston						
BLD086 FS Refurbishment Old Swan						
BLD087 F.S. Refurbishment City Centre	250,000	250,000				
BLD088 FS Refurbishment Kensington	121,300	121,300				
BLD089 FS Refurbishment Toxteth	182,500	30,000		152,500		
BLD090 FS Refurbishment Wallasey	1,510,000	10,000	1,500,000			
BLD091 TDA New Build						
BLD093 Marine Fire 1 Refurbishment	138,300	20,000		118,300		
BLD098 SHQ Refurbishment						500,000
	4,294,700	1,532,900	1,800,000	270,800	191,000	500,000
LLAR Accommodation Works						
BLD050 LLAR Accommodation Belle Vale						
BLD075 LLAR Accommodation Newton-le-Willows	15,000	15,000				
	15,000	15,000				
General Station Upgrade Works						
BLD001 Roofs & Canopy Replacements	400,000	220,000	45,000	45,000	45,000	45,000
BLD003 Appliance Room Door Repairs	155,000	55,000	25,000	25,000	25,000	25,000
BLD004 Concrete Yard Repairs	112,500	22,500	22,500	22,500	22,500	22,500
BLD005 Tower Improvements	925,000	265,000	215,000	215,000	215,000	15,000
BLD013 Appliance Room Floors	275,000	155,000	30,000	30,000	30,000	30,000
BLD016 Community Station Investment						
BLD033 Sanitary Accommodation Refurbishment	240,000	160,000	20,000	20,000	20,000	20,000
	2,107,500	877,500	357,500	357,500	357,500	157,500
Other Works						
BLD007 LEV System in Appliance Rooms	67,600	47,600	5,000	5,000	5,000	5,000
BLD011 Capital Refurbishment	105,000	15,000	15,000	25,000	25,000	25,000
BLD014 Boiler Replacements	125,000	65,000	15,000	15,000	15,000	15,000
BLD018 Conference Facilities SHQ	55,000	35,000	5,000	5,000	5,000	5,000
BLD020 Electrical Testing	125,000	25,000	25,000	25,000	25,000	25,000
BLD026 Corporate Signage	25,000	5,000	5,000	5,000	5,000	5,000
BLD031 Diesel Tanks						
BLD032 Power Strategy	75,000	15,000	15,000	15,000	15,000	15,000
BLD034 Office Accommodation	195,000	95,000	25,000	25,000	25,000	25,000
BLD044 Asbestos Surveys	68,000	28,000	10,000	10,000	10,000	10,000
BLD053 Lighting Replacement	10,000	10,000				
BLD058 HVAC - Heating, Ventilation & Air Con	150,000	30,000	30,000	30,000	30,000	30,000
BLD060 DDA Compliance	450,000	250,000	50,000	50,000	50,000	50,000
BLD061 Lightning Conductors & Surge Protection	65,000	45,000	5,000	5,000	5,000	5,000
BLD062 Emergency Lighting	65,000	45,000	5,000	5,000	5,000	5,000
BLD067 Gym Equipment Replacement	165,000	65,000	25,000	25,000	25,000	25,000
BLD068 SHQ JCC	23,100	23,100				

BLD070 Workshop Enhancement	77,700	77,700				
BLD092 Service Headquarters Offices						
BLD094 Security Enhancement Works	125,000	25,000	25,000	25,000	25,000	25,000
BLD095 Electric Vehicle Infrastructure Works	175,000	75,000	25,000	25,000	25,000	25,000
BLD096 Passive Fire Strategy	100,000	20,000	20,000	20,000	20,000	20,000
BLD099 Installation of Photovoltaic Panels (Renewable Energy)	300,000	60,000	60,000	60,000	60,000	60,000
BLD100 Emergency Lift Dialler (Copper BT Line Replacement)	20,000	20,000				
CON001 Energy Conservation Non-Salix	150,000	30,000	30,000	30,000	30,000	30,000
CON002 Energy Conservation Salix						
EQU002 White Goods & Catering Equipment	85,000	25,000	15,000	15,000	15,000	15,000
EQU003 Furniture Replacement Programme	175,000	75,000	25,000	25,000	25,000	25,000
	2,976,400	1,206,400	435,000	445,000	445,000	445,000
	9,393,600	3,631,800	2,592,500	1,073,300	993,500	1,102,500

Q3 Current Budget	6,993,200	3,113,900	2,332,500	813,300	733,500	
Proposed Programme	9,393,600	3,631,800	2,592,500	1,073,300	993,500	1,102,500
Proposed Changes	2,400,400	517,900	260,000	260,000	260,000	1,102,500



Data & Technology - ICT Asset Management Plan

2025/2030

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Data & Technology - ICT Asset Management Plan

1 Overview

1.1 Data and Technology (D&T) Department

The D&T Department is responsible for Information and Communications Technology (ICT) asset management. As a result, the Head of D&T, the D&T Service Delivery Team and the Applications & Technology (A&T) Team has the primary responsibility for ICT asset management.

A key element is to proactively manage the existing outsourced ICT managed service contract with its ICT partner, Telent. We work in partnership to ensure the maintenance of vital '999' emergency response infrastructure, as well as continuing to expand the use of ICT technology to manage our resources efficiently and effectively in line with the risks facing the communities of Merseyside and our firefighters and the organisational processes of the Authority.

1.2 Asset Ownership & Responsibilities

The Authority currently owns the ICT assets in the ICT infrastructure and the ICT applications that run on the ICT infrastructure. The ICT challenge is to provide the most secure, functional, flexible ICT infrastructure possible and to host the applications that deliver benefits to the Authority, all at the lowest cost of ownership. Meeting this challenge systematically through having the right people in the right structure, Infrastructure Lifecycle Management (ILM), Application Lifecycle Management (ALM) and best practices, such as the Information Technology Infrastructure Library (ITIL), can lead to improvements in efficiency, performance, and cost management. ITIL is a set of best practices and processes for the management and delivery of ICT services and support.

ICT can be split into six key delivery area:

- The ICT infrastructure: data, voice and radio networks, personal computers (PCs) and devices, servers, printers, etc
- Commodity applications which run on the ICT infrastructure: Structured Query Language (SQL), Microsoft M365
- Fire Control applications which run on the ICT infrastructure: Vision 5 Computer Aided Dispatch (CAD), Vision 5 BOSS, Airbus ScResponse
- Corporate applications that run on the ICT infrastructure: Tranman, Planning Intelligence and Performance System (PIPS), the intranet 'Portal' (SharePoint) and CFRMIS
- Financial and HR applications which run on the ICT infrastructure: Advanced eFinancials, Zellis ResourceLink and the Staff Attendance Recording System (StARS)
- The ICT Service Desk: The central point of contact between ICT providers and users on a day-to-day basis. It is also a focal point for reporting *incidents* (disruptions or potential disruptions in service availability or quality) and for users making *service requests* (routine requests for services)

ICT ILM and ALM is carried out by D&T and Telent on behalf of the Authority; it is done so in line with best practice from the ITIL framework.

The processes are mature, providing an infrastructure that is robust, secure, reliable and resilient, and applications that are secure, efficient and effective in meeting the needs of the organisation, and provide benefits to the communities of Merseyside.

Note, the Finance and People and Organisational Development (POD) Functions are directly responsible for their own applications, however, they are aligned to D&T governance.

1.3 ICT Asset Management

ICT asset management is carried out by the D&T department on behalf of the Authority and it is done so in line with ITIL and Information Technology Asset Management (ITAM). The terminology 'ITAM' is interchangeable with ICT Asset Management.

In line with the organisation's policy for asset management, the lifecycle of an ICT asset has four distinct phases:

- Planning
- Acquisition
- Operation
- Disposal

And ICT follows five major principles:

- ICT asset management decisions are integrated with the strategic planning process
- ICT asset planning decisions are based on an evaluation of the alternatives, which consider the 'lifecycle' costs, benefits and risks of ownership
- Accountability is established for ICT asset condition, use and performance
- Effective disposal decisions are carried out in line with minimal environment impact
- An effective control structure is established for ICT asset management

Further information on how D&T manages ICT assets on behalf of the Authority can be found in the remainder of this plan.

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2 ICT Asset Management Strategy

ITIL ITAM is the set of business practices that join financial, contractual and inventory functions to support lifecycle management and strategic decision-making for the ICT environment. ICT assets include all elements of software and hardware that are found in the organisation's environment.

Under ITAM, D&T manages its assets effectively to help deliver its strategic priorities and services in line with risk, providing value-for-money-services for the benefit of the local community.

D&T has all of its ICT assets recorded in a Configuration Management System (CMS) and the Definitive Media Library (DML). 'Remedy' records details of all the ICT assets and their age, thus enabling D&T to effectively manage the lifecycle of its infrastructure. It gives the ability to link ICT incidents, assets and people, to enable a more in-depth trend analysis to be performed around ITAM decisions.

D&T has a service catalogue, which outlines all the ICT services provided. Included in this catalogue are references to the capacity planning, security and preventative maintenance carried out on ICT assets.

D&T has a robust reporting process to provide systematic and timely reporting of compliance and performance, enabling prompt asset-related decision-making regarding ICT assets.

D&T has a service pipeline. The service pipeline comprises new ICT services under development, and these developments lead to new, or a change of use of, ICT assets (see [Section 5 D&T Service Pipeline](#) for further details).

To manage the ICT five-year capital asset investment plan, D&T classifies spend into four categories:

- Underlying Spend
- ICT Project Spend
- Community Risk Management Plan (CRMP) Project Spend (previously the Integrated Risk Management Plan)
- Fire and Rescue Service (FRS) National Project Spend

D&T has a five-year lifecycle-renewal policy for ICT hardware assets such as personal computers, devices and servers, at which point these assets will be considered end-of-life (EOL).

D&T has a 5-10-year lifecycle-renewal policy for ICT hardware assets such as network switches and telephony, at which point these assets will be considered EOL.

When an ICT asset is highlighted as EOL, its performance is assessed and, if required, a new asset will be purchased.

Adopting a best practice, asset management and configuration management solution allows D&T to understand:

- What ICT assets the Authority has
- Where they are located
- How well they are working
- How effectively they are supporting the business of the organisation

As a result, the following benefits have been realised:

- Accurate information on all ICT assets, providing D&T with the ability to deliver and support its services
- Trend analysis can be carried out against assets to aid incident and problem-solving
- Improved security through advanced ICT asset control
- Improved financial planning through clear identification of all assets and their associated relationships
- Improved software licence management, ensuring legal compliance
- Increased confidence in ICT systems and D&T services
- Increased customer satisfaction

A snapshot-in-time list of the Authority's hardware ICT assets can be found in [Appendix A – Summary of ICT Infrastructure Assets](#). This list can be requested and produced from Remedy to give a real-time view of the ICT asset holding. On a yearly basis, the list is produced for insurance calculation purposes.

The system is also used for various analytical tasks including:

- Identification of obsolete ICT assets, based on purchase date
- Identification of current and previous ICT asset owners
- ICT asset rationalisation
- Role Based Resourcing (RBR)

All ICT assets pass through a configuration management process where they are allocated and labelled with a unique asset reference number.

In line with ITIL, D&T has a DML to improve the way it tracks software and performs ALM.

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3 ICT Infrastructure Asset Monitoring Activities

D&T maintains an up-to-date service catalogue which outlines all the services provided. Included in this catalogue are references to capacity planning, security and preventative maintenance, all of which are examples of activities carried out on ICT assets.

3.1 Capacity Planning

'Capacity planning is used to ensure that the Authority has adequate capacity to meet its demands, even during periods of extreme high usage and growth. This includes, but is not exclusive to, estimation of disk space, computer hardware, software and network infrastructure that will be required over a set amount of time.'

Capacity is calculated in various ways depending on the system and specific requirements from D&T.

Regular storage reports are run on servers and file shares, which are used for current and projected growth estimations using bespoke software.

Additionally, network management software is utilised to manage the capacity of all network links used within the Authority's Wide Area Network (WAN) and Local Area Network (LAN).

3.2 Security

'The Authority requires multiple levels of security on managed devices to defend against malicious behaviour and mitigate the risk to the Authority.'

Patching is one of the most important parts of a cyber-security strategy; keeping things on the latest version, in most cases, means greater security.

Merseyside Fire and Rescue Authority (MFRA) has a patching policy in place, and it applies to each area of the ICT infrastructure. Patching is conducted based on the assessment of risk. This policy is prudent, balancing the need to reduce the amount of downtime to critical systems with cyber-security risk.

The introduction of Microsoft System Centre Configuration Manger (SCCM) has seen patching carried out over and above Business as Usual (BAU) activity, because of the ability to automate tasks.

To assist in the automation of processes and administration of the status of both end point devices and servers, an ICT infrastructure discovery tool has been deployed to enable the ICT estate to be tightly managed and, importantly, easily reported on. This provides security by design, audit and assurance by highlighting hardware and software, if it is not fully patched and up to date, to allow MFRA to adhere to the required patching level defined by the Airwave Code of Connection (CoCo).

Email security and web content filtering is used to protect end-user devices from spam, viruses and other malicious threats via e-mail and internet. Endpoint Protection is used to

secure the Authority's systems – including, but not limited to, Windows servers, Windows desktops, Surface Pros and mobile devices – against viruses, malware, advanced threats and targeted attacks.

Mobile Device Management (MDM) for Samsung mobile phones is in place, along with appliance Toughpads, protecting our information more securely than in the past.

The MDM provides a full suite of management and security tools for any device, covering the important capabilities of management, security, productivity and compliance.

Devices are encrypted up to 256 bits using Advanced Encryption Standard (AES).

3.3 Device Preventative Maintenance

'Telent is responsible for device preventative maintenance, including planned maintenance activity designed to improve equipment life and avoid any unplanned maintenance activity.'

The Authority requires desktops and laptops to be configured with Anti-Virus software and Windows updates via a Windows Server Update Services (WSUS) Server.

Windows critical updates are installed via the WSUS server, and recommended updates are reviewed and tested before installing on end-user devices.

SCCM has been introduced and is a systems management software product developed by Microsoft for maintaining large groups of computers.

Anti-virus software performs a full daily scan on each device and alerts via desktop and e-mail alerting if any issues are reported.

BIOS/firmware patching is performed when a device is re-imaged from the software library or if a specific fault occurs.

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4 ICT Infrastructure Asset Monitoring Reports

Effective ICT asset management requires a monitoring process to provide systematic and timely reporting of compliance and performance, to enable prompt asset-related decision-making. D&T prepares and publishes the following reports to fulfil this function:

4.1 Service Desk Performance Report – Monthly

The monthly ICT Service Desk Performance Report is provided to enable Telent, D&T and the Authority's officers to review the service delivery of ICT for the Authority and, if required, any escalation can be taken to the Strategy and Performance D&T Board.

4.2 ICT Infrastructure Usage Report – Monthly

The monthly ICT Infrastructure Usage Report is provided to enable Telent, D&T and the Authority's officers to review and discuss infrastructure usage, review the top 10 users of each asset and share the information with the Authority's budget holders.

4.3 Information Security Report – Monthly

The monthly Information Security Report provides Telent, D&T and the Authority's officers (including the Senior Information Risk Owner [SIRO]) with relevant information that supports the Authority's information security policy. It is posted on the Portal and is reviewed at the Protective Security Group (PSG) Meeting.

4.4 Problem Management Reports – Monthly

In line with ITIL service management processes, this report provides the statistical analysis and evidence that supports problem management.

Problem management seeks to proactively minimise incidents by identifying and recording problems and known errors within the ICT infrastructure. Errors within ICT infrastructure can cause repeated incidents, which have an adverse effect on the business. Identifying and removing errors can reduce the number of incidents over time.

4.5 Major Incident Management Reports – Ad Hoc

Whenever a major ICT Incident takes place, a Major Incident Management Report (MIR) is produced and reviewed with a view to establishing lessons learnt and to feed back into the ICT service catalogue.

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5 D&T Service Pipeline

The service pipeline comprises new D&T services under development, and these developments lead to new, or a change of use of, ICT assets. D&T has seven main areas associated with the service pipeline:

- ICT Service Requests
- D&T Cyber Security & Information Management
- D&T Continuous Service Improvement (CSI)
- Application & Technology Lifecycle Management
- D&T Strategic Framework
- Strategy and Performance D&T Board
- Other ITIL Standards

A list of key D&T projects can be found in [Section 8 Digital Transformation Strategy](#) and [Appendix B – Key D&T Projects and Activities](#).

5.1 ICT Service Requests

The ICT Service Desk Digital Workplace allows users to report issues and incidents as well as requesting simple technical changes, information, enquiries or hardware and software changes, e.g. mobile phones.

For certain ICT requests, an approval route through the D&T Service Delivery Manager is needed. The ICT request process is fully integrated in the CMS, with all changes being documented.

5.2 D&T Cyber Security & Information Management

Reporting to the Head of Data & Technology; the Cyber Security & Information Management Manager will coordinate the Service's approach to cyber-security, business intelligence and information management and governance. The role will develop the Service's strategy for cyber-security: advising on the suitability of the design; tools; activities; control measures and processes, required to mitigate cyber-security risks in relation to the Service's applications and technology technical architecture (current and proposed).

5.3 D&T Continuous Service Improvement (CSI)

The purpose of the D&T CSI meeting is to ensure that cost-justifiable ICT capacity in all areas of ICT exists and is matched to the current and future agreed needs of the business in a timely manner. A key focus is on increasing the efficiency, maximising the effectiveness, and optimising the cost of services and the underlying ICT service management. Meetings follow a six-week cycle, and the process is documented in the CSI register. This CSI process is now firmly embedded in the D&T department, and the key benefits are:

- Clarity of ownership
- Clarity of requirements
- Clarity and management of costs

- Visibility and tracking progress
- Forward planning
- Resource scheduling
- Identifying duplicate effort across the Authority's departments and/or stations
- The ability to utilise information from archives

5.4 Lifecycle Management

The D&T challenge is to provide the most functional, flexible ICT infrastructure possible and to host the applications that deliver benefits to the organisation, all at the lowest cost of ownership. Meeting this challenge systematically through having the right people in the right structure, ILM, ALM and best practices such as ITIL can lead to improvements in efficiency, performance and cost management.

5.4.1 ILM

ILM encompasses the planning, design, acquisition, implementation and management of all the elements comprising the ICT infrastructure.

5.4.2 ALM

ALM encompasses the planning, design, acquisition, implementation and management of all the elements comprising the application portfolios.

5.4.3 ITIL

ITIL is a globally accepted approach and set of practices for IT Service Management (ITSM) that focuses on aligning ICT services with the needs of the business.

5.5 D&T Strategic Framework

The D&T Strategic Framework is a cycle of four meetings that takes place on an annual basis and the output feeds into the quarterly S&P D&T Board.

The D&T Strategic Framework is part of the governance applied to the delivery of the Telent ICT managed service; meetings are held once a quarter to cover one of three topics. There are two 'Innovation and Technology Forums', an 'Efficiency and Value for Money Meeting' and a 'Strategy and Alignment Meeting' held each year.

The D&T Strategic Framework ensures that the ICT managed services contract:

- Is working effectively
- Has its strategic goals set by, and aligned with, the needs of the Authority
- Improves efficiency of arrangements and delivers mutually beneficial savings and efficiencies

5.6 Strategy and Performance (S&P) D&T Board

There are three thematic S&P boards in place: D&T, Estates, and Performance, which means a thematic S&P D&T Board meets every three months. The purpose of the S&P D&T Board is to ensure that all data and technology services are aligned to ensure the mission and objectives of the Authority are delivered as effectively as possible.

5.7 Other ITIL Standards

- A Change Advisory Board (CAB) has been set up which will ensure that only authorised changes are deployed to the Authority's infrastructure. This will also improve the communication between key system owners and D&T
- D&T maintains and develops a DML. It ensures that:
 - A secure compound is established in which master copies of all authorised versions of the organisation's software are stored and protected
 - All documents pertaining to applications are stored in a central location, e.g. number of users, location of users, contact details of suppliers and Service Level Agreements (SLAs)
- D&T sets minimum release management standards which third party suppliers are expected and contracted to reach

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6 D&T Infrastructure Asset Replacement Policy

D&T has in place procedures to trace the acquisition, deployment, management and disposal of ICT assets under its control.

Some of the primary goals for asset replacement are:

- To develop an appropriate type of replacement mix based on each asset and its behaviour
- To ensure value for money
- To meet the desired/acceptable level of risk
- To enable realistic forecasts of future events

6.1 ICT Asset Purchasing

In the main, the Authority owns the ICT assets. When ICT assets are purchased by D&T, the following applies:

- For small quantities of ICT commodity assets, the Authority's ICT outsourced partner will seek quotes and the Authority will purchase
- For large quantities of ICT commodity assets, the Authority's ICT outsourced partner will specify requirements, but the Authority's procurement team will run mini-competitions and the Authority will purchase
- For ICT assets which require complex installation or if priority support is required; the Authority's outsourced partner specifies and purchases the item on the Authority's behalf and then the Authority pays via change control
- In such cases, the Authority's ICT outsourced partner is requested to run a mini-competition and produce options for the Authority to select
- Purchasing is done via the contract change control procedure, and the Change Control Note (CCN) is signed off by D&T, Procurement and Legal. No mark-up is charged by the Authority's ICT outsourced partner, as the contract makes provision for commercial services

6.2 ICT Asset Disposal

D&T has in place procedures for the disposal of ICT assets via a company called 'Computer Waste'. Computer Waste is an Authorised Treatment Facility (ATF), fully registered by the Environment Agency (EA). The company specialises in the recycling of waste electrical and electronic equipment (see WEEE).

- All ICT assets disposed of with Computer Waste are recorded on a waste transfer note that is signed and presented to the Authority for audit purposes
- Hard drives are destroyed on the Authority premises, witnessed by an employee of Telent, and an accompanying destruction certificate is presented to the Authority for audit purposes

6.3 ICT Hardware Assets

D&T has a five-year lifecycle-renewal policy for ICT hardware assets such as PCs, tablets, mobile devices and servers, at which point ICT Assets will be considered end-of-life, if there are confirmed performance issues. A three-year equipment life was considered but the increased capital spend was deemed to be excessive.

Furthermore, the proliferation of devices along the wide spectrum of ICT presents opportunities and challenges to D&T, as well as budget challenges to the organisation. There is a policy of using shared MFDs and having one MFD per function, to replace printers. This printer rationalisation has contributed to budget savings.

RBR is undertaken by D&T, evaluating the agile provision of ICT equipment at stations, SHQ, Training and Development Academy (TDA), Vesty One (vehicle workshops) and 'incidents', based on the roles of the staff located there.

An Asset Based Resourcing (ABR) initiative is also in place as a check and balance to RBR, ensuring operational vehicle assets match the role of firefighters and senior officers who use such vehicles.

D&T has a 5–10-year lifecycle-renewal policy for ICT hardware assets such as network switches and telephony, at which point ICT assets will be considered end-of-life if there are confirmed performance issues.

ICT assets could also be replaced on an ad-hoc basis, but this would lead to difficult budget forecasting, with some years seeing larger budget increases than others. If, however, ITIL problem management analysis identifies an ICT hardware asset that is repeatedly problematic, causing a break in service, the equipment would be considered for replacement before its five-year equipment life had expired.

6.4 ICT Asset Movements 2024/2025

Key ICT asset movements to highlight in 2024/2025. Note: these are activities, over and above those in Section Seven - Fire Control Applications and Hardware Assets of this report.

Enhanced Local Area Network

A major project to replace and upgrade of all elements of the Local Area Network (LAN) has successfully been completed. This major project, involved the upgrade of network equipment across the estate including replacement of core network switch, use stack switches and wireless access points.

Service Headquarters Conference Audio Visual Replacement

A fully integrated audio visual Yealink system has been installed and configured in the conference rooms at Service Headquarters.

Training and Development Academy and Aintree Community Fire Station

As part of the build and fit out of the new TDA and Aintree Community Fire Station, D&T and Telent have led on the provision of external data services and have installed and configured ICT equipment into the new TDA server room. The designed and cut over to the new network was successfully completed, and a lift and shift of Secondary Fire Control was also completed, which involved the switch from ISDN to SIP telephony.

Training and Development Academy – Audio Visual

Meeting rooms, classrooms and conference room have all been fitted with audio visual systems appropriate to the room size and use.

Training and Development Academy - Command & Control Training Suite

State of the art technology has been installed and configured for command and control training at the new Training and Development Academy that opened in May 2024.

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7 Fire Control Applications and Hardware Assets

Reporting to the Head of Data & Technology, the Applications & Technology Manager works with the Authority's outsourced ICT partner to carry out appropriate lifecycle management to ensure successful ICT service delivery in line with SLAs. Activities include:

- Following of best practice ICT asset management
- Application or infrastructure replacement or refresh
- Spare holding to replace faulty equipment, which is one method in ensuring SLAs are met
- Application Life Cycle Management
- Year-on-year preventative maintenance in mid-October prior to the bonfire period. This is done for both Primary and Secondary Fire Control infrastructure and applications
- Regular relocation exercises to Secondary Fire Control

7.1 Six High Level Areas of ICT in Fire Control.

There are six high level areas of ICT in Fire Control.

- **Computer Aided Dispatch (CAD)** - This is where incoming emergency calls are logged, and the appropriate resources mobilised to the incidents. MFRA uses the NEC Vision 5 CAD application, implemented in April 2021.
- **Management Information System (MIS):** providing senior officers with real time incident information and the organisation with incident history for trend analysis. MFRA use the NEC Vision 5 BOSS.
- **An Integrated Communications Control System (ICCS)** - an ICCS is found at the centre of modern-day control rooms. All communications that go into the control room such as 999 and administration telephony calls, radio communication and CCTV are routed via the ICCS. The control room staff can then manage these various communication channels from one place on their desktop by accessing the ICCS.

An ICCS will work in tandem with a CAD application. The ICCS is the place where incoming emergency calls are answered, and the CAD is where the calls are logged, and resources dispatched. MFRA use the NEC Ds3000 ICCS.

- **Wide Area Radio Scheme:** Emergency services rely on seamless radio communications coverage to effectively perform their daily tasks. MFRA, in keeping with the Police and Ambulance, use Airwave.

NOTE: The Emergency Services Mobile Communication Programme, (ESMCP) set up by the Home Office, aims to replace the current communication service provided by Airwave. The new service will be delivered across the Emergency Services Network (ESN) and MFRA will connect to this network via a Direct Network Service Provider (DNSP). As at February 2025, however, all individual FRS activities for this project remain suspended.

- **Data Mobilisation:** Fire Control can mobilise crews to incidents by sending a message to the Mobile Data Terminal (MDT) installed in the appliance. MFRA use MDTs running ScResponse from Airbus.
- **Station-End Turnout:** Various hardware and software components and subsystems are installed in every MFRS community fire station. The solution involves automatically unlocking doors; switching on of lights; sounding the alarm and printing the emergency turnout information on the fire station printer. This enables crews to respond to emergency turnouts in a safe and efficient manner. MFRA utilise station-end Firecoders from Multitone Electronics.

7.2 Fire Control ICT Project Review

CAD-MIS is a series of projects where D&T has delivered, and will continue to deliver, improvements for Fire Control.

CAD-MIS Phase One

CAD-MIS Phase One: In September 2017, the Authority approved a project to replace Vision 3 FX CAD & Vision 3 MIS with applications supplied by NEC SWS.

The implementation of Vision 5 went live on 21st April 2021 and a period of early life support followed. Vision 5 assists in our duty to respond to all emergency calls with a level of response appropriate to the risk, and deal with all emergencies efficiently and effectively.

CAD-MIS Phase Two

Following successful completion of Phase One activities, a prioritised list of Phase Two activities was finalised and approved. What follows is an update on the activities chosen:

- **Dispatch Communication Server (DCS)** - The technical refresh element of this activity has been completed and a working DCS connection has been established. Fire Control has completed User Acceptance Testing (UAT). Following the IT Health Check of the DCS connection, a Remedial Action Plan (RAP) was submitted to the accreditor and was subsequently approved. A monthly report of progress with the RAP is now in place with the accreditor. This project was successful completed in February 2024.

- **Dynamic Cover Tool (AURA)** – Geographical display of availability of appliances, highlighting areas of under- and over-resourcing. This application was developed by the MFRA internal development team, and the new production version was released to Fire Control in November 2024.
- **Evacuation Guidance Template** – An internal solution has been produced and implemented into Fire Control that helps to manage the evacuation of large occupancy buildings.

CAD-MIS Phase Three

Mindful of the requirement to maintain the appropriate lifecycle management of hardware and software applications, a series of related phase three activities have commenced.

- **Enhanced Mobilisation:** A project that adds additional functionality to the Vision 5 CAD and will alert a crew earlier and put them on standby to attend an incident, making the response faster than it is currently. The Enhanced Mobilisation functionality is due to be released to Fire Control in April 2025.
- **Fire Control Refurbishment:** A full refurbishment of Fire Control was completed in 2024 and included a new media wall, workstation screens and standing desk adaptations.
- **Situational awareness for call handlers.** Technical solutions will be reviewed and considered in financial year 2025/2026.

Post CAD-MIS Phase Three

Following CAD-MIS Phase Three, the Authority will be in a strong position to take stock and assess the introduction of the next generation of Fire Control Command & Control solutions.

This requirement has been identified within the Five-Year ICT Capital Plan Commentary stating that the existing Vision 5 and the DS3000 ICCS will need replacing circa 2028/2029 at an estimated cost of £1.5m.

7.3 Emergency Services Network (ESN)

Following the early departure of Motorola from the ESMCP programme in December 2022, the Home Office commenced a re-procurement exercise for a replacement Lot 2 supplier/Prime Contractor. This has now concluded, and the Lot 2 'User Services Partner' contract has been awarded to the preferred partner.

EE has had their contract extended through a direct award for Lot 3 'Mobile Services'. The extension to Lot 3 includes the introduction of network resilience at 2,000 sites.

Earlier in 2024, the Lot 1 Technical Delivery Partner contract was awarded to QCI Consulting Services, replacing the previous involvement of Deloitte.

It is anticipated that control room supplier engagement will commence Q2 2025 with Fire & Rescue Service involvement commencing Q4 2025.

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8 Digital Transformation Strategy

Our Digital Transformation Vision:

To deliver a more efficient and effective fire and rescue service by leveraging digital technologies that enhance operational capabilities, improve decision-making, optimize resource deployment, and connect the workforce.

Digital Transformation Projects 2025/26:

- Enhanced Mobilisation: A project that adds additional functionality to the Vision 5 CAD and will alert a crew earlier and put them on standby to attend an incident, making the response faster than it is currently.
- Situational awareness for call handlers: Technical solutions will be reviewed and considered in financial year 2025/2026.
- MAIT (Multi Agency Incident Transfer): Allows emergency services to share electronic incident records.
- AURA (Dynamic Cover Tool): Internal development of AURA providing a geographical display of availability of appliances; highlighting areas of under- and over- resourcing.
- CFRMIS Ops Intel Module: PORIS and SSRI data capture form and MDT output.
- Hydrant Management: Implementation of the Airbus ScCapture solution.
- Incident Command Solution: Review the market and consider the most appropriate solution for implementation.
- SharePoint Online Migration and Power App Development: Migration of content from on-premises SharePoint, and development of new Power Apps to replace legacy InfoPath forms.
- Organisational Learning Action Tracker: Using SharePoint Online Lists and Power Automate to develop an action tracker for organisational learning.
- Electronic ARA (Analytical Risk Assessment) Form: Development of a digital form for use on the incident ground.

9 ICT Commodity Application Software

D&T is responsible for ensuring the Authority has an ALM strategy for all its commodity applications. D&T works closely with all departments to develop and manage organisational commodity applications and agree and monitor SLAs.

9.1 Microsoft Software: Enterprise Agreement (EA)

The Authority's strategic direction is to use Microsoft products.

To continue to use the latest versions of Microsoft products, such as Windows Server, Windows 10, Windows 11 and Office 365, MFRA has a Microsoft Enterprise Agreement (EA) for the majority of its Microsoft software licences.

In 2023/2024 the MFRS Microsoft EA was renewed under the Crown Commercial Services (CCS) Digital Transformation Arrangement 2021 (DTA21).

Under the EA, Microsoft has bundled together Windows, Office 365 and a variety of management tools to create a subscription suite: Microsoft 365 (M365). MFRA is licensed for M365 and this has allowed D&T to deploy Microsoft Teams together with other M365 products.

At the same time as the renewal, MFRS awarded a three-year contract to a Microsoft Licensing Solution Partner (LSP). A LSP provides information and guidance about contacting, identifying and choosing Microsoft licensing.

9.2 Anti-Virus and E-mail Filtering

The anti-virus software protects the Authority from computer viruses and any other threats which may try to enter the Authority's network.

The e-mail filtering system is used to filter e-mail and quarantine non-legitimate e-mails via the process of word detection. The words that result in the email being quarantined are recorded in a database and analysed on a monthly basis.

The licences for the anti-virus and e-mail filtering products are procured on a three to five year lifecycle and, prior to any future renewal, a fit-for-purpose exercise and market evaluation will be carried out.

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10 Corporate and Financial Application Software

10.1 Application Classification

Applications are managed through their lifecycle in collaboration with application owners and are given a classification to identify their status. The classifications include:

New	Conceived, in planning phase, under construction or newly deployed
Emerging	In production or licences have been purchased, but in limited use, such as a pilot
Mainstream	In production and actively being used
Containment	In production for a specific or limited purpose
Sunset	In production with scheduled retirement in progress
Prohibited	No longer used

See [Appendix D – Application Status](#) for a full list of applications.

10.2 Application Requests

Any department with a requirement for a new or replacement application must, in the first instance, complete the Application Request Form. The form can be accessed from the S&P homepage on the Portal. The form captures the following information:

- Identified application sponsor and owner
- Organisational need/value
- Risks to the organisation
- Legislative requirements
- Potential efficiency savings
- Collaboration considerations
- Budget allocated for this application

If the application request is approved for progression to the next stage, a further business case is required, detailing the market engagement carried out, cost benefit analysis and recommendations.

10.3 Application Gateway Team

The purpose of the Application Gateway Team is to provide the Authority with effective governance arrangements for new or replacement applications. The Application Gateway Team is responsible for approving and prioritising the advancement of new or replacement applications within the organisation. See [Appendix D – Application Status](#) for a full list of applications.

10.4 Application Development

10.4.1 Application Toolkit

The Application Development Team utilises a suite of products that assists with the development of internal applications:

Azure DevOps	Azure DevOps is a Microsoft product that provides version control, reporting, requirements management, project management, automated builds, lab management, testing and release management capabilities. It covers the entire application lifecycle and enables DevOps capabilities.
Azure IaaS	Infrastructure as a service (IaaS) provides a secure and scalable infrastructure.
Azure SaaS	Software as a service (SaaS) allows users to connect to and use cloud-based apps over the Internet.
Visual Studio	Microsoft Visual Studio is an integrated development environment. It is used to develop computer programs, as well as websites, web apps, web services and mobile apps.

10.4.2 DevOps

DevOps is the union of people, processes and products to enable continuous delivery of value to our end users. The combination of 'Dev' and 'Ops' refers to avoiding siloed 'Development' and 'Operations' by using multidisciplinary teams that work together with shared and efficient practices and tools. DevOps has been adopted as a recognised framework to ensure the success of any app development and to align developed apps and infrastructure; Dev being the Application Development Team, Ops being ICT/Telent, both of which are part of the D&T department.

10.4.3 Development Portfolio

The application development portfolio currently consists of the following applications.

Application	Classification
OPS (Operational Performance System)	Sunset
SSRI Progress	Sunset
National Resilience Application	Mainstream
Merseyside Fire & Rescue Service Website	Mainstream
AURA	New

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11 ICT Asset Capital Spend Strategy

11.1 ICT Asset Investment Process

To manage the ICT asset investment process, D&T classifies spend into four categories:

- Underlying Spend
- ICT Project Spend
- CRMP Project Spend
- National FRS Project Spend

These are explained in the following table:

	Spend	Why	Benefit
Underlying Spend	Spend on the existing ICT infrastructure including software, devices, servers, networks and voice communication e.g. upgrade of station switches.	This spend stops the ICT infrastructure and any software becoming out of date.	More than just 'keeping the lights on'. An ICT-enabled organisation whose systems are robust, secure and resilient, with the ability to accommodate change.
ICT Project Spend	Projects that: deliver Authority changes, deliver step changes in technology e.g. MDT evolution.	This spend delivers value for money, innovation and savings, where appropriate.	ICT accommodating change with a focus on a sound business case and clear deliverables.
CRMP Project Spend	Spend on specific CRMP projects where ICT is a major enabler e.g. station change.	This spend delivers the Authority's CRMP.	To be the best Fire & Rescue Service in the UK. One team, putting its communities first. Releasing budget for frontline resources.
National FRS Project Spend	Spend on specific national projects where ICT is a major enabler e.g. ESMCP.	Spend to align the Authority's systems to national initiatives.	Protecting public safety and increasing national resilience.

The 2025/2030 Five-Year Capital Plan can be found in [Appendix C – 2025-2030 ICT Five Year Capital Plan](#)

11.2 Review of the Current Capital Programme

D&T carries out an annual full review of its capital budget. The basis for the review is to:

- Determine if any reductions in planned spend is possible, and/or
- Determine if the asset life could be reviewed (extended) to reduce the frequency of replacing assets etc. and/or
- Determine if anything else could be done to reduce the level of planned borrowing and therefore reduce the impact of debt servicing costs on the future revenue budget.

This asset management plan has been updated to reflect this review.

11.3 Cloud Strategy

The D&T cloud strategy is to:

- Continue to develop cloud-based solutions to transform existing and future processes to meet business needs, achieving high levels of resilience and availability.
- Continue to move to cloud-based solutions for new and replacement software applications where organisational benefits can be realised.
- Explore the public and hybrid cloud to deliver dynamically automated ICT infrastructure management.

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12 Glossary

ABR	Asset Based Resourcing
AES	Advanced Encryption Standard
ALM	Application Lifecycle Management
AP	Assurance Partner
ATF	Authorised Treatment Facility
AV	Audio visual
BAU	Business as Usual
BIOS	Basic Input/Output System
BRM	Business Relationship Management or Manager
CAB	Change Advisory Board
CAD	Computer Aided Dispatch
CCN	Change Control Note
CCS	Crown Commercial Service
CFRMIS	Community Fire Risk Management Information System
CMS	Configuration Management System
CoCo	Code of Connection
CRMP	Community Risk Management Plan
CSI	Continuous Service Improvement
CTA	Cloud Transformation Agreement
D&T	Data & Technology
DCS	Dispatch Communications Server
DML	Definitive Media Library (previously Definitive Software Library, DSL)
DNSP	Direct Network Service Provider
DPA	Data Protection Act
DTA	Digital Transformation Arrangement
ED&I	Equality, Diversity and Inclusion
EA	Enterprise Agreement or Environment Agency
EOL	End-of-life
ESMCP	Emergency Services Mobile Communications Programme
ESN	Emergency Services Network
FDS	Functional Design Specification
FRS	Fire and Rescue Service
GPS	Global Positioning System
GDPR	General Data Protection Regulation
IAAS	Infrastructure as a Service
ICCS	Integrated Communications Control System
ICT	Information and Communication Technology
ILM	Infrastructure Lifecycle Management
IM	Information Management
ITAM	IT (or ICT) Asset Management
ITIL	Information Technology Infrastructure Library
ITSM	IT Service Management
LAN	Local Area Network
LSP	Licensing Solution Partner

MDM	Mobile Device Management
MDT	Mobile Data Terminal
MFD	Multi-Function Device
MFRA	Merseyside Fire and Rescue Authority
MIR	Major Incident Report
MIS	Management Information System
OPS	Operational Performance System
PC	Personal Computer
PIPS	Planning Intelligence and Performance System
PM	Project Manager
PSG	Protective Security Group
RAP	Remedial Action Plan
RBR	Role Based Resourcing
S&P	Strategy and Performance
SAAS	Software as a Service
SAN	Storage Area Network
SCCM	System Centre Configuration Manager
SIEM	Security Information and Event Management
SIRO	Senior Information Risk Owner
SLA	Service Level Agreement
SMS	Service Management System
SOFSA	Simple Operational Fire Safety Assessment
SQL	Structured Query Language
StARS	Staff Attendance Recording System
TDA	Training and Development Academy
WAN	Wide Area Network
WEEE	Waste Electrical and Electronic Equipment
WSUS	Windows Server Update Service

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Appendix A – Summary of ICT Infrastructure Assets

Fire Control Services and Infrastructure	Quantity
CAD Servers – Tier 1 (≤£5000)	19
CAD Desktops	32
CAD Monitors	28
ICCS Servers	6
ICCS Storage (HADS)	1
ICCS Clients	22
ICCS Touchscreen	24
Fire Control Headsets	40
Alerter Masts	6
UHF Radio Packsets	536
Station End Firecoders	27
Station End Turnout Printers	32
Station End Auxiliary Relay Unit (ARU)	32
Station End Amplifiers	34
Station End UPS	40
Modems	61
Mobile Data Terminals	46
Airwave Radio SAN A	112
Airwave Radio SAN B	10
Airwave Radio SAN J	76
Media Wall Solution	1
Cradlepoint Solution	26

Administration Infrastructure, Managed Servers & Desktop	Quantity
Servers – Tier 1 (≤£5000)	49
Servers – Tier 2 (≥£5000)	3
VM Server Infrastructure (dHCI)	1
HPE Modular Storage Arrays (MSA)	3
HPE Storage Shelves	8
HPE Tape Library	2
Desktops	327
Laptops	12
Microsoft Surface Pro	364
Microsoft Surface Laptop	126
Microsoft Surface Book	14
Microsoft Surface Go	15
Panasonic Toughpads	102
Docking Stations (Laptops & Surface Devices)	673
Docking Stations (Toughpads)	182
Monitors	1160
Non-Standard Printers (not Apogee devices)	8
Konica Minolta Multi-Function Devices	52

Konica Minolta Desktop Print Devices	11
Security Appliance – Tier 1 (≤£2000)	6
Security Appliance – Tier 2 (≥£2000)	8
Router – Tier 1 (≤£2000)	24
Router – Tier 2 (≥£2000)	2
Switch – Tier 1 (≤£2000)	64
Switch – Tier 2 (≥£2000)	8
Wireless Controller	3
Wireless Access Points	219
Mitel IP Sets	683
SIKLU Radio Link	8

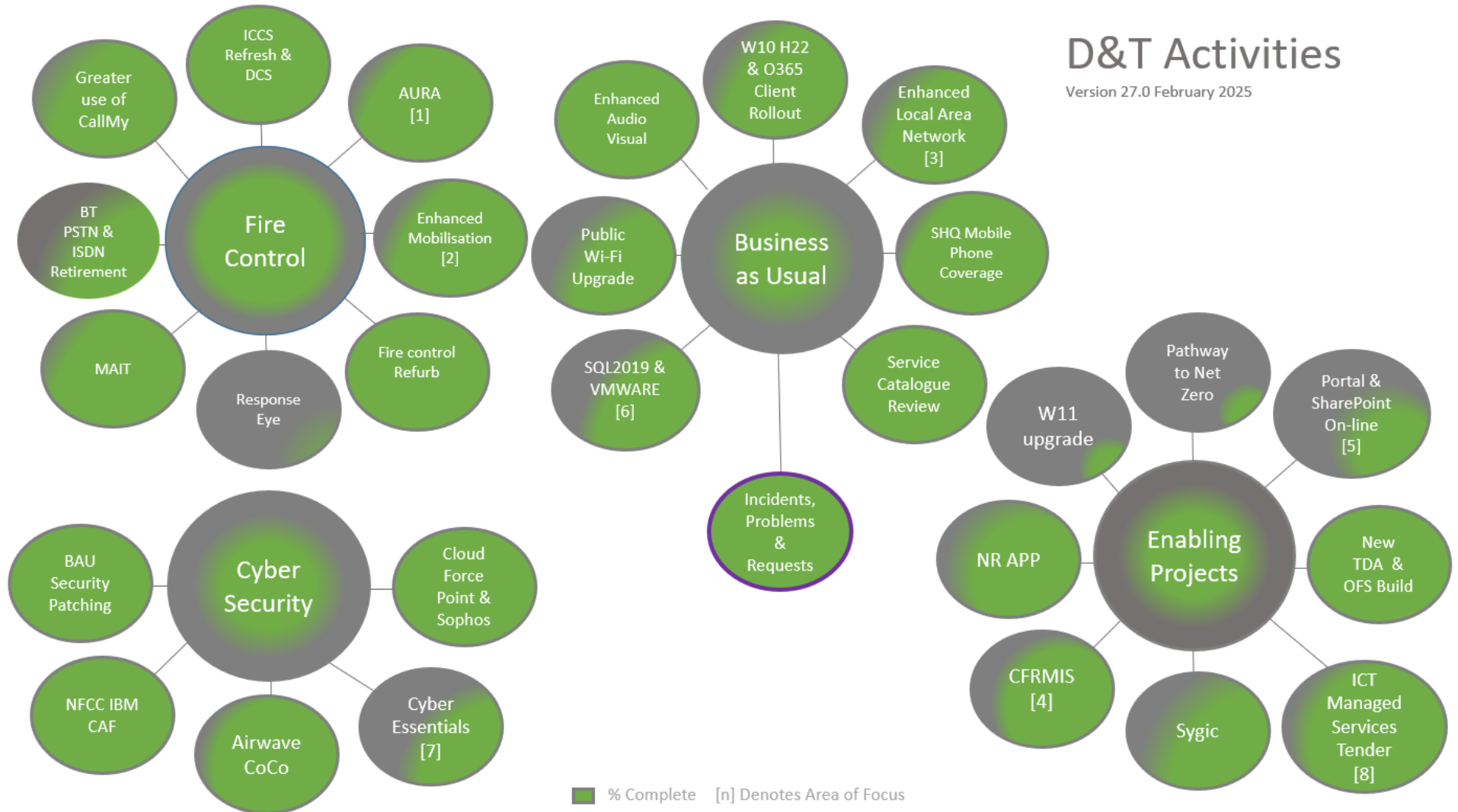
Miscellaneous	Quantity
Smartphones (Samsung)	439
iPhones	12
Non-Smartphones (Alcatel/Nokia)	454
iPads	13
Encrypted USB devices	158
Battery Chargers	117
Projectors (includes Smartboards)	19
Barco Click Share	53
Professional Displays	52
Clevertouch Screen	31
IPTV - Gateways	1
IPTV - Receivers	41
Remote Access Tokens (Celestix)	169
Running Call Phones	24

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Appendix B – Key D&T Projects and Activities

D&T Activities

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Appendix C – 2025/26 to 2029/30 ICT Five Year Capital Plan

ICT Capital Programme 2025/26 to 2029/30

Type of Capital Expenditure	Total Cost £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £
IT002 ICT Software						
Software Licences	10,000	2,000	2,000	2,000	2,000	2,000
MDT Software Solution Refresh	175,000	100,000				75,000
Security Information & Event Mgmt Software (Microsoft Sentinel)	500,000	100,000	100,000	100,000	100,000	100,000
3 Year Antivirus & Filtering Software	300,000	150,000			150,000	
3 Year PRTG Subscription License	15,000			15,000		
3 Year Mitel Software Upgrade	10,000			10,000		
Vision 5 Threat Defence License	47,000		17,000	10,000	10,000	10,000
Microsoft EA Agreement (Servers & Security)	152,500	30,500	30,500	30,500	30,500	30,500
Microsoft EA Agreement (Windows & Office)	1,097,000	219,400	219,400	219,400	219,400	219,400
Microsoft EA Agreement (Application Development)	155,500	31,100	31,100	31,100	31,100	31,100
	2,462,000	633,000	400,000	418,000	543,000	468,000
IT003 ICT Hardware						
Desktops (target 20%)	240,000	48,000	48,000	48,000	48,000	48,000
Laptops/Surface Pros/Tablets/Docking Stations (target 20%)	652,500	170,500	120,500	120,500	120,500	120,500
Monitors & Monitor Arms (target 20%)	70,000	14,000	14,000	14,000	14,000	14,000
Peripherals replacement (target 20%)	15,000	3,000	3,000	3,000	3,000	3,000
Mobile device replacement (target 20%)	61,920	12,360	12,360	12,400	12,400	12,400
Windows 11 Hardware Upgrade	100,000	100,000				
Fire Control & OSR AV Refresh	60,500					60,500
SHQ Conf AV Refresh	215,000					215,000
TDA Conf AV Refresh	250,000					250,000
Station AV Refresh	150,000					150,000
SHQ Offices & TDA AV 5-year refresh	100,000	100,000				
Backup Tape Drive 5-year asset refresh	25,000		25,000			
IPTV 5-year asset refresh	36,800		36,800			
	1,976,720	447,860	259,660	197,900	197,900	873,400
IT005 ICT Servers						
Server/storage replacement (target 20%)	325,000	65,000	65,000	65,000	65,000	65,000
Server/storage growth	56,000		14,000	14,000	14,000	14,000
Mitel Server Upgrade Corporate Telephony	150,000		150,000			
Virtualisation 5 Year Refresh	450,000					450,000
SAN 5 Year Refresh	195,000	195,000				
	1,176,000	260,000	229,000	79,000	79,000	529,000
IT018 ICT Network						
Local Area Network replacement (discrete)						
Network Switches/Router replacement	10,000	2,000	2,000	2,000	2,000	2,000
Network Switches/Routers Growth	25,000	5,000	5,000	5,000	5,000	5,000
Network Data Port Replacement	50,000	10,000	10,000	10,000	10,000	10,000
Mitel IP Telephony Upgrade (inc. Fire Control)	140,000				140,000	
Replacement SIP for FC	50,000	50,000				
MDT Wireless Network Replacement	50,000	50,000				
Public Wi-Fi Replacement	15,000	15,000				
Vesty Road Network Link Refresh	40,000	40,000				
5 Year Core Network Switch/Router upgrade	600,000					600,000
5 Year Secondary Fire Control backup telephony Infrastructure refresh	30,000					30,000
5 Year Wireless Access Points and Wireless Controllers	150,000					150,000
5 Year PSTN replacement asset refresh	125,000		125,000			
	1,285,000	172,000	142,000	17,000	157,000	797,000
IT026 ICT Operational Equipment						
Pagers/Alerters						
Callmy Alert						
Station Equipment Replacement	50,000	10,000	10,000	10,000	10,000	10,000
City Centre Refurbishment	10,000	10,000				
Crosby Refurbishment	10,000		10,000			
Kirkby Refurbishment	35,000	35,000				
MF1 Refurbishment	10,000			10,000		
Toxteth Refurbishment	10,000			10,000		
Wallasey Refurbishment	35,000		35,000			
SHQ Refurbishment	30,000					30,000
5 Yearly Station UPS Replacement	66,000	66,000				
GPS Repeater 5-year asset refresh	55,000			55,000		
Toughpad Asset Refresh - Vehicles	150,000	150,000				
NEW Station End Network Equipment Asset Refresh	140,000	140,000				
ICU existing hardware 5-year asset refresh	20,000		20,000			
MDT (Screen & CPU) Front Line Vehicles asset refresh	210,000	210,000				
	831,000	621,000	75,000	85,000	10,000	40,000

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Appendix C – 2025/26 to 2029/30 ICT Five Year Capital Plan – Continued

Type of Capital Expenditure	Total Cost £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £
IT027 ICT Security						
Remote Access Security FOBS	10,000	2,000	2,000	2,000	2,000	2,000
Celestix 3-year renewal - VPN tokens	60,000		30,000			30,000
Replacement of PiSense Firewalls	100,000	100,000				
	170,000	102,000	32,000	2,000	2,000	32,000
IT058 New Emergency Services Network (ESN)						
ESN Radios / Infrastructure - Estimate	54,300	54,300				
	54,300	54,300				
IT063 Planning Intelligence and Performance System						
PIPS System upgrade	90,000	90,000				
	90,000	90,000				
Other IT Schemes						
IT019 Website Development	40,000	40,000				
IT030 ICT Projects/Upgrades	25,000	5,000	5,000	5,000	5,000	5,000
IT033 Incident Ground Management Software	50,000	50,000				
IT055 Fire Control ICT (Non Vision)	25,000	5,000	5,000	5,000	5,000	5,000
IT059 ESMCP Project Control Room Integration	66,100	66,100				
IT062 Capita Vision 5 Update - ICSS ITHC	50,000	10,000	10,000	10,000	10,000	10,000
IT064 999 Emergency Streaming (999EYE)	40,000	40,000				
IT066 ESN Ready	20,700	20,700				
IT067 DCS Upgrade	226,000					226,000
IT068 TDA Command & Control Suite	350,000					350,000
IT070 OSHENS Renewal/Replacement	50,000	50,000				
IT071 TRANMAN Renewal/Replacement	100,000	100,000				
IT072 Modern Gov Upgrade	30,000	30,000				
IT073 CAD Replacement	1,000,000				1,000,000	
IT074 Data Management Compliance Supporting Software	30,000		30,000			
	2,102,800	416,800	50,000	20,000	1,020,000	596,000
	10,147,820	2,796,960	1,187,660	818,900	2,008,900	3,335,400

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Merseyside Fire and Rescue Authority - Applications Status Update

ITIL Standards

New	Conceived, in planning phase, under construction or newly deployed
Emerging	In production or licenses have been purchased, but in limited use, such as a pilot
Mainstream	In production and actively being used
Containment	In production for a specific or limited purpose
Sunset	In production with scheduled retirement in progress
Prohibited	No longer used

Application Name	Function	Status
IIT Database	Used by IIT to record and report on data relating to incident investigations.	Mainstream
Business Objects	A reporting tool used in Finance.	Mainstream
E-Financials & E-Procurement	Finance, stores and procurement package.	Mainstream
Iken Legal Case Management	Legal case management system includes a library of documents and workflows linked to a central database. Multiple operations and bulk processing are driven from a single input, whilst shared items can be used to store information related to a particular client, matter/case work.	Mainstream
Civica Modern Gov	Committee decisions management system used to manage authority business including ensuring relevant papers are published to members via the MFRA web page.	Mainstream
Resourcelink	Zellis HR and payroll functionality to manage the entire employee lifecycle from recruitment to staff development, succession planning and payroll.	Mainstream

Org Plus	Used by People and Organisational Development to produce organisational charts using the data exported from Resourcelink.	Mainstream
File Director	Scans and organises images of paper documents used in People and Organisational Development.	Mainstream
Civica Tranman	Vehicle Fleet Management System.	Mainstream
Red Kite	Equipment/asset management system. Used on stations to ensure operational equipment is checked regularly and appropriately maintained.	Mainstream
Airbus Hydra	Water management solution that manages data relating to hydrants.	Sunset
Draeger	BA (Breathing Apparatus) testing software.	Mainstream
XVR Simulation	Virtual reality incident command training software for emergency services.	Mainstream
Auto CAD Architecture (Graitec)	CAD (Computer Aided Design) software.	Mainstream
Timewatch PLC – White Space	Training Resource Planner.	Mainstream
SSRI Progress	Captures site specific risk information and presents it to crews via the MDTs.	Sunset
Voyager Fleet	Black box data logger on vehicles.	Mainstream
NEC SWS Vision 5	CAD Computer aided dispatch. This system logs all incoming emergency calls and supports the mobilisation of appropriate resources for incident management. Currently in use within Fire Control.	Mainstream
NEC SWS DS3000	ICCS (Integrated Communications & Control System) partnered to the Vision FX CAD System. This system enables Fire Control to utilise radio and telephony functions to manage incoming 999 calls and communicate with MFRA resources. Currently in use within Fire Control.	Mainstream

NEC SWS Vision 5 BOSS	Management Information: providing senior officers with real time incident information and the organisation with incident history for trend analysis.	Mainstream
AIRBUS Sc-Response	Data Mobilisation: Fire Control mobilise crews to incidents by sending a message to the Mobile Data Terminal (MDT) installed in the Appliance. Crews retrieve risk related information from the MDT. Currently in use within operational vehicles and Fire Control.	Mainstream
Operational Performance System (OPS)	Internally developed SQL based application to allow the detailed recording, monitoring and assessment of fire fighter competencies against national standards for firefighters.	Sunset
Resilience Direct	A replacement service for the National Resilience Extranet that can be built upon to provide additional innovative ways to enhance multi-agency working.	Mainstream
OSHENS	Health & Safety management information system.	Mainstream
Simul8 - Process Evolution	Fire Incident Response Simulator (FIRS). Fire Incident Analyser (FIA). Facility Location Planner (FLP). Used by Strategy and Performance for operational response planning and modelling.	Mainstream
Ximes	Shift pattern modeller.	Mainstream
StARS	TRM (Time and Resource Management) staffing system.	Mainstream
Gazetteer	Aligned Assets Gazetteer Application. Corporate gazetteer in use across the Authority to provide standardised address information and UPRN data to corporate systems and users.	Mainstream
Crystal Reports	Reporting tool used in Strategy and Performance.	Mainstream
IRS (CLG)	Incident Recording System which interfaces, extracts data from Vision.	Mainstream
InPhase - Planning, Intelligence and Performance System (PIPs)	System that streamlines and enhances functionality relating to station plans, business intelligence, performance management, GIS plotting, project and risk management.	Mainstream
Silversands – SharePoint Support	SharePoint Portal is used to provide the corporate intranet and central repository for MFRA core data.	Mainstream

MapInfo GIS	MapInfo is a geographical information system used within Strategy and Performance to display and analyse geo-spatial datasets.	Mainstream
Fueltek	Fuel management system.	Mainstream
HR Solutions Hub – Firefighter Sift Tool	Online assessment and sift tool for firefighter recruitment.	Prohibited
ProContract - Proactis	An online Portal for managing the processes around e-tendering and contracts.	Mainstream
National Resilience Management System (inc. ESS)	A management system used by the National Resilience Assurance Team (NRAT) and the National Coordination Centre (FRSNCC).	Mainstream
Civica CFRMIS (Community Fire Risk Management Information System)	An application used to collect and manage information relating to Protection, Prevention and Preparedness. All information will be stored in a single database and shared between the three functions.	Mainstream
Effective Command – K Lamb Associates	The Effective Command™ tool collates data using three different applications: Training, Incident Monitoring and Formal Assessment.	Mainstream
AURA	An application produced by our internal development team that displays real-time locations and response coverage of MFRS appliances.	New
SQEPtech and Cornerstone LMS	Learning Management System.	New
Airbus ScCapture	Water management solution that manages data relating to hydrants.	New

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Transport Asset Management Plan

2025/2030

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Transport Asset Management Plan

1 Overview

This plan supersedes all previous Transport Asset Management Plans (TAMP) and covers the period 2025/26–2029/30. The plan is updated on an annual basis in conjunction with the 5-year Capital Programme. The TAMP details all information relevant to the management and maintenance of the Merseyside Fire and Rescue Service (MFRS) vehicle fleet.

