To: All Members of the Audit and Scrutiny Sub Committee
(and any other Members who may wish to attend)

J. Henshaw
LLB (Hons)
Clerk to the Authority

Tel: 0151 296 4000
Extn: 4113 Kelly Kellaway

Your ref: Our ref HP/DM Date: 31 January 2018

Dear Sir/Madam,

You are invited to attend a meeting of the **AUDIT AND SCRUTINY SUB COMMITTEE** to be held at **1pm** on **THURSDAY, 8TH FEBRUARY, 2018** in the Liverpool Suite.

Yours faithfully,

Clerk to the Authority

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MERSEYSIDE FIRE AND RESCUE AUTHORITY

AUDIT AND SCRUTINY SUB COMMITTEE

8 FEBRUARY 2018

AGENDA

Members

Lynne Clarke
Sharon Connor, Liverpool City Council
Joe De'Asha, St Helens
Lesley Rennie
James Roberts (Chair)

1. Preliminary Matters

Members are requested to consider the identification of:

a) Declarations of interest by individual Members in relation to any item of business on the Agenda.

b) Any additional items of business which the Chair has determined should be considered as matters of urgency; and

c) Items of business which may require the exclusion of the press and public during consideration thereof because of the possibility of the disclosure of exempt information:

- **Agenda Item 11 – "Part 2 EXEMPT Minutes"**

2. Minutes of the Previous Meeting (Pages 7 - 10)

The Minutes of the previous meeting of the Audit & Scrutiny Sub-Committee, held on 21st September 2017, are submitted for approval as a correct record and for signature by the Chair.

3. 2016/17 Annual Audit Plan (Pages 11 - 18)

To consider the attached report from the Authority's External Auditors – Grant Thornton, concerning the Annual Audit Letter for MFRA for the financial year 2016/17.

4. Audit Plan 2018 (Pages 19 - 36)

To consider the attached report from the Authority's External Auditors – Grant Thornton, concerning the Audit Plan for MFRA for the year ending 31st March 2018.

5. **TREASURY MANAGEMENT INTERIM REPORT 2017/18** (Pages 37 - 44)

To consider Report CFO/006/18 of the Treasurer, concerning a review of the Authority's Treasury Management activities, to ensure they are consistent with its approved Treasury Management Strategy and have remained within the approved Prudential Indicators.

6. **FINANCIAL REVIEW 2017/18 - APRIL TO DECEMBER** (Pages 45 - 74)

To consider Report CFO/003/18 of the Chief Fire Officer, concerning the financial position, revenue and capital, for the Authority for 2017/18.

7. **CONFIRMATION OF EXTERNAL AUDITOR APPOINTMENT FOR 2018/19** (Pages 75 - 90)

To consider Report CFO/007/18 of the Treasurer, concerning confirmation of the appointment of Grant Thornton as the external auditor for the Authority from 2018/19 to 2022/23.

8. **Corporate Risk Register 2017-18 July to Nov Update** (Pages 91 - 130)

To consider Report CFO/011/18 of the Deputy Chief Fire Officer, concerning the current risks contained within the Corporate Risk Register, the status of the risks and associated control measures, including any updates for the period July to November 2017.

9. **Health, Safety And Welfare Annual Report** (Pages 131 - 168)

To consider Report CFO/001/18 of the Chief Fire Officer, concerning the Annual Health, Safety & Welfare Report which details the performance of the Authority against its performance indicators for Health Safety and Welfare (HS&W) for financial year 2016/17.

10. **Bonfire Period 2017** (Pages 169 - 204)

To consider Report CFO/002/18 of the Deputy Chief Fire Officer, concerning the performance of the Service over the Halloween and bonfire period 2017.

11. **Part 2 EXEMPT minutes , 21/09/2017 Audit and Scrutiny Sub Committee** (Pages 205 - 206)

The Part 2 EXEMPT Minutes of the previous meeting of the Audit & Scrutiny Sub-Committee, held on 21st September 2017, are submitted for approval as a correct record and for signature by the Chair.

If any Members have queries, comments or require additional information relating to any item on the agenda please contact Committee Services and we will endeavour to provide the information you require for the meeting. Of course this does not affect the right of any Member to raise questions in the meeting itself but it may assist Members in their consideration of an item if additional information is available.

Refreshments

Any Members attending on Authority business straight from work or for long periods of time, and require a sandwich, please contact Democratic Services, prior to your arrival, for arrangements to be made.

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MERSEYSIDE FIRE AND RESCUE AUTHORITY

21 SEPTEMBER 2017

MINUTES

Present: **Cllr James Roberts (Chair)** Councillors Sharon Connor, Joe De'Asha and Lynne Clarke

Also Present:

Apologies of absence were received from: Cllr Lesley Rennie

1. Chairs Announcement

Prior to the start of the meeting, information regarding general housekeeping was provided by the Chair to all in attendance.

The Chair confirmed to all present that the proceedings of the meeting would not be recorded.

The Chair informed all present that the following items would be considered prior to Agenda Item 3, due to the Presenting Officer being required to attend an external meeting:

- Agenda Item 6 – *"Equality Analysis of Workforce and Employment Data at 31st March 2017"*

- Agenda Item 7 – *"Fire Control Road Map 2017"* ***This report contains EXEMPT information by virtue of Paragraph 7 of Part 1 of Schedule 12A to the Local Government Act 1972*** and therefore required the exclusion of the press and public during consideration thereof.

Members were also provided with an updated version of Agenda Item 5 - '*2017/18 Internal Audit Plan'*, containing additional appendices.

The meeting was then declared open.

2. Preliminary Matters

Members considered the identification of declarations of interest, any urgent additional items, and any business that may require the exclusion of the press and public.

Resolved that:

a) no declarations of interest were made by individual Members in relation to any item of business on the Agenda

b) no additional items of business to be considered as matters of urgency were determined by the Chair; and

c) the following item of business required the exclusion of the press and public during consideration thereof because of the possibility of the disclosure of exempt information:

- **Agenda Item 7 – *"Fire Control Road Map 2017"***

3. Minutes of the previous meeting

The minutes of the previous Audit and Scrutiny Sub Committee, held on 31st January 2017, were approved as a correct record and signed accordingly by the Chair.

4. 2016/17 ANNUAL YEAR-END INTERNAL AUDIT REPORT

Members considered report CFO/066/17 of the Treasurer, concerning the Annual Year End Internal Audit report for 2016/17.

A brief overview of the report was provided to Members summarising the audit review & findings.

Questions were raised regarding Ethical Governance, as the assurance level provided was "acceptable". Members were reassured that "acceptable" in audit terms was still positive.
The Authority's Internal Auditor commented that the assurance level around Ethical Governance was considered and discussed at the last meeting of the Audit and Scrutiny Sub-Committee; and the only slight issue in this regard was around completed Members declarations to abide by the Code of Conduct.

It was confirmed that the Internal Audit reviews found a high level of assurance in the current systems of control and governance and that any potential corporate risk to the Authority was negligible.

Members resolved that:

the contents of the report, be noted.

5. Financial Review 2017/18 - April to June

Members considered report CFO/054/17 of the Chief Fire Officer, concerning the financial position, revenue and capital, for the Authority for 2017/18. The Authority receives regular comprehensive financial reviews during the year which provide a full health check on the Authority's finances. This report covers the period April to June 2017.

An update on the budget savings implementation was provided, advising Members that savings of £25.597m are on target to be delivered as expected by the end of the calendar year. The Authority approved 2016/17 and 2017/18 Budget savings of £11.597m to be delivered in full by 2021/22.

Members were informed that in terms of the capital programme, planned spend has increased by £7.9m, most of which is attributable to the re-phasing of schemes from 2016/17. The remaining amount of £0.011m, relates to approved amendments in current schemes for ICT hardware.

Questions were raised concerning whether value for money is achieved through the current provision for Internal Audit services. Members were reassured that the service provided does represent value for money and is of a high standard.

Members resolved that:

a) the contents of the report, be noted; and

b) the Treasurer be instructed to continue to work with budget managers to maximise savings in 2017/18.

6. Equality Analysis of Workforce and Employment Data at 31st March 2017

Members considered report CFO/064/17 of the Deputy Chief Fire Officer, concerning a breakdown of the Authority's workforce (people) data produced in order to meet the Equality Act 2010, Public Sector Equality Duties and in order to allow scrutiny of the Service in the discharge of the said duty.

Members were provided with an overview of the report, which highlighted that staff numbers have reduced, mainly as a result of operational male staff retirements. Although the percentage of female firefighters employed by MFRA is above the national average, the number of females in posts above watch manager level are low, therefore MFRA are encouraging female firefighters to consider opportunities to develop further.
It was highlighted that 60% of operational staff are aged between 46-55. However, as we are in the process of recruiting; and will continue to recruit for the next few years, this figure is likely to reduce in the longer term.

It was confirmed that all career break requests were granted (50% male and 50% female) meeting the needs of individuals. 73% of flexible working requests were accepted, 80% of which were from females. With regards to the 4 requests that were rejected, all were from females, however they were declined due to the requirement to fulfil statutory responsibilities.

It was highlighted that there are currently gaps in the recording of religion, belief, sexual orientation and disability on our self-disclosure database system, however actions are being considered to improve completion.

Questions were raised regarding future initiatives to encourage BME individuals to apply for roles within the organisation. Members were informed that there are a plethora of positive action initiatives undertaken to encourage applications

from BAME individuals and females and with regards to the Authority's new recruits, 30% are female and 5% are BAME. Members were further informed that the number of BAME applicants for firefighter roles are high, however many fall out of the process, often at the application form stage. Therefore, issues with BAME applicants progressing through the process are being addressed, for example HR staff are providing additional guidance on the completion of application forms.

Further questions were raised regarding the promotion of our recruitment process, and Members were informed of the range of media used to promote the recruitment process. Members were also informed of the 'have a go' sessions held, whereby previous applicants who were unsuccessful are contacted and invited to have a go at the physical tests, along with applicants who may be considering applying in the future.

Members resolved that:

(a) The report for publishing on the Authority website in order to demonstrate our commitment to equality and diversity and to meet its Public Sector Equality Duties, be noted and approved.

(b) A further report be brought back to a future meeting, regarding a breakdown of application data for each stage of the firefighter recruitment process.

7. Fire Control Road Map 2017

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, 8 February 2018

The Annual Audit Letter for Merseyside Fire and Rescue Authority

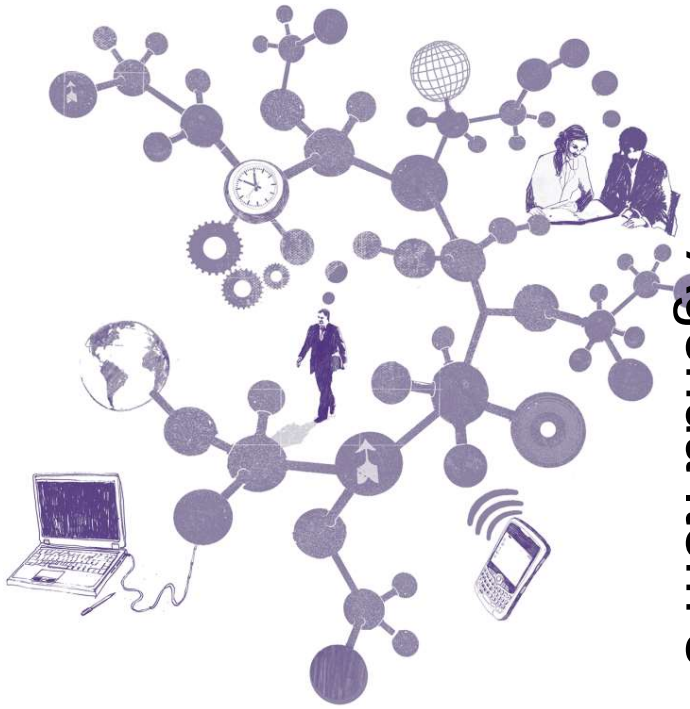
Year ended 31 March 2017

12 October 2017

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Executive summary

Purpose of this letter

Our Annual Audit Letter (Letter) summarises the key findings arising from the work we have carried out at Merseyside Fire and Rescue Authority (the Authority) for the year ended 31 March 2017.

This Letter provides a commentary on the results of our work to the Authority and its external stakeholders, and highlights issues we wish to draw to the attention of the public. In preparing this letter, we have followed the National Audit Office (NAO)'s Code of Audit Practice (the Code) and Auditor Guidance Note (AGN) 07 – 'Auditor Reporting'.

We reported the detailed findings from our audit work to the Authority's Policy and Resources Committee (as those charged with governance) in our Audit Findings Report on 27 July 2017.

Our responsibilities

We have carried out our audit in accordance with the NAO's Code of Audit Practice, which reflects the requirements of the Local Audit and Accountability Act 2014 (the Act). Our key responsibilities are to:

- give an opinion on the Authority's financial statements (section two)
- assess the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources (the value for money conclusion) (section three).

In our audit of the Authority's financial statements, we comply with International Standards on Auditing (UK and Ireland) (ISAs) and other guidance issued by the NAO.

Our work

Financial statements opinion

We gave an unqualified opinion on the Authority's financial statements on 29 August 2017.

Value for money conclusion

We were satisfied that the Authority put in place proper arrangements to ensure economy, efficiency and effectiveness in its use of resources during the year ended 31 March 2017. We reflected this in our audit opinion on 29 August 2017.

Certificate

We certified that we had completed the audit of the accounts of Merseyside Fire and Rescue Authority in accordance with the requirements of the Code on 29 August 2017.

Working with the Authority

The Accounts and Audit Regulations 2015 bring forward the approval and audit of the financial statements to 31 May and 31 July respectively from the 2017/18 financial year. We have continued to work closely with your finance team during the year to bring forward work in preparation for next year. The Authority's finance team is well placed to meet the earlier closedown requirements in 2017/18.

We would like to record our appreciation for the assistance and co-operation provided to us during our audit by the Authority's staff.

Grant Thornton UK LLP
12 October 2017

Audit of the accounts

Our audit approach

Materiality

In our audit of the Authority's accounts, we applied the concept of materiality to determine the nature, timing and extent of our work, and to evaluate the results of our work. We define materiality as the size of the misstatement in the financial statements that would lead a reasonably knowledgeable person to change or influence their economic decisions.

We determined materiality for our audit of the Authority's accounts to be £1,497k which is 2% of the Authority's gross revenue expenditure. We used this benchmark, as in our view, users of the Authority's accounts are most interested in how it has spent the income it has raised from taxation and grants during the year.

We also set a lower level of specific materiality for related parties and senior officer remuneration of £20k and £5k respectively.

We set a lower threshold of £75k above which we reported errors to the Policy and Resources Committee in our Audit Findings Report.

The scope of our audit

Our audit involves obtaining enough evidence about the amounts and disclosures in the financial statements to give reasonable assurance they are free from material misstatement, whether caused by fraud or error. This includes assessing whether:

- the Authority's accounting policies are appropriate, have been consistently applied and adequately disclosed;
- significant accounting estimates made by management are reasonable; and
- the overall presentation of the financial statements gives a true and fair view.

We also read the narrative report and annual governance statement to check they are consistent with our understanding of the Authority and with the accounts included in the Statement of Accounts on which we gave our opinion.

We carry out our audit in line with ISAs (UK and Ireland) and the NAO Code of Audit Practice. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach was based on a thorough understanding of the Authority's business and is risk based.

Audit opinion

We gave an unqualified opinion on the Authority's accounts on 29 August 2017, in advance of the 30 September 2017 national deadline.

The Authority made the accounts available for audit in line with the agreed timetable, and provided a good set of supporting working papers. The finance team responded promptly and efficiently to our queries during the audit.

Issues arising from the audit of the accounts

We reported the key issues from our audit of the Authority's accounts to the Policy and Resources Committee on 27 July 2017. We identified no adjustments affecting the Authority's reported financial position. We recommended a number of minor adjustments to improve the presentation and disclosure of the financial statements which the Authority actioned.

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Audit of the accounts

Annual Governance Statement and Narrative Report
We are required to review the Authority's Annual Governance Statement and Narrative Report. It published them on its website with the draft accounts in line with the national deadlines.

Both documents were prepared in line with the relevant guidance and were consistent with the supporting evidence provided by the Authority and with our knowledge of the Authority.

Controls
The Authority's management is responsible for the identification, assessment, management and monitoring of risk, and for developing, operating and monitoring the system of internal control.

Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we report these to the Authority.

Our audit work identified a control issue in relation to the calculation of National Insurance Contributions by the payroll system. Our audit testing identified that in specific circumstances, the payroll system understates both employer and employee NI contributions payable. This is a software weakness and Officers are working with the system provider to resolve this issue.

Other statutory duties

We also have additional powers and duties under the Act, including powers to issue a public interest report, make written recommendations, apply to the Court for a declaration that an item of account is contrary to law, and to give electors the opportunity to raise questions about the Authority's accounts and to raise objections received in relation to the accounts.

We have not identified any issues that have required us to apply our statutory powers and duties under the Act.

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Value for Money conclusion

Background

We carried out our review in accordance with the NAO Code of Audit Practice (the Code), following the guidance issued by the NAO in November 2016 which specified the criterion for auditors to evaluate:

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

Key findings

We carried out an initial risk assessment in April 2017 and did not identify any significant risks. However we noted at the time that whilst the Authority continues to face on-going financial pressures, it continues to have effective arrangements in place to manage its finances and deliver a balanced outturn position.

The Authority set a balanced budget for 2016/17 which formed the first year of its Medium Term Financial Strategy (MTFS) for the 4 year period to 2019/20.

The actual 2016/17 outturn position was an underspend of £2,349k against a revised budget of £61,507k, increasing the Authority's usable reserves to £31,858k at the year end. The Authority is keen to use any underspend to increase the firefighter recruitment reserve in light of the expected firefighter retirements over the next decade.

The Authority's Medium Term Financial Plan 2016/17 to 2019/20 requires the Authority to deliver some £11,000k in savings between 2016/17 and 2019/20. The Medium Term Financial Plan aims to achieve this through savings in technical and support services of £9,100k, and a further £1,900k from operational savings. Whilst the Authority consider these savings challenging, they believe they are achievable.

For 2017/18, the Authority approved its budget in March 2017. The Authority set a budget of £59,490k. The budget aims to deliver a year end break even position. The budget requires savings of £3,862k above those already delivered in 2016/17 and includes reductions in a number of areas including support service and management (£0.75m) and reductions in front line staffing (£1.0m).

The Authority continues to respond to meeting the challenges of Blue Light Collaboration. Consultants have undertaken a review exploring the potential synergies to be gained from a collaborative approach with Merseyside Police on integration of back office and professional services. Further to this, chief officers will now jointly undertake further work to consider practical options for a collaborative approach to the delivery of corporate services functions. The Authority has invited the Merseyside Police and Crime Commissioner to join the Fire Authority as a member. This should help develop further integration between the Fire Authority and Police.

We updated our risk assessment during the final accounts audit and did not identify any further risks where we need to perform work.

Overall VfM conclusion

We are satisfied that in all significant respects, the Authority put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2017.

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Appendix A: Reports issued and fees

We confirm below our final fees charged for the audit and provision of non-audit services to Merseyside Fire and Rescue Authority.

Fees 2016/17

	Proposed fee £	Final fee £
Authority audit	32,424	32,424
Total audit fees (excluding VAT)	**32,424**	**32,424**

The proposed fees for the year were in line with the scale fee set by Public Sector Audit Appointments Ltd (PSAA).

Fees for other services

Service	Fees £
None	

For the purposes of our audit we have made enquiries of all Grant Thornton UK LLP teams providing services to the Authority. No non-audit or other audit related services have been undertaken for the Authority.

Reports issued

Report	Date issued
Audit Plan	March 2017
Audit Findings Report	July 2017
Annual Audit Letter	October 2017

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External Audit Plan

Year ending 31 March 2018

Merseyside Fire & Rescue Authority

25 January 2018



Contents

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

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Introduction & headlines

Purpose

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

Respective responsibilities

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

Scope of our audit

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

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

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

Our audit approach is based on a thorough understanding of the Authority's business and is risk based.

Significant risks	Those risks requiring specific audit consideration and procedures to address the likelihood of a material financial statement error have been identified as: • The revenue cycle includes fraudulent transactions (rebuttable) • Management over-ride of controls • Valuation of property, plant and equipment • Valuation of pension fund net liability We will communicate significant findings on these areas as well as any other significant matters arising from the audit to you in our Audit Findings (ISA 260) Report.
Materiality	We have determined planning materiality to be £1.35m (PY £1.497m), which equates to 2% of your gross expenditure for 2017. We are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. Clearly trivial has been set at £50,600 (PY £75,000).
Value for Money arrangements	We will complete our risk assessment regarding your arrangements to secure value for money in February. At this stage we have have identified the estates programme as a potential significant risk. Our risk assessment will include updating our understanding of the Authority's arrangements for managing and reporting to Members the risks associated with and progress of the capital programme.
Audit logistics	Our interim visit will take place in January and our final visit will take place in June. Our key deliverables are this Audit Plan and our Audit Findings Report. Our fee for the audit will be £ 32,424 (PY: £32,424) for the Authority.
Independence	We have complied with the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements

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Deep business understanding

Changes to service delivery

Bluelight collaboration

The provisions of the Policing and Crime Act 2017 came into effect on 3 April 2017. These provisions included:

- introducing the duty to collaborate on all three emergency services;
- enabling PCCs to take on FRA functions where a local case is made; and
- enabling PCC representation on a Fire Authority with voting rights where the Fire Authority agrees

These provisions are expected to change the structure and legal status of many police bodies and fire and rescue authorities.

IRMP and Service transformation plans

The Government is continuing to push forward with its Fire reform agenda. A number of Fire & Rescue Authorities across the country are undergoing service transformations of varying degrees. In addition there are a number of inquiries ongoing into the Grenfell Tower fire that could lead to changes in practices and working arrangements.

Merseyside has clearly developed plans to re-structure the estate, to maximise the number of available appliances and recruit the right level of staff. The Service is working with the Police, Local Authorities and the NHS to improve public safety and community resilience.

Changes to financial reporting requirements

Accounts and Audit Regulations 2015 (the Regulations)

The Department of Communities and Local Government (DCLG) is currently undertaking a review of the Regulations, which may be subject to change. The date for any proposed changes has yet to be confirmed, so it is not yet clear or whether they will apply to the 2017/18 financial statements.

Under the 2015 Regulations local authorities are required to publish their accounts along with the auditors opinion by 31 July 2018.

Changes to the CIPFA 2017/18 Accounting Code

CIPFA have introduced minor changes to the 2017/18 Code which:

- introduce key reporting principles for the Narrative Report;
- clarify the reporting requirements for accounting policies and going concern reporting; and
- update the relevant sections regarding reporting requirements for Leases, Service Concession arrangements and Financial Instruments.

Key challenges

Financial pressures

The Authority is facing increased pressure on resources. It has been successful in keeping Council Tax increases to below 2% and continues to plan on this basis. The Current year budget spend is £59.5m and at the half year mark savings were £900k ahead of target.

The Authority recognises that lifting the 1% public sector pay cap will add to pressures on revenue budgets and expects every 1% of additional pay will require savings of £400k.

The Authority has a five year fully funded Capital Programme of £43m and has seen re-phasing of £6.75m from 2017/8 to 2018/19.

New Fire Service Inspectorate

As part of its Fire Reform agenda the Government has expanded the remit of the existing Police inspectorate to cover the role of Fire services. The newly established HMICFRS will undertake inspections of Fire services going forward and has recently announced its first three pilot sites.

The role of Inspectorate and the likely areas of interest have been factored in to the Authority's IMRP.

Our response

- We will consider your arrangements for managing and reporting your financial resources including your progress on Bluelight collaboration and estates strategy as part of our work in reaching our Value for Money conclusion.
- We will consider whether your financial position leads to uncertainty about the going concern assumption and will review any related disclosures in the financial statements.
- We will keep you informed of changes to the Regulations and any associated changes to financial reporting or public inspection requirements for 2017/18 through on-going discussions and invitations to our technical update workshops.
- As part of our opinion on your financial statements, we will consider whether your financial statements reflect the financial reporting changes in the 2017/18 CIPFA Code.

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Significant risks identified

Significant risks are defined by professional standards as risks that, in the judgement of the auditor, require special audit consideration because they have a higher risk of material misstatement. Such risks often relate to significant non-routine transactions and judgemental matters. In identifying risks, audit teams consider the nature of the risk, the potential magnitude of misstatement, and its likelihood.

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
The revenue cycle includes fraudulent transactions	Under ISA (UK) 240 there is a rebuttable presumed risk that revenue may be misstated due to the improper recognition of revenue. This presumption can be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud relating to revenue recognition.	Having considered the risk factors set out in ISA240 and the nature of the revenue streams at the Authority, we have determined that the risk of fraud arising from revenue recognition can be rebutted, because: • there is little incentive to manipulate revenue recognition • opportunities to manipulate revenue recognition are very limited • The culture and ethical frameworks of local authorities, including Merseyside Fire and Rescue Authority, mean that all forms of fraud are seen as unacceptable Therefore we do not consider this to be a significant risk for Merseyside Fire and Rescue Authority.
Management over-ride of controls	Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management over-ride of controls is present in all entities. Management over-ride of controls is a risk requiring special audit consideration.	We will: • gain an understanding of the accounting estimates, judgements applied and decisions made by management and consider their reasonableness • obtain a full listing of journal entries, identify and test unusual journal entries for appropriateness • evaluate the rationale for any changes in accounting policies or significant unusual transactions.

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Significant risks identified

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
Valuation of property, plant and equipment	The Authority revalues its land and buildings on an quinquennial basis to ensure that carrying value is not materially different from fair value. This represents a significant estimate by management in the financial statements. We identified the valuation of land and buildings revaluations and impairments as a risk requiring special audit consideration. .	We will, • Review management's processes and assumptions for the calculation of the estimate, the instructions issued to valuation experts and the scope of their work • Consider the competence, expertise and objectivity of any management experts used. • Discuss with the valuer the basis on which the valuation is carried out and challenge the key assumptions. • Review and challenge the information used by the valuer to ensure it is robust and consistent with our understanding. • Test revaluations made during the year to ensure they are input correctly into the Authority's asset register • Evaluate the assumptions made by management for those assets not revalued during the year and how management has satisfied themselves that these are not materially different to current value.
Valuation of pension fund net liability	The Local Government Pension Scheme (LGPS) pension net liability as reflected in the balance sheet, and asset and liability information disclosed in the notes to the accounts, represent significant estimates in the financial statements. The Firefighters Pension schemes pension fund liability as reflected in the balance sheet and notes to the accounts represent significant estimates in the financial statements. These estimates by their nature are subject to significant estimation uncertainty, being sensitive to small adjustments in the assumptions used. We identified the valuation of the pension fund net liability as a risk requiring special audit consideration.	We will: • Identify the controls put in place by management to ensure that the pension fund liability is not materially misstated. We will also assess whether these controls were implemented as expected and whether they are sufficient to mitigate the risk of material misstatement • Evaluate the competence, expertise and objectivity of the actuaries who carried out your pension fund valuation. We will gain an understanding of the basis on which the valuations is carried out. • Undertake procedures to confirm the reasonableness of the actuarial assumptions made. • Check the consistency of the pension fund asset and liability and disclosures in notes to the financial statements with the actuarial report from your actuaries

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Reasonably possible risks identified

Reasonably possible risks (RPRs) are, in the auditor's judgement, other risk areas which the auditor has identified as an area where the likelihood of material misstatement cannot be reduced to remote, without the need for gaining an understanding of the associated control environment, along with the performance of an appropriate level of substantive work. The risk of misstatement for an RPR is lower than that for a significant risk, and they are not considered to be areas that are highly judgmental, or unusual in relation to the day to day activities of the business.

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
Employee remuneration	Payroll expenditure represents a significant percentage 72% of the Authority's operating expenses. As the payroll expenditure comes from a number of individual transactions there is a risk that payroll expenditure in the accounts could be understated. We therefore identified completeness of payroll expenses as a risk requiring particular audit attention	We will • evaluate the Authority's accounting policy for recognition of payroll expenditure for appropriateness; • gain an understanding of the Authority's system for accounting for payroll expenditure and evaluate the design of the associated controls; • obtain payroll reconciliations and agree to the ledger and payroll reports, and investigate any significant adjustments; • agree year-end payroll accruals to supporting documentation. • perform substantive analytical review disaggregated by month.
Operating expenses	Non-pay expenses on other goods and services also represents a significant percentage 28% of the Authority's operating expenses. Management uses judgement to estimate accruals of un-invoiced costs. We identified completeness of non- pay expenses as a risk requiring particular audit attention:	We will • evaluate the Authority's accounting policy for recognition of non-pay expenditure for appropriateness; • gain an understanding of the Authority's system for accounting for non-pay expenditure and evaluate the design of the associated controls; • obtain a listing of non-pay expenditure and remove costs relating to depreciation, impairments and audit fees and agree large and unusual items to supporting documentation • take a non-statistical sample of the remaining transactions and agree to supporting documentation. • obtain a listing from the cash book of non-pay payments made in April, take non-statistical sample and ensure that they have been charged to the appropriate year.

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Reasonably possible risks identified

Reasonably possible risks (RPRs) are, in the auditor's judgement, other risk areas which the auditor has identified as an area where the likelihood of material misstatement cannot be reduced to remote, without the need for gaining an understanding of the associated control environment, along with the performance of an appropriate level of substantive work. The risk of misstatement for an RPR is lower than that for a significant risk, and they are not considered to be areas that are highly judgmental, or unusual in relation to the day to day activities of the business.

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
Firefighters pension scheme	The Authority administers the firefighters pension schemes, with the Firefighters Pension Fund Account being included in the financial statements. We identified completeness and accuracy of pension benefits payable as a risk requiring particular audit attention.	We will • gain an understanding of the Authority's systems for calculating, accounting for and monitoring pension benefit payments and evaluate the design of the associated controls; • obtain a schedule of benefit payments by type for the period, prove the mathematical accuracy and agree totals to scheme accounting records. • perform substantive analytical review the benefits paid. • test a sample of new pension benefits coming into payment, agreeing the calculations to supporting information. • test a sample of pensioners transferring from active to deferred status and agree to supporting information. • subject to the value of outturn figures test a sample of deaths in service or deferment, deaths in retirement or refunds to supporting documentation. • obtain a schedule of employer contributions (received and receivable) by source, prove the mathematical accuracy and agree to supporting evidence. • perform substantive review contributions made across the year. • confirm the value of the top-up grant, including the associated debtor/creditor & ensure the calculation and disclosure is appropriate.

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Other matters

Other work

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

- We carry out work to satisfy ourselves that disclosures made in your Annual Governance Statement are in line with the guidance issued and consistent with our knowledge of the Authority.
- We will read your Narrative Statement and check that it is consistent with the financial statements on which we give an opinion and that the disclosures included in it are in line with the requirements of the CIPFA Code of Practice.
- We carry out work on your consolidation schedules for the Whole of Government Accounts process in accordance with NAO group audit instructions.
- We consider our other duties under the Act and the Code, as and when required, including:
    - giving electors the opportunity to raise questions about your 2017/18 financial statements, consider and decide upon any objections received in relation to the 2017/18 financial statements;
    - issue of a report in the public interest; and
    - making a written recommendation to the Authority, copied to the Secretary of State.
- We certify completion of our audit.

Other material balances and transactions

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

Going concern

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

Materiality

The concept of materiality

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

Materiality for planning purposes

We propose to calculate financial statement materiality based on a proportion of the gross expenditure of the Authority for the financial year. In the prior year we used the same benchmark. We have determined planning materiality (the financial statements materiality determined at the planning stage of the audit) to be £1.35m (PY £1.497m), which equates to 2% of your gross expenditure on services for 2017. We design our procedures to detect errors in specific accounts at a lower level of precision.

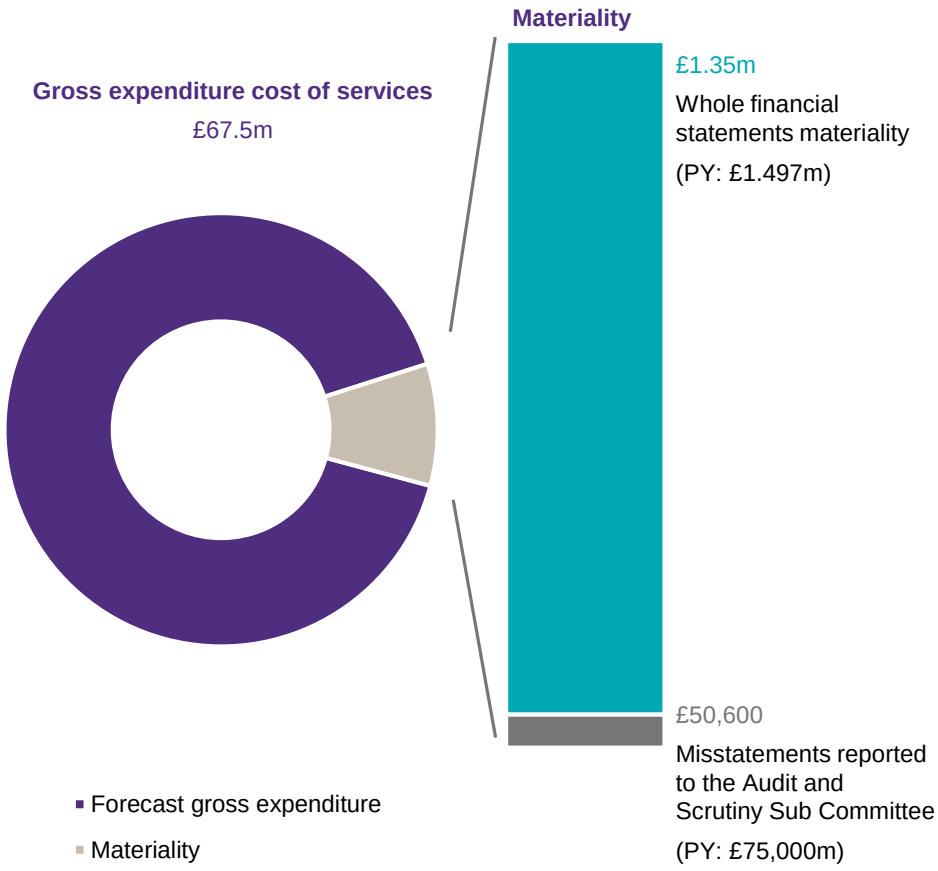
We reconsider planning materiality if, during the course of our audit engagement, we become aware of facts and circumstances that would have caused us to make a different determination of planning materiality

Officer remuneration and related party transactions are often areas that are subject to particular scrutiny by the general public. The inherent risks associated with these are no different to other disclosures in the accounts but to anticipate the needs of readers of the financial statements, we audit these to a lower level of materiality derived from the outturn figures. We will report this in our Audit Findings Report.

Matters we will report to the Audit and Scrutiny Sub Committee

Whilst our audit procedures are designed to identify misstatements which are material to our opinion on the financial statements as a whole, we nevertheless report to the Audit and Scrutiny Sub Committee any unadjusted misstatements of lesser amounts to the extent that these are identified by our audit work. Under ISA 260 (UK) 'Communication with those charged with governance', we are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. ISA 260 (UK) defines 'clearly trivial' as matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria. In the context of the Authority, we propose that an individual difference could normally be considered to be clearly trivial if it is less than £50,600 (PY £75,000).

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



Value for Money arrangements

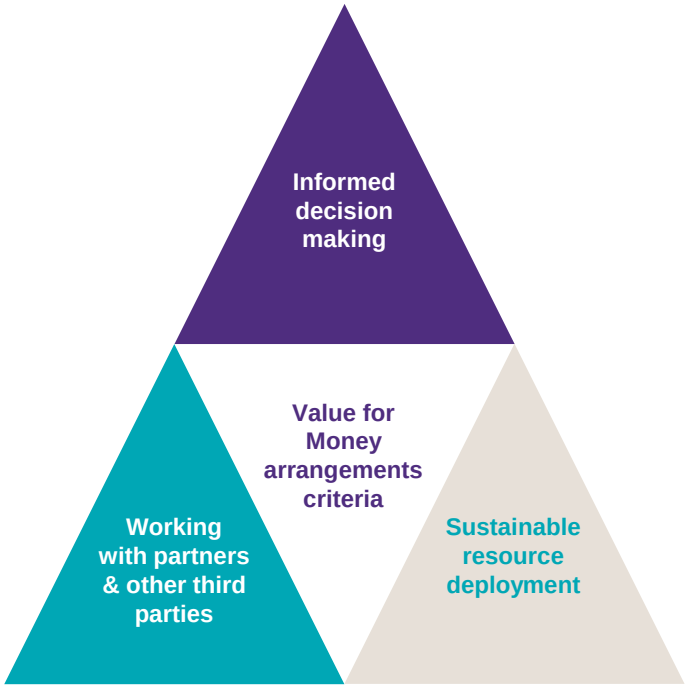
Background to our VFM approach

The NAO issued its guidance for auditors on Value for Money work for 2017/18 in November 2017. The guidance states that for local government bodies, auditors are required to give a conclusion on whether the Authority has proper arrangements in place.

The guidance identifies one single criterion for auditors to evaluate:

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

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



Significant VFM risks

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

Estates strategy

The Authority is operating against a background of

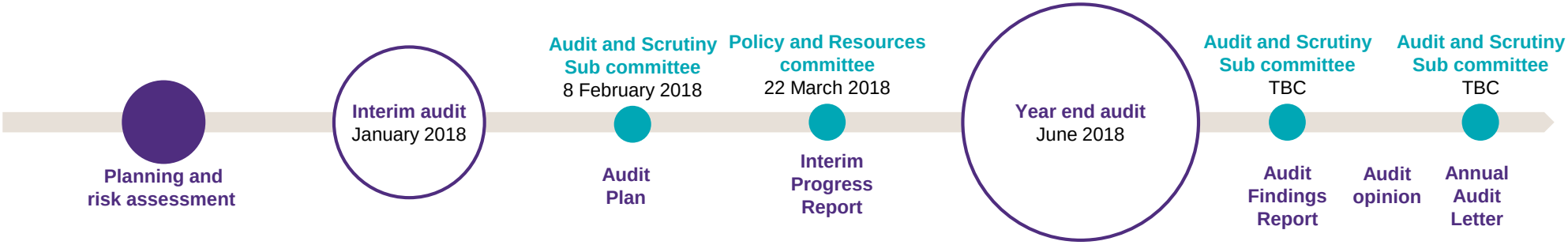
- Funding reductions
- Changes in the legislative and policy requirements
- Changes to the regulatory bodies and frameworks

The Authority has a significant capital programme, £43m over five years, which is fully funded from internal resources and is key to planned service development. As pressures on revenue budgets continue it will be important for the Authority to protect and manage this programme.

We will update our understanding of the Authority's arrangements for managing and reporting to Members the risks associated with and progress of the capital programme.

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Audit logistics, team & audit fees





[Michael Thomas, Engagement Lead

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



Gerard Small, Audit Manager

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



Lucinda Highfield, Audit Incharge

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

Audit fees

The planned audit fees are no less than £32,424 (PY: £32,424) for the financial statements audit. In setting your fee, we have assumed that the scope of the audit, and the Authority and its activities, do not significantly change.

Our requirements

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

Early close

Meeting the early close timeframe

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

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

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

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

Client responsibilities

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

Our requirements

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

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

In return, we will ensure that:

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

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Independence & non-audit services

Auditor independence

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

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements. Further, we have complied with the requirements of the National Audit Office's Auditor Guidance Note 01 issued in December 2016 which sets out supplementary guidance on ethical requirements for auditors of local public bodies.

We confirm that we have implemented policies and procedures to meet the requirements of the Ethical Standard. For the purposes of our audit we have made enquiries of all Grant Thornton UK LLP teams providing services to the Authority.

Non-audit services

No non-audit services were identified

Any changes and full details of all fees charged for audit related and non-audit related services by Grant Thornton UK LLP and by Grant Thornton International Limited network member Firms will be included in our Audit Findings report at the conclusion of the audit.

Appendices

A. Revised ISAs

Appendix A: Revised ISAs

Detailed below is a summary of the key changes impacting the auditor's report for audits of financial statement for periods commencing on or after 17 June 2016.

Section of the auditor's report	Description of the requirements
Conclusions relating to going concern	We will be required to conclude and report whether: • The directors use of the going concern basis of accounting is appropriate • The directors have disclosed identified material uncertainties that may cast significant doubt about the Authority's ability to continue as a going concern.
Material uncertainty related to going concern	We will need to include a brief description of the events or conditions identified that may cast significant doubt on the Authority's ability to continue as a going concern when a material uncertainty has been identified and adequately disclosed in the financial statements. Going concern material uncertainties are no longer reported in an Emphasis of Matter section in our audit report.
Other information	We will be required to include a section on other information which includes: • Responsibilities of management and auditors regarding other information • A statement that the opinion on the financial statements does not cover the other information unless required by law or regulation • Reporting inconsistencies or misstatements where identified
Additional responsibilities for directors and the auditor	We will be required to include the respective responsibilities for directors and us, as auditors, regarding going concern.
Format of the report	The opinion section appears first followed by the basis of opinion section.



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MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	**AUDIT AND SCRUTINY SUB COMMITTEE**		
DATE:	**8 FEBRUARY 2018**	**REPORT NO:**	**CFO/006/18**
PRESENTING OFFICER	**IAN CUMMINS**		
RESPONSIBLE OFFICER:	**IAN CUMMINS**	**REPORT AUTHOR:**	**IAN CUMMNS**
OFFICERS CONSULTED:	**STRATEGIC MANAGEMENT TEAM**		
TITLE OF REPORT:	**TREASURY MANAGEMENT INTERIM REPORT 2017/18**		

APPENDICES:	**APPENDIX A:**	**TREASURY MANAGEMENT INTERIM REPORT 2017/18**

Purpose of Report

1. This report ensures that the Authority meets the requirements of the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities. The Codes require the Authority to review its Treasury Management activities during the year to ensure they are consistent with its approved Treasury Management Strategy and have remained within the approved Prudential Indicators. This report meets that requirement and outlines the Treasury Management activities and performance for the first half of the financial year 2017/18.

Recommendation

2. That Members note the contents of the report.

Introduction and Background

3. The CIPFA Code of Practice for Treasury Management in Local Authorities has been adopted by the Authority and a Treasury Policy Statement incorporated into Financial Regulations, which are contained within the Authority's Constitution, in accordance with the requirements of the Code. The arrangements for reporting treasury management activities to members are that the Treasurer will present a minimum of three reports:-

   - An Annual Treasury Strategy Report before the start of a financial year.
   - An interim report during the second half of a financial year, (other interim reports will be prepared if necessary).
   - An annual outturn report by 30th September following the financial year to which it relates.

4. The original 2017/18 Treasury Management Strategy Statement was contained within the Budget and Financial Plan report CFO/015/17 approved by the

Authority at its meeting on 23rd February, 2017. The strategy covered the following areas:

(a) prospects for interest rates;
(b) capital borrowing and debt rescheduling;
(c) annual investment strategy;
(d) external debt prudential indicators;
(e) treasury management prudential indicators.
(f) performance indicators;
(g) treasury management advisers

5. The Interim Treasury Management Report, attached as Appendix A, constitutes the interim report for 2017/18. In summary the treasury management activity has been carried out in compliance with the relevant Codes and Statutes and within the borrowing and treasury management limits set by the Authority under the prudential code. Performance indicators are consistent with the Authority's approved Treasury Management Strategy.

Equality and Diversity Implications

6. There are no equality and diversity implications in this report.

Staff Implications

7. None directly related to this report.

Legal Implications

8. This report meets the requirements of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (as amended) paragraph 24 issued under the Local Government Act 2003 and the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities.

Financial Implications & Value for Money

9. Borrowing and financing costs at £6.173m make up a significant proportion of Authority budgets (approximately 10%). It is vital that this is proactively managed alongside the investment portfolio to minimise risk.

Risk Management, Health & Safety, and Environmental Implications

10. None directly related to this report.

Contribution to Our Mission: *Safer Stronger Communities – Safe Effective Firefighters*

11. Sound budgetary management and the delivery of services within the approved budget contribute to the core value of providing an excellent and affordable response.

BACKGROUND PAPERS

CFO/008/11 "MFRA Budget and Financial Plan 2017/2018 – 2021/22" Authority 23rd February 2017.

GLOSSARY OF TERMS

CIPFA The Charted Institute for Public Finance & Accountancy.

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Appendix A

TREASURY MANAGEMENT INTERIM REPORT 2017/18

INTRODUCTION

1. The CIPFA Code of Practice for Treasury Management in Local Authorities has been adopted by the Authority. The Code requires that Treasury Management activities are subject to reports to Members. This report represents the interim report for 2017/18.

2. The strategy for the year was identified in the Treasury Management Strategy Statement 2017/18 as part of the Budget Proposals 2017/18 submitted to Members in March 2017. The strategy covered the following areas:

   (a) prospects for interest rates;
   (b) capital borrowing and debt rescheduling;
   (c) annual investment strategy;
   (d) external debt prudential indicators;
   (e) treasury management prudential indicators.
   (f) performance indicators;
   (g) treasury management advisers

PROSPECTS FOR INTEREST RATES

3. The Bank of England Monetary Policy Committee (MPC) increased the base rate by 0.25% to 0.50% at it's meeting on 2 November 2017. This removed the emergency cut in August 2016 after the EU referendum. The MPC also gave forward guidance that they expect to increase the bank rate only twice more by 0.25% prior to 2020 with a view to a base rate of 1.00%. Latest forecasts anticipate that a further 0.25% increase is not expected before December 2018. However, some forecasters are flagging up that they expect growth to accelerate significantly towards the end of 2017 and then into 2018. This view is based primarily on the coming fall in inflation, (as the effect of the effective devaluation of sterling after the EU referendum drops out of the cpi statistics), which will bring to an end the negative impact on consumer spending power. In addition, a strong export performance will compensate for weak service sector growth. If this scenario was indeed to materialise, then the MPC would be likely to accelerate its pace of increases in Bank Rate during 2018 and onwards.

4. PWLB rates and gilt yields have continued to experience exceptional levels of volatility linked to geo-political, sovereign debt crisis and emerging market developments. Despite this volatility PWLB rose slightly, from historically low levels, by 0.15 % during the first half of the financial year.

5. The strategy indicated that the overall structure of interest rates whereby short term rates are lower than long term rates was expected to remain throughout 2017/18. In this scenario, the strategy would be to reduce investments and borrow for short periods and possibly at variable rates when required.

CAPITAL BORROWINGS AND DEBT RESCHEDULING

6. 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 does not envisage that any new long term borrowing will be required in 2017/18.

7. Current PWLB lending terms have severely constrained the option to generate savings via debt rescheduling. A significant rise in long term interest rates is required before rescheduling of debt is viable. However, interest rate structures are continually monitored for opportunities to generate savings from debt rescheduling. Any rescheduling that takes place will be reported to Members in monitoring reports.

ANNUAL INVESTMENT STRATEGY

8. The investment strategy for 2017/18 set out the priorities as the security of capital and liquidity of investments. Investments are made in accordance with DCLG Guidance and CIPFA Code of Practice. Investments are made in sterling with an institution on the counterparty list and for a maximum of one-year duration.

9. Investments have been made with various counterparties including UK and foreign banks with higher credit ratings, the larger Building Societies, “nationalised” banks and AAA rated money market funds. This diversity has enabled reasonable returns in a low interest rate environment. In the period 1st April to 30 September 2017 the average rate of return achieved on average principal available was 0.52 %. This compares with an average seven day deposit (7 day libid) rate of 0.11 %.

EXTERNAL DEBT PRUDENTIAL INDICATORS

10. The external debt indicators of prudence for 2017/18 required by the Prudential Code were set in the strategy as follows:

Authorised limit for external debt:	£77 million
Operational boundary for external debt:	£59 million

Against these limits, the maximum amount of debt that was reached in the period April to September 2017 was £39.1 million.

TREASURY MANAGEMENT PRUDENTIAL INDICATORS

11. The treasury management indicators of prudence for 2017/18 required by the Prudential Code were set in the strategy as follows:

a) Interest Rate Exposures

Upper limit on fixed interest rate exposures:	100%
Upper limit on variable interest rate exposures:	50%

The maximum that was reached in the period April to September 2017 was as follows:

Upper limit on fixed interest rate exposures:	100%
Upper limit on variable interest rate exposures:	0%

b) Maturity Structure of Borrowing

Upper and lower limits for the maturity structure of borrowing were set and the maximum and minimum that was reached for each limit in the period April to September 2017 was as follows: -

Maturity Period	Upper Limit	Lower Limit	Maximum Actual	Minimum Actual
Under 12 months	50%	0%	3%	0%
12 months and within 24 months	50%	0%	2%	1%
24 months and within 5 years	50%	0%	10%	9%
5 years and within 10 years	50%	0%	0%	0%
10 years and above	90%	0%	89%	86%

c) Total principal sums invested for periods longer than 364 days
The limit for investments of longer than 364 days was set at £2 million for 2017/18. No such investments have been placed in 2017/18.

12. **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.

13. The indicators for the treasury function are:

Borrowing – the indicator is the average rate of actual borrowing compared to the average available for the period of borrowing. However, there has been no borrowing in the period April to September 2017.

Investments – Internal returns compared to the 7 day LIBID rate. The return in the period April to September 2017 was 0.41 % above the benchmark.

TREASURY MANAGEMENT ADVISORS

14. 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 advisors appointed under a competitive procurement exercise who provide a range of services which include: -

- Technical support on treasury matters, 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.

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

CONCLUSION

16. Treasury Management activity in 2017/18 has been carried out in compliance with the relevant Codes and Statutes and within the borrowing and treasury management limits set by the Authority under the prudential code.

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MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	**AUDIT & SCRUTINY COMMITTEE**		
DATE:	**8TH FEBRUARY 2018**	**REPORT NO:**	**CFO/003/18**
PRESENTING OFFICER	**CHIEF FIRE OFFICER**		
RESPONSIBLE OFFICER:	**IAN CUMMINS**	**REPORT AUTHOR:**	**IAN CUMMINS**
OFFICERS CONSULTED:	**STRATEGIC MANAGEMENT GROUP**		
TITLE OF REPORT:	**FINANCIAL REVIEW 2017/18 - APRIL TO DECEMBER**		

APPENDICES:	**APPENDIX A1:**	**REVENUE BUDGET MOVEMENTS SUMMARY**
	APPENDIX A2:	**FIRE AND RESCUE SERVICE REVENUE BUDGET MOVEMENTS**
	APPENDIX A3:	**CORPORATE SERVICE REVENUE BUDGET MOVEMENTS**
	APPENDIX A4:	**BUDGET MOVEMENTS ON RESERVES**
	APPENDIX B:	**CAPITAL PROGRAMME 2017/18**
	APPENDIX C:	**APPROVED AUTHORITY CAPITAL PROGRAMME 2017/18 – 2021/22**

Purpose of Report

1. To review the financial position, revenue and capital, for the Authority for 2017/18. The Authority receives regular comprehensive financial reviews during the year which provide a full health check on the Authority's finances. This report covers the period April to December 2017.

Recommendation

2. That Members;
   a) Note the potential £0.500m favourable revenue position identified within this report,
   b) Approve the utilisation of the £0.500m favourable revenue position to increase the Capital Reserve in order to enable the Authority to manage its borrowing need and any potential additional investment in the new St Helen's fire station and TDA refurbishment schemes, and
   c) Instruct the Treasurer to continue to work with budget managers to maximise savings in 2017/18.

Executive Summary

Revenue:
The Authority has a detailed medium-term financial plan. The key elements of this are :-

- To control Council Tax
- To continue with its modernisation programme and deliver the Authority's Mission of achieving Safer Stronger Communities – Safe Effective Firefighters
- To deliver the required savings through efficiencies, most of which are employee related, whilst minimising the impact of the cuts.

The Authority is on target to deliver the approved 2017/18 budget savings and is progressing well with the required structural changes in its workforce in order to maintain the required savings on a permanent basis. The Authority has a strategy of maximising savings and delivering its savings plan as early as possible in order to increase reserves as a hedge against future financial challenges. Overall this report has identified that in cash terms the Authority is £0.500m ahead of its saving plan target. Members are asked to approve utilising this saving to fund an increase in the capital reserve in light of the delay in finalising the new St Helen's fire station and TDA refurbishment schemes and the potential increase in build costs due to inflationary pressures. The capital reserve would allow the Authority to meet any additional capital costs from the capital reserve and therefore avoid additional borrowing and associated long term revenue costs associated with borrowing. Officers will continue to work through the remainder of the year to maximise any savings in order to increase reserves.

The total budget requirement remains at the original budget level of £59.490m. Appendix A1 – A4 outline in detail all the revenue budget and reserve movements between April and December 2017.

Capital:
The capital programme planned spend has increased by £0.733m and is fully funded from specific resources. The revised Capital Programme is outlined in Appendix B and C.

Reserves & Balances:
The general balance remains unchanged at £2.000m. All movements in earmarked reserves are outlined in Appendix A4.

Treasury Management:
No new long term borrowing has been arranged and the Authority has continued its policy of reducing investments and only taking short term borrowing to cover cash flow requirements.

Introduction and Background

3. The purpose of this report is to enable the Authority to monitor its income and expenditure levels against its budget on a regular basis throughout the year to ensure effective financial management.

4. This report is the review of the Authority's position up to the end of December of the financial year 2017/18 (April – December 2017).

5. In order to ensure that the financial reviews provide a regular and effective financial health check on all aspects of the Authority's finances the following structure has been adopted.

Financial Review Structure

Section	Content
A	Current Financial Year Review (Revenue Budget, Capital Programme and movement on Reserves)
B	Treasury Management Review

(A) Current Financial Year – 2017/18

6. The purpose of the financial review report is to provide Members with an assurance that the approved budget remains robust and that the current forecast of expenditure can be contained within the available resources. If actual expenditure or income for the year is inconsistent with the current budget then the report will, if necessary, identify the appropriate corrective action.

Revenue Position:

7. Budget Movements: The attached Appendix A1 – A4 to this report summarises the movements in the revenue budget. The net budget requirement remains at £59.490m which is consistent with the original budget.

8. There have been a number of minor budget adjustments in the quarter but they have had no impact on the "bottom-line" as they are either self-balancing virements within department budgets or budget adjustments financed by reserves in line with previously agreed Authority decisions.

9. Update on Budget Savings Implementation:
Pre 2016/17 Budget - the Authority had approved savings in total of £25.597m as part of the medium term financial plans. These savings had been forecast to be fully delivered by 2017 through natural firefighter retirement rates. The savings are on target to be delivered as expected by the end of calendar year. However the required structural changes will not be formally implemented until the required new fire stations being built as part of the station merger initiative are completed. However, the full saving target will be delivered in cash terms as long as the firefighter retirement rate remains consistent with the current expectation.

10. **The Authority approved 2016/17 & 2017/18 Budget** savings of £12.462m to be delivered in full by 2021/22. The saving plan included;

- efficiency savings of £8.256m by reducing management and support services costs,
- a known or anticipated £2.306m increase in the council tax base that the plan assumed is permanent.

Despite identifying efficiencies of £10.562m the Authority had to approve an unavoidable reduction of £1.900m from operational response in order to balance the financial plan by 2021/22. The operational saving has been phased so it can be achieved by anticipated firefighter retirement rates.

All saving options assumed in 2017/18 have been successfully implemented although the 2017/18 firefighter pay increase has not yet been settled.

The non-firefighter pay award for 2017/18 has been settled at the assumed budget target of 1%, but as stated above the 2017/18 firefighter pay award remains to be agreed. An employers' offer of 2% with a potential further 3% in April 2018 has been rejected by the FBU. Any settlement above the 1% assumed in 2017/18 will require permanent additional savings to be identified (approximately £0.3m for each additional 1%). The Authority has established an inflation reserve of £0.5m that may be able to cover any increase in 2017/18, but Members will need to consider the consequences of any agreed 2017/18 pay award above the assumed 1% during the 2018/19 budget making process. As most non-employee and technical savings have been exhausted it is likely that any pay award above the 1% assumed in 2017/18 or change in the 1% assumed for 2018/19 & 2019/20 (2% assumed thereafter) will have to be met from a reduction in the employee establishment. To assist Members as an example each additional 1% may require the loss of up to 10 firefighter posts. The issue over future pay award increases will be considered as part of the 2018/19 budget process.

11. Actual expenditure in comparison to Revenue Budget**:** The Authority is concerned that any future Government may continue to reduce the level of Government support in real terms post 2019/20. It therefore has directed the Chief Fire Officer to maximise savings in the year to contribute towards the building up of reserves. Such reserves can then be used as part of an implementation and risk management strategy to deliver savings.

Employee Costs;

Employee costs make-up approximately 75% of the Authority's revenue budget and is the most risk critical area of the financial plan. As a result these costs are monitored extremely closely.

Firefighter retirements are slightly ahead of the forecast profile adopted for the financial strategy and a small favourable variance of £0.175m is anticipated. Non-firefighter employee costs are forecast to be £0.025m below budget due to temporary vacancies and not all employees being at

the budgeted top of the grade. At this point employee costs are expected to be £0.200m under budget.

Contingency for 2017/18 Pay & Price Increases;

As stated already Members will recall that the budget assumed a 1% pay bill increase in 2017/18 and up to 2019/20. The non-uniform staff have accepted a 2017/18 1% pay award but significant risk exists around the firefighter's award. In addition the current plan's assumption of a 1% pay award in 2018/19 and 2019/20 is at risk with the possible removal of the public sector 1% pay freeze. Each additional 1% award would require additional permanent savings of +£0.400m (£0.300m for firefighters and £0.100m for non-operational staff). A review of the current financial plan's assumptions will form part of the 2018/19 budget process. Officers are continuing to control the allocation of non-employee inflation and the current 5 year financial plan includes a permanent reduction in the inflation provision of £0.454m by 2019/20. The close management of the non-employee inflation is delivering the approved saving ahead of schedule and along with the current practice of looking to fund any inflationary pressure from within the relevant budget line in the first instance, the current expectation is that this strategy will result in a £0.300m saving against the current provision.

The Treasurer will continue to monitor actual staff numbers during the year to ensure the Service continues to deliver in "cash" terms the required saving target and report back as the year progresses.

12. Debtor accounts under £5,000 may be written off by the Treasurer. Following advice from legal services that due to charges being raised in error the three debtor accounts have been approved for write-off under delegated powers in the second quarter totalling £1,660.80:-

Service	Write Off Reason	Original Invoice Value		
		Nett	VAT	Gross
		£	£	£
SPECIAL SERVICE CALL	LITIGATION ADVICE	688.00	137.60	825.60
SPECIAL SERVICE CALL	LITIGATION ADVICE	348.00	69.60	417.60
SPECIAL SERVICE CALL	LITIGATION ADVICE	348.00	69.60	417.60
		1,384.00	276.80	1,660.80

13. Summary of Revenue Forecast Position: The Authority has made good progress in implementing the approved budget saving options and required organisational structure changes.

As expected the implementation of all of the approved station merger proposals have yet to be formally concluded, therefore the required budgetary structural changes remain outstanding. As Firefighter retirements are slightly ahead of the planned schedule the Service continues to deliver in "cash" terms the required saving target. The quarter 3 forecast has identified a revenue saving of £0.500m. Members are asked to approve the utilisation of this saving to fund an increase in

the capital reserve in light of the delay in finalising the new St Helen's fire station and TDA refurbishment schemes and the potential increase in build costs due to inflationary pressures. The capital reserve would allow the Authority to meet any additional capital costs from the capital reserve and therefore avoid additional borrowing and associated long term revenue costs associated with borrowing. The Table below summarises the revenue year-end forecast position based on spend to the end of December 2017:

	FIRE SERVICE BUDGET	Fire Authority	NRAT	TOTAL BUDGET	ACTUAL as at 31.12.17	FORE-CAST	VARI-ANCE
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Expenditure							
Employee Costs	48,217	403	1,753	50,373	33,651	50,173	-200
Premises Costs	2,694	0		2,694	1,553	2,694	0
Transport Costs	1,633	0	465	2,098	1,235	2,098	0
Supplies and Services	3,127	34	1,303	4,464	2,066	4,464	0
Agency Services	5,815	0	780	6,595	3,873	6,595	0
Central Support Services	469	92	215	776	527	776	0
Capital Financing	11,043	0	5	11,048	0	11,048	0
Income	-7,560	0	-4,521	-12,081	-9,731	-12,081	0
Net Expenditure	65,438	529	0	65,967	33,174	65,767	-200
Contingency Pay&Prices	774			774	0	474	-300
Cost of Services	66,212	529	0	66,741	33,174	66,241	-500
Interest on Balances	-172			-172	-26	-172	0
Movement on Reserves	-7,079			-7,079	0	-7,079	0
Total Operating Cost	58,961	529	0	59,490	33,148	58,990	**-500**

The Treasurer is continuing to work with budget holders to maximise savings in 2017/18.

Capital Programme Position:

14. The last financial review report (CFO/076/17) approved a 5 year capital programme worth £43.445m. This has now been updated for scheme additions and changes during quarter 3 of £0.733m which are summarised in the table below:

Movement in the 5 Year Capital Programme						
	Total Cost	2017/18	2018/19	2019/20	2020/21	2021/22
Expenditure	£'000	£'000	£'000	£'000	£'000	£'000
Amendments to Approved Schemes;						
Re-phasing of planned spend	0.0	-3,811.1	4,036.1	54.3	-384.3	105.0
Increase in Vehicle Prog due to price increases	38.0	20.8	4.6	7.2	5.4	0.0
Increase in Saughall Massie CFS (CFO/059/17)	600.0	0.0	600.0	0.0	0.0	0.0
New ESMCP Remedial Works	111.3	111.3	0.0	0.0	0.0	0.0
New & amended ICT & Bulding works funded by Res/Revenue	-16.4	-16.4	0.0	0.0	0.0	0.0
	732.9	**-3,695.4**	**4,640.7**	**61.5**	**-378.9**	**105.0**
Funding						
Borrowing:						
Rephasing of approved schemes from 2017/18	0.0	-3,461.1	3,686.1	54.3	-384.3	105.0
Increase in price of Vehicles	38.0	20.8	4.6	7.2	5.4	0.0
Capital Receipts						
Re-phasing of Formby LLAR house	0.0	-350.0	350.0	0.0	0.0	0.0
Reserves						
Saughall Massie FS New Build- increase (CFO/059/17)	600.0	0.0	600.0	0.0	0.0	0.0
New ICT & Building schemes	27.9	27.9				
Revenue Contribution to Capital Outlay(RCCO)						
New ICT equipment	6.7	6.7				
Capital Grant						
New ESMCP Project schemes	60.3	60.3				
	732.9	**-3,695.4**	**4,640.7**	**61.5**	**-378.9**	**105.0**

15. Although the level of planned expenditure has increased by £0.733m, the level of required borrowing has only increase by £0.038m as the majority of the increase in expenditure is funded by non-borrowing resources. Details of the planned changes in quarter 3 are outlined below:

- Following a review of the current programme £3.811m has rephrased into future years. The most significant adjustments are for the £1.0m for the TDA refurbishment as plans are unlikely to be finalised until the end of this year, and £1.1m for the prime movers and Incident Command Unit as the tender specification and evaluation has only recently been finalised.
- The replacement of the national Airwaves emergency communications system with a new Emergency Services Mobile Communications Programme alternative, ESMCP, requires up-front investment in the control room integration and ICT security and a new scheme for £0.111m funded by Home Office grant monies has been added to the current programme.
- Members approved report CFO/059/17 at the Authority meeting on 14th December 2017, and agreed to drawdown an additional £0.600m from the

capital reserve to fund increased spend on the new Saughall Massie fire station.

- A number of small changes to the ICT, Building and Vehicle programmes totalling £0.022m have been built into the latest capital budget.

16. Overall the revised capital programme has increased by £0.733m. The revised detailed capital programme is attached as Appendix B (2017/18 Capital Programme) and Appendix C (2017/18–2021/22 Capital Programme) to this report for Members information.

Use of Reserves:

17. The analysis in Appendix A4 outlines a £0.025m drawdown of earmarked reserves to fund changes to the capital and revenue budgets to cover planned spend. The general revenue reserve has remained unchanged at £2.000m.

18. This report is recommending that the report's forecast revenue underspend of £0.500m be used to increase the existing capital reserve in light of the delay in finalising the new St Helens fire station and TDA refurbishment schemes and the potential increase in build costs due to inflationary pressures. The capital reserve would allow the Authority to meet any additional capital costs from the capital reserve and therefore avoid additional borrowing and associated long term revenue costs associated with borrowing.

(B) Treasury Management

19. The Authority continues to "buy in" Treasury Management from Liverpool City Council. The following paragraphs reflect Treasury Management activities in the period April to December 2017.

20. **Prospects for Interest Rates;**
The Bank of England Monetary Policy Committee (MPC) increased the base rate by 0.25% to 0.50% at its meeting on 2nd November 2017. This removed the emergency cut in August 2016 after the EU referendum. The MPC also gave forward guidance that they expect to increase the bank rate only twice more by 0.25% prior to 2020 with a view to a base rate of 1.00%. Latest forecasts anticipate that a further 0.25% increase is not expected before December 2018. However, some forecasters are flagging up that they expect growth to accelerate significantly towards the end of 2017 and then into 2018. This view is based primarily on the coming fall in inflation, (as the effect of the effective devaluation of sterling after the EU referendum drops out of the CPI statistics), which will bring to an end the negative impact on consumer spending power. In addition, a strong export performance will compensate for weak service sector growth. If this scenario was indeed to materialise, then the MPC would be likely to accelerate its pace of increases in Bank Rate during 2018 and onwards.

PWLB rates and gilt yields have continued to experience exceptional levels of volatility linked to geo-political, sovereign debt crisis and emerging market developments. Despite this volatility PWLB rose slightly, from historically low levels, by 0.15 % during the first half of the financial year.

The strategy indicated that the overall structure of interest rates whereby short term rates are lower than long term rates was expected to remain throughout 2017/18. In this scenario, the strategy would be to reduce investments and borrow for short periods and possibly at variable rates when required.

21. **Capital Borrowings and the Portfolio Strategy;**
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 does not envisage that any new long term borrowing will be required in 2017/18. Current market conditions continue to be unfavourable for any debt rescheduling.

22. **Annual Investment Strategy;**
The investment strategy for 2017/18 set out the priorities as the security of capital and liquidity of investments. Investments are made in accordance with DCLG Guidance and CIPFA Code of Practice. Investments are made in sterling with an institution on the counterparty list.

Extreme caution has been taken in placing investments to ensure security of funds rather than rate of return. The use of deposit accounts with highly rated or nationalised banks and AAA rated money market funds has enabled reasonable returns in a low interest rate environment. In the period 1st April to 31st December 2017 the average rate of return achieved on average principal available was 0.49%. This compares with an average seven day deposit (7 day libid) rate of 0.17%.

The credit ratings and individual limits for each institution within the categories of investments to be used by the Authority in 2017/18 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
UK Banks and Building Societies (A- or higher rated)	£2m
Foreign banks registered in the UK (A or higher rated)	£2m
Building societies within the top ten but do not have an agency determined credit rating	£1m

The Authority had investments of £30.5m as at 31st December 2017 (this included a proportion of the £28.7m firefighters' pension grant received in July that will be utilised in the year):

Institution	Credit Rating	MM Fund*	Bank / Other	Building Society	Average Interest
		£	£	£	%
Federated Investors	AAA	2,900,000			0.20
JP Morgan Sterling Liquidity Fund	AAA	300,000			0.20
Standard Life Investors (Ignis)	AAA	300,000			0.20
Birmingham CC	Unrated		5,000,000		0.20
Close Brothers	A		2,000,000		1.10
Goldman Sachs	A		2,000,000		0.79
Handelsbanken	A		2,000,000		0.20
HBOS FTD	A		2,000,000		0.90
HBOS FTD	A		2,000,000		0.90
Santander UK	A		2,000,000		1.05
Cumberland BS	Unrated			1,000,000	0.36
Nationwide B Soc	A			2,000,000	0.63
Newcastle B Soc	Unrated			1,000,000	0.80
Nottingham B Soc	Unrated			1,000,000	0.77
Principality B Soc	Unrated			1,000,000	0.75
Skipton B Soc	Unrated			1,000,000	0.75
West Bromwich B Soc	Unrated			1,000,000	1.05
Yorkshire B Soc	A-			2,000,000	0.75
Totals		**3,500,000**	**17,000,000**	**10,000,000**	**0.64**
Total Current Investments				**30,500,000**	

**MM Fund - Money Market Funds -these are funds that spread the risk associated with investments over a wide range of credit worthy institutions.*

23. **External Debt Prudential Indicators;**
The external debt indicators of prudence for 2017/18 required by the Prudential Code were set in the strategy as follows:

Authorised limit for external debt: £77 million
Operational boundary for external debt: £59 million

Against these limits, the maximum amount of debt reached at any time in the period 1st April to 31st December year 2017 was £39.1 million.

24. **Treasury Management Prudential Indicators;**
The treasury management indicators of prudence for 2017/18 required by the Prudential Code were set in the strategy as follows:

a) Interest Rate Exposures

Upper limit on fixed interest rate exposures: 100%
Upper limit on variable interest rate exposures: 50%

The maximum that was reached in the in the period 1st April to 31 December year 2017 was as follows:

Upper limit on fixed interest rate exposures: 100%
Upper limit on variable interest rate exposures: 0%

b) Maturity Structure of Borrowing

Upper and lower limits for the maturity structure of borrowing were set and the maximum and minimum that was reached for each limit in the period 1st April to 31st December year 2017 was as follows:

Maturity Period	Upper Limit	Lower Limit	Maximum	Minimum
Under 12 months	50%	0%	3%	0%
12 months and within 24 months	50%	0%	2%	1%
24 months and within 5 years	50%	0%	10%	9%
5 years and within 10 years	50%	0%	0%	0%
10 years and above	90%	0%	89%	86%

c) Total principal sums invested for periods longer than 364 days.