The Operational Preparedness Functional Plan, Service Delivery Plan and Community Risk Management Plan (CRMP) provide the focus for the annual review of the TAMP, which in turn guides the development of the proposed 5-year vehicle capital programme. Members consider the Capital Programme proposals as part of the Budget and Medium-Term Financial Plan that is approved each year at the Budget Authority meeting.

The Transport Asset Management Plan assists the Service by

- Providing and maintaining a forward looking, progressive and robust transport service, which uses nationally agreed 'best practice' to enhance the current service provision, in turn facilitating improvement and innovation to service delivery.
- Making available all information regarding future intentions within the Transport function available to all areas of MFRS to assist with their future planning.

The objectives of the Transport Function are,

- To support MFRS vision and aims.
- To ensure the most efficient support and use of transport resources,
- To maintain the appropriate levels of operational capability,
- To reduce costs, offer value for money and to maintain a level of flexibility to adjust to the changing demands of MFRS,
- To facilitate the long-term planning of transport assets.
- To make provision for a long term sustainable environmentally friendly solution for the MFRA fleet.
- Compliance with His Majesty's Government's Road to Zero Strategy and the Prime Minister's Ten Point Plan for a Green Industrial Revolution.

As a number of the vehicle assets have a longer asset life than 5 years the Operational Preparedness Directorate maintain a longer-term strategic asset review to ensure the requirements of the organisation are planned for. The strategic asset refresh review will incorporate consideration of new technologies and service developments. The governance of these programmes is through the Operations Board, SLT and the MFRA.

2 [Capital Expenditure](#)

Merseyside Fire and Rescue Authority (MFRA) has a five-year capital programme which supports a 20-year capital forecast.

The capital programme sets out in detail the anticipated expenditure for the current year and the following four years for all committed capital schemes approved by MFRA. The Capital programme is formally approved by the Fire and Rescue Authority on an annual basis.

The capital programme allows for flexibility to assist with any change in circumstances or new innovations.

The purpose of the TAMP is to provide focus as to how assets should be managed and how they support the objectives and priorities of MFRA. The plan is an essential tool in prioritising capital and revenue expenditure on assets to feed into respective capital and revenue plans.

The assessment of transport spending needs is based on several factors including vehicle age, condition, repair and projected maintenance costs plus the additional requirements of service delivery activity. This ensures that resources are targeted in the most effective way.

Where additional transport resources are required, capital and revenue bids are submitted as part of the budget making process annually. Flexibility exists within this process to allow for the introduction of any unplanned requirements that may emerge during the normal process of evaluation and innovation.

Capital bids are evaluated and prioritised and a full scheme appraisal is conducted. Once agreed at Director level the capital and revenue bids are submitted for MFRA consideration of affordability and value for money as part of the financial planning process.

3. [Transport Function](#)

The role of the transport function within MFRA is the provision and maintenance of vehicles and specialist equipment to meet user and stakeholder requirements. This in turn supports MFRA policies and legislative requirements. Whilst doing this, the ongoing promotion of environmental sustainability at a competitive price must be considered.

The transport function provides support to all departments within MFRS in addition to supporting several external agencies, such as ESSAR Oil Refinery and Babcocks at Capenhurst in maintaining their emergency vehicles.

The transport operates an MOT testing station that carries out MOT's on MFRS and private vehicles.

The Transport functions main areas of responsibility are.

- The design and procurement of fleet vehicles,
- Fleet management,
- Fleet maintenance,
- Engineering and technical support,
- Vehicle disposal.

The Design and Procurement of Fleet Vehicles – Detailed specifications are drawn up using an in-house consultation process with the proposed end users to ensure the final specification is fit for purpose. Research and development are carried out in house, a build design is agreed and the subsequent procurement of necessary parts, materials or whole vehicles is carried out in conjunction with the Procurement Team within MFRS. An outline of the process is highlighted below.



Fleet management - the management and upkeep of the MFRS vehicle fleet. This includes the management of.

- Vehicle Maintenance Records
- Vehicle Excise duty
- Registration and licensing
- Fuel
- Availability monitoring
- Incident investigation
- Whole life costs

Fleet maintenance - the repair and maintenance of vehicles and vehicle mounted equipment is undertaken by workshops within the Transport function. Specialist external contractors are engaged to deal with specialist repairs such as major RTC damage and specialist certification. Most repairs, maintenance, conversion or vehicle modification is carried out in house by qualified certificated staff.

Engineering and Technical Support – the transport function is available 24 hours a day, 365 days a year to offer technical support to all departments within MFRS. This support can be verbal advice over the phone or a physical attendance by a member of the team. During normal working hours, faults are reported through the Tranman web portal and if required this is followed up with a telephone call to workshops where the correct response is decided. Out of normal working hours, faults are reported through the Tranman web portal and are followed up with a phone call to Control if the fault is major. Control will then contact the on-call transport manager who will determine the most efficient response. The major consideration is the length of time the vehicle will spend unavailable as this may have a significant impact on operational response. All requests to the function are dealt with within one hour of the initial call and a way forward is to be established within 2 hours. The function also provides the option for a mechanic to attend the operational fire ground to ensure appliance effectiveness and reliability is maintained at the incident should this be deemed necessary by the incident commander. The on-call transport manager will also advise on the locality and availability of spare appliances. This manager is also available to attend any incident that involves an MFRS vehicle.

Vehicle Disposal – the transport manager has responsibility for the disposal of fleet vehicles and their on-board equipment at end of life. Several considerations are taken into account prior to disposal, which are detailed below.

- The disposal of MFRS vehicles can be done in several ways including the use of public and internal auctions for ancillary vehicles. Appliances may be sold to other end users such as other Local Authority Fire and Rescue Services, private Fire and Rescue Services or recognised training establishments.
- When a vehicle is identified as ready for disposal from the MFRS fleet, consideration is made on age, condition and potential value. The Transport Manager will then recommend whether the vehicle is repurposed, scrapped, sold or donated to an overseas charitable organisation.
- The disposal of appliances at end of life has recently come under intense scrutiny. Vehicles which are deemed ready for disposal are done so utilising recommendations laid down by the security agencies and by the NFCC Transport Officers Group.
- The disposal of ancillary vehicles is now done through Brightwells via the Blue Light Commercial National framework.
- If the vehicle identified for disposal has a significant value, an SLT report will be provided and presented by the Director of Operational Preparedness for Governance.

4. [Vehicle Asset Management](#)

Asset management planning is the process used to plan for the acquisition, maintenance and disposal of renewable assets or activities in conjunction with NFCC Fire and Rescue Service best practice and the Driver and Vehicle Standards Agency (DVSA) guidelines.

All vehicular assets are purchased with a minimum of two years' warranty from the chassis manufacturer with an additional two-year warranty on the body and fittings from the body builder/contractor. Most light vehicles procured for the ancillary fleet come with a three-year warranty and carry a three-year roadside assistance package.

Specifications on new appliances and special vehicles are requested to be constructed of a composite body (Plastisol/Polybody). This affords MFRA the option of a second life for the body following refurbishment.

The transport department provides the operational support to the MFRS vehicle fleet. This is for planned and unplanned maintenance. The transport department has the responsibility of ensuring that the fleet is operated within Transport legislation and health and safety regulations. The support provided includes a reporting mechanism to respond to day-to-day unplanned repairs, notifiable defects, planned maintenance requests and advice.

This system provides for out of hours reporting and produces a full audit trail. All vehicle maintenance records are documented electronically along with a hard copy of service sheets. The vehicle renewal frequency is established based on historical information however remains open to change due to operational and economic circumstances. The current fleet has evolved over the years and includes a range of vehicles of a mixed age. History has shown the risk of obsolescence is high with several types of vehicles making them too difficult to maintain due to a lack of available components. (Asset refresh timescales are detailed in Section 6).

The decision to replace vehicles is determined by several factors as detailed previously. For budgetary purposes for the purchase of appliances, it is beneficial to spread the replacement cost over a longer period by replacing in small manageable numbers. Historical evidence has shown that if the vehicles are procured in larger numbers, then the capital replacement costs remain high at each replacement period. Replacing in small batches also allows MFRS to keep pace with new technology and innovations in design and development within the FRS business model.

An additional factor supporting smaller batch replacement of appliances takes into consideration the maintenance programme of these vehicles; large batches of vehicles purchased at the same time, will require servicing, testing or certification within the same timeframe providing avoidable capacity issues for workshops.

With regard to the smaller vehicles and the ancillary fleet, the factors guiding obsolescence and subsequent replacement are not subject to the same drivers. These vehicles tend to be less expensive than their operational counterparts and if replaced at regular pre-determined intervals provide a better residual value.

Organisational service integration - while the vehicle assets are the responsibility of the Transport department, several other departments within MFRS work in conjunction with the department to provide future planning, finance, governance and support.

5. [Vehicle Fleet](#)

The present vehicle fleet is broken down into eight categories for ease of identification,

- Pumping appliances
- Special appliances
- Aerial appliances
- Officer response vehicles
- Blue light ancillary
- Ancillary vehicles
- Marine fleet
- Lease cars
- Grey fleet (Non MFRS vehicles)

[Pumping appliances](#) - Vehicles that comprise of a water storage tank and a firefighting multi-pressure fire pump. These appliances are designed as rescue pumps that carry specialist rescue and cutting equipment.

Pumping appliances are placed into 5 groups to manage the replacement programme, they are, Papa 1, Papa 2, Papa 3, Reserve and Support.

[Special appliances](#) - Vehicles designed for specific or special functions such as demountable pods, water rescue, marine rescue, prime mover hook lifts and crane lorry.

[Aerial appliances](#) - Vehicles that have the capability of elevating a platform or ladder for high-rise rescue or firefighting as a water tower.

[Officer Response Vehicles](#) - These are vehicles used by Flexi Duty officers to respond to incidents under blue light conditions. These vehicles are a mixture of provided and lease vehicles. (See Section 8 for lease vehicles).

[Blue light ancillary](#) - These vehicles are smaller operational response vehicles, such as water support unit, water rescue unit, wildfire vehicle, drone vehicles etc.

[Ancillary vehicles](#) - Vehicles that are not used at operational incidents and are primarily used for other service delivery requirements, support services, detached duties, community risk management and general service transport. This fleet consists mainly of cars and vans.

[Marine Fleet](#) - MFRS Marine fleet consists of two Atlantic 85 ex RNLI rescue boats based on the River Mersey. We also currently have and two Atlantic 75 ex RNLI boats in reserve but these will be phased out over the next year.

Lease Cars - The majority of these cars are for Fire officers and used for response to emergency calls and personal use. There are also a number of cars used by managers in their day-to-day role within the authority. (See Section 8)

Grey Fleet - Vehicles that are privately owned by employees and are used in connection with the employer's business. These come in two categories: - Essential user and Casual user - Essential and Casual car user vehicles are privately owned and are for general business purposes – these categories are not used for emergency response.

Overview of Vehicle Types

Pumping Appliances (UPDATED LIST)

- 33 x Rescue Pumps (Based on 1st of April increase of 2 appliances)
- 1 x Specialist Pump (SRT)
- 1 x MTA appliance
- 7 x Reserve appliances
- 1 x Reserve specialist pump (SRT)
- 8 x TDA appliances
- 1 x Youth Engagement

Special Appliances Operational

- 4 Aerial Appliances
- HRET
- 2 Wildfire Vehicles
- 6 x Prime Movers
- 12 x Demountable pods
- 1 x Crane Lorry
- 1 x LGV Driver Training Vehicle
- 25 x Officer Response Cars
- 4 x IIT Vans
- 1 x Welfare Unit
- 1 x Water Rescue Unit
- 1 x Out of Area Deployment van
- 1 x Canine Unit
- 1 x HVP Support Van
- 2 x Atlantic 85 rescue boats
- 2 x Blue light Minibuses
- 1 x EX IRU ISAR

Ancillary Vehicles

- 21 x Station resilience cars
- 7 x PCV
- 108 cars and vans
- 42 Blue light ancillary vehicles
- 3 x Driver Training vehicles
- 1 x RTC Education van
- 1 x JCB Tele Truck

- 1 x JCB Telehandler
- 1 x Forklift Truck
- 15 x Trailers

Officers Lease Cars

- 23 x Cars

Vehicles identified for disposal

- 2 Appliances
- Ancillary cars and vans
- CSU
- 1 x Occupational Health Mobile Unit
- 28m CPL
- 4x4 vehicle
- Various PODs
- 2 x Atlantic 75 rescue Boats (reserve)

National Resilience Vehicles

- 6 x Prime Movers
- 8 x PODS
- 1 x DIM
- 1 x Toolcat

Reserve Fleet

The reserve fleet of pumping appliances are utilised for scheduled maintenance and non-scheduled repairs to the operational front-line and support appliances. Currently, MFRA maintains its reserve fleet of pumping appliances at 25% - 5 to 1.

We have three fully kitted reserve appliances which are used for scheduled maintenance on the appliance and all its equipment, short term repairs and modification programmes. This allows the downtime of the operational appliance to be kept to a minimum. MFRA have 4 un-kitted reserve appliances that are utilised for medium to long term unscheduled work. This is to ensure suitable and sufficient operational resilience is always available.

If there is an increase or decrease in the number of pumping appliances this ratio should be maintained.

6. [Asset Refresh Programme](#)

The timescales for the MFRS vehicle asset refresh programme is detailed below.

- Papa 1 and Papa 2 Pumping Appliances will be replaced at 10 years. This then creates a roll down process of the refreshed appliances to move to Papa 3, reserve and support appliances positions. This will enable MFRS to achieve a life period for Papa 3 and reserve appliances of no more than 16 years and support appliances of no more than 19 years. This is for the period 2025 -2030,

if there were to be an increase or decrease in fleet size, the replacement programme would need to be altered.

- Special Appliances are replaced after 15 Years.
- SRT appliance to be replaced at 10 years
- Officers Response Cars to be replaced after 5 years
- Blue Light Ancillary Vehicles to be replaced after 10 years.
- Ancillary Vehicles to be replaced between 5 -10 years dependant on use.
- Demountable Pods to be replaced after 20 years

A Long-Term Capability Management Programme has been established and introduced for the replacement of PODs following an extensive POD review process.

The timescales detailed above are accurate for front line use. It is anticipated that on occasion, vehicles may be kept past these dates but will not be used as part of the front-line operational response.

The replacement of ancillary vehicles is not purely based on age; the following factors are taken into consideration prior to the replacement of the vehicles.

- Condition
- Mileage
- Usage
- Reliability
- Corporate image
- Cost effectiveness

Vehicle refresh for 2025/26 include

- 6 B type Appliances
- Various PODs
- Various Cars and Vans
- 7 Flexi-duty officer response Hybrid vehicles.

A detailed breakdown of all vehicle purchases can be seen in the 5-year capital programme. (See Appendix 1)

7. Environmental Considerations

Ongoing practical considerations to reduce the carbon footprint of MFRS have been implemented over recent years. Environmental initiatives currently practiced within the transport and workshops functions are as follows.

- The re-grooving, casing and recycling of tyres.
- The recycling of lead acid batteries.
- The environmental disposal of waste, engine oil, filters and rags.
- The recycling of engine coolant.
- The Recycling of waste metal.
- The recycling of appliances at end of life.

- The recycling and collection of office waste.

All the above initiatives have been captured as part of the current MFRS Environmental Policy.

Vehicle Emissions - the Intergovernmental Panel on Climate Change (IPCC) has identified the following as potentially harmful gases:

- Carbon Monoxide (CO)
- Methane (CH₄)
- Nitrous Oxide (NO)
- Hydro Fluorocarbons (HFC's)
- Sulphur Hexafluoride (SF₆)

The largest global emission by volume is carbon dioxide which originates from the burning of fossil fuels, including the combustion process that occurs in compression ignition or spark ignition motor vehicle engines.

MFRA have been proactive by continuing to purchase vehicles with the latest technology along with compliance with the government guidelines on exhaust emissions.

All vehicles registered after 1st January 2015 within the MFRA fleet must meet Euro 6 emission standards. The appliances purchased over recent years by MFRA have an integrated Euro 6 silencer which contains a full-flow particulate filter which features continuous regeneration and two parallel SCR catalysts with a unique high-precision Adblue dosage system.

The recent replacement of the smaller ancillary vehicles has resulted in a large drop in emissions due the procurement of new vehicles with smaller and more fuel efficient engines.

As part of the fleet decarbonisation process, the Transport department has Introduced 15 Petrol-Hybrid vehicles for use as Flexi-duty blue light response vehicles, replacing the diesel powered fleet vehicles.

New Government Emission Targets.

In 2020, the government set new targets on vehicle emissions for vehicle manufacturers and transport operators to achieve.

Their main aim is to reduce pollutants produced by vehicle emissions and remove the sale of new petrol and diesel engine powered vehicles by 2035. In short, to move to using alternative powered vehicles.

Although the technology is available within the industry, it is mainly at this time used in small cars and vans. Technology to advance the driving range, the life of electric vehicle batteries and the performance of vehicles is improving all the time. These vehicles are however more expensive to purchase at present and charging

infrastructure needs to be implemented before MFRA can move forward with introducing Ultra Low Emission Vehicles (ULEVs) into the fleet.

The estates department have implemented a programme to introduce charging points across many MFRS sites. This will enable the introduction of Plug-In Hybrid electric Vehicles (PHEV) and Battery Electric Vehicles (BEV) within the MFRS ancillary fleet.

Developments are being made in the fire appliance market with two suppliers developing fully electric B type fire appliances. At present, these are expensive in comparison to their diesel equivalents (2-3 times more expensive). The Transport department will continue to monitor the development of these vehicles over the coming year.

The Authority needs to be mindful that continued investment is required to achieve the 2035 targets set out by the Government. Investment is needed in the vehicle capital refresh programme for its ancillary fleet of cars and vans and pumping appliances. Additional investment within the estates department will be needed for the phased implementation of the necessary infrastructure and facilities to charge vehicles at locations across the MFRA estate.

The Transport Manager is to undertake a study with other FRS Transport Managers/Fleet Engineers, to determine the best route for MFRS to take to achieve government targets, looking at: -

- Types of available vehicles and their capabilities
- Price of vehicles, Investigate purchase or lease options
- Maintenance costs
- Whole life costs
- Charging infrastructure
- Government incentives and initiatives
- The transport manager is to consult with the estates manager for the future introduction of electric vehicle charging infrastructure at MFRA sites to coincide with the vehicle fleet refresh programme.

The move to ULEVs is a small part of a wider organisational move to net zero carbon emissions.

C.A.F.S (Compressed Air Foam System)

CAFS, which is utilised to enhance the MFRA firefighting capability has been utilised within the fleet since 2005. This system uses a foam/water/air mixture to produce a firefighting media that reduces the water consumption used during normal firefighting activities. This reduction in water also has the result of reducing the "Runoff" which is an environmental pollutant. Run off consists of the residual water utilised during firefighting operations which enters into the drainage, sewer system or natural water courses.

8. Vehicle Lease Arrangements

MFRS have operated two types of vehicle leasing.

- Senior Officer Vehicles - this scheme allows uniformed senior officers to lease a vehicle for business and private use. These vehicles have to meet a set criteria set out within the relevant Service Instruction. The lease period is over four years and the vehicle is inspected prior to return to the lease company and any damage or excess mileage must be paid for.
- Fleet vehicles (Appliances & Ancillary vehicles) - over the years several fleet vehicles such as appliances and ancillary vehicles (cars & vans) have been procured through an operating lease scheme, this has proved to be expensive compared with outright purchase. Cars and vans procured by outright purchase have proven to be the best value for money option. Ancillary vehicles are purchased through a government framework agreement (Crown Commercial Services, YPO) and are kept for between 5 years and 10 years depending on use. At end of life the vehicles are disposed of through public auction or closed bids from within the Service. This has produced a good resale value and the whole life cost of those vehicles is below that of any lease or long-term hire agreement.
- With the potential introduction of ULEV's into the fleet an analysis of lease, versus outright purchase will be undertaken to determine the most cost-effective route to market for MFRS
- Fire appliances – these have on occasion been procured under an operating lease scheme; this has proven to be an expensive option due to the expectations of the lease company as to their condition on return. Experience has shown that following inspection by the FTA certain repairs, tyre wear and paint conditions have all required renovation at considerable cost. This type of scheme also inhibits the Service in extending the life of the appliance should they wish to do so and under the terms and conditions of an operating lease you cannot purchase the appliance from the lease company

8. Spot Hire

To maintain a fleet of ancillary vehicles that meet the needs of MFRA at all times is both impractical and expensive. There are times when there is a demand for vehicles which exceeds the current fleet size. The most cost-effective method to provide resources during this period is to “Spot Hire”. This involves hiring a vehicle for a short period at short notice. Having engaged with several vehicle hire companies MFRS has two primary vehicle hire companies that provide a low hire rate. The agreement also ensures that the vehicles are delivered to and collected from service premises.

10. Whole Life Costs

The whole life vehicle cost information can be found within the Fleet Management system (Tranman). This captures all costs for servicing and repairs which includes labour, parts, traffic accident damage, insurance, tyres and fuel.

MFRS have replaced fuel pumps at their premises. These systems will allow all fuel usage to be up-loaded into the fleet management system to be included in the vehicles whole life cost.

11. [Benchmarking](#)

Benchmarking is carried out routinely within the Northwest Transport Officers Group of which the MFRA Transport Manager is a standing member. This comprises of key performance indicators on servicing, non-scheduled work, modifications, Traffic Accident damage, whole life costs and research and development within the industry.

12. [Link to Business Continuity Plans](#)

MFRA has a Business continuity plan that is tested periodically throughout the year using different scenarios. ([Link to Transport Business Continuity Plan](#))

As part of our BCP we also have a formal agreement with our colleagues in the Northwest Fire and Rescue services for mutual assistance if they have the availability at the required times.

13. [Audit](#)

Liverpool City Council are commissioned for governance purpose to provide an annual audit for MFRA. During this process, the Transport department is challenged on various sections of the work they carry out during the year. This usually consists of ensuring processes which are part of MFRA policies and procedures, and regulations relating to the transport department are adhered to.

If there are any shortcomings in these processes, then the auditor will make recommendations to remedy them in the final report.

An ongoing internal review is currently taking place to ensure MFRA have the most efficient and sustainable ancillary fleet as possible. Vehicle mileage and trip data will be analysed indicating low use vehicles within the Service. The Transport Management Team are actively looking for opportunity to reduce fleet wherever possible or extend the life of its current fleet vehicles. The Service have an aspiration to reduce ancillary fleet by approximately 10% this year.

A number of options will be considered to meet the vehicle needs of MFRS including the introduction of departmental pool systems and the potential use of casual and essential car users' schemes as an alternative to provided vehicles.

An expansion of the current fleet tracking system will be considered to aid the aspiration of a fleet reduction where possible.

Recommendations will be offered to the Strategic Leadership Team for consideration and endorsement prior to any change implementation or reduction of fleet.

APPENDIX 1

Vehicles Capital Programme 2025/26 to 2029/30

Type of Capital Expenditure	Price Per Unit	Total		2025/26		2026/27		2027/28		2028/29		2029/30	
		Units	Cost £	Units	£	Units	£	Units	£	Units	£	Units	£
VEH002 Ancillary Vehicles	-												
Cars													
Pool Cars - Skoda Fabia	25,050	4	100,200	4	100,200								
Pool Cars - Possible Electric 25/26 Price	25,000	19	475,000	19	475,000								
Pool Cars - Possible Electric 28/29 Price	30,000	6	180,000						6	180,000			
Officer Response: Toyota Corolla Hybrid	25,140												
Officer Response: Toyota Corolla Hybrid	30,000	7	210,000	7	210,000								
Ford Focus Automatic	35,000											1	35,000
People Carrier, 7 seater	40,000											2	80,000
Mini Bus, 17 Seater	60,000											2	120,000
4X4s													
Isuzi	35,000	1	35,000	1	35,000								
Vans													
Master/Transit Panel	36,850	1	36,850	1	36,850								
Ford Transit	38,500	2	77,000	2	77,000								
Panel	38,000	1	38,000	1	38,000								
Panel - RTC reduction	45,000	1	45,000	1	45,000								
Courier	40,000	4	160,000			4	160,000						
Water Rescue Van	50,000	1	50,000	1	50,000								
Operational Equipment Transit	40,000	2	80,000					2	80,000				
Hydrant Transit	40,000	2	80,000					2	80,000				
T&DA Transit	40,000	2	80,000					2	80,000				
Occupational Health Transit	50,000	1	50,000							1	50,000		
Mini Buses													
Fire Service - Blue Light	45,000	1	45,000	1	45,000								

Princes Trust - Disabled Access	44,000	1	44,000	1	44,000								
Princes Trust	36,900	3	110,700	3	110,700								
			2,131,750		1,266,750		160,000		240,000		230,000		235,000
<u>VEH004 Special Vehicles</u>													
Prime Movers Long Term Capability Mment	181,400	2	362,800					2	362,800				
POD Long Term Capability Mment	210,600	1	210,600	1	210,600								
Prime Movers	210,000	2	420,000					2	420,000				
ICU	650,000	1	650,000	1	650,000								
BA Support Unit (POD) - NEW	250,000	1	250,000	1	250,000								
Wildfire Appliance 4x4	75,000	2	150,000	2	150,000								
Curtain Sided Truck (Driving School)	86,000	1	86,000					1	86,000				
Water Rescue Unit	70,400	1	70,400	1	70,400								
Crane Lorry	200,000	1	200,000					1	200,000				
Water Bowser Appliance	275,000	1	275,000					1	275,000				
Welfare Vehicle	90,000	1										1	90,000
Fork Lift Truck	75,000	1										1	75,000
Youth Engagement Vehicle	100,000	1										1	100,000
			2,939,800		1,331,000				1,343,800				265,000
<u>VEH010 Marine Rescue Vessels</u>													
RNLI Class 75 Rib Boats (Equipment)	200,000	2	445,300		15,100		15,100		15,100	2	400,000		
			445,300		15,100		15,100		15,100		400,000		
<u>VEH001 Fire Appliances</u>													
2024/25 Price - CRMP	290,000	3	870,000	3	870,000								
2025/26 Price - CRMP	296,000	3	888,000	3	888,000								
NEW Electric Fire Appliances	900,000	1	900,000			1	900,000						
2026/27 Price	302,000	3	906,000			3	906,000						
2027/28 Price	320,000	3	960,000					3	960,000				
2029/30 Price	350,000	6	2,100,000									6	2,100,000
			6,624,000		1,758,000		1,806,000		960,000				2,100,000
<u>WOR001 Workshop Equipment</u>													
Machine Shop Equipment			50,000								50,000		
Workshop Equipment			10,000								10,000		
Workshop Equip Somers vehicle Lift.	25,000	1	25,000					1	25,000				
HGV Brake Tester	40,000	1	40,000					1	40,000				

2 Post Vehicle Lift	20,000	2								2	40,000
4 Post Vehicle Lift	20,000	2	40,000			2	40,000				
			205,000				40,000	65,000	60,000		40,000
			12,345,850	4,370,850	2,021,100	2,623,900	690,000	2,640,000			

MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	BUDGET AUTHORITY		
DATE:	27 FEBRUARY 2025	REPORT NO:	CFO/87/25
PRESENTING OFFICER	MONITORING OFFICER, RIA GROVES		
RESPONSIBLE OFFICER:	DIRECTOR OF FINANCE AND PROCUREMENT, MIKE REA	REPORT AUTHOR:	HEAD OF PROCUREMENT, HYWYN PRITCHARD
OFFICERS CONSULTED:	CHIEF FIRE OFFICER PHIL GARRIGAN STRATEGIC LEADERSHIP TEAM		
TITLE OF REPORT:	REVISION OF CONTRACT STANDING ORDERS		

APPENDICES:	APPENDIX A: UPDATED CONTRACT STANDING ORDERS APPENDIX B: CONSTITUTION
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Purpose of Report

1. To inform Members that new procurement legislation namely the Procurement Act 2023 (the Act), comes into effect on the 24th of February 2025, that requires amendment to the Authority’s constitution within the Contract Standing Orders (CSOs).

Recommendations

2. It is recommended that:
 - a. Members note the enactment of the new legislation, the Procurement Act 2023 has come into force and;
 - b. approve the amendments to the constitution incorporating the proposed Contract Standing Orders in appendix A

Introduction and Background

3. The Authority must have a written document to reflect the agreed standing orders detailing the procedures of how the Authority governs and operates. The Authority has a constitution which includes the procedural rules for governance, Scheme of Delegation, Financial Regulations and Contract Standing Orders. The constitution is a living document that will be amended as necessary in order for the Authority to continue to govern in a transparent, legally compliant and accountable manner.
4. At the AGM on the 13th June 2024 Members approved the constitution as contained in Appendix B which included the Contract Standing Order’s including

the procuring of goods, services and or works which reflected the legal requirements of the Procurement Contracts Regulations 2015.

5. Previously the legislation in respect of public procurement within the UK was largely underpinned from EU directives, including the Procurement Contracts Regulations 2015. As a result of the UK's exit from Europe, following the EU referendum, the Government believed it was an opportunity to streamline the process for public procurement.
6. Therefore, the Procurement Act 2023 was drafted to reinvigorate the process of public procurement including the addition of procurement objectives, conflicts of interest and transitional requirements. The Procurement Act is to take effect from the 24th February 2025.
7. Public procurement must promote good governance, sound management of public money, and a professional relationship between contracting authority and supplier, by for example managing conflicts of interest.
8. The procurement objectives under the Procurement Act 2023 are to deliver value for money, maximise public benefit, share information for the purpose of allowing suppliers to understand the authority's procurement policies and decisions and act and be seen to act with integrity. The Authority should have regard to the importance of adhering to the objectives when undertaking its procurement activities.
9. The new legislation also allows for greater transparency to the public with the Authority expected to publish more notices throughout the lifespan of a procurement process and throughout the lifecycle of a contract. The publishing of notices will be issued via a new user friendly central digital platform which will have greater accessibility for both contracting authorities and suppliers.
10. The Procurement Act 2023 and relevant regulations to be made under the Act strengthens the ability to exclude suppliers from procurements who are unfit to deliver public contracts, for example because of past misconduct, corruption or poor performance. This will provide greater protection for the Authority from suppliers who pose a risk to contract delivery.
11. The Procurement Act 2023 and relevant regulations to be made under the Act offer greater freedoms and flexibilities to design procurement processes which allows contracting authorities to undertake procurement activities that are fit for purpose to meet organisational needs, as well as local and national objectives.
12. The Authority is under an express duty to take reasonable steps to identify, and keep under review, any actual or potential conflicts of interest and to mitigate the effect of a conflict of interest by taking reasonable steps to avoid putting a supplier at an unfair advantage or disadvantage.
13. Where a conflict of interest puts a supplier at an unfair advantage in relation to the award and either this cannot be avoided or the supplier refuses to take steps

necessary to avoid the advantage, the Authority has the power to (and must act accordingly) to treat the supplier as an excluded supplier.

14. A conflict of interest exists if either a person acting for or on behalf of the contracting authority acting in relation to a procurement, or a relevant Minister acting in relation to the procurement, has a conflict of interest. An interest may be a personal, professional or financial interest and may be direct or indirect.
15. Before publishing a tender notice or transparency notice (or establishing a dynamic market), the Authority must prepare a conflicts assessment. This must include details of:
 - Conflicts or potential conflicts of interest identified.
 - Any steps the authority has taken or will take to mitigate such conflicts.
16. The additional requirements of the Authority in managing conflicts of interest compliment the requirements already expected of Authority staff in compliance with the Decalrations of Interests Service Instruction.
17. There is an introduction of a new statutory requirement for contracting authorities to "have regard" to any published national procurement policy statement which reflects the ongoing commitment to any changes the Authority may need to make and the fact the constitution will remain a living document.
18. It needs to be borne in mind that the changes are not wholesale in as much as the previous regulations remain in effect for existing contracts. Also, any new call-off contracts that are procured under any framework agreement concluded prior to the 23rd of February are not in scope of the Procurement Act 2023.
19. There will also be a greater emphasis on contract performance under the legislation with all contract authorities to set and publicly report on a minimum of three KPIs for larger contracts valued at over £5million.
20. There has also been a change in thresholds previously applied which are detailed below and within the Contract Standing Orders in Appendix A.

21. Current Thresholds

Contract Value Band	Requirement
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Goods, Services and Works

<p style="text-align: center;">Under £11,999</p>	<p>Works, Goods and Services (with the exception of public utility services i.e. gas, electric and periodical payments) maybe procured using an official order. Officers are responsible for ensuring that value for money is achieved.</p>
<p style="text-align: center;">£12,000 - £49,999</p>	<p>At least two identifiable quotes must be obtained either in written or electronic</p>

Goods & Services

<p style="text-align: center;">£50,000 - £177,897</p>	<p>Procurement involvement is required, and a tendering procedure must be followed.</p>
<p style="text-align: center;">Over £177,897</p>	<p>Compliant with Procurement Regulations. (See Procurement Policy Note 10/21)</p>

For Works

<p style="text-align: center;">£50,000 - £4,447,447</p>	<p>Procurement involvement is required, and a tendering procedure must be followed.</p>
<p style="text-align: center;">Over £4,447,447</p>	<p>Compliant with Procurement Regulations. (See Procurement Policy Note 10/21)</p>

22. New Thresholds

Contract Value Band	Requirement	Procurement Type	Method to communicate the opportunity
£1 - £24,999.99	Minimum one written quote	Unregulated	No requirement to use the Procurement Portal
£25,000 - £74,999.99	Minimum three quotes	Regulated Below threshold	Procurement Portal and Find a Tender Service
£75,000 - the PA Threshold 177,897.50	Open Tender	Regulated Below threshold	Procurement Portal and Find a Tender Service
Above the PA Threshold	Open Procedure or the Competitive Flexible Procedure	Regulated Procurement	Procurement Portal and Find a Tender Service

23. Following the enactment of the Procurement Act 2023 the Authority's own Contract Standing Orders, contained within the Authority's Constitution have been amended to comply with the legislation. It is proposed the Contract Standing Orders are amended in full as detailed in Appendix A.
24. The proposed Contract Standing Orders in Appendix A are to be included and replace the current version of the Contract Standing Orders within the Authority's constitution as contained in Appendix B.

Equality and Diversity Implications

25. No EIA has been completed as the paper describes a change in legislation. However as there is a far greater requirement to publish notices there will inherently be greater transparency and consequently more accountability under new legislation.
26. The Procurement Act 2023 makes reference to equal treatment of suppliers in section 12 of Part 2, Principles and Objectives.

Staff Implications

27. As referenced within the main body of the report there will be an increased workload for the Procurement Team in respect of publishing notices.
28. Awareness of pre-procurement activity by officers will be raised as to the amendments of the Contract Standing orders to avoid potential challenges to any future competitive exercise including additional scrutiny as to the process in engaging and evaluating quotations.

Legal Implications

29. Having Contract Standing Orders (is a requirement of the Local Government Act 1972. Revising these CSOs aligns the Authority with current legislation.
30. Procurements (and resulting contracts) started on or after 24 February 2025 must comply with the procurement Act 2023 and therefore the new contract standing orders, except for the provisions relating to publication of payments compliance notices and other payments and contract performance information which will be brought into force at a later date.
31. Procurements (and resulting contracts) started before 24 February 2025 (including resulting contracts and modifications to those contracts) continue to be regulated by the previous procurement regime.

Financial Implications & Value for Money

32. Value for Money would be delivered by maintaining legislative compliance i.e. the Authority conducts its procurement activity in a regular and timely manner.

Risk Management and Health & Safety Implications

33. Adopting the updated constitution and the following the new Procurement Regulations would be risk mitigating actions.

Environmental Implications

34. The legislation contains a discretionary exclusion ground for any supplier or convicted of an offence that has caused significant harm to the environment.

Contribution to Our Vision: *To be the best Fire & Rescue Service in the UK.*

Our Purpose: *Here to serve, Here to protect, Here to keep you safe.*

35. The completion of robust CSOs shows the Authority to be diligent and conscientious contract authority.
36. The reputation of the Authority is maintained as a trusted partner in our Community and by our stakeholders and partners including those such as the Home Office in particular with our links to National Resilience.

BACKGROUND PAPERS

Constitution 2024/25

GLOSSARY OF TERMS

MFRA Merseyside **F**ire and **R**escue **A**uthority

MFRS Merseyside **F**ire and **R**escue **S**ervice

CSO Contract **S**tanding **O**der

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CONTRACT STANDING ORDERS

1 Introduction

- 1.1 These Contract Standing Orders (“the CSOs”) are made further to Section 135 of the Local Government Act 1972. The CSOs represent the Authority’s own procurement rules, which shall govern the letting of certain contracts and which are mandatory for all officers and members of the Authority (unless waived in the limited circumstances set out in paragraph 17) and form part of the Authority’s constitution.
- 1.2 The Rules apply to procurements which are to be commenced on or after 24th February 2025. Procurements commenced before that date shall continue to be governed by the requirements of the Public Contracts Regulations 2015, including the award of a call-off contract from a framework, where the procurement for the framework commenced before that date.
- 1.3 These CSOs are intended to promote good procurement practice, and demonstrate public accountability.
- 1.4 The CSOs should be read in conjunction with both the Financial Regulations and the Scheme of Delegation.
- 1.5 All Relevant Contracts must comply with these CSOs. A Relevant Contract is any arrangement made by, or on behalf of, the Authority for construction works, for the provision of services or for the supply of goods. These include arrangements for:
 - 1.5.1 the appointment of agents e.g. for estates or for the recruitment of staff
 - 1.5.2 utilities
- 1.6 Relevant Contracts do not include contracts of employment which make an individual a direct employee of the authority, land transaction agreements nor legal services for the purpose of litigation.
- 1.7 Regulated Procurements covers the letting of contracts above set thresholds governed by the Procurement Act 2023 (“PA”) and the Procurement Regulations 2024 (“PR”). Compliance with the PA and PR is a strict legal requirement upon the Authority, and it is not open to the Authority to waive compliance for such Regulated Procurement. Regulated Below Threshold Procurements cover those procurements above £25,000 ((£30,000 including VAT) with a limited form of regulation, including a prohibition from restricting submission of tenders by reference to a supplier’s suitability to perform the contract and a requirement to publish a notification. Unregulated Procurement covers contracts of a value below £25,000 (£30,000 including VAT) which are not covered by the PA.

2 Governance

- 2.1 Procurement is the process by which the Authority lawfully purchases goods, services and works, following a decision to procure such services from an external source. This decision is frequently referred to as the make or buy decision.
- 2.2 All officers and members involved in procurement activity must comply with these Rules, together with the Authority's Financial Regulations, the Employees Code of Conduct, Members' Code of Conduct, all Authority policies and guidance. Particular care should be taken to comply with the requirement of officers and members to declare interests.
- 2.3 Before undertaking any Procurement, the Authority must take all reasonable steps to identify, and keep under review, any conflicts of interest or potential conflicts of interest. The Authority must take all reasonable steps to ensure that a conflict of interest does not put a supplier at an unfair advantage or disadvantage in the procurement. Before publishing a tender notice, the Authority must also prepare a conflicts assessment in relation to the procurement. This conflicts assessment must include details of any conflicts or potential conflicts of interest identified by the Authority and any steps the Authority has taken or will take to mitigate them. This conflicts assessment must be kept under review and revised as necessary during a procurement.
- 2.4 The contract management of contracts for goods, services or works and goods is the responsibility of the Authority's various directorates.
- 2.5 Officers must:
 - 2.5.1 when necessary, seek and duly consider all necessary legal, financial and procurement professional advice.
 - 2.5.2 ensure they fully understand and comply with all aspects of these CSOs as failure to do so may result in disciplinary action,
 - 2.5.3 have the budget and correct authorisation to procure and award the contract before proceeding,
 - 2.5.4 ensure that contracts for which they are responsible are managed,
 - 2.5.5 keep a record of decisions made in connection with the procurement,
 - 2.5.6 ensure that any agents, consultants or contractual partners acting on their behalf also comply with the Authority's CSOs.
 - 2.5.7 provide suppliers with an official purchase order as generated by the finance system having a unique number,
 - 2.5.8 not place any order in advance of the official order. either verbally (e.g. by telephone) or in writing (e.g. by email)

3 Procurement principles

- 3.1 The Authority must have regard to the National Procurement Policy Statement (NPPS), issued by the government and which may be amended from time to time. The NPPS sets out a number of important obligations upon the Authority for procurement including:
 - 2.1.1 priority to achieving value for money,
 - 2.1.2 due consideration for the inclusion of social value objectives; and
 - 2.1.3 providing a level playing field for small and medium enterprises (SMEs), voluntary, community and social enterprise (VCSE) and start-ups.
- 3.2 The PA sets the following objectives for procurement of contracts:
 - 3.2.1 delivering value for money
 - 3.2.2 maximising public benefit
 - 3.2.3 sharing information for the purpose of allowing suppliers and others to understand the authority's procurement policies and decisions; and
 - 3.2.4 acting, and being seen to act, with integrity.

4 Procurement Thresholds

- 4.1 Contracts shall be procured in accordance with the CSOs, following the processes set out, dependent upon the value of the contract (and whether an eligible Framework or a Dynamic Market exists and, exceptionally, where justification exists for a direct award of contract without competition). Each of the different processes are set out in the following paragraphs.

Table 1 - Thresholds

Contract Value Band	Requirement	Procurement Type	Method to communicate the opportunity
£1 - £24,999.99	Minimum one written quote	Unregulated	No requirement to use the Procurement Portal
£25,000 ¹ - £74,999.99	Minimum three quotes	Regulated Below threshold	Procurement Portal and Find a Tender Service
£75,000 - the PA Threshold (£177,897.50) ²	Open Tender	Regulated Below threshold	Procurement Portal and Find a Tender Service
Above the PA Threshold	Open Procedure or the Competitive Flexible Procedure	Regulated Procurement	Procurement Portal and Find a Tender Service

- 4.2 The award of a contract the value of which exceeds £300,000 must be approved by the Authority .
- 4.3 For Regulated Procurement, the Government from time to time sets the relevant thresholds above which it is legally required to carry out a compliant competitive tendering procedure, in accordance with the PA, unless a justification applies for a direct award of contract.
- 4.4 The Authority must not split contracts in such a way as to deliberately avoid exceeding the relevant PA threshold or any lower threshold to which these CSOs apply. Officers must estimate the anticipated value by reference to all known relevant information at the time the procurement would commence.
- 4.5 For service contracts, the total/aggregate value of the contract shall be determined over its entire term, and this value shall be the figure taken into account for the purpose of assessing whether the anticipated value is above a relevant threshold (and not the annual value). It is not necessary to apply any inflationary or discounting assumptions to the aggregate value.

¹ This figure when VAT is taken into account is £30,000, which is the same as VAT inclusive threshold in the PA at which Regulated Below Threshold Contracts are notifiable.

² The PA Threshold is VAT inclusive and is currently £213,477 for goods and services and £5,336,937 for works. Because the Authority reclaims VAT, the Authority's actual expenditure at which the PA threshold applies i.e. the net expenditure is £177,897.50 and £4,447,475 respectively.

- 4.6 To determine the Procurement Type, the Authority has to estimate the contract value. In particular, officers must include within their valuation all options, extensions or renewals of term and all fees, prizes, premiums, commissions or interests which could be payable under the contract.
- 4.7 Where the value of the contract is indeterminate, the Authority must assume that the threshold for the purpose of the PA is exceeded.
- 4.8 Whilst it is not compulsory to aggregate the values of two or more similar contracts, when determining the estimate of value, the Authority shall take a view as to whether the requirement could be reasonably supplied under a single contract.

5 Contracts awarded under frameworks

- 5.1 The Authority may award a public contract or a regulated below threshold contract that is covered by a framework which the Authority has concluded, or which another Contracting Authority has concluded and which the Authority is permitted to use. Such contracts are also known as Call-Off Contracts.
- 5.2 Any Call-Off Contract must be signed by all parties no later than the last date of the enabling framework.
- 5.3 Any decision to award a Call-Off Contract from a framework shall be taken in accordance with the terms and conditions of the relevant framework.

6 Pre-Procurement

- 6.1 In each financial year the Authority shall publish a pipeline notice setting out information as required by the PR relating to the Regulated Procurements with an estimated value of £2m or more which the Authority intends to enter into in the following financial year. Such notice shall be published by 26 May in each financial year.
- 6.2 Before publishing a tender notice for a Regulated Procurement, the Authority shall consider whether to publish a Planned Procurement Notice setting out its intention to carry out a Regulated Procurement. The Authority shall, if practicable, issue the Planned Procurement Notice at least 40 days prior to the tender notice, in order to give the ability if required to utilise reduced tendering periods in the procurement itself.
- 6.3 Before publishing a tender notice for a Regulated Procurement, the Authority shall consider whether to undertake preliminary market engagement. Where the Authority undertakes preliminary market engagement, it shall, unless it has good reason not to, publish a preliminary market engagement notice. Should it choose not to publish such a notice, it must provide the reasons for conducting such engagement without a preliminary market engagement notice in the tender notice itself. Officers must ensure that any preliminary

market engagement is carried out in a manner which does not put any suppliers at an unfair advantage, or which otherwise distorts competition.

- 6.4 If an officer is concerned that a supplier's participation in any preliminary market engagement has put it at an unfair advantage or otherwise distorts competition, they must seek the advice as to whether to exclude such supplier from the tendering procedure.
- 6.5 The Authority may undertake preliminary market engagement for any Unregulated Procurement in such manner as it deems appropriate, provided such engagement does not put any supplier at an unfair advantage or otherwise distort competition.
- 6.6 Before commencing a Regulated Procurement, the Authority shall consider whether the requirement could reasonably be supplied under more than one contract and whether such contracts could appropriately be awarded by reference to Lots. Officers shall seek guidance as to whether their requirements can be met in this way. Where the Authority concludes not to procure by reference to Lots, it must record its reason for not doing so in the Tender Notice.

7 Regulated Procurement - Tenders

- 7.1 Regulated Procurement shall be undertaken in a way which is fully compliant with the PA and the PR. If officers are unsure as to any matter regarding the procurement, they must seek advice.
- 7.2 The scope of this section covers all of the Authority's above PA threshold requirements, except where the contract is awarded under a Framework or a Dynamic Market or a justification exists for a Direct Award.
- 7.3 Regulated Procurements shall be conducted applying either the Open Procedure or the Competitive Flexible Procedure. A decision to follow the Competitive Flexible Procedure shall be made only after consultation with the Procurement Team.
- 7.4 All tender opportunities must be commenced by the publication of a tender notice and be placed on the Procurement Portal and the UK E-notification service. In the case of a Competitive Flexible Procedure, the tender notice shall either invite suppliers to submit a request to participate in the process or invite suppliers to submit their first or only tender as part of the procedure. Officers shall seek the advice of the Procurement Team as to which of the forms of tender shall be used in those circumstances.
- 7.5 No tender opportunity shall be placed on the Procurement Portal and the UK E-notification service until the Authority has prepared a specification for the goods, works or services, the conditions of contract, the conditions of participation and the invitation to tender (Open Procedure) or participate in the Competitive Flexible Procedure.

- 7.6 Each invitation to tender or participate shall contain the following information:-
- 7.6.1 A statement of the validity of a submitted tender (which shall not be less than 90 days);
 - 7.6.2 An anti-collusion certificate;
 - 7.6.3 A form of tender;
 - 7.6.4 The evaluation criteria, the weighting to be applied to such criteria and the scoring methodology for assessing the evaluation;
 - 7.6.5 In the case of a competitive flexible procedure a statement as to whether the procedure will be conducted in successive stages and if so whether the Authority intends to refine the evaluation criteria and/or the weightings;
 - 7.6.6 A statement as to whether a parent company guarantee, a performance bond or other security is required from the suppliers;
 - 7.6.7 A statement that the Authority is not bound to accept any tender; and
 - 7.6.8 Notification that tenders are submitted at the bidder's expense.
- 7.7 Clarification questions relating to the procurement may be asked by bidders up to 6 days prior to the tender submission deadline. The Authority shall respond to all clarifications as soon as reasonably possible and no later than 4 days prior to the tender submission deadline. All responses to clarification questions shall be provided to all bidders, unless the bidder requesting the clarification has indicated that the question is confidential. Where a bidder has indicated that a question is confidential, the officers shall seek confirmation from the Procurement Team as to whether it is agreed that the information is confidential. If the Authority agrees, the response shall be sent to the bidder who submitted the clarification question only. If the Authority disagrees, the bidder which submitted the question shall be given the opportunity to withdraw the question. If the question is not withdrawn, the response shall be provided to all bidders.
- 7.8 All communication with bidders in an Open Procedure shall be conducted through the Procurement Portal. Officers and members shall make no direct contact in person, telephone or email with suppliers under any circumstances.
- 7.9 All communication with bidders in a Competitive Flexible Procedure shall be conducted through the portal, except to the extent that the Authority has determined the formal structure of the procedure to include face to face or online meetings.
- 7.10 No post-tender clarification shall be undertaken in an Open Procedure except with the agreement of the Head of Procurement.
- 7.11 Post tender clarification may be undertaken in a Competitive Flexible Procedure provided it has been allowed for as part of the procedure or is authorised by the Head of Procurement.

- 7.12 Post-tender negotiations are not permitted in an Open Procedure. Negotiations may be undertaken at any stage in a Competitive Flexible Procedure, provided that they have been allowed for as part of the procedure. However, even where such negotiations have been allowed for in the procurement as part of the outlined procedure, they shall not be undertaken without the presence of the Procurement Team.

8 Regulated Procurement – Conditions of Participation and Exclusion of suppliers

- 8.1 It is not a requirement of the PA to set Conditions of Participation, which assess a potential supplier's legal and financial and technical ability to carry out the contract. However, the Authority ordinarily will set Conditions of Participation to ensure that a potential supplier has the requisite capacity and technical ability to perform the contract. The approval of the Head of Procurement will be required to proceed with a procurement without the Authority setting Conditions of Participation as part of the procedure. Where Conditions of Participation are required, the PA does not prescribe the means of proof relating to these conditions, but any conditions set must be a proportionate means of ensuring suppliers have the relevant capacity or ability, having regard to the nature, cost and complexity of the contract. The Authority may not request information, as a Condition of Participation, which is expressly prohibited by section 22(4) of the PA.
- 8.2 The Authority may exclude a supplier from participating or progressing in a competitive tendering procedure when the supplier has not satisfied the Conditions of Participation.
- 8.3 The Authority shall disregard any tender from a supplier that is an Excluded Supplier. An Excluded Supplier is defined within the PA.
- 8.4 Before conducting the evaluation of an Open Procedure tender, the Authority shall consider whether the supplier is an Excludable Supplier.
- 8.5 Where the Authority receives a tender from an Excludable Supplier, it shall consider whether it shall allow or disregard that tender. No decision to allow or exclude an Excludable Supplier shall be taken without the agreement of the Head of Procurement.
- 8.6 As part of every tendering procedure, the Authority shall request information about whether a supplier is intending to subcontract any part of the performance of the contract and shall request that such information as is deemed necessary to determine whether the subcontractor is an Excluded Supplier or an Excludable Supplier.
- 8.7 Where a proposed subcontractor is an Excluded Supplier, the Authority shall exclude the supplier from the procurement.

- 8.8 Where a proposed subcontractor is an Excludable Supplier, the Authority shall treat the supplier as an Excludable Supplier and determine whether to exclude the supplier from the procurement in accordance with paragraph 8.3.
- 8.9 Where the Authority determines to exclude the supplier in the circumstances set out in paragraph 8.6, it shall notify the supplier of its intention and give the supplier a reasonable opportunity to find an alternative subcontractor.
- 8.10 The Authority shall exclude a supplier if it acts improperly, and its behaviour puts it at an unfair advantage in relation to the award. A supplier is deemed to have acted improperly where it:-
- 8.10.1 fails to provide information requested by the Authority,
 - 8.10.2 provides incomplete, inaccurate or misleading information.
 - 8.10.3 accesses the Authority's confidential information; or
 - 8.10.4 unduly influences the Authority's decision making in relation to any contract.
- 8.11 Where the Authority excludes a supplier, it shall notify the Cabinet Office.
- 8.12 The Authority shall exclude a supplier which is on the Debarment List or is an Associated Person of a supplier on the Debarment List.

9 Regulated Procurement - Evaluation and Award

- 9.1 The Authority shall award a public contract to the most advantageous tender which satisfies the Authority's requirements, and which best satisfies the award criteria.
- 9.2 The award criteria must:
- 9.2.1 relate to the subject matter of the contract (as defined in paragraph 9.3)
 - 9.2.2 be sufficiently clear, measurable and specific,
 - 9.2.3 satisfy the PA requirements relating to technical specifications of contracts; and
 - 9.2.4 be a proportionate means of assessing tenders, having regard to the nature, complexity and cost of the contract.
- 9.3 The subject matter of the contract shall include the following factors:
- 9.3.1 goods, services and works to be provided by the supplier including and in respect of any aspect of their production, trading or other stage in their life cycle,
 - 9.3.2 how or when the goods, services or works are to be supplied,
 - 9.3.3 qualifications, experience, ability, management or organisation of staff where such factors are likely to make a material difference to the quality of the goods, services or works to be supplied,

- 9.3.4 price, other costs which the Authority may incur as a result of acceptance of a particular tender and value for money,
 - 9.3.5 any social value requirement and
 - 9.3.6 length of contract.
- 9.4 Criteria other than those set out in paragraph 9.3 shall not be included except with the agreement of the Head of Procurement. The exclusion of any of the criteria set out in paragraph 8.3 shall also require the agreement of the Head of Procurement.
- 9.5 In the evaluation of Light Touch Contracts, the Authority may also take into account the proximity of the supplier and the views of users of the services and different needs of different service users. Officers shall obtain the agreement of the Head of Procurement to the use of any such evaluation criteria or methodology.
- 9.6 The award criteria shall be given a weighting representing a percentage of the total importance in accordance with the contract's value and associated risk.
- 9.7 The Authority may, in Competitive Flexible Procedures refine the award criteria and/or the weighting, provided that it has given notice of its intention to do so in the tender notice or the tender documents. Any decision to refine shall require the agreement of the Head of Procurement and the application of any refinement to the criteria or weighting to a procedure shall only be carried out after consultation with the Head of Procurement.
- 9.8 If the Authority considers the price offered in a tender to be abnormally low, it may disregard that tender but must first give the supplier a reasonable opportunity to demonstrate that it will be able to perform the contract for the price offered. Advice must be taken from the Head of Procurement before taking any action with regard to what may be considered to be an abnormally low tender.