The limit for investments of longer than 364 days was set at £2 million for 2017/18. No such investments have been placed during 2017/18.

Equality and Diversity Implications

25. There are no equality and diversity implications contained within this report.

Staff Implications

26. There are no staff implications contained within this report.

Legal Implications

27. There are no legal implications directly related to this report.

Financial Implications & Value for Money

28. See Executive Summary.

Risk Management, Health & Safety, and Environmental Implications

29. There are no Risk Management, Health & Safety and Environmental implications directly related to this report.

Contribution to Our Mission: *Safer Stronger Communities – Safe Effective Firefighters*

30. The achievement of actual expenditure within the approved financial plan and delivery of the expected service outcomes is essential if the Service is to achieve the Authority's Mission.

BACKGROUND PAPERS

CFO/015/17 "MFRA Budget and Financial Plan 2017/2018-2021/2022" Authority 23rd February 2017.

CFO/054/17 "Financial Review 2017/18 – April June" Audit and Scrutiny Sub Committee 21st September 2017.

CFO/076/17 "Financial Review 2017/18 – April September" Authority December 2017.

GLOSSARY OF TERMS

PWLB	Public Works Loans Board
CIPFA	Chartered Institute of Public Finance and Accountancy
MPC	Monetary Policy Committee
ESMCP	Emergency Services Mobile Communications Programme
TDA	Training and Development Academy
IMU	Incident Management Unit

APPENDIX A1

2017/18 REVENUE BUDGET MOVEMENT SUMMARY

Actual 2016/17	SERVICE REQUIREMENTS	Base Budget 2017/18	Qtr 1 Budget 2017/18	Qtr 2 Budget 2017/18	Reserve Draw-down	Virements	Qtr 3 Budget 2017/18
£'000		£'000	£'000	£'000	£'000	£'000	£'000
57,603	Fire Service	69,556	69,848	66,018	25	45	65,438
481	Corporate Management	536	529	529	0	0	529
0	NRAT MFRS Lead Authority	0	0	0	0	0	0
0	2014 - 15 New Dynamic Staff Saving	-2,156	0	0	0	0	0
0	2017 - 18 New Dynamic Staff Saving	-1,750	0	0	0	0	0
58,084		66,186	70,377	66,547	25	45	65,967
			0				
0	Contingency for Pay/Price Changes	1,264	1,119	819	0	-45	774
58,084	TOTAL SERVICE EXPENDITURE	67,450	71,496	67,366	25	0	66,741
-187	Interest on Balances	-172	-172	-172	0	0	-172
57,897	NET OPERATING EXPENDITURE	67,278	71,324	67,194	25	0	66,569
	Contribution to/(from) Reserves						
	Emergency Related Reserves						
-170	Insurance Reserve	0	0	0	0	0	0
-400	Catastrophe Reserve	0	0	0	0	0	0
	Modernisation Challenge						
658	Smoothing Reserve	-1,075	-1,075	-175	0	0	-175
-365	Severance Reserve	0	0	0	0	0	0
-400	Ill Health Penalty Reserve	0	0	0	0	0	0
2,100	Recruitment Reserve	-844	-844	-844	0	0	-844
	Capital Investment Reserve						
2,232	Capital Investment Reserve	-5,850	-9,887	-5,859	0	0	-5,859
-3	PFI Annuity Reserve	-67	-67	-75	0	0	-75
-760	Firefighter Safety Investment Res	0	0	0	0	0	0
1,000	Invest to Save Reserve	0	0	0	0	0	0
	Specific Projects						
-121	Equipment Reserve	0	-25	-25	0	0	-25
220	Training Reserve	0	0	0	0	0	0
6	Healthy Living/Olympic Legacy	0	0	0	0	0	0
0	Clothing / Boots Reserve	0	0	-108	0	0	-108
-17	Communications Reserve	0	0	0	0	0	0
-100	CFOA Road Safety Reserve	0	0	0	0	0	0
	Ringfenced Reserves						
-51	F.R.E.E. Reserve	0	0	0	0	0	0
-276	Princes Trust Reserve	0	0	0	0	0	0
-58	Community Youth Team Reserve	0	0	0	0	0	0
-62	Beacon Peer Project Reserve	0	0	0	0	0	0
148	Community Risk Management	0	0	0	0	0	0
-24	Energy Reserve	48	64	32	-23	0	9
-10	St Helens District Reserve	0	0	0	0	0	0
63	New Dimensions Reserve	0	0	0	-2	0	-2
0	Appropriation to/From Rev Balances	0	0	0	0	0	0
3,610		-7,788	-11,834	-7,054	-25	0	-7,079
61,507	BUDGET REQUIREMENT	59,490	59,490	60,140	0	0	59,490
-34,926	Settlement Funding Assessment	-32,522	-32,522	-32,522	0	0	-32,522
-647	Collection Fund Deficit	-167	-167	-167	0	0	-167
-25,934	Precept Income	-26,801	-26,801	-26,801	0	0	-26,801
-61,507	BUDGET FUNDING	-59,490	-59,490	-59,490	0	0	-59,490

APPENDIX A2

2017/18 FIRE SERVICE REVENUE BUDGET MOVEMENT

Actual 2016/17	SERVICE REQUIREMENTS	Base Budget 2017/18	Qtr 1 Budget 2017/18	Qtr 2 Budget 2017/18	Reserve Draw-down	Virements	Qtr 3 Budget 2017/18
£'000		£'000	£'000	£'000	£'000	£'000	£'000
	EMPLOYEES						
	Uniformed						
29,750	Firefighters	33,858	30,002	29,667		-137	29,530
1,160	Control	1,280	1,282	1,282			1,282
2,222	Additional Hours	1,243	1,943	1,946		153	2,099
33,132	**TOTAL UNIFORMED**	36,381	33,227	32,895	0	16	32,911
	APT&C and Manual						
8,429	APT&C	8,695	8,874	8,867			8,867
91	Handymen/Cleaning	108	111	111			111
126	Catering	153	159	159			159
520	Transport Maintenance	526	549	549			549
58	Other Manual	72	73	73			73
104	Casuals	0	0	0			0
9,328	**TOTAL APT&C/MANUAL**	9,554	9,766	9,759	0	0	9,759
	Other Employee Expenses						
58	Allowances	61	85	95			95
0	Removal Expenses	3	3	2		-1	1
529	Training Expenses	525	518	516		2	518
50	Other Expenses	29	29	29			29
2	Staff Advertising	9	9	2		1	3
92	Development Expenses	53	53	93			93
102	Employee Insurance	284	209	209			209
0	MPF Pen Fixed Rate	966	2,869	2,869			2,869
50	Enhanced Pensions	52	52	52			52
4	SSP & SMP Reimbursements	-16	-16	-16			-16
114	Catering Expenditure	124	115	115			115
-562	HFRA Capitalisation Payroll	-375	-375	-375			-375
439	**OTHER EMPLOYEE EXPENSES**	1,715	3,551	3,591	0	2	3,593
	Pensions						
1,752	Injury Pension	1,780	1,780	1,780			1,780
431	Ill Health Retirement Charges	174	174	174			174
8	Injury Gratuity	0	0	0			0
2,191	**TOTAL PENSIONS**	1,954	1,954	1,954	0	0	1,954
45,090	**TOTAL EMPLOYEES**	49,604	48,498	48,199	0	18	48,217
	PREMISES						
46	Building Maintenance Repairs	128	127	86		1	87
8	Site Maintenance Costs	10	11	11			11
723	Energy	832	840	841			841
69	Rent	81	81	83			83
1,222	Rates	1,383	1,383	1,358		27	1,385
214	Water	198	210	210			210
18	Fixtures	30	30	32			32
2	Contract Cleaning	0	0	0			0
44	Insurance	47	46	45			45
2,346	**TOTAL PREMISES**	2,709	2,728	2,666	0	28	2,694
	TRANSPORT						
342	Direct Transport	373	493	444		129	573
11	Tunnel & Toll Fees	19	19	15			15
140	Operating Lease	178	178	179			179
370	Other Transport Costs	478	477	477		-4	473
84	Car Allowances	122	122	121			121
228	Insurance	217	243	278		-6	272
1,175	**TOTAL TRANSPORT**	1,387	1,532	1,514	0	119	1,633

APPENDIX A2

2017/18 FIRE SERVICE REVENUE BUDGET MOVEMENT *(continued)*

Actual 2016/17	SERVICE REQUIREMENTS	Base Budget 2017/18	Qtr 1 Budget 2017/18	Qtr 2 Budget 2017/18	Reserve Draw-down	Virements	Qtr 3 Budget 2017/18
£'000		£'000	£'000	£'000	£'000	£'000	£'000
	SUPPLIES & SERVICES						
14	Administrative Supplies	22	22	23		1	24
242	Operational Supplies	273	270	268		-1	267
25	Hydrants	9	9	9			9
32	Consumables	36	36	40			40
106	Training Supplies	142	133	140		4	144
60	Fire Prevention Supplies	96	92	85		8	93
36	Catering Supplies	24	24	35		4	39
278	Uniforms	290	290	300	2	4	306
144	Printing & Stationery	157	141	135			135
1	Operating Leases	2	2	2			2
514	Professional Fees/Service	449	479	418		-10	408
652	Communications	657	654	656		1	657
8	Postage	29	29	30		-2	28
11	Command/Control	6	15	15			15
202	Computing	227	279	283		19	302
219	Medicals	274	264	264			264
70	Travel & Subsistence	79	85	95		5	100
123	Grants/Subscriptions	87	119	126		3	129
8	Advertising	7	14	14		-1	13
18	Furniture	24	24	24			24
75	Laundry	82	82	82			82
35	Insurances	36	36	36			36
5	Hospitality	5	10	10			10
6	Seconded Officers In	0	0	0			0
2,884	**TOTAL SUPPLIES & SERVICES**	3,013	3,109	3,090	2	35	3,127
	AGENCY SERVICES						
107	Super Fund Admin	103	103	103		13	116
1,395	ICT Service Provider	1,421	1,436	1,436		3	1,439
134	Third Party Payments (CRIS)	195	0	0			0
412	ICT Managed Suppliers	402	421	421		-1	420
2,663	PFI Unitary Charges	2,722	2,722	2,730			2,730
1,156	Estates Service Provider	1045	1,044	1,110			1,110
5,867	**TOTAL AGENCY SERVICES**	5,888	5,726	5,800	0	15	5,815
	CENTRAL EXPENSES						
409	Finance & Computing	434	433	433		36	469
409	**TOTAL CENTRAL EXPENSES**	434	433	433	0	36	469
	CAPITAL FINANCING						
6,115	PWLB Debt Charges	6,122	6,113	6,113			6,113
60	MRB Debt Charges	60	60	60			60
658	Revenue Contribution to Capital	6,226	8,348	4,775	23	72	4,870
6,833	**TOTAL CAPITAL FINANCING**	12,408	14,521	10,948	23	72	11,043
64,604	**TOTAL EXPENDITURE**	75,443	76,547	72,650	25	323	72,998
	INCOME						
3,841	Specific Grants	3,508	4,010	4,304		237	4,541
51	Sales	0	0	0			0
1,435	Fees & Charges	867	899	1,173		15	1,188
770	Rents etc	767	805	805			805
473	Recharges Secondments	456	456	456			456
201	Contributions	170	195	210		26	236
190	Recharges Internal	108	323	323			323
40	Other Income	11	11	11			11
7,001	**TOTAL INCOME**	5,887	6,699	7,282	0	278	7,560
57,603	**NET EXPENDITURE**	69,556	69,848	65,368	25	45	65,438

APPENDIX A3

2017/18 CORPORATE MANAGEMENT REVENUE BUDGET MOVEMENT

Actual 2016/17	SERVICE REQUIREMENTS	Base Budget 2017/18	Qtr 1 Budget 2017/18	Qtr 2 Budget 2017/18	Reserve Draw-down	Virements	Qtr 3 Budget 2017/18
£'000		£'000	£'000	£'000	£'000	£'000	£'000
	EXPENDITURE						
	Finance & Legal costs						
79	Finance Officer	79	79	79			79
101	Legal Officer	105	108	108			108
	Democratic Rep (1020)						
15	- Travel & Subsistence	30	25	25			25
2	- Conference Fees	10	5	5			5
210	- Members Allowances	216	216	216			216
0	- Telephones	1	1	1			1
0	- Training	1	1	1			1
0	- Hospitality	2	2	2			2
	Central Expenses (1030)						
13	Bank Charges	17	17	17			17
33	District Audit Fees	43	43	43			43
28	Subscriptions	32	32	32			32
481	**TOTAL EXPENDITURE**	536	529	529	0	0	529

2017/18 NRAT MFRS LEAD AUTHORITY REVENUE BUDGET MOVEMENT

Actual 2016/17	SERVICE REQUIREMENTS	Base Budget 2017/18	Qtr 1 Budget 2017/18	Qtr 2 Budget 2017/18	Reserve Draw-down	Virements	Qtr 3 Budget 2017/18
£'000		£'000	£'000	£'000	£'000	£'000	£'000
	EXPENDITURE						
399	Employee Costs		1,705	1,762		-9	1,753
0	Premises Costs		0	0			0
40	Transport Costs		230	254		211	465
869	Supplies and Services Costs		1,220	1,305		-2	1,303
22	Agency Costs		779	780			780
78	Central Expenditure		215	215			215
11	Capital Financing Costs		3	5			5
1,419	**TOTAL EXPENDITURE**	0	4,152	4,321	0	200	4,521
	INCOME						
1,419	Income		4,152	4,321		200	4,521
0	**NET EXPENDITURE**	0	0	0	0	0	0

APPENDIX A4

Budgeted Movement on Reserves 2017/18

	Opening Balance	Original Budget Planned Use	Qtr 1 Drawdown & changes	Qtr 2 Drawdown & changes	Qtr 3 Drawdown & changes	Closing Balance
Earmarked Reserves	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Emergency Related Reserves						
Bellwin Reserve	147					147
Insurance Reserve	700					700
Emergency Planning Reserve	75					75
Catastrophe Reserve	100					100
						0
Modernisation Challenge						0
Smoothing Reserve	1,981	-1,075		900		1,806
Severance Reserve	0					0
Ill Health Penalty Reserve	500					500
Recruitment Reserve	3,100	-844				2,256
						0
Capital Investment Reserve	16,673	-5,850	-4,037	4,028		10,814
PFI Annuity Reserve	2,169	-67		-8		2,094
Equality / DDA Investment Res	285					285
Firefighter Safety Investment Res	0					0
Invest to Save Reserve	1,000					1,000
						0
Specific Projects						0
Community Sponsorship Res	2					2
Equipment Reserve	301		-25			276
Contestable Research Fund Res	24					24
Training Reserve	450					450
Healthy Living / Olympic Legacy	40					40
Inflation Reserve	500					500
Clothing / Boots Reserve	166			-108		58
Communications Reserve	0					0
CFOA Road Safety Reserve	0					0
						0
Ringfenced Reserves						0
F.R.E.E. Reserve	0					0
Princes Trust Reserve	92					92
Community Youth Team Reserve	0					0
Beacon Peer Project Reserve	0					0
Community Risk Management	320					320
Energy Reserve	132	48	16	-32	-23	141
St Helens District Reserve	0					0
New Dimensions Reserve	1,101				-2	1,099
Total Earmarked Reserves	**29,858**	**-7,788**	**-4,046**	**4,780**	**-25**	**22,779**
General Revenue Reserve	**2,000**					**2,000**
Total Reserves	**31,858**	**-7,788**	**-4,046**	**4,780**	**-25**	**24,779**

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Approved Capital Programme for 2017/2018 - 2021/2022

Capital Expenditure	Total Cost £	2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
Building/Land	**23,581,700**	10,204,200	11,396,500	620,500	905,500	455,000
Fire Safety	**3,420,000**	835,000	635,000	650,000	650,000	650,000
ICT	**4,401,950**	1,765,050	877,600	528,100	668,100	563,100
Operational Equipment & Hydrants	**2,668,000**	852,500	1,293,500	190,000	153,000	179,000
Vehicles	**10,106,750**	4,051,200	2,280,200	1,521,550	827,400	1,426,400
Expenditure	**44,178,400**	**17,707,950**	**16,482,800**	**3,510,150**	**3,204,000**	**3,273,500**
2017/18 - 2021/22 Q2 Approved Programme	**43,445,500**	**21,403,300**	**11,842,150**	**3,448,700**	**3,582,850**	**3,168,500**
Q3 Current to Q2 Change	**732,900**	**(3,695,350)**	**4,640,650**	**61,450**	**(378,850)**	**105,000**
Q3 Movements Explained by:						
Rephasing of Schemes		(3,811,050)	4,036,050	54,250	(384,250)	105,000
New and Amended Schemes Funded by Revenue/Reserves/Grants	**694,900**	94,900	600,000			
Growth - Realignment of Vehicles due to Inflation	**38,000**	20,800	4,600	7,200	5,400	
Q3 Movement	**732,900**	**(3,695,350)**	**4,640,650**	**61,450**	**(378,850)**	**105,000**

Financing Available	Total £	2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
Capital Receipts	**3,175,000**	900,000	2,275,000			
RCCO	**3,083,350**	953,350	975,000	375,000	390,000	390,000
Capital Reserves	**7,949,900**	3,921,900	4,028,000			
Grants	**5,274,100**	2,552,100	2,722,000			
Total Non Borrowing	**19,482,350**	**8,327,350**	**10,000,000**	**375,000**	**390,000**	**390,000**
Unsupported Borrowing	**24,696,050**	**9,380,600**	**6,482,800**	**3,135,150**	**2,814,000**	**2,883,500**
Total Funding	**44,178,400**	**17,707,950**	**16,482,800**	**3,510,150**	**3,204,000**	**3,273,500**
Q2 Funding Level for 2017/18 - 2021/22 Programme	***43,445,500***	*21,403,300*	*11,842,150*	*3,448,700*	*3,582,850*	*3,168,500*
Q3 to Q2 Change	**732,900**	(3,695,350)	4,640,650	61,450	(378,850)	105,000
Funding Change Explained by:						
RCCO	**694,900**	**94,900**	**600,000**			
BLD031 Diesel Tanks - Inflation Reserve		4,900				
BLD031 Diesel Tanks - 0025 3764 Croxteth FS		4,800				
BLD082 Saughall Massie - Reserves (CFO/059/17)			600,000			
CON002 Salix		23,000				
IT003 Hardware - Laptops/Mobile Phones		1,900				
IT059 ESMCP Control Room -reduction in grant demand		(51,000)				
IT061 ESMCP Remedial Works - Grant		111,300				
Capital Receipts		**(350,000)**	**350,000**			
Sale of LLAR House Formby		(350,000)	350,000			
Unsupported Borrowing	**38,000**	**(3,440,250)**	**3,690,650**	**61,450**	**(378,850)**	**105,000**
Capital Schemes Rephased		(3,461,050)	3,686,050	54,250	(384,250)	105,000
Growth - Realignment of Vehicles due to Inflation	**38,000**	20,800	4,600	7,200	5,400	
Q3 Movements	**732,900**	**(3,695,350)**	**4,640,650**	**61,450**	**(378,850)**	**105,000**

Building / Land - Approved Budget 2017/18 to 2021/22

Type of Capital Expenditure	Total Cost £	2017/18 £	2018/19 £	2019/20 £	2020/21 £
Major Site Refurbishments					
BLD039 FS Refurbishment Heswall	**375,000**	100,000	250,000		25,000
BLD041 FS Refurbishment Aintree	**183,100**	33,100	150,000		
BLD055 FS Refurbishment Bromborough	**350,000**	350,000			
BLD057 FS Refurbishment Crosby	**150,000**				150,000
BLD063 FS Refurbishment Kirkby	**375,000**	375,000			
BLD070 Workshop Enhancement	**241,500**	241,500			
BLD071 Station Refresh	**106,500**	31,500	25,000	25,000	
BLD076 FS Refurbishment Huyton	**25,000**	25,000			
BLD084 FS Refurbishment Croxteth	**300,000**	150,000		150,000	
BLD085 FS Refurbishment Speke/Garston	**300,000**		300,000		
BLD086 FS Refurbishment Old Swan	**300,000**		300,000		
BLD087 FS Refurbishment City Centre	**147,400**	147,400			
BLD088 FS Refurbishment Kensington	**40,000**			40,000	
BLD089 FS Refurbishment Toxteth	**200,000**				200,000
BLD090 FS Refurbishment Wallasey	**125,000**	25,000			
BLD093 Marine Fire 1 Refurbishment	**150,000**				150,000
BLD016 Community Station Investment	**141,700**	41,700	25,000	25,000	25,000
BLD042 St Helens Conversion	**2,700**	2,700			
BLD091 TDA Refurbishment	**1,115,000**	115,000	1,000,000		
	4,627,900	**1,637,900**	**2,050,000**	**240,000**	**550,000**
Station Mergers					
BLD080 Prescot FS New Build (CFO/095/14)	**5,270,600**	5,270,600			
BLD082 Saughall Massie FS New Build (CFO/058/15)	**4,651,700**	1,051,700	3,600,000		
BLD083 St Helens FS New Build (CFO/059/15)	**5,250,000**	250,000	5,000,000		
	15,172,300	**6,572,300**	**8,600,000**		
Other					
BLD073 SHQ Museum	**191,000**		191,000		
	191,000		**191,000**		
LLAR Accomodation Works					
BLD036 LLAR Accommodation Formby	**294,600**	294,600			
BLD050 LLAR Accommodation Belle Vale	**50,000**	25,000		25,000	
BLD075 LLAR Accommodation Newton-le-Willows	**295,100**	295,100			
	639,700	**614,700**		**25,000**	
General Station Upgrade Works					
BLD001 Roofs & Canopy Replacements	**224,300**	64,300	40,000	40,000	40,000
BLD004 Concrete Yard Repairs	**124,600**	44,600	20,000	20,000	20,000
BLD005 Tower Improvements	**56,800**	16,800	10,000	10,000	10,000
BLD013 Non Slip Coating to Appliance Room Floors	**203,000**	83,000	30,000	30,000	30,000
BLD014 Boiler Replacements	**96,500**	36,500	15,000	15,000	15,000
BLD020 Electrical Testing	**181,200**	51,200	70,000	20,000	20,000
BLD031 Diesel Tanks	**159,700**	159,700			
BLD033 Sanitary Accommodation Refurbishment	**134,000**	54,000	20,000	20,000	20,000
BLD044 Asbestos Surveys	**97,000**	57,000	10,000	10,000	10,000
BLD060 DDA Compliance	**280,400**	110,400	120,000	20,000	20,000
	1,557,500	**677,500**	**335,000**	**185,000**	**185,000**
Other Works					
BLD007 L.E.V. System in Appliance Rooms	**31,700**	11,700	5,000	5,000	5,000
BLD018 Conference Facilities SHQ	**35,000**	15,000	5,000	5,000	5,000
BLD026 Corporate Signage	**31,500**	11,500	5,000	5,000	5,000
BLD032 Power Strategy	**65,000**	30,000	10,000	10,000	10,000
BLD034 Office Accomodation	**118,100**	58,100	15,000	15,000	15,000
BLD053 Headquarters Lighting	**25,000**				25,000
BLD058 HVAC - Heating, Ventilation & Air Con	**125,400**	75,400	25,000	25,000	
BLD061 Lightening Conductors & Surge Protection	**63,200**	28,200	10,000	10,000	10,000
BLD062 Emergency Lighting	**43,300**	23,300	5,000	5,000	5,000
BLD067 Gym Equipment Replacement	**152,100**	72,100	20,000	20,000	20,000
BLD092 Service Headquarters Offices	**200,000**	150,000	50,000		
BLD094 Security Enhancement Works	**125,000**	25,000	25,000	25,000	25,000
CON001 Energy Conservation Non-Salix	**197,000**	102,000	25,000	25,000	25,000
CON002 Energy Conservation Salix	**55,000**	55,000			
EQU002 Replacement programme for Fridge Freezers	**56,000**	16,000	10,000	10,000	10,000
EQU003 Furniture Replacement Programme	**70,000**	28,500	10,500	10,500	10,500
	1,393,300	**701,800**	**220,500**	**170,500**	**170,500**
	23,581,700	**10,204,200**	**11,396,500**	**620,500**	**905,500**
Original Budget	**18,301,000**	**15,554,500**	**805,500**	**930,500**	**555,500**
Current Programme	**23,581,700**	**10,204,200**	**11,396,500**	**620,500**	**905,500**
Changes	**5,280,700**	**(5,350,300)**	**10,591,000**	**(310,000)**	**350,000**
Q1 Movements/Adjustments	**4,616,000**	**4,616,000**			
Q2 Movements/Adjustments	**32,000**	**(8,358,000)**	**8,350,000**	**(310,000)**	**350,000**
Q3 Movements/Adjustments	**632,700**	**(1,608,300)**	**2,241,000**		
RCCOs		32,700	600,000		
Slippage/Rephasing		(1,641,000)	1,641,000		
CUMMULATIVE MOVEMENTS	**5,280,700**	**(5,350,300)**	**10,591,000**	**(310,000)**	**350,000**

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Fire Safety - Approved Budget 2017/18 to 2021/22

Type of Capital Expenditure		Total Cost £	2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
FIR002	Smoke Alarms (100,000 HFRA target)	**1,220,000**	235,000	235,000	250,000	250,000	250,000
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
FIR009	Fire Risk Management in Residential Blocks (CFO/135/13)	**200,000**	200,000				
		3,420,000	**835,000**	**635,000**	**650,000**	**650,000**	**650,000**
Original Budget			**850,000**	**650,000**	**650,000**	**650,000**	**650,000**
Current Programme			**835,000**	**635,000**	**650,000**	**650,000**	**650,000**
Changes			**(15,000)**	**(15,000)**			
Q2 Movements/Adjustments		**(30,000)**	**(15,000)**	**(15,000)**			
CUMMULATIVE MOVEMENTS		**(30,000)**	**(15,000)**	**(15,000)**			

ICT - Approved Budget 2017/18 to 2021/22

Type of Capital Expenditure	Total Cost £	2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
IT002 ICT Software						
Software Licences	**23,400**	15,400	2,000	2,000	2,000	2,000
New Virtualisation Infrastructure	**75,000**		75,000			
3 Year Licences Antivirus & Filtering	**169,000**	169,000				
Microsoft EA Agreement (Servers & Security)	**249,000**	57,000	48,000	48,000	48,000	48,000
Microsoft EA Agreement (Windows & Office)	**640,000**	128,000	128,000	128,000	128,000	128,000
Microsoft EA Agreement (Application Development)	**25,000**	5,000	5,000	5,000	5,000	5,000
	1,181,400	**374,400**	**258,000**	**183,000**	**183,000**	**183,000**
IT003 ICT Hardware						
Desktops (target 20%)	**206,150**	45,750	40,100	40,100	40,100	40,100
Tablets & Docking Stations (target 20%)	**380,000**	102,000	92,000	62,000	62,000	62,000
Toughpads	**110,000**	110,000				
Monitors & Monitor Arms (target 20%)	**71,400**	15,400	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%)	**16,100**	4,100	3,000	3,000	3,000	3,000
Replacement Backup Tape Drive	**25,000**					25,000
IP TV Asset Refresh	**50,000**			50,000		
Audio Visual Conference Facility	**120,000**				120,000	
	993,650	**280,250**	**152,100**	**172,100**	**242,100**	**147,100**
IT005 ICT Servers						
Server/storage replacement (target 20%)	**325,000**	65,000	65,000	65,000	65,000	65,000
Server/storage growth	**105,000**	15,000	15,000	25,000	25,000	25,000
New SAN Solution	**48,400**	48,400				
	478,400	**128,400**	**80,000**	**90,000**	**90,000**	**90,000**
IT018 ICT Network						
Local Area Network replacement (discrete)	**16,000**		4,000	4,000	4,000	4,000
Network Switches/Routers replacement	**264,500**	94,500	170,000			
Network Switches/Router growth	**20,000**		5,000	5,000	5,000	5,000
Network Switches/Router - Additional for JCC/TDA Resilience	**10,000**			10,000		
Vesty Road Network Link Refresh	**40,000**			40,000		
IP Telephony	**150,000**	150,000				
Wireless Network	**40,000**		40,000			
	540,500	**244,500**	**219,000**	**59,000**	**9,000**	**9,000**
IT026 ICT Operational Equipment						
Pagers/Alerters	**28,000**		7,000	7,000	7,000	7,000
Station End Kit	**31,000**	11,000	5,000	5,000	5,000	5,000
Incident Ground Management System	**50,000**		50,000			
MDT Replacement (Not incl. in ESMCP)	**120,000**				120,000	
	229,000	**11,000**	**62,000**	**12,000**	**132,000**	**12,000**
IT058 New Emergency Services Network (ESN)						
ESN Radios / Infrastructure - Estimate	150,000	95,000	55,000			
	150,000	**95,000**	**55,000**			
SHQ/JCC Major Refurbishment						
IT051 JCC Airwave Solution	**5,200**	5,200				
IT053 JCC Backup MACC/Secondary Control Resilience	**39,500**		39,500			
	44,700	**5,200**	**39,500**			
Other IT Schemes						
IT019 Website Devolopment	**50,000**	50,000				
IT027 ICT Security - Remote Access Security FOBS	**10,000**	2,000	2,000	2,000	2,000	2,000
IT028 System Development (Portal)	**149,700**	39,700				110,000
IT030 ICT Projects/Upgrades	**24,300**	4,300	5,000	5,000	5,000	5,000
IT055 C.3.I. C.&.C Communication & Information System	**25,000**	5,000	5,000	5,000	5,000	5,000
IT056 Door Access System	**8,600**	8,600				
IT057 Fleet Management System	**4,600**	4,600				
IT059 ESMCP Project Control Room Integration	**324,000**	324,000				
IT061 ESMCP ITHC Remedial Works	**111,300**	111,300				
IT060 ICT Station Change	**7,000**	7,000				
FIN001 FMIS/Eproc/Payroll/HR Replacement	**69,800**	69,800				
	784,300	**626,300**	**12,000**	**12,000**	**12,000**	**122,000**
	4,401,950	**1,765,050**	**877,600**	**528,100**	**668,100**	**563,100**
Original Approved Budget	**3,220,000**	**912,000**	**597,000**	**512,000**	**652,000**	**547,000**
Current Programme	**4,401,950**	**1,765,050**	**877,600**	**528,100**	**668,100**	**563,100**
Changes	**1,181,950**	**853,050**	**280,600**	**16,100**	**16,100**	**16,100**
Q1 Movements/Adjustments	**787,400**	**787,400**				
Q2 Movements/Adjustments	**332,350**	**247,950**	**36,100**	**16,100**	**16,100**	**16,100**
Q3 Movements/Adjustments		**(182,300)**	**244,500**			
RCCOs		62,200				
Slippage/Rephasing		(244,500)	244,500			
CUMMULATIVE MOVEMENTS	**1,181,950**	**853,050**	**280,600**	**16,100**	**16,100**	**16,100**

Operational Equipment - Approved Budget 2017/18 to 2021/22

Type of Capital Expenditure	Total Cost £	2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
OPS003 Hydraulic Rescue Equipment						
Hydraulic Rescue Equipment - Replacement Programme	**291,000**	46,000	125,000		60,000	60,000
	291,000	**46,000**	**125,000**		**60,000**	**60,000**
OPS005 Resuscitation Equipment						
Resuscitation Rescue Equipment	**30,000**			30,000		
Defibrillator Batteries	**12,000**		12,000			
Appliance Resuscitation Equipment & Cylinders	**45,500**	15,500		30,000		
	87,500	**15,500**	**12,000**	**60,000**		
OPS024 BA Equipment/Communications						
BA Cylinder Replacement	**30,000**		30,000			
BA Telementry Breathing Units	**45,000**		45,000			
Replacement of hand held communication radios	**50,600**	25,600	25,000			
BA Test Rig	**12,000**		12,000			
Oxygen Booster Pumps	**45,000**	33,000	12,000			
ESAS, Badoliers & Air Line Reducers	**45,000**		45,000			
	227,600	**58,600**	**169,000**			
OPS049 Bulk Foam Equipment						
Bulk Foam Attack Equipment	**49,000**		49,000			
Bulk Foam Stock	**94,000**		94,000			
	143,000		**143,000**			
Other						
OPS001 Gas Tight Suits Other PPE	**290,000**	160,000	130,000			
OPS009 POD Equipment (Demountable Unit Refurb 2013/14 IRMP)	**112,500**		112,500			
OPS011 Thermal imaging cameras	**176,500**		176,500			
OPS022 Improvements to Fleet	**170,200**	50,200	30,000	30,000	30,000	30,000
OPS023 Water Rescue Equipment	**201,500**		186,500			15,000
OPS026 Rope Replacement	**71,600**	26,600		35,000		10,000
OPS027 Light Portable Pumps	**20,000**		20,000			
OPS031 CCTV Equipment	**21,000**		21,000			
OPS034 Operational Ladders	**75,000**	13,000	16,000	13,000	16,000	17,000
OPS036 Radiation/Gas Detection Equipment	**45,000**		45,000			
OPS038 Water Delivery System	**52,000**	22,000	30,000			
OPS039 Water Delivery Hoses	**45,400**	5,400	10,000	10,000	10,000	10,000
OPS052 DEFRA FRNE	**16,000**	16,000				
OPS054 Electrical Equipment	**35,000**		30,000	5,000		
OPS055 NRAT Asset Refresh	**402,200**	402,200				
	1,733,900	**695,400**	**807,500**	**93,000**	**56,000**	**82,000**
Hydrants						
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**
	2,668,000	**852,500**	**1,293,500**	**190,000**	**153,000**	**179,000**
Original Approved Budget	**1,622,000**	**481,000**	**324,000**	**435,000**	**178,000**	**204,000**
Current Programme	**2,668,000**	**852,500**	**1,293,500**	**190,000**	**153,000**	**179,000**
Changes	**1,046,000**	**371,500**	**969,500**	**(245,000)**	**(25,000)**	**(25,000)**
Q1 Movements/Adjustments	**938,000**	**938,000**				
Q2 Movements/Adjustments	**108,000**	**113,000**	**65,000**	**(20,000)**	**(25,000)**	**(25,000)**
Q3 Movements/Adjustments		**(679,500)**	**904,500**	**(225,000)**		
Rephasing		(679,500)	904,500	(225,000)		
CUMMULATIVE MOVEMENTS	**1,046,000**	**371,500**	**969,500**	**(245,000)**	**(25,000)**	**(25,000)**