10 Contracts awarded under Dynamic Markets

- 10.1 The Authority may establish arrangements for the purposes of awarding public contracts known as a Dynamic Market by submitting a Dynamic Market Notice to the UK E-notification service and the Procurement Portal.
- 10.2 In establishing a Dynamic Market, the Authority shall set conditions for participation relating to the legal and financial capacity to perform contracts to be awarded by reference to membership of the Dynamic Market and which have the technical ability to perform the contract. Such conditions shall be proportionate to the requirements, having regard to the nature, complexity and cost of the contract to be awarded.
- 10.3 To award a public contract under a Dynamic Market, the Authority must utilise the Competitive Flexible Procedure.

- 10.4 If a tender is submitted by a supplier which is not a member of the Dynamic Market, the Authority shall exclude such supplier and disregard the tender unless the supplier has made an application for membership of the Dynamic Market and the Authority has accepted the application.
- 10.5 If, due to exceptional circumstances arising from the complexity of the particular procurement, the Authority is unable to assess an application to be admitted to the Dynamic Market prior to the deadline for submitting a request to participate in the procedure (or where no such invitation has been made, the deadline from receipt of initial tenders) the Authority shall not exclude the supplier or disregard the tender.

11 Purchasing from a Centralised Procurement Authority

- 11.1 The Authority may purchase goods, services or works from a Centralised Procurement Authority without the need for additional competition.
- 11.2 For the avoidance of doubt, a purchase from a Centralised Procurement Authority is not the same as a procurement from a framework which a Centralised Procurement Authority has set up, which must observe the requirements of paragraph 5.

12 Collaborative procurement

- 12.1 The Authority may collaborate with other Contracting Authorities to jointly procure contracts for each of them or a joint contract to be entered into together.
- 12.2 A contract between the Authority and an entity which the Authority controls (either individually or jointly with another Contracting Authority) (known colloquially as a Teckal company) shall be exempted from these rules, except to the extent covered in this Paragraph 12.
- 12.3 “Control” of an entity for the purposes of Paragraph 12.2 means that the Authority exercises a decisive influence over the activities of the person and more than 80% of the activities of the entity are carried out for the Authority.
- 12.4 This exemption shall not apply to contracts with an entity which the Authority jointly controls with another person which is not also a Contracting Authority.
- 12.5 A contract or other arrangement between the Authority and another Contracting Authority shall be exempted from these CSOs, provided that it is entered into with the aim of achieving objectives in common in connection with the exercise of public functions and which is solely in the public interest.

13 Regulated Below Threshold Procurement

- 13.1 The Authority is obliged to issue a “below threshold tender notice” on the Procurement Portal and the Find a Tender service for all contracts with a

value above £25,000 (£30,000 inclusive of VAT) and below the threshold for Regulated Procurement.

- 13.2 The Authority may waive the requirement to advertise a Regulated Below Threshold Contract in accordance with the provisions of paragraph 17.
- 13.3 Where the Authority advertises for a Regulated Below Threshold Contract, it shall not restrict the submission of tenders by reference to a supplier's suitability to perform the contract, by reference to its legal and financial capability and its technical ability.
- 13.4 When advertising a Regulated Below Threshold Contract, an appropriate description of the goods, services, or works (commensurate with the value of the contract) setting out the Authority's requirements in sufficient detail, must be provided to prospective suppliers to enable the submission of competitive tenders.
- 13.5 The below threshold tender notice shall also make reference to or include the following as a minimum:
 - 13.3.1 the terms and conditions of contract that will apply,
 - 13.3.2 notification that tenders are submitted to the Authority on the basis that they are compiled at the supplier's expense,
 - 13.3.3 a description of the award criteria as appropriate,
 - 13.3.4 the date and time by which a tender is to be submitted; and
 - 13.3.5 a declaration to the effect that the Authority is not bound to accept any tender submitted.

14 Unregulated Procurement

- 14.1 The Authority shall request a Quote for all contracts below £25,000 (£30,000 inclusive of VAT) without the advertising through the Procurement Portal.
- 14.2 When requesting a Quote, an appropriate description of the goods, services, or works (commensurate with the value of the contract) setting out the Authority's requirements in sufficient detail, must be provided to prospective suppliers to enable the submission of competitive Quotes.
- 14.3 The request for a Quote shall also make reference to or include the following as a minimum:
 - 14.3.1 the terms and conditions of contract that will apply,
 - 14.3.2 notification that Quotes are submitted to the Authority on the basis that they are compiled at the supplier's expense,
 - 14.3.3 a description of the award criteria as appropriate,
 - 14.3.4 the date and time by which a Quote is to be submitted, and
 - 14.3.5 a declaration to the effect that the Authority is not bound to accept any Quotes submitted.

14.4 The suppliers must be given a reasonable period in which to prepare and submit a Quote, consistent with the complexity of the contract requirement.

14.5 The contract will be awarded in accordance with the award criteria used.

15 Concessions

15.1 A concession contract, whether a concession for the provision of works or services means a contract where all or part of the consideration is the right for the supplier to exploit the said works or services and under which the supplier is exposed to a real operating risk.

15.2 The Authority may procure a works concession contract or a services concession contract in the same way as a contract for works or services in accordance with the provisions of paragraph 7. However, only concession contracts with a value of more than £5m are required to be procured in accordance with such provisions. The procurement of a concession contract with a lower value shall be treated in the same way as a Regulated Below Threshold Procurement.

15.3 In estimating the value of a concession contract, the Authority shall take into account the amount the supplier could expect to receive under or in connection with the contract, including revenue received and any payments by the Authority.

16 Direct Award

16.1 The Authority may make an award of contract without competition as permitted under the PA where the contract is of a type described in 16.4 – 16.9 or is necessary to protect human, animal or plant life or health or to protect public order or safety.

16.2 A direct award shall not be made to an Excluded Supplier unless there is an overriding public interest in doing so.

16.3 For the avoidance of doubt, an award under a framework agreement is not a direct award governed by this paragraph.

16.4 Prototypes and development

16.4.1 The contract concerns the production of a prototype, or supply of other novel goods or services, for the purpose of—

- (a) testing the suitability of the goods or services,
- (b) researching the viability of producing or supplying the goods or services at scale and developing them for that purpose, or

- (c) other research, experiment, study or development.

16.5 Single suppliers

16.5.1 Where the works, supplies or services can be supplied only by a particular economic operator for any of the following reasons:

- (a) The contract concerns the creation or acquisition of a unique work of art or artistic performance.
- (b) due to a particular supplier having intellectual property rights or other exclusive rights, only that supplier can supply the goods, services or works required;
- (c) due to an absence of competition for technical reasons, only a particular supplier can supply the goods, services or works required

16.5.2 and in each case there are no reasonable alternatives to those goods, services or works.

16.6 Additional or repeat goods, services or works

16.6.1 The contract concerns the supply of goods, services or works by the existing supplier which are intended as an extension to, or partial replacement of, existing goods, services or works in circumstances where—

- (a) a change in supplier would result in the contracting authority receiving goods, services or works that are different from, or incompatible with, the existing goods, services or works, and
- (b) the difference or incompatibility would result in disproportionate technical difficulties in operation or maintenance.

16.6.2 The contract concerns the supply of goods, services or works by the existing supplier that are similar to existing goods, services or works where—

- (a) the existing goods, services or works were supplied under a contract that was awarded in accordance with a competitive

tendering procedure within the period of five years ending with the day on which the transparency notice is published, and

- (b) the tender notice or any tender document in respect of that earlier contract set out the Authority's intention to carry out a subsequent procurement of similar goods, services or works in reliance on this direct award justification.

16.7 Commodities

16.7.1 The contract concerns goods purchased on a commodity market.

16.8 Advantageous terms on insolvency

16.8.1 The award of the contract to a particular supplier will ensure terms particularly advantageous to the Authority due to the fact that a supplier, whether or not the one to whom the contract is to be awarded, is undergoing insolvency proceedings.

16.9 Urgency

16.9.1 Where—

- (a) the goods, services or works to be supplied under the contract are strictly necessary for reasons of extreme and unavoidable urgency, and
- (b) as a result the contract cannot be awarded on the basis of a competitive tendering procedure.

16.9.2 For the purpose of paragraph 16.9.1, urgency is unavoidable if it—

- (c) is not attributable to any act or omission of the Authority, and
- (d) could not have been foreseen by the Authority.

17 Exemptions

- 17.1 These CSOs do not apply to contracts which are exempted from competition, and which are listed in Part 2 of Schedule 2 to the PA as “subject-matter exempted contracts”.
- 17.2 The Authority may exempt Unregulated Procurements and Regulated Below Threshold Procurements from these CSOs in accordance with this paragraph 17. Notwithstanding an exemption from competition for Regulated Below Threshold Procurements, the Authority must still publish a contract details notice.
- 17.3 The Budget Holder must obtain approval to apply any Exemption to the CSOs by submitting an Exemption Application to the Head of Procurement to consider the request. Subject to approval, the request will be forwarded to the Head of Legal Services for further approval and finally to a Principal Officer for final confirmation of approval with the exception of any exemption not to be delegated within the Scheme of Delegation and requires approval of the Authority.
- 17.4 The Authority may not exempt itself from following the CSOs, the PA or the PR in relation to a Regulated Procurement in any circumstances, other than where expressly permitted by the PA. In those circumstances, the decision to apply an Exemption must follow paragraph 17.3.
- 17.5 The Authority may make a direct award if the award meets the requirements of the Direct Award Justifications of Schedule 5 of the PA (16.4 – 16.9 of these CSOs).

18 After Award

- 18.1 A minimum of eight working days before entering into a public contract as a result of a Regulated Procurement, the Authority shall first provide an assessment summary to each supplier and publish a Contract Award Notice.
- 18.2 An assessment summary shall set out the Authority’s assessment of the supplier’s tender and the most advantageous tender.
- 18.3 Each assessment summary shall be approved by the Procurement Team before being sent to suppliers.

19 Contract Provisions

- 19.1 All contracts must be in writing and must set out the parties’ obligations, rights and risk allocations. Advice must be sought from the Procurement Team as to the appropriate form of contract to be used and must incorporate the Authority’s appropriate standard terms and conditions. Any deviations from the standard terms must be approved by the Head of Legal Services.

- 19.2 All contracts, irrespective of value, shall clearly specify as a minimum
- 19.2.1 what is to be supplied (i.e. the goods, services or works to be provided),
 - 19.2.2 the provisions for payment (i.e. the price to be paid and when) with a statement of discount or other deductions,
 - 19.2.3 the time or times within which the contract is to be performed,
 - 19.2.4 the provisions for the Authority to terminate the contract and seek damages in the event of the contractor's default,
 - 19.2.5 that the Authority is entitled to terminate the contract and recover the amount of any loss resulting from corrupt practices
 - 19.2.6 the policies and procedures that must be complied with,
 - 19.2.7 data protection requirements as applicable,
 - 19.2.8 relevant insurance requirements,
 - 19.2.9 prohibit the assignment, transfer, novation directly or indirectly to any persons whatsoever any portion of the contract without the Authority's written permission,
 - 19.2.10 Freedom of Information Act and Environmental Information Regulations requirements; and
 - 19.2.11 any required security for the due performance of the contract.
- 19.3 All contracts must be either signed by the Head of Legal Services or by an officer authorised under the Authority's Scheme of Delegation or executed under seal.
- 19.4 A contract must be sealed where the Authority wishes to extend the liability period under the contract and enforce its terms for up to 12 years or where the price to be paid or received under the contract is a nominal price and does not reflect the value of the goods or services or as determined by the Head of Legal Services
- 19.5 The seal must be affixed in accordance with the provisions of the Authority's constitution.
- 19.6 All contracts are to be formally completed before the relevant goods are dispatched or the services or works are commenced, except in exceptional circumstances and then only with the prior approval of the Head of Legal Services.

20 Contract Modifications

- 20.1 Where a public contract has been procured as a result of a Regulated Procurement or it is proposed to modify a contract with the effect that the contract once modified would have a value above the threshold for the procurement to be classified as a Regulated Procurement, such modification shall only be allowed where it is a permitted modification in accordance with paragraph 20.2 or is not a substantial modification, as defined in paragraph 20.3 or is a below threshold modification as defined in paragraph 20.4.

- 20.2 A permitted modification is one which is described as a permitted contract modification in Schedule 8 of the PA.
- 20.3 Where a modification is not set out in Schedule 8 of the PA, it shall nevertheless be permitted if the modification is not a substantial modification. A substantial modification is one which would either:
- 20.3.1 increase or decrease the term of the contract by more than 10% of the maximum term (including any extension provisions provided for in the contract); or
 - 20.3.2 would materially change the scope of the contract; or
 - 20.3.3 would materially change the economic balance of the contract in favour of the supplier.

If any one of these three circumstances apply, the modification is not permitted. A modification shall be deemed to materially change the scope of the contract where it materially provides for the supply of goods, services or works of a kind which are not already provided for in the contract.

- 20.4 A below threshold modification is one which would not increase or decrease the estimated value of the contract by more than:
- 20.4.1 10% (in the case of a contract for goods or services); or
 - 20.4.2 15% (in the case of a contract for works)

and where the aggregated value of all below threshold modifications would be less than the threshold amount for that type of contract and would not otherwise materially change the scope of the contract.

- 21.5 It is necessary to publish a contract change notice for any modification except for a below threshold modification and a modification which increases or decreases the term of the contract by less than 10%.

21 Contract Management

- 21.1 Contract management is the Budget Holder's responsibility and every high risk, high value contract shall have a named contract manager.
- 21.2 All contracts with an estimated value of more than £5m, shall contain at least three key performance indicators. Key performance indicators are factors or measures against which a supplier's performance of the contract can be assessed during the lifecycle of the contract. This provision shall not apply to a Light Touch contract or a contract where it is considered, with the approval of Head of Procurement, that performance cannot be measured by key performance indicators.
- 21.3 Where the Authority has set key performance indicators, it shall at least once in every 12-month period during the lifecycle of the contract and upon termination of the contract assess performance against those key

performance indicators and publish information in relation to that assessment in accordance with the PR.

- 21.4 If the Authority considers that a supplier is not performing a public contract to its satisfaction and the supplier has been given proper opportunity to improve its performance but has failed to do so, the Authority shall publish information relating to the circumstances in accordance with the provisions set out in the PR.
- 21.5 Any contract which the Authority enters into shall contain terms committing the Authority to pay all sums due before the end of the period of 30 days beginning with the day on which an invoice is received or if later the day on which payment falls due in accordance with the invoice.
- 21.6 It shall be implied into every contract that the above term shall be included in all contracts, whether included explicitly or not.
- 21.7 The Authority need not pay an invoice within 30 days if it considers the invoice is invalid or disputes the invoice, but where those circumstances apply, it must notify the supplier without undue delay of those circumstances.
- 21.8 The Authority shall publish a "payments compliance notice" setting out the details of all payments made under contracts twice yearly for the periods ending on 31 March and 30 September. Such notice shall set out the information required by the PR.

22 Conflicts of Interest

- 22.1 Officers of the Authority are strictly bound by section 117 of the Local Government Act 1972 to declare any interest in a contract or proposed contract, whether direct or indirect. Such notice shall be given to the Head of Legal Services, as soon as the Officer becomes aware of the interest in accordance with the Service Instruction Declaration of Interests.
- 22.2 An Officer shall not, under colour of their office or employment, accept any fee or reward whatsoever other than their proper remuneration.
- 22.3 Members of the Authority are bound by the Code of Conduct for Members.

Appendix 1 - Glossary of Terms

Associated Person	a person that a supplier is relying on in order to satisfy the Conditions of Participation other than a person that act as a guarantor
Bidder	any economic operator which submits a Quote or Tender
Call-Off Contract	Contract awarded pursuant to a framework
Centralised Purchasing Authority	a contracting authority that is in the business of conducting procurement for or on behalf of, or for the purpose of the supply of goods, services or works to, other contracting authorities
Competitive Flexible Procedure	the procedure for all Regulated Procurements where the Open Procedure is not used and is designed in such a way as the Authority considers appropriate for the procurement taking account of the nature, cost and complexity of the contract.
Conditions of Participation	conditions set by the Authority to determine whether a potential supplier qualifies to progress to the tendering stage of a competitive tendering procedure
Contract Award Notice	a notice setting out the Authority's intention to enter into a contract, and which contains such information as are required in regulations.
Contracting Authority	a public sector body as defined in the PA
Debarment List	a list of excluded and excludable suppliers held nationally by the government
Dynamic Market	arrangements established under section 35(1) PA
Dynamic Market Notice	a notice of intention to establish a Dynamic Market
Excludable Supplier	either (a) the supplier (or an associated person) to which the Authority considers that a discretionary exclusion ground applies and the circumstances giving rise to the application of the exclusion ground are continuing or likely to occur again, or (b) the supplier (or an associated person) is on the Debarment List by virtue of a discretionary exclusion ground
Excluded Supplier	either (a) the supplier (or an associated person) to which the Authority considers that a mandatory exclusion ground applies and the circumstances giving rise to the application of the exclusion ground are continuing or likely to occur again, or (b) the supplier (or an associated person) is on the Debarment List by virtue of a mandatory exclusion ground

Financial Procedure Rules	that part of the Authority's Constitution which set out the rules governing the expenditure of Authority resources
Find a Tender Service	UK- wide noticing service for public procurement
Light Touch Contract	a contract of a type listed by the government in Regulations
Open Procedure	a single stage procedure for competitive tendering of Regulated Procurements without a restriction on who can submit tenders
PA Threshold	the threshold as set out in the PA and amended by Government from time to time above which a procurement exercise must be conducted in accordance with the Open Procedure or the Competitive Flexible Procedure
Procurement Portal	The Authority's e-procurement system including any replacement or substituted system or platform which is used by the Authority to send notices to be published on Find a Tender Service and for the receipt of quotations and tenders etc.
Quote	a formal offer submitted by a Bidder to the Authority in response to a request for Quotes in respect of non-regulated below threshold procurements
Regulated Below Threshold Procurement	Procurement activity with a value between £30,000 and the PA Threshold which is governed by limited legislative or regulatory requirements as set out in Part 6 of the PA
Regulated Procurement	procurement activity with a value above the PA Threshold which is governed by the legislative or regulatory requirements of either the PA and/or the PR
Tender	a formal offer submitted by a Bidder to the Authority in response to an Invitation to Tender in relation to a Regulated Procurement
Unregulated Procurement	procurement activity with a value below £30,000 which is not governed by the legislative or regulatory requirements of either the PA or the PR

DRAFT

2024-2025

**MERSEYSIDE FIRE AND RESCUE
AUTHORITY**

CONSTITUTION

**Merseyside Fire & Rescue Authority
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PART 1 – SUMMARY AND EXPLANATION

Merseyside Fire and Rescue Authority has agreed a Constitution which sets out how the Authority operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local citizens. Some of these processes are required by the law, while others are matters for the Authority to agree.

This Constitution details how the Authority conducts its business and includes detailed procedures and codes of practice.

What is in the Constitution?

The Constitution sets out the primary purpose of the Authority, explaining how the key parts of the Authority operate, including the rights of citizens.

How the Fire & Rescue Authority Operates

The Authority is made up of eighteen (18) Members, who must be elected to one (1) of the five (5) constituent district councils within Merseyside (Knowsley, Liverpool, Sefton, St Helens and Wirral), the Police and Crime Commissioner for Merseyside plus there is a further non-voting Independent Member who has been co-opted onto the Authority for standards and scrutiny purposes. Members of the Authority have a responsibility to the whole community of Merseyside and are directly accountable to the people of Merseyside for the running of the Fire & Rescue Service. Members also work closely with Officers in developing policies, plans and strategies to give direction to the Service and to ensure that Services are delivered in line with the Authority's objectives.

Members have agreed to follow an approved Code of Conduct designed to ensure high standards in the way they carry out their duties. The Audit Committee, assisted by the Appeals Committee where necessary, monitors standards and deals with any complaints. The Audit Committee additionally deals with any issues in respect of disciplinary procedures and any allegations thereof for Relevant Officers.

All Members meet and make decisions together as the Fire and Rescue Authority. Meetings of the Authority are normally open to the public. Members decide the Authority's overall policies and set the budget each year. At the Annual Meeting they establish and make appointments to the various committees, as well as appointing the Chair and Vice Chair of the Authority and its committees.

How Decisions Are Made

The Authority has ultimate responsibility for decision making but has delegated many decisions to committees as part of their terms of reference (Articles 8 to 19) and officers as described in the Authority's Scheme of Delegated Powers.

The Authority's Staff

The Authority has people working for it (described as "Officers") to give advice, to implement decisions and to manage and deliver Services. Some Officers are appointed by law, such as

the Chief Fire Officer, the Director of Finance and Procurement who is the Chief Financial Officer, and the Monitoring Officer. The Monitoring Officer has a specific legal duty to ensure that the Authority acts within the law. A Member Officer Relations Protocol has been approved to govern the relationships between Officers and Members of the Authority.

Citizens' Rights

The Authority welcomes citizens to attend its public meetings.

Citizens have a number of rights in their dealings with the Authority. Some of these are legal rights, whereas other rights depend upon the Authority's own processes. Citizens' rights include the following:

- The right to attend meetings of the Authority and its committees except where, for example, personal or confidential matters are being discussed.
- To inspect agendas and reports, except those which contain, for example, personal or confidential matters.
- To obtain a copy of the Constitution.
- To see reports and background papers (save for exempt or confidential items) and to see records of decisions made by the Authority and its committees
- To complain to the Authority under the Authority's own complaints processes. To complain to the Ombudsman if they think the Authority has not followed its procedures properly, however, they should only do this after using the Authority's own complaints process.
- To complain to the Audit Committee via the Monitoring Officer to the Authority if they have evidence which they think shows that a Member has not followed the Authority's Code of Conduct.
- To inspect the Authority's accounts and to make their views known to the external auditor.

Citizens' Responsibilities

The Authority welcomes the participation of citizens.

Citizens are expected to conduct themselves in a reasonable manner and must not be violent, abusive or threatening to Members or Officers or damage Authority owned property. Citizens should behave with due respect for the rights and opinions of others and have respect for the procedural decisions made by the Chair of any meeting.

PART 2 – INTRODUCTION

Article 1 – Purpose of the Constitution

1.1 **Discharge of Functions**

The Authority will exercise its functions, powers, duties and responsibilities in accordance with this Constitution, within the law, fairly, equitably, openly and transparently and, in the best interests of the community of Merseyside as a whole with a view to achieving its mission to make Merseyside a safer, stronger community and to ensure safe, effective firefighters.

1.2 **Purpose of the Constitution**

The purpose of this Constitution is to set out how the Authority works and how it makes decisions. This helps:

- a. Members to carry out their role as efficient and effective decisions makers.
- b. Ensure that the decision making processes are clearly identifiable to citizens.
- c. Provide citizens with information about their rights and right to be involved in the process of decision making.
- d. Provide a means for improving the democratic accountability of the Authority in the delivery of Services to the community.

1.3 **Monitoring**

The Authority and Monitoring Officer will monitor and review the content of this Constitution and the way it works every year and make any changes that are considered appropriate.

Article 2 – Membership of the Authority

2.1 **Composition and Eligibility**

The Authority comprises eighteen (18) Members, who are elected councillors to one (1) of the five (5) constituent District Councils comprised within Merseyside. The constituent Councils appoint/elect Members to the Authority in accordance with the provisions of the Local Government Act 1985.

The Councillor appointments are made (subject to compliance with the political balance requirements of the Local Government and Housing Act 1989) in the following numbers:

Liverpool	6 Members
Wirral	4 Members
Sefton	4 Members
St Helens	2 Members
Knowsley	2 Members

- 2.2 Members may be removed from the Authority by their appointing Council, subject to their Council complying with the statutory requirements of the Local Government Act 1985 as to the periods of notice they must give.
- 2.3 If Members do not attend meetings of the Committees they are appointed to and for any Authority meetings for more than 6 months, without adequate reason, they may be suspended by law.

Article 3 – Officers

3.1 Management Structure

- a. General – The Authority may appoint such staff (Officers) as it considers necessary to carry out its functions.
- b. Principal Officers – The Authority has designated as Principal Officers:
 - Chief Fire Officer (Statutory Officer)
 - Deputy Chief Fire Officer (Non Statutory Officer)
 - Assistant Chief Fire Officer (Non Statutory Officer)
- c. In addition the Monitoring Officer is a Statutory Officer under Section 5 of the Local Government and Housing Act 1989 and the Director of Finance and Procurement is a Statutory Officer under Section 151 of the Local Government Act 1972, “the s.151 Officer”

3.2 Functions of the Chief Fire Officer (CFO)

The Chief Fire Officer is the Head of Paid Service in law under s. 4 of the Local Government and Housing Act 1989 and is responsible for:

- a. Ensuring that the staffing needs of the organisation are adequate to perform the Authority’s statutory functions.
- b. Ensuring that the discharge of the Authority’s functions is efficiently and effectively co-ordinated.
- c. Arranging for and ensuring the proper appointment and management of the Authority’s staff.
- d. Arranging for and ensuring the effective organisation of the Authority’s staff in an appropriate structure with relevant departments.

3.3 Functions of the Monitoring Officer

The Monitoring Officer is required by s. 5 of the Local Government and Housing Act 1989 and is responsible for:

- a. *Maintaining the Constitution.* The Monitoring Officer will maintain an up-to-date version of the Constitution and will ensure that it is available for inspection by Members, staff and the public.
- b. *Ensuring lawfulness and fairness of decision making.* After consulting with the Director of Finance and Procurement, the Monitoring Officer will report to the Authority in relation to any proposal, decision or omission which, in their view would give rise to unlawfulness or if any decision or omission has given rise to maladministration. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been considered.
- c. *Responding to complaints from the Local Government Ombudsman.*
- d. *Supporting the Audit Committee in its Standards functions.* The Monitoring Officer will contribute to the promotion and maintenance of high standards of conduct through provision of support to the Audit Committee.
- e. *Conducting Investigations.* The Monitoring Officer will conduct or arrange for investigations into matters referred by the Audit Committee and report or arrange for reports to be made in respect of them to this Committee or the Appeals Committee as appropriate. The Monitoring Officer will also undertake, with others, investigations in accordance with the Authority's Whistleblowing (Confidential Reporting) Policy.
- f. *Proper Officer for access to information.* The Monitoring Officer will ensure that the requirements of the Local Government Act 1972, as amended, will be met in relation to the publication of relevant committee reports, background papers and decisions and that they will be made publicly available (subject to any restrictions on disclosure) as soon as possible.
- g. *Providing Advice.* The Monitoring Officer will provide advice on the scope of the powers of the Authority and its Committees to take decisions and in connection with matters involving maladministration and probity.
- h. *Restriction of Appointment.* The Monitoring Officer cannot be the statutory s.151 Officer (also referred to as the Chief Finance Officer). The Director of Finance and Procurement fulfils this role for the Authority

3.4 **Functions of the Director of Finance and Procurement**

The Director of Finance and Procurement as the s.151 Officer (also referred to as the Chief Finance Officer) for the Authority is required by Section 6 of the Local Government and Housing Act 1989 and Section 151 of the Local Government Act 1972 and is responsible for:

- a. *Ensuring lawfulness and financial prudence of financial decision making.* After consulting with the Monitoring Officer, the Director of Finance and Procurement will report to the Authority and to the Authority's external auditor, if they/them considers that any proposal decision or course of action will involve incurring unlawful expenditure or is unlawful and likely to cause a loss or deficiency, or if the Authority is about to enter an item of account unlawfully. They/them will also make a report to the Authority if it appears that the expenditure of the Authority (including expenditure it proposes to incur)

in a financial year is likely to exceed the resources (including sums borrowed) available to meet that expenditure.

- b. *Administration of financial affairs.* The Director of Finance and Procurement has responsibility for the administration of the financial affairs of the Authority.
- c. *Contribution to corporate management.* The Director of Finance and Procurement is required to contribute to the corporate management of the Authority, in particular, through the provision of professional financial advice.
- d. *Providing advice.* The Director of Finance and Procurement will provide advice on the scope and powers of the Authority to take decisions about the financial impropriety, profit and budget and policy framework issues to the Authority and its Committees, Members and Officers and will support and advise Members and Officers in their respective roles.

3.5 **Duty to Provide Sufficient Resources to Monitoring Officer and the Director of Finance and Procurement**

The Authority will provide the Monitoring Officer and the Director of Finance and Procurement with such Officers, accommodation and other resources as are in the opinion of those Officers required in their respective roles as required by law.

3.6 **Conduct**

Officers will comply with the Employee Code of Conduct.

3.7 **Employment**

The recruitment, selection and dismissal of Officers will comply with the Officer employment rules set out in this Constitution.

Article 4 – Decision Making

4.1 **Responsibility for Decision Making**

Responsibility for decision making by the Authority, its Committees, any Sub-Committees and Officers is in accordance with this Constitution, which comprises the record of responsibility for decision making.

4.2 **Principles of Decision Making**

All decisions of the Authority will be made in accordance with the following principles:

- a. Be within the lawful powers of the Authority.
- b. Due consultation where appropriate (including the taking of relevant professional advice from Officers).
- c. Respect for human rights.
- d. Presumption in favour of openness.

- e. Clarify of aims and desired outcomes.
- f. Within the letter and spirit of the Constitution.

4.3 Types of Decisions

Decisions relating to the functions listed in Article 3.2 to 3.4 will be made by the Authority and not delegated.

4.4 Decision Making by the Authority and its Committees and Sub-Committees

The Authority, Committee and Sub-Committee meetings will comply with the Authority's procedural standing orders when considering any matter.

4.5 Decisions Made by the Authority Acting in Quasi-judicial Capacity

The Authority and its Committees and Sub-Committees, Members or Officers when acting in a quasi-judicial manner or determining/considering (other than for the purposes of giving advice) the civil rights and obligations of any person, will follow a proper procedure which accords with the requirements of natural justice and the right to a fair trial contained in Article 6 of the European Convention on Human Rights.

4.6 Decision Making by Officers

Officers have full authority for operational and managerial decision making and for any necessary action within their authorised remit in accordance with the terms of the Scheme of Delegation.

Article 5 – Finance, Contracts and Legal Matters

5.1 Financial Management

The management of the Authority's financial affairs will be conducted in accordance with the Financial Regulations.

5.2 Contracts

Contracts made by the Authority will comply with the Authority's Contract Standing Orders.

5.3 Legal Proceedings

The Monitoring Officer, in her/his capacity as Solicitor to the Authority, is authorised to institute, defend or participate in any legal proceedings in any case where such action is necessary to give effect to decisions of the Authority or in any case where the Monitoring Officer considers that such action is necessary to protect the Authority's interests. The delegated powers invested in the Monitoring Officer are provided in the Scheme Delegation.

5.4 **Authentication of Documents**

Where any document is necessary to any legal procedure or proceedings on behalf of the Authority, it will be signed by the Monitoring Officer in her/his capacity as Solicitor to the Authority or by some person duly authorised by the Authority or the Monitoring Officer unless any enactment otherwise authorises or requires. The procedural rules/standing orders of the Authority in relation to contracts that are set out in Contract Standing Orders, make further provision in relation to formal processes involving the award of contracts.

5.5 **Common Seal of the Authority**

The common seal of the Authority will be kept in a safe place in the custody of the Monitoring Officer. A decision of the Authority, a committee or sub-committee or any authorised Officer, will be sufficient authority for sealing any document necessary to give effect to such a decision. The common seal will be affixed to such documents as are, in the opinion of the Monitoring Officer, appropriate for sealing. The Monitoring Officer, or some other person authorised by her/him shall witness the affixing of the common seal.

Article 6 – Review and Revision of the Constitution

6.1 **Duty to Monitor and Review the Constitution**

- a. The Monitoring Officer will monitor and review the operation of the Constitution to ensure that the aims and principles of the Constitution are given full effect.
- b. A key role for the Monitoring Officer is to be aware of the strengths and weaknesses of the Constitution adopted by the Authority and to make recommendations for ways in which it could be amended in order to better achieve its purposes. In performing this duty, the Monitoring Officer may:
 - I. attend and observe meetings of different parts of the Member and Officer structure;
 - II. examine the audit trail relating to decision making;
 - III. record and analyse issues raised with her/him by Members, Officers, the public and other relevant stakeholders; and
 - IV. compare practices in the Authority with those in other comparable Authorities or national examples of best practice.

6.2 **Changes to the Constitution**

- a. Approval

Changes to the Constitution will only be approved by the Authority after consideration of proposals submitted by the Monitoring Officer.

Article 7 – Suspension, Interpretation and Publication of the Constitution

7.1 **Suspension of the Constitution**

a. Limit to Suspension

The articles of this Constitution may not be suspended other than to the extent permitted within these rules and the law.

b. Rules Capable of Suspension

The following rules may be suspended in accordance with this Article 7:

- I. Authority procedure/standing order rules
- II. Access to information
- III. Budget and policy framework procedure rules
- IV. Officer employment procedure rules
- V. Financial regulations
- VI. Contract Standing Orders

7.2 **Interpretation**

- a. Except as otherwise provided and subject to (b) below, the decision of the Monitoring Officer on the interpretation of the Constitution shall be final.
- b. In relation to proceedings of the Authority, the ruling of the Chair of the Authority as to the construction or application of this Constitution shall be final at any meeting of the Authority.

7.3 **Publication**

- a. The Monitoring Officer will arrange to provide a copy of this Constitution to each Member of the Authority as soon as practicable after that Member has signed the Code of Conduct declaration, following appointment to the Authority.
- b. The Monitoring Officer will arrange for the Constitution to be available for inspection at Fire and Rescue Service Headquarters and at other appropriate locations and by publication on the Authority's official website.

PART 3 – RESPONSIBILITY FOR FUNCTIONS

Article 8 – Roles and Functions of Members

8.1 All Members are expected to:

- a. Act corporately for the good governance of the Authority, balancing the needs of the whole community of Merseyside with their role as a local representative.
- b. To represent actively, promote and support the work of the Authority in the provision of Fire and Rescue Services within the whole area and community of Merseyside with a view to the Authority achieving its mission, aims and objectives.
- c. On a regular basis, to attend meetings of the Authority and any Committees, Sub-Committees, working parties or external bodies to which the Member has been appointed and fully participate in policy formulation and decision making including the development of strategic policies, determination of the budget and approving the Community Risk Management Plan (formerly Integrated Risk Management Plan) in accordance with principles of good public governance. This includes a requirement to act at all times in accordance with:
 - I. Statutory and the legal requirements
 - II. The Code of Conduct for Members
 - III. Standing Orders for Members
 - IV. The Member/Officer Protocol
- d. Attend at Member training events/learning lunches regularly and support the Authority's Member Development Strategy.
- e. Represent the Authority throughout the area of Merseyside.
- f. If appointed by the Authority to an external body; represent the interests of the Authority on that body.
- g. To be actively aware of all issues inside and outside of the Authority, relevant to the provision of Fire and Rescue Services in order to fulfil a community leadership and representative function, working as necessary in partnership with other local organisations in order to effectively promote the safety and well-being of the whole community of Merseyside.

The Authority is a legal entity and has responsibilities and duties under a wide area of legislation. When making decisions the Authority must take these duties into account.

Article 9 – Roles and Responsibilities of Designated Office Holders

9.1 **Chair of the Authority**

The role and responsibilities of the Chair of the Authority are:

- a. To provide overall political leadership to the Authority.
- b. To chair meetings of the Authority and to ensure its overall effectiveness.
- c. To have a working knowledge of the Authority's Procedural Standing Orders, relevant policies and strategies and to ensure that they/them is sufficiently and effectively briefed by Officers on matters coming before the Authority's committees/sub-committees.
- d. To provide effective leadership in the development of the Authority's policy, strategy and budget proposals.
- e. To lead on the implementation of effective service delivery and the Authority's approved policies and strategies.
- f. To act as the Authority's principal Member spokesperson at local, regional and national level.
- g. To seek to ensure that good working relationships are established with external public and private sector bodies and networks relevant to the efficient discharge of the Authority's functions.
- h. To lead in the development of good working relationships between the leaders of political groups represented on the Authority.
- i. To promote good working relationships between Members and Officers of the Authority so that Authority business is conducted in the most efficient and effective way possible.

9.2 **Vice Chair of the Authority**

The role and responsibilities of the Vice Chair of the Authority are:

- a. To support the Chair of the Authority in discharging the roles and responsibilities associated with the office of Chair.
- b. To deputise for the Chair in their absence.

9.3 **Party Group Leaders/Spokespersons**

The role and responsibilities of the Group Leaders or Spokespersons of the Authority are:

- a. To ensure their party contributes effectively, positively and constructively to the Authority's activities.
- b. To act as the principal political spokesperson for the political group.

- c. To provide leadership to their party group.

9.4 **Chairs of Committees and Sub-Committees**

The roles and responsibilities of all Committees/Sub-Committees are:

- a. To chair the Committee/Sub-Committee and ensure its overall effectiveness.
- b. To have a working knowledge of the Authority's Procedural Standing Orders and to ensure that they/them is sufficiently and effectively briefed by Officers on matters coming before the Committee/Sub-Committee.
- c. To co-ordinate and manage the work of the Committee/Sub-Committee.
- d. To support the role of the Chair of the Authority in the development of policy, strategy and budget proposals.

9.5 **Rights and Duties of Members**

Members have rights of access to documents, information, land and buildings of the Authority that are necessary for them to properly carry out their duties in relation to their membership of a Committee or Sub-Committee.

A Member of the Authority may, only for the purposes of their duty as a Member, inspect any document which has been considered by a Committee, or a Sub-Committee or by the Authority and shall, on request to the Monitoring Officer, be given a copy of a document if practicable. If a Member requests a report to a Committee of which they are not a Member this will be provided on a "need to know" basis only after consultation between the Monitoring Officer and the Chair.

This is providing that a Member does not knowingly ask to see a document relating to a matter in which they/them is professionally interested or in which they/them has directly or indirectly any prejudicial interest within the meaning of the Local Government Act 2000 or the Localism Act 2011 and/or related Regulations or the Code of Conduct. At any time the Monitoring Officer can refuse a request to see any document which is, or in the event of legal proceedings, would be protected by privilege arising from the relationship of solicitor and client.

All Reports made or minutes kept by any Committee or Sub-Committee shall be open for the inspection of any Member of the Authority during office hours. All reports and minutes, unless exempt from publication, are also available on <http://www.merseyfire.gov.uk>.

Subject to any statutory provision in that behalf, no Member of the Authority shall, without the consent of the Authority, be entitled to inspect any document in the custody of any Officer of the Authority if, in the opinion of that Officer and the Monitoring Officer, the document is of a confidential nature.

9.6 Inspection of Lands, Premises etc.

Unless specifically authorised to do so by the Authority or a Committee, or Sub-Committee, a Member of the Authority shall not issue any order respecting any works which are being carried out by or on behalf of the Authority or claim by virtue of their membership of the Authority any right to inspect or enter upon any lands or premises of the Authority or which the Authority has the power or duty to inspect or enter.

Members will not make public information, which is confidential or exempt, without the consent of the Authority on the advice of the Monitoring Officer or communicate information given in confidence to anyone other than a Member or Officer of the Authority entitled to know it.

9.7 Appointment of Relatives of Members

A candidate for any appointment to the Service or Authority who knows that they/them is related to any Member of the Authority shall, when making application, disclose that relationship to the Chief Fire Officer and Monitoring Officer. A candidate who fails to disclose such relationship shall be disqualified from the appointment and if appointed shall be liable to dismissal without notice. Every Member of the Authority shall disclose to the Monitoring Officer every relationship known to him/her to exist between themselves and any person whom they/them knows is a candidate for an appointment under the Authority. The Monitoring Officer shall report to the Authority any such disclosure made to him/her.

9.8 Failure to Attend Meetings

Subject to the provision of Section 85 Local Government Act 1972, any Member failing to attend any meeting of the Authority or its Committees for a period of six months, ceases to be a Member of the Authority unless within that period that Member's absence is approved by the Authority.

The Monitoring Officer will monitor absences from meetings and (unless approval for any absence is given by the Authority) will report the failure to attend to the Authority in order that it may declare a vacancy and notify the relevant constituent council.

9.9 Conduct

Members will, at all relevant times, observe the Members Code of Conduct and the Member/Officer relations Protocol.

9.10 Allowances

Members will be entitled to receive allowances in accordance with the Members' Allowance Scheme.

Article 10 – The Authority

10.1 **Legal Structure/Delegations**

The Authority has the legal responsibility for making decisions about matters concerning the functions, powers, duties and responsibilities of the Authority. The Authority has delegated a range of decision making powers about various matters to Committees and Officers as set out in this Constitution but has otherwise reserved powers to itself. The use of any delegated powers and decision making by Committees and Sub-Committees appointed by the Authority and described in this Constitution shall be subject to:

- a. Statutory or legal requirements.
- b. Standing orders and financial regulations of the Authority.
- c. Strategic and corporate policies adopted by the Authority and/or directions given by the Authority in relation to the exercise of delegated functions.

Delegated powers do not prevent a Committee or Sub-Committee referring matters to the Authority or prevent the Authority from exercising those powers itself unless a decision has already been made and acted upon in line with the approved terms of reference and delegated authority.

The exercise of certain delegated powers existing in the Authority's Scheme of Delegation or otherwise granted to Officers of the Authority must be recorded and published under the provisions of the Openness of Local Government Bodies Regulations 2014.

10.2 **Functions Reserved to the Authority**

Only the Authority will exercise the following functions:

- a. Variations to standing orders and financial regulations subject to the advice and recommendations of the Monitoring Officer.
- b. The revenue budget and capital plan, levying or issuing of a precept or borrowing on money, subject to the advice and recommendations of the Director of Finance and Procurement.
- c. Adopting a Member's Allowances scheme.
- d. Appointing the Chair and Vice Chair of the Authority and the Chairs of the Committees and any Sub-Committees of the Authority.
- e. Any other matters which by law must be reserved to the Authority itself.

10.3 **Terms of Reference of the Fire and Rescue Authority**

- a. Approve new policies or substantive changes in policy relating to the development and delivery of Services appropriate to this Authority.
- b. To have oversight of the preparation of the Authority's Strategic and Community Risk Management Plans (formerly Integrated Risk Management Plan), including due consideration of any

recommendations of the Audit Committee, the Scrutiny Committee or the Chief Fire Officer.

- c. Determine the Authority's Precept.
- d. Approve the Authority's Budget.
- e. Approve Delegated Powers to Officers.
- f. Refer any matter to the Scrutiny Committee and recommend that it establish a Task and Finish Group where it is considered the matter requires further/in depth scrutiny.
- g. Have responsibility for the monitoring of the Authority's Risk Management Strategy.
- h. Co-ordinate as necessary the response of the Authority to any reports received from Auditors, or any Constituent District Council.
- i. Determine issues related to the liaison with and representation upon outside bodies and organisations.
- j. To consider all matters relating to Merseyside's interest in Europe.
- k. To consider and approve response to such statutory consultation documents as may have consequent implications for the Authority with respect to Governance arrangements, corporate risk management and business continuity.
- l. Maintain an overview of the effectiveness of the Constitution.
- m. Monitor effectiveness and outcomes relating to Authority policies on Whistle Blowing, anti-fraud and anti-corruption.
- n. Consider any matter which requires a decision by a designated committee or sub-committee, but cannot await the next meeting of that designated committee.

10.4 **Equality and Diversity Activity**

To receive and approve Officer's reports relating to Equality and Diversity and relating to monitoring and progress against objectives and in making decisions to have full regard to the Authority's Public Equality Duties and its duties under Health and Safety and Environmental and other legislation.

10.5 **Authority Meetings**

There are three types of Authority meetings:

- I. The Annual Meeting.
- II. Ordinary meetings.
- III. Extraordinary meetings.

In addition, there are meetings of Committees and Sub-Committees. These meetings will be conducted in accordance with the Authority's standing orders/procedural rules.

10.6 **Chairing the Authority**

- a. Electing the Chair and Vice Chair of the Authority. The Chair and Vice Chair of the Authority will be elected by the Members at the Annual Meeting.
- b. Roles and Responsibilities of the Chair and in their absence the Vice Chair of the Authority.

The Chair will preside over Authority meetings and ensure that they are conducted in accordance with the standing orders and procedural rules of the Authority as set out in Procedural Standing Orders of this Constitution. In addition, the Chair will discharge the roles and responsibilities set out in Article 2 of this Constitution.

10.7 **Membership**

All 18 Members of the Authority according to political proportionality, plus the PCC

10.8 **Quorum**

There must be at least eight (8) voting Members present at any full Authority meeting.

Article 11 – The Policy and Resources Committee

11.1 **Terms of Reference**

- a. Under delegated powers, determine new policies or substantive changes in policy relating to the development and delivery of Services appropriate to this Committee.
- b. Oversee the Authority Communication and Consultation Strategy and receive related reports.
- c. Convene any Working Parties or Task Groups as may be appropriate to assist in fulfilling the duties of the Committee.
- d. Consider and if appropriate, determine under delegated powers any other matters, which may be referred to the Committee by the Authority, the Audit or Scrutiny Committee.
- e. Consider and determine under delegated powers any matter which requires a decision by the Authority which cannot await its next meeting.
- f. Consider all matters related to the management of the Authority's assets including buildings, land, ICT and other assets.
- g. Oversee the Authority's procurement strategy including potential for commissioning Services.

- h. Consider all matters related to the maintenance of the North West PFI Project.
- i. Contribute towards the overall savings target of the Authority, through the regular scrutiny of expenditure and other budget related issues.
- j. Exercise financial control over expenditure within the approved revenue budgets and capital programme of the Authority.
- k. Establish and direct procedures for the implementation, monitoring and amendment of the revenue budget and capital programme.
- l. Consider recommendations to incur expenditure on the capital account.
- m. Consider recommendations for supplementary estimates within available resources.
- n. Consider proposals to exercise virement between lines within the approved budget.
- o. Consider policies for the raising and investment of funds.
- p. Consider proposals for awards of contracts.
- q. Consider proposals involving the increasing or reduction of income including the writing off of monies owed to the Authority.
- r. In making decisions to have full regard to the Authority's public equality duties and its duties under Health and Safety and Environmental and other legislation.
- s. To refer any reports required by Members to Audit Committee where appropriate.

11.2 **Membership**

Nine (9) voting Members of the Authority according to political proportionality.

11.3 **Quorum**

Six (6) voting Members.

Article 12 – The Community Safety and Protection Committee

12.1 **Terms of Reference**

- a. Under delegated powers, determine new policies or substantive changes in policy relating to the development and delivery of Services appropriate to this Committee.
- b. Consider all matters related to the delivery of Services to the diverse communities of Merseyside and the development, promotion and delivery of a co-ordinated strategy for developing and maintaining safer communities.

To include matters relating to:

Operational Preparedness, Operational Response and Community Risk Management

- c. Consider and determine, where appropriate, all matters related to the Civil Contingencies function of the Authority.
- d. Consider the opportunities for and delivery of shared Services and/or collaboration with other agencies.
- e. Consider all matters referred by the North West Fire and Rescue Forum.
- f. Consider all matters relating to involvement with and delivery of Services delivered jointly by the NW Fire and Rescue Services.
- g. Consider and where appropriate, determine all matters relating to Fire Safety Legislation.
- h. To consider all matters relating to the development of the City Region/Mersey region agenda.
- i. Consider any matters relating to the provision of Services to the diverse communities of Merseyside.
- j. Make referrals to the Scrutiny Committee as may be appropriate to assist in fulfilling the duties of the Committee.
- k. Consider and if appropriate, determine under delegated powers any other matters, which may be referred to the Committee by the Authority, or the Audit Committee.
- l. Consider and determine under delegated powers, any matter which requires a decision by the Authority which cannot await its next meeting.
- m. In making decisions to have full regard to the Authority's public equality duties and its duties under Health and Safety and Environmental and other legislation.
- n. To refer any reports required by Members to the Audit Committee where appropriate.

12.2 **Membership**

Nine (9) voting Members of the Authority according to political proportionality.

12.3 **Quorum**

Six (6) voting Members.

Article 13 – The Scrutiny Committee

13.1 Terms of Reference

- a. To review and/or scrutinise the objectives of the Authority’s Community Risk Management Plan (formerly known as the IRMP) and performance against these objectives.
- b. To carry out joint Member/Officer pre and post-implementation scrutiny of any major project, scheme, or key decision taken by the Authority or its standing committees.
- c. To make recommendations to the Policy and Resources Committee and/or the Community Safety and Protection Committee and/or Authority arising from the outcome of the scrutiny process and how any improvements can be made.
- d. To agree and action a scrutiny forward work plan throughout the year and from meeting to meeting that includes matters relating to the performance of the Authority against the CRMP or any such issues referred to by the full Fire Authority and report back.
- e. To establish a task and finish group as appropriate with a view to effecting continuous improvements in the way Services are delivered.
- f. To appoint relevant Member(s) and Officers to individual efficiency reviews.
- g. To consider reports on the outcome of reviews and the relevant recommendations and to monitor their implementation on a regular basis.
- h. To receive reports and information from Officers, Members, organisations and individuals as required by the Committee to further its work, and to interview Members, Officers, staff and comparable organisations as appropriate.
- i. Question and gather evidence from any person (with their consent).
- j. In making decisions to have full regard to the Authority’s public equality duties under Health and Safety and Environmental and other legislation.

- k. To ensure full and thorough scrutiny of the subject matter.
- l. To work with Officers to ensure ongoing progress and high performance in delivering a service.
- m. To consider the role of stakeholders and the community in scrutiny.
- n. To contribute to reports on the outcomes of task and finish groups.

13.2 **Membership**

Nine (9) voting Members of the Authority according to political proportionality, plus one (1) Independent Co-opted Member .

13.3 **Quorum**

Six (6) voting Members.

Article 14 – The Joint Fire and Police Collaboration Committee

14.1 **Terms of Reference**

- a. To act as a Strategic Board to oversee collaboration between Merseyside Police (MP) and Merseyside Fire and Rescue Authority (MFRA).
- b. To consider reports on progress towards budget savings created by collaboration on operational issues.
- c. To consider reports on progress towards budget savings created by collaboration on shared premises wherever possible.
- d. To consider proposals created by an Officer led project group to share transactional support services and associated cost savings and timescales for this.
- e. To consider any other potential opportunities to make savings by shorter or longer term proposals.
- f. To make recommendations to the Police and Crime Commissioner and Merseyside Fire and Rescue Authority about potential collaboration opportunities between MP and MFRA.
- g. To provide a template for future developments in legislation around collaboration.

14.2 **Membership**

Five (5) voting Members.

Four (4) Members of MFRA (comprising of the Chair of the Authority and the Vice-Chair of the Authority; plus 1 opposition spokesperson for Merseyside.

One (1) co-opted Member representing Merseyside Police (the Police and Crime Commissioner).

14.3 **Quorum**

Three (3) voting Members.

Article 15 – Audit Committee

15.1 **Terms of Reference**

Audit Activity

- a. To consider the internal auditor's annual report and opinion, and a summary of internal audit activity (actual and proposed) and the level of assurance it can give over the Authority's corporate governance arrangements.
- b. To consider and approve summaries of specific internal audit reports as requested.
- c. To consider reports dealing with the management and performance of the providers of internal audit Services.
- d. To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale.
- e. To consider the external auditor's annual letter, relevant reports and the report to those charged with governance.
- f. To consider specific reports as agreed with the external auditor.
- g. To comment on the scope and depth of external audit work and to ensure it gives value for money.
- h. To ensure that there are effective relationships between external and internal audit, inspection agencies and other relevant bodies and that the value of the audit process is actively promoted.
- i. To commission work from internal and external audit.
- j. To approve the Treasury Management (Year End) Report.

Regulatory Framework

- a. To maintain an overview of the Authority's constitution in respect of contract procedure rules, financial regulations and codes of employee conduct and behaviour.
- b. To review any issue referred to the Committee by the Chief Fire Officer, Deputy Chief Fire Officer or the Director of Finance and Procurement or

member of the Authority's Strategic Leadership Team.

- c. To monitor the effective development and operation of risk management and corporate governance in the Authority.
- d. To monitor Authority policies on Whistleblowing and the anti-fraud and anti-corruption strategy and the Authority's complaints process.
- e. To consider the Authority's arrangements for corporate governance agreeing necessary actions to ensure compliance with best practice.
- f. To approve the Authority's Annual Governance Statement.
- g. To consider the Authority's compliance with its own and other published standards and controls.

Accounts

- a. To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the council.
- b. To consider the external auditor's report to those charged with governance on issues arising from the audit of accounts.
- c. Approve the audited Statement of Accounts and approve publication of the sae (NB: this can also be approved by the Policy and Resources Committee if necessary).

15.2 Members' Code of Conduct

To determine allegations made under the Member Code of Conduct Procedure and refer sanctions proposed and any complaint allegation requiring further investigation to the Authority's Appeals Committee.

15.3 Discipline Procedures for Statutory and Relevant Officers

- a. To act as the Investigating and Disciplinary Committee where an allegation is made against the Chief Fire Officer, Deputy Chief Fire Officer, Assistant Chief Fire Officer, Monitoring Officer or the Director of Finance and Procurement in line with the Authority's policy for Discipline Procedures for Statutory Officers.
- b. To determine whether any allegation of misconduct by a statutory/relevant officer should be investigated by an independent investigator.

- c. To determine whether the statutory/relevant officer subject to the allegation should be suspended while the investigation is conducted.
- d. To appoint the independent investigator subject to the involvement of the statutory/relevant officer.
- e. Appoint independent Members to the Independent Panel.
- f. To consider the outcome of any resultant investigation and representations from the statutory/relevant Officer and either:
 - I. Determine there is no case to answer.
 - II. Determine a sanction short of dismissal.
 - III. Recommend dismissal to the full Authority.

15.4 **Membership**

Six (6) voting Members of the Authority according to political proportionality, plus one Independent Co-opted Member

15.5 **Quorum**

Four (4) voting members.

Article 16 – The Appeals Committee

16.1 **Terms of Reference**

- a. Consider and determine Appeals referred from the Audit Committee in relation to the Members Code of Conduct.
- b. Consider and, if appropriate, determine any other matters which may be referred to the Committee by the Authority, or any committee.
- c. In making decisions to have full regard to the Authority's public equality duties and its duties under Health and Safety and Environmental and other legislation.

16.2 **Membership**

4 voting Members including Chair of the Authority, Vice Chairs and 1 Opposition Spokesperson.

16.3 **Quorum**

At least one (1) Member from the controlling political party and at least one (1) party group leader from another political party represented on the Authority and to include either the Chair of the Authority or at least one (1) of the Vice Chairs of the Authority.

Article 17 – The Appointments Committee

17.1 Terms of Reference

- a. To consider and determine for appointment to the posts and offices of the Chief Fire Officer, Deputy Chief Fire Officer, the Director of Finance and Procurement, Monitoring Officer and any other posts referred to the committee for consideration.
- b. To make appointments to the above posts on behalf of the Authority.
- c. To consider and, if appropriate, determine any other matters which may be referred to the Committee by the Authority.

17.2 Membership

4 voting Members including The Chairs and Vice Chairs of the Authority and 1 Opposition Spokesperson.