Type of Capital Expenditure	Price Per Unit	Total		2017/18		2018/19		2019/20		2020/21		2021/22	
		Units	Cost £	Units	£	Units	£	Units	£	Units	£	Units	£
VEH002 Ancillary Vehicles													
Cars													
Pool Cars	10,400	**34**	**353,600**	6	62,400	4	41,600	8	83,200	6	62,400	10	104,000
Officer Response Cars	22,650	**6**	**135,900**	4	90,600	2	45,300						
7 Seater Galaxy	24,400	**2**	**48,800**			2	48,800						
Car - Automatic	25,000	**1**	**25,000**			1	25,000						
4x4s													
Isuzu/Hilux	25,500	**15**	**382,500**	2	51,000	2	51,000	11	280,500				
Climbing Wall Vehicle	25,500	**1**	**25,500**			1	25,500						
Vans													
Master Panel		**11**	**255,400**	4	89,000	2	44,500	2	44,500			3	77,400
Jumbo Panel Van	25,000	**1**	**25,000**	1	25,000								
Ford Connect -	11,500	**5**	**57,500**	3	34,500	2	23,000						
4x4 Crew Van (Out of Area Deployment)	40,000	**1**	**40,000**									1	40,000
Dog Van Mercedes Vito	49,750	**1**	**49,750**					1	49,750				
Mini Buses													
PCVs Fire Service	24,600	**2**	**49,200**			1	24,600	1	24,600				
PCVs Fire Service - Add Blues & 2s,	27,000	**1**	**27,000**	1	27,000								
PCVs Princes Trust	24,600	**3**	**73,800**			3	73,800						
Ancillary Vehicles		**84**	**1,548,950**	**21**	**379,500**	**20**	**403,100**	**23**	**482,550**	**6**	**62,400**	**14**	**221,400**
VEH004 Special Vehicles													
CPL - Aerial Appliance	650,000	**2**	**1,300,000**	2	1,300,000								
Prime Movers 3	156,050	**2**	**312,100**			2	312,100						
IMU	650,000	**1**	**650,000**			1	650,000						
BA Support Unit (POD)	125,000	**1**	**125,000**			1	125,000						
Mercedes IMU	105,000	**1**	**105,000**									1	105,000
Curtain Sided Truck (Driving School)	80,000	**1**	**80,000**									1	80,000
Water Rescue Unit	54,000	**1**	**54,000**	1	54,000								
Special Vehicles		**9**	**2,626,100**	**3**	**1,354,000**	**4**	**1,087,100**					**2**	**185,000**
VEH010 Marine Rescue Vessels													
MF1 Boat 1 Refurbishment			**25,000**				25,000						
MF1 Boat 2	300,000	**1**	**300,000**	1	300,000								
Relief Boat	150,000	**1**	**150,000**	1	150,000								
Marine Rescue Vehicles		**2**	**475,000**	**2**	**450,000**		**25,000**						
Other Vehicles													
VEH001 Fire Appliances	255,000	**21**	**5,355,000**	7	1,785,000	3	765,000	4	1,020,000	3	765,000	4	1,020,000
VEH005 Vehicles Water Strategy			**16,400**		16,400								
Other Vehicles		**21**	**5,371,400**	**7**	**1,801,400**	**3**	**765,000**	**4**	**1,020,000**	**3**	**765,000**	**4**	**1,020,000**
WOR001 Workshop Equipment													
Equipment			**17,300**		17,300								
Replace steam clean lift			**43,000**		43,000								
Workshop Cable free Somers Vehicle Lift.	19,000	**1**	**19,000**					1	19,000				
Two Post Light Vehicle Lift.	6,000	**1**	**6,000**	**1**	**6,000**								
			85,300		**66,300**				**19,000**				
			10,106,750		**4,051,200**		**2,280,200**		**1,521,550**		**827,400**		**1,426,400**
Original Budget			**8,562,500**		**2,885,100**		**1,508,000**		**1,227,000**		**1,621,000**		**1,321,400**
Current Programme			**10,106,750**		**4,051,200**		**2,280,200**		**1,521,550**		**827,400**		**1,426,400**
Changes			**1,544,250**		**1,166,100**		**772,200**		**294,550**		**(793,600)**		**105,000**
Q1 Movements/Adjustments			**1,562,600**		**1,562,600**								
Q2 Movements/Adjustments			**(56,350)**		**828,750**		**(478,450)**		**8,100**		**(414,750)**		
Q3 Movements/Adjustments			**38,000**		**(1,225,250)**		**1,250,650**		**286,450**		**(378,850)**		**105,000**
Rephasing					(1,246,050)		1,246,050		279,250		(384,250)	1	105,000
Growth			**38,000**		20,800		4,600		7,200		5,400		
CUMMULATIVE MOVEMENTS			**1,544,250**		**1,166,100**		**772,200**		**294,550**		**(793,600)**		**105,000**

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APPENDIX B

Capital Programme 2017/18

	EXPENDITURE	Approved Budget	Qtr 1 Budget	Qtr 2 Budget	Qtr 3 Re-Phasings	QTR 3 Virements	Qtr 3 Budget	Actual to 29.12.17
		£	£	£	£	£	£	£
BUILDING & LAND PROGRAMME								
BLD001	Roofs & Canopy Replacements	40,000	64,300	64,300			64,300	
BLD004	Concrete Yard Repairs	20,000	44,600	44,600			44,600	
BLD005	Tower Improvements	10,000	16,800	16,800			16,800	
BLD007	L.E.V. Sys In App Rooms	5,000	11,700	11,700			11,700	
BLD013	Appliance Room Floors	75,000	98,000	98,000		-15,000	83,000	
BLD014	Boiler Replacements	15,000	36,500	36,500			36,500	
BLD016	Community Station Investment	25,000	26,700	26,700		15,000	41,700	7,996
BLD018	Conference Facilities H/Q	5,000	15,000	15,000			15,000	
BLD020	5 Year Electrical Test	75,000	101,200	101,200	-50,000		51,200	
BLD026	Corporate Signage	5,000	11,500	11,500			11,500	2,530
BLD031	Diesel Tanks	0	150,000	150,000		9,700	159,700	
BLD032	Power Strategy (Generators)	10,000	30,000	30,000			30,000	
BLD033	Sanitary Accommodation Refurb	30,000	54,000	54,000			54,000	
BLD034	Office Accommodation	15,000	58,100	58,100			58,100	93
BLD036	L.L.A.R. Accommodation Formby	0	294,600	294,600			294,600	16,337
BLD039	F.S. Refurbishment Heswall	300,000	350,000	350,000	-250,000		100,000	
BLD041	F.S. Refurbishment Aintree	0	33,100	33,100			33,100	23,240
BLD042	St Helens Conversion	0	2,700	2,700			2,700	
BLD044	Asbestos Surveys	50,000	57,000	57,000			57,000	4,800
BLD050	LLAR Accommodation Belle Vale	25,000	25,000	25,000			25,000	
BLD055	F.S. Refurbishment Bromborough	350,000	350,000	350,000			350,000	
BLD058	H.V.A.C. Heating, Vent & Air Con	30,000	75,400	75,400			75,400	5,985
BLD060	D.D.A. Compliance Work	180,000	210,400	210,400	-100,000		110,400	
BLD061	Lighting Conductors Surge Protectors	10,000	28,200	28,200			28,200	
BLD062	Emergency Lighting	5,000	23,300	23,300			23,300	3,022
BLD063	F.S. Refurbishment Kirby	350,000	375,000	375,000			375,000	
BLD067	Gym Equipment Replacement	40,000	72,100	72,100			72,100	
BLD068	SHQ Joint Control Room	0	0	0			0	-5,820
BLD070	Workshop Enhancement	0	241,500	241,500			241,500	129,580
BLD071	Station Refresh	25,000	31,500	31,500			31,500	
BLD073	SHQ Museum	150,000	191,000	191,000	-191,000		0	
BLD075	Llar Accommodation Newton Le Willows	0	295,100	295,100			295,100	12,727
BLD076	F.S. Refurbishment Huyton	25,000	25,000	25,000			25,000	
BLD080	Prescot Fire Station Build	3,000,000	5,270,600	5,270,600			5,270,600	2,593,774
BLD081	SHQ Stage C Works	0	0	0			0	-15,014
BLD082	Saughall Massie Fire Station Build	3,750,000	4,051,700	1,051,700			1,051,700	46,500
BLD083	St Helens Fire Station Build	5,000,000	5,250,000	250,000			250,000	
BLD084	F.S. Refurbishment Croxteth	150,000	150,000	150,000			150,000	6,500
BLD085	F.S. Refurbishment Speke/Garston	275,000	300,000	0			0	
BLD086	F.S. Refurbishment Old Swan	25,000	50,000	0			0	3,750
BLD087	F.S. Refurbishment City Centre	0	147,400	147,400			147,400	80,373
BLD088	F.S. Refurbishment Kensington	20,000	40,000	0			0	
BLD090	F.S. Refurbishment Wallasey	25,000	25,000	25,000			25,000	
BLD091	Refurbishment TDA	1,089,000	1,085,000	1,115,000	-1,000,000		115,000	22,509
BLD092	Service HQ. Offices	200,000	200,000	200,000	-50,000		150,000	
BLD094	Security Enhancement Works	25,000	25,000	25,000			25,000	695
CON001	Energy Conservation Non-Salix	75,000	102,000	102,000			102,000	
CON002	Energy Conservation Salix	0	0	32,000		23,000	55,000	
EQU002	Fridge/Freezer Rep Prog	10,000	16,000	16,000			16,000	4,452
EQU003	Furniture Replacement Prog	10,500	28,500	28,500			28,500	
TDA001	Fire House Refurbishment	30,000	30,000	0			0	
	Total	**15,554,500**	**20,170,500**	**11,812,500**	**-1,641,000**	**32,700**	**10,204,200**	**2,944,030**
FIRE SAFETY								
FIR002	Smoke Alarms (H.F.R.A.)	250,000	250,000	235,000			235,000	39,623
FIR005	Installation Costs (H.F.R.A.)	375,000	375,000	375,000			375,000	
FIR006	Deaf Alarms (H.F.R.A.)	25,000	25,000	25,000			25,000	19,800
FIR007	Replacement Batteries (H.F.R.A.)	0	0	0			0	
FIR009	Risk Management Residential Blocks	200,000	200,000	200,000			200,000	
	Total	**850,000**	**850,000**	**835,000**	**0**	**0**	**835,000**	**59,423**

APPENDIX B

Capital Programme 2017/18

	EXPENDITURE	Approved Budget	Qtr 1 Budget	Qtr 2 Budget	Qtr 3 Re-Phasings	QTR 3 Virements	Qtr 3 Budget	Actual to 29.12.17
		£	£					£
ICT								
FIN001	F.M.I.S. Replacement	0	69,800	69,800			69,800	
IT002	I.C.T. Software	352,000	361,400	374,400			374,400	360,848
IT003	I.C.T. Hardware	86,000	305,400	278,350		1,900	280,250	27,695
IT005	I.C.T. Servers	80,000	128,400	128,400			128,400	
IT018	I.C.T. Network	109,000	353,500	344,500	-100,000		244,500	
IT019	Website Development	0	42,600	42,600		7,400	50,000	
IT026	I.C.T. Operational Equipment	12,000	68,000	61,000	-50,000		11,000	
IT027	I.C.T. Security	2,000	2,000	2,000			2,000	
IT028	System Development Portal	11,000	47,100	47,100		-7,400	39,700	15,770
IT030	I.C.T. Projects / Upgrades	5,000	8,300	4,300			4,300	
IT046	TRM System						0	12,956
IT051	JCC Airwave Solution	0	5,200	5,200			5,200	4,588
IT053	JCC Backup MACC	0	39,500	39,500	-39,500		0	
IT055	C3i C&C Comms and Info system	5,000	5,000	5,000			5,000	
IT056	PFI Access Door System	0	8,600	8,600			8,600	1,522
IT057	Fleet Management System	0	4,600	4,600			4,600	
IT058	New Emergency Services Network	250,000	250,000	201,000	-55,000	-51,000	95,000	
IT059	ESMCP Project Control Room Integration	0	0	324,000			324,000	
IT060	ICT Station Change	0	0	7,000			7,000	
IT061	ESMCP ITHC Remedial Works	0	0	0		111,300	111,300	
	Total	**912,000**	**1,699,400**	**1,947,350**	**-244,500**	**62,200**	**1,765,050**	**423,379**
OPERATIONAL EQUIP. & HYDRANTS								
OPS001	Gas Tight Suits Other Ppe	150,000	182,000	290,000	-130,000		160,000	
OPS003	Hydraulic Rescue Equipment	41,000	41,000	46,000			46,000	45,861
OPS005	Resuscitation Equipment	0	15,500	15,500			15,500	
OPS009	Pod Equipment	0	112,500	112,500	-112,500		0	
OPS011	Thermal Imaging Cameras	0	11,500	11,500	-11,500		0	
OPS022	Improvements To Fleet	30,000	50,200	50,200			50,200	7,408
OPS023	Water Rescue Equipment	50,000	136,500	136,500	-136,500		0	
OPS024	BA equipment / Comms	90,000	158,600	158,600	-100,000		58,600	
OPS026	Rope Replacement	0	26,600	26,600			26,600	
OPS027	Light Portable Pumps	0	20,000	20,000	-20,000		0	
OPS031	Cctv Equipment/Drone	0	21,000	21,000	-21,000		0	
OPS034	Operational Ladders	13,000	13,000	13,000			13,000	
OPS036	Radiation/Gas Detection Equipment	45,000	45,000	45,000	-45,000		0	
OPS038	Water Delivery System	0	52,000	52,000	-30,000		22,000	
OPS039	Water Delivery Hoses	0	5,400	5,400			5,400	5,256
OPS049	Bulk Foam Attack Equipment	25,000	73,000	73,000	-73,000		0	
OPS052	DEFRA FRNE Water Rescue Grant	0	16,000	16,000			16,000	
OPS055	NRAT National Asset Refresh	0	402,200	402,200			402,200	23,570
HYD001	Hydrants (New Installations)	18,500	18,500	18,500			18,500	1,544
HYD002	Hydrants (Rep Installations)	18,500	18,500	18,500			18,500	2,637
	Total	**481,000**	**1,419,000**	**1,532,000**	**-679,500**	**0**	**852,500**	**86,276**
VEHICLES								
VEH001	Wtl'S Purchased	980,000	1,711,500	1,785,000			1,785,000	448,960
VEH002	Ancillary Vehicles	248,000	852,400	501,650	-133,950	11,800	379,500	81,630
VEH003	Vehicle Equipment (Pods & Trailers)	0	0	0			0	
VEH004	Special Vehicles	1,657,100	1,782,100	2,432,100	-1,087,100	9,000	1,354,000	
VEH005	Vehicles water Strategy	0	16,400	16,400			16,400	
VEH010	Marine Rescue Vessels	0	25,000	475,000	-25,000		450,000	
WOR001	Workshop Equipment	0	60,300	66,300			66,300	
	Total	**2,885,100**	**4,447,700**	**5,276,450**	**-1,246,050**	**20,800**	**4,051,200**	**530,590**
	Grand Total	**20,682,600**	**28,586,600**	**21,403,300**	**-3,811,050**	**115,700**	**17,707,950**	**4,043,697**

APPENDIX B

Capital Programme 2017/18

FINANCING	Approved Budget	Qtr 1 Budget	Qtr 2 Budget	Qtr 3 Re-Phasings	QTR 3 Virements	Qtr 3 Budget	Actual to 29.12.17
	£	£					£
Capital Receipts							
Sale of Formby LLAR House	350,000	350,000	350,000	-350,000		0	
Sale of Newton 2 LLAR House	0	0	0			0	
Sale of Huyton FS	250,000	250,000	250,000			250,000	
Sale of Whiston FS	250,000	250,000	250,000			250,000	
Sale of Upton FS	0	0	0			0	
Sale of West Kirby FS	0	0	0			0	
Sale of West Kirby LLAR House	0	0	0			0	
Sale of Allerton FS		400,000	400,000			400,000	
R.C.C.O. / Capital Reserve							
Capitalisation of Sals HFRA (FIR005)	375,000	375,000	375,000			375,000	
ICT Equipment (IT003)	0	11,100	19,450		1,900	21,350	19,450
ESMCP Project Control Room Integration (IT059)	0	0	324,000		-51,000	273,000	
ESMCP ITHC Remedial Works (IT061)	0	0	0		111,300	111,300	
Helmets PPE (OPS001)	0	0	108,000			108,000	
Salix Energy Conservation (CON002)	0	0	32,000		23,000	55,000	
FSN Charge for Alarms (FIR002)	15,000	15,000	0			0	
Diesel Tanks (BLD031)	0	0	0		9,700	9,700	
Prescott FS New Build (BLD080) Cap Inv Res	1,808,000	3,921,900	3,921,900			3,921,900	2,071,099
Saughall FS New Build (BLD082) Cap Inv Res	1,564,000	1,564,000				0	
St Helens FS New Build (BLD083) Cap Inv Res	2,464,000	2,464,000				0	
Grant							
(Capital Grant) Police Grant (Prescott)	650,000	650,000	650,000			650,000	325,000
(Capital Grant) NWAS Grant (Prescott)	42,000	42,000	42,000			42,000	41,475
Prescot Fire Station Build Grant	0	156,200	156,200			156,200	156,200
Saughall FS Capital Transformation Grant	1,040,000	1,341,700	1,051,700			1,051,700	46,500
St Helens FS Capital Transformation Grant	1,240,000	1,490,000	250,000			250,000	
Balance of Capital Transformation Grant	1,192,000	1,192,000	0			0	
NRAT National Resilience Grant	0	402,200	402,200			402,200	23,570
Total Non Borrowing	**11,240,000**	**14,875,100**	**8,582,450**	**-350,000**	**94,900**	**8,327,350**	**2,683,294**
Borrowing Requirement							
Unsupported Borrowing	9,442,600	13,711,500	12,820,850	-3,461,050	20,800	9,380,600	1,360,403
Borrowing	**9,442,600**	**13,711,500**	**12,820,850**	**-3,461,050**	**20,800**	**9,380,600**	**1,360,403**
Total Funding	**20,682,600**	**28,586,600**	**21,403,300**	**-3,811,050**	**115,700**	**17,707,950**	**4,043,697**

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MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	**AUDIT AND SCRUTINY SUB COMMITTEE**		
DATE:	**8 FEBRUARY 2018**	**REPORT NO:**	**CFO/007/18**
PRESENTING OFFICER	**IAN CUMMINS**		
RESPONSIBLE OFFICER:	**IAN CUMMINS**	**REPORT AUTHOR:**	**IAN CUMMINS**
OFFICERS CONSULTED:	**SMG**		
TITLE OF REPORT:	**CONFIRMATION OF EXTERNAL AUDITOR APPOINTMENT FOR 2018/19**		

APPENDICES:	**APPENDIX A:**	**CFO/071/16 ARRANGEMENTS FOR APPOINTING EXTERNAL AUDITORS**
	APPENDIX B:	**CFO/062/17 APPOINTMENT OF EXTERNAL AUDITORS**
	APPENDIX C:	**PSAA EMAIL "MFRA – CONFIRMATION OF AUDITOR APPOINTMENT FROM 2018/19"**

Purpose of Report

1. To inform Members that following the Public Sector Auditor Appointment Limited (PSAA) Board meeting in December 2017, PSAA have now advised the Authority that Grant Thornton have been confirmed as the external auditor for the Authority from 2018/19 to 2022/23.

Recommendation

2. That Members note the report.

Introduction and Background

3. Report CFO/071/16 sought approval from Members on the preferred option for the appointment of the external auditor from 2018/19 as the existing arrangements with Grant Thornton would conclude at the end of 2017/18. CFO/071/16 is attached as Appendix A for Members information. Members approved using the LGA's Public Sector Auditor Appointment Limited (PSAA) as the Authority's 'appointing person' for external audit services for 2018/19 and future years.

4. After completing their procurement exercise PSAA proposed that Grant Thornton (GT) be the nominated Auditor for the Authority. Members approved the

appointment of GT when they considered report CFO/062/17, attached as Appendix B.

5. The formal appointment of GT as the Authority's auditors was subject to final approval at the PSAA Board meeting on 14th December 2017. PSAA have now advised the Authority that the Board approved GT as the Authority's auditors. The confirmation email is attached to this report as Appendix C.

6. Members are asked to note this decision.

Equality and Diversity Implications

7. None contained within this report.

Staff Implications

8. None contained within this report.

Legal Implications

9. The Local Audit and Accountability Act 2014 abolished the Audit Commission and established transitional arrangements for the appointment of external auditors. Additional regulations, the Local Audit (Appointing Person) Regulations 2015 and the Accounts and Audit Regulations 2015 require the Authority to meet various requirements when determining the appointment of the external auditor.

Financial Implications & Value for Money

10. The cost of the current external audit function is £32,424. PSAA have indicated that on average the fee may be up to 18% lower. Therefore no increase in cost is expected and the contract price should at a minimum be within the current budget.

Risk Management, Health & Safety, and Environmental Implications

11. None contained within this report.

Contribution to Our Mission: *Safer Stronger Communities – Safe Effective Firefighters*

12. External audit help ensure the Authority's internal controls and financial management are robust and therefore funds earmarked for operational activities remain intact.

BACKGROUND PAPERS

CFO/071/16 "Arrangements for appointing external auditors" Audit and Scrutiny Sub Committee 15th September 2016.

CFO/062/17 "Appointment of External Auditor" Community Safety and Protection Committee 5th September 2017.

GLOSSARY OF TERMS

MFRA	**M**erseyside **F**ire and **R**escue **A**uthority is the physical and legal entity. When writing reports MFRA is the “object”.
PSAA	Public Sector Auditor Appointment Limited.

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MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	AUDIT AND SCRUTINY SUB COMMITTEE		
DATE:	15TH SEPTEMBER 2016	REPORT NO:	CFO/071/16
PRESENTING OFFICER	CHIEF FIRE OFFICER		
RESPONSIBLE OFFICER:	IAN CUMMINS, TREASURER	REPORT AUTHOR:	IAN CUMMINS
OFFICERS CONSULTED:	SMG		
TITLE OF REPORT:	ARRANGEMENTS FOR APPOINTING EXTERNAL AUDITORS		

APPENDICES:	

Purpose of Report

1. To seek approval from Members on the preferred option for the appointment of external audit for the financial years 2018/19 onwards.

Recommendation

2. That Members;
   a. note the change to the arrangements for appointing external auditors for financial year 2018/19 onwards; and
   b. note the options considered in relation to the appointment of external auditors from 1st April 2018, and,
   c. agree to sign-up to a sector led arrangement for the appointment of external auditors as advocated by the Local Government Association (LGA), and
   d. agree to sign-up to the LGA's Public Sector Audit Appointments Limited (PSAA) as the Authority's "appointing person" for the external audit appointment for 2018/19 and future years.

Introduction and Background

3. The Local Audit and Accountability Act 2014 abolished the Audit Commission and established transitional arrangements for the appointment of external auditors and the setting of audit fees for all local government and NHS bodies in England. On 5th October 2015 the Government determined that the transitional arrangements for local government (including fire and rescue authorities) would be extended by one year to also include the audit of the accounts for 2017/18.

4. The Authority's current external auditor is Grant Thornton, this appointment having been made under a contract let by the Audit Commission. Following closure of the Audit Commission the

contract is currently managed by Public Sector Audit Appointments Limited (PSAA), the transitional body set up by the LGA with delegated authority from the Government. Over recent years the Authority has benefited from significant reductions in fees compared with historic levels. This has been the result of a combination of factors including new contracts negotiated nationally with the firms of accountants and savings from closure of the Audit Commission. The Authority's external audit fees for 2015/16 were £32,424.

5. The current transitional arrangements come to an end on 31st March 2018 therefore for the audit of the accounts of the 2018/19 financial year, there must be a local auditor appointed by 31st December 2017. The Authority is be able to appoint its own auditors if it so wishes. There are three options available to local public bodies for appointing an auditor under the Local Audit and Accountability Act 2014. These are to:

    1. undertake an individual auditor procurement and appointment exercise;

    2. undertake a joint audit procurement and appointing exercise with other bodies, those in the same locality for example; or

    3. join a 'sector led body' arrangement where specified appointing person status has been achieved.

Option 1: Make a stand-alone appointment

6. In order to make a stand-alone appointment the Authority will need to set up an Auditor Panel. The panel will be responsible for choosing the auditor and must consist of wholly or a majority of independent members. Independent members for this purpose excludes current and former elected members (or officers) and their close families and friends. Under this option elected members will not have a majority input when assessing bids and choosing which firm of accountants to award a contract for the Authority's external audit.

The main advantage of setting up an auditor panel would be to allow the Authority to take advantage of the new local appointment regime with decision making at the local level. However, the main drawbacks would appear to be:

- The cost and administrative effort of setting up the Panel, i.e. the recruitment of suitable and qualified independent panel members, deciding remuneration etc.

- Servicing the Auditor Panel, running the bidding exercise and negotiating the contract. Estimates produced by the LGA indicate costs of about £15,000 plus on going expenses and allowances.

- The Authority will not be able to take advantage of reduced fees that may be available through joint or national procurement contracts. Note that the current procurement arrangements were very successful at driving down the cost of external audit to the point whereby a number of even the largest firms were priced out of the market. There is a real risk therefore that any individual authority contracts will not benefit from scale economies and audit firms will increase bids accordingly.

Option 2: Set up a Joint Auditor Panel/local joint procurement arrangements

7. The Act enables the Authority to join with other Authorities to establish a joint auditor panel. Again, this will need to consist of wholly or a majority of independent appointees.

Under this option the cost of setting up the panel, running the bidding exercise and negotiating the contract will be shared across a number of Authorities and there is an opportunity for negotiating some economies of scale by being able to offer a larger combined contract value to the firms.

The main drawbacks are:

- Decision-making will be further removed from local input, with potentially only one elected member representing each organisation, depending on the constitution agreed with the other bodies involved.

- The choice of auditor could be complicated where individual organisations have independence issues, i.e. where an auditor is carrying out work such as consultancy or advisory work for the Authority/Council. Where this occurs some auditors may be prevented from being appointed by the terms of their professional standards. There is a risk that if the joint auditor panel choose a firm that is conflicted for this Authority then the Authority may still need to make a separate appointment with all the attendant costs and loss of economies possible through joint procurement.

Option 3: Opt-in to a sector led body

8. The LGA have successfully lobbied for Councils/Fire and Rescue Authorities to be able to 'opt-in' to a Sector Led Body (SLB) when making external audit appointments. An SLB would have the ability to negotiate contracts with audit firms nationally, maximising the opportunities for the most economic and efficient approach to procurement of external audit on behalf of the whole sector.

9. The benefits of opting in are:

- The cost of setting up the appointment arrangements and negotiating fees would be shared across all opt-in Authorities.

- By offering large contract values the firms would be able to offer better rates and lower fees than are likely to result from local negotiation

- Any conflicts at individual Authority level would be managed by the SLB who would have a number of contracted firms to call upon.

The main drawback of this approach is that it requires the creation of a separate Government approved body to act in the collective interests of the 'opt-in' Authorities. The LGA have set-up the Public Sector Audit Appointments Limited (PSAA) to be such a body, with the PSAA utilising the knowledge and experience acquired from the previous procurement process. In July 2016, the Secretary of State for Communities and Local Government, specified PSAA as an appointing person under regulation 3 of the Local Audit (Appointing Person) Regulations 2015. This means that PSAA can make auditor appointments for audits of the accounts from 2018/19 of principal Authorities that choose to opt into its arrangements. It is by no means certain that the PSAA will attract sufficient councils that will sign-up at this stage to generate the benefits previously outlined. With this in mind the LGA have recently written to all council chief executives in an attempt to gauge the level of support from councils for a collective sector-wide audit appointment. It is understood they received significant support from the sector. The PSAA is aiming to establish an overall strategy for procurement of external audit by 31st October 2016 and achieve "signup" of scheme members by early January 2017. It then hopes

to invite tenders by eligible audit firms by March 2017 and award contracts by June 2017 with final appointments by 31st December 2017.

10. The scope of the audit will still be specified nationally, the National Audit Office (NAO) is responsible for writing the Code of Audit Practice which all firms appointed to carry out the Authority's audit must follow. Not all accounting firms will be eligible to compete for the work, they will need to demonstrate that they have the required skills and experience and be registered with a Registered Supervising Body approved by the Financial Reporting Council. The registration process has not yet commenced and so the number of firms is not known but it is reasonable to expect that the list of eligible firms may include the top 5 - 12 firms in the country, and is likely to include the Authority's current auditor. It is unlikely that small local independent firms will meet the eligibility criteria.

Conclusion:

11. The Authority will have until December 2017 to make an appointment. In practical terms this means that one of the options outlined above will need to be in place by Spring 2017 in order that the contract negotiation process can be carried out during that year.

12. Given that the LGA have developed a sector led approach, PSAA, then it would seem advantageous for the Authority to opt-in to such arrangements given the significant benefits associated with scale economies. To maximise these benefits and strengthen its negotiating position the LGA are seeking the maximum number of councils acting collectively. At this stage therefore the Treasurer recommends that the Authority should support the LGA approach. The Authority can withdraw from the LGA approach at any point.

13. It is the view of Officers that early consideration of the preferred approach will enable detailed planning to take place so as to achieve successful transition to the new arrangement in a timely and efficient manner. Progress will need to be carefully monitored should the sector led procurement approach not prove feasible so that alternative arrangements can be put in place in a timely manner. .

Equality and Diversity Implications

14. Not applicable.

Staff Implications

15. Not applicable.

Legal Implications

16. The Local Audit and Accountability Act 2014 abolished the Audit Commission and established transitional arrangements for the appointment of external auditors. Additional regulations, the Local Audit (Appointing Person) Regulations 2015 and the Accounts and Audit Regulations 2015 require the Authority to meet various requirements when determining the appointment of the external auditor.

Financial Implications & Value for Money

17. The cost of the current external audit function is £32,424. The audit fees for 2018/19 are unlikely to be finalised until March 2018.

18. If the Authority approves the recommendation to appoint future external auditors via the PSAA route then the PSAA will not charge a membership fee. The audit fees that opted-in bodies will be charged will cover the costs to PSAA.

19. If the Authority went down the audit panel route then it would need to cover the cost of appointing independent members, servicing the Audit Panel, all the costs associated with an appointment of external auditor procurement process and the costs of managing and monitoring the contract. The Authority is also unlikely to benefit from any saving on audit fees that are likely to be delivered via the PSAA being able to negotiate the audit fees for large contracts.

Risk Management, Health & Safety, and Environmental Implications

20. Not applicable.

Contribution to Our Mission: Safer Stronger Communities – Safe Effective Firefighters

21. External audit help ensure the Authority's internal controls and financial management are robust and therefore funds earmarked for fire operational activities remain intact.

BACKGROUND PAPERS

GLOSSARY OF TERMS

LGA	Local Government Association
PSAA	Public Sector Audit Appointments Limited
SLB	Sector Led Body
NAO	National Audit Office

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MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	COMMUNITY SAFETY AND PROTECTION COMMITTEE		
DATE:	5 SEPTEMBER 2017	REPORT NO:	CFO/062/17
PRESENTING OFFICER	IAN CUMMINS		
RESPONSIBLE OFFICER:	IAN CUMMINS	REPORT AUTHOR:	IAN CUMMINS
OFFICERS CONSULTED:	SMG		
TITLE OF REPORT:	APPOINTMENT OF EXTERNAL AUDITOR		

APPENDICES:	APPENDIX A:	ARRANGEMENTS FOR APPOINTING EXTERNAL AUDITORS
	APPENDIX B:	PSAA NOTIFICATION ON AUDITOR APPOINTMENT

Purpose of Report

1. The current arrangements for the Authority's external auditor will end in 2017/18. Members approved the use of the LGA's Public Sector Auditor Appointment Limited (PSAA) as the Authority's 'appointing person' for external audit services for 2018/19 and future years (CFO/009/17). This report advises Members of the outcome of the PSAA procurement exercise and proposal to appoint Grant Thornton (existing Auditor) as MFRA auditor for five years from 2018/19.

Recommendation

2. That Members approve the appointment of Grant Thornton UK LLP ('Grant Thornton') as Auditor for MFRA for 2018/19 to 2022/23 and respond accordingly to the PSAA consultation (deadline 22nd September 2017).

Introduction and Background

3. Report CFO/071/16 sought approval from Members on the preferred option for the appointment of the external auditor from 2018/19 as the existing arrangements (Grant Thornton) would conclude at the end of 2017/18. CFO/071/16 is attached as Appendix A for Members information. Members approved using the LGA's Public Sector Auditor Appointment Limited (PSAA) as the Authority's 'appointing person' for external audit services for 2018/19 and future years.

4. PSAA have now completed their procurement exercise and the outcome is that Grant Thornton have been nominated as the Auditor for MFRA, subject to the Authority confirming it is satisfied with the outcome and responding to PSAA by 22nd September 2017. The email from PSAA on advising the Authority on the outcome of the procurement exercise is attached as Appendix B.

5. Members are asked to approve the appointment of Grant Thornton as Auditor for MFRA for 2018/19 to 2022/23 and instruct the Treasurer to respond accordingly.

Equality and Diversity Implications

6. None contained within this report.

Staff Implications

7. None contained within this report.

Legal Implications

8. The Local Audit and Accountability Act 2014 abolished the Audit Commission and established transitional arrangements for the appointment of external auditors. Additional regulations, the Local Audit (Appointing Person) Regulations 2015 and the Accounts and Audit Regulations 2015 require the Authority to meet various requirements when determining the appointment of the external auditor and the Authority has met such requirements.

9. This report is seeking Authority approval, however this Committee in its Terms of Reference has delegated powers to approve reports that would otherwise need Authority approval but cannot await its next meeting. (Article 12.1 (m). As this Consultation closes on 22nd September 2017 it is necessary to seek approval from this Committee.

Financial Implications & Value for Money

10. The cost of the current external audit function is £32,424. PSAA have indicated that on average the fee may be up to 18% lower. Therefore no increase in cost is expected and the contract price should at a minimum be within the current budget.

Risk Management, Health & Safety, and Environmental Implications

11. None contained within this report.

Contribution to Our Mission: Safer Stronger Communities – Safe Effective Firefighters

12. External audit help ensure the Authority's internal controls and financial management are robust and therefore funds earmarked for fire and rescue operational activities remain intact.

BACKGROUND PAPERS

CFO/009/17 "Arrangements for appointing external auditors" Authority 23rd February 2017.

GLOSSARY OF TERMS

LGA	Local Government Association
MFRA	Merseyside Fire and Rescue Authority is the physical and legal entity. When writing reports MFRA is the "object".
PSAA	Public Sector Auditor Appointment Limited

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APPENDIX C

Merseyside Fire and Rescue Authority - this is a formal communication to the chief executive and chief finance officer to confirm the auditor appointment from 2018/19

Auditor appointment

For audits of the accounts from 2018/19, PSAA is responsible for appointing an auditor to principal local government and police bodies that have chosen to opt into its national auditor appointment arrangements. I wrote to you on 14 August 2017 to consult you on the proposed appointment of Grant Thornton (UK) LLP as the external auditor of Merseyside Fire and Rescue Authority from 2018/19.

I am writing now following that consultation to confirm the appointment of Grant Thornton (UK) LLP to audit the accounts of Merseyside Fire and Rescue Authority for five years, for the accounts from 2018/19 to 2022/23. This appointment is made under regulation 13 of the Local Audit (Appointing Person) Regulations 2015, and was approved by the PSAA Board at its meeting on 14 December 2017.