17.3 Quorum

At least one (1) Member from the controlling political party and at least one (1) Party group leader from another political party represented on the Authority and to include either the Chair of the Authority or at least one (1) of the Vice Chair of the Authority.

Article 18 – Member Development and Engagement Group

18.1 Terms of Reference

- a. To promote the continuous development of Members of the Authority in a manner that will increase their capacity still further to meet the Authority's mission and aims.
- b. To consider proposals and options for arrangements in respect of Member's training and development and from time to time to make recommendations to the Authority.
- c. To monitor from time to time the existing arrangements for Members training and development and identify any relevant issues and report to the Authority.
- d. To liaise with the Authority's officers responsible for devising and implementing training and development for employees, with a view to promoting integration and avoiding duplication where appropriate.
- e. To encourage feedback from Members who attend conferences, training and events to consider the value and appropriateness of attendance at such events and report findings to the Authority.

18.2 Membership

Four (4) elected Members with at least two (2) from the controlling political party and at least one (1) Party group leader from another political party represented on the Authority.

18.3 Quorum

As this is a working group there is no quorum, however at least one (1) Member should be in attendance.

Article 19 – Local Pension Board (Firefighter’s Pension Scheme(s))

19.1 The Authority has established a Local Pension Board (LPB) to assist the Authority in its role as ‘Scheme Manager’ for the Firefighters’ Pension Scheme(s), as required by the Pension Scheme (Amendment) (Governance) Regulations 2015 Regulation 4A. The (LPB) is responsible for assisting the Scheme Manager (or nominated officer) in securing compliance with:

- a. Scheme regulations.
- b. Other governance and administration legislation.
- c. Any requirements of The Pensions Regulator
- d. Additional matters, if specified by scheme regulations.

19.2 The 2015 Firefighters’ Pension Scheme regulations require the LPB to assist the Scheme Manager in ensuring the effective and efficient governance and administration of the scheme. This is potentially a wide ranging role and allows, for instance, the LPB to look at the systems underpinning the administration of the scheme or how decisions are taken. However, the LPB is not a decision making body. The LPB has an equal number of employer representatives and member representatives (3 of each).

Article 20 – Scheme of Delegation to Officers

This scheme grants powers to Officers to exercise powers and carry out duties of the Authority under various Statutes, Orders, Regulations and Byelaws and Common Law.

The Openness of Local Government Bodies Regulations 2014 require the approval of certain delegated powers to Officers to be recorded and published. Such delegations concern the exercise of powers which affect the rights of individuals the granting of a permission or licence or the award of a contract or incurring of expenditure which, in either case, materially affects the Authority’s financial position.

The Monitoring Officer and/or the Director of Finance and Procurement to the Authority or their designated Deputy shall advise the Authority of circumstances as and when this will be necessary.

20.1 Conditions of Delegations

- a. It is the duty of Officers to whom the exercise of powers is delegated to keep Members of the Authority informed of activity arising within the scope of the delegated powers given to them.

- b. In exercising delegated powers, Officers shall consult with each other as appropriate in the circumstances and shall have regard to any advice given.
- c. It shall always be open to an Officer to seek authority or guidance from the Authority (particularly Statutory Officers) and to elect not to exercise delegated powers; or to consult with Members on the exercise of delegated powers.
- d. The exercise of delegated powers by an Officer shall be in accordance with:
 - I. The policies of the Authority and its decisions from time to time.
 - II. The Authority's Standing Orders and Financial Regulations.

20.2 Powers Not to be Delegated

- a. Any matter reserved to the Authority.
- b. Any matter which may, by law, not be delegated to an Officer.
- c. Any decision relating to the functions listed in Article 3.2 to 3.4.
- d. Where to do so would effectively result in the Officer making a decision reviewing their own decision in relation to pension, disciplinary or any other matters.
- e. Where to do so would result in a breach of the Authority's Contract Standing Orders for the time being in force.
- f. In respect of action constituting the grant of an exemption under Contract Standing Orders, or the award of a Contract, the value of which exceeds £300,000.
- g. In respect of action constituting the entering into of sponsorship arrangements, the value of which exceeds £25,000.
- h. In respect of action constituting the appointment or dismissal of the Chief Fire Officer, the Deputy Chief Fire Officer, the Director of Finance and Procurement (as the s.151 Officer/Chief Finance Officer) or the Monitoring Officer.
- i. Where to do so would result in the Authority incurring expenditure for which no budgetary provision exists within the budget heads for which the Officer proposing to exercise delegated powers is responsible.
- j. Where to do so would result in expenditure entailing the virement of sums in excess of £75,000 from one (1) budget line approved by the Authority to another budget line.
- k. Where to do so would result in the Authority incurring expenditure on hospitality in excess of £800 on any occasion or in breach of any guidance issued by the Authority.
- l. No Officer other than the Director of Finance and Procurement (as the s.151 Officer/Chief Finance Officer) shall have the power to write off debts due to the Authority or equipment or other assets held by the Authority. The Director

of Finance and Procurement (as the s.151 Officer/Chief Finance Officer) shall have power to write off debts and assets up to the value of £5000 but shall exercise such power only if satisfied that:

- I. it would not be cost effective to expend additional resources to recover the amounts owed, or
 - II. every reasonable effort has been made to recover the amounts due, and further action is likely to damage the reputation of the Authority, or
 - III. the debt is legally irrecoverable, and
 - IV. that the Authority has not reserved such a decision to itself.
- m. The term "Officer" means the holder of a post named as having delegated powers or duties under this scheme.

20.3 Delegations to the Chief Fire Officer

(and in their absence the Deputy Chief Fire Officer) who may further delegate to any member of the Strategic Leadership Team or a Head of Service as appropriate.

- a. To make a formal response on behalf of the Authority to any White Paper, Green Paper, Government Consultation Paper or Draft European Union Directive without reference first to the Authority, when the timescale does not allow, after consultation with the Chair and Vice Chairs of the Authority and each of the Party Group Leaders.
- b. To control all matters of the day to day administration of the Fire and Rescue Service which shall include taking and implementing decisions that are:
 - I. concerned with maintaining the operational effectiveness of the Service;
 - II. matters incidental to the discharge of the Authority's functions which fall within a policy decision taken by the Authority.
- c. To make, issue and serve such Notices, Orders, Statements and other documents as may be necessary or appropriate for the above purposes or to give effect to, or carry out any decision of they/them under powers delegated to they/them under this scheme.
- d. To submit comments on any town and country planning matter, Building Regulations, Safety or Sports Grounds and other applications or licenses, where the Authority is a consultee, statutory or otherwise.
- e. To exercise all the powers of the Authority as an enforcement authority under relevant legislation, without prejudice to the generality of this position they/them may in particular:
 - I. authorise the commencement of criminal proceedings (after consultation with the Monitoring Officer) for any breach of any law or regulation, the enforcement of which the Authority is empowered to undertake;
 - II. take appropriate action on behalf of the Authority under the Regulatory Reform (Fire Safety) Order 2005 and/or other Enforcement legislation in force from time to time;

- III. designate persons as Inspectors under Article 26 of the Fire Safety Order and the Health and Safety at Work Act 1974;
 - IV. authorise named members of staff in writing to exercise statutory powers conferred on the Authority under Article 27 of the Fire Safety Order;
- f. To ensure that nationally and locally agreed conditions of service are properly implemented.
- g. After consultation with the Director of Finance and Procurement to authorise the implementation of any nationally agreed pay award in respect of all employees, subject to any element of discretion being referred to the Authority for consideration.
- h. To manage all staff, staffing structures and decide on personnel issues in line with agreed Authority policies.
- i. To vary the grading of individual non-uniformed posts up to (but not including) the Director of Finance and Procurement (including progression within and between grades) having regard to the national Job Evaluation Scheme and in consultation with the relevant trade union(s).
- j. To make and terminate appointments of uniformed and non-uniformed staff up to (but not including) those posts to be made/terminated by the Appointments Committee.
- k. To ensure that the Fire Authority's disciplinary policy and procedures, based on the Advisory, Conciliation and Arbitration Service (ACAS) best practice guidance, are properly applied and enforced.
- l. To hear disputes under the first stage of the Internal Disputes Resolution Procedure, which have been lodged in relation to the Firefighters Pension Scheme or the Local Government Pension Scheme.
- m. To manage and maintain land and property daily, whether owned or leased.
- n. To deal with any urgent matters, not otherwise delegated, in consultation with the Director of Finance and Procurement, Monitoring Officer, Chair and Vice Chair.
- o. To provide a strategic lead in promoting and maintaining the Authority and Service's commitment to Equality and Diversity (including culture) , Environmental issues and Health and Safety, through the Strategic Leadership Team.

20.4 Delegations to the Monitoring Officer

(and in their absence their nominated deputy).

- a. To take all necessary steps, including the obtaining of Counsel's advice, in connection with any matter concerning the Authority and incur expenditure in connection therewith.

- b. To institute on behalf of the Authority such proceedings or to take such other steps as they/them may consider necessary to:
 - I. secure the payment of any debt;
 - II. recover possession of any land;
 - III. enforce the performance of any obligations due to the Authority and to take such steps as they/them may consider necessary to enforce any judgement or order obtained in any such proceedings after consultation with the Chair of the Authority;
 - IV. sign or affix the Authority's seal to documents necessary to give effect to property or other matters dealt with pursuant to these delegated powers.
- c. To enter a defence to any claim brought against the Authority.
- d. To take all action on behalf of the Authority in respect of claims by or against the Authority where the Authority is insured in respect of such claims subject to:
 - I. sufficient budgetary provision being available and a report to the Director of Finance and Procurement following the exercise of such power;
 - II. the terms of any settlement complying with the recommendations of the Solicitor acting for Authority's insurer;
 - III. the delegated power being limited to settlement of claims by or against the Authority up to a maximum of £2000,000.
- e. To execute and issue all legal documents (including all contracts) necessary to implement decisions made by the Authority or its committees or Officers in pursuance of delegated powers, except where another Officer has been authorised to take such action or the Monitoring Officer has authorised him/her to do so.
- f. To authorise any person to appear on behalf of the Authority in any court, tribunal or inquiry on any matter relating to the business of the Authority.
- g. The above powers may be delegated to the Senior Solicitor by the Monitoring Officer.
- h. To ensure compliance on behalf of the Authority with the Public Services (Social Value) Act 2012.

20.5 Delegations to the Authority Director of Finance and Procurement

(and in their absence their nominated deputy).

- a. To undertake all matters of day-to-day financial administration for the Service, in accordance with the Standing Orders and Financial Regulations of the Authority.
- b. In agreement with the Chief Fire Officer, and after consultation with the Chair and Vice Chair, in cases of urgency to approve virement, within revenue and

capital budgets not otherwise covered by the Director of Finance and Procurement's delegated authority. Action taken under this delegation must be reported to the next meeting of the Authority.

- c. To approve supplementary revenue votes for items which are of a formal, unavoidable or relatively small amount and which are not inconsistent with approved budgetary policy, and which:
 - I. result from pay awards or price increases not taken into account in approved budgets;
 - II. result from expenditure arising from the mandatory implementation of Acts of Parliament or other Government directives;
 - III. relate to goods, services or other expenses which were budgeted for and properly ordered or committed in the previous year but which, owing to delays in delivery or execution, have to be accounted for in the following year. (It is implicit that the original budgetary provision should remain unspent at the end of the year of provision);
 - IV. are urgently necessary to maintain existing services and cannot reasonably be met from appropriate approved budgets;
 - V. do not exceed £10,000 in total for any one (1) purpose and do not entail significant expenditure in subsequent years.

- d. Virement (i.e., the transfer of sums approved for a specified purpose to another purpose) may be authorised by the Director of Finance and Procurement in accordance with Financial Standing Orders provided:
 - I. there are no greater consequential revenue effects in later years;
 - II. the proposals are not inconsistent with approved budgetary policy and the overall budget situation;
 - III. that it does not involve the transfer of sums between budget lines where the activities in one (1) of the areas is outside the control of the Authority;
 - IV. that it does not involve the transfer of sums to the appointment of staff or other purpose which will commit the Authority to a significant additional level of expenditure in future years or which will initiate new policies or the extension of existing policies.

20.6 **Supplementary Capital Budgets**

To approve supplementary capital budgets subject to the limitations set out in the Financial Standing Orders.

20.7 **Inspectors**

Officers appointed as Inspectors under the Health and Safety at Work Act 1974, shall have the powers of an Inspector specified in the following statutory provisions or any statutory amendments or re-enactments thereof:

- a. Sections 1, 20, 21, 22, 25 and 39 of the 1974 Act.
- b. Any Health and Safety regulations.

- c. The provisions of the Acts mentioned in Schedule 1 to the 1974 Act, which are specified in the third column of that Schedule and of the Regulations, Orders and other instruments of a legislative character made or having effect under any provision so specified.

Officers appointed as Inspectors under the Regulatory Reform (Fire Safety) Order 2005 or any statutory amendment or re-enactment thereof, shall have:

- a. the powers of an Inspector, specified in Regulation 27 of that Order.
- b. powers to issue and serve alteration notices, enforcement notices, prohibition notices and notices relating to switches for luminous tube signs under that Order.
- c. the power to take any other action relating to the Authority's role as enforcing authority in respect of that Order.

20.8 Directors/Heads of Service

Officers appointed to posts at Director or Head of Service level for the time being of the Authority shall have all of the powers set out in paragraph 3 above subject to:

- a. appropriate delegation by the Chief/Deputy Chief or Assistant Fire Officer.
- b. the restrictions set out in paragraph 1 above, and
- c. the matter of the exercise of delegated powers being within the role and area of responsibility of that Director/Head of Service.

Directors/Head of Service shall have the responsibility for ensuring, within their area of responsibility, compliance with and promotion of powers and duty under Health and Safety, Equality and Diversity and Environmental Legislation and for guidance from time to time in force.

20.9 All Operational Firefighting Employees

All employees of the Authority who are, for the time being appointed as Operational Firefighters from the role of Firefighter to the role of Chief Fire Officer, are authorised for the purposes of:

- a. S.44 of the Fire and Rescue Services Act 2004 (Powers in the event of an Emergency); and
- b. S.45 of the 2004 Act (Powers of Entry).
- c. any statutory amendment or re-enactment of the above provisions.

20.10 All Employees

Shall have the responsibility to ensure their own and others health and safety under the Health and Safety at Work Act 1974 and shall ensure that they are conversant with, understand and are committed to the policies of the Authority in relation to Health and Safety, Equality and Diversity, Environmental and any other matters subject to policies and/or Service Instructions.

20.11 **Interpretation**

In this scheme, the powers of the Chair may, in the absence or unavailability of the Chair be exercised by a Vice Chair.

Any reference in this scheme to any enactment shall be deemed to include a reference to any statute incorporated therewith or any Statutory Instrument, Order in Council Bylaws or other Order made thereunder and any enactment repealing, amending or extending the provision thereof. Any reference to the Authority shall, where the sense allows, be deemed to include references to a Committee.

PART 4 – PROCEDURE RULES

Article 21 – Procedural Standing Orders

Section 1: Preliminary

Standing Order 1: Definitions

- 1.1 In these standing orders, unless the context otherwise demands, the following terms have the meaning assigned to them:
- 1.1.1 “Authority” – the Merseyside Fire and Rescue Authority.
 - 1.1.2 “Annual Meeting” – the Annual General Meeting of the Fire and Rescue Authority.
 - 1.1.3 “Chief Officer” – the Chief Fire Officer for the time being employed by the Authority.
 - 1.1.4 “Chief Finance Officer” – the officer appointed as having the responsibility for the proper administration of the Authority’s affairs pursuant to s.151 of the Local Government Act 1972.
 - 1.1.5 “Monitoring Officer” – the officer appointed as Monitoring Officer to the Authority pursuant to s. 5 of the Local Government and Housing Act 1989.
 - 1.1.6 “Independent Co-opted Member” – an independent person co-opted onto a committee without voting rights.
 - 1.1.7 “Employee” – an employee of the Authority or the holder of a paid office under the Authority other than the Chair and Vice-Chairs.
 - 1.1.8 “Meeting” – a meeting of the Authority, a Committee or a Sub-Committee (as the case may be).
 - 1.1.9 “Member” – in relation to the Authority, a Member appointed as a Member of the Authority and in relation to any Committee or Sub-Committee a person appointed as a Member of that Committee or Sub-Committee.
 - 1.1.10(a) “Number of Members” – in relation to the Authority, the number of persons who may act at the time in question as voting Members of the Authority, and in relation to a Committee or Sub-Committee, the number of persons who may act at the time in question as voting members of that body.
 - 1.1.10(b) “Opposition Spokesperson” – the Leader of the main Opposition group or groups.
 - 1.1.11 “Person Presiding” – the person entitled, or appointed, to preside at any Meeting.

- 1.1.12 “Political Group” – a political group as defined in the Local Government (Committees and Political Groups Regulations 1990).
 - 1.1.13 “Proper Officer” – for the purposes of all Standing Orders means the Monitoring Officer and for the purposes of Standing Order 29 includes the additional persons specified therein.
 - 1.1.14 “Standing Orders” – means Procedural Standing Orders and Contract Standing Orders unless otherwise stated.
 - 1.1.15 “Sub-Committee” – a Sub-Committee of a Committee.
 - 1.1.16 “The 1972 Act” – the Local Government Act 1972.
 - 1.1.17 “The 1985 Act” – the Local Government Act 1985.
 - 1.1.18 “The 1989 Act” – the Local Government and Housing Act 1989.
 - 1.1.19 “The 2000 Act” – the Local Government Act 2000.
 - 1.1.20 “The Localism Act” – the Localism Act 2011.
 - 1.1.21 “Without Comment” – in relation to the moving, seconding or putting of a motion, means without any person speaking except to indicate the wording of the motion, the fact that it is being moved, seconded or put, or (in the case of the Person Presiding) the effect of adopting the motion.
- 1.2 Unless the context otherwise requires, the singular includes the plural and the plural includes the singular and references to the male gender includes reference to the female gender.
 - 1.3 Any reference in any Standing Order to a numbered paragraph is, unless the context otherwise requires, a reference to the paragraph of that standing order bearing that number.

Standing Order 2: Standing Orders

- 2.1 The Authority shall approve Procedural Standing Orders and Contract Standing Orders at its Annual Meeting and these standing orders shall be incorporated into the Authority’s Constitution.
- 2.2 No arrangements shall be made whereby a Committee, Sub-Committee or Officer may exercise any power of the Authority to vary, revoke or add to these Standing Orders.
- 2.3 Except where it is in accordance with a recommendation of a Committee, any motion to amend, revoke or add to these Standing Orders, when moved and seconded, shall stand adjourned without further discussion to the next ordinary meeting of the Authority, and shall stand referred to such Committee as the Authority shall direct for report to that Meeting.
- 2.4 This Standing Order 2 and Procedural Standing Order 19.1 (Minutes) are not capable of being suspended.

- 2.5 Any of Procedural Standing Orders 3 – 7, (Meetings) 8.1 (Notice of Motion), 13.4 and 13.6 (Requisition of Meeting), 16 (Order of Business) and 18.1 and 18.2 (Referring up) may be suspended by the Authority but only if:
 - 2.5.1 notice of the intention to move a motion for such suspension has been included in the agenda for the meeting; and
 - 2.5.2 no Member of the Authority present at the meeting at which such a motion is made objects to such suspension.
- 2.6 Any of the other Standing Orders may be suspended by the Authority provided that either:
 - 2.6.1 notice of intention to move such suspension has been included in the agenda for the Meeting; or
 - 2.6.2 at least one half of the number of Members of the Authority are present.
- 2.7 A suspension under paragraphs 2.5 or 2.6 shall have the effect that the Standing Order suspended is not in force during the period of suspension. A suspension under paragraph 2.5 shall last for the period specified in the resolution to suspend the Standing Order, which shall not extend beyond the next Annual Meeting of the Authority. If no period is specified the suspension shall last only for the Meeting at which it is adopted.
- 2.8 A printed copy of these Standing Orders shall be given to each Member following the Annual Meeting of the Authority, as part of the Constitution of the Authority.
- 2.9 The ruling of the Person Presiding at any Meeting as to the construction or application of any of these Standing Orders shall not be challenged at that Meeting.
- 2.10 Any of the Authority's Contract Standing Orders may be waived or suspended by the Authority or a Committee of the Authority acting with delegated powers provided that such a waiver or suspension shall not release the Authority from its obligation to comply with all statutory and regulatory requirements relating to procurement.

Section 2: Meetings of the Authority

Standing Order 3: Ordinary Meetings of the Authority

- 3.1 The Annual Meeting of the Authority shall be held on such date in June to be determined by the Authority which ensures the participation of any new Members who may be appointed by constituent councils in that year and shall take place at Merseyside Fire and Rescue Authority HQ, Bridle Road, Bootle, Liverpool, L30 4YD at 1.00pm (or such other place and time as determined by the Authority or a Committee of the Authority).
- 3.2 Other ordinary meetings of the Authority for the transaction of general business shall be held at Merseyside Fire and Rescue Authority HQ, Bridle Road, Bootle, Liverpool, L30 4YD (or such other place and at such time as determined by the Authority or a Committee of the Authority).
- 3.3 Where it is appropriate to change the date, time or place of a Meeting, the Meeting shall take place on such date, place or time as determined by the Monitoring Officer in consultation with the Chair of the Authority and Opposition Spokespersons.

Standing Order 4: Extraordinary Meetings of the Authority

- 4.1 The Chair of the Authority may at any time call an extraordinary meeting of the Authority.
- 4.2 If the office of Chair is vacant, or if the Chair is unable to act for any reason, the Vice-Chair of the Authority may at any time call an extraordinary meeting of the Authority.
- 4.3 Three Members of the Authority may call an extraordinary meeting of the Authority if a request for such a meeting signed by such Members of the Authority has been presented to the Chair of the Authority and either they/them has refused to call a meeting, or without they/them so refusing, no extraordinary meeting has been called within seven (7) days of the presentation of the request.
- 4.4 Any request under paragraph 4.3 may be presented to the Chair by being left for they/them with the Proper Officer.
- 4.5 Where any person or persons decides to call an extraordinary meeting of the Authority they/them shall inform the Monitoring Officer that they/them has done so, the business to be transacted and the date and time for which the meeting is called. The Monitoring Officer shall thereupon ensure that the notice and summonses required by paragraph 4(2) of Schedule 12 to the 1972 Act are published and sent.
- 4.6 Any extraordinary meeting of the Authority which may be called shall be held at Merseyside Fire and Rescue Authority HQ, Bridle Road, Bootle, Liverpool, L30 4YD or such other place as the Monitoring Officer in consultation with the Chair of the Authority may appoint.
- 4.7 Extraordinary meeting shall be called unless it is proposed to transact at the Meeting business which, in accordance with the relevant enactments and these Standing Orders, may be transacted at that meeting.

- 4.8 Where in relation to any meeting of the Authority the next such meeting is an extraordinary meeting, the next following meeting of the Authority shall be treated as a suitable meeting for the purposes of signing of minutes.

Standing Order 5: Person Presiding at Meetings of the Authority

- 5.1 The Person Presiding at the commencement of the Annual Meeting to consider the election of a Chair of the Authority shall be:
- 5.1.1 the Chair of the Authority for the previous municipal year of the Authority; or
 - 5.1.2 if they/them is absent or unable to act the Vice Chair of the Authority for the previous municipal year of the Authority; or
 - 5.1.3 if they/them is absent or unable to act such Member as is appointed by the Authority.
- 5.2 Thereafter the Person Presiding at meetings of the Authority shall be:
- 5.2.1 the Chair of the Authority; or
 - 5.2.2 in the absence of the Chair of the Authority, the Vice Chair of the Authority; or
 - 5.2.3 in the absence of the Vice Chair of the Authority and the Chair of the Authority, a Member of the Authority appointed by the Authority.
- 5.3 If it is necessary to choose a Member of the Authority to preside in the absence of the Chair and Vice Chair, the Proper Officer shall call on a Member of the Authority to move that, a Member of the Authority be named, and that Member shall take the Chair.
- 5.4 If discussion arises on that motion, the Proper Officer shall exercise the powers of the Person Presiding to regulate that discussion, and to maintain order at the meeting.
- 5.5 The motion, and any amendments, shall be put to the Meeting in accordance with Standing Order 22.5 (voting on appointments).

Standing Order 6: Quorum of Meetings of the Full Authority

- 6.1 No business shall be transacted at any meeting of the Full Authority unless at least eight voting Members are present (Standing Order 15 deals with the Quorum of Committee and Sub-Committee meetings).
- 6.2 If, during any meeting of the Authority or its Committees or Sub-Committees, the Person Presiding, after causing the number of Members present to be counted, declares that there is not a quorum present, the Meeting shall stand adjourned for fifteen minutes.

- 6.3 If, after fifteen minutes the Person Presiding, after again causing the number of Members present to be counted, declares that there is still no quorum present, the Meeting shall end.
- 6.4 Notwithstanding any provision in these Standing Orders that notices of questions or motions shall lapse, the consideration of all business which is on the agenda of a meeting brought to an end under the previous paragraph; and which has not been completed before the meeting is brought to an end shall be postponed to the next meeting of the Authority, whether ordinary or extraordinary.

Standing Order 7: Order of Business at Meetings of the Authority

- 7.1 Unless the Authority otherwise orders in accordance with Standing Order 7.3, the order of business at every meeting of the Authority shall be:
- 7.1.1 in the absence of the Chair and Vice Chair, to choose a Member of the Authority to preside.
 - 7.1.2 at the Annual Meeting, and at any other Meeting which is the first after the office of Chair shall have become vacant, to elect a Chair.
 - 7.1.3 at the Annual Meeting, and at any other Meeting which is the first after the office of Vice Chair shall have become vacant, to appoint a Vice Chair.
 - 7.1.4 to approve as correct record, the minutes of the last meeting of the Authority, and of any earlier Meeting of which the minutes have not been so approved, and for the Person Presiding to sign them; unless the minutes of all earlier meetings of the Authority have already been signed as a correct record, or in accordance with Standing Order 19, any unsigned minutes are to stand over until the next suitable Meetings. Minutes of previous meetings which have been held during the chairmanship of the previous year, before the newly elected chair takes over presiding the meeting.
 - 7.1.5 to consider declarations of interests by Members.
 - 7.1.6 to receive communications or announcements from the Person Presiding; should this be moved up – e.g., Chair’s announcement usually prior to business on Agenda.
 - 7.1.7 where the meeting has been requisitioned by Members under Standing Order 4.3, to consider the business specified in the Summons.
 - 7.1.8 where a Meeting has been summoned to consider:
 - 7.1.8.1 the promotion or opposition of a bill under section 239 of the 1972 Act .
 - 7.1.8.2 a report from the Chief Financial Officer under section 114 of the Local Government Finance Act 1988 .

- 7.1.8.3 a report of the Monitoring Officer under section 5 of the 1989 Act .
- 7.1.8.4 to consider the business for which the meeting has been summoned.
- 7.1.9 to receive petitions for Members of the Authority.
- 7.1.10 the asking and answering of questions under Standing Order 10.
- 7.1.11 to consider items of business, if any, which were on the agenda of Committees in the order prescribed under paragraph 7.2.
- 7.1.12 to receive and consider reports, minutes and recommendations of Committees in the order prescribed under paragraph 7.2.
- 7.1.13 to consider motions of which notice has been submitted by Members of the Authority in accordance with Standing Order 8 in the order in which they are recorded as having been resolved.
- 7.1.14 to consider other business, if any, specified in the summons for the meeting.
- 7.2 The items of business under paragraph 7.1 shall be considered in the order in which they are listed in the agenda for the Meeting and that order shall be in accordance with arrangements determined from time to time by the Authority.
- 7.3 The order of business in paragraph 7.1 may be varied by direction of the Person Presiding, made with the unanimous consent of the Members present, but not so as to alter the order of items set out in paragraphs 7.1.1 to 7.1.7.
- 7.4 If the Persons Presiding decides that any items of business which has not been included in the agenda for the Meeting sent with the summons, may be taken for reasons of urgency, that item shall, subject to any direction or resolution under paragraph 7.3, be taken at the end of the other items of business.
- 7.5 For the purposes of this Standing Order 7.1.2 and 7.1.3, a vacancy in the office of Chair and Vice Chair shall be deemed to have occurred where the holder of such office:
 - 7.5.1 has ceased to be a Member of the Authority by reason of termination of appointment.
 - 7.5.2 has ceased to be a Member of the Authority by reason of ceasing to be a member of the constituent Council at the time of notice to the Authority.
 - 7.5.3 in any other case on the date of the declaration or receipt of the notice or resignation.

Standing Order 8: Notices of Motions to Authority

- 8.1 Any Member of the Authority may give notice of motion for consideration at any Meeting of the Authority.
- 8.2 Every motion shall be relevant to some matter in relation to which the Authority has a function.
- 8.3 Notice of every motion to be moved at a meeting of the Authority other than a motion which, (under Standing Order 9), may be moved without notice, shall be given in writing and signed by the Member or the Members giving notice. The notice shall state for which Meeting of the Authority the notice is given.
- 8.4 Unless the Person Presiding at the meeting is of the opinion that a motion should be considered as a matter of urgency, notice of every motion of which notice is required shall be delivered to the Proper Officer by hand, fax or email at least six (6) clear working days before the meeting for which the notice is given.
- 8.5 The Proper Officer shall not accept any notice of motion which, by reason of any enactment or any provision in these standing orders (other than paragraph 8.8 below), could not be considered at the meeting for which it is given.
- 8.6 The Proper Officer shall record the time and date at which every such notice is delivered to they/them. That record shall be open to the inspection of every Member of the Authority.
- 8.7 A motion shall only be moved by a Member by whom notice has been given or by a Member authorised by such a Member.
- 8.8 Where notice of a motion has been given for any meeting and that motion is neither moved (nor deemed to have been referred to a Committee), the notice shall lapse and the motion shall not be moved without further notice.
- 8.9 Subject to Standing Order 8.10 below, where a notice of motion has been given for any meeting of the Authority and that motion is within the terms of reference of any Committee of the Authority, the motion shall be deemed to have been transferred by that meeting to the next meeting for the Committee or Committees within whose terms of reference it falls. If any question arises as to the Committee to which the motion is to be referred, it shall be determined by the Chair of the Authority.
- 8.10 Where a motion has been referred, or is deemed to have been referred, to a meeting of a Committee, that committee shall consider it as its next meeting and shall either report upon the motion to the next meeting of the Authority, or include its views upon the motion in its next report to the Authority.
- 8.11 No motion or amendment shall be moved to rescind any resolution of the Authority which was passed within the same Authority Municipal Year or which is to the same effect as one (1) which has been rejected within that period.

Standing Order 9: Motions and Amendments

- 9.1 The following motions may be moved without notice any Meeting and considered in sequential order:
 - 9.1.1 to elect a Chair of the Authority, to appoint a Vice-Chair of the Authority, or to appoint a person to preside at the meeting at which the motion is made.
 - 9.1.2 motions relating to the accuracy of the minutes.
 - 9.1.3 motions under Standing Order 7.3 (change in order of business).
 - 9.1.4 “that the Authority (or Committee or Sub-Committee) proceed to the next business”.
 - 9.1.5 “that the question be now put”.
 - 9.1.6 “that the debate be now adjourned”.
 - 9.1.7 “that the Authority (or Committee or Sub-Committee) do now adjourn”.
 - 9.1.8 motions under Standing Order 2.5.2 (suspension of Standing Orders without notice).
 - 9.1.9 motions in accordance with section 100A (2) or (4) of the 1972 Act to exclude the public from a meeting where there is likely otherwise to be disclosure of exempt or confidential information.
 - 9.1.10 motions giving consent of the Authority, committee or subcommittee, where it is required under these Standing Orders.
 - 9.1.11 motions to refer a petition which has been presented to the Authority to a Committee for consideration.
 - 9.1.12 where a matter has been submitted to a Committee or a Sub-Committee to consider that matter.
- 9.2 On consideration of a report or a recommendation from a Committee, Sub-Committee, or Officer, the adoption of the report or recommendation and any resolutions consequential upon that adoption may be moved without notice.
- 9.3 Subject to PSO 9.3.1 and PSO 9.3.2, an amendment to a motion may be moved without notice, but shall be relevant to the motion.
 - 9.3.1 Notice of a motion consisting of a proposal for the setting of a budget and the associated calculations shall be provided in full to the Chief Finance Officer, the Monitoring Officer and all Members at least ten (10) working days prior to the date of the Authority meeting scheduled to consider the setting of a budget for the forthcoming financial year.

- 9.3.2 Notice of any amendment proposed to a motion specified in PSO 9.3.1 (a budget resolution) shall be provided in full to the Chief Finance Officer, the Monitoring Officer and all Members at least five (5) working days prior to the date of the Authority meeting scheduled to consider the setting of a budget for the forthcoming financial year.
- 9.3.3 An amendment to a budget resolution will not be considered by the Authority where the notice requirements set out in PSO 9.3.2 (above) have not been met.
- 9.3.4 For the purposes of PSO 9.3, notice is given on the date that it is received by the Chief Finance Officer and Monitoring Officer.
- 9.4 An amendment to a motion shall be either to refer the matter to a Committee, a Sub-Committee or an Officer for consideration (or reconsideration), to leave out words, or to insert or to add other words, but such omission, insertion or addition of words shall not have the effect of simply negating the motion before the Meeting.
- 9.5 With the consent of the Meeting signified without discussion, a Member may:
 - 9.5.1 alter a motion of which they/they has given notice; or
 - 9.5.2 with the further consent of the seconder, alter a motion which has been moved or seconded.

If (in either case) the alteration is one (1) which could be made as an amendment thereto.
- 9.6 With the consent of the seconder (if they/they are still present) and of the Meeting signified without discussion, the mover of a motion or an amendment may withdraw it. No Member shall speak to such a motion or amendment after the mover has asked consent for its withdrawal, unless such consent has been refused.
- 9.7 Where consent of the Authority, Committee, or Sub-Committee is required for anything, it may be given either:
 - 9.7.1 by the Person Presiding at the Meeting asking whether there are objections to the consent being given, and if no objection is raised, giving that consent; or
 - 9.7.2 if objection is raised, or if the Person Presiding so chooses, by a motion moved, seconded and put to the meeting.

Standing Order 10: Questions

- 10.1 Every question shall be relevant to some matter in relation to which the Authority has functions.
- 10.2 Subject to Standing Order 10.1, if a Member of the Authority wishes to ask a question during a meeting of the Authority of:

10.2.1 the Chair of the Authority; or

10.2.2 the person appointed or chosen to preside in any committee.

They/them shall give notice in writing to the Proper Officer of the question at least seven (7) working days before the meeting at which the question is to be asked.

10.3 A list of the questions of which notice has been given shall be circulated to Members of the Authority at, or before, the meeting at which they are to be asked.

10.4 If the Person Presiding at a meeting of the Authority considers that, by reason of special circumstances, it is desirable that a question shall be asked at a meeting of the Authority although due notice of the questions has not been given, and if they/them are satisfied that as much notice as is possible has been given to the person of whom it is to be asked, they/them may permit the question to be asked.

10.5 Every question shall be put and answered without discussion, but the person to whom the question has been put may decline to answer it. If the Person Presiding permits, the Member asking a question may ask one (1) relevant supplementary question which shall be put and answered without discussion.

10.6 An answer to a question may be given by the person to whom it is addressed or by a person on her/his behalf, and may take the form of:

10.6.1 an oral answer.

10.6.2 reference to information contained in some publication.

10.6.3 written answer, which shall be circulated to Members of the Authority at the latest with the Summons for the next meeting of the Authority.

10.7 No question shall be asked more than ten (10) minutes after the Authority has entered on the item of business under which questions are asked.

10.8 If notice of a question has been given, and that question is not for any reason asked orally, and unless the Member who has notice of it withdraws the question or the Member to whom it is addressed refuses to answer, the question shall be given a written answer in the same way as under paragraph 10.6.3.

Standing Order 11: Presentation of Petitions, Hearing of Deputations and Occasions When Public May Speak

11.1 At a meeting of the Authority, any Member of the Authority or local government elector for the area of the Authority may present a petition which is relevant to some matter in relation to which the Authority has functions (and subject to 11.2).

11.2 The following matters are specifically excluded from consideration by the Authority through the submission of a petition:

11.2.1 Conditions of service of employees;

- 11.2.2 Any matter relating to enforcement action undertaken by Merseyside Fire and Rescue Service.
 - 11.2.3 Any matter which is vexatious, discriminatory, inappropriate or not reasonable.
 - 11.2.4 Any matter which relates to an individual and/or entity where that individual or entity has a right of review or right of appeal under any policy or enactment.
 - 11.2.5 Any matter which is exempt under the Local Government Act 1972, the Access to Information Act 1985, the Data Protection Act 2018, the Freedom of Information Act 2000 or the Environment Information Regulations 2004 (and amendments thereto). This includes but is not limited to information relating to an individual, information that is commercially sensitive, or that concerns information regarding which there are implications for the prevention or prosecution of a crime.
 - 11.2.6 Any matter which is substantially the same as a petition submitted in the previous 12 months.
- 11.3 At least seven working days before the meeting at which the petition is to be presented, the person wishing to present it shall give notice of their intention to do so to the Proper Officer, and shall show the petition to her/him. Where the person proposing to present the petition is not a Member of the Authority, the notice of intention to present a petition shall not be accepted unless the Proper Officer has satisfied themselves that the petition is proper to be presented. If the petition is deemed not proper to be presented, outside the remit of a relevant matter of the Authority's functions or a specifically excluded matter, the person wishing to present the petition will be informed and as to the reasons why.
- 11.4 A proper petition shall contain a minimum of twenty-five (25) signatories from different households including the names, postal addresses and signatures of any such persons supporting the petition who are local government electors for the area of the Authority.
- 11.5 Signatures for the petition should have been collected no more than six (6) months before the submission of the petition to ensure that the issues raised are considered within an appropriate time frame.
- 11.6 The presentation of a petition shall be limited to no more than five (5) minutes and shall be confined to reading out or summarising the subject of the petition, indicating the number and description of the signatories, and making such further supporting remarks relevant to the petition as the person presenting it shall think fit.

- 11.7 Any person likely to be affected by a matter in relation to which the Authority has functions, (other than employees in relation to matters of conditions of service) may ask that a deputation should be received by a meeting of the Authority. Such a request shall be made to the Proper Officer at least seven working days before the meeting to which it relates. The person making the request shall indicate the matter to which the request relates, the number (which shall be more than two and less than five names and addresses of the persons who will form the deputation, and the member or members of the deputation who will speak for them).
- 11.8 On being called by the Person Presiding, the person or persons speaking for the deputation may make, during a period not exceeding five (5) minutes, such remarks as they think fit, providing that the remarks shall relate to the matter indicated.
- 11.9 The Members of the Authority may, during a further period not exceeding five (5) minutes for each deputation, ask questions of the members of the deputation. Such questions shall be asked and answered without discussion.
- 11.10 Petitions shall be presented, and deputations received in the order in which notice of them is received by the Proper Officer, without making any distinction between petitions and deputations.
- 11.11 Subject to the provisions of Standing Order 11.1 to 11.7, no members of the public shall be entitled to speak or address a meeting without the permission of the Person Presiding.

Section 3: Committees and Sub-Committees

Standing Order 12: Appointment of Committees and Sub-Committees

- 12.1 Subject to the provisions of the 1972 Act, and other relevant enactments, at its annual meeting, the Authority:
 - 12.1.1 shall resolve which Committees shall be appointed, the terms of reference of each of those Committees, the number of voting Members appointed to each Committee; and whether the Committees are to have delegated powers.
 - 12.1.2 may resolve that non-voting Members, assessors and advisers shall also be appointed to any such Committee, so far as the law permits.
 - 12.1.3 if it resolves to make appointments under Standing Order 12.1.2, shall specify the numbers of appointments to be made and what functions in relation to the Committee each person so appointed may discharge.
 - 12.1.4 may determine an annual timetable for ordinary meetings of Committees.
- 12.2 The Authority may at any time amend resolutions under the previous paragraph.
- 12.3 Every Committee set up under this Standing Order, and every Sub-Committee set up by such a Committee, shall continue to discharge the functions committee to them until the Authority or Committee, (as the case be), resolve otherwise.

- 12.4 The Authority may at any time appoint alternate Members from within its full Membership as persons entitled to attend Committees with full voting rights in the absence of the original Member for whom they are named as alternates, subject to the following:
- 12.4.1 An alternate for an original Member who is Chair of a Committee or a Sub-Committee shall not automatically be entitled to act in that capacity but may do so in accordance with provisions of Procedural Standing Order 14.
 - 12.4.2 The agenda for any Meeting shall only be supplied to an alternate Member at the time of initial circulation if prior notice of proposed absence has been received by the Proper Officer from the original Member.
 - 12.4.3 Attendance as an alternate at a Meeting shall be classed as an approved duty.
 - 12.4.4 If as a consequence of the application of this Standing Order a Member is appointed as an alternate Member for more than one original Member on the same Committee or Sub-Committee, they/them shall not be entitled to choose for which absent original Member to act but shall in every case act as alternate for the Member whose surname has alphabetical priority.
 - 12.4.5 Decisions relating to the nomination of alternate Members or variations thereto may be taken by the Authority at any meeting.
- 12.5 Every person appointed as a voting Member of such a Committee or Sub-Committee and every person appointed to exercise other functions in relation to a Committee shall continue as such until the appointment is terminated upon:
- 12.5.1 receipt of written notification of their resignation from the Authority.
 - 12.5.2 notification from their nominating Council that they/them are to be replaced or has been disqualified or has retired as a district Councillor.
 - 12.5.3 failure to be successfully re-elected as a Councillor.
 - 12.5.4 termination pursuant to Standing Order 12.16.
 - 12.5.5 termination pursuant to S.52 (1) of the Local Government Act 2000 (failure to provide undertaking or comply with any other legislative provision).
- 12.6 Whenever:
- 12.6.1 the Authority is required to review the allocation of seats on Committees between Political Groups; or
 - 12.6.2 the Authority resolves to carry out such a review; or
 - 12.6.3 a Committee is required to review the allocation of seats on a Sub-Committee between Political Groups; or

- 12.6.4 A Committee resolves to carry out such a review;
- the Proper Officer shall submit a report to the Authority or Committee (as the case may be), showing what allocation of seats would, in their opinion, best meet the requirements for proportionality.
- 12.7 In light of such a report, the Authority or Committee, (as the case may be), shall determine the allocation of seats to Political Groups.
- 12.8 A Political Group shall be treated as constituted when the Proper Officer has received a notice in writing signed by two or more Members of the Authority stating:-
- 12.8.1 that the Members who have signed it wish to be treated as a Political Group.
- 12.8.2 the name of the Group; and
- 12.8.3 the name of one (1) Member of the Group who has signed the notice and who is to act as its Leader.
- 12.9 The notice referred to in Standing Order 12.8 may specify the name of one (1) other Member of the Group who has signed the notice and who is authorised to act in the place of the Leader.
- 12.10 The Leader may be changed by a further notice in writing to the Proper Officer signed by a majority (i.e. more than 50%) of the Members of the Group.
- 12.11 The name of the Group may be changed by a further notice in writing to the Proper Officer signed by the Leader of the Group or a majority (i.e. more than 50%) of the Members of the Group.
- 12.12 A Member of the Authority is to be treated as a Member of a Political Group if they/them have signed a notice in accordance with paragraph 12.8 or if they/them have delivered to the Proper Officer a written notice signed by they/them and by the Leader (or representative) of the Group of a majority (i.e., more than 50%) of Members of the Group stating that they/them wish to join the Groups.
- 12.13 A person is to be treated as having ceased to be a Member of a Political Group when:
- 12.13.1 they/them had ceased to be a Member of the Authority
- 12.13.2 they/them have notified the Proper Officer in writing that they/them no longer wishes to be treated as a Member of the Group.
- 12.13.3 they/them joins another Political Group.
- 12.13.4 the Proper Officer received a notice in writing signed by a majority of Members of the Group stating that they no longer wish they/them to be treated as a Member of it.
- 12.14 No person shall be treated as a Member of more than one (1) Political Group at any given time.

- 12.15 The Proper Officer shall keep and maintain a record of the current membership of each Group.
- 12.16 Whenever an appointment of a voting Member of a Committee or Sub-Committee fails to be made in accordance with the wishes of a Political Group to whom the seat has been allocated, and whenever such an appointment fails to be terminated in accordance with such wishes, then the Authority or the Committee, (as the case may be), at a meeting after those wishes are expressed, shall make or terminate the appointment accordingly.
- 12.17 In order to facilitate appointment of voting Members of Committees, Group Leaders shall submit nominations for membership of committees (in accordance with the allocation of seats) to the Proper Office:-
 - 12.17.1 at the Annual Meeting; and
 - 12.17.2 following variations to membership nominations during the remainder of the Municipal Year and in any event at least one (1) week prior to the next meeting of the Committee concerned.
- 12.18 Subject to any resolutions by the Authority under this Standing Order:
 - 12.18.1 Every Committee may appoint Sub-Committees for such purposes as it thinks fit, and may make arrangements for a Sub-Committee to discharge any of the functions of the Authority which the Committee may discharge.
 - 12.18.2 Where a matter has been delegated to a Committee, the Committee may further delegate the matter to a Sub-Committee unless the Authority otherwise directs.

Standing Order 13: Meetings of Committees and Sub-Committees

- 13.1 The Authority may fix the date, time and place of ordinary meetings of Committees and Sub-Committees.
- 13.2 If the Authority does not fix the date, or time, or place of an ordinary meeting of a Sub-Committee, then the Committee which appointed it to may do so.
- 13.3 If the date, time, or place of an ordinary meeting of a Committee or Sub-Committee, has not been fixed by the Authority or the appointing Committee (as the case may be), then that Committee or Sub-Committee shall fix those details of the meeting which have not otherwise been fixed provided that:
 - 13.3.1 For the first ordinary meeting of any Committee or Sub-Committee, the Chair of the Authority or, if a person has been appointed to preside in a Committee, that person may fix any details which have not otherwise been fixed.
 - 13.3.2 For any other meeting of a Committee or Sub-Committee, the Chair of the Authority or the Person Presiding in that Committee or Sub-Committee, after consultation (so far as practicable) with such persons as appear to they/them to be representative of the political groups

to which have been allocated seats on the Committee or Sub-Committee, may cancel or change any of the details of place, date or time already fixed for a meeting of the Committee or Sub-Committee, other than one

(1) called under Standing Order 13.5.

- 13.4 The Person Presiding at meetings of a Committee or Sub-Committee, their deputy, or the Chair of the Authority may call a special meeting of the Committee or Sub-Committee at any time.

If:

13.4.1 a request for a special meeting of a Committee or Sub-Committee, signed by at least two of the voting Members of a Committee or Sub-Committee, has been presented to the person appointed to preside at their meetings; and

13.4.2 either they/them have refused to call a meeting, or without they/them so refusing, no special meeting has been called within seven days of the presentation of the requisition.

Then any two members of the Committee or Sub-Committee, whichever is the greater, may forthwith request a special meeting of the Committee or Sub-Committee.

- 13.5 If any person decides to request a special meeting of a Committee or Sub-Committee, they/them shall forthwith give notice that they/them have done so to the Proper Officer, specifying the business proposed to be transacted. The Proper Officer shall forthwith give notice to all Members of the Committee or Sub-Committee and all persons entitled to receive their papers.

- 13.6 Any requisition under paragraph 13.5 may be presented by leaving it with the Proper Officer.

Standing Order 14: Persons Presiding in Committees and Sub-Committees

- 14.1 The Authority may appoint, from among the voting Members, a person to preside at the meeting of a Committee or Sub-Committee appointed by it, and or a person to preside in the absence of the first person.

14.2 If any appointment possible under the previous paragraph is not made, a Committee may appoint, from among the voting members, a person to preside at the meetings of any Sub-Committee appointed by it, or a person to preside in the absence of the first person, (as the case may be).

14.3 If any appointment possible under the previous paragraph is not made, a Committee or Sub-Committee at its first meeting after the Annual Meeting of the Authority shall, from among their voting Members, appoint a person to preside at their Meetings, and may, in the same way, appoint a person to preside at their Meetings, and may, in the same way, appoint a person to preside in the absence of the first person.

- 14.4 The Person Presiding at meetings of Committees and Sub-Committees of the Authority shall be:

- 14.4.1 the person appointed as Chair of that Committee.
- 14.4.2 if they/them are absent or unable to act as Chair a Member of the Committee or Sub-Committee (as the case may be) chosen by the voting Members of that Committee or Sub-Committee.
- 14.5 If it is necessary for the Committee or Sub-Committee to appoint a person to preside, the Proper Officer shall call on a Member of the Committee or Sub-Committee to move that a voting member of the Committee or Sub-Committee shall take the chair.
- 14.6 If discussion arises, the Proper Officer shall exercise the powers of the Person Presiding to regulate the discussion, and to maintain order at the meeting.
- 14.7 The motion and any amendments shall be put to the meeting in accordance with Standing Order 22.5 (voting on appointment).

Standing Order 15: Quorum of Committees and Sub-Committees

- 15.1 No business shall be transacted by either the Policy and Resources Committee or the Community, Safety and Protection Committee unless at least 5 voting Members are present.
- 15.2 No business shall be transacted at any meeting of any sub-committee or the Appeals Committee or the Appointments Committees unless at least 2 voting Members are present.
- 15.3 The provision of Standing Order 6.2 to 6.4 shall apply to a meeting of a Committee or Sub-Committee at which a quorum is not present as they would apply if it were a meeting of the Authority.

Standing Order 16: Order of Business on Committees and Sub-Committees

- 16.1 Subject to any directions given by the person appointed to preside at the meeting or the Committee or Sub-Committee, the items of business shall be arranged in such order as the Proper Officer thinks will best ensure the effective dispatch of business.

Standing Order 17: Urgent Business

- 17.1 In agreement with the Chair, the Authority may make arrangements for the discharge, in urgent circumstances, of functions of the Authority, by appointing an urgency committee of not fewer than three (3) voting Members of the Authority; or
- 17.2 In certain circumstances where this is not possible with the timescales required, the Chief Fire Officer of the Authority, in consultation with the Chair of the Authority, and such other Members as the Chair may consider necessary, may discharge these functions.

- 17.3 Any matter approved in the circumstances described in 17.1 – 17.2 shall be reported to the next full Authority meeting giving reasons for the urgency and this shall be recorded in the minutes.
- 17.4 No matter shall be considered at a meeting of the Authority or a Committee or Sub-Committee of the Authority, if it is not specified in the agenda, unless the Chair (or in the case of a Committee or Sub-Committee, the Person Presiding) rule that in their opinion the item should be considered as a matter of urgency **and specifies the reasons why it is urgent**. The ruling, including the reasons for urgency, must be recorded in the minutes of the meeting.

Standing Order 18: Reference-up of Decisions

- 18.1 This standing order applies where arrangements have been made for the discharge of a function of the Authority by a Committee or Sub-Committee, and the operation of such arrangements is referred to in it as “the use of delegated powers”.
- 18.2 Subject to Standing Order 18.3 where a question on the use of delegated powers is put to the vote at a meeting of a Committee or Sub-Committee and a majority of the voting Members present at the meeting, immediately after the question has been put to the vote, ask that the provision of this Standing Order should be applied, the decision which is the subject of delegated powers shall be of no effect, but shall be treated as a recommendation to the Authority (or the Committee which appointed the Sub-Committee, (as the case may be).
- 18.3 Paragraph 18.2 shall not apply to any question which arises on an item of business:
- 18.3.1 where the Committee (Sub-Committee) has, under an obligation arising from the nature of the business to be transacted, heard representations from persons other than Members of the Authority and those appointed by the Authority to discharge a function in connection with the Committee (Sub-Committee) or
- 18.3.2 which concerns the appointment, discipline or dismissal of a member of staff of the Authority.

Section 4: Conduct of All Meetings

(and see Standing Orders 8 and 9)

Standing Order 19: Minutes and Records of Proceedings

- 19.1 Minutes of every meeting shall be submitted to, and signed at, that meeting or at the next following meeting of the body concerned.

Provided that, in the case of the minutes of the meeting of the Authority, if the next following meeting of the Authority has been summoned to consider one (1) of the matters mentioned in Standing Order 7.1.7 (business to be transacted at specifically summoned meetings of the Authority), the minutes shall be signed

instead, at the next suitable meeting of the Authority which shall be the ordinary meeting which next follows the meeting at which such business is to be transacted.

- 19.2 The Person Presiding shall put the question that the minutes submitted to the meeting be approved as a correct record of that meeting, or of a specified former meeting, (as the case may be).
- 19.3 No discussion shall take place upon the minutes, except upon their accuracy. Any question of their accuracy shall be raised by motion. If no such question is raised or, if it is raised, then as soon as it is disposed of, the Person Presiding shall sign the minutes.
- 19.4 Recordings (tape and video as well as written recording) of Meetings of the Authority, its Committees and Sub-Committees may take place by any citizen subject to:
 - a. the provisions of Standing Order 21 (Prevention of Disorderly Conduct).
 - b. compliance with the provisions of Schedule 12A of the Local Government Act 1972 (discussion of confidential items).
 - c. adherence to the Protocol on Reporting at Meetings (page 233).

Standing Order 20: Rules of Debate

- 20.1 The rules of debate in this Standing Order shall apply to all Meetings.

Motions and Amendments

- 20.2 A motion or amendment shall not be discussed unless it has been proposed and seconded.
- 20.3 When proposing or seconding a motion or amendment, a Member may reserve their speech until a later period of the debate by declaring their intention to do so.
- 20.4 When any motion of which notice has not been given, or any amendment has been moved and seconded, the Person Presiding may require that it shall be put into writing and handed to them before it is further discussed.
- 20.5 Only one (1) amendment may be moved and discussed at a time. No further amendment shall be moved until the amendment under discussion has been disposed of provided that the Person Presiding may permit two or more amendments to be discussed (but not voted upon) together if they/them thinks this will facilitate the proper conduct of business.
- 20.6 If an amendment is not carried, other amendments may be moved to the original motion. If an amendment is carried, the motion as amended, shall take the place of the original motion and shall become the motion upon which any further amendment may be moved.

Speeches

- 20.7 If two or more Members offer to speak, the Person Presiding shall call on one (1) to speak.
- 20.8 When speaking, a Member shall address the Person Presiding.
- 20.9 A Member shall direct their speech to the question under discussion, or to a personal explanation or a point of order under the provisions of the next paragraph.
- 20.10 A Member may claim to speak on a point of order or in personal explanation, and shall be entitled to be heard forthwith. A point of order shall relate to an alleged breach of a specified statutory provision or a specified Standing Order, and the way in which the Member raising it considers that it has been broken. A Member raising a point of order must specify which statutory provision or Standing Order they/them alleges has been breached. A personal explanation shall be confined to some material part of a former speech by her/him in the current debate which may appear to have been misunderstood.
- 20.11 The ruling of the Person Presiding on a point of order or on the admissibility of a personal explanation shall not be open to discussion except on a motion of which due notice has been given.

Ancillary Motions

- 20.12 When a motion is under debate, no other motion shall be moved except the following:
- 20.12.1 To amend the motion.
 - 20.12.2 A closure motion under Standing Order 20.13.
 - 20.12.3 A motion under Standing Order 21 (prevention of disorder).
 - 20.12.4 A motion under Section 100A(2) or (4) of the 1972 Act (exclusion of the public).
- 20.13 The following closure motions shall be permitted during discussion of another motion ('the original motion'). They shall be moved, seconded and put without discussion. If the motion is moved and seconded, then the Person Presiding shall proceed as follows:
- 20.13.1 "that the meeting proceed to the next business" the Person Presiding shall permit the mover of the original motion to reply, and shall then put to the vote the motion to proceed to the next business; if that motion is carried, the original motion shall lapse;
 - 20.13.2 "that the question be now put" if the Person Presiding is of the opinion that the matter before the Meeting has been sufficiently discussed, they/them shall put to the vote forthwith the motion, that the question now be put; if this is carried, they/them shall permit the mover of the original motion a right to reply for not more than three minutes and shall then put that motion to the vote;

- 20.13.3 “that the debate now be adjourned”; or “that the meeting does now adjourn”. If the Person Presiding is of the opinion that the matter before the Meeting has been sufficiently discussed, they/them may refuse to accept either of these motions, and instead put the motion that the question be now put; if they/them is of the opinion that the matter has not been sufficiently discussed and cannot reasonably be sufficiently discussed on that occasion, they/them shall put the adjournment motion to the vote without giving the mover of the original motion a right of reply or stand over as uncompleted business until the next meeting of the Authority, Committee or Sub-Committee, (as the case may be).