Next steps

I have passed your contact details to the appointed firm and they will contact you about the arrangements for the audit in due course. In the meantime, if you have any questions about the appointment, please contact us by email at auditorappointments@psaa.co.uk.

Kind regards

Jon Hayes
Chief Officer

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MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	**AUDIT AND SCRUTINY SUB COMMITTEE**		
DATE:	**8TH FEBRUARY 2018**	**REPORT NO:**	**CFO/011/18**
PRESENTING OFFICER	**DEPUTY CHIEF FIRE OFFICER**		
RESPONSIBLE OFFICER:	**DEB APPLETON**	**REPORT AUTHOR:**	**JACKIE SUTTON**
OFFICERS CONSULTED:	**STRATEGIC MANAGEMENT GROUP**		
TITLE OF REPORT:	**CORPORATE RISK REGISTER 2017-18 JULY TO NOV UPDATE JUL-NOV UPDATE**		

APPENDICES:	**APPENDIX 1:**	**CORPORATE RISK REGISTER 2017-18 - JULY – NOVEMBER UPDATE**

Purpose of Report

1. To inform Members of the current risks contained within the Corporate Risk Register, the status of the risks and associated control measures, including any updates for the period July to November 2017

Recommendation

2. That Members approve the updated Corporate Risk Register for 2017/18 which incorporates the current status of those risks to November 2017.

Introduction and Background

3. It is good practice to regularly review the internal and external risks to the on-going delivery of service by the Authority.

4. To that end, a Corporate Risk Register has been produced which focusses on the Mission and Aims of the Authority and aligns each risk to a specific aim. The Strategic Management Group (SMG) has reviewed the risks contained within the Corporate Risk Register and considered any new risks that might affect the Authority during 2017/18 (new risks are highlighted in yellow). The resultant risks have been scored against the original risk and re-scored following mitigation. The purpose of this report is to ask Members to review the updated Corporate Risk Register attached at Appendix 1 to consider any implications for the Authority.

5. SMG has previously considered the outcomes from an Internal Audit report from April 2017 that considered the Authority's approach to Risk Management. Overall compliance was found to be "Good", with some "Substantial" elements. The report also required the Authority to consider its risk appetite and tolerance and to ensure that the status of all risks is updated regularly. These actions have been completed.

Equality and Diversity Implications

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

Staff Implications

7. There are no specific staff implications arising from this report

Legal Implications

8. Management of corporate risk and the application of suitable mitigation strategies affords the Authority security that should a risk become an issue then suitable control measures are in place to mitigate any impact.

Financial Implications & Value for Money

9. There are no financial implications contained within this report.

Risk Management, Health & Safety, and Environmental Implications

10. The assessment and mitigation of risk is essential in ensuring a safe working environment for all MFRA employees and its agents and consideration of its actions on the environment is paramount.

Contribution to Our Mission: *Safer Stronger Communities – Safe Effective Firefighters*

11. Knowledge of and response to a risk being realised is an essential component of ensuring that the Authority continues to deliver an effective and efficient service to the communities of Merseyside.

BACKGROUND PAPERS

GLOSSARY OF TERMS

MFRA **M**erseyside **F**ire and **R**escue **A**uthority

MFRS **M**erseyside **F**ire and **R**escue **S**ervice

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CORPORATE RISK REGISTER 2017/18

Aims: - 1) Excellent Operational Preparedness 2) Excellent Operational Response 3) Excellent Prevention & Protection 4) Excellent People

April 2017 –March 2018

July-November 2017 update

CORPORATE RISK REGISTER 2017/18

MFRA RISK MATRIX

Increasing Impact B		Increasing Likelihood A				
		1	2	3	4	5
		Remote	Unlikely	Possible	Likely	Frequent
1	Slight	Manage for continuous improvement	Manage for continuous improvement	Manage for continuous improvement	Manage for continuous improvement	Manage for continuous improvement
2	Minor					Develop Reduction measures
3	Significant			Develop Reduction measures	Compulsory Risk reduction	
4	Major		Develop Reduction measures	Compulsory Risk reduction		
5	Massive	Develop Reduction measures	Compulsory Risk reduction			

CORPORATE RISK REGISTER 2017/18

Introduction

All organisations face risks that can impact on their operations, by establishing a systematic approach to identifying, assessing, and managing risk, Merseyside Fire and Rescue Authority (MFRA) intends to continually improve the organisation's governance, increase accountability and enhance overall performance.

The Director of Strategy and Performance reports directly to the Deputy Chief Fire Officer on matters relating to corporate risk management and maintains this risk register in collaboration with other members of the Strategic Management Group (SMG).

As part of this process the organisation considers the level and type of risk the Authority will accept while conducting its business and puts in place measures to reduce or eliminate that risk. This includes a careful evaluation of how risks affect the Authority's ability to achieve its Mission and Aims and its appetite for taking those risks.

The following categories of risk appetite are considered in relation to each identified Strategic Corporate Risk within this register:

- **Low –** The level of risk will not substantially impede the ability to achieve MFRA's Mission and Aims. Controls are prudently designed and effective**.**
- **Moderate –** The level of risk may delay or disrupt achievement of MFRA's Mission and Aims. Controls are adequately designed and are generally effective.
- **High –** The level of risk will significantly impede the ability to achieve MFRA's Mission and Aims. Controls may be inadequately designed or ineffective.

Risk Appetite by Strategic Corporate Risk Category

MFRA has an overall conservative risk appetite. The organisation will act in accordance with this to achieve strategic objectives and deliver high quality fire and rescue services to the people of Merseyside within a framework of reducing budget provision.

MFRA will employ sound risk management principles, transparent decision-making and effective communication to prioritise risk. The Authority manages seven strategic corporate risk categories to effectively supervise and ensure a safe and effective fire and rescue service that delivers prevention, protection and response services to Merseyside and beyond. MFRA has a low appetite for most types of risk (see table below), being aware of the need to ensure the prudent use of public money, maintain staff safety and deliver reliable and effective services.

Corporate Risk Category	Risk Appetite	Explanation
Budget and financial	Low	**The appetite for Budget and financial risk is low.** MFRA will exercise prudent management of its financial resources to achieve its mission. MFRA will maintain strong internal controls and ensure compliance with applicable legislation and accounting standards. MFRA will make prudent decisions to mitigate the financial impact of internal and external factors that affect it.
Legal and legislative	Low	**The appetite for Legal and legislative risk is low.** MFRA will always endeavour to comply with the laws that govern its activity and adopt appropriate governance processes. MFRA has no risk appetite for non-compliance with applicable laws and regulations.
Loss of strategic sites and assets	Moderate	**The appetite for risk in relation to strategic sites and assets is moderate.** Risk appetite in relation to vehicles and equipment is low, as safety and usability must be achieved through the use of detailed specifications of requirements. Risk appetite in relation to FRS sites (e.g. for a new fires station) is higher, as it is acknowledged the options are more limited and the end result in relation to the provision of a new fire station is not entirely predictable at the beginning of the process.
Environmental and Political	Moderate	**The appetite for risk in relation to environmental and political matters is moderate.** MFRA acknowledges that activity in relation to collaborative work with partners, for example, is not entirely predictable and some risks will be taken whilst attempting to improve service delivery or make savings through the use of new arrangements.
Loss of key staff	Moderate	**The appetite for risk in relation to loss of key staff is moderate.** MFRA recognises that it may need to adopt new and untried ways of working to deliver its services during periods of industrial action or reductions in the size of the workforce.
Technology	Low	**The appetite for Technology risk is low.** Information systems must support core MFRA functions with adequate capability, capacity, resiliency, and security from internal and external threats. The organisation relies on a mobile and technologically dependent workforce to carry out its Mission.
Procurement	Low	**The appetite for Procurement risk is low.** MFRA is bound by legislation and regulations that are designed to ensure that public finance is spent appropriately. As a result processes are designed to ensure that all procurement activity is properly governed and carried out in a way that ensures compliance.

CORPORATE RISK REGISTER 2017/18

Mission :- Safer Stronger Communities: Safe Effective Fire-fighters

RISK	STRATEGIC CORPORATE RISK	RISK No.	SPECIFIC CORPORATE RISKS	SUB RISK No.	AIMS AFFECTED	IMPACT	RISK SCORE	MITIGATION	MITIGATED SCORE	RISK/ACTION OWNER
1.	**Budget /Financial Risks**	**1.1**	Insufficient staff to maintain current levels of operational planning, training and management of intelligence	**1.1.1**	**1,2,3,4**	Increased risk to all MFRS staff safety - increased numbers of injuries.	**15**	Resilience exists within departments to task staff with priority work steams in the event of insufficient staffing becoming a concern. Business Continuity Plans in place. **July-Nov Update** No change this period	**12**	**AM Operational Preparedness**
				1.1.2	**1,2,3,4**	increased risk of property loss	**12**		**10**	
				1.1.3	**1,2,3,4**	Reducing ability to respond or maintain competent workforce.	**15**	The Authority continues to utilise the most agile working systems to ensure a high level of service delivery and response, integrated with appropriate skill audits and training delivery to ensure a high level of competence in all staff **July-Nov Update** No change this period	**10**	**Director of POD**
				1.1.4	**1,2,3,4**	Reduced ability to maintain FF safety	**15**	<u>AM Response</u> Maintenance of competency is managed on station through SPA and the training planner for all operational staff. TRM staff utilise VAH to ensure appliances on fully staffed.	**10**	**AM Operational Response/ Preparedness**

1.	**Budget/Financial Risks**							**July-Nov Update** There are no further changes, the update remains the same as 1st qtr AM Preparedness Safe Person Assessments and Learn pro modules continue to be completed by operational crews as part of their work routine. Confirmation of knowledge and understanding is confirmed through station audit processes. **July-Nov Update** No change this period		
		1.2	Insufficient staff to maintain current prevention and protection work. Inability to maintain performance (e.g. Care Act)	**1.2.1**	**1,2,3,4**	Increased fires, deaths and injuries	**15**	MFRA continues to deliver its Home Safety Strategy, our focus is targeted at the over 65's and those who are most vulnerable, we have seen advocate performance lift by over 45% this past year and we continue to monitor ADFs and Fire Fatalities through PMG. The impact of the Grenfell Tower Fire is yet to be fully understood but there is the likelihood of increased Protection teams as such a review is underway **July-Nov Update** The Arson team is continuing in the reduction of deliberate fire setting by proactively engaging with partners, carrying out target	**10**	**AM Community Risk Management**

1.	**Budget/Financial Risks**							hardening within the local community whilst actively investigating incidents that have been suspected of deliberate ignition. The team has adopted a risk based approach towards deliberate fire setting understanding the local intelligence picture using the Polices Threat, Harm and Risk matrix. The aim is to be people, place and premise centric delivering community reassurance in the high demand wards across the Merseyside. We will look to collaborate with Merseyside Police, Local Authorities and other CSP partners to set clear objectives to Prepare, Prevent, Protect and Pursue in our duties of arson reduction. During November 5 Multi Agency Campaigns have taken place with partners and over 200 HFSCs were completed along with 6 target hardening reports and 15 Fly tipping reports. A collaborative approach with Partners saw MFRS record a 32% reduction in ASB fires during the bonfire period. MFRS carried out 132 Community Risk Management routes and completed 143 target		
1.	**Budget/Financial Risks**									

							hardening visits. In total MFRS collected over 49 tonnes of waste which resulted in 189 fewer calls than 2016.		
		1.3	Insufficient FF's to maintain current levels of response and current number of fire stations	**1.3.1**	**1,2,3,4**	Increased risk of property loss in the community	**15**	MFRA undertakes continual review, analysis and testing of necessary operational response changes resulting from budget reductions to ensure effectiveness against Authority response standards. **July-Nov Update** There are no further changes, the update remains the same as 1st qtr	**10**	**AM Operational Response**
				1.3.2	**1,2,3,4**	Increased fires, deaths and injuries	**15**	MFRA undertakes continual review, analysis and testing of necessary operational response changes resulting from budget reductions to ensure effectiveness against Authority response standards. **July-Nov Update** There are no further changes, the update remains the same as 1st qtr	**10**	**AM Operational Response**
		1.4	Pay increases-impact on ability to maintain a balanced budget	**1.4.1**	**1,2,3,4**	The 2017/18 MTFP assumes 1% annual pay increase for all staff in 2017/18 to 2019/20 and then 2% thereafter.	**15**	For 2017/18 financial year the inflation reserve, £0.5m, can cover short term funding of the 2017/18 firefighter pay offer, 2%. However permanent additional savings must be identified (during the 2018/19 budget process) to	**10**	**Treasurer**

						Each additional 1% increase in pay equates to approximately £0.3m for firefighters and £0.1m for other staff. For 2017/18 the latest indication is that firefighters will receive a minimum of a 2% pay increase. This will permanently increase expenditure by £0.3m p.a. above the budgeted amount. An additional 3% may be awarded in April 2018, but this is dependent upon the Government funding this, and therefore although unlikely the assumption is that without Gov support the 3% will not be awarded.		cover the increase on a permanent basis. **July-Nov Update** Non-uniform staff have been offered a 2 year (2018/19 – 2019/20) pay increase of 2% p.a. The 2018/19 budget process will consider what this means for the MTFP and what action is required.		

		1.4	Pay increases-impact on ability to maintain a balanced budget	**1.4.1**	**1,2,3,4**	The 2017/18 MTFP assumes 1% annual pay increase for all staff in 2017/18 to 2019/20 and then 2% thereafter. Each additional 1% increase in pay equates to approximately £0.3m for firefighters and £0.1m for other staff. For 2018/19 to 2019/20 the updated MTFP is likely to see the assumption that the future pay awards may be 2% p.a. of higher. Increasing the financial challenge by £0.8m by 2019/20, plus the £0.3m from the 2017/18 Firefighter pay award.	**25**	For 2018/19 & 2019/20 the 2018/19 budget making process must identify permanent savings to cover any change in the pay assumptions. At the present moment no specific saving options have been worked up to cover the increased cost. **July-Nov Update** Non-uniform staff have been offered a 2 year (2018/19 – 2019/20) pay increase of 2% p.a. The 2018/19 budget process will consider what this means for the MTFP and what action is required.	**25**	**Treasurer**
		1.5	Insufficient support staff to maintain services to front line and maintain good governance.	**1.5.1**	**1,2,3,4**	Reduced ability to maintain fleet, PPE, pay FF's and maintain the buildings.	**15**	Processes are redesigned when cuts to staffing are made Stopping performing specific activities considered Remaining staff are trained in processes/services that are still required	**10**	**SMG**

								July-Nov Update No change this period		
		1.7	Loss of National Resilience funding from Home Office			Loss of operational response/service/training/lack of equipment/vehicles not maintained.		Utilising MFRS resources to fulfil Role and responsibilities. Budget constantly reviewed with Home Office Colleagues **July-Nov Update** Budget constantly reviewed with Home Office Colleagues		**AM Preparedness**
		1.8	Changes to insurance discount rates	**1.8.1**	**1,2,3,4**	Increased insurance premiums		This is largely out of the control of MFRA but careful negotiation and management of all contracts assist with mitigating the effect. **July-Nov Update** This continues to be out of direct control but mitigated as above		**Director of Legal, Procurement & Democratic Services**
Aims:	**1) Excellent Operational Preparedness.**	**2) Excellent Operational Response.**	**3) Excellent Prevention & Protection.**	**4) Excellent People**						
2.	**Legal & Legislative Risks**	**2.1**	Non-compliance with the National Framework	**2.1.1**	**1,2,3**	Damage to MFRS reputation. Impact on public and partner goodwill.	**15**	The IRMP process is thorough and consulted on widely. SWOT and PESTEL activities are carried out Community risks are assessed and strategies and processes adopted to deal with them Data is analysed and considered	**8**	**SMG**

2.	**Legal & Legislative Risks**			**2.1.2**	**1,2,3**	Inability to respond to major national resilience incidents	**15**	**July-Nov Update** Work continues to take place as detailed above in relation to planning and delivery of objectives.	**8**	**SMG**
				2.1.3	**1,2,3**	Increased fires, deaths and injuries	**15**		**12**	**SMG**
		2.2	Corporate Manslaughter Act	**2.2.1**	**1,2,3,4**	Sanctions, fines and or arrests resulting from death of Personnel	**25**	This can be mitigated to some degree by all staff taking care at incidents and events to avoid injury and damage. **July-Nov Update** No change this period	**12**	**SMG**
		2.3	Changes introduced by the Localism Act 2011	**2.3.1**	**1,2,3,4**	Judicial Review – other legal challenges	**15**	This can be mitigated to some degree by careful consideration of consultation outcomes and other forms of community input into decisions. However any person can apply for JR regardless of the perceived merits or otherwise of such an application. No challenges in the form of Judicial Review or other have been received within this period. **July-Nov Update** No change this period	**8**	**Director of Legal, Procurement & Democratic Services**
		2.4	Equality Act - not maintaining compliance with the	**2.4.1**	**4**	Potential impact on reputation Potential legal action	**15**	The Equality and Diversity Policy is regularly reviewed (most recently 2017)	**8**	**Director of Strategy & Performance**

2.	**Legal & Legislative Risks**		Public Sector Equality Duty					An Equality Action Plan has been in place for five years, with outcomes and risks reviewed in full every year and progress monitored quarterly An E&D Annual Report details outcomes in line with the Equality Act and Action Plan A Public Sector Equality Duty data report is produced annually and analysed to feed in the action planning process Equality Impact Assessments are carried out for plans, policies, guidance, instructions and organisational change A desk top exercise was carried out in 2016/17 to gather information in relation to the LGA Equality and Diversity Framework Two staff surveys have been carried out (2014 and 2016) and action taken to address concerns. Training and support is given to staff to assist them in complying with Equality and Diversity related duties. **July-Nov Update** All the above comments are still relevant and work has continued nationally and regionally to influence E&D policy. The new E&D objectives have been reviewed to allocated measures to each of them to ensure progress can be		

								monitored. They have also been mapped against national requirements such as the NJC strategy and E&D Framework.		
2.	**Legal & Legislative Risk**	**2.6**	Policing and Crime Act 2017	**2.6.1**	**2,3**	Potential change to Governance	**15**	Police and Crime Commissioner (PCC) representative model on the Fire Authority. A business case would need to be completed and submitted to the Secretary of State. If disputed an independent panel would review the business case. Continue to maintain dialogue with the PCC through Blue Light Collaboration Programme Board and Fire Authority. **July-Nov Update** No change this period	**12**	**AM Strategic Change and Resources**
				2.6.2	**2,3**	Inability to deliver collaboration across Blue Light Services in line with Policing and Crime Act 2017	**12**	The Policing and Crime Act 2017 places a duty on MFRA to keep collaboration under review. We will update, review and monitor our local collaboration overview. We will continue with the Blue Light Collaboration Programme Board. **July-Nov Update** No change this period	**8**	**AM Strategic Change and Resources**

		2.7	Increased Litigation costs	**2.7.1**	**4**	Staff shortages resulting in dissatisfaction of staff and customers, causing increases in claims.	**15**	SMG will take care to ensure staffing levels are appropriate to deal with statutory functions **July-Nov Update** No change this period	**12**	**Director of Legal, Procurement & Democratic Services**
				2.7.2	**4**	Increasing insurance and settlement cost provision	**12**	Close work with the Health and Safety team and ongoing training and development **July-Nov Update** No change this period	**6**	**Director of Legal, Procurement & Democratic Services**
				2.7.3	**2,4**	Increased incidents/costs/injuries whilst travelling under blue lights/speeding	**12**	Close work with the Health and Safety team and ongoing training and development **July-Nov Update** No change this period	**6**	**Director of Legal, Procurement & Democratic Services**
				2.7.4	**2,4**	Potential for increased litigation arising from shared premises with partners.	**12**	Estates team monitor shared use and advise partner agencies as appropriate. **July-Nov Update** No change this period	**6**	**Director of Legal, Procurement & Democratic Services.**

		2.9	Failure to comply with Government Transparency agenda	**2.9.1**	**1,2,3**	Damage to reputation of MFRS by not publishing policies and data as required	**12**	A Transparency Service Instruction has been produced to set out the Authority's commitment There is a transparency section on the website with advice and guidance as well as the data that the Authority is required to publish **July-Nov Update** No change this period	**8**	**SMG**
		2.10	Health & Safety audits, failures and investigations	**2.10.1**	**1,2,3**	H&S audits, failures and investigations from HSE resulting in sanctions and or fines	**15**	MFRA has a robust suite of H&S audits with findings responded to by the central team in liaison with Estates. All incidents follow an investigatory process to maximise learning which includes advice from Legal to ensure protection. **July-Nov Update** There are no further changes, the update remains the same as 1st qtr	**10**	**AM Operational Preparedness & Operational Response**
		2.11	Lead Authority for National Resilience	**2.11.1**	**1,2,3,4**	Increased responsibility and liability; capacity issues and reputational risk.	**15**	Mitigation in part through careful contract management. **July-Nov Update** No change this period	**10**	**Director of Legal, Procurement & Democratic Services.**
Aims:		**1) Excellent Operational Preparedness.**		**2) Excellent Operational Response.**		**3) Excellent Prevention & Protection.**		**4) Excellent People**		
3.	**Loss of Strategic sites/Assets**	**3.1**	Loss of strategic sites/assets and inability to provide services to Merseyside	**3.1.1**	**1,2,3,4**	Inability to respond to major local and national resilience incidents	**20**	Treasurer Finance Staff can operate applications from any MFRS site. Application hosted externally with ABS having fall back sites as well.	**8**	**Head of Technology, Treasurer,**

		3.2	Loss of FSHQ, FIRE CONTROL, TADA, fire stations and National Resilience Control	**3.2.1**	**1,2,4**	Inability to respond, delay in providing core services	**20**	**July-Nov Update** No change this period <u>Head of Technology & AM Preparedness</u> Secondary Fire Control is available at TDA for relocation. A fall-back 'buddy' agreement is in place with Surrey FRS and BT to redirect and manage Emergency 999 calls during periods of outage, spate and spike. Enhanced buddy arrangements with Surrey including DEIT are under investigation **July-Nov Update** No change this period – *Head of Technology & AM Operational Preparedness*	**8**	**AM Operational Preparedness**
		3.3	Loss of utilities due to infrastructure failure.	**3.3.1**	**1,2,3,4**	Inability to provide core services temporarily whilst fall-back site is brought online	**20**		**8**	**Head of Technology, Treasurer, AM Operational Preparedness**
3.	**Loss of Strategic Sites/Assets**	**3.4**	Protective security-potential risks resulting from non-compliance with FRS Protective Security Strategy.	**3.4.1**	**1,2,3,4**	Potential security risk in relation to all FRS assets, particularly in relation to Personnel, information and premises risk.	**20**	A Protective Security Group is led by the DCFO and includes representatives of several departments with security responsibilities. There is a Protective Security Policy and three Service Instructions that deal with Information, Physical and Personnel security In 2017/18 an Internal Audit review of arrangements will take place.	**9**	**Director of Strategy & Performance**

								July-Nov Update The internal audit review is now likely to take place in early 2018		
		3.5	Station Change Programme doesn't achieve desired outcomes. Mergers and closures of Merseyside stations in light of cuts.	**3.5.1**	**1,2,3,4**	Programme management direction and led by PO's. Prescot	**20**	The key risk is that not all the three merged stations will be built as planned. However, Prescot is on target to be operational by March 2018. **July-Nov Update** Prescot is now due to be operational in late January 2018.	**6**	**AM Strategic Change and Resources**
				3.5.2	**1,2,3,4**	Saughall Massie	**25**	Planning permission has now been received for Saughall Massie and Authority approval will be sought later in 2017 for the build to commence, once the land has been obtained. **July-Nov Update** Wirral Cabinet have now approved transfer of the land to MFRA. Authority will be recommended to approve scheme and budget at meeting on 14th December 2017.	**9**	
				3.5.3	**1,2,3,4**	St Helens	**25**	In St. Helens a suitable site has been identified & negotiations are currently underway to resolve the	**12**	

								various issues that are currently preventing progress. If this site falls through, an alternative site will be sought. If nothing appropriate can be found, Eccleston will close completely and the current St. Helens site continue to be utilised for response in the wider St. Helens area. **July-Nov Update** Negotiations continue to obtain the preferred site.		
		3.6	Potential elevated target risk for terrorist action in regards to cyber crimes	**8.1.1**	**1,2,3,4**	Loss of Fire Control ICT services and information assets		See 6.2 and 6.9. As a further mitigation, cyber security is also increased by having the Fire Control Infrastructure on its own firewalled network with limited access in and out. However, ICT at this point in time would increase the risk level from 6 to 12 in line with other cyber risks (6.2 and 6.9). **July-Nov Update** No change this period – *Head of Technology*		**Head of Technology**
Aims:		**1) Excellent Operational Preparedness.**		**2) Excellent Operational Response.**		**3) Excellent Prevention & Protection.**		**4) Excellent People**		
4.	**Environmental And Political**	**4.1**	Increase in Environmental incidents resulting in	**4.1.1**	**1,4**	HSE and legislative impacts from illegal discharges (impact	**15**	Action plans are in place with Fire Control to inform the Environment Agency when operational activity may impact the environment to	**10**	

			the inability to respond			from fire-fighting activity)		assist with mitigation. HMEPO support officers are available across all flexi duty groups to support incident commanders. **July-Nov Update** There are no further changes, the update remains the same as 1st qtr		**AM Operational Response**
4.	**Environmental And Political**	**4.2**	Insufficient water pressure resulting in the inability to fight fires effectively.	**4.2.1**	**1,2**	Potential for major consequences, FF injuries	**25**	High volume pumps (HVP's) and hose layer units available to support water supplies. Additional HVP's available via NCAF arrangements. Availability of mapping for water mains to be accessible on the command support unit. Currently awaiting sign off of a Data Licence agreement with United Utilities to share "Safe Dig" Software **July-Nov Update** Water Mains Mapping has been made available and will be added to the MDT and Tablets that are to be supplied to each appliance and senior officer. This will enable Incident Commanders to understand water main sizes and position to lessen over running of the water supply at incidents	**4**	**AM Operational Preparedness**
		4.3	Changing demographics in Merseyside brings	**4.3.1**	**1,2,3**	Increased economic costs from increases in arson	**15**	Increased economic costs from increases in arson – The arson reduction strategy focuses multi-	**12**	**AM Community**

			about a changing in vulnerability profile and higher unemployment.	**4.3.2**	**1,2,3**	Increased economic costs from increases in fraud.	**15**	agency community safety campaigns in high demand wards in order to support and community cohesion, develop community resilience and reduce the tolerance of anti-social behaviour (ASB), domestic abuse (DA), serious organised crime (SOC) and the associated deliberate fire setting. Increased economic costs from increases in fraud – The newly funded communications and media post will raise awareness of community safety priorities coordinating media messages and campaigns across a digital platform. Increased road traffic collisions (RTC) – As above (but add 50% Merseyside Road Safety Partnership funded). Increased antisocial behaviour (ASB) – The arson reduction strategy focuses multi-agency community safety campaigns in high demand wards in order to support and community cohesion, develop community resilience and reduce the tolerance of ASB, DA, SOC and the associated deliberate fire setting. The Street Intervention Team are also deployed via the Voluntary Organisation Support Service (VOSS) and Merseyside	**12**	**Risk Management**
				4.3.3	**1,2,3**	Increased incidents eg. fires	**15**		**12**	
4.	**Environmental And Political**			**4.3.4**	**1,2,3**	Increased antisocial behaviour (ASB)	**15**		**12**	

								Police to engage and divert children and young people away from anti-social behaviour and towards more meaningful activities. Increased incidents e.g. Fires – Community Risk Management risk reduction strategies are designed to put measures in place to reduce risk and mitigate high call demand outputs and outcomes are reported via Performance Management Group. **July-Nov Update**		
4.	**Environmental And Political**	**4.4**	Reputation	**4.5.1**	**1,2,3,4**	Negative changes to the Community perception of MFRS may be detrimental to Prevention, protection and partnership activities eg. failure to deliver safety messages.	**15**	Corporate Communications activity is focussed on protecting the reputation of the Service whilst providing advice and guidance to communities and promoting the services provided Social media is closely monitored (but not 24/4) Press and media queries are dealt with promptly with senior officers providing information Events are promoted and provided with communications support Staffing levels have been very low – this will improve during 2017/18. **July-Nov Update**	**12**	**Director of Strategy and Performance**

								All the above still apply. A social media audit will take place to develop a new strategy. A new communications Strategy will also be developed.		
		4.5	Increased flood risk	**4.6.1**	**1,2**	Ability to respond to major flooding incidents from spate conditions.	**15**	<u>Response</u> Operational Crews train for and are equipped for water rescue incidents. Senior Officers train against national standards for flood response. Specialist Teams are available for local, national and inter-national flood response. Additional resources are available to the Service if required for increased levels of activity. Increased Alert Level protocols can be implemented by Senior Officers for anticipated events. **July-Nov Update** There are no further changes, the update remains the same as 1st qtr <u>Preparedness</u> Service Instruction 0415 Provision of Resources during Periods of Sustained Operational Activity and or Spate Conditions Service Policy PREPOL07 Spate Conditions	**10**	**AM Operational Preparedness & Operational Response**
		4.6	Extreme Weather	**4.7.1**	**1,2**	Spate conditions will impact on ability to respond	**15**		**10**	**AM Operational Preparedness & Operational Response**

								All front line crews are trained and equipped for still water response. Swift water trained personnel available for deployment, including boats, to support major flooding events. Further resilience available through retained personnel. Further assistance available via NCAF arrangements. Fire control have increased activity level procedures to respond to appliance availability 4x4 vehicles available for officers. **July-Nov Update** As above, MFRA continue to monitor extreme weather alerts with multi agency partners across Merseyside and also Nationally for potential deployments via for National Resilience Fire Control		
		4.7	Civil Unrest	**4.8.1**	**1,2,3**	Inability to respond effectively to civil unrest	**15**	MFRS continually liaises and trains with Merseyside Police and other agencies through formal Local Resilience Forum channels to ensure a coordinated approach to Civil Unrest following the principles of JESIP (Joint Emergency Services Interoperability Protocol).	**10**	**AM Operational Preparedness & Operational Response**

								July-Nov Update There are no further changes, the update remains the same as 1st qtr		
		4.8	Impact of increased focus on high rise buildings following the Grenfell Towers fire.	**4.8.1**	**1,2**	Required focus on fire safety in high rise buildings following the Grenfell Tower fire has a negative impact on the current MFRS Home Safety Strategy resulting in fewer HFSC's being delivered to over 65's (the group most vulnerable to fire in the home).	**15**	MFRA approach at this time (and subject to continuous review) has established a community reassurance campaign for the 43 high rise buildings initially identified with cladding, MFRA is also cognisant of all communications from Government Departments, National Fire Chiefs Council, housing and others. We will continue to engage proactively with key stakeholders locally to mitigate any risks were possible. We will continue to monitor Home Fire Safety Check (HFSC) performance in the short term (set against the status reports) from operational crews given that July and Augusts focus will be given to high rise premises. This has been reported and acknowledged by the Service's Performance Management Group. Advocates will still predominately focus on core business in the delivery of high risk visits"	**10**	**AM Community Risk Management**

								July-Nov Update No change this period		
		4.9	Air pollution charges - Report/regulations due out July 2017 on City Centre car charges for diesel vehicles	**4.9.1**	**1,2,3**	Cost of MFRS ancillary vehicles entering City centre zone – anticipate fire appliances will be exempt.		MFRS Transport Manager will closely monitor the situation **July-Nov Update** Awaiting further information of local enforcements, this will also link in with 4.11 below.		**AM Preparedness**
		4.10	Fuel Strike			Loss of fuel available due to strike. Critical services only to utilise MFRS diesel tanks.		Merseyside Resilience Forum Fuel plan for strike conditions. MFRS fuel tank supplies utilised for critical services only during strike conditions **July-Nov Update** BC plans being refreshed due to recent update to national Fuel strike plan		**AM Preparedness**
		4.11	Diesel fuel vehicles being phased out in the future	**4.11.1**	**1,2,3**	Impact on fleet and lease vehicles		Long term planning for vehicle and asset refresh. **July-Nov Update** Transport Manager to carry costings for introduction of alternative fuel/powered vehicles for ancillary fleet and infrastructure to support them.		**AM Preparedness**
Aims:	**1) Excellent Operational Preparedness.**		**2) Excellent Operational Response.**		**3) Excellent Prevention & Protection.**		**4) Excellent People**			
5.	**Loss of Key staff**	**5.1**	Sudden Mass Absenteeism Pandemic, Strike, CBRNE incident, significant incident	**5.1.1**	**1,2,3,4**	Loss of Key staff, Inability to provide core services	**15**	<u>AM Response</u> The Authority maintains a resilience team capable of providing the necessary operational response provision as required within the 10	**10**	**AM Operational Preparedness & Operational Response**

								key locations during contingency situations. In addition section 13-16 arrangements are maintained to supplement internal resilience arrangements. **July-Nov Update–**There are no further changes, the update remains the same as 1st qtr – AM Response <u>AM Preparedness</u> Business Continuity arrangements supported by Resilience contracts		
		5.2	Industrial Action resulting in the Inability to provide suitable response	**5.2.1**	**1,2,3,4**	Inability to attend incidents, provide core services		The Authority maintains a resilience team capable of providing the necessary operational response provision as required within the 10 key locations during contingency situations. In addition section 13-16 arrangements are maintained to supplement internal resilience arrangements. **July-Nov Update** No change this period	**12**	**Director of POD**
		5.3	Change resulting in loss of Key staff and increasing workloads to set strategy and deliver services	**5.3.1**	**1,2,3,4**	Loss of key skills, lack of momentum going forward, reduced ability to respond to changes.	**15**	The Authority continues to manage its staffing requirements through the Workforce strategy group, appraisal process, and Gateway promotion process. All combining to identify potential staff or skill shortage, and ensure adequate training,	**12**	**Director of POD**

								promotion or recruitment to address those needs **July-Nov Update** No change this period		
Aims:	**1) Excellent Operational Preparedness.**		**2) Excellent Operational Response.**		**3) Excellent Prevention & Protection.**		**4) Excellent People**			
6.	**Technology Risks**	**6.1**	Management of 3rd Party Technology Suppliers Software & Applications Training requirements.	**6.1.1**	**1,2,3,4**	Loss or reduction in the quality of services provided	**12**	Test environment exists for training on systems, upgrades etc before any change is made to the live system. telent and the internal ICT client team manages all supplier performance to the required Service Levels and ensures they are appropriate to support the needs of MFRA, both across the ICT Infrastructure and the Commodity & Fire Control Applications used by the Authority. This ensures the Suppliers deliver continuous service improvement, show best value and are fit for purpose to meet the business needs. **July-Nov Update** No change this period – *Head of Technology* This area is also being considered as part of the preparation for the implementation of the General Data Protection regulation in May 2018. *Director of Strategy and Performance*	**6**	**Head of Technology** **Director of Strategy & Performance** **FMIS Manager**

6.	**Technology Risks**	**6.2**	Infrastructure sharing with partners. Security from Virus and hacking, loss of data (Laptops, CD etc.).	**6.2.1**	**1,3,4**	Data compromised, loss of data, complaints, legal action, fines	**15**	Director of Strategy & Performance ICT and Information Management Strategy Group considers and responds to strategic risks A Protective Security Group focuses on information security Governance arrangements for applications were been reviewed and formalised in 2016. **July-Nov Update** Head of Technology An Exempt report on Cyber Security Attacks was presented to MFRA on 6th June 2017. This informed Members of the arrangements in place – both proactive and reactive – in response to the escalating threat of cyber-attacks. As can be appreciated, releasing full details of security measures is a security risk in itself In August 2016, as part of the requirement to prepare for connection to the Emergency Services Network (ESN), MFRSA undertook an IT Health check engaging 3rd Party Security consultants CNS to undertake the IT Health Check (ITHC).	**12**	**Head of Technology** **Director of Strategy & Performance**

6.								The ITHC remedial Action Plan will contribute to increase Cyber Security for MFRA. This area is also being considered as part of the preparation for the implementation of the General Data Protection regulation in May 2018. *Director of Strategy and Performance*		
	Technology Risks	**6.3**	The inability to keep pace with technology changes.	**6.3.1**	**1,2,3,4**	Loss or reduction in the quality of services provided	**15**	MFRA has forgone a concrete roadmap for its newly launched ICT strategy and has adopted a Strategic Framework which reviews planned activities and outcomes in a yearly cycle of meetings. This ability to "evolve" the strategic outcomes allows the Authority to match the fast pace of change in the ICT sector, taking advantage of appropriate innovations, whilst having an ICT Infrastructure that is robust, secure, reliable and resilient. For this reason our 'ICT Strategy is encapsulated in our ICT Strategic Framework and our Asset Management Plan, which is then aligned to wider organisation strategy at the ICT and Information Management Strategy Meetings. **July-Nov Update**	**12**	**Head of Technology**

								No change this period – *Head of Technology and Director of Strategy and Performance.*		
6.	**Technology Risks**	**6.4**	Poor data/information management resulting in loss of data, legal redress from Information Commissioner. Particularly in relation to failure to implement the General Data Protection Regulation.	**6.4.1**	**1,2,3,4**	Data compromised, loss of data, complaints, legal action, fines	**15**	There are polices for Information Security and Governance, Acceptable use of ICT equipment and Protective Security. There are also several Service Instructions covering the key issues associated with this, including data protection, retention period, destruction of information assets, records management and Freedom of Information. Work has commenced to implement the General Data Protection Regulation with a working group considering its implications. This includes: Developing an information asset register, privacy impact assessments, access to information and the role of the Data Protection Officer. Collaborative work with Merseyside police and other FRAs is being considered to share best practice. **July-Nov Update** Work to implement the General Data Protection Regulation (GDPR) is progressing steadily, but the large	**12**	**Director of Strategy & Performance**

								amount of work required may require a small amount of additional resources for a short period.		
6.	**Technology Risks**	**6.5**	The Emergency Services Mobile Communication Programme (ESMCP) and transition to the emergency services network	**6.5.1**	**1,2,3**	Radio voice services cannot be guaranteed for the transition	**16**	The ESMCP programme presents a high-risk potential for MFRA dependent on external factors beyond its day-to-day control, the main issue being slippage at a national level. A watching brief is in place and any opportunities to influence the ESMCP national regional aspects of the project will be taken. The project risks are being managed by the MFRA ESMCP Project board and the national programme risk register is being maintained by the Home Office Central Team. A key risk mitigation is that the Airwave contract has been extended and Motorola has now bought Airwave as a company. The Home Office will work closely with FRS & Airwave to ensure that our current voice communication network remains in place and effective.	**9**	**Head of Technology**

								ESMCP will replace the communication service delivered by Airwave with a national mobile communication service for all 3 emergency services. ICT staff regularly attend ESMCP updates at Fire Control North West to gain the latest information on the progress of the project. **July-Nov Update** No change this period – *Head of Technology*		
		6.7	Withdrawal and transition arrangements from SOPHTLOGIC to new MIS for Community Fire Protection.	**6.7.1**	**1,2,3,4**	Robust transitional arrangements are required to ensure the Authority can carry out its statutory duty as the Enforcing Authority under the RRO (Fire Safety) 2005.	**15**	The replacement of the SOPHTLOGIC system is programmed in for development and options are being explored. The transitional arrangements remain part of that process. **July-Nov Update** No change this period	**12**	**Director of Strategy & Performance**
		6.9	Increase potential for Cyber Attack as we move to the Cloud			Loss or reduction in the quality of services provided	**15**	ICT deploys a number of security measures to protect our networks and information See 6.2. In addition to these, members of ICT have joined the Cybersecurity information Sharing Partnership (CiSP), which is a joint industry and	**12**	**Head of Technology**

								government forum for cybersecurity practitioners to share advice and warnings. **July-Nov Update** No change this period – *Head of Technology*		
		6.10	Loss of system signal to Vesty building			In extreme weather (fog or snow) and if foliage is overgrown there is a loss of systems in the Engineering Centre		Business Continuity plans are in place for these eventualities. **July-Nov Update** This is becoming more frequent for approx. 2 hrs in the morning time 2-3 times a week depending upon the weather		**AM Preparedness**
Aims:		**1) Excellent Operational Preparedness.**		**2) Excellent Operational Response.**		**3) Excellent Prevention & Protection.**		**4) Excellent People**		
7.	**Procurement**	**7.2**	Poorly Managed contracts/Partnerships the Financial impacts, onerous T&Cs	**7.2.1**	**1,2,3,4**	Negative impact on service delivery, legal issues, poor quality Partnerships undertaken	**12**	Regular, documented contract management in place for key contracts with priorities agreed between the Authority and the supplier. **July-Nov Update** No change this period	**8**	**Director of Legal, Procurement & Democratic Services**
		7.3	Key suppliers of goods and services ceasing to trade	**7.3.1**	**1,2,3,4**	Immediate impact on availability of goods and services required to operate efficiently, legal issues,	**15**	Use of Creditsafe alerts to identify and financial changes to contracted suppliers. **July-Nov Update**	**12**	**Director of Legal, Procurement & Democratic Services**

						alternative sources of supply needed.		No change this period		

Mission

MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	**AUDIT & SCRUTINY SUB-COMMITTEE**		
DATE:	**8TH FEBRUARY 2018**	**REPORT NO:**	**CFO/001/18**
PRESENTING OFFICER	**CHIEF FIRE OFFICER**		
RESPONSIBLE OFFICER:	**AM MOTTRAM**	**REPORT AUTHOR:**	**GM MOORE**
OFFICERS CONSULTED:	**GM MOORE (HEALTH & SAFETY MANAGER)**		
TITLE OF REPORT:	**HEALTH, SAFETY & WELFARE ANNUAL REPORT**		

APPENDICES:	**APPENDIX A:**	**HEALTH, SAFETY & WELFARE REPORTING**
	APPENDIX B:	**MFRS ANNUAL ON DUTY INJURIES 2016/17**
	APPENDIX C:	**MFRS ANNUAL ON DUTY INJURIES 2015/16**

Purpose of Report

1. To request that Members note the content of the Annual Health, Safety & Welfare Report which details the performance of the Authority against its performance indicators for Health Safety and Welfare (HS&W) for financial year 2016/17.

Recommendation

2. That Members;

   a) Note the content of the Annual Health, Safety & Welfare Report for the period April 2016 to March 2017.

   b) Note the performance outcomes of the Authority against its Health Safety & Welfare performance targets for the period April 2016 to March 2017.

Introduction and Background

3. The Annual Health, Safety & Welfare Report updates Members on Health, Safety & Welfare performance against the LPI's set by the Authority for 2016/17.

4. This report ensures that the Authority is informed in regard to the current HS&W performance so it can be assured that it continues to comply with its corporate

policy, legal and performance requirements. This report has been prepared using data from the Authority's HS&W Management System - OSHENS.

5. The MFRA Health, Safety and Welfare Committee meets on a quarterly basis. The Committee membership includes Representative bodies, senior managers and a representative of the Authority - Councillor Welsh who was also the lead member for the Operational Response during this reporting period. The committee is chaired by the Director of Operational Response/Third Officer Dave Mottram. The local performance indicators (included in this report) are reviewed and scrutinised at each meeting with actions taken to maintain or improve performance.

6. The Service sets a performance target on the basis of previous performance and changing context to the Health & Safety Departments LPI's in line with the MFRA Service plan. It should be noted that not all graphs in Appendix A are given a target and these are presented for information and a broader understanding of local H&S departmental performance management.

7. Some of the key areas for Members to note are as follows,

8. Staff injuries

   i. There were a total of 43 injuries to operational staff recorded in 2016/17, which was 10 below the target and 10 less than the previous year reflecting a 19% decrease. Of the 43 reported injuries, 27 of the individuals remained on duty following the injury which highlights the fact that they were minor in nature and supports the positive reporting culture that is being encouraged across the organisation.

   ii. Of the 43 reported injuries, and for the third year running, the largest single injury type was "Injured while handling, lifting or carrying". The 14 reported injuries in this category represents a decrease of 4 on the previous year with a full breakdown of all "causes" of injuries for the last two years available in Appendices B and C.

   iii. There was a total of 16 injuries to non-operational staff recorded in 2016/17. This category is not allocated a target, although it is monitored for trends. Following analysis of the "causes of injuries" there were no emerging trends identified although there has been an increase of 5 injuries on the previous year. Of the 16 reported injuries, 14 of the individuals remained on duty which highlights that they were minor in nature.

9. Road Traffic Collisions (RTC's) involving Authority vehicles

   i. There was a total of 70 RTC's involving all types of Authority vehicles recorded in 2016/17 which was under target by 16. This was a reduction of 9 incidents on the previous year.

ii. It should be noted that all RTC's are reviewed on a monthly basis at the Road Risk Review Group who collectively decide on the appropriate course of action to be taken.

10. Near miss reporting

i. In 2015/16, an objective was set for the H&S Department to increase the number of near miss reports by 20%, which was surpassed with a 91% increase. This proactive work has continued into 2016/17 which has seen a further increase of 15% to 81 near miss reports. It should be noted that the reporting of a near miss reflects a positive Health & Safety culture and MFRA has the highest reporting figures in this area out of all the North West Fire and Rescue Authorities.

11. Joint workplace inspections

i. In 2016/17, there were 51 H&S inspections carried out with Trade Union Safety Reps. Following a year on year decline in this figure, this number has increased by 6 in 2016/17 and engagement continues with the Representative Bodies.

12. Future planning for the H&S department is captured within the Operational Response Functional Delivery Plan (Service Delivery plan 2016-17 CFO\017\16 approved by the Policy & Resources Committee on 24.03.16).

Equality and Diversity Implications

13. This report informs on the Authority's performance under its Health, Safety & Welfare Policy and supporting procedures, all of which are subject to current Equality Impact Assessments.

Staff Implications

14. Health, Safety & Welfare is integral to the management of all members of staff.

Legal Implications

15. The Health, Safety & Welfare Report provides evidence of compliance with the Health and Safety at Work Act 1974 and Regulations made pursuant to that Act.

Financial Implications & Value for Money

16. None identified within this report.

Risk Management, Health & Safety, and Environmental Implications

17. Implicit throughout the report.

Contribution to Our Mission: *Safer Stronger Communities – Safe Effective Firefighters*

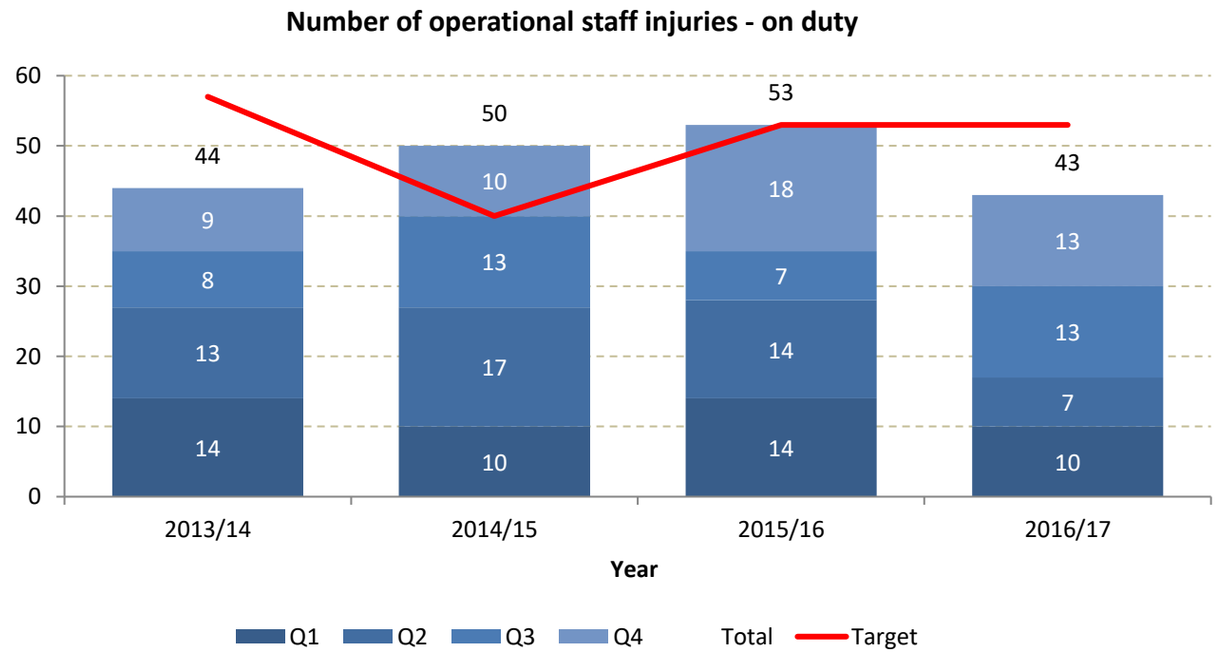
18. This report details improved Health, Safety & Welfare performance which is at the core of the Authority's mission.

BACKGROUND PAPERS

GLOSSARY OF TERMS

MFRS	Merseyside Fire & Rescue Service
HS&W	Health Safety & Welfare

WR13		
Number of operational staff injuries – on duty		
Previous Year Performance	**2016/17 Service Plan Target**	**Q1 2016/17**
53	**53**	



Commentary

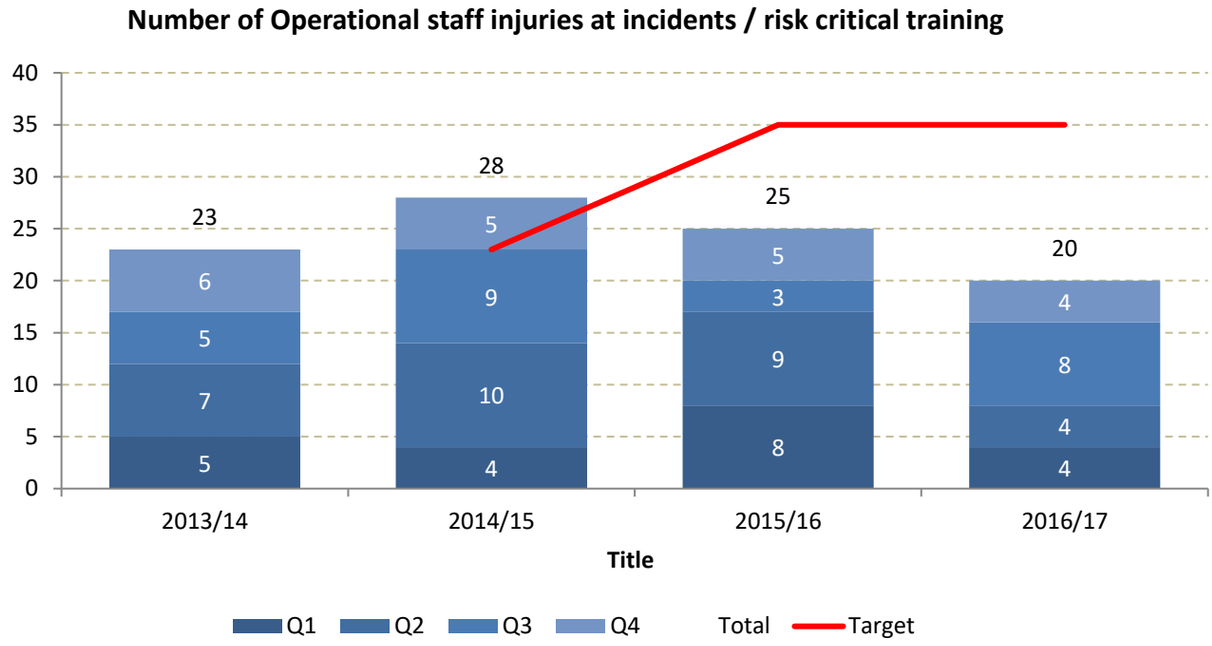
A total of 43 injuries to operational staff were recorded in 2016/17 which was below target by 10 on the previous year - this is a 19% decrease. 29 of the 43 resulted in no absence from work.

Of the 43 reported injuries, and for the third year running, the largest single injury type was “Injured while handling, lifting or carrying” of which there were 14 reported injuries. This was a decrease of 4 on the previous year. Further scrutiny shows that 9 were from routine activity, 3 operational and 2 from training - with no specific trend within this figure. Of the 14 of this injury type, 9 did not result in any absence from work. Overall, out of the 43 reported injuries, 27 of the individual remained on duty so idenitifies that their injuries were minor in nature. This figure highlights the positive reporting culture that continues to be developed within MFRS as staff are comfortable in reporting injuries without reprisal, even when minor in nature.

A full breakdown of all "causes" of injuries for the last two years is available in appendices B and C.

A breakdown of injuries at operational incidents/risk critical training and conducting routine duties are provided on the following pages.

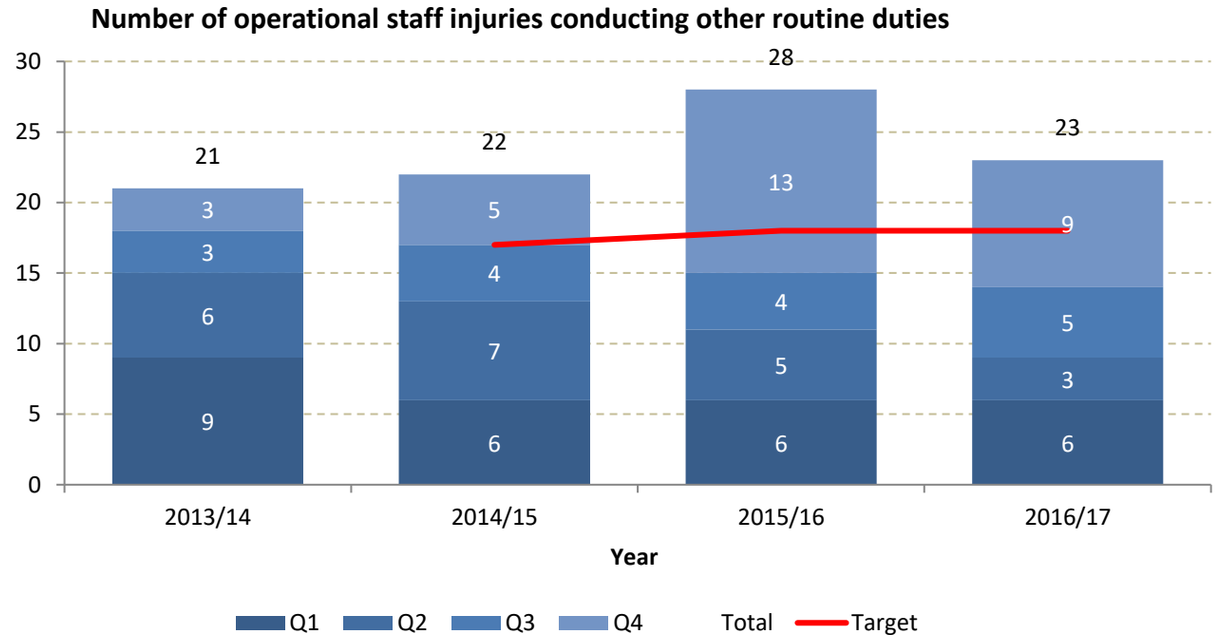
WR21		
Number of Operational staff injuries at incidents / risk critical training		
Previous Year Performance	**2016/17 Service Plan Target**	**Q1 2016/17**
25	**35**	



Commentary

A total of 20 injuries to operational staff were recorded in 2016/17 at incidents, of which 4 were at risk critical training events. This was 15 under target and 5 below previous year. This equates to 43% under target and 20% reduction on the previous year. Of the 20 injuries, 14 individuals remained on duty.

WR22		
Number of operational staff injuries conducting other routine duties		
Previous Year Performance	**2016/17 Service Plan Target**	**Q1 2016/17**
28	**18**	

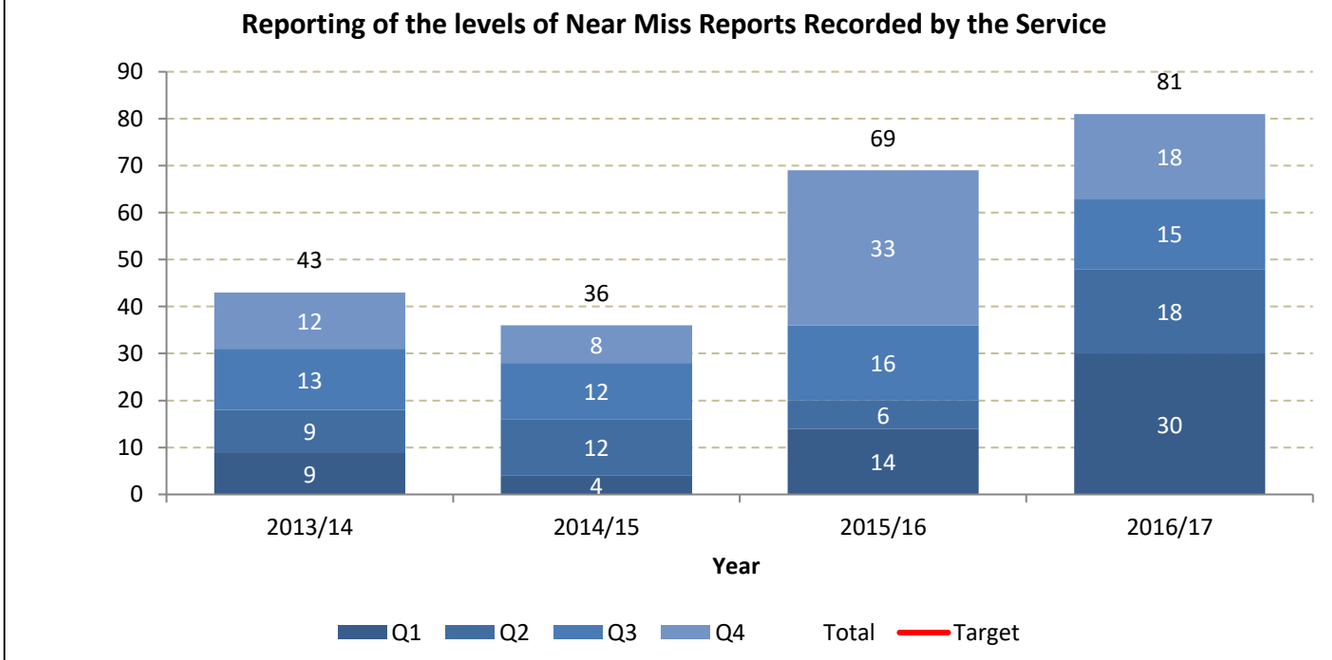


Commentary

Of the 43 operational injuries (above) a total of 23 injuries to operational staff were recorded in 2016/17 whilst conducting other routine duties which was over target, although it had decreased by 5 on the previous year. Consideration should be given to the target for this LPI as it does not reflect the previous years statistics.

The most common injury was a strain or sprain with 10 although no specific trend was identified. Of the 23 individuals who suffered an injury, 13 of them remained on duty.

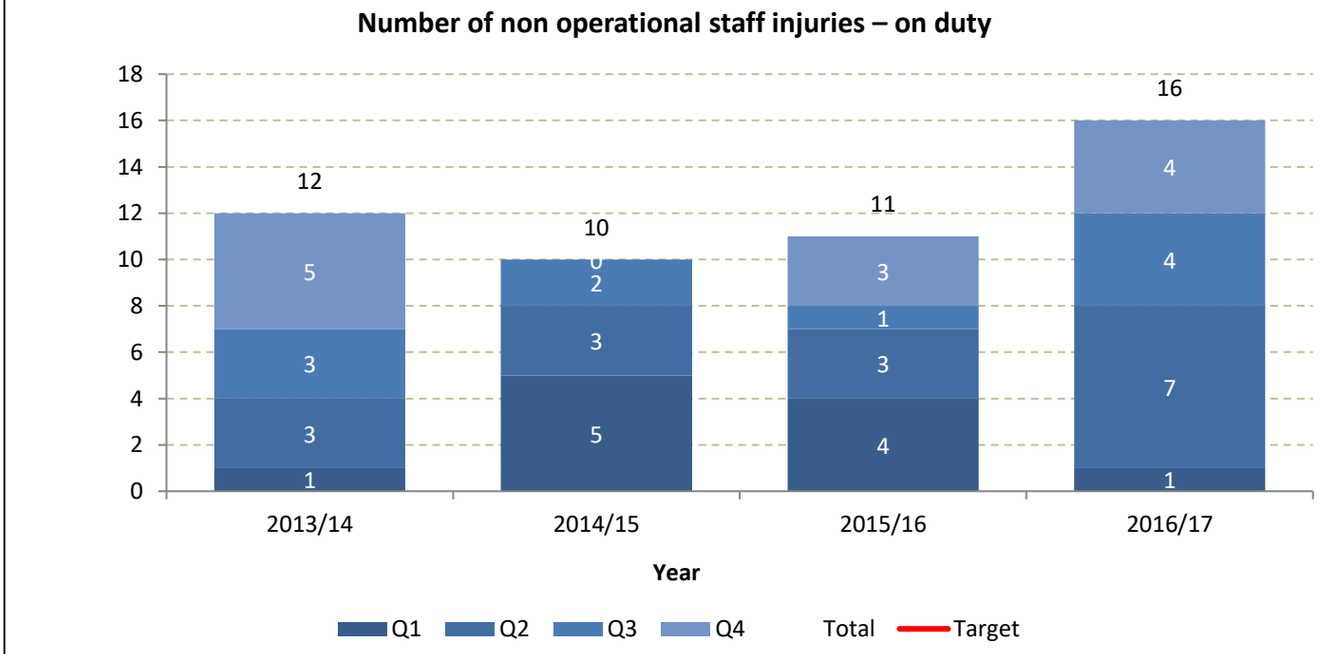
WR31		
Reporting of the levels of Near Miss reports recorded by the service		
Previous Year Performance	**2016/17 Service Plan Target**	**Q1 2016/17**
69	**Quality Assurance**	



Commentary

MFRS and the H&S Department have actively encouraged the reporting of Near Misses across the Service with all staff asked to review the guidance and familiarise themselves with the "near miss" reporting tool. This has been evidential with the substantial increase of 12 incidents on the previous year and total figure of 82 more than doubling since 2014/15. This figure is a positive and the increase has undoubtedly impacted on the reduction in the overall injury figures on the first three LPI's. MFRS reports more near misses than any other Fire Service in the North West Region.

WR32		
Number of non operational staff injuries – on duty		
Previous Year Performance	**2016/17 Service Plan Target**	**Q1 2016/17**
11	**Quality Assurance**	

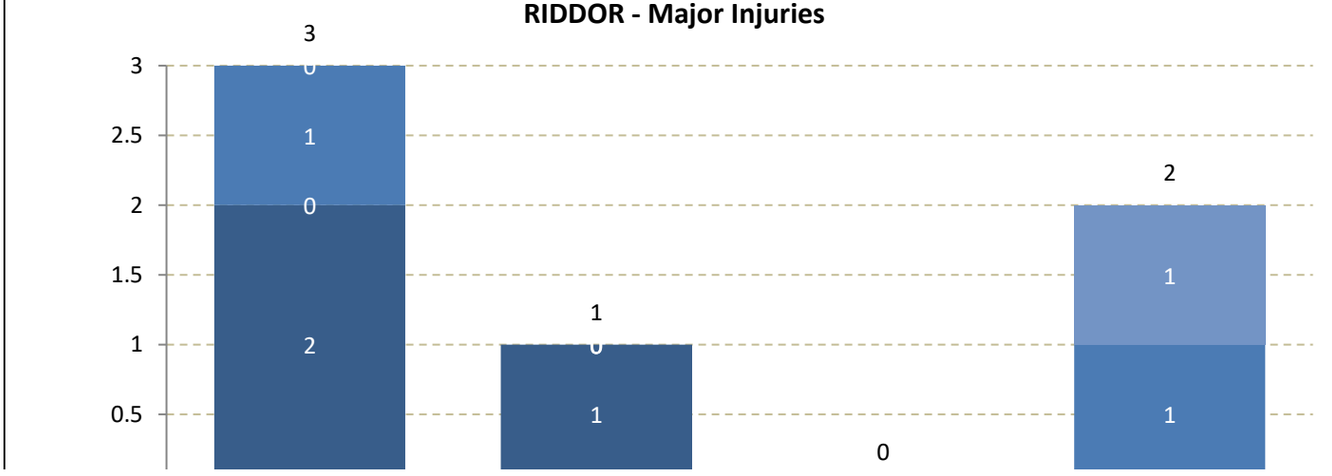


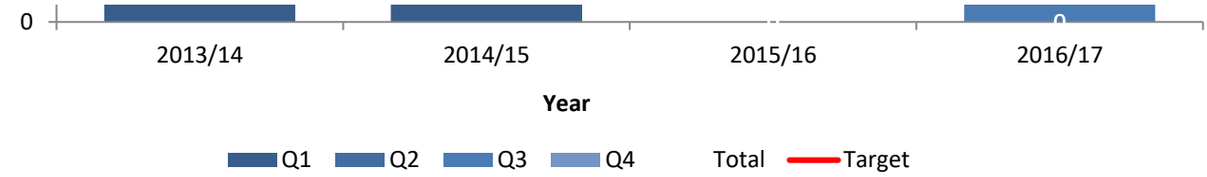
Commentary

A total of 16 injuries to non-operational staff were recorded in 2016/17. This category is not allocated a target although it is monitored for trends.

There has been an increase of 5 injuries on the previous year, albeit figures are relatively low. On analysing the figures, there is no apparent trend. 14 out of the 16 individuals remained in work after their injury occurred.

RIDDOR - Major Injuries		
Previous Year Performance	**2016/17 Service Plan Target**	**Q1 2016/17**
0	**Quality Assurance**	





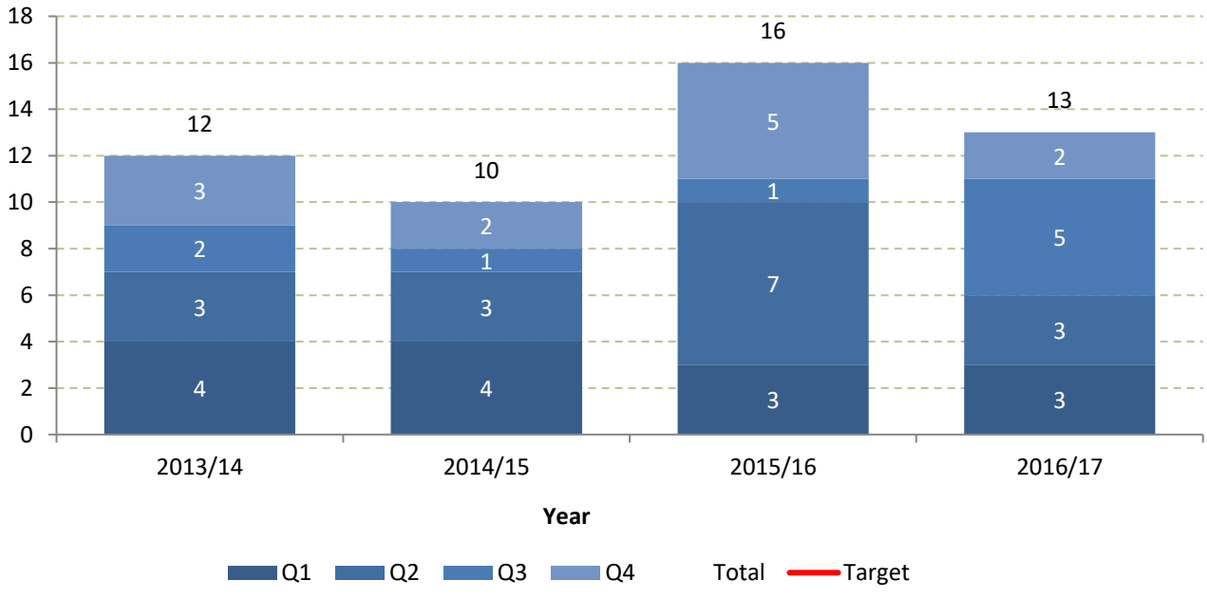
Commentary

Under these Regulations, Merseyside Fire & Rescue Service must report certain work-related injuries, illnesses and occurrences to the enforcing authorities where these arise 'out of or in connection with work'. The Health & Safety Team reports these to the Health and Safety Executive on behalf of MFRS.

Of the two major reported incidents, one was a break/ fracture and the other was loss of consciousness. This was an increase of 2 from the previous year.