Standing Order 21: Prevention of Disorderly Conduct

- 21.1 If the Person Presiding is of the opinion that a Member has misconducted, or is misconducting, themselves by persistently disregarding the ruling of the Chair, or by behaving irregularly, improperly or offensively, or wilfully obstructing the business of the Authority, they/them may notify the Meeting of that opinion, and may take any of the following courses, either separately or in sequence;
- 21.1.1 they may direct the Member to refrain from speaking during all, or part, of the remainder of the Meeting.
- 21.1.2 they may direct the Member to withdraw from all, or part, of the remainder of the Meeting.
- 21.1.3 they may order the Member to be removed from the Meeting.
- 21.1.4 they may adjourn the Meeting for 15 minutes or such period as shall seem expedient to them.
- 21.2 If a Member of the public interrupts proceedings at any Meeting, the Person Presiding shall warn them. If they continue the interruption, the Person Presiding shall order her/him to leave the room where the meeting is being held. If they do not leave, the Person Presiding shall order them to be removed. If a member of the public persistently creates a disturbance, the Person Presiding may adjourn the meeting for 15 minutes or such period as shall seem expedient to them.
- 21.3 In the event of general disturbance in any part of the room where any Meeting is being held which is open to the public, the Person Presiding shall order that part to be cleared and may adjourn the Meeting for 15 minutes or such period as shall seem expedient to them.
- 21.4 The powers conferred by this Standing Order are in addition to any other powers which the Person Presiding may lawfully exercise (e.g. for the Person Presiding to take preventative action before the Meeting commences or to order the removal of a Member persistently disregarding the Authority or the Chair).

Standing Order 22: Voting

- 22.1 Except where a requisition is made under the next paragraph, the method of voting at Meetings shall be by show of hands.

- 22.2 If a requisition is made by a specified number of Members, before a vote is taken on any question, the voting on that question shall be recorded so as to show whether each voting Member present gave their vote for or against that question or abstained from voting.
- 22.3 The specified number of Members is:
- 22.3.1 four of the Members entitled to vote at a meeting; or
 - 22.3.2 where the Authority is divided into Political Groups, in the case of a meeting of the Authority, the number of members of the second largest Political Group; or
 - 22.3.3 in the case of a meeting of a Committee or Sub-Committee, the number of seats on that body allocated to the second largest Political Group among the Members of the Authority; whichever is the less.
 - 22.3.4 should the number of political Members of the second largest group not exceed one (1) member, then the number shall be 2.
- 22.4 Where immediately after a vote is taken at a Meeting any Member of that body so requires, there shall be recorded in the Minutes of the proceedings of that Meeting whether that person cast their vote for the question or against the question or whether they abstained from voting.
- 22.5 Where a vote is required on a motion to appoint or elect a Member of the Authority to a position to be filled by the Authority and there are two or more Members nominated for that position, the names of all those nominated shall be put to the Meeting in alphabetical order of surname. Those entitled to vote shall each vote for only one person. If there is not a majority of those voting in favour of one person, the name of the person having the least number of votes shall be struck off the list and a fresh vote shall be taken, and so on until a majority of votes is given in favour of one person.
- 22.6 In the event of an equality of votes the Person Presiding at the meeting shall be entitled to exercise a second casting vote.

Standing Order 23: Attendance at Committees etc.

- 23.1 The names of every Member attending a Meeting shall be recorded by the Proper Officer.
- 23.2 No Member of an Appeals Committee shall be present at any meeting of that Committee when consideration is given to an appeal against a decision of another Committee or Sub-Committee in which such Member took part.
- 23.3 No Member of the Authority shall attend a Committee or Sub-Committee Meeting held to consider disciplinary, investigatory or grievance cases, appeals or grading appeals unless they are appointed by the Authority as a voting member of that Meeting.

- 23.4 Subject to Standing Order 23.2 and 23.3 the Chair and Vice-Chairs of the Authority may attend and speak and move and second motions (but may not vote) at a Meeting of which they are not voting Members.
- 23.5 Subject to Standing Order 23.2 and 23.3 the person appointed to preside at the meeting of a Committee, and their deputy, may attend and speak and move or second motions at a meeting of any Sub-Committee appointed by that Committee, but may not vote unless appointed as a voting Member.
- 23.6 Subject to paragraph 23.2 and 23.3 above a Member of the Authority who is not otherwise entitled to attend and speak at a Committee or Sub-Committee shall be entitled to do so (but not to vote) at a meeting of the Committee or Sub-Committee:
 - 23.6.1 During the consideration of any motion of which notice has been given which they have moved or seconded at a meeting of the Authority and which has been referred to that Committee or Sub-Committee; or
 - 23.6.2 With the agreement of the Person Presiding at the meeting of the Committee or Sub-Committee; or
 - 23.6.3 During the consideration of any matter which affects their constituent Council differently from other Councils represented within the Authority.

Standing Order 24: No Smoking

- 24.1 Smoking shall not be permitted at any meeting of the Authority, its Committees or Sub-Committees.

Section 5: Summons and Agenda for Meetings

Standing Order 25: Summons and Agenda for Meetings

- 25.1 At least five (5) clear days before every Meeting, the Proper Officer shall send to every voting Member and to every other person entitled to receive the papers of the Authority; Committee or Sub-Committee a copy of the agenda for the Meeting.
- 25.2 The Summons shall:
 - 25.2.1 Specify the date, time and place of the Meeting.
 - 25.2.2 Specify the business to be transacted at the Meeting.
 - 25.2.3 Be signed by the Proper Officer; and
 - 25.2.4 Be left at or sent by post to the usual place of residence of the Member or to such other address as the Member may specify provided that want of service of a summons on any Member of the Authority, Committee or Sub-Committee shall not affect the validity of the meeting.
- 25.3 The agenda shall include:

- 25.3.1 In the case of Committees and Sub-Committees all items of business which have been (or are deemed to have been) referred to the Committee by the Authority or by another Committee or Sub-Committee (as the case may be).
 - 25.3.2 All reports submitted to the meeting by the Chief Officer (or such officers as have delegated authority by the Chief Officer).
 - 25.3.3 Any item of business directed to be included by the person appointed to preside at the Meeting in question.
 - 25.3.4 Any other item of business of which at least 5 clear days written notice before the date fixed for the Meeting has been given to the Proper Officer by a member of the Authority or, in the case of a meeting of a Committee or Sub-Committee, by a Member of that Committee or Sub-Committee (whether voting or not).
- 25.4 The prints of reports or other documents for the consideration of a Meeting shall be marked "Not for Publication" only if the Proper Officer (having regard to the provision of the Local Government Act 1972 (as amended) agrees with the Chief Officer (or their authorised deputy) that this shall be done. Such reports or documents shall be furnished prior to the Meeting only to members of that meeting.

Section 6: Declaration of Interests

Standing Order 26: Interests of Members in Contracts and Other Matters

- 26.1 A Member with a personal interest in a matter as defined in the Members Code of Conduct who attends a meeting of the Authority, its Committees or Sub-Committees at which the matter is considered must disclose to that meeting the existence and nature of that interest at the commencement of the meeting or of that consideration, or when the interest becomes apparent.
- 26.2 A Member with a prejudicial interest in any matter:
 - 26.2.1 should withdraw from the room where a meeting is being held whenever it becomes apparent that the matter is being considered at that meeting, unless they have obtained a dispensation from the Proper Officer; and
 - 26.2.2 shall not seek improperly to influence a decision about the matter.
- 26.3 Where:
 - 26.3.1 the Authority is considering any question as to the financial calculations set out in paragraph 26.4; and
 - 26.3.2 a Member has two (2) or more month's arrears of Council Tax and/or Community Charge, they shall declare that the provisions of S.106 of the Local Government Finance Act 1992 apply to them and shall not vote on such question.

- 26.4 The financial calculations referred to in paragraph 26.3 are:
- 26.4.1 the calculation of the Budget requirement of the Authority.
 - 26.4.2 the calculation of the basic amount of tax.
 - 26.4.3 the calculation of tax for different valuation bands.
 - 26.4.4 the calculation of the amount payable by each constituent Council.
 - 26.4.5 substitute calculations; and
 - 26.4.6 any other calculations required by Chapter III, IV or V of Part 1 of the Local Government Finance Act 1992.

Standing Order 27: Interests of Officers in Contracts and Other Matters

- 27.1 In addition to their duty under section 117 of the 1972 Act, if it comes to the knowledge of any Officer of the Authority that they have a disclosable interest in any contract which has been, or is proposed to be, entered into by the Authority, or in some other matter which is mentioned in the officer Code of Conduct and any associated guidance which (in either case) is not:
- 27.1.1 The contract of employment (if any) under which they serve the Authority: or
 - 27.1.2 The tenancy of a dwelling provided by the Authority.
 - 27.1.3 They shall as soon as practicable give notice in writing to the Proper Officer of such interest.
- 27.2 The Proper Officer shall record in a register to be kept for the purpose particulars of any notice of a pecuniary interest given by an Officer of the Authority under Section 117 of the 1972 Act or paragraph 27.1. The register shall, during the ordinary office hours of the Authority, be open for inspection by any Member of the Authority.
- 27.3 Where an Officer submits a report to a Meeting on a matter in which they have declared an interest under Section 117 of the 1972 Act or Standing Order 27.1, they shall state that such declaration has been made, and give brief details of it, in a separate paragraph within the report.
- 27.4 Where any Officer orally advises a Meeting on a contract, grant, proposed contract or other matter and has declared an interest in that matter, whether under the requirements of section 117 of the 1972 Act, or of paragraph 27.1, they shall remind the Meeting orally of that interest.

Section 7: Miscellaneous

Standing Order 28: Seal of the Authority

- 28.1 The common seal of the Authority shall be kept in a safe place in the custody of the Proper Officer.
- 28.2 The common seal of the Authority shall be affixed to a document only on the authority of:
 - 28.2.1 A resolution of the Authority; or Committee or Sub-Committee acting with delegated powers.
 - 28.2.2 A decision by the Authority or duly authorised Committee, Sub-Committee or Monitoring Officer to do anything where a document under the common seal is appropriate to complete the transaction.

Standing Order 29: Attestation of Documents

- 29.1 In addition to any other person who may be authorised by resolution of the Authority for the purpose, the Proper Officer for the purpose of section 234 of the 1972 Act (authentication of documents) shall be the Monitoring Officer, Senior Solicitor or the Chief Officer of the Authority concerned with the matter to which the document relates or any officer authorised in writing by the Chief Officer.

Standing Order 30: Papers and Advice

- 30.1 A copy of every paper which is circulated to Members for consideration at a Meeting shall be sent prior to submission as part of the agenda for such Meeting to the Chief Fire Officer, the Deputy Chief Fire Officer, the Monitoring Officer and the Director of Finance and Procurement.
- 30.2 Before it concludes its consideration of any question, every Meeting shall, at their request, afford an Officer who is entitled to receive papers under this Standing Order (or another officer nominated by them) an opportunity to advise on that question, either in writing or orally, subject to the provisions of 1972 Act Schedule 12 A.
- 30.3 Where the Authority considers a matter which has not previously been the subject to consideration by a Committee or Sub-Committee and of a report by that body to the Authority, the Person Presiding at the Meeting at which the matter is considered shall ensure that the question is not put to the vote before any Officer whose responsibilities relate to the matter under consideration and who asks for such an opportunity has had an opportunity to advise the Authority on the matter.

Standing Order 31: Rescission of Previous Resolutions

- 31.1 No resolution of the Authority shall be varied or rescinded within the same Municipal Year of the Authority except on the recommendation of the Committee concerned.

Standing Order 32: Canvassing

- 32.1 Canvassing of any Member of the Authority, a person appointed to discharge any function in relation to a Committee or Sub-Committee or Officer of the Authority shall disqualify the candidate concerned in such canvassing for the appointment.
- 32.2 A Member of the Authority shall not solicit for any reason any appointment under the Authority but this shall not preclude a Member from giving a written testimonial of a candidate's ability, experience or character for submission to the Authority.

Standing Order 33: Restrictions on Disclosure of Confidential Information

- 33.1 No Member shall disclose to any person the whole or any part of the contents of any agenda, report or other document which is marked by the Proper Officer to the effect that it contains “confidential information” as defined in the Local Government Act 1972 and that disclosure to the public would break an obligation of confidence in relation to that information unless and until the document has been made available to the public or the press by or on behalf of the Authority or a Committee or Sub-Committee or such disclosure is otherwise permitted by law.
- 33.2 No Member shall disclose to any person other than a Member of the Authority any matter arising during the proceedings of the Authority or of any Committee or Sub-Committee or any other matter coming in his knowledge by virtue of his office as a Member where such disclosure would prejudice the interest of the Authority unless such disclosure is required by law.
- 33.3 No Member shall, without the consent of the Chair of the Committee, (unless required by law) disclose to any person any decision or proceedings of a Committee or Sub-Committee except:
- 33.3.1 when a report on the matter has been circulated to the Authority by the Committee; or
 - 33.3.2 when the decision has become public knowledge, or
 - 33.3.3 when the matter comes within the delegated powers of the Committee or Sub-Committee and a final decision thereon has been reached.

Standing Order 34: Delegation to Officers

- 34.1 The Authority shall at its Annual Meeting and on any other occasion it considers appropriate determine which of the powers of the Authority are to be delegated to Officers.

Standing Order 35: Financial Regulations

- 35.1 The Authority shall at its Annual Meeting and on any other occasion it considers appropriate, prescribe Financial Regulations relating to financial controls and procedures to be observed by Officers.
- 35.2 No decision shall be taken by a Committee or the Authority which would lead to new or increased financial commitments without first considering, where relevant, a report on the matter which complies with the Code of Practice on a Prudential Approach to Local Authority commitments. Such a report shall be required in respect of proposals which:
- I. would lead to new or increased financial commitments; and
 - II. have insufficient specific revenue budget provision or entail increasing real costs in future years.

Standing Order 36: Disciplinary Action

- 36.1 No disciplinary action concerning the dismissal of the Chief Fire Officer, Deputy Chief Fire Officer, Assistant Chief Fire Officer, Monitoring Officer or the Director of Finance and Procurement (“the Relevant Officer”) may be taken by the Authority, or by a Committee, a Sub-Committee, a Joint Committee on which the Authority is represented or any other person acting on behalf of the Authority, other than in accordance with a decision by the full Authority.
- 36.2 Disciplinary action short of dismissal in respect of the Relevant Officer may be taken by the Audit Committee in its capacity as the IDC.
- 36.3 Any suspension of the Officer in respect of Standing Order 36 for the purpose of investigating the alleged misconduct occasioning the action; and any such suspension must be on full pay and terminate no later than the expiry of two months beginning on the day on which the suspension takes effect unless agreed otherwise by the Audit Committee.
- 36.4 Any allegation of misconduct and any proposed disciplinary action must comply with the Statutory Officers’ Disciplinary Procedure as currently in force.

Article 22 – Contract Standing Orders

1. **Introduction**

- 1.1 These Contract Standing Orders aim to explain in simple terms the procedures for obtaining written quotations and competitive tenders from suppliers for the provision of Authority Works, Goods and Services.
- 1.2 The Authority’s Constitution incorporates Financial Regulations and Financial Procedure Rules that provide a framework for managing the Authority’s financial affairs. They apply to every Member and Officer of the Authority and anyone acting on its behalf.
- 1.3 The Contract Standing Orders should be read in conjunction with both the Financial Regulations and the Scheme of Delegation which is also found in the Constitution.
- 1.4 The Contract Standing Orders are to be applied consistently with the Public Contracts Regulations 2015 (PCR 2015) or any successor legislation and applicable Procurement Policy Notes (PPNs) as published by Cabinet Office. In the event of a conflict the PCR 2015 will take precedence.

2. **How the Authority Procures**

- 2.1 The appropriate procedure to be followed is based upon the total estimated value of the contract (please note that the total value of the contract means the value of the contract over the total number of years it will remain in force – not just the initial purchase cost):

For All Goods, Services and Works

Under £11,999:

Works, Goods and Services (with the exception of public utility services i.e. gas, electric and periodical payments) maybe procured using an official order. Officers are responsible for ensuring that value for money is achieved.

Between £12,000 and £49,999: (see PPN 03/15)

At least two (2) identifiable quotations must be sought and obtained i.e. either written or electronic.

For Goods and Services

Between £50,000 and £177,897: Procurement involvement is required, and a tendering procedure must be followed.

Over £177,897: Compliant with Procurement Regulations. (See PPN 10/21).

For Works

Between £50,000 and £4,447,447: Procurement involvement is required, and a tendering procedure must be followed.

Over £447,447: Compliant with Procurement Regulations. (See PPN 10/21).

2.2 The Tendering procedure will necessitate a notice seeking expressions of interest for organisations to be published on the e-tendering system (<https://procontract.due-north.com/Register>) (or any such equivalent portal operated by the Authority). Contracts Finder before the submission of competitive bids for Goods, Services and Works.

2.3 No openly advertised tendering procedure needs to be followed in respect of:

- I. Contracts for purchase of Goods, Services or Works in respect of which tenders have been obtained from a purchasing consortium (e.g., Yorkshire Purchasing Organisation) or other recognised Government agency (e.g., Crown Commercial Services) where the Authority has been identified in any previous procurement exercise undertaken by the consortium or agency.
- II. Contracts for the supply of Goods which Home Office have specified as the type of Goods which should be used for a particular purpose and only one supplier of such Goods exists.
- III. Contracts for the supply of Goods or Services the price of which is fixed by a trade organisation or government department and no reasonably suitable alternative is available.
- IV. There is no genuine competition for the Goods, Works or Services being procured. Examples of this would include a requirement to utilise the Services of suppliers such as Disclosure and Baring Service, OFCOM and EdExcel.
- V. National Resilience sector led training arrangements with other Fire & Rescue Authorities which operate on a cost recovery basis, and are not commercial arrangements.
- VI. A contract for the engagement of counsel.
- VII. Subscriptions or fees to Government Departments, Professional bodies, Officer or Service Authorities.
- VIII. Stated exclusions within PCR 2015 or

IX. Where the use of the negotiated procedure without prior publication of a notice has been justified.

2.4 Official orders must be in a form approved by the Director of Finance and Procurement. Official orders must be issued for all work, goods or services to be supplied to the Authority, except for supplies of utilities, periodic payments such as rent or rates, petty cash purchases or other exceptions specified by the Director of Finance and Procurement. **Telephone orders are not to be placed in advance of the official order.** All suppliers must be provided with a unique Financial System (FMIS) generated official purchase order number other than the exceptions specified above.

Compliance with Contract Standing Orders

Every contract made by the Authority or on its behalf shall comply with all relevant domestic legislation, these Contract Standing Orders, Financial Regulations and the Scheme of Delegation. In particular the Authority shall comply with the fundamental principle of equality of treatment of contractors.

It shall be a condition of any contract between the Authority and anyone who is not an Officer of the Authority, but who is authorised to carry out any of the Authority's contracts functions, that they comply with these Contract Standing Orders and the Financial Regulations of the Authority as if they were an Officer of the Authority.

Every contract must be authorised and signed by the Monitoring Officer or their nominated Deputy as outlined in the Scheme of Delegation.

3. Exemptions to the Contract Procedures

The Budget Holder must obtain approval to apply ANY exemption to the contract procedures outlined above by submitting an Exemption form (see Procurement webpage for link) to the Head of Procurement to consider the request and subject to their approval will forward the request to the Monitoring Officer for further approval and finally to a Principal Officer for final confirmation of approval.

3.1 Exemptions to the contract procedures are permitted where it can be proven that it is inefficient or uneconomic to comply with the above requirements. Examples are detailed below:

- I. The Goods, Works or Services are unique and provided by only one organisation with no reasonably satisfactory alternatives available.
- II. The procurement involves the purchase of proprietary or patented Goods or Services obtainable from one firm; are sold at a fixed price and no reasonably satisfactory alternative is available.
- III. That new Works or Services are required which are a repetition of Works or Services carried out under an original contract. See also PCR 2015.
- IV. That Goods are required as a partial replacement for, or addition to, existing Goods or installations and obtaining them from another source would result in issues with compatibility or disproportionate technical difficulties in operation or maintenance. See also PCR 2015
- V. Tenders are invited on behalf of any consortium or collaboration, of which MFRA is an identified member, in accordance with any method adopted by that body. Where however, an MFRA Officer invites tenders on behalf of the consortium the receipt, opening and acceptance of tenders must comply

with the MFRA Financial Regulations and Financial Procedure Rules or any overriding National legislation.

- VI. The Goods, Works or Services are of a sensitive nature (such as security) where publication of the tender documents would constitute a security breach and undermine the effectiveness of the final product.

No exemptions will be granted which would result in a breach of UK law, and in particular PCR 2015 or any successor legislation.

- 3.2 For procurement projects under £177,897 for Goods and Services and £4,447,447 for Works, the Head of Procurement or their nominated deputy, Monitoring Officer or their nominated deputy, and Principal Officer must approve any Exemption, prior to any commitment being given by the Authority to any Organisation. The Head of Procurement will keep a register of exemptions granted detailing the nature and value of the contract, the circumstances justifying the exemption and the name of the contractor awarded the contract.

4. **Advertising of Contracts**

- 4.1 The upper thresholds from 01.01.22 are as follows: (See also PPN 10/21).

Supplies	Services	Works
£177,897	£177,897	£4,447,447

Supplies, Services and Works whose total Contract value exceeds these upper thresholds must be advertised in the FTS (Find a Tender Service) in addition to the procurement portal and Contracts Finder. Further information can be obtained from the Head of Procurement as required.

5. **Pre-Quotation/Tender Requirements**

- 5.1 Contractors maybe contacted informally without obligation to the Authority before tender or quotations are invited in order to:
- establish whether the Goods, Works or Services that the Authority wish to purchase are available and within what price range.
 - assess market conditions should the procurement progress.

In making enquiries:

- no information shall be disclosed to one contractor which is not then disclosed to all those of which enquiries are made, or which are subsequently invited to Tender or quote.
 - no contractor shall be led to believe that the information they offer will necessarily lead them to be invited to Tender or quote, or awarded a contract.
 - a written record, including notes or any meetings held, the responses and the names of all individuals present shall be kept on the contract file.
- 5.2 Before obtaining tenders for a procurement estimated at a value of £50,000 or more, a detailed specification must be prepared by the project manager/budget holder. The specification is a description of the Services, Supplies or Works that

the Authority wishes to procure and the Organisation is expected to tender against and provide.

It will incorporate key performance or criteria for acceptance of the Services, Supplies or Works and be included in the invitation to tender documentation. It must be agreed with the Supplier awarded the contract and form the major part of the formal contract agreed between the Authority and the Supplier.

6. **Procurement Portal**

6.1 If an organisation wishes to be considered as a potential supplier to the Authority it can register on the Procurement e-tendering portal (<https://procontract.due-north.com/Register> or any such equivalent portal operated by the Authority) at no cost to the organisation.

6.2 If the organisation is asked to submit a quotation or Tender, they may be required to provide sufficient information for MFRA Officers to conduct an assessment on their capacity, capability and financial standing to undertake the work on behalf of the Authority.

7. **Selection Questionnaire**

7.1 Selection Questionnaires will be issued where the value of the Contract exceeds the upper thresholds. It is mandatory for a potential supplier to complete Part 1 and Part 2 of the standard Selection Questionnaire, for all procurements above the upper thresholds. See also PPN 8/16.

7.2 The questions included in Part 3 of the standard Selection Questionnaire should be adopted across all relevant procurement procedures over the threshold. You do not have to use all the questions – only those relevant and proportionate to the contract.

7.3 The questions should be used in line with the relevant procurement procedure, and used:

- as part of the tender pack to test that a potential supplier meets minimum levels of suitability when using the open procedure;
- to pre-qualify suppliers to be invited to Tender when using the restricted procedure;
- to submit an initial tender under the competitive procedure with negotiation;
- or to participate in a competitive dialogue, innovation partnership procedure or Dynamic Purchasing System (DPS).

7.4 The Authority may utilise the Constructionline Approved Contractors database as a pre-qualification criteria for Works projects where appropriate.

8. **The Tendering Process**

8.1 All tendering requirements (£50,000 or more) must be advertised to ensure that the process is transparent, competitive and secures good value for money. A Contract Notice must be placed on the Procurement portal (<https://procontract.due-north.com/Register>) or any such equivalent portal operated by the Authority) and on Contracts Finder for all procurements above this value. In addition, any

procurements which have an estimated value exceeding the upper Procurement thresholds must be advertised in the FTS.

The two primary methods of tendering are:

- I. **Open Procedure** - This is a one-stage process, where all interested providers responding to a Contract Notice may submit a tender. The Notice will state how interested parties may obtain tender documents and the last date that tenders must be received. Whilst this method ensures absolute fairness, because no contractor is excluded from the process, there may be a significant risk that the number of responses received will be either insufficient or excessive. It may also be difficult to accommodate an adequate financial and technical appraisal within the time constraints of the tendering process so contingencies should be considered.
- II. **Restricted Procedure** – This is a two-stage process in which potential contractors expressing an interest in bidding for a specific contract are evaluated first.

8.2 Three (3) responses must be received to ensure that a Best Value evaluation can take place. In the event that three (3) responses are not received, an application for an Exemption of Contract Procedures must be completed and approved before Contract Award.

9. **Other Procedures**

The following procedures are also available for above the upper threshold procurements, where applicability criteria is met.

The Authority may utilise a Competitive Dialogue procedure or Competitive Procedure with Negotiation when:

- The needs of the Authority cannot be met without adaptation of readily available solutions.
- The procurement requirement includes design or innovative solutions.
- The contract cannot be awarded without prior negotiation because of specific circumstances related to the nature, complexity of the legal and financial make up or associated risks
- The technical specification cannot be established by the Authority with reference to a standard common technical specification, technical reference or European Technical Assessment.
- The outcome of an Open or Restricted procedure has elicited only irregular or unacceptable tenders

9.1 **Competitive Dialogue Procedure** – Utilising this procedure a selection is made of those who respond to the Contract Notice. The Authority will then enter into a dialogue with potential bidders to develop one or more suitable solutions for its requirements and on which chosen bidders will be invited to Tender.

9.2 **Competitive Procedure with Negotiation** – Utilising this procedure a selection is made of those who respond to the Contract Notice, and only they are invited to submit an initial tender for the contract. The Authority may then open negotiations with the tenderers to seek improved offers.

- 9.3 **Innovation Partnerships Procedure** – Utilising this procedure a selection is made of those who respond to the Contract Notice. The Authority will then use a negotiated approach to invite suppliers to submit ideas to develop innovate Works, Supplies or Services aimed at meeting a need for which there is no suitable existing ‘product’ on the market. Under this procedure the Authority is allowed to award partnerships to more than one supplier.
- 9.4 **Negotiated Procedure Without Prior Publication** – This procedure can only be used in very specific circumstances (e.g., where for technical or artistic reasons or because of the protection of exclusive rights, the contract can only be carried out by a particular supplier). In this instance the Authority would approach one or more suppliers to negotiate the terms of the contract.
- 9.5 Approval must be sought and received from the Head of Procurement and Monitoring Officer, before commencing any procedure outlined in Section 9 of these Contract Standing Orders.

10. **Invitation and Submission**

- 10.1 Instructions must be issued to those Organisations invited to submit a tender, asking them to complete and return the required documents by a specified date and time. Tenders will be carried out electronically via the Procurement Portal (<https://procontract.due-north.com/Register>).

Invitation to Tender documents will usually contain the following information:

- Letter of invitation and instructions about the process.
 - Form of tender
 - Specification and/or schedule of rates.
 - Contract terms and conditions.
 - Any relevant supporting information (drawings, maps etc.).
 - Where bids are to be evaluated on the basis of Quality and Price, the tender documentation must also specify the criteria for evaluation and the evaluation matrix including the Price/Quality ratio.
- 10.2 Completed tenders **MUST** be submitted on the portal by the date and time specified. Late tenders will not be accepted.
- 10.3 It is important that Organisations are given sufficient time to adequately research and compile their bids. This includes enough time to seek accurate estimates from their sub-contractors. The Authority’s minimum time for the return of priced tenders for below the upper threshold procurements is fourteen (14) days from date of issue, although best practice suggests that at least twenty-one (21) days should be allowed. All procurement which exceed the upper thresholds must use the timescales outlined in the Regulations.
- 10.4 The specified time to submit tenders/quotations may be extended in exceptional circumstances provided that all Organisations involved in the process are notified of the revised date and time and no potential supplier is disadvantaged by the deadline extension.

11. **Opening of Tenders**

- 11.1 Electronic Tenders must be delivered to the designated e-tendering system by bidders prior to the stated closing date and time set out in the Invitation to Tender. All electronic tender submissions are retained in a virtual 'locked box' until the designated opening time. The system will hold each submission unopened and with no reference to the contents of the response until 'box' is opened. An activity log within the system provides a full audit trail logging any activity, recording the name of the person accessing the box, date, time and any activity undertaken.
- 11.2 Unless tenders have been received electronically, a Procurement officer will facilitate the tender opening procedure and a written record indicating the name of the supplier and the value of the tender must be completed and signed by the officers opening the submitted bids.

12. **Evaluation of Tenders and Quotations**

- 12.1 Officers will check all tenders for completeness and potential discrepancies. Where errors or discrepancies are found that may affect the tender sum, the tenderer may be notified and afforded an opportunity to confirm the submitted sum without amendment, amend their bid to correct an arithmetical error, or withdraw their bid. A written record of any revisions or withdrawals must be maintained.
- 12.2 The Authority evaluate and award contracts to the Organisation it considers offers the best value for money having regard to both price and quality factors. This is sometimes referred to as the 'most economically advantageous tender' (MEAT) and provides for the contract to be awarded to the company best able to meet the Authority's specification.
- 12.3 To ensure fairness, the evaluation criteria and evaluation method must be clearly defined in the tender documentation. Award criteria will vary depending on the type of contract, as opposed to selection criteria which will be similar in nature. See also PPN 8/16.

Where the lowest are for £100,000 or more, the Responsible Officer shall obtain the following information in respect of the lowest 2 tenders:

- The Authority's internal financial appraisal of the lowest two (2) tenders.
- An independent financial appraisal supplied by a business information service.

13. **Post Tender Clarification**

- 13.1 After the receipt of tenders, officers may need to contact tenderers to clarify technical and contractual information as part of the evaluation process. Any such communication must be confidential and a written record made of the reason for contact and the decision made.

14. **Contract Award – Tenders and Quotations**

- 14.1 The award of a contract the value of which exceeds £300,000 must be approved by the Authority (or committee with the relevant powers).
- 14.2 The successful Organisation should be notified promptly following acceptance of the tender, and the contract must be issued for signature by the Organisation. On receipt, the Authority will sign the Contract to form the legally binding agreement. Authorised signatories are the Monitoring Officer, and their nominated deputy.

14.3 All unsuccessful tenderers should also be notified promptly in writing. All submissions and supporting documentation are to be retained for as long as is stated in the Records Retention Schedule.

15. Corrupt Practices

15.1 In every written contract a clause must be inserted to ensure that the Authority is entitled to terminate the contract and recover from the contractor the amount of any loss resulting from corrupt practises. If the contractor has offered, given or agreed to give to any person any gift or consideration of any kind as an inducement, or reward for doing or not doing anything related to the contract or another contract with the Authority, or for favouring or not favouring any person in relation to such contract, or similar acts have been done by any person employed by the contractor or acting on their behalf, or the contractor or any person employed by them or acting on their behalf has committed any offence under the Bribery Act (2010) or any amendment of them or shall have given any fee or reward, the receipt of which is an offence under the Local Government Act 1972.

16. Third Parties

16.1 In cases where a third party, such as a Local Authority or private architect or consultant, is employed to act for the Authority in the carrying out of works or purchase of supplies, it shall be a term of their appointment that they shall:

- observe or otherwise secure the observance of the procedures prescribed within these Standing Orders.
- produce on demand, all records maintained by them in relation to the contract; and
- on completion of a contract, transmit all such records to the Chief Fire Officer or the Director of Finance and Procurement.

17. Assignment

17.1 In every written contract for the execution of work or the supply of Goods or Services, the Contractor shall be prohibited from transferring or assigning or novating directly or indirectly to any person or persons whatever, any portion of his contract without the written permission of the Authority, Sub-letting, other than that which may be customary in the trade concerned, shall be prohibited.

18. Sealed Contracts

18.1 All contracts and orders shall be in writing and made in the name of the Authority.

18.2 All Contracts which relate to the purchase of land, or have potential long term liabilities and would benefit from the added legal protection afforded by the process of sealing shall be made by affixing the Common Seal. This shall only be attested by the Monitoring Officer or nominated Deputy.

19. Term of Contract

19.1 The term of a contract may be extended with the approval of the budget holder if there is provision within the contract terms and conditions to extend and the agreement of the Director of Finance and Procurement has been received with

regards to budgetary provision. If the contract has already been extended to the full extent within the provisions of the existing contract, it cannot be extended further.

- 19.2 If there is no provision within the contract terms and conditions for the contract to be extended by the submission of an Exemption to Contracts Procedures (Section 3) for the approval of the Head of Procurement, Monitoring Officer and a Principal Officer.
- 19.3 The Contract Term cannot be extended where this would result in the value of the contract exceeding the Procurement threshold, or would make a fundamental change to the Contract award previously made or extending the Contract Period not previously identified in the Contract Notice. See also PCR 2015.

Article 23 – Financial Regulations 2024-2025

Status of Financial Regulations

- 1.1 Financial Regulations provide the framework for managing the Authority's financial affairs. They apply to every Member and Officer of the Authority and anyone acting on its behalf.
- 1.2 The Regulations identify the financial responsibilities of the Authority, the Chief Fire Officer, the Deputy Chief Fire Officer, the Monitoring Officer (Head of Legal and Democratic Service), the Director of Finance and Procurement and other members of the Strategic Leadership Team (SLT). SLT includes both the Executive Team and Director Team. SLT Officers should maintain a written record where decision making has been delegated to members of their staff, including seconded staff. Where decisions have been delegated or devolved to other Responsible Officer's references to the SLT Officer in the Regulations should be read as referring to them.
- 1.3 All members and staff have a general responsibility for taking reasonable action to provide for the security of the assets under their control, and for ensuring that the use of these resources is legal, is properly authorised, provides value for money and achieves best value.
- 1.4 The Director of Finance and Procurement is responsible for maintaining a continuous review of the Financial Regulations and submitting any additions or changes necessary to the Authority for approval. The Director of Finance and Procurement is also responsible for reporting, where appropriate, breaches of the Financial Regulations to the Authority.
- 1.5 The Authority's detailed financial procedures, setting out how the Regulations will be implemented, are contained in the appendices to the Financial Regulations.
- 1.6 SLT Officers and budget managers are responsible for ensuring that all staff in their departments are aware of the existence and content of the Authority's Financial Regulations and other internal regulatory documents and that they comply with them. They must also ensure that an adequate number of copies are available for reference within their departments.
- 1.7 The Director of Finance and Procurement is responsible for issuing advice and guidance to underpin the Financial Regulations that Members, Officers and others

acting on behalf of the Authority are required to follow. They are also responsible for ensuring that adequate training is available to allow SLT officers and managers to comply with their duties.

Financial Regulations A: Financial Management

Introduction

- A1 Financial management covers all financial accountabilities in relation to the running of the Authority, including the policy framework and budget.

The Statutory Officers

Chief Fire Officer (**Head of Paid Services**)

- A2 The Chief Fire Officer is responsible for the corporate and overall strategic management of the Authority as a whole. They must report to and provide information for the Authority and its committees. They are responsible for establishing a framework for management direction, style and standards and for monitoring the performance of the organisation. The Chief Fire Officer is also responsible, together with the Monitoring Officer, for the system of record keeping in relation to all the Authority's decisions (see below).

Solicitor to the Authority and **Monitoring Officer**

- A3 The Monitoring Officer is the Solicitor to the Authority and is responsible for promoting and maintaining high standards of Member conduct. The Monitoring Officer is also responsible for reporting any actual or potential breaches of the law or maladministration to the Authority, and for ensuring that procedures for recording and reporting decisions are operating effectively.
- A4 The Monitoring Officer must ensure that Authority decisions and the reasons for them are made public. They must also ensure that Members are aware of decisions made by the Authority, its committees and of those made by Officers who have delegated responsibility.
- A5 The Monitoring Officer is responsible for advising all Members and Officers about who has authority to take a particular decision.
- A6 The Monitoring Officer is responsible for advising the Authority about whether a decision is likely to be considered contrary or not wholly in accordance with the policy framework.

The Director of Finance and Procurement (**Chief Financial Officer / s151 officer**)

- A7 The Director of Finance and Procurement is the s.151 Officer (also referred to as the Chief Finance Officer) to the Authority and has statutory duties in relation to the

financial administration and stewardship of the Authority. This statutory responsibility cannot be overridden. The statutory duties arise from:

- I. Section 73 and 105¹ of the Local Government Act 1985.
- II. The Local Government Finance Act 1988.
- III. The Local Government and Housing Act 1989.
- IV. The Accounts and Audit Regulations 2015.

A8 The Director of Finance and Procurement is responsible for:

- I. the proper administration of the Authority's financial affairs.
- II. setting and monitoring compliance with financial management standards.
- III. advising on the corporate financial position and on the key financial controls necessary to secure sound financial management.
- IV. providing financial information.
- V. preparing the revenue budget and capital programme.
- VI. treasury management.

A9 The Chief Finance Officer and the Monitoring Officer, in consultation with the Head of Paid Service, are responsible for advising the Authority about whether a decision is likely to be considered contrary or not wholly in accordance with the budget. Actions that may be 'contrary to the budget' include:

- I. initiating a new policy.
- II. committing expenditure in future years to above the budget level.
- III. incurring interdepartmental transfers above virement limits.
- IV. causing the total expenditure financed from council tax, grants and corporately held reserves to increase, or to increase by more than a specified amount.

Section 114 of the Local Government Finance Act 1988 requires the Director of Finance and Procurement to report to the Authority and external auditor if the Authority or one of its Officers:

- I. has made, or is about to make, a decision which involves incurring unlawful expenditure.
- II. has taken, or is about to take, an unlawful action which has resulted or would result in a loss or deficiency to the Authority.
- III. is about to make an unlawful entry in the Authority's accounts.

¹ See "A Statement on the Role of the Director of Resources in Local Government" (CIPFA, 1999)

- A10 Section 114 of the 1988 Act also requires:
- I. The Director of Finance and Procurement to nominate a properly qualified member of staff to deputise should they be unable to perform the duties under Section 114 personally.
 - II. The Authority to provide the Director of Finance and Procurement with sufficient staff, accommodation and other resources – including legal advice where this is necessary – to carry out the duties under Section 114.

Strategic Leadership Team

- A11 Officers on the SLT are responsible for ensuring that Authority Members are advised of the financial implications of all proposals and that the financial implications have been agreed by the Director of Finance and Procurement.
- A12 It is the responsibility of SLT Officers to consult with the Director of Finance and Procurement and seek approval on any matter liable to affect the Authority's finances materially, before any commitments are incurred.

Other Financial Accountabilities

Virement

- A13 The Authority is responsible for agreeing procedures for virement of expenditure between budget headings.
- A14 SLT Officers are responsible for agreeing in-year virements within delegated limits, in consultation with the Director of Finance and Procurement. They must notify the Director of Finance and Procurement of all proposed virements.

Treatment of Year-end Balances

- A15 The Authority is responsible for agreeing procedures for carrying forward under and overspendings on budget headings.

Accounting Policies

- A16 The Director of Finance and Procurement is responsible for selecting accounting policies and ensuring they are applied consistently.

Accounting Records and Returns

- A17 The Director of Finance and Procurement is responsible for determining the accounting procedures and records for the Authority.

The Annual Statement of Accounts

- A18 The Director of Finance and Procurement is responsible for ensuring that the annual statement of accounts is prepared in accordance with the *Code of Practice*

on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice (CIPFA/LASAAC). The Authority is responsible for approving the annual statement of accounts.

Financial Regulation B: Financial Planning

Introduction

B1 The Authority is responsible for approving a financial policy framework and budget.

Policy Framework

B2 The policy framework comprises the following plans and strategies:

- I. Corporate Financial Plan (a five year Medium Term Financial Plan, MTFP) and Annual Budget.
- II. A five year Capital Programme.
- III. Treasury Management Strategy.

B3 The Authority is also responsible for approving procedures for agreeing variations to approved budgets, plans and strategies forming the policy framework and for determining the circumstances in which a decision will be deemed to be contrary to the budget or policy framework. These decisions should be referred to the Authority by the Monitoring Officer.

B4 The Authority is responsible for setting the level at which Officers may reallocate budget funds from one service to another. SLT Officers are responsible for taking in-year decisions on resources and priorities in order to deliver the budget policy framework within the financial limits set by the Authority.

Budgeting

Budget Format

B5 The general format of the budget will be approved by the Authority and on the advice of the Director of Finance and Procurement. The draft budget should include allocation to different services and projects, proposed taxation levels and contingency funds.

Budget Preparation

B6 The Director of Finance and Procurement is responsible for ensuring that a revenue budget is prepared on an annual basis and a general revenue plan on a five-yearly basis is maintained for consideration by the Authority. The Authority may amend the budget before approving it. The budget must, however, be approved and precepts notified to billing authorities prior to 1 March of the budget year in question.

B7 The Director of Finance and Procurement is responsible for issuing guidance on the general content of the budget in consultation with the Chief Fire Officer as soon as possible following approval by the Authority.

B8 It is the responsibility of SLT Officers to ensure that budget estimates reflecting agreed service plans are submitted and that these estimates are prepared in line with guidance issued.

Budget Monitoring and Control

B9 The Director of Finance and Procurement is responsible for providing appropriate financial information to enable budgets to be monitored effectively. They must monitor and control expenditure against budget allocations and report to the Authority on the overall position on a regular basis.

B10 It is the responsibility of SLT Officers to control income and expenditure within their area and to monitor performance, taking account of financial information provided by the Director of Finance and Procurement. They should report on variances within their own areas. They should also take any action necessary to avoid exceeding their budget allocation and alert the Director of Finance and Procurement to any problems.

Resource Allocation

B11 The Director of Finance and Procurement is responsible for developing and maintaining a resource allocation process that ensures due consideration of the Authority's policy framework.

Preparation of the Capital Programme and Treasury Management Strategy

B12 The Director of Finance and Procurement, in consultation with SLT, is responsible for ensuring that a five (5) year capital programme is prepared on an annual basis in accordance with the requirements of relevant ClFFPA Code(s) (Prudential Code for Capital Finance in Local Government and Treasury Management Code), for consideration and approval by the Authority.

Guidelines

B13 Guidelines on budget preparation are issued to Members and SLT Officers by the Director of Finance and Procurement. The guidelines will take account of:

- I. Legal requirements.
- II. Medium-term planning prospects.
- III. The corporate plan (CRMP).
- IV. Available resources.
- V. Spending pressures.

- VI. Best value and other relevant government guidelines.
- VII. Other internal policy documents.
- VIII. Cross-cutting issues (where relevant).

Maintenance of Reserves

- B14 It is the responsibility of the Director of Finance and Procurement to advise the Authority on prudent levels of reserves for the Authority.

Financial Regulation C: Risk Management and Control of Resources

Introduction

- C1 It is essential that robust, integrated systems are developed and maintained for identifying and evaluating all significant operational risks to the Authority. This should include the proactive participation of all those associated with planning and delivering services.

Risk Management

- C2 The Authority is responsible for approving the Authority's risk management policy statement and strategy and for reviewing the effectiveness of risk management. The Authority, on the advice of the Monitoring Officer (in consultation with the Chief Fire Officer and the Director of Finance and Procurement), is responsible for ensuring that proper insurance exists where appropriate.
- C3 The Authority is responsible for approving the Authority's Business Continuity Management policy statement and strategy and for reviewing the effectiveness of Business Continuity. The Authority, on the advice of the Deputy Chief Fire Officer (in consultation with the Chief Fire Officer, the Director of Finance and Procurement and the Monitoring Officer), is responsible for ensuring that proper Business Continuity plans exist where appropriate.
- C4 The Chief Fire Officer, in consultation with the Director of Finance and Procurement and Monitoring Officer, is responsible for preparing the Authority's risk management policy statement, for promoting it throughout the Authority and for advising the executive on proper insurance cover where appropriate.
- C5 The Authority has an annually approved risk register.
- C6 The Authority has approved Organisation and Departmental Business Continuity Plans.
- C7 SLT members are responsible for maintaining the risk register and Business Continuity plans in their own areas of responsibility and ensuring adequate risk management and business continuity fall-back arrangements are in place for all projects.

Internal Control

- C8 Internal control refers to the systems of control devised by management to help ensure the Authority's objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that the Authority's assets and interests are safeguarded.
- C9 The Director of Finance and Procurement is responsible for advising on effective systems of internal control. These arrangements need to ensure compliance with all applicable statutes and regulations, and other relevant statements of best practice. They should ensure that public funds are properly safeguarded and used economically, efficiently, and in accordance with the statutory and other authorities that govern their use.
- C10 It is the responsibility of SLT Officers to establish sound arrangements for planning, appraising and controlling their operations in order to achieve continuous improvement, economy, efficiency and effectiveness and for achieving their financial performance targets.

Audit Requirements

- C11 The Accounts and Audit Regulations 2015 issued by the Secretary of State require every local authority to maintain an adequate and effective internal audit.
- C12 The Local Government Association (Public Sector Audit Appointments Limited) will be responsible for overseeing the Audit Commission's current external audit contracts with audit firms from 1 April 2015. The basic duties of the external auditor are governed by section 15 of the Local Government Finance Act 1982, as amended by section 5 of the Audit Commission Act 1998.
- C13 The Authority may, from time to time, be subject to audit, inspection or investigation by external bodies such as HM Customs and Excise and the Inland Revenue, who have statutory rights of access.

Preventing Fraud and Corruption

- C14 The Monitoring Officer (in consultation with the Director of Finance and Procurement) is responsible for the development and maintenance of an anti-fraud and anti-corruption policy.

Assets

- C15 SLT Officers should ensure that records and assets are properly maintained and securely held. They should also ensure that contingency plans for the security of assets and continuity of service in the event of disaster or system failure are in place.

Treasury Management

- C16 The Authority has adopted CIPFA's Code of Practice for Treasury Management in Public Services.

- C17 The Authority will create and maintain, as the cornerstones for effective treasury management:
- I. A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities.
 - II. Suitable Treasury Management Practices (TMPs), setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.
- C18 The Authority will receive reports on its treasury management policies, practices and activities, including as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.
- C19 The Authority delegates responsibility for the implementation and monitoring of its treasury management policies and practices to SLT, and for the execution and administration of treasury management decisions to the Director of Finance and Procurement, who will act in accordance with the Authority's policy statement and TMPs and CIPFA's Standard of Professional Practice on Treasury Management.
- C20 The Authority nominates the Policy and Resources Committee together with the Audit Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

Staffing

- C21 The Authority is responsible for determining how Officer support for executive and non-executive roles within the Authority will be organised.
- C22 The Chief Fire Officer (Head of Paid Service) is responsible for providing overall management to staff. They may vary the grading of individual non-uniformed posts up to (but not including) Director of Finance and Procurement (including progression within and between grades), having regard to the national Job Evaluation Scheme and in consultation with the relevant trade union(s).
- C23 SLT Officers are responsible for controlling total staff number by:
- I. Advising the Authority on the budget necessary in any given year to cover estimated staffing levels.
 - II. Adjust the staffing to a level that can be funded within approved budget provision, varying the provision as necessary within that constraint in order to meet changing operational needs.
 - III. The proper use of appointment procedures.

Financial Regulation D: Systems and Procedures

Introduction

- D1 Sound systems and procedures are essential to an effective framework of accountability and control.

General

- D2 The Director of Finance and Procurement is responsible for the operation of the Authority's accounting systems, the form of accounts and the supporting financial records. Any changes made by SLT Officers to the existing financial systems or the establishment of new systems must be approved by the Director of Finance and Procurement. However, SLT Officers are responsible for the proper operation of financial processes in their own departments.
- D3 Any changes to agreed procedures by SLT Officers to meet their own specific service needs should be agreed with the Director of Finance and Procurement.
- D4 SLT Officers should ensure that their staff receive relevant financial training that has been approved by the Director of Finance and Procurement.
- D5 SLT Officers must ensure that, where appropriate, computer and other systems are registered in accordance with data protection legislation. SLT Officers must ensure that staff are aware of their responsibilities under Freedom of Information legislation.

Payments to Employees and Members

- D6 The Director of Finance and Procurement is responsible for all payments of salaries and wages to all staff, including payments for overtime, and for payment of allowances to members. They are also responsible for the payment of pensions to retired firefighters.

Taxation

- D7 The Director of Finance and Procurement is responsible for advising SLT Officers, in the light of guidance issued by appropriate bodies and relevant legislation as it applies, on all taxation issues that affect the Authority.
- D8 The Director of Finance and Procurement is responsible for maintaining the Authority's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate.

Trading Accounts/Business Units

- D9 It is the responsibility of the Director of Finance and Procurement to advise on the establishment and operation of trading accounts and business units.

Financial Regulation E: External Arrangements

Partnerships

- E1 The Authority is responsible for approving delegations and has approved a Partnership Strategy for partnerships. The Authority is the focus for forming partnerships with other local public, private, voluntary and community sector organisations to address local needs.

- E2 The Chief Fire Officer represents the Authority on partnership and external bodies, in accordance with the Scheme of Delegation and the Partnership Strategy.
- E3 The Monitoring Officer and the Director of Finance and Procurement are responsible for promoting and maintaining the same high standards of conduct with regard to financial administration in partnerships that apply throughout the Authority.
- E4 The Director of Finance and Procurement must ensure that the accounting arrangements to be adopted relating to partnerships and joint ventures are satisfactory. They must also consider the overall corporate governance arrangements and legal issues when arranging contracts with external bodies. They must ensure that the risks have been fully appraised before agreements are entered into with external bodies.
- E5 SLT officers are responsible for ensuring that appropriate approvals are obtained before any negotiations are concluded in relation to work with external bodies.
- E6 The Authority has approved a central register of all partnership agreements and a monitoring and review procedure.

External Funding

- E7 The Director of Finance and Procurement is responsible for ensuring that all funding notified by external bodies is received and properly recorded in the Authority's accounts.

Work for Third Parties

- E8 The Authority is responsible for approving the contractual arrangements for any work for third parties or external bodies.

Appendix A: Financial Management

Financial Management Standards

Why is this important?

- 1.01 All staff and Members have a duty to abide by the highest standards of probity in dealing with financial issues. This is facilitated by ensuring that everyone is clear about the standards to which they are working and the controls that are in place to ensure that these standards are met.

Key Controls

- 1.02 The key controls and control objectives for financial management standards are:
 - a. Their promotion throughout the Authority.
 - b. A monitoring system to review compliance with financial standards, and regular comparisons of performance indicators and benchmark standards that are reported to the Authority.

Responsibilities of the Director of Finance and Procurement

- 1.03 To ensure proper administration of the financial affairs of the Authority.
- 1.04 To set the financial management standards and to monitor compliance with them.
- 1.05 To ensure proper professional practices are adhered to and to act as head of profession in relation to the standards, performance and development of finance staff throughout the Authority.
- 1.06 To advise on the key strategic controls necessary to secure sound financial management.
- 1.07 To ensure that financial information is available to enable accurate and timely monitoring and reporting of comparisons of national and local financial performance indicators.

Responsibilities of SLT Officers

- 1.08 To promote the financial management standards set by the Director of Finance and Procurement in their departments and to monitor adherence to the standards and practices, liaising as necessary with the Director of Finance and Procurement.
- 1.09 To promote sound financial practices in relation to the standards, performance and development of staff in their departments.

Managing and Controlling Income and Expenditure

Scheme of Virement

Why is this important?

- 1.10 The scheme of virement is intended to enable the SLT Officers and their staff to manage budgets with a degree of flexibility within the overall policy framework determined by the Authority, and therefore to optimise the use of resources.

Key Controls

- 1.11 Key controls for the scheme of virement are:
- a. It is administered by the Director of Finance and Procurement within guidelines set by the Authority. Any variation from this scheme requires the approval of the Authority.
 - b. The overall budget is approved by the Authority. SLT Officers and budget managers are therefore authorised to incur expenditure in accordance with the estimates that make up the budget. The rules below cover virement; that is, switching resources between approved estimates or heads of expenditure. For the purpose of this scheme, a budget head is considered to be a line in the approved estimates report, or, as a minimum, at an equivalent level to the standard service subdivision as defined by CIPFA's Service Expenditure Analysis.
 - c. Virement does not create additional overall budget liability. SLT Officers are expected to exercise their discretion in managing their budgets responsibly and prudently. For example, they should aim to avoid supporting recurring expenditure from one-off sources of savings or additional income, or creating future commitments, including full-year effects of decisions made part way through a year, for which they have not identified future resources. SLT Officers must plan to fund such commitments from within their own budgets.

Responsibilities of the Director of Finance and Procurement

- 1.12 To report jointly with the SLT officer a report to the Authority where virements in excess of £75,000 are proposed.
- 1.13 To report all virements below this level to the Authority through financial monitoring reports.

Responsibilities of SLT Officers

- 1.14 SLT Officers may exercise virement on budgets under their control for amounts up to £75,000 on any one budget head during the financial year, following notification to the Director of Finance and Procurement under arrangements agreed by the Authority and subject to the conditions in paragraphs 1.15 to 1.17 below.
- 1.15 Amounts greater than £75,000 require the approval of the Authority, following a joint report by the Director of Finance and Procurement and the SLT Officer, which

must specify the proposed expenditure and the source of funding, and must explain the implications in the current and future financial year.

- The prior approval of the Authority is required for any virement, of whatever amount, where it is proposed to change Authority policy.
- Virement that is likely to impact on the level of service activity of another SLT Officer should be implemented only after agreement with the relevant SLT Officer.
- The virement must not result in an increase in commitment in future years which cannot be met from within existing budgets,

1.16 No virement relating to a specific financial year should be made after 31 March in that year.

1.17 Where an approved budget is a lump sum budget or contingency intended for allocation during the year, its allocation will not be treated as a virement, provided that:

- a. the amount is used in accordance with the purposes for which it has been established.
- b. the Authority has approved the basis and the terms, including financial limits, on which it will be allocated. Individual allocations in excess of the financial limits should be reported to the Authority.

Treatment of Year-End Balances

Why is it important?

1.18 The rules below cover arrangements for the transfer of resources between accounting years i.e., a carry-forward.

1.19 For the purposes of this scheme, a budget heading is a line in the estimates report (or, as a minimum, at an equivalent level to the standard service sub division as defined by CIPFA in its Service Expenditure Analysis).

Key Controls

1.20 Appropriate accounting procedures are in operation to ensure that carried-forward totals are correct.

Responsibilities of the Director of Finance and Procurement

1.21 To administer the scheme of carry-forward within the guidelines approved by the Authority.

1.22 To report all overspendings and underspending on service estimates carried forward to the executive and to the Authority.

Responsibilities of SLT Officers

- 1.23 Any overspending on service estimates in total on budgets will be reported by the Director of Finance and Procurement to the Authority after the end of the financial year as part of the annual outturn report.
- 1.24 The Director of Finance and Procurement will determine which budgets are deemed to be controllable by the SLT Director. A request to carry forward any underspend can be made by a Director but is subject to Authority approval and the request will be submitted through the annual outturn report.
- 1.25 All requests to carry forward underspends (via the creation of a reserve) will be subject to consideration of the overall financial position of the Authority and service priorities.

Accounting Policies

Why is this important?

- 1.26 The Director of Finance and Procurement is responsible for the preparation of the Authority's statement of accounts, in accordance with proper practices as set out in the format required by the Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice (CIPFA/LASAAC), for each financial year ending 31 March.

Key Controls

- 1.27 The key controls for accounting policies are:
- a. Systems of internal control are in place that ensure that financial transactions are lawful.
 - b. Suitable accounting policies are selected and applied consistently.
 - c. Proper accounting records are maintained.
 - d. Financial statements are prepared which present fairly the financial position of the Authority and its expenditure and income.

Responsibilities of the Director of Finance and Procurement

- 1.28 To select suitable accounting policies and to ensure that they are applied consistently. The accounting policies are set out in the statement of accounts, which is prepared at 31 March each year, and covers such items as:
- a. Separate accounts for capital and revenue transactions.
 - b. The basis on which debtors and creditors at year end are included in the accounts.
 - c. Details on substantial provisions and reserves.
 - d. Fixed assets.
 - e. Depreciation.

- f. Capital charges.
- g. Work in progress.
- h. Stocks and stores
- i. Deferred charges.
- j. Accounting for value added tax.
- k. Government grants.
- l. Leasing.
- m. Pensions.

Responsibilities for SLT Officers

- 1.29 To adhere to the accounting policies and guidelines approved by the Director of Finance and Procurement.

Accounting Records and Returns

Why is this important?

- 1.30 Maintaining proper accounting records is one of the ways in which the Authority discharges its responsibility for stewardship of public resources. The Authority has a statutory responsibility to prepare its annual accounts to present fairly its operations during the year. These are subject to external audit. This audit provides assurance that the accounts are prepared properly, that proper accounting practices have been followed and that quality arrangements have been made for securing economy, efficiency and effectiveness in the use of the Authority's resources.

Key Controls

- 1.31 The key controls for accounting records and returns are:
 - a. All Members, finance staff and budget managers operate within the required accounting standards and timetables.
 - b. All the Authority's transactions, material commitments and contracts and other essential accounting information are recorded completely, accurately and on a timely basis.
 - c. Procedures are in place to enable accounting records to be reconstituted in the event of systems failure.
 - d. Reconciliation procedures are carried out to ensure transactions are correctly recorded.
 - e. Prime documents are retained in accordance with legislative and other requirements.

- f. The duty imposed on the Authority by the Accounts and Audit Regulations to maintain an adequate and effective audit of its accounting records and its system of internal control.

Responsibilities of the Director of Finance and Procurement

- 1.32 To determine the accounting procedures and records for the Authority. Where these are maintained outside the finance department, the Director of Finance and Procurement should consult the SLT Officer concerned.
- 1.33 To arrange for the compilation of all accounts and accounting records under their direction.
- 1.34 To comply, as far as practicable, with the following principles when allocating accounting duties:
 - a. Separating the duties of providing information about sums due to or from the Authority and calculating, checking and recording these sums from the duty of collecting or disbursing them.
 - b. Employees with the duty of examining or checking the accounts of cash transactions must not themselves be engaged in these transactions.

Where such arrangements are not practical, alternative controls must be agreed with the Director of Finance and Procurement.

- 1.35 To make proper arrangements for the audit of the Authority's accounts in accordance with the Accounts and Audit Regulations 2015.
- 1.36 To ensure that all claims for funds including grants are made by the due date.
- 1.37 To prepare and publish the audited accounts of the Authority for each financial year, in accordance with the statutory timetable and with the requirement for the Authority to approve the statement of accounts.
- 1.38 To administer the Authority's arrangements for under and overspendings to be carried forward to the following financial year.
- 1.39 To ensure the proper retention of financial documents in accordance with all legal requirements and as set out in the Authority's document retention schedule.

Responsibilities of SLT

- 1.40 To consult and obtain the approval of the Director of Finance and Procurement before making any changes to accounting records and procedures.
- 1.41 To comply with the principles outlined above when allocating accounting duties.
- 1.42 To maintain adequate records to provide a management trail leading from the source of income/expenditure through to the accounting statements.
- 1.43 To supply information required to enable the statement of accounts to be completed in accordance with guidelines issued by the Director of Finance and Procurement.

The Annual Statement of Accounts

Why is this important?

- 1.44 The Authority has a statutory responsibility to prepare its own accounts to present fairly its operations during the year. The Authority is responsible for approving the statutory annual statement of accounts.

Key Controls

- 1.45 The key controls for the annual statement of accounts are:
- I. The Authority is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of these affairs. In this Authority, that Officer is the Director of Finance and Procurement.
 - II. The Authority's statement of accounts must be prepared in accordance with proper practices as set out in the Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice (the SORP) (CIPFA/LASAAC).

Responsibilities of the Director of Finance and Procurement

- 1.46 To select suitable accounting policies and to apply them consistently.
- 1.47 To make judgements and estimates that are reasonable and prudent.
- 1.48 To comply with the SORP.
- 1.49 To sign and date the statement of accounts, stating that it presents fairly the financial position of the Authority at the accounting date and its income and expenditure for the year ended 31 March 20xx.
- 1.50 To draw up the timetable for final accounts preparation and to advise staff and external auditors accordingly.

Responsibilities of SLT Officers

- 1.51 To comply with accounting guidance provided by the Director of Finance and Procurement and to supply the Director of Finance and Procurement with information when required.

Appendix B – Financial Planning

Performance Plans

Why is this important?

- 2.01 The Authority has a statutory responsibility to publish various performance plans including community risk management plans (formerly Integrated Risk Management Plans) etc. The purpose of performance plans is to explain overall priorities and objectives, current performances and proposals for further improvement.

Key Controls

- 2.02 The key controls for performance plans are:
- a. To ensure that all relevant plans are produced and that they are consistent.
 - b. To produce plans in accordance with statutory requirements.
 - c. To meet the timetables set.
 - d. To ensure that all performance information is accurate, complete and up-to-date.
 - e. To provide improvement targets which are meaningful, realistic and challenging.

Responsibilities of the Director of Finance and Procurement

- 2.03 To advise and supply the financial information that needs to be included in performance plans in accordance with statutory requirements and agreed timetables.
- 2.04 To contribute to the development of corporate and service targets and objectives and performance information.
- 2.05 To ensure that systems are in place to measure activity and collect accurate information for use as performance indicators.
- 2.06 To ensure that performance information is monitored sufficiently to allow corrective action to be taken if targets are not likely to be met.

Responsibilities of SLT Officer

- 2.07 To contribute to the development of performance plans in line with statutory requirements.
- 2.08 To contribute to the development of corporate and service targets and objectives and performance information.

Budgeting

Format of the Budget

Why is this important?

- 2.09 The format of the budget determines the level of detail to which financial control and management will be exercised. The format shapes how the rules around virement operate, the operation of cash limits and sets the level at which funds may be reallocated within budgets.

Key Controls

- 2.10 The key controls for the budget format are:
- a. The format complies with all legal requirements.
 - b. The format complies with CIPFA's Service Reporting Code of Practice.
 - c. The format reflects the accountabilities of service delivery.

Responsibilities of the Director of Finance and Procurement

- 2.11 To advise the Authority on the format of the budget that is approved.

Responsibilities of SLT Officers

- 2.12 To comply with accounting guidance provided by the Director of Finance and Procurement.

Revenue Budget Preparation, Monitoring and Control

Why is this important?

- 2.13 Budget management ensures that once the budget has been approved by the Authority, resources allocated are used for their intended purposes and are properly accounted for. Budgetary control is a continuous process, enabling the Authority to review and adjust its budget targets during the financial year. It also provides the mechanism that calls to account managers responsible for defined elements of the budget.
- 2.14 By continuously identifying and explaining variances against budgetary targets, the Authority can identify changes in trends and resource requirements at the earliest opportunity. The Authority itself operates within an annual cash limit, approved when setting the overall budget. To ensure that the Authority in total does not overspend, each service is required to manage its own expenditure within the cash-limited budget allocated to it.
- 2.15 For the purposes of budgetary control by managers, a budget will normally be the planned income and expenditure for a service area or cost centre. However, budgetary control may take place at a more detailed level if this is required by the SLT officer's scheme of delegation.

Key Controls

- 2.16 The key controls for managing and controlling the revenue budget are:
- a. budget managers should be responsible only for income and expenditure that they can influence.
 - b. there is a nominated budget manager for each cost centre heading.
 - c. budget managers accept accountability for their budgets and the level of service to be delivered and understand their financial responsibilities.
 - d. budget managers follow an approved certification process for all expenditure.
 - e. income and expenditure are properly recorded and accounted for.
 - f. performance levels/levels of service are monitored in conjunction with the budget and necessary action is taken to align service outputs and budget e.g., by budgetary virement.

Responsibilities of the Director of Finance and Procurement

- 2.17 To establish an appropriate framework of budgetary management and control that ensures that:
- a. budget management is exercised within annual cash limits unless the Authority agrees otherwise.
 - b. each SLT officer has available timely information on receipts and payments on each budget which is sufficiently detailed to enable managers to fulfil their budgetary responsibilities.
 - c. expenditure is committed only against an approved budget head.
 - d. all Officers responsible for committing expenditure comply with relevant guidance, Contract Standing Orders and the Financial Regulations.
 - e. each cost centre has a single named manager, determined by the relevant SLT officer. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making processes that commits expenditure.
 - f. significant variances from approved budgets are investigated and reported by budget managers regularly.
- 2.18 To administer the Authority's scheme of virement.
- 2.19 To submit reports to the Authority, in consultation with the relevant SLT Officer, where an SLT Officer is unable to balance expenditure and resources within existing approved budgets under their control.
- 2.20 To prepare and submit reports on the Authority's projected income and expenditure compared with the budget on a regular basis.

Responsibilities of SLT Officers

- 2.21 To maintain budgetary control within their department, in adherence to the principles in 2.17, and to ensure that all income and expenditure are properly recorded and accounted for.
- 2.22 To ensure that an accountable budget manager is identified for each item of income and expenditure under the control of the SLT Officer (grouped together in a series of cost centres). As a general principle, budget responsibility should be aligned as closely as possible to the decision-making that commits expenditure.
- 2.23 To ensure that spending remains within the Service's overall cash limit, and that individual budget heads are not overspent, by monitoring the budget and taking appropriate corrective action where significant variations from the approved budget are forecast.
- 2.24 To ensure that a monitoring process is in place to review performance levels/levels of service in conjunction with the budget and is operating effectively.
- 2.25 To prepare and submit to the Authority reports on projected expenditure compared with its budget, in consultation with the Director of Finance and Procurement.
- 2.26 To ensure prior approval by the Authority for new proposals² of whatever amount, that:
 - a. create financial commitments in future years.
 - b. change existing policies, initiate new policies or cease existing policies.
 - c. materially extend or reduce the Authority's services.
- 2.27 To ensure compliance with the scheme of virement.
- 2.28 To agree with the relevant SLT Officer where it appears that a budget proposal, including a virement proposal, may impact materially on another service area or SLT Officer's level of service activity.

Budgets and Medium-Term Planning

Why is this important?

- 2.29 The Authority is a complex organisation responsible for delivering a wide variety of services. It needs to plan effectively and to develop systems to enable scarce resources to be allocated in accordance with carefully weighed priorities. The budget is the financial expression of the Authority's plans and policies.
- 2.30 The revenue budget must be constructed so as to ensure that resource allocation properly reflects the service plans and priorities of the Authority. Budgets (spending plans) are needed so that the Authority can plan, authorise, monitor and

² A report on the new proposals should explain the full financial implications, following consultation with the Director of Finance and Procurement, unless the Authority has agreed otherwise, SLT Officers must plan to contain the financial implications within their cash limit.

control the way money is allocated and spent. It is illegal for an Authority to budget for a deficit.

- 2.31 Medium-term planning (the Authority has adopted a five-year planning system) involves a planning cycle in which managers develop their own plans. As each year passes, another future year will be added to the medium-term plan. This ensures that the Authority is always preparing for events in advance.

Key Controls

- 2.32 The key controls for budgets and medium-term planning are:
- a. Specific budget approval for all expenditure.
 - b. Budget managers are consulted in the preparation of the budgets for which they will be held responsible and accept accountability within delegations set by the Authority for their budgets and the level of service to be delivered.
 - c. A monitoring process is in place to review regularly the effectiveness and operation of budget preparation and to ensure that any corrective action is taken.

Responsibilities of the Director of Finance and Procurement

- 2.33 To prepare and submit reports on budget prospects for the executive, including resource constraints set by the Government. Reports should take account of medium-term prospects, where appropriate.
- 2.34 To determine the detailed form of revenue estimates and the methods for their preparation, consistent with the budget approved by the Authority, and after consultation with SLT Officers.
- 2.35 To prepare and submit reports to the Authority on the aggregate spending plans of departments and on the resources available to fund them, identifying, where appropriate, the implications for the level of council tax to be levied.
- 2.36 To advise on the medium-term implications of spending decisions.
- 2.37 To encourage the best use of resources and value for money by working with SLT Officers to identify opportunities to improve economy, efficiency and effectiveness, and by encouraging good practice in conducting financial appraisals of development or savings options, and in developing financial aspects of service planning.
- 2.38 To advise the Authority on proposals in accordance with their responsibilities under section 73 of the Local Government Act 1985.

Responsibilities of SLT Officers

- 2.39 To prepare estimates of income and expenditure, in consultation with the Director of Finance and Procurement, to be submitted to the Authority.
- 2.40 To prepare budgets that are consistent with any relevant cash limits, with the Authority's annual budget cycle and with guidelines issued by the Authority. The

format should be prescribed by the Director of Finance and Procurement in accordance with the Authority's general directions.

- 2.41 To integrate financial and budget plans into service planning, so that budget plans can be supported by financial and non-financial performance measures.
- 2.42 In consultation with the Director of Finance and Procurement and in accordance with the laid-down guidance and timetable, to prepare detailed draft revenue and capital budgets for consideration by the appropriate Committee or Sub-Committee.
- 2.43 When drawing up draft budget requirements, to have regard to:
 - a. spending patterns and pressures revealed through the budget monitoring process.
 - b. legal requirements.
 - c. policy requirements as defined by the Authority in the approved policy framework.
 - d. initiatives already under way.

Resource Allocation

Why is it important?

- 2.44 A mismatch often exists between available resources and required resources. A common scenario is that available resources are not adequate to fulfil need/desire. It is therefore imperative that needs/desires are carefully prioritised and that resources are fairly allocated, in order to fulfil all legal responsibilities. Resources may include staff, money, equipment, goods and materials.

Key Controls

- 2.45 The key controls for resource allocation are:
 - a. Resources are acquired in accordance with the law and using an approved authorisation process.
 - b. Resources are used only for the purpose intended, to achieve the approved policies and objectives, and are properly account for.
 - c. Resources are securely held for use when required.
 - d. Resources are used with the minimum level of waste, inefficiency or loss for other reasons.

Responsibilities of the Director of Finance and Procurement

- 2.46 To advise on methods available for the funding of resources, such as grants from central government and borrowing requirements.
- 2.47 To assist in the allocation of resources to budget managers.

Responsibilities of SLT Officers

- 2.48 To work within budget limited and to utilise resources allocated, and further allocate resources, in the most efficient, effective and economic way.
- 2.49 To identify opportunities to minimise or eliminate resource requirements or consumption without having a detrimental effect on service delivery.

Capital Programmes

Why is this important?

- 2.50 Capital expenditure involves acquiring or enhancing fixed assets with a long-term value to the Authority, such as land, buildings, and major items of plant, equipment or vehicles. Capital assets shape the way services are delivered in the long term and create financial commitments for the future in the form of financing costs and revenue running costs.
- 2.51 The Government places strict controls on the financing capacity of the Authority. This means that capital expenditure should form part of an investment strategy and should be carefully prioritised in order to maximise the benefit of scarce resources.

Key Controls

- 2.52 The key controls for capital programmes are:
 - a. Specific approval by the Authority for the programme of capital expenditure.
 - b. Expenditure on capital schemes is subject to the approval of the Director of Finance and Procurement.
 - c. The preparation of five year rolling asset management plans for key categories of infrastructure (Property, ICT and Vehicles) for consideration by the Authority before the Budget and Financial plan is considered.
 - d. Approval by the Authority where capital schemes are to be financed from the revenue budget.
 - e. Proposals for improvements and alterations to buildings must be approved by the appropriate SLT Officer.
 - f. Monitoring of progress in conjunction with expenditure and comparison with approved budget.

Responsibilities of the Director of Finance and Procurement

- 2.53 To prepare capital estimates jointly with SLT officers and to report them to the Authority for approval. The Authority recommendations on the capital estimates and on any associated financing requirements to the Authority. Authority approval is required where an SLT officer proposes to bid or exercise additional borrowing

approval not anticipated in the capital programme. This is because the extra borrowing may create future commitments to financing costs.

- 2.54 To prepare and submit reports to SLT and the Authority on the projected expenditure and resources compared with the approved estimates on a regular basis.
- 2.55 To issue guidance concerning capital schemes and controls, for example, on project appraisal techniques. The definition of 'capital' will be determined by the Director of Finance and Procurement, having regard to Government regulations and accounting requirements.
- 2.56 To provide advice to allow responsible Officers to obtain authorisation from the Authority for individual schemes where the estimated expenditure exceeds the capital programme provision.

Responsibilities of SLT Officers

- 2.57 To comply with guidance concerning schemes and controls issued by the Director of Finance and Procurement.
- 2.58 To ensure that all capital proposals have undergone a project appraisal in accordance with guidance issued by the Director of Finance and Procurement.
- 2.59 To prepare regular reports reviewing the capital programme provisions for their services. They should also prepare a quarterly return of estimated final costs of schemes in the approved capital programme for submission to the Director of Finance and Procurement.
- 2.60 To ensure that adequate records are maintained for all capital contracts.
- 2.61 To proceed with projects only when there is adequate provision in the capital programme and with the agreement of the Director of Finance and Procurement, where required.
- 2.62 To prepare and submit reports, jointly with the Director of Finance and Procurement, to the Authority, of any variation in contract costs greater than the approved limits. SLT Officers may meet cost increases of up to 10% by virement from savings elsewhere within their capital programme.
- 2.63 To prepare and submit reports, jointly with the Director of Finance and Procurement, to the Authority, on completion of all contracts where the final expenditure exceeds the approved contract sum by more than the specified amount.
- 2.64 To ensure that credit arrangements, such as leasing agreements, are not entered into without the prior approval of the Director of Finance and Procurement and, if applicable, approval of the scheme through the capital programme.
- 2.65 To consult with the Director of Procurement and Finance and to seek Authority approval where the SLT Officer proposes to bid for additional supported borrowing approvals or grant from Government departments to support expenditure that has not been included in the current year's capital programme.

Maintenance of Reserves

Why is this important?

- 2.66 The Authority must decide the level of general reserves it wishes to maintain before it can decide the level of council tax. Reserves are maintained as a matter of prudence. They enable the Authority to provide for unexpected events and thereby protect it from overspending, should such events occur. Reserves for specific purposes may also be maintained, such as the purchase or renewal of capital items.

Key Controls

- 2.67 To maintain reserves in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice* (CIPFA/LASAAC) and agreed accounting policies.
- 2.68 For each reserve established, the purpose, usage and basis of transactions should be clearly identified.
- 2.69 Authorisation and expenditure from reserves by the appropriate SLT Officer in consultation with the Director of Finance and Procurement.

Responsibilities of the Director of Finance and Procurement

- 2.70 To advise the Authority on prudent levels of reserves for the Authority, and to take account of the advice of the external auditor in this matter.

Responsibilities of SLT Officer

- 2.71 To ensure that resources are used only for the purposes for which they were intended.

Appendix C – Risk Management and Control of Resources

Risk Management

Why is this important?

- 3.01 All organisations, whether private or public sector, face risks to people, property and continued operations. Risk is the chance or possibility of loss, damage, injury or failure to achieve objectives caused by an unwanted or uncertain action or event. Risk management is the planned and systematic approach to identification, evaluation and control of risk. Its objectives are to secure the assets of the organisation and to ensure the continued financial and organisational well-being of the organisation. In essence it is, therefore, an integral part of good business practice. Risk management is concerned with evaluating the measures an organisation already has in place to manage identified risks and then effectively.
- 3.02 It is the overall responsibility of the Authority to approve the risk management and business continuity strategy, and to promote a culture of risk and business continuity management awareness throughout the Authority.

Key Controls

- 3.03 The key controls for risk management are:
- a. Procedures are in place to identify, assess, prevent or contain material known risks, and these procedures are operating effectively throughout the Authority.
 - b. A monitoring process is in place to review regularly the effectiveness of risk reduction strategies and the operation of these controls. The risk management process should be conducted on a continuing basis.
 - c. Managers know that they are responsible for managing relevant risks and are provided with relevant information on risk management initiatives.
 - d. Provision is made for losses that might result from the risks that remain.
 - e. Procedures are in place to investigate claims within required timescales.
 - f. Acceptable levels of risk are determined and insured against where appropriate.
 - g. The Authority has identified business continuity plans or implementation in the event of disaster that results in significant loss or damage to its resources.
 - h. Procedures are in place to identify, assess, prevent or contain known business continuity issues, and these procedures are operating effectively throughout the Authority.
 - i. A monitoring process is in place to review regularly the effectiveness of business continuity strategies and the operation of these controls. The business continuity management process should be conducted on a continuing basis.

- j. Managers know that they are responsible for managing relevant business continuity plans and are provided with relevant information on business continuity management initiatives.
- k. Acceptable levels of contingency are determined and insured against where appropriate.

Responsibilities of the Deputy Chief Fire Officer

- 3.04 To assist in the preparation of and promote the Authority's risk and business continuity management policy statement.
- 3.05 To develop risk and business continuity management.
- 3.06 To develop risk and business continuity management controls in conjunction with other SLT Officers.
- 3.07 To consult with the Monitoring Officer on appropriate levels of insurance.

Responsibilities of the Monitoring Officer

- 3.08 To include all appropriate employees of the Authority in a suitable fidelity guarantee insurance.
- 3.09 To (in consultation with the Director of Finance and Procurement) effect corporate insurance cover, through external insurance and internal funding, and to negotiate all claims in consultation with other Officers, where necessary.

Responsibilities of SLT Officers

- 3.10 To notify the Director of Finance and Procurement and the Monitoring Officer immediately of any loss, liability or damage that may lead to a claim against the Authority, together with any information or explanation required by those officers or the Authority's insurers.
- 3.11 To take responsibility for risk management, having regard to advice from the Monitoring Officer, Director of Finance and Procurement and other specialist Officers (e.g., crime prevention, fire prevention, health safety).
- 3.12 To ensure that there are regular reviews of risk within their departments.
- 3.13 To notify the Director of Finance and Procurement and Monitoring Officer promptly of all new risks, properties or vehicles that require insurance and of any alterations affecting existing insurances.
- 3.14 To consult the Director of Finance and Procurement and the Monitoring Officer on the terms of any indemnity that the Authority is requested to give.
- 3.15 To ensure that employees, or anyone covered by the Authority's insurances, do not admit liability or make any offer to pay compensation that may prejudice the assessment of liability in respect of any insurance claim.

Internal Controls

- 3.16 The Authority is complex and beyond the direct control of individuals. It therefore requires internal controls to manage and monitor progress towards strategic objectives.
- 3.17 The Authority has statutory obligations, and, therefore, requires internal controls to identify, meet and monitor compliance with these obligations.
- 3.18 The Authority faces a wide range of financial, administrative and commercial risks, both from internal and external factors, which threaten the achievement of its objectives. Internal controls are necessary to manage these risks.
- 3.19 The system of internal controls is established in order to provide measurable achievement of:
 - a. efficient and effective operations.
 - b. reliable financial information and reporting.
 - c. compliance with laws and regulations.
 - d. risk management.

Key Controls

- 3.20 The key control objectives for internal control systems are:
 - a. Key controls should be reviewed on a regular basis and the Authority should make a formal statement annually to the effect that it is satisfied that the system of internal control are operating effectively.
 - b. Managerial control systems, including defining policies, setting objectives and plans, monitoring financial and other performance and taking appropriate anticipatory and remedial action. The key objective of these systems is to promote ownership of the control environment by defining roles and responsibilities.
 - c. Financial and operational control systems and procedures, which include physical safeguards for assets, segregation of duties, authorisation and approval procedures and information systems.

- d. An effective internal audit function that is properly resourced. It should operate in accordance with the principles contained in the Auditing Practices Board's auditing guidelines, Guidance for Internal Auditors, CIPFA's Code of Practice for Internal Audit in Local Government in the United Kingdom and with any other statutory obligations and regulations.

Responsibilities of the Director of Finance and Procurement

- 3.21 To assist the Authority to put in place an appropriate control environment and effective internal controls which provide reasonable assurance of effective and efficient operations, financial stewardship, probity and compliance with laws and regulations.

Responsibilities of SLT Officers

- 3.22 To manage processes to check that established controls are being adhered to and to evaluate their effectiveness, in order to be confident in the proper use of resources, achievement of objectives and management of risks.
- 3.23 To review existing controls in the light of changes affecting the Authority and to establish and implement new ones in line with guidance from the Director of Finance and Procurement. SLT Officers should also be responsible for removing controls that are unnecessary or not cost or risk effective – for example because of duplication.
- 3.24 To ensure staff have clear understanding of the consequences of lack of control.

Audit Requirements

Internal Audit

Why is this important?

- 3.25 The requirement for an internal audit function for Local Authorities is implied by section 151 of the Local Government Act 1972, which requires that authorities "make arrangements for the proper administration of their financial affairs". The Accounts and Audit Regulations 2015, more specifically require that a "relevant body shall maintain an adequate and effective system of internal audit of their accounting records and control systems".
- 3.26 Accordingly, internal audit is an independent and objective appraisal function established by the Authority for reviewing the system of internal control. It examines, evaluates and reports on the adequacy of internal control as a condition to the proper, economic, efficient and effective use of resources.

Key Controls

- 3.27 The key controls for internal audit are:

- a. That it is independent in its planning and operation.
- b. The internal audit service has direct access to the Chief Fire Officer, all levels of management and directly to elected Members.
- c. The internal auditors comply with the Auditing Practices Board's guideline *Guidance for Internal Auditors*, as interpreted by CIPFA's *Code of Practice for Internal Audit in Local Government in the United Kingdom*.

Responsibilities of the Director of Finance and Procurement

- 3.28 To ensure that internal auditors have the authority to:
- a. Access Authority premises at reasonable times.
 - b. Access all assets, records, documents, correspondence and control systems.
 - c. Receive any information and explanation considered necessary concerning any matter under consideration.
 - d. Require any employee of the Authority to account for cash, stores or any other Authority asset under their control.
 - e. Access records belonging to third parties, such as contractors, when required.
 - f. Directly access the Chief Fire Officer, the Authority and its Members.
- 3.29 To submit for approval the strategic and annual audit plans, which take account of the characteristics and relative risks of the activities involved.
- 3.30 To ensure that effective procedures are in place to investigate promptly any fraud or irregularity.

Responsibilities of SLT Officers

- 3.31 To ensure that internal auditors are given access at all reasonable times to premises, personnel, documents and assets that the auditors consider necessary for the purposes of their work.
- 3.32 To ensure that auditors are provided with any information and explanations that they seek in the course of their work.
- 3.33 To consider and respond promptly to recommendations in audit reports.
- 3.34 To ensure that any agreed actions arising from audit recommendations are carried out in a timely and efficient fashion.

- 3.35 To notify the Director of Finance and Procurement and Monitoring Officer immediately of any suspected fraud, theft, irregularity, improper use or misappropriation of the Authority's property or resources. Pending investigation and reporting, the SLT Officer should take all necessary steps to prevent further loss and to secure records and documentation against removal or alteration.
- 3.36 To ensure the new systems for maintaining financial records, or records of assets, or changes to such systems, are discussed with and agreed by the head of internal audit prior to implementation.

External Audit

Why is this important?

- 3.37 The external auditor has rights of access to all documents and information necessary for audit purposes.
- 3.38 The basic duties of the external auditor are defined in the Audit Commission Act 1998 and the Local Government Act 1999. In particular, section 4 of the 1998 Act requires a code of audit practice, which external auditors follow when carrying out their duties. The code of audit practice issued in March 2000 sets out the auditor's objectives to review and report upon:
- a. the financial aspects of the audited body's corporate governance arrangements.
 - b. the audited body's financial statements.
- 3.39 The Authority's accounts are scrutinised by external auditors, who must be satisfied that the statement of accounts 'presents fairly' the financial position of the Authority and its income and expenditure for the year in question and complies with the legal requirements.

Key Controls

- 3.40 External auditors are appointed normally for a minimum period of five years.

Responsibilities of the Director of Finance and Procurement

- 3.41 To ensure that external auditors are given access at all reasonable times to premises, personnel, documents and assets that the external auditors consider necessary for purposes of their work.
- 3.42 To ensure there is effective liaison between external and internal audit.
- 3.43 To work with the external auditor and advise the Authority and SLT Officers on their responsibilities in relation to external audit.

Responsibilities of SLT Officers

- 3.44 To ensure that external auditors are given access at all reasonable times to premises, personnel, documents and assets which the external auditors consider necessary for the purposes of their work.

3.45 To ensure that all records and systems are up-to-date and available for inspection.

Preventing Fraud and Corruption

Why is this important?

3.46 The Authority will not tolerate fraud and corruption in the administration of its responsibilities, whether from inside or outside the Authority.

3.47 The Authority's expectation of propriety and accountability is that Members and staff at all levels will lead by example in ensuring adherence to legal requirements, rules, procedures and practices.

3.48 The Authority also expects that individuals and organisations (e.g., suppliers, contractors, service providers) with whom it comes into contact will act towards the Authority with integrity and without thought or actions involving fraud and corruption.

Key Controls

3.49 The key controls regarding the prevention of financial irregularities are that:

- a. The Authority has an effective anti-fraud and anti-corruption policy and maintains a culture that will not tolerate fraud or corruption.
- b. All Members and staff act with integrity and lead by example.
- c. Senior managers are required to deal swiftly and firmly with those who defraud or attempt to defraud the Authority or who are corrupt.
- d. High standards of conduct are promoted amongst Members.
- e. The maintenance of a register of interests in which any hospitality or gifts accepted must be recorded.
- f. Whistle blowing procedures are in place and operate effectively.
- g. Legislation including the Public Interest Disclosure Act 1998 is adhered to.

Responsibilities of the Director of Finance and Procurement

3.50 To assist the Monitoring Officer to develop and maintain an anti-fraud and anti-corruption policy.

3.51 To maintain adequate and effective internal control arrangements.

3.52 To ensure that all suspected irregularities are reported to the Head of Internal Audit, the Chief Fire Officer, the Monitoring Officer and the Authority as appropriate.

Responsibilities of SLT Officers

- 3.53 To ensure that all suspected irregularities are reported to the Director of Finance and Procurement and the Monitoring Officer.
- 3.54 To instigate the Authority's disciplinary procedures where the outcome of an audit investigation indicates improper behaviour.
- 3.55 To ensure that where financial impropriety is discovered, the Director of Finance and Procurement is informed, and, in consultation with the Head of Internal Audit, where sufficient evidence exists to believe that a criminal offence may have been committed, the police are called in to determine with the Crown Prosecution Service whether any prosecution will take place.
- 3.56 To ensure that the register of interests is kept up-to-date.

Assets

Security

Why is this important?

- 3.57 The Authority holds assets in the form of property, vehicles, equipment, furniture and other items worth many millions of pounds. It is important that assets are safeguarded and used efficiently in service delivery, and that there are arrangements for the security of both assets and information required for service operations. An up-to-date asset register is a prerequisite for proper fixed asset accounting and sound asset management.

Key Controls

- 3.58 The key controls for the security of resources such as land, buildings, fixed plant machinery, equipment, software and information are:
 - a. Resources are used only for the purposes of the Authority and are properly accounted for.
 - b. Resources are available for use when required.
 - c. Resources no longer required are disposed of in accordance with the law and the regulations of the Authority so as to maximise benefits.
 - d. An asset register is maintained for the Authority, assets are recorded when they are acquired by the Authority and this record is updated as changes occur with respect to the location and condition of the asset.
 - e. All staff are aware of their responsibilities with regard to safeguarding the Authority's assets and information, including the requirements of the Data Protection Act and software copyright legislation.
 - f. All staff are aware of their responsibilities with regard to safeguarding the security of the Authority's computer systems, including maintaining

restricted access to the information held on them and compliance with the Authority's computer and internet security policies.

Responsibilities of the Director of Finance and Procurement

- 3.59 To ensure that an asset register is maintained in accordance with good practice for all fixed assets with a value in excess of £5,000. The function of the asset register is to provide the Authority with information about fixed assets so that they are:
- a. safeguarded.
 - b. used efficiently and effectively.
 - c. adequately maintained.
- 3.60 To receive the information required for accounting, costing and financial records from each SLT Officer.
- 3.61 To ensure that assets are valued in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice* (CIPFA/LASAAC).

Responsibilities of SLT Officers

- 3.62 The appropriate SLT Officer shall maintain a property database in a form approved by the Director of Finance and Procurement for all properties, plant and machinery and moveable assets currently owned or used by the Authority. Any use of property by a department or establishment other than for direct service delivery should be supported by documentation identifying terms, responsibilities and duration of use.
- 3.63 To ensure that lessees and other prospective occupiers of Authority land are not allowed to take possession or enter the land until a lease or agreement, in a form approved by the SLT Officer in consultation with the Director of Finance and Procurement and Monitoring Officer, has been established as appropriate.
- 3.64 To ensure the proper security of all buildings and other assets under their control.
- 3.65 Where land or buildings are surplus to requirements, a recommendation for sale should be the subject of a joint report by the SLT Officer and the Director of Finance and Procurement.
- 3.66 To pass title deeds to the Monitoring Officer who is responsible for custody of all title deeds.
- 3.67 To ensure that no Authority asset is subject to personal use by an employee without proper authority.
- 3.68 To ensure the safe custody of vehicles, equipment, furniture, stock, stores and other property belonging to the Authority.
- 3.69 To ensure that the department maintains a register of moveable assets in accordance with arrangements defined by the Director of Finance and Procurement.

- 3.70 To ensure that assets are identified, their location recorded and that they are appropriately marked and insured.
- 3.71 To consult the Director of Finance and Procurement in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.
- 3.72 To ensure cash holdings on premises are kept to a minimum.
- 3.73 To ensure that keys to safes and similar receptacles are carried on the person of those responsible at all times; loss of any such keys must be reported to the Director of Finance and Procurement as soon as possible.
- 3.74 To record all disposal of part exchange of assets that should normally be by competitive tender or public auction, unless consultation with the Director of Finance and Procurement, SLT agrees otherwise.
- 3.75 To arrange for the valuation of assets for accounting purposes to meet requirements specified by the Director of Finance and Procurement.
- 3.76 To ensure that all employees are aware that they have a personal responsibility with regard to the protection and confidentiality of information, whether held in manual or computerised records. Information may be sensitive or privileged, or may possess some intrinsic value, and its disclosure or loss could result in a cost to the Authority in some way.

Inventories – Responsibilities of SLT Officers

- 3.77 To maintain inventories and record an adequate description of furniture, fittings, equipment, plant and machinery valued at £500 or more.
- 3.78 To carry out an annual check of all items on the inventory in order to verify location, review, condition and to take action in relation to surpluses or deficiencies, annotating the inventory accordingly. Attractive and portable items such as computers, cameras and video recorders should be identified with security markings as belonging to the Authority.
- 3.79 To make sure that property is only used in the course of the Authority's business, unless the SLT Officer concerned has given permission otherwise.

Stocks and Stores – Responsibilities of SLT Officers

- 3.80 To make arrangements for the care and custody of stocks and stores in the department.
- 3.81 To ensure stocks are maintained at reasonable levels and are subject to a regular independent physical check. All discrepancies should be investigated and pursued to a satisfactory conclusion.
- 3.82 To investigate and seek approval to remove from the Authority's records Authority approval if they are in excess of £5,000.

- 3.83 To authorise or write off disposal of redundant stocks and equipment (following approval by the Director of Finance and Procurement). Procedures for disposal of such stocks and equipment should be by competitive quotations or auction, unless, following consultation with the Director of Finance and Procurement, the Officer decides otherwise in a particular case.
- 3.84 To seek the approval of the Authority to the write-off of redundant stocks and equipment in excess of £5,000.

Intellectual Property

Why is this important?

- 3.85 Intellectual property is a generic term that includes inventions and writing. If these are created by the employee during the course of employment, then, as a general rule, they belong to the employer, not the employee. Various Acts of Parliament cover different types of intellectual property.
- 3.86 Certain activities undertaken within the Authority may give rise to items that may be patentable, for example, software development. These items are collectively known as intellectual property.

Key Controls

- 3.87 In the event that the Authority decides to become involved in the commercial exploitation of inventions, the matter should proceed in accordance with the Authority's approved intellectual property procedures. Guidance may be sought from the Head of Procurement.

Responsibilities of SLT Officers

- 3.88 To ensure that controls are in place to ensure that staff do not carry out private work in Authority time and that staff are aware of an employer's rights with regard to intellectual property.
- 3.89 To develop and disseminate good practice through the Authority's intellectual property procedures.

Asset Disposal

Why is this important?

- 3.90 It would be uneconomic and inefficient for the cost of assets to outweigh their benefits. Obsolete, non-repairable or unnecessary resources should be disposed of in accordance with the law and the regulations of the Authority.
- 3.91 Assets for disposal are identified and are disposed of at the most appropriate time, and only when it is in the best interests of the Authority, and best price is obtained, bearing in mind other factors, such as environmental issues. For items of significant value, disposal should be by competitive tender or public auction.
- 3.92 Procedures protect staff involved in the disposal from accusations of personal gain.

Responsibilities of the Director of Finance and Procurement

- 3.93 To issue guidelines representing best practice for disposal of assets.
- 3.94 To ensure appropriate accounting entries are made to remove the value of disposed assets from the Authority's records and to include the sale proceeds if appropriate.

Responsibilities of SLT Officers

- 3.95 To seek advice from purchasing advisors on the disposal of surplus or obsolete materials, stores or equipment.
- 3.96 To ensure that income received for the disposal of an asset passed to the Finance Department to be properly banked and coded.

Treasury Management

Why is this important?

- 3.97 Many millions of pounds pass through the Authority's books each year. This led to the establishment of codes of practice. These aim to provide assurances that the Authority's money is properly managed in a way that balances risk with return, but with the overriding consideration being given to the security of the Authority's capital sum.

Key Controls

- 3.98 That the Authority's borrowings and investments comply with the CIPFA *Code of Practice on Treasury Management* and with the Authority's treasury policy statement.

Responsibilities of Director of Finance and Procurement – Treasury Management and Banking

- 3.99 To arrange the borrowing and investments of the Authority in such a manner as to comply with the CIPFA *Code of Practice on Treasury Management* and the Authority's treasury management policy statement and strategy.
- 3.100 To report, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in the Authority's TMPs.
- 3.101 To operate bank accounts as are considered necessary – opening or closing any bank account shall require the approval of the Director of Finance and Procurement. All arrangements for the opening of bank accounts in the name of the Authority and for the ordering and issue of cheques shall be made by the Director of Finance and Procurement. All cheques drawn on behalf of the Authority shall be signed by the Director of Finance and Procurement or by such Officers as may be nominated by them for that purpose. Any indemnity required by the Authority's bankers regarding the signature of cheques by a computer or

mechanical means, or where the services of a security firm are used for the deposit or receipt of cash at the bank shall be given by the Director of Finance and Procurement on behalf of the Authority.

Responsibilities of SLT Officers – Treasury Management and Banking

- 3.102 To follow the instructions on banking issued by the Director of Finance and Procurement.

Responsibilities of Director of Finance and Procurement – Investments and Borrowing

- 3.103 To ensure that all investments of money are made in the name of the Authority or in the name of nominees approved by the Authority.
- 3.104 To ensure that all securities that are the property of the Authority or its nominees and the title deeds of all property in the Authority's ownership are held in the custody of the appropriate SLT Officer.
- 3.105 To effect all borrowings in the name of the Authority.
- 3.106 To act as the Authority's registrar of stocks, bonds and mortgages and to maintain records of all borrowing of money by the Authority.

Responsibilities of SLT Officers – Investments and Borrowing

- 3.107 To ensure that loans are not made to third parties and that interests are not acquired in companies, joint ventures or other enterprises without the approval of the Authority, following consultation with the Director of Finance and Procurement.

Responsibilities of SLT Officers – Trust Funds and Funds held for Third Parties

- 3.108 To arrange for all trust funds to be held, wherever possible, in the name of the Authority. All Officers acting as trustees by virtue of their official position shall deposit securities etc., relating to the trust, with the Director of Finance and Procurement, unless the deed otherwise provides.
- 3.109 To arrange, where funds are held on behalf of third parties, for their secure administration, approved by the Director of Finance and Procurement, and to maintain written records of all transactions.
- 3.110 To ensure that trust funds are operated within any relevant legislation and the specific requirements for each trust.

Staffing

Why is this important?

- 3.111 In order to provide the highest level of service, it is crucial that the Authority recruits and retains high calibre, knowledgeable staff, qualified to an appropriate level.

Key Controls

- 3.112 The key controls for staffing are:
- a. An appropriate staffing strategy and policy exists, in which staffing requirements and budget allocation are matched.
 - b. Procedures are in place for forecasting staffing requirements and cost.
 - c. Controls are implemented that ensure that staff time is used efficiently and to the benefit of the Authority.
 - d. Checks are undertaken prior to employing new staff to ensure that they are appropriately qualified, experienced and trustworthy.

Responsibilities of the Director of Finance and Procurement

- 3.113 To ensure that budget provision exists for all existing and new employees.
- 3.114 To act as an advisor to SLT Officers on areas such as National Insurance and pension contributions, as appropriate.

Responsibilities of SLT Officers

- 3.115 To produce an annual staffing budget.
- 3.116 To ensure that the staffing budget is an accurate forecast of staffing levels and is equated to an appropriate revenue budget provision (including on-costs and overheads).
- 3.117 To monitor staff activity to ensure adequate control over such costs as sickness, overtime, training and temporary staff.
- 3.118 To ensure that the staffing budget is not exceeded without due Authority and that it is managed to enable the agreed level of service to be provided.
- 3.119 To ensure that the Deputy Chief Fire Officer and the Director of Finance and Procurement are immediately informed if the staffing budget is likely to be materially over – or underspent.

Appendix D – Financial Systems and Procedures

General

Why is this important?

- 4.01 Departments have many systems and procedures relating to the control of the Authority's assets, including purchasing, costing and management systems. Departments are increasingly reliant on computers for their financial management information. The information must therefore be accurate and the systems and procedures sound and well administered. They should contain controls to ensure that transactions are properly processed and errors detected promptly.
- 4.02 The Director of Finance and Procurement has a professional responsibility to ensure that the Authority's financial systems are sound and should therefore be notified of any new developments or changes.

Key Controls

The key controls for systems and procedures are:

- a. Basic data exists to enable the Authority's objectives, targets, budgets and plans to be formulated.
- b. Performance is communicated to the appropriate managers on an accurate, complete and timely basis.
- c. Early warning is provided of deviations from target, plans and budgets that require management attention.
- d. Operating systems and procedures are secure.

Responsibilities of the Director of Finance and Procurement

- 4.03 To make arrangements for the proper administration of the Authority's financial affairs, including to:
- a. Issue advice, guidance and procedures for Officers and others acting on the Authority's behalf.
 - b. Determine the accounting systems, form of accounts and supporting financial records.
 - c. Establish arrangements for audit of the Authority's financial affairs.
 - d. Approve any new financial systems to be introduced.
 - e. Approve any changes to be made to existing financial systems.

Responsibilities of SLT Officers

- 4.04 To ensure that accounting records are properly maintained and held securely.
- 4.05 To ensure that vouchers and documents with financial implications are not destroyed, except in accordance with arrangements approved by the Director of Finance and Procurement.
- 4.06 To ensure that a complete management trail, allowing financial transactions to be traced from the accounting records to the original document, and vice versa, is maintained.
- 4.07 To incorporate appropriate controls to ensure that, where relevant:
 - a. all input is genuine, complete, accurate, timely and not previously processed.
 - b. all processing is carried out in an accurate, complete and timely manner.
 - c. output from the system is complete, accurate and timely.
- 4.08 To ensure that the organisational structure provides an appropriate segregation of duties to provide adequate internal controls and to minimise the risk of fraud or other malpractice.
- 4.09 To ensure there is a documented and tested disaster recovery plan to allow information system processing to resume quickly in the event of an interruption.
- 4.10 To ensure that systems are documented and staff trained in operations.
- 4.11 To consult with the Director of Finance and Procurement before changing any existing system or introducing new systems.
- 4.12 To establish a scheme of delegation identifying Officers authorised to act upon the SLT Officer's behalf in respect of payments, income collection and placing orders, including variations, and showing the limits of their authority.
- 4.13 To supply lists of authorised Officers, with specimen signatures and delegated limits, the Director of Finance and Procurement, together with any subsequent variations.
- 4.14 To ensure that effective contingency arrangements, including back-up procedures, exist for computer systems. Wherever possible, back-up information should be securely retained in a fireproof location, preferably off site or at an alternative location within the building.
- 4.15 To ensure that, where appropriate, computer systems are registered in accordance with data protection legislation and that staff are aware of their responsibilities under the legislation.
- 4.16 To ensure that relevant standards and guidelines for computer systems issued by the SLT Officer are observed.

- 4.17 To ensure that computer equipment and software are protected from loss and damage through theft, vandalism etc.
- 4.18 To comply with the copyright, designs and patents legislation and, in particular, to ensure that:
- a. Only software legally acquired and installed by the Authority is used on its computers.
 - b. Staff are aware of legislative provisions.
 - c. In developing systems, due regard is given to the issue of intellectual property rights.

Income and Expenditure

Income

Why is this important?

- 4.19 Income can be a vulnerable asset and effective income collection systems are necessary to ensure that all income due is identified, collected, receipted and banked properly. It is preferable to obtain income in advance of supplying goods or services as this improves the Authority's cash flow and also avoids the time and cost of administering debts.

Key Controls

- 4.20 The key controls for income are:
- a. All income due to the Authority is identified and charged correctly, in accordance with an approved charging policy, which is regularly reviewed.
 - b. All income is collected from the correct person, at the right time, using the correct procedures and the appropriate stationery.
 - c. All money received by an employee on behalf of the Authority is paid without delay to the Director of Finance and Procurement or, as they direct, to the Authority's bank account, and properly recorded. The responsibility for cash collection should be separated from that:
 - I. For identifying the amount due.
 - II. For reconciling the amount due to the amount received.
 - d. Effective action is taken to pursue non-payment within defined timescales.
 - e. Formal approval for debt write-off is obtained.
 - f. Appropriate write-off action is taken within defined timescales.
 - g. Appropriate accounting adjustments are made following write-off action.
 - h. All appropriate income documents are retained and stored for the defined period in accordance with the document retention schedule.

- i. Money collected and deposited is reconciled to the bank account by a person who is not involved in the collection or banking process.

Responsibilities of the Director of Finance and Procurement

- 4.21 To agree arrangements for the collection of all income due to the Authority and to approve the procedures, systems and documentation for its collection.
- 4.22 To order and supply to departments all receipt forms, books or tickets and similar items and to satisfy themselves regarding the arrangements for their control.
- 4.23 To agree the write-off of bad debts up to an approval limit in each case and to refer larger sums to the Authority.
- 4.24 To approve all debts to be written off in consultation with the relevant SLT Officer and to keep a record of all sums written off up to the approved limit and to adhere to the requirements of the Accounts and Audit Regulations 2015.
- 4.25 To obtain the approval of the Authority in consultation with the relevant SLT Officer for writing off debts in excess of the approved limit of £5,000 net.
- 4.26 To ensure that appropriate accounting adjustments are made following write-off action.

Responsibilities of SLT Officer

- 4.27 To establish a charging policy purely on a cost recovery basis for the supply of goods or services, including the appropriate charging of VAT and to review it regularly, in line with corporate policies. The Commercial Training Manager shall have discretion to set the level of commercial training course fees in light of the cost recovery requirement but also in light of the market competitiveness of similar courses sold by other training providers subject to the agreement of any proposed charges by the Director of Finance and Procurement in order to avoid any possible "State Aid" challenges.
- 4.28 To separate the responsibility for identifying amounts due and the responsibility for collection, as far as is practicable.
- 4.29 To establish and initiate appropriate recovery procedures, including legal action where necessary, for debts that are not paid promptly.
- 4.30 To issue official receipts or to maintain other documentation for income collection.
- 4.31 To ensure that when post is opened that money received by post is properly identified and recorded.
- 4.32 To hold securely receipts, tickets and other records of income for the appropriate period.

- 4.33 To lock away all income to safeguard against loss or theft, and to ensure the security of cash handling.
- 4.34 To ensure that income is paid fully and promptly into the appropriate Authority bank account in the form in which it is received. Appropriate details should be recorded on to paying-in slips to provide an audit trail. Money collected and deposited must be reconciled to the bank account on a regular basis.
- 4.35 To supply the Director of Finance and Procurement with details relating to work done, goods supplied, services rendered or other amounts due, to enable the Director of Finance and Procurement to record correctly the sums due to the Authority and to ensure accounts are sent out promptly. The current approved process is outlined below:
- a. Where possible, arrangements should be made to secure prepayment for goods/services provided, particularly for pre-planned events such as Commercial Training Courses.
 - b. Where that is not possible, within thirty-five (35) days of goods/services being provided, a properly completed Sales Invoice Request Form (SIRF) must be sent to the Finance Department.
 - c. After validating the SIRF, a Sales Invoice will be generated and sent to the Customer by the Finance Department.
 - d. All customers will be allocated payment terms of up to a maximum 30 days. This term may be reduced where appropriate to secure pre-payment in line with F4.35(a) or where mutually agreed. Consequently, all sales invoices are required to be paid within thirty (30) days of the invoice date (or lesser date where appropriate).
 - e. Any outstanding undisputed invoices will have a first written reminder sent out no more than three (3) working days after the payment due date for the customer's invoice.
 - f. If the invoice remains unpaid seven (7) days after the first reminder letter was issued, a second reminder letter will be issued.
 - g. If the invoice remains unpaid, it will then be referred to the Litigation Department (usually seven (7) days after the second reminder letter was sent out). The period between the second reminder and referral to the Litigation Department will be used to contact the debtor and hopefully resolve any issues preventing them from making payment. In circumstances where all parties are making reasonable and timely efforts to resolve the matter, the referral period may exceed seven (7) days, subject to the approval of the Director of Finance and Procurement.
 - h. Any action taken by Litigation will be recorded as appropriate against the customer invoice number.

SLT Officers must ensure any Offices raising SIRF requests assist the Director of Finance and Procurement in collecting debts that they have originated by providing any further information requested by the debtor, liaising directly with the customer

where necessary and actively pursuing the matter on the Authority's behalf.

- 4.36 To keep a record of every transfer of money between employees of the Authority. The receiving Officer must sign for the transfer and the transferor must retain a copy. Levels of cash held on the premises must be minimised.
- 4.37 To recommend to the Director of Finance and Procurement all debts to be written off and to keep a record of all sums written off up to the approved limit. Once raised, no bona fide debt may be cancelled, except by full payment or by its formal writing off. A credit note to replace a debt can only be issued to correct a factual inaccuracy or administrative error in the calculation and/or billing of the original debt.
- 4.38 To obtain the approval of the Director of Finance and Procurement when writing off debts in excess of the approved limit, and the approval of the Authority where required.
- 4.39 To notify the Director of Finance and Procurement of outstanding income relating to the previous financial year as soon as possible after 31 March in line with the timetable determined by the Director of Finance and Procurement and not later than 30 April.

Ordering and Paying for Work, Goods and Services

Why is this important?

- 4.40 Public money should be spent with demonstrable probity and in accordance with the Authority's policies. Authorities have a statutory duty to achieve best value in part through economy and efficiency. The Authority's procedures should help to ensure that services obtain value for money from their purchasing arrangements. These procedures should be read in conjunction with the Authority's Contract Standing Orders.

General

- 4.41 Every Officer and Member of the Authority has a responsibility to declare any links or personal interests that they may have with purchasers, suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the Authority, in accordance with appropriate codes of conduct.
- 4.42 Official orders must be in a form approved by the Director of Finance and Procurement. Official orders must be issued for all work, goods or services to be supplied to the Authority, except for supplies of utilities, periodic payments such as rent or rates, petty cash purchases or other exceptions specified by the Director of Finance and Procurement. **Telephone orders should not be placed in advance of the official order.** All suppliers must be provided with a unique Financial System (FMIS) generated official purchase order number other than the exceptions specified above.
- 4.43 Each order must confirm to the guidelines set by the Head of Procurement (in consultation with the Director of Finance and Procurement and Head of Legal &

Democratic Services). Standard terms and conditions must not be varied without the prior approval of the Head of Procurement.

- 4.44 The normal and preferred method of payment from the Authority shall be by automated electronic payments (BACS) drawn on the Authority's bank account or National Giro account by the Director of Finance and Procurement. The use of direct debit shall require the prior agreement of the Director of Finance and Procurement.
- 4.45 Official orders must not be raised for any personal or private purchases, nor must personal or private use be made of Authority contracts.

Key Controls

- 4.46 The key controls for ordering and paying for work, goods and services are:
- a. All goods and services are ordered only by appropriate persons and are correctly recorded.
 - b. All suppliers must be provided with a unique pre-numbered Financial System (FMIS) generated official purchase order number other than the exceptions specified in 4.43.
 - c. All goods and services shall be ordered in accordance with the Authority's Contract Standing Orders unless they are purchased from sources within the Authority.
 - d. Goods and services received are checked to ensure they are in accordance with the order. Goods should not ordinarily be received by the person who placed the order but where possible, received and checked by a different Officer from the person who authorised the order.
 - e. Payments are not made unless goods have been received by the Authority and formally receipted in the Financial System (FMIS) to the correct price, quantity and quality standards.
 - f. All payments are made to the correct person, for the correct amount and are properly recorded, regardless of the payment method.
 - g. All appropriate evidence of the transaction and payment documents are retained and stored for the defined period, in accordance with the document retention schedule.
 - h. All expenditure, including VAT, is accurately recorded against the right budget and any exceptions are corrected.
 - i. In addition, the effect of e-business/e-commerce and electronic purchasing requires that processes are in place to maintain the security and integrity of data for transacting business electronically.

Responsibilities of the Director of Finance and Procurement

- 4.47 To ensure that all the Authority's financial systems and procedures are sound and properly administered.

- 4.48 To approve any changes to existing financial systems and to approve any new systems before they are introduced.
- 4.49 To approve the form of official orders and associated terms and conditions.
- 4.50 To make payments from the Authority's funds on the SLT Officer's authorisation that the expenditure has been duly incurred in accordance with financial regulations.
- 4.51 To make payments, whether or not provision exists within the estimates, where the payment is specifically required by statute or is made under a court order.
- 4.52 To make payments to contractors on the certificate of the appropriate SLT Officer, which must include details of the value of work, retention money, amounts previously certified and amounts now certified.
- 4.53 To provide advice and encouragement on making payments by the most economical means.
- 4.54 To ensure that a budgetary control system is established that enables commitments incurred by placing orders to be shown against the appropriate budget allocation so that they can be taken into account in budget monitoring reports.
- 4.55 The Director of Finance and Procurement has, in consultation with the Head of Legal Services, delegated authority to agree advance payments where a risk assessment and benefits analysis has been undertaken and shall notify senior Officers in writing of the excepted items of supplies and services for which payment in advance of receipt may be made.

Responsibilities of SLT Officers

- 4.56 To ensure that unique Financial System (FMIS) generated pre-numbered official orders are used for all goods and services, other than the exceptions specified in 4.43.
- 4.57 To ensure that orders are only used for goods and services provided to the department or directorate. Individuals must not use official orders to obtain goods or services for their private use.
- 4.58 To ensure that only those staff authorised by them authorise requisitions and/or purchase orders and to maintain an up-to-date list of such authorised staff, including specimen signatures identifying in each case the limits of their Authority. The authoriser of the order should be satisfied that the goods and services ordered are appropriate and needed, that there is adequate budgetary provision and that quotations or tenders have been obtained if necessary. Best value principles should underpin the Authority's approach to procurement. Value for money should always be achieved.
- 4.59 To ensure that goods and services are checked on receipt to verify that they are in accordance with the order. This check should, where possible, be carried out by a different Officer from the person who authorised the order. Appropriate entries should then be made in inventories or store's records.