RIDDOR - Minor Injuries

Previous Year Performance	2016/17 Service Plan Target	Q1 2016/17
16	Quality Assurance	



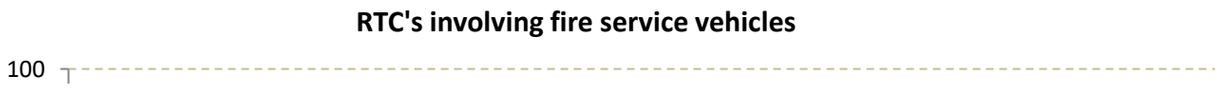
Commentary

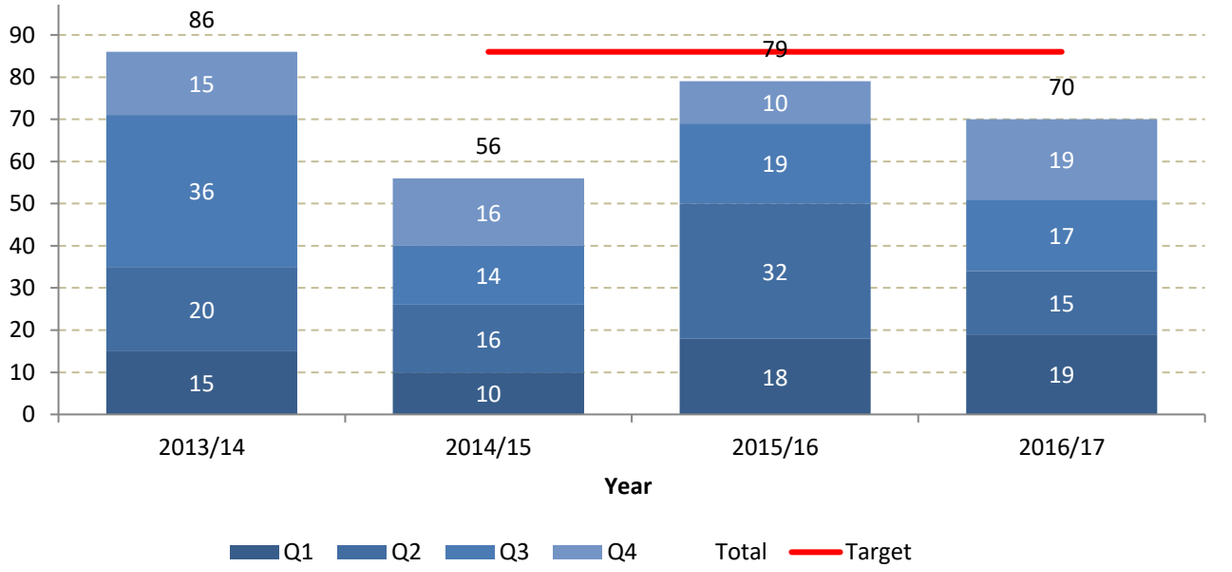
The injury graph above denotes Minor Injuries reportable under RIDDOR. These are minor Injuries to workers which result in their incapacitation for more than 7 days. The following injuries are due to sprain or strain injury - 5, pain only - 5, Multiple injuries - 1, laceration -1 and bruising - 1.
Reduction in 3 on the previous year.

RR23

RTC's involving fire service vehicles

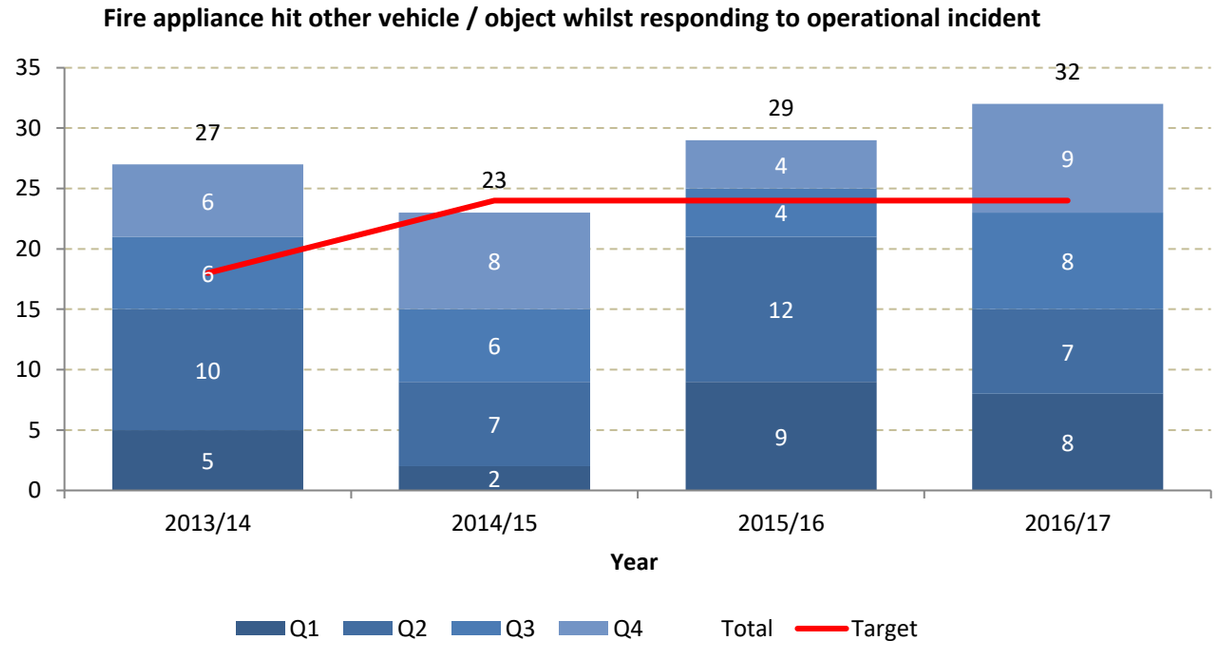
Previous Year Performance	2016/17 Service Plan Target	Q1 2016/17
79	86	





Commentary
A total of 70 RTC's involving all types of fire service vehicles was recorded in 2016/17 which was under target. There was a decrease of 9 incidents on the previous year and the total is 19% under the target. Of the 70 RTC's involving fire service vehicles (above) the figures are grouped into 4 main categories 1. the number of RTC's where a Fire Appliance hit other vehicle or object whilst responding to an operational incident 2. the number of RTC's where a Fire Appliance hit other vehicle or object whilst engaged in routine activity, 3. the number of RTC's where a Light vehicle hit another vehicle or object whilst responding to an operational incident 4. the number of RTC's where a Light Vehicle hit other vehicle or object whilst engaged in routine activity. All 4 categories are summarised on the following pages. It should be noted by Authority members that all MFRS RTC's are reviewed on a monthly basis at the Road Risk Review Group who collectively decide on the appropriate course of action to be taken following any RTC.

RR31		
Fire appliance hit other vehicle / object whilst responding to operational incident		
Previous Year Performance	**2016/17 Service Plan Target**	**Q1 2016/17**
29	**24**	

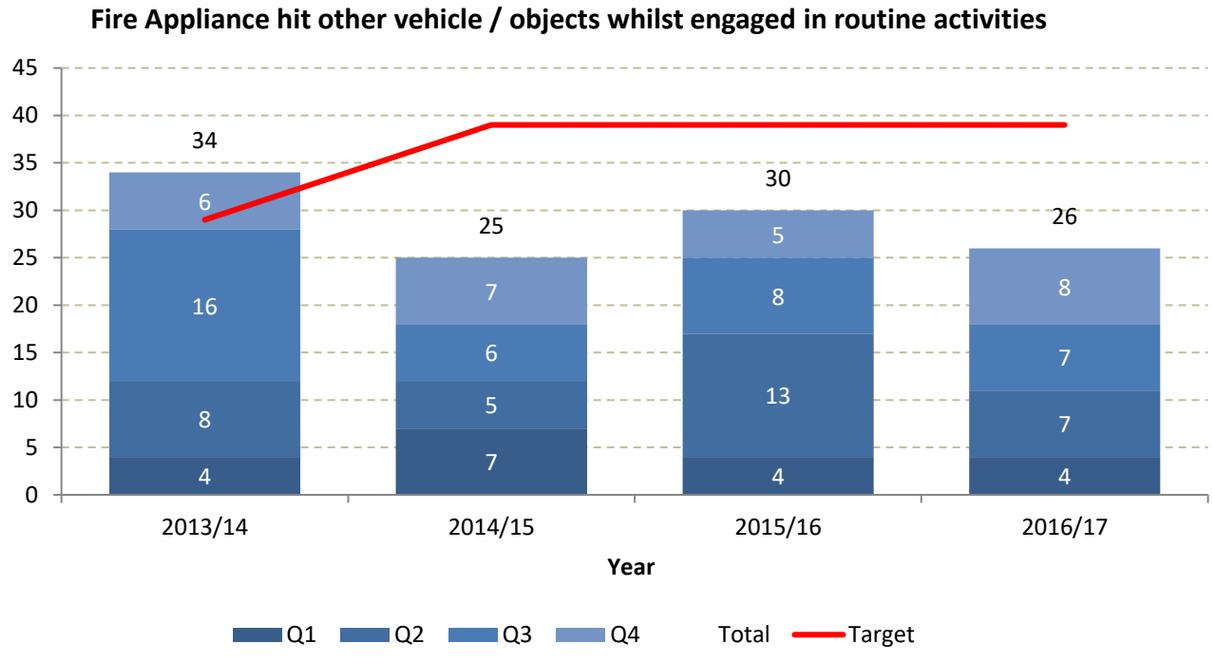


Commentary

A total of 32 RTC's where a Fire Appliance hit other vehicle or object whilst responding to an operational incident were recorded in 2016/17 which was over target and had increased by 3 from the previous year. In this period, MFRS appliances undertook 25,900 blue light response calls which was an increase of 1148 on the previous year. Data for total travel distances is not available, and this could also be a factor, so this comparison cannot be made against previous years. It should also be noted that the Service have trained 20 LGV drivers since the beginning of 2016 to date with a further 15 in 2015. This is in comparison to 9 in a two year period between in 2014 to 2015. The influx of new and inexperience drivers may have impacted on the rise in this figure.

The Road Risk Review Group including H&S, Litigation, Driving School, and Workshops continues to review MFRS Policies and Procedures to reduce the number of RTC's. The H&S Department are to be proactive in the next 12 months to work with locations that have had the most incidents.

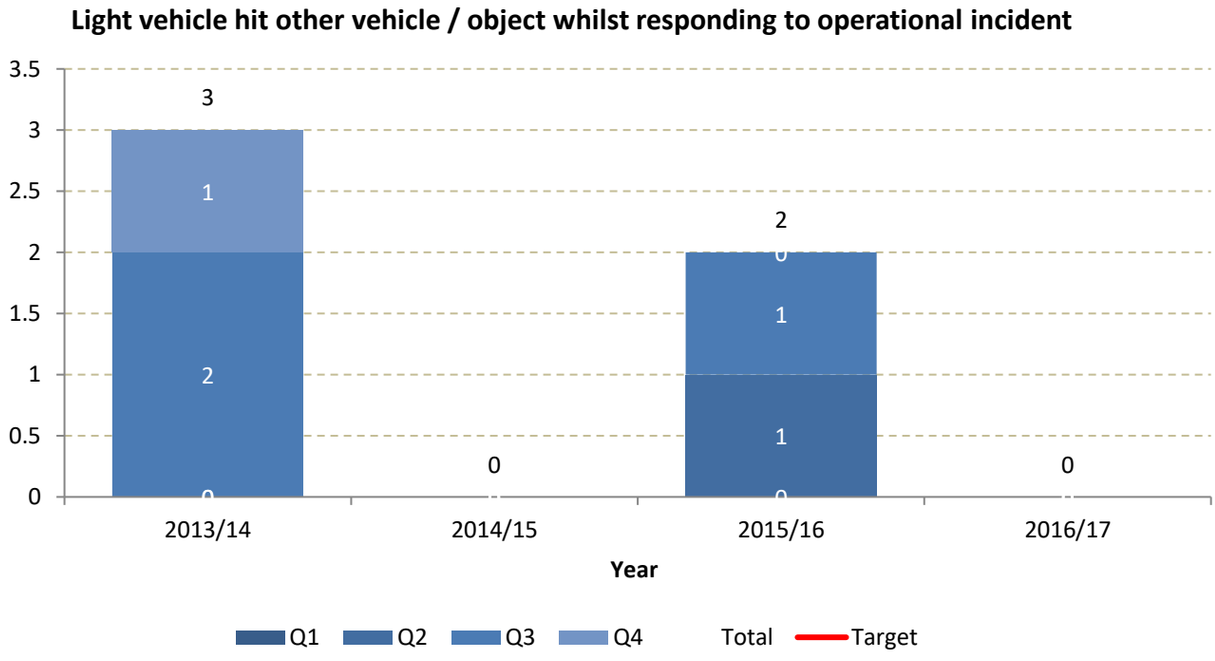
RR32		
Fire Appliance hit other vehicle / objects whilst engaged in routine activities		
Previous Year Performance	**2016/17 Service Plan Target**	**Q1 2016/17**
30	**39**	



Commentary

A total of 26 RTC's where a Fire Appliance hit other vehicle or object whilst engaged in routine activity were recorded in 2016/17 which was under target, and had decreased by 4 from the previous year. This figure is 34% under target.
MDT data identifies that appliances were involved in 67,344 routine vehicle movements and covered approximately 652,122 miles in total over the period.

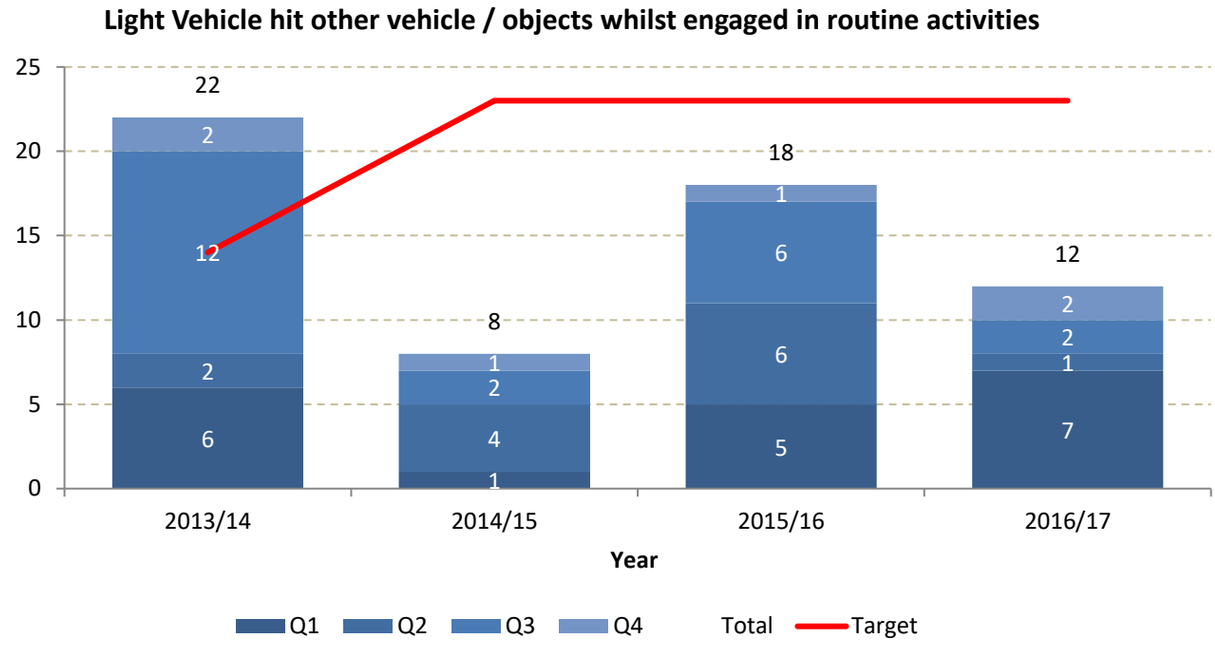
RR33		
Light Vehicle hit other vehicle / object whilst responding to operational incident.		
Previous Year Performance	**2016/17 Service Plan Target**	**Q1 2016/17**
2	**Quality Assurance**	



Commentary

There were 0 RTC's where a Light Vehicle hit another vehicle or object whilst responding to an operational incident recorded in 2016/17, this fugure decreased by 2 on the previous year. This category is not given a target figure, but is monitored for trends.

RR34		
Light Vehicle hit other vehicle / objects whilst engaged in routine activities		
Previous Year Performance	**2016/17 Service Plan Target**	**Q1 2016/17**
18	**Quality Assurance**	

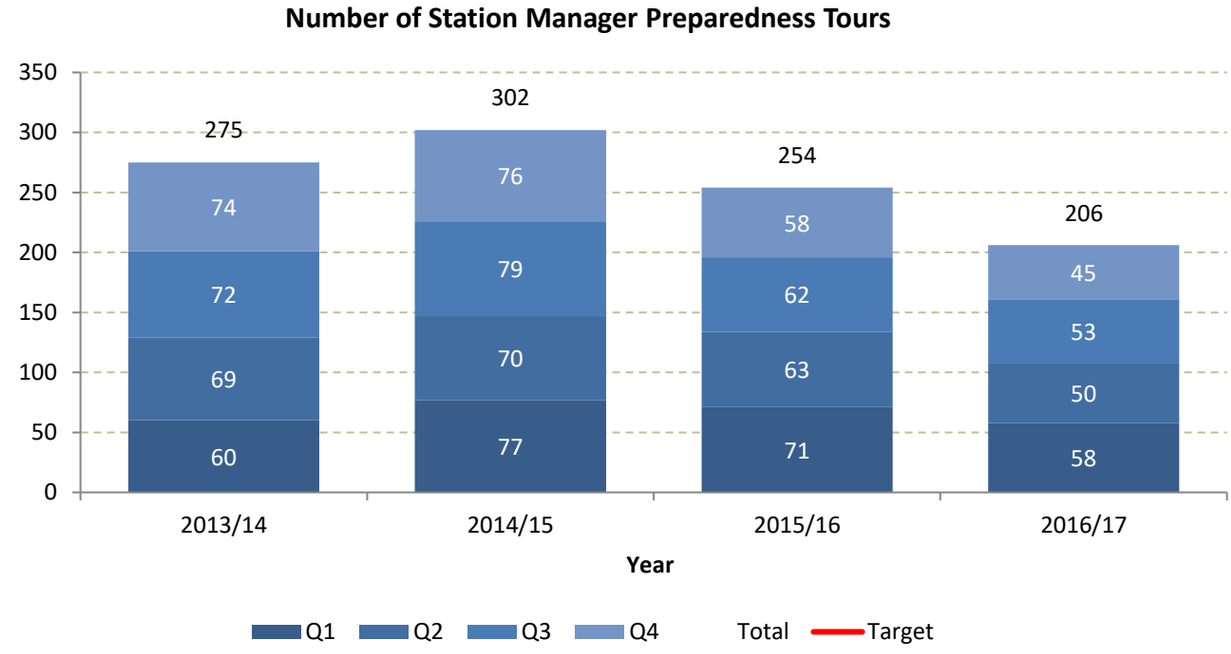


Commentary

A total of 12 RTC's where a Light vehicle hit another vehicle or object whilst engaged in routine activities were recorded in 2016/17 which is under target and a decrease of 6 from the previous year. Overall the number of incidents are 48% under the target.
For For information, there are 99 light vehicles within the MFRS fleet which covered approximately 410,653 miles in the period.

Number of Station Manager Preparedness Tours

Previous Year Performance	2016/17 Service Plan Target	Q1 2016/17
254	Quality Assurance	



Commentary

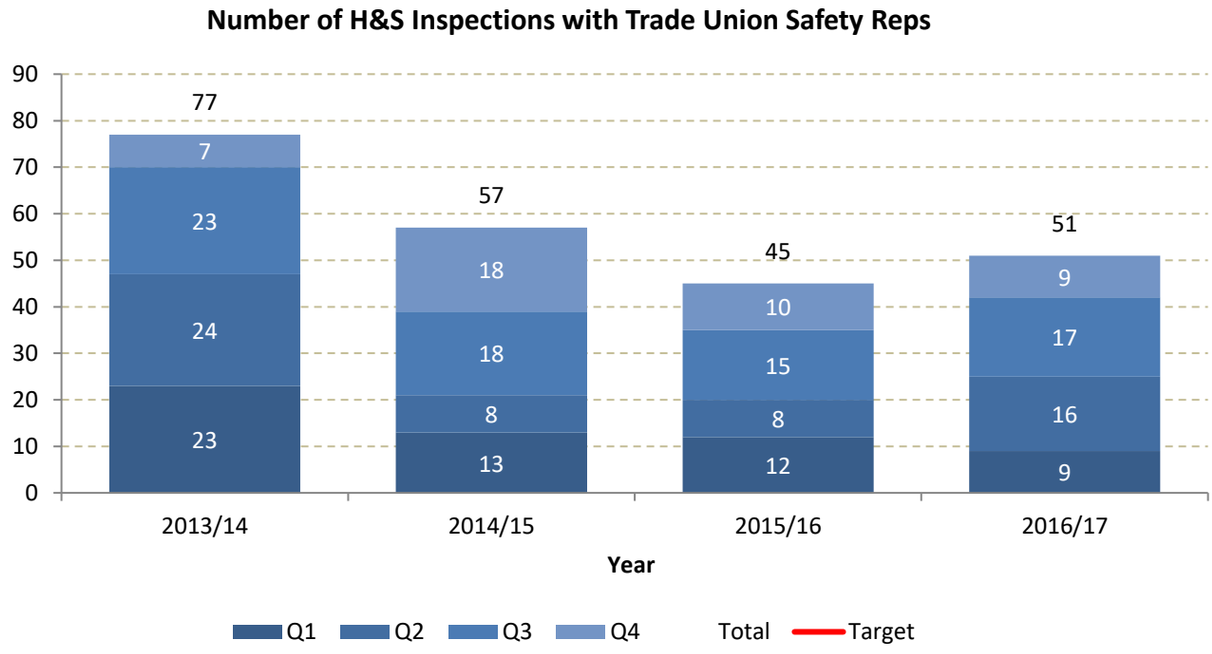
This audit measures numerous Health & Safety and Operational Assurance standards including maintenance of station records, operational readiness, station accommodation and preparedness of appliances and equipment

The frequency of these audits is monthly and the audit is carried out by the resident Station Manager.

The SM Preparedness tour is recorded, as a management audit, on the OSHENS system.

Number of H&S Inspections with Trade Union Safety Reps

Previous Year Performance	2016/17 Service Plan Target	Q1 2016/17
45	Quality Assurance	



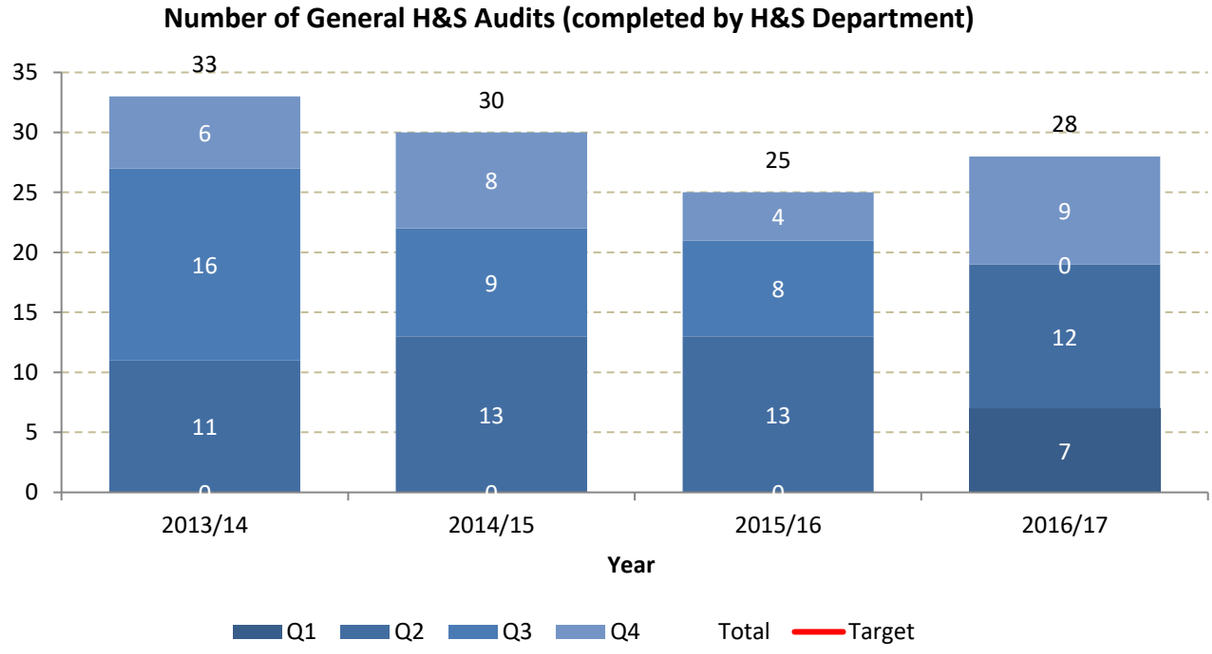
Commentary

Union-appointed health and safety representatives can and are actively encouraged to inspect the workplace. The TU reps have to give MFRS reasonable notice in writing when they intend to carry out a formal inspections of the workplace, and have not inspected it in the previous three months.

The frequency of inspections will depend on the nature of the work. Inspections may be less often, for example, if the work environment is low risk like in a predominantly administrative office. In 2016/17, 51 inspections were carried out in collaboration with the H&S department. Following any TU inspection an audit is completed and recorded on the Oshens system where any findings are actioned directly to the relevant departments, e.g. Estates for intervention.

Number of General H&S Audits (completed by H&S Department)

Previous Year Performance	2016/17 Service Plan Target	Q1 2016/17
25	Quality Assurance	



Commentary

The Health and Safety Team have the responsibility of carrying out General H&S Audits across 28 MFRS sites, these are broken down to Operational Stations, SHQ/ Vesty and the TDA. All locations were audited in 2016/17.

Role/ Position	Total
Admin, Professional, Technical & Clerical	14
Courier	2
FF	34
Recruit FF	1
WM	8
Grand Total	**59**

Work Pattern	Total
Non uniformed	16
Wholetime	43
Grand Total	**59**

Service Premises	Total
Off	23
On	36
Grand Total	**59**

Body Part	Total
Ankle	5
Arm	4
Back	12
Ear	1
Elbow	3
Eye	1
Face	1
Finger	5
Foot	1
Hand	6
Head	3
Knee	5
Leg	1
Multiple Injuries	3
Neck	2
Nose	1
Thumb	3
Wrist	2
Grand Total	**59**

Days Lost for 2016/17	Total
Total Injury days	401
Duty days	197

Days Lost for 2015/16	Total
Total Injury days	402
Duty days	210

Merseyside Fire and Rescue Service
Annual On Duty Injuries - April 2016 - March 2017

Station/ Location	Total
Belle Vale	1
Birkenhead	3
Bootle/Netherton	5
Bromborough	2
City Centre	6
Crosby	2
Croxteth (Day Crewed Retained)	1
Formby	2
Huyton	2
Kensington	1
Kirkby	2
Kirkdale	2
Marine Fire Team	1
Old Swan	1
Prevention & Protection	1
SHQ	8
Southport	2
SRT	2
St Helens	2
TDA	4
Toxteth	4
Upton	2
Vesty Road MV Workshop	1
Vesty Road, Consumable & Clothing Stores	2
Grand Total	**59**

Watch	Total
24 Hour Wholetime Retained	1
Blue	5
Green	5
LLAR	3
N/A	17
Red	11
Self Rostering	10
White	7
Grand Total	**59**

Activity	Total
Community Safety Activities	1
Fire - Gaining Entry	3
Fire - Other	5
Fire - Searching/Rescuing	1

Fire - Working with Hose	4
Fire - Working with Ladders	1
Mounting/Dismounting Appliance - Non Emergency	2
Non-uniformed Staff - Normal work related activity	11
Normal work related activity OFF Station	3
Normal work related activity ON Station	16
Other	5
Special Service - Other	1
Training at STC (Other than P.T)	2
Training OFF Station - Fire Fighting	1
Training ON Station - Physical Training	2
Training ON Station - using other equipment	1
Grand Total	**59**

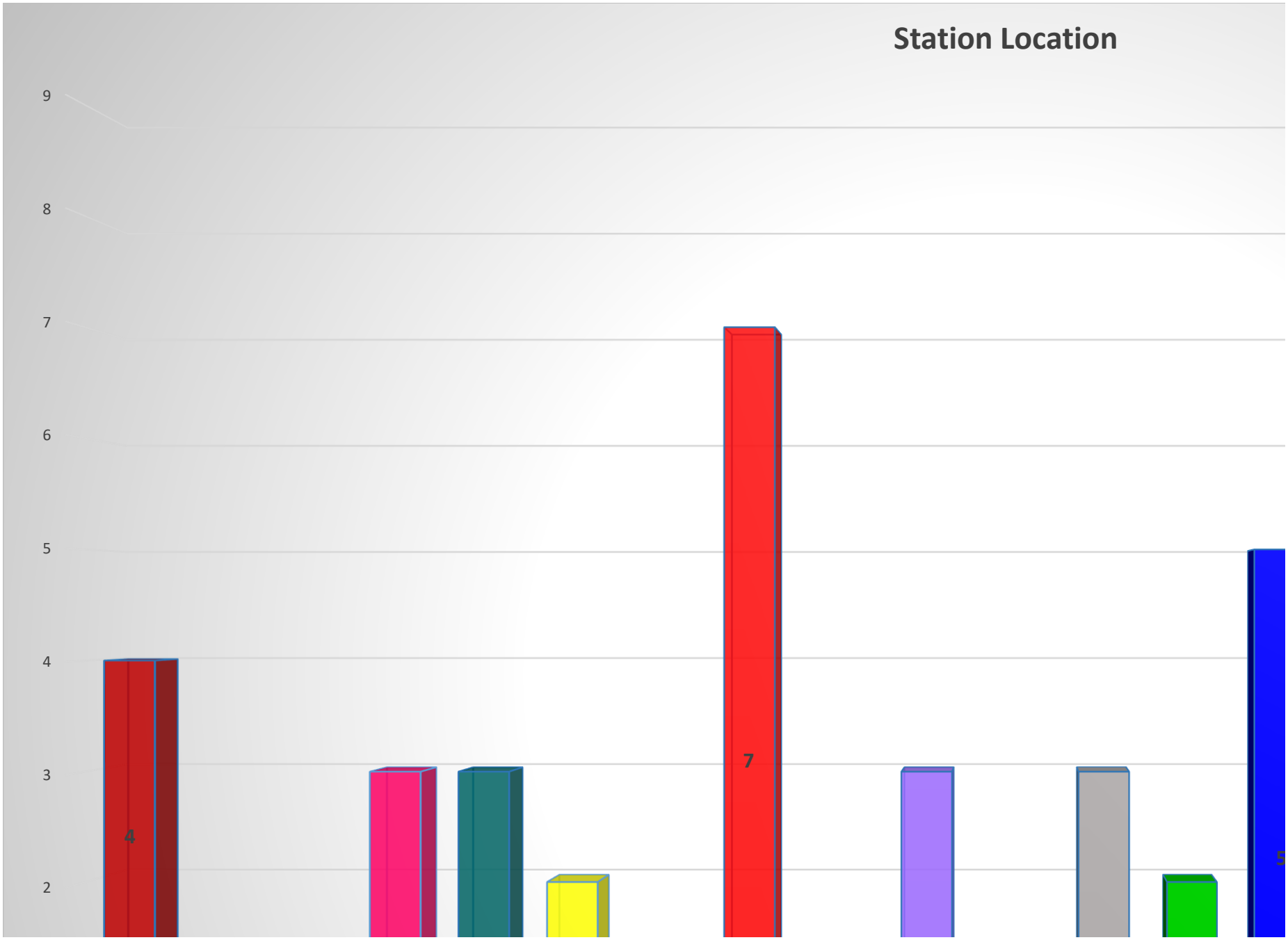
Cause	Total
Contact with electricity or an electrical discharge	2
Effects of heat or cold	4
Exposure to fire	2
Exposure to noise	1
Exposure to or contact with a harmful substance (ex as	1
Injured while handling, lifting or carrying	14
Other	8
Slip trip or fall on same level	13
Struck against something fixed or stationary	5
Struck by moving vehicle	2
Struck by moving, flying or falling object	5
Trapped in, under or between objects.	2
Grand Total	**59**

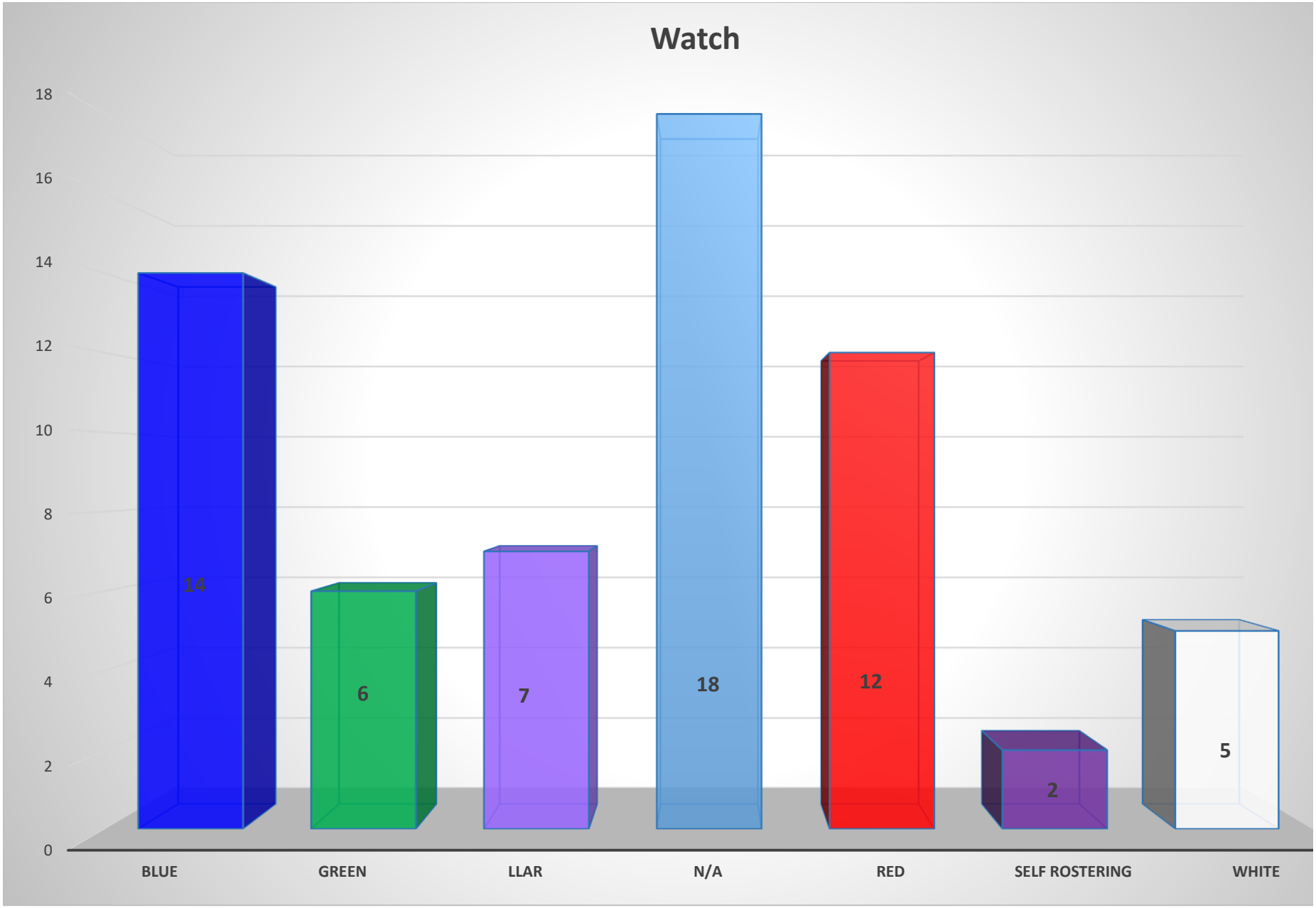
Type of Injury	Total
Abrasion/graze	1
Break/ Fracture	2
Bruising	3
Burn	6
Crush Injury	2
Cut/Laceration	7
Electric Shock	3
Eye Irritation	1
Laceration	1
Loss of conciousness/ Laceration	1
Multiple Injuries	2
No apparent injury	1
Pain Only	7
Skin Irritation	1
Sprain or strain injury	19
Swelling	2
Grand Total	**59**