- 4.60 To ensure that payment is not made unless a proper VAT invoice has been received, checked, coded and certified for payment, confirming:
- a. Receipt of goods and services.
 - b. That the invoice has not previously been paid.
 - c. That expenditure has been properly incurred and is within budget provision.
 - d. That prices and arithmetic are correct and accord with quotations, tenders, contracts or catalogue prices.
 - e. Correct accounting treatment of tax.
 - f. That the invoice is correctly coded.
 - g. That discounts have been taken where available.
 - h. That appropriate entries will be made in accounting records.
- 4.61 To ensure that two authorised members of staff are involved in the ordering, receiving and payment process. Whenever possible, a different Officer from the person who signed the order, and in every case, a different Officer from the person checking a written invoice, should authorise the invoice.
- 4.62 To ensure that the department maintains and reviews periodically a list of staff approved to authorise invoices. Names of authorising officers together with specimen signatures and details of the limits of their authority shall be forwarded to the Director of Finance and Procurement.
- 4.63 To ensure that payments are not normally made on a photocopied or faxed invoice, statement or other document other than the formal invoice. Electronically submitted invoices can be accepted if submitted in a form agreed by the Director of Finance and Procurement.
- 4.64 To encourage suppliers of goods and services to receive payment by BACS, the preferred payment method for the Authority. It is essential, however, that payments made by direct debit have the prior approval of the Director of Finance and Procurement.
- 4.65 To ensure that the department obtains best value from purchases by taking appropriate steps to obtain competitive prices for goods and services of the appropriate quality, with regard to the best practice guidelines issued by the Director of Finance and Procurement, which are in line with best value principles and contained in the Authority's Contract Standing Orders.
- 4.66 To utilise the skills of the Head of Procurement in putting purchases, where appropriate, out to competitive quotation or tender. These will comply with the Contract Standing Orders and will cover:
- a. Authorised Officers and the extent of their Authority.
 - b. Advertisement for tenders.

- c. Procedure for creating, maintaining and revising a standard list of contractors.
 - d. Selection of tenderers.
 - e. Compliance with UK and EU legislation and regulations.
 - f. Procedures for the submission, receipt, opening and recording of tenders.
 - g. The circumstances where financial or technical evaluation is necessary.
 - h. Procedures for negotiation.
 - i. Acceptance of tenders.
 - j. The form of contract documentation.
 - k. Cancellation clauses in the event of corruption or bribery.
 - l. Contract records.
- 4.67 To ensure that employees are aware of the national code of conduct for local government employees.
- 4.68 To ensure that loans, leasing or rental arrangements are not entered into without prior agreement from the Director of Finance and Procurement. This is because of the potential impact on the Authority's borrowing powers, to protect the Authority against entering into unapproved credit arrangements and to ensure that value for money is being obtained.
- 4.69 To notify the Director of Finance and Procurement of outstanding expenditure relating to the previous financial year as soon as possible after 31 March in line with the timetable determined by the Director of Finance and Procurement and, in any case, not later than 30 April.
- 4.70 With regard to contracts for construction and alterations to buildings and for civil engineering works, to document and agree with the Director of Finance and Procurement the systems and procedures to be adopted in relation to financial aspects, including certification of interim and final payments, checking, recording and authorising payments, the system for monitoring and controlling capital schemes and the procedures for validation of sub-contractor's tax status.
- 4.71 To notify the Director of Finance and Procurement immediately of any expenditure to be incurred as a result of statute/court order where there is no budgetary provision.
- 4.72 To ensure that all appropriate payment records are retained and stored for the defined period, in accordance with the document retention schedule.

Payment to Employees and Members

Why is this important?

- 4.73 Staff costs are the largest item of expenditure for Authority services. It is therefore important that payments are accurate, timely, made only where they are due for services to the Authority and that payments accord with individual's conditions of employment. It is also important that all payments are accurately and completely recorded and accounted for and that Member's allowances are authorised in accordance with the scheme adopted by the Authority.

Key Controls

- 4.74 The key controls for payments to employees and Members are:
- a. Proper authorisation procedures are in place and that there is adherence to corporate timetables in relation to:
 - I. starters
 - II. leavers
 - III. variations
 - IV. enhancementsand that payments are made on the basis of time records or claims.
 - b. Frequent reconciliation of payroll expenditure against approved budget and bank account.
 - c. All appropriate payroll documents are retained and stored for the defined period in accordance with the document retention schedule.
 - d. That Inland Revenue regulations are complied with.

Responsibilities of the Director of Finance and Procurement

- 4.75 To arrange and control secure and reliable payment of salaries, wages compensation or other emoluments to existing and former employees, in accordance with procedures prescribed by them, on the due date.
- 4.76 To record and make arrangements for the accurate and timely payment of tax, superannuation (pension) and other deductions.
- 4.77 To make arrangements for payment of all travel and subsistence claims or financial loss allowance.
- 4.78 To make arrangements for paying Members travel or other allowances upon receiving the prescribed form, duly completed and authorised.
- 4.79 To provide advice and encouragement to secure payment of salaries and wages by the most economical means.

Responsibilities of SLT Officers

- 4.80 To ensure appointments are made in accordance with the regulations of the Authority and approved establishments, grades and scale of pay and that adequate budget provision is available.
- 4.81 To notify the Director of Finance and Procurement of all appointments, terminations or variations which may affect the pay or pension of an employee or former employee, in the form and to the timescale required by the Director of Finance and Procurement.
- 4.82 To ensure that adequate and effective systems and procedures are operated, so that:
- a. payments are only authorised to bona fide employees.
 - b. payments are only made where there is a valid entitlement.
 - c. conditions and contracts of employment are correctly applied.
 - d. employee's names listed on the payroll are checked at regular intervals to verify accuracy and completeness.
- 4.83 To send an up-to-date list of the names of Officers authorised to sign records to the Director of People and Organisational Development, together with specimen signatures. The payroll provider should have signatures of personnel Officers and Officers authorised to sign timesheets and claims.
- 4.84 To ensure that payroll transactions are processed only through the payroll system. SLT Officers should give careful consideration to the employment status of individuals employed on a self-employed consultant or sub contract basis. The Inland Revenue applies a tight definition for employee status, and in cases of doubt, advice should be sought from the Director of Finance and Procurement.
- 4.85 To certify travel and subsistence claims and other allowances. Certification is taken to mean that journeys were authorised and expenses properly and necessarily incurred, and that allowances are properly payable by the Authority, ensuring that cost-effective use of travel arrangements is achieved. Due consideration should be given to tax implications and that Director of Finance and Procurement is informed where appropriate.
- 4.86 To ensure that the Director of Finance and Procurement is notified of the details of any employee benefits in kind, to enable full and complete reporting within the income tax self-assessment system and Inland Revenue regulations.
- 4.87 To ensure that all appropriate payroll documents are retained and stored for the defined period in accordance with the document retention schedule.
- 4.88 To ensure that there are adequate arrangements for administering superannuation matters on a day-to-day basis.

Responsibilities of Members and Employees

- 4.89 To submit personal expense claims for travel and subsistence allowances, including mileage claims under the Essential\Casual Car User Scheme on a monthly basis.
- 4.90 To submit all scale rate claims via payroll so that appropriate deductions can be made in respect of Income Tax and National Insurance contributions in compliance with rules set by HM Revenue & Customs

Taxation

Why is this important?

- 4.91 Like all organisations, the Authority is responsible for ensuring its tax affairs are in order. Tax issues are often very complex and the penalties for incorrectly accounting for tax are severe. It is therefore very important for all Officers to be aware of their role.

Key Controls

- 4.92 The key controls for taxation are:
- a. Budget managers are provided with relevant information and kept up-to-date on tax issues.
 - b. Budget Managers are instructed on required record keeping.
 - c. All taxable transactions are identified, properly carried out and accounted for within stipulated timescales.
 - d. Records are maintained in accordance with instructions.
 - e. Returns are made to the appropriate authorities within the stipulated timescale.

Responsibilities of the Director of Finance and Procurement

- 4.93 To complete all HM Revenue & Customs returns regarding PAYE.
- 4.94 To complete a monthly return of VAT inputs and outputs to HM Revenue & Customs.
- 4.95 To provide details to HM Revenue & Customs regarding the construction industry tax deduction scheme.
- 4.96 To maintain up-to-date guidance for Authority employees on taxation issues in the accounting manual and the tax manual.

Responsibilities of SLT Officers

- 4.97 To ensure that the correct VAT liability is attached to all income due and that all VAT AT recoverable on purchases complies with HM Customs and Excise regulations.

- 4.98 To ensure that, where construction and maintenance works are undertaken, the contractor fulfils the necessary construction industry tax deduction requirements.
- 4.99 To ensure that all persons employed by the Authority are added to the Authority's payroll and tax deducted from any payments, except where the individuals are bona fide self-employed or are employed by a recognised staff agency.
- 4.100 To follow the guidance on taxation issued by the Director of Finance and Procurement in the Authority's accounting manual and VAT manual.

Trading Accounts and Business Units

Why is this important?

- 4.101 Trading accounts and business units have become more important as local authorities have developed a more commercial culture. Under CIPFA Service Reporting Code of Practice (SeRCOP), authorities are required to keep trading accounts for services provided on a basis other than straightforward recharge of cost. They are also required to disclose specific information on the trading operation and its financial performance.

Responsibilities of the Director of Finance and Procurement

- 4.102 To advise on the establishment and operation of trading accounts and business units.

Responsibilities of SLT Officers

- 4.103 To consult with the Director of Finance and Procurement where a business unit wishes to enter into a contract with a third party where the contract expiry date exceeds the remaining life of their main contract with the Authority. In general, such contracts should not be entered into unless they can be terminated within the main contract period without penalty.
- 4.104 To observe all statutory requirements in relation to business units, including the maintenance of a separate revenue account to which all relevant income is credited and all relevant expenditure, including overhead costs, is charged, and to produce an annual report in support of the final accounts.
- 4.105 To ensure that "proper" accounting practices are applied in relation to trading accounts as for other services or business units.
- 4.106 To ensure that each business unit prepares an annual business plan.

Appendix E – External Arrangements

Partnerships

Why is this important?

- 5.01 Partnerships are likely to play a key role in delivering community strategies and in helping to promote and improve the well-being of the area. Local authorities are working in partnership with others – public agencies, private companies, community groups and voluntary organisations. Local authorities still deliver some services, but their distinctive leadership role is to bring together the contributions of the various stakeholders. They therefore need to deliver a shared vision of services based on user wishes.
- 5.02 Local authorities will mobilise investment, bid for funds, champion the needs of their areas and harness the energies of local people and community organisations. Local authorities will be measured by what they achieve in partnership with others.

General

- 5.03 The main reasons for entering into a partnership are:
- a. The desire to find new ways to share risk.
 - b. The ability to access new resources.
 - c. To provide new and better ways of delivering services.
 - d. To forge new relationships.
- 5.04 A partner is defined as either:
- a. An organisation (private or public) undertaking, part funding or participating as a beneficiary in a project.
- or
- b. A body whose nature or status give it a right or obligation to support the project.
- 5.05 Partners participate in projects by:
- a. Acting as a project deliverer or sponsor, solely or in concert with others.
 - b. Acting as a project funder or part funder.
 - c. Being the beneficiary group of the activity undertaken in a project.
- 5.06 Partners have common responsibilities:
- a. To be willing to take on a role in the broader programme appropriate to the skills and resources of the partner organisation.

- b. To act in good faith at all times and in the best interests of the partnership's aims and objectives.
- c. Be open about any conflict of interests that might arise.
- d. To encourage joint working and promote the sharing of information, resources and skills between public, private and community sectors.
- e. To hold confidentiality any information received as a result of partnership activities or duties that is of a confidential or commercially sensitive nature.
- f. To act wherever possible as ambassadors for the project.

Key Controls

5.07 The key controls for Authority partners are:

- a. If appropriate, to be aware of their responsibilities under the Authority's Financial Regulations and Contract Standing Orders.
- b. To ensure that risk management processes are in place to identify and assess all known risks.
- c. To ensure that project appraisal processes are in place to assess the viability of the project in terms of resources, staffing and expertise.
- d. To agree and accept formally the roles and responsibilities of each of the partners involved in the project before the project commences.
- e. To communicate regularly with other partners throughout the project so that problems can be identified and shared to achieve their successful resolution.

Responsibilities of the Director of Finance and Procurement

5.08 To advise on effective controls that will ensure that resources are not wasted.

5.09 To advise on the key elements of funding a project. They include:

- a. A scheme appraisal for financial viability in both the current and future years.
- b. Risk appraisal and management.
- c. Resourcing, including taxation issues.
- d. Audit, security and control requirements.
- e. Carry forward arrangements.

5.10 To ensure that the accounting arrangements are satisfactory.

Responsibilities of SLT Officers

- 5.11 To ensure all requests/proposals for Partnerships are referred to Partnership Advice Group to determine relationship/proposals.
- 5.12 To maintain a register of all contracts entered into with external bodies in accordance with procedures specified by the Director of Finance and Procurement and the Chief Fire Officer.
- 5.13 To ensure that, before entering into agreements with external bodies, a risk management appraisal has been prepared for the Director of Finance and Procurement.
- 5.14 To ensure that such agreements and arrangements:
 - a. link with the aims and objectives of the Authority; and
 - b. do not impact adversely upon the services provided by the Authority.
- 5.15 To ensure that all agreements and arrangements are properly documented.
- 5.16 Partnerships to be regularly reviewed, monitored and evidenced on the project file and register by Project Managers.
- 5.17 To provide appropriate information to the Director of Finance and Procurement to enable a note to be entered into the Authority's statement of accounts concerning material items.

A standard formal approach should be taken to measuring partnership outcomes.

External Funding

Why is this important?

- 5.18 External funding is potentially a very important source of income, but funding conditions need to be carefully considered to ensure that they are compatible with the aims and objectives of the Authority. Local authorities are increasingly encouraged to provide seamless service providers. Funds from external agencies such as the National Lottery and the single regeneration budget provide additional resources to enable the Authority to deliver services to the local community. However, in some instances, although the scope for external funding has increased, such funding is linked to tight specifications and may not be flexible enough to link to the Authority's overall plan.

Key Controls

- 5.19 The key controls for external funding are:
 - a. To ensure that key conditions of funding and any statutory requirements are complied with and that the responsibilities of the accountable body are clearly understood.
 - b. To ensure that funds are acquired only to meet the priorities approved in the policy framework by the Authority.

- c. Any re-alignment of the budget to reflect the receipt of external funds will in essence be treated in the same manner as a budget virement adjustment and the virement process outlined in Financial Regulations 1.10 to 1.18 must be followed.
- d. To ensure that any match-funding requirements are given due consideration prior to entering into long-term agreements and that future revenue budgets reflect these requirements.

Responsibilities of the Director of Finance and Procurement

- 5.20 To ensure that all funding notified by external bodies is received and properly recorded in the Authority's accounts.
- 5.21 To ensure that the match-funding requirements are considered prior to entering into the agreements and that future revenue budgets reflect these requirements.
- 5.22 To ensure that audit requirements are met.

Responsibilities of SLT Officers

- 5.23 To ensure that all claims for funds are made by the due date.
- 5.24 To ensure that all project progresses in accordance with the agreed project and that all expenditure is properly incurred and recorded.

Work for Third Parties

Why is this important?

- 5.25 Current legislation enables the Authority to provide a range of services to other bodies. Such work may enable a unit to maintain economies of scale and existing expertise. Arrangements should be in place to ensure that any risks associated with this work is minimised and that such work is intra vires.

Key Controls

- 5.26 The key controls for working with third parties are:
 - a. To ensure that proposals are costed properly in accordance with guidance provided by the Director of Finance and Procurement.
 - b. To ensure that contracts are drawn up using guidance provided by the Director of Finance and Procurement and that the formal approvals process is adhered to.
 - c. To issue guidance with regard to the financial aspects of third party contracts and the maintenance of the contract register.

Responsibilities of the Director of Finance and Procurement

- 5.27 To issue guidance with regard to the financial aspects of third party contracts and the maintenance of the contract register.

Responsibilities of SLT Officers

- 5.28 To ensure that the approval of the Authority is obtained before any negotiations are concluded to work for third parties.
- 5.29 To maintain a register of all contracts entered into with third parties in accordance with procedures specified by the Director of Finance and Procurement.
- 5.30 To ensure that appropriate insurance arrangements are made.
- 5.31 To ensure that the Authority is not put at risk from any bad debts.
- 5.32 To ensure that no contract is subsidised by the Authority.
- 5.33 To ensure that, wherever possible, payment is received in advance of the delivery of the service.
- 5.34 To ensure that the department/unit has the appropriate expertise to undertake the contract.
- 5.35 To ensure that such contracts do not impact adversely upon the services provided for the Authority.
- 5.36 To ensure that all contracts are properly documented.
- 5.37 To provide appropriate information to the Director of Finance and Procurement to enable a note to be entered into the Statement of Accounts.

PART 5 – PROCEDURE AND POLICIES

CODE OF CONDUCT FOR MEMBERS

Introduction

This Authority and those across the Liverpool City Region have adopted this Code of Conduct to promote and maintain high standards of conduct and underpin public confidence in the authority and its Members and co-opted Members. It is adapted from the Local Government Association (LGA) Model Councillor Code of Conduct 2020 published 19th January 2021.

The LGA Model Code was introduced by a Joint Statement from the political groups that:

“The role of councillor across all tiers of local government is a vital part of our country’s system of democracy. It is important that as councillors we can be held accountable and all adopt the behaviours and responsibilities associated with the role. Our conduct as an individual councillor affects the reputation of all councillors. We want the role of councillor to be one that people aspire to. We also want individuals from a range of backgrounds and circumstances to be putting themselves forward to become councillors.

As councillors, we represent local residents, work to develop better services and deliver local change. The public have high expectations of us and entrust us to represent our local area; taking decisions fairly, openly, and transparently. We have both an individual and collective responsibility to meet these expectations by maintaining high standards and demonstrating good conduct, and by challenging behaviour which falls below expectations.

Importantly, we should be able to undertake our role as a councillor without being intimidated, abused, bullied or threatened by anyone, including the general public.

This Code has been designed to protect our democratic role, encourage good conduct and safeguard the public’s trust in local government.”

The Code sets out general obligations about the standards of conduct expected of Members and co-opted Members of the Authority, together with provisions about registering and declaring interests. It has been adopted under section 27 of the Localism Act 2011 by the Authority on 20th May 2021.

The LGA Model Code is to be reviewed annually..

Definitions

For the purposes of this Code of Conduct, a “Member” means a member or co-opted member of a local authority. A “co-opted member” is defined in the Localism Act 2011 Section 27(4) as “a person who is not a member of the authority but who:

- a) is a member of any committee or sub-committee of the authority, or;
- b) is a member of, and represents the authority on, any joint committee or joint sub-committee of the authority;

For the purposes of this Code of Conduct, “local authority” includes the upper tier councils, town or parish councils and the combined authorities the Liverpool City Region Combined Authority, the Merseyside Recycling and Waste Authority and Merseyside Fire and Rescue Authority together with any joint committee of two or more of the local authorities across the Liverpool City Region.

Purpose of the Code of Conduct

The purpose of this Code of Conduct is to assist you, as a Member, in modelling the behaviour that is expected of you, to provide a personal check and balance, and to set out the type of conduct that could lead to action being taken against you. It is also to protect you, the public, fellow Members, Local Authority Officers and the reputation of local government. It sets out general principles of conduct expected of all Members and your specific obligations in relation to standards of conduct. The fundamental aim of the Code is to create and maintain public confidence in the role of Member and local government.

General Principles of Member Conduct

Everyone in public office at all levels; all who serve the public or deliver public services, including ministers, civil servants, Members and Local Authority Officers; should uphold the Seven Principles of Public Life, also known as the Nolan Principles.

In addition, Members of Fire and Rescue Authorities should also uphold the ethical principles in the Core Code of Ethics for Fire and Rescue Services issued by the NFCC and detailed within Appendix C.

Building on these principles, the following general principles have been developed specifically for the role of Member.

In accordance with the public trust placed in me, on all occasions:

- I act with integrity and honesty
- I act lawfully
- I treat all persons fairly and with respect; and
- I lead by example and act in a way that secures public confidence in the role of Member.

In undertaking my role:

- I impartially exercise my responsibilities in the interests of the local community
- I do not improperly seek to confer an advantage, or disadvantage, on any person
- I avoid conflicts of interest
- I exercise reasonable care and diligence; and
- I ensure that public resources are used prudently in accordance with my local authority’s requirements and in the public interest.

Application of the Code of Conduct

This Code of Conduct applies to you as soon as you sign your declaration of acceptance of the office of Member or attend your first meeting as a co-opted member and continues to apply to you until you cease to be a Member.

This Code of Conduct applies to you when you are acting in your capacity as a Member which may include when:

- you misuse your position as a Member; or
- your actions would give the impression to a reasonable member of the public with knowledge of all the facts that you are acting as a Member.

The Code applies to all forms of communication and interaction, including:

- at face-to-face meetings
- at online or telephone meetings
- in written communication
- in verbal communication
- in non-verbal communication
- in electronic and social media communication, posts, statements and comments.

You are also expected to uphold high standards of conduct and show leadership at all times when acting as a Member.

Your Monitoring Officer has statutory responsibility for the implementation of the Code of Conduct, and you are encouraged to seek advice from your Monitoring Officer on any matters that may relate to the Code of Conduct. Town and parish Members are encouraged to seek advice from their Clerk, who may refer matters to the Monitoring Officer.

Standards of Member Conduct

This section sets out your obligations, which are the minimum standards of conduct required of you as a Member. Should your conduct fall short of these standards, a complaint may be made against you, which may result in action being taken.

Guidance is included to help explain the reasons for the obligations and how they should be followed.

General Conduct

1. Respect

As a Member:

1.1 I treat other Members and members of the public with respect.

1.2 I treat local authority employees, employees and representatives of partner organisations and those volunteering for the local authority with respect and respect the role they play.

Respect means politeness and courtesy in behaviour, speech, and in the written word. Debate and having different views are all part of a healthy democracy. As a Member, you can express, challenge, criticise and disagree with views, ideas, opinions and policies in a robust but civil manner. You should not, however, subject individuals, groups of people or organisations to personal attack.

In your contact with the public, you should treat them politely and courteously. Rude and offensive behaviour lowers the public's expectations and confidence in Members.

In return, you have a right to expect respectful behaviour from the public. If members of the public are being abusive, intimidating or threatening, you are entitled to stop any conversation or interaction in person or online and report them to the local authority, the relevant social media provider or the police. This also applies to fellow Members, where action could then be taken under the Member Code of Conduct, and local authority employees, where concerns should be raised in line with the local authority's Member- Officer protocol.

2. Bullying, harassment and discrimination

As a Member:

2.1 I do not bully any person.

2.2 I do not harass any person.

2.3 I promote equalities and do not discriminate unlawfully against any person.

The Advisory, Conciliation and Arbitration Service (ACAS) characterises bullying as offensive, intimidating, malicious or insulting behaviour, an abuse or misuse of power through means that undermine, humiliate, denigrate or injure the recipient. Bullying might be a regular pattern of behaviour or a one-off incident, happen face-to-face, on social media, in emails or phone calls, happen in the workplace or at work social events and may not always be obvious or noticed by others.

The Protection from Harassment Act 1997 defines harassment as conduct that causes alarm or distress or puts people in fear of violence and must involve such conduct on at least two occasions. It can include repeated attempts to impose unwanted communications and contact upon a person in a manner that could be expected to cause distress or fear in any reasonable person.

Unlawful discrimination is where someone is treated unfairly because of a protected characteristic. Protected characteristics are specific aspects of a person's identity defined by the Equality Act 2010. They are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

The Equality Act 2010 places specific duties on local authorities. Members have a central role to play in ensuring that equality issues are integral to the local authority's performance and strategic aims, and that there is a strong vision and public commitment to equality across public services.

3. Impartiality of Officers of the local authority

As a Member:

3.1 I do not compromise, or attempt to compromise, the impartiality of anyone who works for, or on behalf of, the local authority.

Officers work for the local authority as a whole and must be politically neutral (unless they are political assistants). They should not be coerced or persuaded to act in a way that would undermine their neutrality. You can question Officers in order to understand, for example, their reasons for proposing to act in a particular way, or the content of a report that they have written. However, you must not try and force them to act differently, change their advice, or alter the content of that report, if doing so would prejudice their professional integrity.

4. Confidentiality and access to information

As a Member:

4.1 I do not disclose information:

- a. given to me in confidence by anyone**
- b. acquired by me which I believe, or ought reasonably to be aware, is of a confidential nature, unless**
 - i. I have received the consent of a person authorised to give it;**
 - ii. I am required by law to do so;**
 - iii. the disclosure is made to a third party for the purpose of obtaining professional legal advice provided that the third party agrees not to disclose the information to any other person; or**
 - iv. the disclosure is:**
 - 1. reasonable and in the public interest; and**
 - 2. made in good faith and in compliance with the reasonable requirements of the local authority; and**
 - 3. I have consulted the Monitoring Officer prior to its release.**

4.2 I do not improperly use knowledge gained solely as a result of my role as a Member for the advancement of myself, my friends, my family members, my employer or my business interests.

4.3 I do not prevent anyone from getting information that they are entitled to by law.

Local authorities must work openly and transparently, and their proceedings and printed materials are open to the public, except in certain legally defined circumstances. You should work on this basis, but there will be times when it is required by law that discussions, documents and other information relating to or held by the local authority must be treated in a confidential manner. Examples include personal data relating to individuals or information relating to ongoing negotiations.

5. Disrepute

As a Member:

5.1 I do not bring my role or local authority into disrepute.

As a Member, you are trusted to make decisions on behalf of your community and your actions and behaviour are subject to greater scrutiny than that of ordinary members of the public. You should be aware that your actions might have an adverse impact on you, other Members and/or your local authority and may lower the public's confidence in you or your local

authority's ability to discharge your/it's functions. For example, behaviour that is considered dishonest and/or deceitful can bring your local authority into disrepute.

You are able to hold the local authority and fellow Members to account and are able to constructively challenge and express concern about decisions and processes undertaken by the local authority whilst continuing to adhere to other aspects of this Code of Conduct.

6. Use of position

As a Member:

6.1 I do not use, or attempt to use, my position improperly to the advantage or disadvantage of myself or anyone else.

Your position as a Member of the local authority provides you with certain opportunities, responsibilities, and privileges, and you make choices all the time that will impact others. However, you should not take advantage of these opportunities to further your own or others' private interests or to disadvantage anyone unfairly.

7. Use of local authority resources and facilities

As a Member:

7.1 I do not misuse local authority resources.

7.2 I will, when using the resources of the local or authorising their use by others:

- a. act in accordance with the local authority's requirements; and**
- b. ensure that such resources are not used for political purposes unless that use could reasonably be regarded as likely to facilitate, or be conducive to, the discharge of the functions of the local authority or of the office to which I have been elected or appointed.**

You may be provided with resources and facilities by the local authority to assist you in carrying out your duties as a Member.

Examples include:

- office support
- stationery
- equipment such as phones, and computers
- transport
- access and use of local authority buildings and rooms.

These are given to you to help you carry out your role as a Member more effectively and are not to be used for business or personal gain. They should be used in accordance with the purpose for which they have been provided and the local authority's own policies regarding their use.

8. Complying with the Code of Conduct

As a Member:

- 8.1 I undertake Code of Conduct training provided by my local authority.
- 8.2 I cooperate with any Code of Conduct investigation and/or determination.
- 8.3 I do not intimidate or attempt to intimidate any person who is likely to be involved with the administration of any investigation or proceedings.
- 8.4 I comply with any sanction imposed on me following a finding that I have breached the Code of Conduct.

It is extremely important for you as a Member to demonstrate high standards, for you to have your actions open to scrutiny and for you not to undermine public trust in the local authority or its governance. If you do not understand or are concerned about the local authority's processes in handling a complaint, you should raise this with your Monitoring Officer.

Protecting your reputation and the reputation of the local authority

9. Interests

As a Member:

- 9.1 I register and disclose my interests.

Section 29 of the Localism Act 2011 requires the Monitoring Officer to establish and maintain a register of interests of Members of the local authority.

You need to register your interests so that the public, local authority employees and fellow Members know which of your interests might give rise to a conflict of interest. The register is a public document that can be consulted when (or before) an issue arises. The register also protects you by allowing you to demonstrate openness and a willingness to be held accountable. You are personally responsible for deciding whether or not you should disclose an interest in a meeting, but it can be helpful for you to know early on if others think that a potential conflict might arise. It is also important that the public know about any interest that might have to be disclosed by you or other Members when making or taking part in decisions, so that decision making is seen by the public as open and honest. This helps to ensure that public confidence in the integrity of local governance is maintained.

You should note that failure to register or disclose a disclosable pecuniary interest as set out in **Table 1**, is a criminal offence under the Localism Act 2011.

Appendix B sets out the detailed provisions on registering and disclosing interests. If in doubt, you should always seek advice from your Monitoring Officer.

10. Pre-Determination or Bias

As a Member I:

- 10.1 **never place myself under any financial or other obligation to outside individuals or organisations who might seek to influence me in the performance of my official duties.**
- 10.2 **consider all matters with an open mind and make decisions based upon weighing the best evidence before me, fairly and on merit.**

Where you have been involved in campaigning in your political role on an issue which does not impact on your personal and/or professional life, you should not be prohibited from participating in a decision in your role as Member. However, you must ensure that your integrity is not compromised.

You may be pre-disposed to a number of outcomes to a decision, based upon your, philosophy, beliefs or political allegiance (including any application of a Group whip), but this must not predetermine your actions or the outcome of a decision you are to make. You must always remain open to the potential for further evidence or argument to alter any previously expressed or held viewpoint at the time of making your decision. For this reason, particularly in relation to contractual matters or those affecting individuals' civil rights, it is often best to be cautious about how or if your views are expressed before coming to make a decision.

11. Gifts and hospitality

As a Member:

- 11.1 **I do not accept gifts or hospitality, irrespective of estimated value, which could give rise to real or substantive personal gain or a reasonable suspicion of influence on my part to show favour from persons seeking to acquire, develop or do business with the local authority or from persons who may apply to the local authority for any permission, licence or other significant advantage.**
- 11.2 **I register with the Monitoring Officer any gift or hospitality with an estimated value of at least £50 within 28 days of its receipt.**
- 11.3 **I register with the Monitoring Officer any significant gift or hospitality that I have been offered but have refused to accept.**

In order to protect your position and the reputation of the local authority, you should exercise caution in accepting any gifts or hospitality which are (or which you reasonably believe to be) offered to you because you are a Member. The presumption should always be not to accept significant gifts or hospitality. However, there may be times when such a refusal may be difficult if it is seen as rudeness in which case you could accept it but must ensure it is publicly registered. However, you do not need to register gifts and hospitality which are not related to your role as a Member, such as Christmas gifts from your friends and family. It is also important to note that it is appropriate to accept normal expenses and hospitality associated with your duties as a Member. If you are unsure, do contact your Monitoring Officer for guidance.

Appendices

Appendix A – The Seven Principles of Public Life

The principles are:

Selflessness

Holders of public office should act solely in terms of the public interest.

Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must disclose and resolve any interests and relationships.

Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

Honesty

Holders of public office should be truthful.

Leadership

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

Appendix B - Registering Interests

Within 28 days of becoming a Member or your re-election or re-appointment to office you must register with the Monitoring Officer the interests which fall within the categories set out in **Table 1 (Disclosable Pecuniary Interests)** which are as described in "The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012". You should also register details of your other personal interests which fall within the categories set out in **Table 2 (Other Registerable Interests)**.

"Disclosable Pecuniary Interest" means an interest of yourself, or of your partner if you are aware of your partner's interest, within the descriptions set out in Table 1 below.

"Partner" means a spouse or civil partner, or a person with whom you are living as husband or wife, or a person with whom you are living as if you are civil partners.

"Standard Dispensation" means a dispensation that has been granted by the Authority relieving the Member or co-opted Member from the restrictions or obligations under this Code as detailed in **Table 3** below.

1. You must ensure that your register of interests is kept up-to-date and within 28 days of becoming aware of any new interest, or of any change to a registered interest, notify the Monitoring Officer.
2. A 'sensitive interest' is as an interest which, if disclosed, could lead to the Member, or a person connected with the Member, being subject to violence or intimidation.
3. Where you have a 'sensitive interest' you must notify the Monitoring Officer with the reasons why you believe it is a sensitive interest. If the Monitoring Officer agrees they will withhold the interest from the public register.

Disclosure and Non-participation in case of disclosable pecuniary interest

4. Where a matter arises at a meeting which directly relates to one of your Disclosable Pecuniary Interests as set out in **Table 1**, you must disclose the interest, not participate in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation or a Standard Dispensation applies. If it is a 'sensitive interest', you do not have to disclose the nature of the interest, just that you have an interest. Dispensation may be granted in limited circumstances, to enable you to participate and vote on a matter in which you have a disclosable pecuniary interest.
5. Where you have a disclosable pecuniary interest on a matter to be considered or is being considered by you as a Cabinet Member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it.

Disclosure of Other Registerable Interests and Non-Registerable Interests (Personal and Prejudicial Interests)

Personal Interests

6. Where a matter arises at a meeting which **affects**:
 - a. your own financial interest or wellbeing;
 - b. a financial interest or well-being of a relative, close associate; or
 - c. a body included in those you need to disclose under Other Registerable Interests as set out in **Table 2**

you must disclose the interest. In order to determine whether you can remain in the meeting after disclosing the interest the following test should be applied

Prejudicial Interests

7. In the following instances, you must disclose the interest and you may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise, you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.
 - a. Where a matter arises at a meeting which **directly relates** to one of your Other Registerable Interests (as set out in **Table 2**).
 - b. Where a matter arises at a meeting which **directly relates** to your financial interest or well-being (and is not a Disclosable Pecuniary Interest set out in Table 1) or a financial interest or well-being of a relative or close associate.
 - c. Where a matter **affects** your financial interest or well-being:
 1. to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
 2. a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest
8. Where you have a personal interest in any business of your authority and you have made an executive decision in relation to that business, you must make sure that any written statement of that decision records the existence and nature of your interest.

Overview and Scrutiny Committees

9. You also have a prejudicial interest in any business before an overview and scrutiny committee of your authority (or of a sub-committee of such a committee) where:

- (a) that business relates to a decision made (whether implemented or not) or action taken by your authority's Cabinet, board or another of your authority's committees, sub-committees, joint committees or joint subcommittees; and
 - (b) at the time the decision was made or action was taken, you were a member of the Cabinet, board, committee, sub-committee, joint committee or joint sub-committee mentioned in sub-paragraph (a) and you were present when that decision was made or action was taken.
10. Paragraph 9 does not prevent you attending and participating in a meeting if you are required to attend a meeting of an overview or scrutiny committee, by such committee exercising its statutory powers.

Table 1: Disclosable Pecuniary Interests

This table sets out the explanation of Disclosable Pecuniary Interests as set out in the [Relevant Authorities \(Disclosable Pecuniary Interests\) Regulations 2012](#).

Subject	Description
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain. [Any unpaid directorship.]
Sponsorship	Any payment or provision of any other financial benefit (other than from the local authority) made to the Member during the previous 12-month period for expenses incurred by them in carrying out their duties as a Member, or towards their election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract made between the Member or their spouse or civil partner or the person with whom the Member is living as if they were spouses/civil partners (or a firm in which such person is a partner, or an incorporated body of which such person is a director* or a body that such person has a beneficial interest in the securities of*) and the council — (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
Land and Property	Any beneficial interest in land which is within the area of the council. 'Land' excludes an easement, servitude, interest or right in or over land which does not give the Member or their spouse or civil partner or the person with whom the Member is living as if they were spouses/civil partners (alone or jointly with another) a right to occupy or to receive income.
Licenses	Any licence (alone or jointly with others) to occupy land in the area of the council for a month or longer

Corporate tenancies	Any tenancy where (to the Member's knowledge)— (a) the landlord is the council; and (b) the tenant is a body that the Member, or their spouse or civil partner or the person with whom the Member is living as if they were spouses/ civil partners is a partner of or a director* of or has a beneficial interest in the securities* of.
Securities	Any beneficial interest in securities* of a body where— (a) that body (to the Member's knowledge) has a place of business or land in the area of the council; and (b) either— (i)) the total nominal value of the securities* exceeds £25,000 or one hundredth of the total issued share capital of that body; or (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the Member, or their spouse or civil partner or the person with whom the Member is living as if they were spouses/civil partners has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

* 'director' includes a member of the committee of management of an industrial and provident society.

* 'securities' means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

Table 2: Other Registrable Interests

You have a personal interest in any business of your authority where it relates to or is likely to affect:

- a) any body of which you are in general control or management and to which you are nominated or appointed by your authority
- b) any body
 - (i) exercising functions of a public nature
 - (ii) any body directed to charitable purposes or
 - (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union)

Table 3: Standard Dispensations

2. You will not be regarded as having a prejudicial interest in any business where that business relates to:
- (a) the housing functions of your authority where you hold a tenancy or lease with your authority, provided that you do not have arrears of rent with your authority of more than two months, and provided that those functions do not relate particularly to your tenancy or lease;
 - (b) the functions of your authority in respect of school meals, transport and travelling expenses, where you are a guardian, parent, grandparent or have parental responsibility (as defined in section 3 of the Children Act 1989) of a child in full time education, unless it relates particularly to the school which that child attends;
 - (c) the functions of your authority in respect of statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992, where you are in receipt of, or are entitled to the receipt of such pay from your authority;
 - (d) the functions of your authority in respect of an allowance or payment made under sections 22(5), 24(4) and 173 to 176 of the Local Government Act 1972, an allowance or pension under section 18 of the Local Government and Housing Act 1989 or an allowance or payment under section 100 of the Local Government Act 2000;
 - (e) any ceremonial honour given to one or more Members; or
 - (f) the setting of the authority's council tax requirement, council tax, levy or a precept under the Local Government Finance Act 1992 (except that this dispensation does not apply if you are two months or more in arrears with their Council Tax you must declare this to the meeting and must not vote on budget recommendations, as to do otherwise can be a criminal offence).

Appendix C – Our Five Fire and Rescue Service Ethical Principles

With reference to the Nolan Principles, Members should follow and promote the following ethical principles:

1. Putting our Communities First

We put the interests of the public, the community and service users first.

As a Member to demonstrate this, I:

- act with empathy, compassion, and respect, caring equally for everyone I deal with
- consider the diverse needs of my communities and tailor my work to best meet their specific needs
- understand and evaluate the impact I have on the public's safety and wellbeing
- continuously improve my performance to better serve the public and my communities
- am an ambassador for my Fire and Rescue Service and a role model in my communities
- identify and remove barriers to people joining or accessing our service.

2. Integrity

We act with integrity including being open, honest and consistent in everything that we do.

As a Member to demonstrate this, I:

- am honest, open and fair when dealing with everyone
- can evidence my decisions and am able to explain my behaviour
- build trusting relationships and demonstrate an understanding of everyone's roles and responsibilities
- welcome challenge and adapt the way I work and my behaviour as a result of what I learn
- challenge behaviour that does not comply with our Core Code or my service's values
- never behave in a way that may cause others to act outside our ethical principles
- remain impartial and objective
- never act in an improper way, or in a manner that could create a perception of improper behaviour for personal gain. I declare relevant interests and relationships and maintain personal and professional boundaries.

3. Dignity and Respect

We treat people with dignity and respect, making decisions objectively based on evidence, without discrimination or bias.

As a Member to demonstrate this, I:

- use unbiased judgement and behaviour and act respectfully
- act with decency and impartiality, recognising that my unconscious bias can prevent me considering all perspectives and needs when I am making decisions

- do the right thing when delivering services, using the ethical principles set out in this Core Code and my service's values
- support the development and opportunity of myself and my colleagues
- create an environment of openness and trust
- treat people with respect and without discrimination, harassment, or bullying; I actively reject these inappropriate behaviours
- challenge all inappropriate behaviour when I am at work.

4. **Leadership**

We are all positive role models, always demonstrating flexible and resilient leadership.

We are all accountable for everything we do and challenge all behaviour that falls short of the highest standards.

As a Member to demonstrate this, I:

- take responsibility for continuously improving my own performance and the performance of my service
- am accountable to the public, my employer and my colleagues for my decisions and actions
- take responsibility for my actions and their consequences
- address inappropriate behaviour in ways appropriate to my role
- recognise leaders exist at all levels in my organisation and communities
- always demonstrate the principles of a positive culture of equality, diversity, and inclusion
- am committed to implementing and working by this Core Code.

5. **Equality, Diversity and Inclusion (EDI)**

We continually recognise and promote the value of EDI, both within the FRS and the wider communities in which we serve.

We stand against all forms of discrimination, create equal opportunities, promote equality, foster good relations and celebrate difference.

As a Member to demonstrate this, I:

- acknowledge and care about people's diverse needs so they can access the services they need from me and my service
- provide an environment where everyone has an equal voice
- acknowledge my own unconscious bias and consider everyone's perspective
- behave in a way that celebrates diversity in all its forms, everywhere
- tackle discriminatory behaviour, policy and procedure
- do all I can to encourage people from underrepresented groups to join our Service and feel welcome
- help everyone to be their best and to always learn from one another.

Procedure for Dealing with Allegations Under the Code of Conduct

Stage 1

1. When a complaint is received (using the existing complaint form) based on the new adopted Code of Conduct:
 - a. Complaints should be directed to the Monitoring Officer.
 - b. The Monitoring Officer must acknowledge the complaint within two (2) working days of receipt.
2. An Independent Person (IP) must be involved in the complaint investigation as required by the Localism Act 2011 section 28(7). This will be arranged by the Monitoring Officer.

Stage 2

3. Standards matters shall be within the terms of reference of the Audit Committee and if a complaint is received it will firstly be considered by this Committee.
4. The Monitoring Officer or Deputy shall consider the complaint with the IP and provide a report for the Audit Committee which details:
 - a. Details of the complaint.
 - b. Considerations of the complaint and whether a full investigation and hearing may be required.
 - c. Observations of the IP.
 - d. Recommendations to the Committee as to next steps.
 - e. The Audit Committee will be presented with this report and the IP will attend the meeting along with the report author, to give any views arising in respect of the complaint.
5. The report will not be open to inspection by the public under the provisions of the Local Government Act 1972 Schedule 12A.
6. The Audit Committee will determine:
 - a. If the complaint is upheld.
 - b. If the complaint requires further investigation.

- c. If the complaint is not upheld.

If the complaint is upheld:

7. The Monitoring Officer or Deputy will provide a report for the Appeals Committee recommending the Sanction proposed by the Audit Committee. Sanctions available are mainly for admonishment of a Member, training and/or development or where pecuniary or other interests have not been declared, this could constitute a criminal offence.

If the complaint is not upheld:

8. The Audit Committee must give its reasons for not upholding a complaint and can recommend any further/other action it considers might be helpful (for example that the Authority/CLG produces guidance).
9. The Monitoring Officer or Deputy will then write to both the complainant and the Member concerned with reasons/other recommendations.
10. The complainant may appeal to the Appeals Committee by completing an appeal form and sending this to the Monitoring Officer who will then arrange for a report to be drafted to the Appeals Committee.

If the complaint requires further investigation:

11. The Monitoring Officer/Deputy will make arrangements for an investigation to be undertaken within 28 days from the date of the Audit Committee meeting. The investigation must involve the IP and must also provide information from the Member complained of, along with the reasons provided from the Audit Committee.
12. A meeting of the Appeals Committee will be convened within the next 14 working days to hear the complaint. The complainant, the Members concerned and the IP will be invited to give their views.
13. The meeting will be held in private and the complainant and the Member must be given the opportunity to present their case.
14. The Appeals Committee will make its decision giving full reasons, as to whether the Member has or has not complied with the Code of Conduct. The outcome will then be provided in writing within the next 7 working days, to both the complainant and Member concerned.
15. If the complaint is upheld, the Appeals Committee will decide on the appropriate sanction. The decision of the Appeals Committee will be final.

Stage 3: Appeals

If an appeal is received under Stage 2 (above):

16. An extraordinary meeting of the Appeals Committee will be convened within the next 14 working days to hear the appeal. The complainant, the Members concerned and the IP will be invited to give their views.
17. The meeting will be held in private and the complainant and the member must be given the opportunity to present their case.
18. The Appeals Committee will make its decision giving full reasons, as to whether the Member has or has not complied with the Code of Conduct. The outcome will then be provided in writing within the next 7 working days, to both the complainant and Member concerned.
19. If the appeal is upheld, the Appeals Committee will then decide on the appropriate sanction.
20. The decision of the Appeals Committee will be final.

MEMBERS CODE AND GUIDANCE ON OFFICIAL VISITS BY MEMBERS

Guidance

1. **Proposal by Members**

1.1 Members proposing an official visit on behalf of the Authority should submit the following details to the Solicitor to the Authority:

- a. The location of the visit.
- b. The purpose of the visit.
- c. The duration of the visit.
- d. The number of Members and Officers proposing to make the visit.
- e. The proposed method of travel to the location and itinerary of the visit.
- f. The estimated cost of the visit.
- g. The estimated benefit to the Authority in making the visit.

1.2 The Solicitor to the Authority after consultation with the Chief Fire Officer, shall then report the proposal to the appropriate committee, setting out the above details and the estimated cost of attendance in respect of travel and accommodation, or travelling and subsistence allowances, in order that the Authority may make a decision on the matter.

2. **Proposal by Principal Officers**

2.1 Principal Officers proposing an official visit by Elected Members on behalf of the Authority shall inform the Monitoring Officer of the proposal in order that the Monitoring Officer can provide an assessment, in consultation with the Director of Finance and Procurement, of the cost to the Authority of travel and accommodation, or travelling and subsistence allowances, and an indication as to whether sufficient budgetary provision is available.

2.2 The relevant Principal Officer shall then submit a report to the appropriate committee, detailing the matters set out in paragraph 1 above including details of estimated costs.

3. **Expenses of Visit**

3.1 The Authority may agree to pay expenses as follows:

- a. In the case of visits within the UK, subsistence and travel allowances equivalent to the maximum rates specified by the Secretary of State for performance of approved Duties.

- b. In the case of visits outside the UK, subsistence and travel allowances at the maximum rates specified by the Secretary of State for performance of approved duties; or such reasonably higher amount as reflects the higher cost of meals or accommodation abroad.
 - c. Expenses incurred in the reception and entertainment, by way of official courtesy, of persons representatives of, or connected with local government or other public Services, whether inside or outside the UK.
 - d. Other expenses reasonably incurred by, or on behalf of Members during the visit (such as reciprocating hospitality on a modest scale) where proof of such expenditure is provided.
- 3.2 Where possible, accommodation, meals and methods of travel should be booked and paid by the Authority directly, in order to maximise discounts available; and to avoid the need for individuals to pay expenses from their own funds, or requiring cash allowances.
- 3.3 Expenditure incurred in the reception and entertainment by way of official courtesy, should comply with the Authority's Guidance on giving hospitality.

In summary this means that:

- a. Prior approval of the Authority to incur expenditure on such hospitality is required.
 - b. The hospitality provided must be of a modest scale appropriate to the occasion.
 - c. If a full meal is appropriate, the cost must not exceed the existing levels of Members allowances.
 - d. The number of recipients of hospitality must be restricted and must not extend beyond those directly involved in the relevant official courtesy visit.
- 3.4 Expenses will not be paid by the Authority in respect of personal expenditure incurred by Members or Officers, including the following:
- a. Purchase of alcoholic drinks (except a moderate amount taken as part of a meal which qualifies for subsistence payment).
 - b. Other Hotel or in-room amenities.

4. **Reporting Back**

- 4.1 A report shall be prepared by the relevant Senior Officer, or a Member who attended the visit, and submitted to the next meeting of the appropriate Committee detailing the results of the visit.

5. **Checking Entitlement to Expenses**

- 5.1 Members who consider that they are entitled to claim travel and subsistence allowances in relation to a visit, should in cases of doubt, check and confirm entitlement with Democratic Services.

6. **Monitoring of Expenditure**

- 6.1 The Solicitor to the Authority shall be responsible for monitoring expenses and allowances payable as a result of such visits.

Indemnity Given to Members of the Authority

1. The Authority has determined to indemnify its Members against certain claims, costs and damages against Members, in the circumstances set out below.

2. **Indemnity**

- 2.1 In this Indemnity:

- a. "Act of Default" means any neglect, act, error, or omission including any breach of Trust or duty of care or fiduciary, or any other duty committed by an employee of the Member.
- b. "Solicitor to the Authority" means the person appointed to the Authority under S.34 of the Local Government Act 1985 and S.5 of the Local Government and Housing Act 1989.
- c. "Code of Conduct" means the Code of Conduct applying to the Authority Members for the time being in force.
- d. "Part 3 Proceedings" means any investigations, report, reference, adjudication or other proceeding pursuant to Part 3 of the Local Government Act 2000.
- e. "Director of Finance and Procurement" means the person appointed as Chief Finance Officer to the Authority under S.73 and 105(1) of the Local Government and Housing Act 1989.
- f. "Officers and Members" means the Chief Fire Officer and all employees of the Authority, all Members, the Solicitor to the Authority, the Director of Finance and Procurement of the Authority and its former Chief Fire Officers, employees, Councillors, Solicitors and Directors of Finance and Procurement.

- 2.2 The Authority will, subject to the exceptions set out in paragraph 2.3, indemnify its Officers and Members against claims made against them (including, all damages and costs awarded) and will not itself make claims against them for any loss or damage (other than claims falling within the cover provided to its officers and Members under any policy of insurance taken out by the Authority, or any motor vehicle insurance policy taken out by the Officer or Member) occasioned by negligent and accidental act or omission, including any breach of trust, or duty of care or fiduciary, or any other duty committed by them:

- a. Whilst acting within the scope of their employment or authority.
- b. Where they and the Authority honestly believed that they were acting within the scope of their employment or Authority (even though they were not in fact acting within the scope of their employment or authority).
- c. Whilst acting for other persons or other bodies of whatsoever nature within the scope of their employment or authority.

2.3 This indemnity shall not extend to loss or damage directly or indirectly caused by, or arising from:

- a. fraud, dishonesty, deliberate wrongdoing, or a criminal offence, on the part of Officers and Members whilst acting on the Authority's business (except where the criminal offence is an offence under the provisions of the Health and Safety at Work Act etc. 1974 or relevant statutory provisions within the meaning of the Act, or where it is alleged that the criminal offence arose due to the wrongful but not wilful act or default of any such person, in which case the indemnity will continue to apply).
- b. liability in respect of losses certified by the District Auditor as caused by wilful misconduct.

Notwithstanding paragraph 2.3 (a) above (subject to paragraph 3), an indemnity will be provided in relation to:

- I. the defence of any criminal proceedings brought against the Officer or Member, and
- II. any civil liability arising as a consequence of any action or failure to act, which also constitutes a criminal offence.

2.4 If any part of this indemnity is declared by any judicial or other competent authority to be void, illegal or otherwise unenforceable, then such part shall be severed from the remainder of this indemnity which will continue to be valid and enforceable to the fullest extent permitted by law.

3. The Member shall reimburse the Authority for any money spent by the Authority in relation to:

- a. defence of criminal proceedings if the Member in question is convicted of a criminal offence and that conviction is not overturned following any appeal.
- b. part 3 proceedings against a Member if:
 - I. a finding is made in those proceedings that the Member in question has failed to comply with the Code of Conduct and that finding is not overturned following any appeal; and
 - II. the Member admits that they have failed to comply with the Code of Conduct.

4. Wherever possible, all outside bodies upon which Members are presently appointed; and any outside bodies upon which Members may in the future be appointed, are required to purchase and maintain henceforth, insurance to cover

the Member of any financial liability which might by virtue of any rule of law or otherwise, attach to such Member, in respect of any negligent default, breach of duty, or breach of trust, of which such Member may be guilty.

Scheme of Members Allowances

1. This Scheme is made on the 13th day of June 2024, in accordance with the Local Authorities (Members Allowances) England Regulations 2003 for the payment of Members Allowances.
2. This Scheme amends the previous Scheme made by the Authority since its inception and as subsequently up to and including last year on 8th June 2023. This Scheme shall continue until subsequently varied or revoked by the Authority.
3. Basic Allowance
 - 3.1 The Authority shall pay a Basic Allowance to each Member of the Authority who is a Councillor for each year.
 - 3.2 Subject to paragraphs 3.3, 7, 8, and 12 the Basic Allowance payable in respect of each year commencing on 1st April, shall be £9,202.
 - 3.3 Where a Member's term of office begins or ends at any time other than at the beginning or end of a year, their entitlement shall be to a proportion of the Basic Allowance that represents the number of days within that year, to which they are appointed as a Member of the Authority.
4. Special Responsibility Allowance
 - 4.1 Subject to paragraphs 4.2, 7, 8 and 12, the Authority shall pay to a Member of the Authority who is a Councillor and who has the Special Responsibility specified in column one of Schedule 1 to this Scheme, a Special Responsibility Allowance in respect of each year, the sum specified in the corresponding part of column 2 of Schedule 1.
 - 4.2 Should a Member be appointed to or removed from a role carrying a Special Responsibility Allowance, at any point other than at the beginning or end of the year, their entitlement shall be to a proportion of the Special Responsibility Allowance that represents the number of days within the year to which they are appointed in that role.
5. Travelling and Subsistence Allowance
 - 5.1 Subject to paragraphs 8, 9 and 12, the Authority shall pay to each Member of the Authority who is a Councillor, an allowance in respect of travelling and subsistence undertaken in connection with, or relating to the duties specified in paragraph 5.2, in respect of matters specified in column 1 of the second Schedule at the rates specified in the corresponding part of column 2 of the second Schedule.
 - 5.2 The duties referred to in paragraph 5.1 (for which a travelling and subsistence allowance is payable) are:-
 - (a) The attendance at a meeting of, the Authority, any Sub – Committee of the Authority, any other body to which the Authority makes appointments or nominations, or any Committee or Sub-Committee of any such a body;
 - (b) The attendance at any other meeting, the holding of which is authorised by the Authority, or a Committee or Sub-Committee of the Authority, or a joint Committee of the Authority and one or more Local Authority within the meaning of section 270 (1) of the Local Government Act 1972, or a Sub-Committee of such a joint Committee provided that:-
 - (i) Where the Authority is divided into two or more political groups, it is a meeting

to which Members of at least two such groups have been invited, or

- (ii) if the Authority is not so divided, it is a meeting to which at least two Members of the Authority have been invited.
- (c) The attendance at a meeting of any association of authorities of which the Authority is a member.
- (d) The attendance at any conference or meeting approved by the Authority (or the Monitoring Officer, acting under delegated powers on behalf of the Authority) whether inside or outside of the United Kingdom, for the purpose of discussing any matter which relates to the interests or the functions of the Authority, or to any function of Local Authorities in which the Authority has any interest.
- (e) The attendance at seminars and presentations arranged by the Chief Fire Officer, the Monitoring Officer, or the Authority, which relate to the interests or the functions of the Authority, or to any function of local authorities in which the Authority has an interest.
- (f) Making official and courtesy visits, whether inside or outside the United Kingdom, on behalf of the Authority, as approved by the Authority, or a Committee of the Authority (or the Monitoring Officer acting under delegated powers on behalf of the Authority.)

6. Independent Persons Allowance

The Authority shall pay an Independent Person Allowance, in respect of attendance at conferences and meetings, to any individual who is not a Member of the Authority, but who is appointed as a co-opted member of a Committee (or Sub-Committee) of the Authority.

Subject to paragraphs 3.3, 7, 8, 9 and 12, the Independent Person's Allowance, payable in respect of each year commencing on 1st April, shall be to a sum of £60 for each day of attendance at meetings or events.

7. Suspension of Allowances

Where a Member of the Authority or of a Committee of the Authority (as the case may be) is suspended from their responsibilities or duties as a Member of the Authority in accordance with part III of the Local Government Act 2000 or regulations made under that part, then the Authority may withhold:-

- (a) the part of the Basic Allowance payable to that Member in respect of the period for which they are suspended or partially suspended; and/or
- (b) the part of the Special Responsibility Allowance payable to that Member in respect of the responsibilities or duties from which they are suspended or partially suspended; and/or
- (c) any Travelling and Subsistence Allowance payable to the Member in respect of the responsibilities or duties from which they are suspended or partially suspended; and/or
- (d) any Independent Person's Allowance payable to that person in respect of the responsibilities or duties from which they are suspended or partially suspended.

8. Repayment of Allowances

Where payment of any allowance has already been made in respect of any period during which the Member concerned:-

- (a) is suspended or partially suspended from their responsibilities or duties as a Member of the Authority in accordance with Part III of the Local Government Act 2000 or

- regulations made under that part; or
- (b) Ceases to be a Member of the Authority; or
 - (c) is in any other way not entitled to receive the allowance in respect of that period.

The Authority may require that such part of the allowance as relates to any such period, be repaid to the Authority.

9. No Duplication of Payment

Where a Member of the Authority is also a Member of another authority, that Member may not receive allowances from more than one authority in respect of the same duty.

10. Elections to Forgo Allowances

A person may, by notice in writing given to the Monitoring Officer, elect to forgo their entitlement, or any part of their entitlement to allowances.

11. Claims and Payments

11.1 Claims for Travelling and Subsistence Allowances, and Independent Person's Allowances must be made by the person to whom they are payable within 6 months of the date from which entitlement to such allowances arises.

11.2 The Authority has the right to refuse payment where the allowance is not claimed within the period specified in paragraph 11.1.

12. Annual Adjustment of Allowances

The allowances specified in paragraphs 3 (Basic Allowance), and 4 (Special Responsibility Allowance) shall be increased annually with effect from the 1st day of April in each year, by the same proportion as the increase in salary of firefighting staff in the Service in the year prior to 1st April of the year for which an allowance under this scheme is payable, unless The Authority resolves otherwise. The allowances specified in paragraphs 5 (Travelling and Subsistence Allowance) shall be increased annually with effect from the 1st day of April in each year by the previous March CPI rate.

13. Date from which Amendments to the Scheme are to apply

Where an amendment is to be made to this scheme by the Authority, which affects an allowance payable for the year in which the amendment is made, entitlement to such allowance as amended, shall apply with effect from the date of approval of the amendment by the Authority.

Member Allowances 2024/25

Original Source: CFO/067/13
Increased in line with Firefighters Pay Award of 01 July 2023
Increase applied = 5%

Basic Allowance	Annual	New Monthly
Members	£ 9202	£ 766.83

Daily Attendance Rate

Co-Optee / Independent Person £60 payable via Invoice

Special Responsibility Allowance (payable to certain Members in addition to Basic)	Annual	New Monthly
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Chair of the Authority	£18,405	£ 1,533.75
Vice Chair (incl. Chair of Committee)	£13,804	£ 1,150.33
Opposition Spokespersons	£ 2,301	£ 191.75
Committee Chairs	£ 6,903	£ 575.25

Members Travel & Subsistence Allowances 2024/25

Increased in line with CPI of March

Increase applied = 3.2%

Travel	New Allowance
Motor Cycle (pence per mile)	£ 0.26
Motor Vehicle (pence per mile)	£ 0.65

Overnight Subsistence

Overnight Stay – London & Approved Conferences	£ 207.59
Overnight stay outside London	£ 170.68

If accommodation is paid directly by the Authority, the allowance is reduced to:

London & Approved Conferences	£ 65.52
Outside London	£ 51.63

Day Subsistence

Breakfast	£ 10.39
Lunch	£ 15.62
Tea	£ 6.50
Evening Meal	£ 19.52
Full day subsistence	£ 45.54

Where any meal is provided free of charge, the corresponding allowance will not be payable

Schedule 1 – Special Responsibility Allowances

<u>Column 1</u> (Special Responsibility)	<u>Column 2</u> (Amount of Special Responsibility Allowance)
Chair of the Authority	£18,405
Vice Chair (incl. Chair Of Committee)	£13,804
Opposition Spokesperson	£2,301
Committee Chairs of the Authority	£6,903
Additional Responsibility (for Opposition Spokesperson)	£2,301

Only one additional Responsibility Allowance payable regardless of how many additional responsibility roles held.

Schedule 2 – Travelling & Subsistence Allowances

1. Travel Allowance

<u>Column 1</u> (type of travel)	<u>Column 2</u> (rates of allowance)
Travel by public transport	A sum equal to the costs of the ordinary fare, or in the case of travel by rail the cost of first class travel
Travel by motor cycle	26p per mile
Travel by motor vehicle	65p per mile
Travel by taxi	A sum equal to the actual fare and any reasonable gratuity paid.
Travel by air	A sum equal to the cost of the ordinary fare, or where travelling on a flight scheduled to take at least 5 hours a sum equal to the cost of club class

2. Subsistence Allowance

<u>Column 1</u> (absence period)	<u>Column 2</u> (rates of allowance)
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2.1 Where the Authority does not pay for overnight accommodation direct and:

Absence overnight in UK from usual place of residence (other than in London)	£170.68
Absence overnight from usual place of residence in London (i.e. the city of London, Boroughs of London, Greenwich and Fulham, Islington, Kensington and Chelsea, Lambeth, Lewisham, Southwall, Tower Hamlets, Wandsworth and Westminster)	£207.59
Absence overnight outside the U.K.	£207.59

2.2 Subject to paragraph 2.3. where the Authority pays for overnight accommodation direct and there is absence from the usual place of residence, a subsistence allowance of £57.67 in London and £45.44 elsewhere, is payable. Where the absence does not involve an absence overnight:-

(a) Breakfast Allowance

Absence of more than 4 hours Before 11a.m.	£10.39
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(b) Lunch Allowance

Absence of more than 4 hours, Including the period of 12noon and 2pm	£15.62
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(c) Tea Allowance

Absence of more than 4 hours £6.50
Including 3pm to 6pm

Or;

(d) Evening Meal Allowance

Absence of more than 4 hours £19.52
ending after 7pm

2.3 Where meal(s) are provided free of charge to the Member, their entitlement to an allowance will not apply in respect of the meal period for which such meal or meals are provided without charge to the Member.

SUCCESSION PLANNING POLICY – CHAIR AND VICE CHAIR OF THE AUTHORITY

1. **Policy**

- 1.1 The Authority recognises that it must plan for succession for positions of:

Chair and Vice Chair of the Authority

2. **Implementation**

- 2.1 At each Annual Meeting of the Authority, the Monitoring Officer shall request an indication from all Members as to whether there are any Members who would wish to put themselves forward for consideration as either a future Chair or Vice Chair.
- 2.2 If there are Members who are prepared to undertake either of these roles, then arrangements will be made to enable prospective Chairs and Vice Chairs to shadow the existing Chair and Vice Chair over a period of time.
- 2.3 The Solicitor to the Authority shall arrange for an external selection process for selection and appointment of Independent Persons, which will be completed in ample time to enable newly appointed Independent Persons to take up their appointments.
- 2.4 The Monitoring Officer shall seek to retain a list of external candidates, who may be willing to take up an appointment as an Independent Person in the event that any serving Independent Person suddenly become unable to continue as an Independent Person for any reason.

PROTOCOL ON MEMBER AND OFFICER RELATIONS

“Every Local Authority should have its own written statement or protocol governing relations between Members and Officers” (Third report of the Committee on standards in public life, the Nolan Committee).

1. Introduction

- 1.1 The relationship between Elected Members and Officers of the Fire Authority is one of its main organisational strengths. However, the Authority accepts it is required to have a formal protocol which covers the relationship between Elected Members and Officers. This protocol is prepared to meet those requirements, but against a background of a good working partnership, which benefits everyone who serves or is employed in the Authority. It will provide a safe guide to help ensure that current good practice continues.
- 1.2 The Fire Authority recognises that a strong, constructive and trusting relationship between Members and Officers, is essential to the effective and efficient working of the organisation. Members and Officers should work in partnership in developing the policies of the Authority and in ensuring the delivery of Services to the people of Knowsley, Liverpool, Sefton, St. Helens and Wirral.
- 1.3 This protocol takes into account the respective and different roles of Members and Officers and does not seek to change or influence these roles. The intention is to build on the good relationship which already exists.
- 1.4 It is accepted that from time to time issues do arise which need to be addressed from both sides. This protocol will be used as appropriate to help in addressing any such matters.
- 1.5 It is recognised that the Authority is a corporate entity, but that in terms of its political structure, there is an administration and opposition dimension which involves both Members and Officers operating in a politically sensitive climate. Officers have an obligation to serve the Authority as a corporate body.
- 1.6 It is recognised that the Authority is a corporate entity, but that in terms of its political structure, there is an administration and opposition dimension which involves both Members and Officers operating in a politically sensitive climate. Officers have an obligation to serve the Authority as a corporate body.

2. Operation of this Protocol

- 2.1 This protocol will be applied having regard to the requirements of the Members' Code of Conduct and the Officers' Code of Conduct, as set out in the Authority's Constitution, and relevant Authority policies, procedures and processes. Members and Officers must at all times observe this protocol.
- 2.2 Where there is a conflict or discrepancy between this protocol and those codes and policies referred to in 2.1 above, then those codes and policies shall have precedence. Account will also be taken of any conventions in the case of conflict or discrepancy.

- 2.3 This protocol does not affect or interfere with any rights of or protection which a person may have in law.

3. Responsibility for the Protocol

- 3.1 The Chief Fire Officer is responsible for the operation of this protocol and will ensure that it is reviewed from time to time.
- 3.2 They will rule on the interpretation and / or the application of the protocol in matters of dispute and such rulings will be final. Where such a matter is relevant to or involves the Chief Fire Officer then the Monitoring Officer shall be the appropriate Officer under this paragraph.
- 3.3 The Fire Authority is responsible for approving any amendments or additions to the protocol following consultation with Member and Officer representatives and the Audit Sub Committee where appropriate.

4. Member and Officer Roles

- 4.1 This protocol recognises that Members are elected and Officers are appointed to serve the people of Knowsley, Liverpool, Sefton, St. Helens and Wirral and that their roles are distinct.
- 4.2 The Members are accountable to the electorate who determine the people they wish to represent them on various unitary authorities. These five Authorities then nominate Elected Members to sit on the Fire Authority.
- 4.3 Officers are accountable to the people of Knowsley, Liverpool, Sefton, St. Helens and Wirral through the full Fire Authority.
- 4.4 Councillors are mainly responsible for:
- a. The political direction and leadership of the Authority, the determination of policies, plans and strategies; and deciding matters to give effect to or implement those policies, plans and strategies, particularly in service delivery terms.
 - b. Performing the Authority's regulatory functions.
 - c. Monitoring and reviewing functions, the Authority's performance in implementing its plans and strategies and in delivering its Services.
 - d. Participation in partnership working.
 - e. Representing the Authority on national, regional and local bodies and organisations.
 - f. Representing the views of their communities and individual constituents in respect of the work of the Fire Authority.
- 4.5 Members should not involve themselves in the day to day management of the Authority's Services as the responsibility rests with the Chief Fire Officer and Senior Managers and there are clearly defined lines of accountability to Members.

- 4.6 Under the Authority's Constitution, some Members have additional responsibility at Member level, for example being Chair of a Committee or as a Lead Member for a specific area of the Service. The holding of these Offices will involve a different relationship with certain Officers in areas where the Member has a particular role and responsibility. Also, the relationships will be more complex and expectations will be different from other Members.
- 4.7 The roles of certain Members and Officers can be summaries as follows:
- a. Chair – Chair of the Authority who is responsible for promoting and developing the Authority.
 - b. Vice Chair – who deputises for the Chair in their absence.
 - c. Committee Chairs - who Chair and co-ordinate Committee meetings and work together to ensure effective scrutiny.
 - d. Opposition Spokesperson – who leads the main opposition Group and represents it at meetings of the Authority and its Committees.
 - e. Minority Party Group Leaders – who lead the other opposition Groups and represent them at meetings of the Authority and its Committees.
 - f. Group Whips – who are responsible for the organisation and administration within Party Groups and for liaison with Officers about Members' attendance at meetings and representation on outside bodies.
- 4.8 It is important that Members of the Authority:
- a. Respect the impartiality of Officers and not undermine their role in carrying out their duties.
 - b. Do not ask Officers to undertake work or to act in a way which seeks to support or benefit a particular political party or gives rise to the Officer being criticised for operating in a party political manner.
 - c. Do not ask Officers to exceed their authority where that authority is given to them in law, by the Authority or by their managers.
- 4.9 This protocol recognises the role of opposition groups in the Fire Authority acting individually or jointly, and that relationships will be again different and complex. Members in opposition have the same rights and obligations in their relationships with Officers and should be treated equally. Where opposition groups, individually or collectively, appoint their Members to perform shadow or spokesperson roles, then the requirement of 4.6 above will apply.
- 4.10 It is however envisaged that all Members will work co-operatively to ensure that the Fire Authority meets its statutory obligations and provides an effective and efficient Fire and Rescue Service to the people of Merseyside.
- 4.11 The primary role of Officers is to advise, inform and support all Members and to implement the lawfully agreed policies of the Fire Authority.

- 4.12 In performing this role, Officers will act professionally, impartially and with political neutrality. Whilst Officers will report a Member's view on an issue, the Officer should not be influenced or pressured to make comments or recommendations which are contrary to their professional judgement or views.
- 4.13 The Chief Fire Officer, the Monitoring Officer and the Director of Finance and Procurement (Section 151 Officer) have specific responsibilities placed on them by law. These responsibilities go beyond their obligations as employees of the Fire and Rescue Authority. Where an Officer is discharging their responsibilities under any statutory office, a Member or Members shall not:
- a. interfere with or obstruct the Officer in exercising those responsibilities.
 - b. victimise any Officer who is discharging or has discharged their responsibilities of the statutory office.

5. Member/Officer Obligations and Expectations

5.1 Members will require and expect Officers:

- a. to be committed to the Authority as a whole and not to any political group or individual.
- b. to work in partnership with Members in an impartial and professional manner.
- c. to understand and support the respective roles of Members and the associated workloads and pressures.
- d. to implement decisions of the Fire Authority and its subordinate committees which are lawful, have been properly approved in accordance with the law and the Authority's Constitution and formally recorded.
- e. to respond to enquiries and complaints in accordance with the Fire and Rescue Authority's standards.
- f. to provide professional advice, which is not influenced by political views or preferences, and which does not compromise the political neutrality of Officers.
- g. to provide information as agreed on matters that can reasonably be considered appropriate and relevant to their needs, taking into account the Members' individual responsibilities and position and the requirements on Members' access to documents and information, subject to specific exclusions, e.g. personal interests and confidentiality.
- h. to be aware of and sensitive to the internal and external political environment.
- i. to act with honesty, respect, dignity and courtesy at all times.
- j. to provide support and learning and development opportunities for Members to help them in performing their various roles.

- k. To act with integrity and appropriate confidentiality.
- l. Not to raise issues of a personal nature outside agreed procedures.
- m. Not to use their relationship with Members to advance their personal interests or to influence decisions improperly.
- n. To comply at all times with the Officer Code of Conduct and such other policies or procedures approved by the Fire and Rescue Authority to support the role of Councillors with any policy or procedure agreed by the Fire Authority.
- o. Not to support Members in any role other than that of a Fire Authority Member and not to undertake any actions which are not compatible with this Protocol.

5.2 Officers can expect Councillors:

- a. To act within the policies, practices, processes and conventions established by the Fire and Rescue Authority.
- b. To work constructively in partnership with Officers, acknowledging their separate and distinct roles and responsibilities.
- c. To understand and support the respective roles and responsibilities of Officers and their associated workloads, pressures and reporting lines.
- d. To give political leadership and direction and to seek to further their agreed policies and objectives with the understanding that Members have the right to take the final decision and issues based on advice.
- e. To treat them fairly and with respect, dignity and courtesy.
- f. To act with integrity, to give support and to recognise appropriate confidentiality.
- g. To recognise that Officers work to the instructions of their senior Officers and not to individual Members.
- h. Not to subject them to intimidation, harassment or put them under pressure. Councillors will have regard to the seniority of Officers in determining what are reasonable requests, having regard to the relationship between Councillor and Officer and the potential vulnerability of Officers, particularly at junior levels.
- i. Not to request them to exercise discretion which involves acting outside the Fire Authority's policies and procedures.
- j. Not to authorise, initiate or certify any financial transactions or enter into any contract, agreement or undertaking on behalf of the Fire Authority, or in their role as Member of the Fire Authority without proper and lawful authority.
- k. Not to use their position or relationship with Officers to advance their personal interest or those of others, or to influence decisions improperly.

- I. To comply at all times with the Members Code of Conduct, the law, the Constitution and such other Policies, Procedures, Protocols and Conventions agreed by the Fire Authority.

6. Behaviour Limitations

- 6.1 The different roles of Members and Officers require particular limitations upon behaviour. Both Members and Officers need to ensure that their working relationship is appropriate to their respective role and that they do not act in any way which would lead to their behaviour being questioned. It is not possible to provide a list of circumstances where behavioural issues might be of concern. The main examples below help to illustrate the point.
 - a. A close personal relationship between a Member and an Officer can confuse their separate roles and influence the proper discharge of the Authority's functions, not least in creating a perception that a Councillor or Officer may be securing advantageous treatment.
 - b. The need to maintain the separation of roles means that there are limits to those matters on which a Member may seek the advice of an Officer, both in relation to personal matters and party political issues.
 - c. Relationships with a particular individual or party group should not be such as to create public suspicion that an employee favours one Councillor or group above the others.

7. Members' Access to Information

- 7.1 Information requested by Members should be supplied to them unless there are good reasons for withholding it in accordance with this Protocol, and those reasons are given in writing and copied to the Monitoring Officer. Information requested should be supplied accurately and quickly. In a few instances, the need to meet legal constraints, and to protect the Authority's and the public interest, may lead to contention. The following paragraphs set out some guidance on how to resolve those issues.

They describe:

- a. The circumstances in which Members have a legal right to access the information.
 - b. The limits to those legal rights.
 - c. The process that will determine a dispute.
- 7.2 Under the "need to know" principle, Members are entitled to the information that they reasonably require to enable them to discharge their functions as Members. They are not entitled to go on fishing expeditions through Authority files. They are not entitled to access information for some other purposes, such as to help somebody to attack the Authority. Their rights will therefore depend on their individual roles, and on which Committee they serve on. Statute law gives Members rights of access to certain Authority documents.

- 7.3 Members do not have a general right to require Officers to carry out research or administrative work to provide information, apart from officers whose job is to provide such support to Members. Unless they have authority to do so by virtue of their specific role they cannot require resources to be re-allocated for work of this kind, however, all Officers will assist wherever they can.
- 7.4 Members are entitled to publicly accessible information, and personal information about themselves, like any other member of the public (for example under the Data Protection Act or in due course the Freedom of Information Act). Members may be authorised by a member of the public to access personal information on their behalf, but the authority must be clear and explicit.
- 7.5 An Officer may require a Member to undertake that the information will be treated as confidential before supplying it, and may refuse to supply it if the undertaking is not given. Reasons for confidentiality should be given in writing and subject to the Right of Appeal to the Monitoring Officer.
- 7.6 Information provided by Officers should be prompt and accurate.
- 7.7 Any Member who is dissatisfied with the decision to withhold information should complain to the relevant Director. If a Member is still dissatisfied, they should raise the matter with the Chief Fire Officer, who may take legal advice. If the Member disagrees with the decision of the Chief Fire Officer they can place the matter before the Authority, or the relevant Committee, or raise it with the District Auditor.

8. Confidentiality

- 8.1 Members and Officers must keep confidential information and papers confidential. This means not sharing them with anyone.
- 8.2 Authority and Committee papers marked "exempt" are "confidential" and are to be treated as confidential. Other information may be confidential because it is against the Authority's or the public interest to disclose it or because of the circumstances in which it was obtained.
- 8.3 Information about someone's private or business affairs will normally be confidential, as will their correspondence with the Authority.
- 8.4 Officers should make it clear to Members if they are providing them with confidential information. If a Member is uncertain about whether or not information might be confidential, they should seek guidance from the Monitoring Officer, and in the meantime treat it as confidential.
- 8.5 If a Member receives confidential information but thinks that it should be released on a "whistle-blowing" basis in the public interest, they must check with the Chief Fire Officer, Monitoring Officer or the Director of Finance and Procurement or the appropriate external Regulatory Authority before deciding to release it.

9. Personal Relationships

- 9.1 The relationship between Members and Officers must be based on mutual respect and confidence.
- 9.2 Close personal relationships between Officers and Members can arise, for example, where a Member's relative works for the Authority. This needs special care. The Member should declare the relationship to their Group Leader or Whip. The Officer should declare a relationship to their line manager, who should make it known to the Clerk and Monitoring Officer. These disclosures should be recorded in writing. They may be made on a completely confidential basis, that is to say on the very clear understanding that no one else will be told without both parties' consent. If there is a special reason why the Group Leader, Whip or Line Manager should not be told then the advice of the Monitoring Officer should be taken. The Officer and the Member must strive to avoid giving any impression of favouritism. The relationship may give the Member a declarable personal interest, and possibly a prejudicial interest preventing them from relevant Authority activity. The Officer may be unable to carry out certain activities that would otherwise be part of their job. Both need to bear these constraints in mind when they seek changes in their areas of responsibility. In an extreme case the relationship may make it impossible for them to perform those responsibilities properly.
- 9.3 Officers and Members should likewise strive to avoid developing antagonistic or combative relationships with each other. They should show respect to one another at all times. Offensive behaviour by an Officer to a Member is likely to be a disciplinary offence. Offensive behaviour by a Member to an Officer is likely to be a breach of the Code of Conduct.
- 9.4 A Member who is criticised by another Member can answer back. It would not be appropriate for an Officer to do so. Members should avoid public criticism of individual Officers, as it is unfair and oppressive. Members should not attempt to pressurise individual Officers to give them preferential treatment, or to compromise their professional integrity.
- 9.5 Officers' performance is monitored by their line managers and the performance of each service is monitored by the Authority.
- 9.6 Complaints about the performance of individual Officers should be made to their line managers. Complaints about Directors should be made to the appropriate line manager on the Executive Team. Complaints about the legality or financial probity of the activities of the Chief Fire Officer should be made to the Monitoring Officer and the Chief Finance Officer. Otherwise complaints about the Chief Fire Officer should be placed before the Authority or taken to the appropriate external regulator such as the District Auditor.
- 9.7 If a Member has a personal, private or business interest in a matter being dealt with by an Officer, they should strive to ensure that no suspicion of preferential treatment can arise. The objective should be as much transparency as possible, but subject to this it may be better for the Member to arrange for someone else to deal direct with the Officer. The Member should write to the relevant Officers placing it on record that they do not expect preferential treatment. A Member should not badger or pressurise the Officer, or use ease of access to their personal advantage.

10. Officers and Committees

- 10.1 Reports to the Authority, its Committees and Sub-Committees are produced by Officers. Initially the reports will have been drafted by Officers, and they will bear the name of the Reporting Officer (usually a member of the Executive Team) and a Contact Officer.
- 10.2 The agenda for a Committee is agreed by the Chair on the advice of the relevant Officers. If, exceptionally, an Officer needs to report to an Authority body outside these principles but in discharge of their professional or legal duty, the Officer must consult the Chief Fire Officer and the Chair of the body in question first.

11. Correspondence

- 11.1 Only the Chair (or Vice Chair) can write official letters (that is to say a letter intended or appearing to be written on behalf of the Authority as a body, as opposed to on behalf of an individual Member) although generally Officers will handle correspondence of all kinds. Chairs of Committees may write letters concerning the conduct of their meetings, but not otherwise. Members writing official letters on behalf of the Authority must use a style which distinguishes this from the letters written in their personal or political capacities. Other Members' letters are written in personal or political capacities.
- 11.2 A Member can ask an Officer to keep their correspondence private. If the Officer cannot do this (because they are under an obligation to someone else, or because the Authority ought to respond to the issue raised in a different way) they must make this clear straight away. Otherwise, the Officer must observe confidentiality.
- 11.3 Unless correspondence is private, Officers may copy letters of general interest to the relevant Member or Committee Chair. They should always state that they are doing this on the letter itself. Officers should never copy Members' correspondence to other Members secretly.
- 11.4 Officers should be aware that Members may circulate their letters to the public unless requested not to do so.
- 11.5 This all applies to emails.
- 11.6 If an Officer needs to reproduce and communicate an oral conversation with a Member in written form, they will copy the correspondence to the Member concerned as a matter of courtesy.
- 11.7 Officers should respond to correspondence from Members within 5 (five) working days.

12. Staffing Matters

- 12.1 Members may be formally involved in staff recruitment as a member of a panel.
- 12.2 That apart, Members should not become personally involved in such matters.
- 12.3 Officers should not raise individual personal issues with Members concerning their jobs.
- 12.4 If a Member receives a “whistleblowing” disclosure from an employee, they should pass it on in accordance with the whistleblowing code (Appendix 5). Members should contact the Monitoring Officer should they require guidance.

13. Authority Property

- 13.1 Individual Members do not have a general right to visit Authority premises or land that are not open to the public. However, Members are encouraged to visit Fire Stations and other Fire Authority premises.
- 13.2 Members may have a "need to know" what is happening on Authority premises in the same way as they have access to other information. This will entitle them to visit premises for a specific purpose, such as scrutiny.
- 13.3 If Members do visit premises, they should normally make themselves known to the person in charge.

14. Attendance at Meetings

- 14.1 Members may wish Officers to attend public meetings to provide them with support. This is subject to the principles set out below:
 - a. Officers cannot become involved in political debate. This includes public meetings at which Members are not present.
 - b. Officers will be able to explain particular proposals and issues but technical officers are not expected to deal with issues outside their area of knowledge.
 - c. Officers will not normally attend such meetings after the publication of notification of election.
- 14.2 Officers may be invited to public meetings by local people or Organisations. If so, they should consider whether any Members, should be notified.

15. Political Groups

- 15.1 It is in the interests of the Authority to support to some degree the effective operation of all its political groups and not one particular group. The operation of Political Groups may, however, pose particular issues for Officers in terms of their impartiality.
- 15.2 A political group may request the Chief Fire Officer or a senior manager to prepare a written report on a matter or matters relating to the Authority for consideration by the Group.
- 15.3 An Officer report to a political group will be restricted to a statement of material facts and identification of options and the merits or otherwise of such options for the Authority. Such reports will not cover any political implications of the matter or any option. Such reports will not include any recommendations.
- 15.4 The release of such reports to other political groups shall be dealt with in accordance with any conventions in existence at the time.
- 15.5 A political group may request the Chief Fire Officer or a senior manager to attend a meeting of the group to advise on a particular matter relating to the Authority. The Chief Fire Officer or senior manager may arrange for the attendance of a representative on their behalf, or may decline to attend or send a representative where they are of the opinion that the particular issue is of such a political nature that it would be inappropriate to attend.
- 15.6 Officer advice at a meeting of a political group will be restricted to a statement of material facts and identification of options and the merits or otherwise of such options for the Authority. The advice will not cover any political implications of any matter or any option.
- 15.7 All Officers will respect the confidentiality of any matter which they hear in the course of attending any political group meeting or in respect of any requests for advice and the giving of that advice.

16. Breaches of the Protocol

- 16.1 Where a Member is dissatisfied with the conduct, behaviour or performance of an Officer, the matter should be raised with the appropriate Line Manager. Where the Officer concerned is a Line Manager, the matter should be made with the Chief Fire Officer. Where the employee concerned is the Chief Fire Officer, the matter should be raised with the Monitoring Officer.
- 16.2 On the Members side, where the relationship between Councillors and Officers breaks down or becomes strained, every effort will be made to resolve matters informally, through conciliation by an appropriate senior manager or Councillors. Officers will also have recourse to the Grievance Procedure or to the Authority's Monitoring Officer as appropriate, in certain circumstances. In the event of a Grievance or Complaint being upheld, the matter will be referred to the Chief Fire Officer who, having advised the Chair of the Authority and the other appropriate party spokespersons, will decide on the course of action to be taken, following consultation with the Audit Committee if appropriate.

16.3 Breaches of the Protocol by a Member may result in a Complaint to the Audit Committee and in the case of Officers may lead to Disciplinary Action.

MEMBER'S TRANSPORT GUIDANCE

Introduction

In order to attend meetings of the Authority, its Committees and other approved duties which are for the purpose of or in connection with the discharge of the functions of the Authority, the elected Members of the Authority are entitled to claim travelling allowances in accordance with the Local Government Act 1972 and the Local Authorities (Members Allowances) England Regulations 2003 (as amended). The Members Allowance Scheme of the Authority provides for travel allowances payable at specified rates to any Councillor who carries out any approved duty as defined in the Scheme.

This document sets out the guidance of the Authority with regard to the various options available to elected Members for travelling to perform their duties. It also sets out the allowances that they are eligible to claim in respect of any travel expenses that they do incur.

Guiding Principles for Member's Transport

Members are asked to attend meetings and other duties wherever possible by use of their own vehicles, public transport or where no public service is reasonably available, by taxi. Where a taxi is not available the use of a hired vehicle may be authorised by the Solicitor to the Authority. It is accepted that such modes of transport represent the most convenient and best value options for both Members individually and the Authority in general.

The "last resort" option would be for Authority vehicles, driven by personnel to transport Members to their duties. However, this is clearly a costly and inefficient use of resources and it would also inevitably, on occasion, prove logistically impractical, particularly as Members are not permanently based at any particular Authority premises. However, there will be certain instances where transport of Members by Authority vehicle is appropriate and this guidance indicates such circumstances and the procedure which should be followed in the event that a request for such use is contemplated.

The Democratic Services Team will provide a journey planning service to Members for all journeys outside the county area. Members are requested to advise the Team of the date and location of the event they are attending as soon as they become aware of it. An assessment will then be made of the most efficient and effective mode of transport, given the specific circumstances of the journey and according to the balance between the criteria of time saved, the alternative available modes of public or private transport, the cost of such alternatives, the practicality, convenience and ease of travel for the individual and the implications for the Authority of otherwise providing transport directly.

In the event that the Authority directly meets the cost of providing transport, Members are not entitled to claim an expense.

In certain situations, as detailed below, Members are requested, where possible, to provide receipts or other evidence of expenditure for costs actually incurred in the course of travel.

Use of Member's Own Vehicles

All Members of Merseyside Fire & Rescue Authority, who may be required to use their own transport for attending meetings and events on Authority business, should ensure that they have business use included on their motor vehicle insurance policy.

If Members on approved duties use their own private motor vehicle, they are entitled to claim back the following mileage allowances:

Motor Cycle	22.6 pence per mile
Motor Vehicle	56.4 pence per mile

Members may claim the amount of actual expenditure for car parking and of tolls for tunnels or bridges. If absent overnight on an approved duty, reimbursement of the actual cost of garaging a motor vehicle may be made to Members.

All of the above claims can be made by completing the standard yellow claim form for allowances that are available from the Democratic Services Manager. Receipts or other evidence of expenditure, are requested where claims are made for car parking or garaging fees. They will not be required for payment of Mersey Tunnel or other toll fees.

Use of Public Transport

***Members are requested to consider factors which may impact on the cost of any travel, before any booking is made, to ensure that the most efficient journey, which represents value for money, can be planned. There is provision for Members to use first class travel. However, given the requirement for the Authority to be open and transparent, the cost of any first class travel should be justifiable.**

Rail

*When wishing to travel via rail on Authority Business, Members can either contact the Democratic Services Manager to request the booking be made, providing as much detail and notice prior to the date of travel as possible, to enable the most efficient journey to be planned and a value for money ticket to be secured.

There is provision for Members to use first class rail travel, if justification can be provided.

Wherever possible, fixed return tickets should be booked if they are substantially more cost effective than an open return.

Members can make their own rail travel booking for attending events on Authority business within the County, by way of the Merseyrail network, and submit claims for reimbursement to the Democratic Services Manager on the standard allowances claim form, with the corresponding receipts/confirmation of booking attached.

In respect of travel by rail outside the county, Democratic Services will make arrangements in advance, specifying the time and date of travel and the nature of the tickets they require. It should be remembered that, in particular with rail travel, discounted and saver tickets are available when tickets are reserved sufficiently in advance. Alternatively, if appropriate, Members may meet the costs of travel themselves and reclaim the expenditure later, providing receipts or other evidence of expenditure wherever possible.

Bus, Ferry and Other Public Transport

* Members are requested to travel standard class wherever possible, and claim the actual amount of the ordinary fare or any saver fare where available. Members may travel and claim first class, if justification can be provided. Claims should be made on the standard claims form

and submitted with supporting receipts/confirmation of booking to the Democratic Services Manager.

Use of Taxis

The Solicitor to the Authority is delegated to determine if a specific journey by taxi is acceptable by undertaking an assessment of the balance between time saved, alternative available modes of public or private transport, the cost of such alternatives, the practicality, convenience and ease of travel for the individual and the implications for the Authority of otherwise providing transport directly.

After considering the above issues and having determined that there are clear circumstances - such as there being a case of urgency or where no public transport service is reasonably or directly available – where the use of a taxi is acceptable, the Solicitor to the Authority will authorise such use. Members should claim on the standard form the actual fare incurred and any reasonable gratuity paid. Receipts or other evidence of expenditure should be provided.

Use of Hired Vehicle

Where there is an entitlement, as detailed above, to reclaim taxi fare and where such a vehicle is not available or where the likely cost of the fare is excessive, a Member is entitled to be repaid the cost of hiring a motor vehicle other than a taxi. However, if such an event is likely to occur, Members are requested in the first instance to contact the Democratic Services Manager. They will ascertain first of all the possibility of a Service vehicle being provided or if not, they will arrange for the Service to make appropriate efforts to hire a suitable vehicle for the use of the Member. In the event that this is not possible and the Member hires the motor vehicle directly, they should provide appropriate receipts or other evidence of expenditure when submitting a claim for reimbursement.

Air Travel

Members are entitled to claim the Standard Air Fare between destinations or where travelling on a flight scheduled to take at least five hours, a sum equal to the cost of club class.

In most cases the Authority, via the Democratic Services Manager, will directly meet the costs of air travel but in the event that Members do pay their own fare, they should provide receipts or other evidence of the fare, along with their claim for re-imbusement.

Use of Transport Provided by Service

Members will be assisted with directly provided transport for certain particular events. There are two broad categories for the provision of Service transport:

- (i) where it is for a visit which will involve a number of Members, (for example, Station Visits, a Members Strategy Day or a visit to the Fire Service College or Westminster) the Authority directly arranges transportation, usually in the form of a car, minibus or coach, in order to minimise overall transport costs; and
- (ii) where there is a direct request from a Member for the use of a Service vehicle and/or the provision of a Service driver.

In the latter category, the Member should initially make their request to the Democratic Services Manager who will act on behalf of the Solicitor to the Authority in liaising with the

Chief Fire Officer to ascertain if the request is feasible both in terms of the availability of a vehicle and/or driver and of the existence, in the specific circumstances, of any potentially more economic and practical alternatives such as the use of a taxi.

Members in possession of a full, valid driving license are insured to drive Service vehicles and are eligible to make a request to do so. In the event that Members are authorised to self-drive a Service vehicle and that it is necessary for them to purchase petrol, oil or any other necessary commodity or accessory which is essential to ensure they complete their journey, they may claim reimbursement of the actual costs incurred. Receipts or other evidence of expenditure should be produced.

Travel Insurance

Members are requested to ensure that the Democratic Services Manager is notified in advance of all occasions when they will be either travelling outside the UK or travelling by air as such trips will require specific notification to the insurers of the Authority.

SUPPORT SERVICES FOR MEMBERS

1. The Authority provides support services for Members:
 - a. Group Officers, including administrative Officers and facilities.
 - b. ICT facilities.
 - c. Development and training.
 - d. The Members' research facility in Democratic Services.
 - e. Allowances and expenses.
 - f. Official transport.
- 1.2 There are three constraints on the use of these facilities: legal limits, cost factors, and the importance of providing equivalent facilities to all political groups.
- 1.3 Members must not abuse these facilities. This protocol sets out the general principles.
- 1.4 None of these rules affect the activities of Members using other resources, for example using support provided by their political parties. Political lobbying and campaigning is an essential part of the government at all levels. The different level of resources available to the different political parties and groups is not a matter for the Authority.
- 1.5 Authority resources must never be used for party political publicity. "Publicity" has a very wide legal definition - any communication to any section of the public is covered.
- 1.6 Leaving aside publicity, the Code of Conduct says "a Member..... must when using or authorising the use by others of the resources of the Authority..... ensure that such resources are not used for political purposes unless that use could reasonably be regarded as likely to facilitate, or be conducive to, the discharge of the functions of the Authority or of the office to which the Member has been elected or appointed."
- 1.7 Resources are limited, so explicit limits are placed on copying, posting etc. These can be waived in exceptional circumstances by the Democratic Services Manager, or the Clerk, but the situation must be truly exceptional. Members should not divide up work into parcels, or trade entitlements to find ways around the limits.
- 1.8 Members using ICT facilities must abide by the Authority's ICT Acceptable Use Policy. A copy of the policy is included in this document. Further, Members attention is drawn to the E-mail; Internet Access and Usage; and Using Social Media service instructions contained within the related document section of the policy.
- 1.9 Members must not use any facilities for their own private purposes, unless they are using spare capacity at no cost to the Authority and in accordance with any instructions given by the Authority.

- 1.10 Official cars and taxis are made available to Members and Officers solely for use on official duties. Guidance is included in this document.
- 1.11 Members' allowances, and subsistence and travel expenses, are paid in accordance with the Scheme and the legislation. Members may only claim expenses that they have actually incurred, and that they needed to incur for Authority activities. This should comply with the legal code.

SERVICE POLICY ICTPOL03

Acceptable Use Policy

1. Policy Introduction and Background

Provide brief background information to introduce the reader to the context of the policy and the reasons for its creation.

MFRS is dependent on Information and Communication Technology (ICT) to deliver its services. The appropriate and secure use of ICT is vital to protect the interests of MFRS and the service it provides to the citizens of Merseyside.

The ICT AUP is in place to ensure:

- The use of ICT complies with legal requirements.
- The maximum benefit is obtained from MFRS investment in ICT facilities
- Risks arising from improper use of information, identity or equipment are minimised.
- Individual users can have confidence that they can only be held accountable for their own actions, and not unknowingly those of others.
- Children and Young people using technology are helped to be kept safe.

2. Policy Explanation

Provide details about the policy, what the Fire and Rescue Service is committed to do and why, including any legislative requirements.

ICT facilities are provided to users primarily for MF&RS business purposes to support the service it provides. In addition, occasional and limited personal use of the ICT facilities by users is permitted. ICT facilities encompass, but are not restricted to:

- Network Infrastructure; including (but not limited to) the physical infrastructure whether cable or wireless, together with network servers, firewall, connections, switches and routers.
- Network Services; including (but not limited to) internet access, web services, broadband, email, wireless, network file store, network user accounts, printing and telephony.
- Hardware Assets; MFRS owned or leased computing hardware, both fixed and portable, including (but not limited to) desktops, laptops, tablets, PDA's, mobile devices, mobilising devices, servers, printers, scanners, disc drives, monitors, keyboards and other peripherals.
- Software; including (but not limited to) applications and information systems and software tools.

The ICT facilities will vary per user group depending on their business requirement.

3. Policy Implementation

The Service Instructions used to underpin this Policy are:

ICT users should familiarise themselves with these Service Instructions:

SI0433	Airwave Radio terminals and associated equipment – Secure handling and storage
SI0587	Communication Equipment Rooms
SI0699	Using Social Media (Owned by Corporate Communications Function)
SI0700	Acceptable E-Safety Use (Owned by Community Risk Management Function)
SI0703	Internet Access and Usage
SI0704	ICT Incident Reporting Process
SI0705	ICT Mobile Phones
SI0706	ICT Service Request
SI0707	Office Moves involving ICT Assets
SI0729	LLAR Acceptable Use of ICT Equipment
SI0730	E-Mail
SI0740	AVLS Fault Reporting
SI0774	Monitoring of ICT Equipment
SI0851	Acceptable use of iPads
SI0787	Airwave Protocols
STRPOL09	Associated Policy – Information Governance and Security
SI0896	Printing, scanning and copying

PROTOCOL ON REPORTING AT MEETINGS

Introduction

Merseyside Fire and Rescue Authority is committed to openness and transparency in how it conducts its business. This Protocol sets out its approach to certain types of reporting at its decision-making meetings. It outlines some basic principles and practical points aimed at balancing the requirements of those wishing to report the meeting and those attending and taking part.

Appended to this Protocol is a more in depth procedure which should be read in advance and adhered to by anyone wishing to attend Merseyside Fire and Rescue Authority Meetings, Committee's and Sub-Committee's. ([Appendix A Procedure for Attendance and Recording of Meetings of Merseyside Fire and Rescue Authority](#)).

Reporting

The Local Government Act 1972 provides that individuals may carry out reporting at meetings of local government bodies. This Protocol is primarily concerned with reporting that involves filming, photographing, and/or audio-recording of meetings.

Before the Meeting

There is no requirement to obtain permission or to make a prior arrangement to attend a meeting for the purpose of reporting upon it. However, if you are intending to film, photograph and/or audio-record, it would be helpful to contact Democratic Services (see contacts below) to ensure that suitable arrangements can be made to accommodate you.

There will be a designated area in the meeting room for you to observe the meeting and to allow you to film, photograph and/or audio-record it. Wherever possible you will have access to a seat (although this may depend on how much space is available).

The Chair of the meeting will be informed if the reporting includes filming, photographing and/or audio-recording. Those attending the meeting who are not Members or Officers will be made aware that they have the right to object to being filmed, photographed and/or audio-recorded by you.

You must not start filming, photographing and/or audio-recording until the Chair opens the meeting.

During the Meeting

The Chair will announce at the beginning of the meeting that the meeting is being filmed, photographed and/or audio-recorded. They will then ask attendees whether they agree to be filmed, photographed and/or audio-recorded to allow them to register a personal objection. If anyone has a personal objection then the Chair can temporarily suspend filming, photographing and/or audio-recording to allow attendees to have their say.

Note: this does not apply to Members and Officers.

If the Chair considers that the filming, photographing and/or audio-recording is disrupting the meeting they can instruct you to stop doing so. Therefore, it is worth noting that your equipment should not be noisy or otherwise distracting (e.g. flash and spotlights can be problematic).

You will not normally be allowed to give a live commentary on proceedings as this is highly likely to be disruptive.

If you refuse to stop filming, photographing and/or audio-recording when requested to do so, the Chair may ask you to leave the meeting. If you refuse to do so then the Chair may adjourn the meeting or make other appropriate arrangements for the meeting to continue without disruption. There are provisions in the Authority's Constitution that allow this.

When the meeting is officially closed by the Chair you must stop filming, photographing and/or audio-recording.

Exclusion from Meetings

The majority of the Authority's decision-making takes place in meetings open to the public and press. You may only be excluded from a meeting when issues are being considered that involve confidential or exempt information (as defined in Section 100 of the Local Government Act 1972).

Even if you are excluded, you will know the nature of the business to be dealt with while you are excluded from the meeting and the decision will be made known after the meeting.

No filming, photographing and/or audio-recording is permitted during any exclusion. All equipment for filming, photographing and/or audio-recording must be removed from the meeting room.

Interpretation of this Protocol

Any decision taken by the Chair on the interpretation of this protocol before, or at the meeting in question is final.

Publication

This protocol will be published on the website with Meetings Agendas, and Meeting Agendas will carry a statement relating to this Protocol.

Contact Details

Democratic Services Manager
Merseyside Fire and Rescue Authority HQ
Bridle Road, Bootle, Liverpool, Merseyside, L30 4YD
0151 296 4112
democraticservices@merseyfire.gov.uk

PROCEDURE FOR ATTENDANCE AND RECORDING OF MERSEYSIDE FIRE AND RESCUE AUTHORITY

Purpose

To inform all visitors attending Merseyside Fire and Rescue Authority Headquarters with the intention to observe and/or record the proceedings of meetings, of the procedure to be followed during your attendance, for the purpose of clarity, safety and security. *(This procedure is in addition to, and should be read in conjunction with MFRA Meeting Reporting Protocol).*

Overview

Merseyside Fire and Rescue Authority is committed to openness and transparency in how it conducts its business. Anyone wishing to attend public meetings of this Authority are welcome, however the number of people who attend each meeting may vary making it difficult to predict how many people will turn up on the day. Therefore, the following arrangements are in place to ensure that there is reasonable provision for your purpose of visit.

Prerequisite Information

The Openness of Local Government Bodies Regulations 2014 came into force on 6 August 2014 and amended the Local Government Act 1972 regarding the governance of Authority, Committee and sub-Committee meetings, and the recording of certain officer decisions. Whilst already open to members of the press and public to attend, the Openness of Local Government Bodies Regulations 2014 provides for any person to be permitted to report on the meeting, including the filming, photography, or making of audio recordings of proceedings of meetings. This does not include live commentary.

Safety, Precaution, Entry, Admittance and Departure

Most meetings of Merseyside Fire and Rescue Authority, including Committees and Sub-Committees, are held at their Headquarters, Bridle Road, Bootle, Liverpool, Merseyside, L30 4YD and usually commence at 1pm (unless otherwise published). It is recommended that you check the location and start time of the meeting before starting your journey, to ensure you arrive at the appropriate time.

All meetings and agendas are published on our website (http://www.merseyfire.gov.uk/aspix/pages/fire_auth/authorityContent.aspx) five days prior to the date of the meeting or you can contact Democratic Services by ringing 0151 296 4230.

It would be helpful if you could contact Democratic Services to advise of your intention to attend the meeting to assist in the allocation of appropriate space within the meeting room. Should you have any special requirements which may impact upon your visit, please contact Reception tel.0151 296 4000, and advise ahead of your planned visit, to enable details to be taken and the appropriate officer notified to consider any reasonable adjustments or additional assistance which may be required.

If the number of visitors exceed that which is deemed safe for the size and capacity of the meeting room, you will be refused access on safety grounds.

All external visitors wishing to attend meetings of the Authority, are requested to arrive no earlier than thirty minutes prior to the opening of the meeting (e.g. meeting start 1.00 pm – do

not arrive earlier than 12.30 pm). Arrival before this time may result in you being refused admittance to the building until such time that your entry can be facilitated. This is due to the security requirements for the building.

For your own safety, security and protection, and for that of others working and visiting the premises, all external visitors (including employees who do not work in the building) are required to identify yourself to reception upon arrival, and departure. You will be required to provide your name, the purpose of your visit, who you are visiting, and provide the details of any vehicle which you wish to leave on the premises until your departure.

If you have equipment with you, you should inform reception and confirm for what purpose you intend to use such equipment during your visit. Examination of any equipment you bring, may be required.

When you sign into the building you will be allocated a coded visitor pass which you are required to visibly wear at all times, and must hand back to reception when you sign out of the building.

Once entry to the building has been granted and compliance with reception/security requirements have been met, Reception will inform Democratic Services of your presence and arrangements to escort you to the designated waiting area, will be made. You **must** wait to be escorted to the designated area. Staff will be preparing for the meeting or escorting other visitors therefore this may take a few minutes wait until such time a member of staff is available to do so, we therefore request your patience.

Access to the Actual Meeting

ALL persons attending to observe meetings of the Authority, who are not Merseyside Fire and Rescue Authority Members or Officers directly advising Members in the meeting, **MUST** remain in the designated waiting area until such time that it is announced that you may enter the Authority Meeting Room.

Access to the Meeting room will be given fifteen minutes prior to the start of the meeting, to allow reasonable time to set up any equipment.

In the event of a fire or requirement to evacuate the building – all visitors must be accounted for therefore you must ensure you are with the person/s you are here to visit.

In the event of an evacuation you will be instructed where to go by Fire Marshalls and Officers, and procedures should be announced at the opening of business.

Equipment

The Authority does not accept responsibility for the loss or damage to any equipment or items it does not own, therefore any personal items and belongings you bring with you are your responsibility which you bring at your own risk.

You may be required to have your equipment / belongings checked before admittance to the building.

You are requested to ensure that your equipment is not noisy or invasive, which could cause distraction to the proceedings.

Prior to the Meeting

Members and Officers attending meetings or training events prior to any meeting of the Authority, are required to arrive on time, ensure that all business starts at the agreed time and concludes **at least** fifteen minutes prior to the published start time of the Authority/Committee/Sub Committee, to enable the room to be cleared and ensure sufficient time for visitors to be permitted entry and set up of equipment, is provided.

During the Meeting

The Chair presiding over the meeting will request anyone present with the intention of recording the proceedings, to make themselves known to the Chair. The Chair will advise those present, if the meeting is being recorded, and ask if any visitors have objection to being filmed. **In the event that someone requests not to be filmed, they will be asked if they wish to leave or move to an area out of recording sight.** The Chair has the right to request stoppage of recordings, or to stop the proceedings of the meeting (in line with procedural standing orders contained within the constitution) should they/them feel there is unsuitable distraction or disturbance to the meeting.

Exclusion

All reports considered by the Authority are open and published to the Public unless there is confidential information contained within the report which under the Local Government Act 1972, is deemed Exempt. In such instances the Agenda will state by what section of the Local Government Act the item is Exempt under and during the preliminary matters on the Agenda, the Chair will announce if there are any exempt items on the Agenda which the Press and Public will be required to leave the meeting.

If there are Exempt items the Chair will announce at the time of reaching that item, for the Press and Public to leave.

All external visitors must take their equipment and belongings and make their way back to the waiting area. Equipment is to be packed away in the waiting area and you must wait for a member of staff to escort you back to reception. This may mean waiting a short while for other visitors to finish packing away their equipment and a member of staff escort several visitors together to reception.

Exit and Departure

You will be required to sign out at reception and ensure that you hand your visitor pass back to reception, and they have confirmed your departure. You must vacate the building and car park (if using the car park) immediately.

Further Information

For further information or questions on any aspects of this document, please contact the Democratic Services Team at:

Democraticservices@merseyfire.gov.uk

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MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	BUDGET AUTHORITY		
DATE:	27 FEBRUARY 2025	REPORT NO:	CFO/88/25
PRESENTING OFFICER	CHIEF FIRE OFFICER, PHIL GARRIGAN		
RESPONSIBLE OFFICER:	DEB APPLETON	REPORT AUTHOR:	STEWART WOODS – HEAD OF ESTATES
OFFICERS CONSULTED:	HYWYN PRITCHARD - HEAD OF PROCUREMENT, STRATEGIC LEADERSHIP TEAM		
TITLE OF REPORT:	PROCUREMENT OF NON-DOMESTIC WATER, WASTEWATER AND ANCILLARY SERVICES CONTRACT		

APPENDICES:	NONE
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Purpose of Report

1. To inform Members of the outcome of the procurement process to secure non-domestic water, wastewater and ancillary services for the Service undertaken via the Crown Commercial Service framework agreement for wastewater and Ancillary Services 3 (RM6306).
2. To seek approval from Members to award the contract to Water Plus Ltd on the basis of the outcome of the procurement exercise.

Recommendation

3. It is recommended that Members
 - (a) note, the contents of the report; and
 - (b) approve, the award of the non-domestic water, wastewater and ancillary services contract to Water Plus Ltd for a duration of three years with an estimated value of £690,000 and having an option to extend by one further year.

Introduction and Background

4. The non-domestic water market was deregulated in 2017 with water supply defaulting to the local provider. In respect of the Authority's water supply this was Water Plus (a joint venture between Severn Trent Water and United Utilities). The majority of the Authority's properties (excluding PFI), since 2017, have remained with Water Plus on their default terms.
5. A water wholesaler is required to undertake two functions, these are water supply, and wastewater disposal. The water wholesaler is still geographically determined, in the Merseyside area the water wholesaler is United Utilities.

6. The water supplier is different from the water wholesaler. The water supplier manages the water wholesaler relationship, metering, billing and supporting ancillary services such as water efficiency advice.
7. Between 90% to 95% of the water bill is made up of pass-through charges from the wholesaler, and therefore cannot be affected by the water supplier. The wholesale pricing is regulated by OFWAT, who set and review wholesale price ranges in five-year periods. The review period has just ended and will be applied from April 2025.
8. OFWAT have now released their price controls for the 2025 to 2030 period and the wholesalers, United Utilities, set their prices within those parameters. United Utilities will not release their new prices which will be effective from 1st April until the end of March.
9. The remaining 5% to 10% retail margin element leaves little room for suppliers to differentiate themselves, therefore whilst the quality of the service offered by the water supplier is important, running our own tender or choosing a different route to market would offer little benefit in terms of price against the cost of tendering.
10. We have therefore used a Crown Commercial Service (CCS) framework to undertake a mini competition of suppliers approved on the framework to determine the preferred supplier. CCS is the UK's biggest public procurement organisation and an executive agency of the Cabinet Office.
11. Six approved framework companies tendered for the contract, three tenderers were rejected for non-compliant bids, having scored below the minimum requirement for technical questions.
12. CCS conducted an initial compliance/validation check, one bidder confirmed they had used artificial intelligence in the preparation of their tender. They confirmed all submissions had been checked by their bid manager and following clarifications no risk was determined.
13. The weightings applied to the evaluation were 30% Technical and 70% commercial. CCS undertook the evaluation concluding Water Plus Ltd scored the highest and that their bid was the most economically advantageous tender.
14. The new multi-site contract will set the Water Plus Ltd uplift margin at the fixed percentage tendered for the full three-year duration of the contract. Comparing last year's bills against this new margin will provide greater cost certainty throughout the term.
15. Other key points about the proposed Water Plus Ltd contract: -
 - The Authority will be able to demonstrate full compliance with the Procurement Regulations.

- The contract will be based upon CCS 's call-off contract terms and conditions with bespoke terms applicable to the water industry with specific tailored KPI's.
- Move from 14 days payment terms to 30 days.
- Under new deal we move to quarterly meter read verification by Water Plus.

Equality and Diversity Implications

16. No E&D implications have been identified from this procurement exercise.

Staff Implications

17. No staff implications have been identified from this procurement exercise

Legal Implications

18. A legal contract will be entered into based upon their own Commercial Service call-off contract templates

Financial Implications & Value for Money

19. The total spend over the past three years on water and wastewater has been:

2021-2022	£187,487
2022-2023	£200,240
2023-2024	£247,931

20. Estimated contract costs from the new CCS Water Plus contract were compared against the 2023-2024 cost and consumption. Estimated savings of £18,000 were identified This was based upon the projected annual estimate value price of £230,000 for the coming financial year.

21. The Service is expecting to see prices increases in the wholesale unit cost of water from 1st April 2025 and these will continue to fluctuate annually in line with the OFWAT agreed increases and actual consumption used by the Service. By fixing the retail margin it will allow MFRS to minimise the impact of price increases.

Risk Management and Health & Safety Implications

22. The water supply contract is an essential service to provide potable water to all MFRS premises, to ensure the health and welfare of the occupants, and to enable operational and training tasks to be undertaken.

Environmental Implications

- 23. Management and monitoring of the water supplier's performance, incorporating key performance indicators will allow for continuous improvements in service delivery throughout the term of the contract.
- 24. Access to a range of additional ancillary services, such as leak detection, and repairs will improve monitoring and reduce water consumption.

Contribution to Our Vision: *To be the best Fire & Rescue Service in the UK.*

Our Purpose: *Here to serve, Here to protect, Here to keep you safe.*

- 25. The aim of the contract is to ensure a water supply contract is put in place that provides value for money and incorporates continuous improvement to monitor and reduce our water consumption.

BACKGROUND PAPERS

NONE

GLOSSARY OF TERMS

MFRA	Merseyside Fire and Rescue Authority
MFRS	Merseyside Fire and Rescue Service
CCS	Crown Commercial Services

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

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