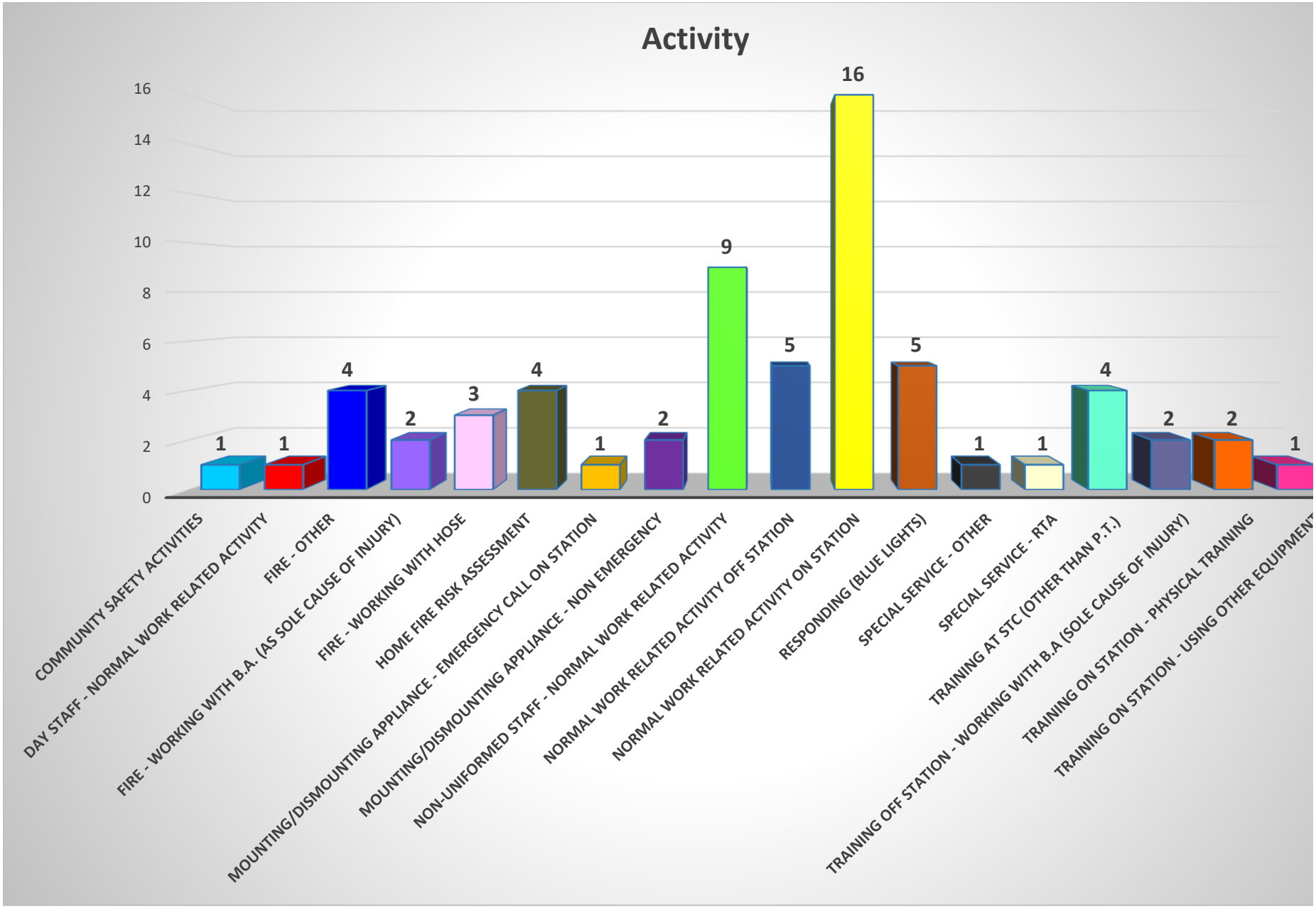
Age	Total
15-19	1
20-24	1
25-29	1
30-34	5
35-39	13
40-44	8
45-49	14
50-54	12

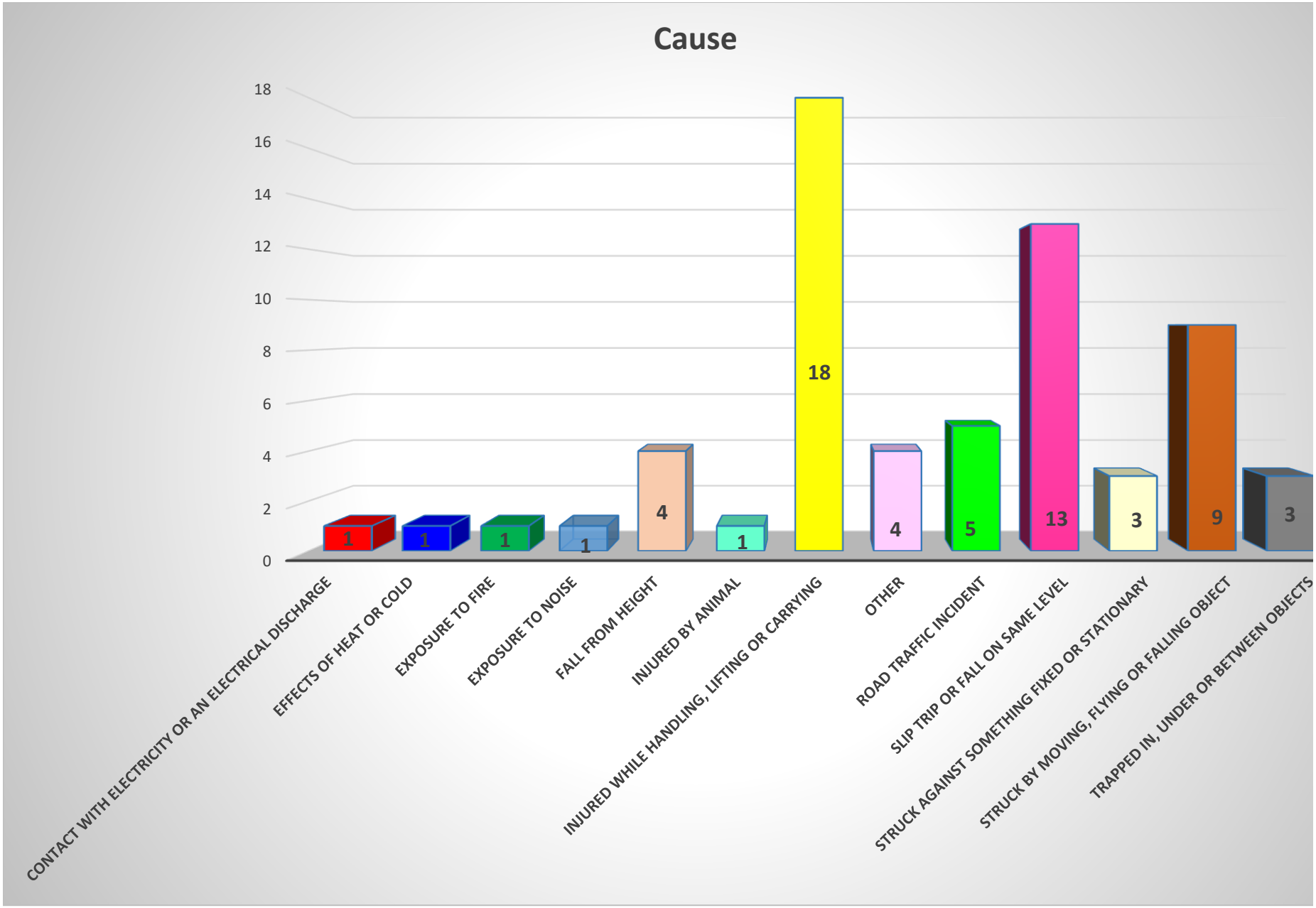
55-59	2
60-64	1
65-69	1
Grand Total	**59**

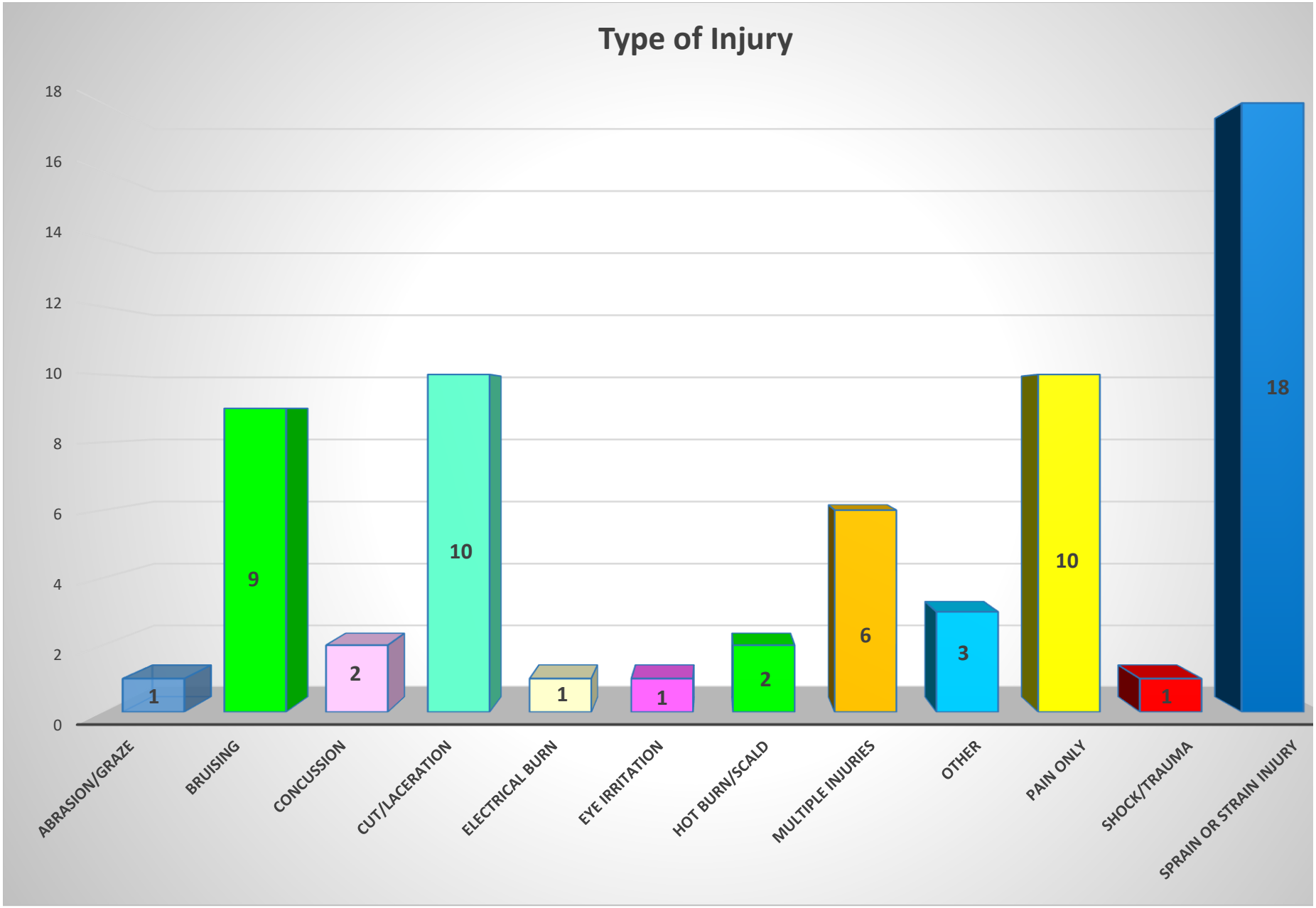
Time of Injury	Total
00:00-00:59	1
02:00-02:59	1
03:00-03:59	1
06:00-06:59	1
07:00-07:59	4
08:00-08:59	5
09:00-09:59	6
10:00-10:59	1
11:00-11:59	6
12:00-12:59	4
13:00-13:59	5
14:00-14:59	4
15:00-15:59	3
16:00-16:59	5
17:00-17.59	1
18:00-18:59	1
19:00-19:59	4
20:00-20:59	1
21:00-21:59	3
22:00-22:59	2
Grand Total	**59**

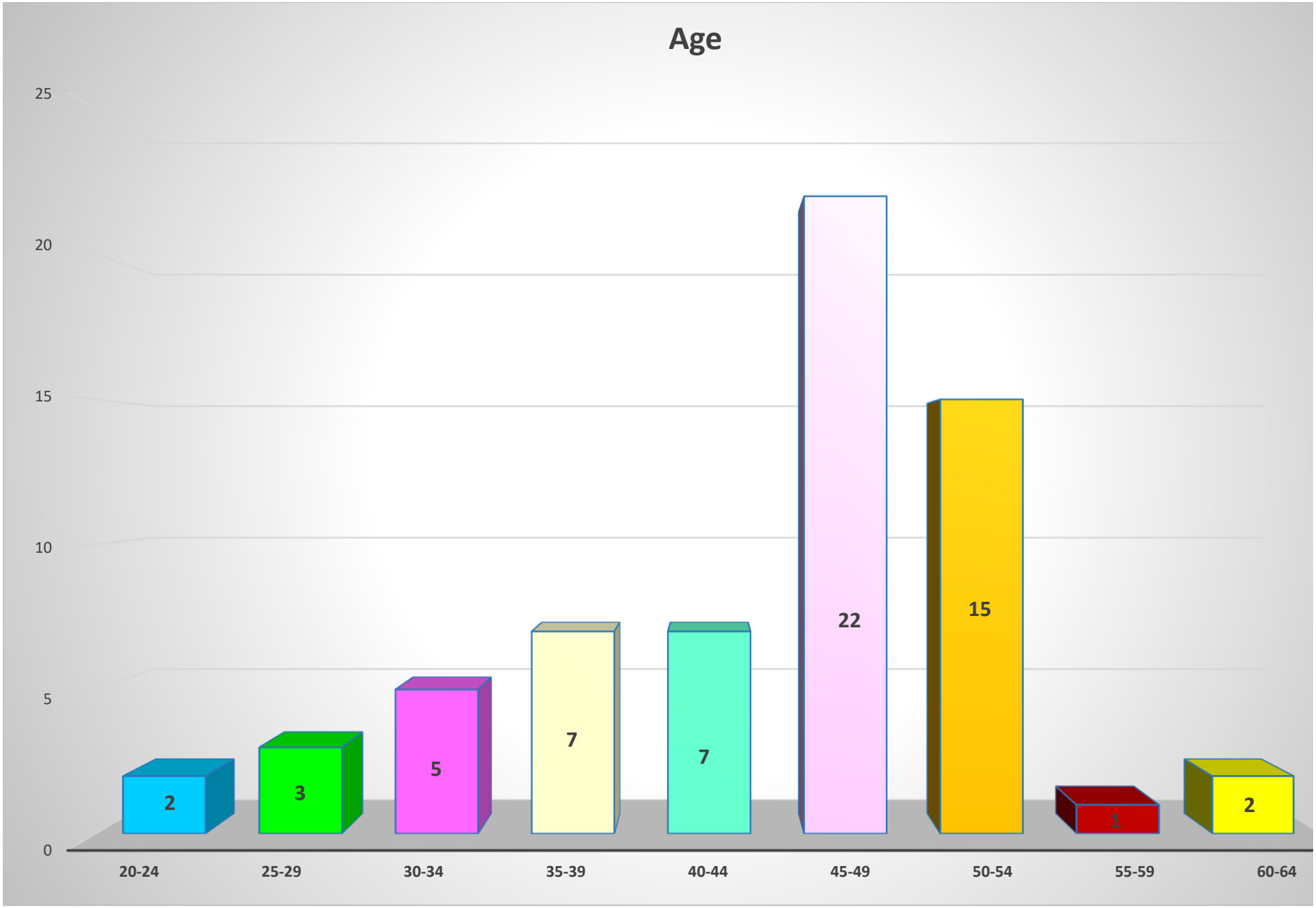

Station Location
9
8
7
6
5
4
3
2
4
7

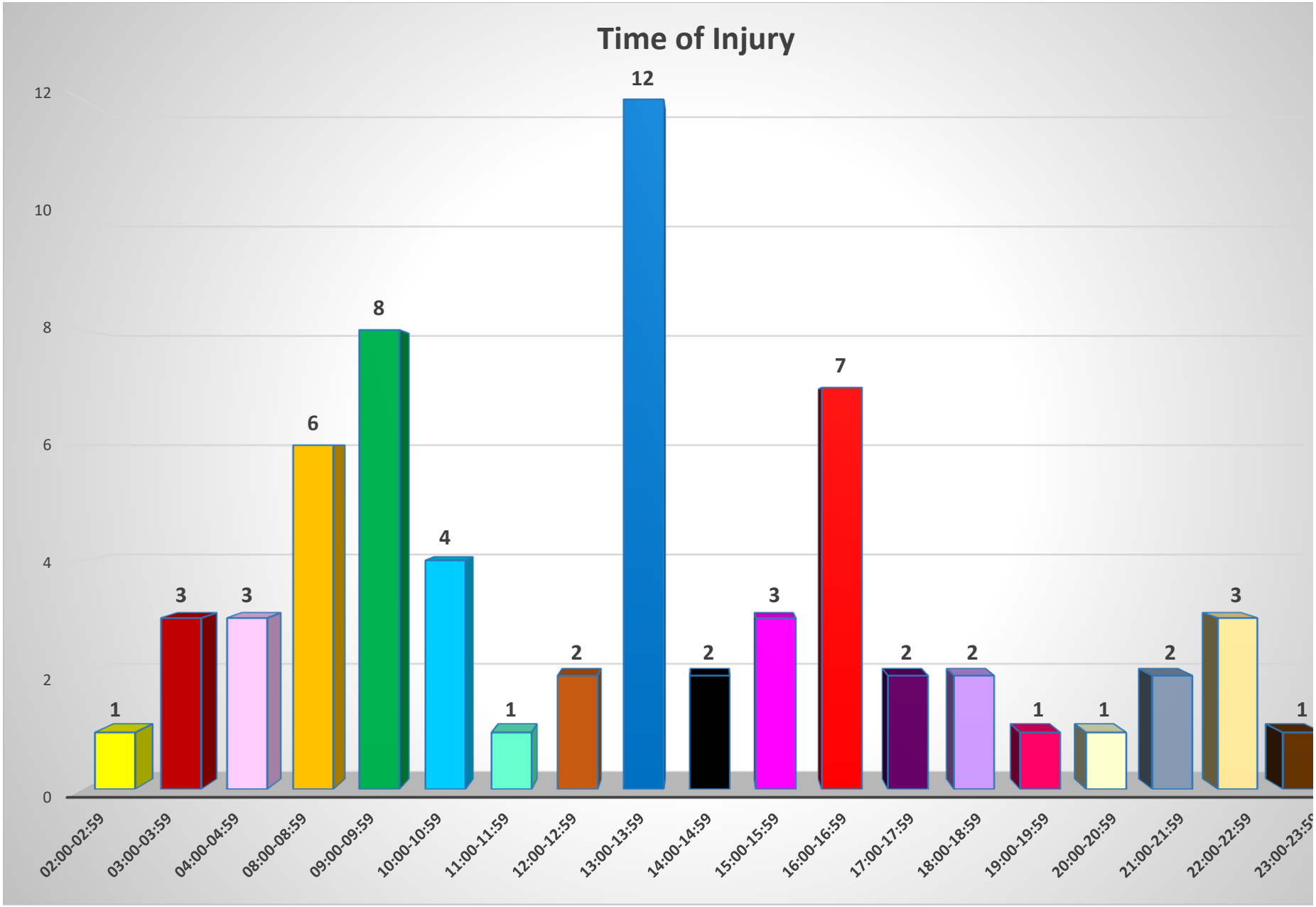

Watch
18
16
14
12
10
8
6
4
2
0
14
6
7
18
12
2
5
BLUE
GREEN
LLAR
N/A
RED
SELF ROSTERING
WHITE


Activity
16
14
12
10
8
6
4
2
0
1
1
4
2
3
4
1
2
9
5
16
5
1
1
4
2
2
1
COMMUNITY SAFETY ACTIVITIES
DAY STAFF - NORMAL WORK RELATED ACTIVITY
FIRE - OTHER
FIRE - WORKING WITH B.A. (AS SOLE CAUSE OF INJURY)
FIRE - WORKING WITH HOSE
HOME FIRE RISK ASSESSMENT
MOUNTING/DISMOUNTING APPLIANCE - EMERGENCY CALL ON STATION
MOUNTING/DISMOUNTING APPLIANCE - NON EMERGENCY
NON-UNIFORMED STAFF - NORMAL WORK RELATED ACTIVITY
NORMAL WORK RELATED ACTIVITY OFF STATION
NORMAL WORK RELATED ACTIVITY ON STATION
RESPONDING (BLUE LIGHTS)
SPECIAL SERVICE - OTHER
SPECIAL SERVICE - RTA
TRAINING AT STC (OTHER THAN P.T.)
TRAINING OFF STATION - WORKING WITH B.A (SOLE CAUSE OF INJURY)
TRAINING ON STATION - PHYSICAL TRAINING
TRAINING ON STATION - USING OTHER EQUIPMENT


Cause
18
16
14
12
10
8
6
4
2
0
1
1
1
1
4
1
18
4
5
13
3
9
3
CONTACT WITH ELECTRICITY OR AN ELECTRICAL DISCHARGE
EFFECTS OF HEAT OR COLD
EXPOSURE TO FIRE
EXPOSURE TO NOISE
FALL FROM HEIGHT
INJURED BY ANIMAL
INJURED WHILE HANDLING, LIFTING OR CARRYING
OTHER
ROAD TRAFFIC INCIDENT
SLIP TRIP OR FALL ON SAME LEVEL
STRUCK AGAINST SOMETHING FIXED OR STATIONARY
STRUCK BY MOVING, FLYING OR FALLING OBJECT
TRAPPED IN, UNDER OR BETWEEN OBJECTS


Type of Injury
18
16
14
12
10
8
6
4
2
0
1
9
2
10
1
1
2
6
3
10
1
18
ABRASION/GRAZE
BRUISING
CONCUSSION
CUT/LACERATION
ELECTRICAL BURN
EYE IRRITATION
HOT BURN/SCALD
MULTIPLE INJURIES
OTHER
PAIN ONLY
SHOCK/TRAUMA
SPRAIN OR STRAIN INJURY


Age
25
20
15
10
5
0
2
3
5
7
7
22
15
1
2
20-24
25-29
30-34
35-39
40-44
45-49
50-54
55-59
60-64


Time of Injury
12
10
8
6
4
2
0
1
3
3
6
8
4
1
2
12
2
3
7
2
2
1
1
2
3
1
02:00-02:59
03:00-03:59
04:00-04:59
08:00-08:59
09:00-09:59
10:00-10:59
11:00-11:59
12:00-12:59
13:00-13:59
14:00-14:59
15:00-15:59
16:00-16:59
17:00-17:59
18:00-18:59
19:00-19:59
20:00-20:59
21:00-21:59
22:00-22:59
23:00-23:59

Role/Position	Total
Admin, Professional, Technical & Clerical	10
Apprentice Cook	1
CM	1
FF	46
FF Control	3
WM	2
WM (Control)	1
Grand Total	64

Work Pattern	Total
Non uniformed	11
Wholetime	53
Grand Total	64

Service Premises	Total
Off	26
On	38
Grand Total	64

Body Part	Total
Arm	2
Ear	1
Elbow	1
Eye	1
Face	2
Finger	5
Foot	1
Hand	4
Head	5
Hip	1
Knee	5
Leg	4
Multiple Injuries	23
N/A	1
Neck	4
Shoulder	2
Toes	1
Wrist	1
Grand Total	64

Merseyside Fire and Rescue Service
Annual On Duty Injuries - April 2015 - March 2016

Station/Location	Total
Belle Vale	4
Birkenhead	1
Bootle & Netherton	1
City Centre	3
Fire Control	3
Formby	2
Huyton	1
Kensington	7
Kirkby	1
Kirkdale	3
Newton Le Willows	1
Old Swan	3
Prevention & Protection Sefton	2
SHQ	5
Southport	8
Speke/Garston	1
SRT	2
TDA	9
Toxteth	3
Vesty	2
Wallasey	2
Grand Total	64

Watch	Total
Blue	14
Green	6
LLAR	7
N/A	18
Red	12
Self Rostering	2
White	5
Grand Total	64

Activity	Total
Community Safety Activities	1
Day Staff - Normal work related activity	1
Fire - Other	4
Fire - Working with B.A. (as sole cause of injury)	2
Fire - Working with Hose	3
Home Fire Risk Assessment	4
Mounting/Dismounting Appliance - Emergency call on Station	1
Mounting/Dismounting Appliance - Non Emergency	2

Non-uniformed Staff - Normal work related activity	9
Normal work related activity OFF Station	5
Normal work related activity ON Station	16
Responding (Blue Lights)	5
Special Service - Other	1
Special Service - RTA	1
Training at STC (Other than P.T.)	4
Training OFF Station - Working with B.A (sole cause of injury)	2
Training ON Station - Physical Training	2
Training ON Station - Using other Equipment	1
Grand Total	64

Days Lost for 2015/16	Total
Total Injury days	402
Duty days	210

Days Lost 2014/2015	Total
Total Injury days	200
Duty days	119

Cause	Total
Contact with electricity or an electrical discharge	1
Effects of heat or cold	1
Exposure to fire	1
Exposure to noise	1
Fall from height	4
Injured by animal	1
Injured while handling, lifting or carrying	18
Other	4
Road Traffic Incident	5
Slip trip or fall on same level	13
Struck against something fixed or stationary	3
Struck by moving, flying or falling object	9
Trapped in, under or between objects	3
Grand Total	64

Type of Injury	Total
Abrasion/graze	1
Bruising	9
Concussion	2
Cut/laceration	10
Electrical burn	1
Eye Irritation	1
Hot burn/scald	2
Multiple Injuries	6
Other	3
Pain Only	10
Shock/Trauma	1
Sprain or strain injury	18
Grand Total	64

Age	Total
20-24	2
25-29	3
30-34	5
35-39	7
40-44	7
45-49	22
50-54	15
55-59	1
60-64	2
Grand Total	64

Time of Injury	Total
02:00-02:59	1
03:00-03:59	3
04:00-04:59	3
08:00-08:59	6
09:00-09:59	8
10:00-10:59	4
11:00-11:59	1
12:00-12:59	2
13:00-13:59	12
14:00-14:59	2
15:00-15:59	3
16:00-16:59	7
17:00-17:59	2
18:00-18:59	2
19:00-19:59	1
20:00-20:59	1
21:00-21:59	2
22:00-22:59	3
23:00-23:59	1
Grand Total	64

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MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	**AUDIT AND SCRUTINY COMMITTEE**		
DATE:	**8TH FEBRUARY 20188 FEBRUARY 2018**	**REPORT NO:**	**CFO/002/18**
PRESENTING OFFICER	**DEPUTY CHIEF FIRE OFFICER**		
RESPONSIBLE OFFICER:	**AM GUY KEEN**	**REPORT AUTHOR:**	**SM KAY**
OFFICERS CONSULTED:	**GM RYDER**		
TITLE OF REPORT:	**BONFIRE PERIOD 2017**		

APPENDICES:	**APPENDIX A:**	**SUMMARY REPORT FOR INCIDENT ACTIVITY DURING 2017 BONFIRE PERIOD**
	APPENDIX B:	**BONFIRE PERIOD INFOGRAPHICS**

Purpose of Report

1. To request that members scrutinise, review and consider the performance of the Service over the Halloween and bonfire period 2017.

Recommendation

2. That Members;

   a. Scrutinise the information provided in this report; and

   b. Consider the performance of the Service as set out within this report.

Introduction and Background

3. The recording period for the bonfire period is defined as 19th October to 7th November inclusive.

4. In 2017, Fire Control actioned 392 calls, 187 fewer than in 2016 (or 32%).

5. All Districts recorded a reduction in incidents.

6. Sefton recorded the largest percentage decrease at 51.6% attending 44 incidents during the period.

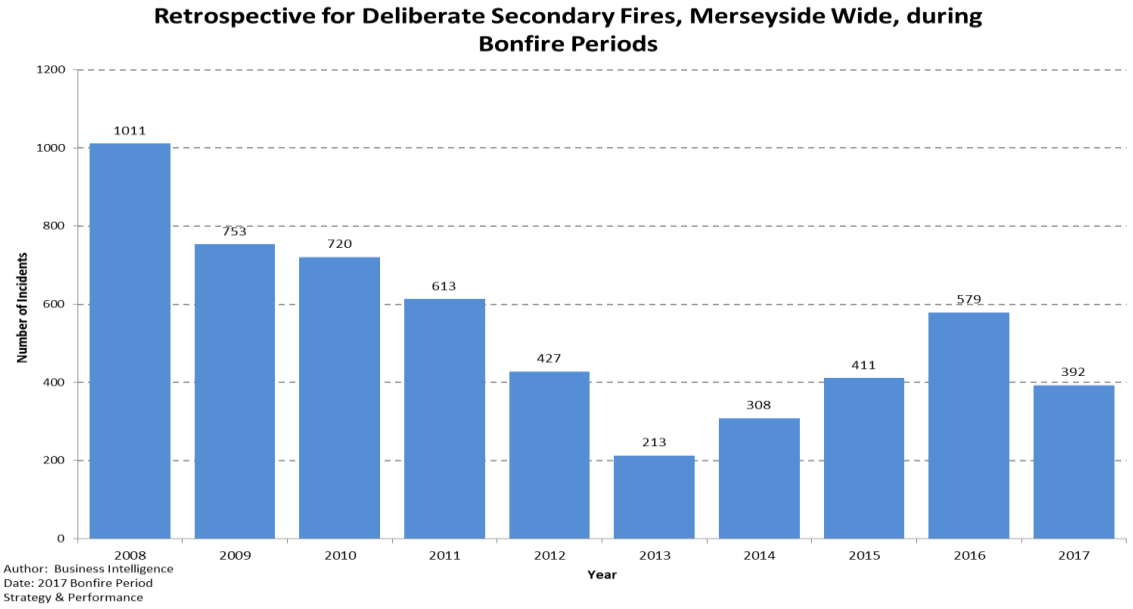
7. Liverpool North recorded the largest reduction in actual incidents attended. In 2016 Liverpool North attended 156 incidents. In 2017 they attended 101, a difference of 55 and reduction of 35.3%

8. During the 2017 bonfire period there were 9 incidents of Violence at work which was 1 less than in 2016. Table 1 details violence at work during 2017 period.

Table 1: Details of Violence at Work during 2017 bonfire period

Address	Call Date	Station	Details	District	Ward
Coronation Park, St Lukes Road, Crosby,	23/10/2017 19:33:00	31	Children's Play Area - Group Of Youths	Sefton	Victoria
Toxteth Street, Dingle,	25/10/2017 19:43:52	15	Group Of Approx 15 - 20 Youths Threw Stones At Crew, No Injuries To Crew	Liverpool South	Riverside
Kirkby, Tower Hill, Bank Lane,	30/10/2017 19:51:04	42	Windscreen Smashed By Youths	Knowsley	Park Knowsley
Off/Childwall Valley Road, Belle Vale,	30/10/2017 21:26:20	17	Nearside Passenger Window Smashed By Brick	Liverpool South	Belle Vale
Carr Terrace, Prescot,	31/10/2017 20:34:04	40	Youths Throwing Stones At Vehicle Causing Small Scratch On Vehicle	Knowsley	Prescot East
Childwall Valley Road, Childwall,	03/11/2017 21:46:26	16	Green Laser Shone At Appliance	Liverpool South	Childwall
Fleetwood Gardens, Headbolt Lane, Kirkby	04/11/2017 14:13:11	42	Threatening Behaviour From Youth	Knowsley	Shevington
Pluckington Road, Helston Green, Huyton,	05/11/2017 20:50:21	40	Youths Throwing Wheelie Bins Onto Bonfire Close To Property	Knowsley	St Michaels Knowsley
Scarisbrick Road, Norris Green	06/11/2017 17:54:27	19	Youths Throwing Stones At Appliance From Loop Line,	Liverpool North	Clubmoor

9. The table below provides a comparison against a 10 year average. 2017 has also ceased the rise in trajectory of incidents from 2013.



10. 143 Target Hardening visits were completed by Arson Officers, during the 2017 period, 2 of which were victims of Hate Crime.

11. 124 Fly Tipping reports were submitted by operational crews.

12. Working with partners, crews and advocates delivered bonfire presentations to school children across Merseyside.

13. Crews visited 54 locations to complete post bonfire sweeps on the morning of 6th November.

14. The new plan for 2018 is to complete a tipper truck sweep, whereby tipper trucks will attend locations of smouldering bonfires after fire crews have attended and remove any remaining debris.

Breakdown by Local Authority

15. The table below provides a breakdown of incidents attended by Local Authority area. The table identifies that all districts saw decreases of varying degrees.

Comparison against 2016				
District	2017	2016	Difference	% Difference
Knowsley	57	80	-23	-28.8%
Liverpool	189	252	-63	-25.0%
Liverpool North	*101*	*156*	*-55*	*-35.3%*
Liverpool South	*88*	*96*	*-8*	*-8.3%*
Sefton	44	91	-47	-51.6%
St Helens	45	59	-14	-23.7%
Wirral	57	97	-40	-41.2%
Grand Total	392	579	-187	-32.3%

16. The table below provides a breakdown of all violence at work incidents reported during the period by Local Authority Area.

Address	Call Date	Station	Details	District	Ward
Coronation Park, St Lukes Road, Crosby,	23/10/2017 19:33:00	31	Children's Play Area - Group Of Youths	Sefton	Victoria
Toxteth Street, Dingle,	25/10/2017 19:43:52	15	Group Of Approx 15 - 20 Youths Threw Stones At Crew, No Injuries To Crew	Liverpool South	Riverside
Kirkby, Tower Hill, Bank Lane,	30/10/2017 19:51:04	42	Windscreen Smashed By Youths	Knowsley	Park Knowsley
Off/Childwall Valley Road, Belle Vale,	30/10/2017 21:26:20	17	Nearside Passenger Window Smashed By Brick	Liverpool South	Belle Vale
Carr Terrace, Prescot,	31/10/2017 20:34:04	40	Youths Throwing Stones At Vehicle Causing Small Scratch On Vehicle	Knowsley	Prescot East
Childwall Valley Road, Childwall,	03/11/2017 21:46:26	16	Green Laser Shone At Appliance	Liverpool South	Childwall
Fleetwood Gardens, Headbolt Lane, Kirkby	04/11/2017 14:13:11	42	Threatening Behaviour From Youth	Knowsley	Shevington
Pluckington Road, Helston Green, Huyton,	05/11/2017 20:50:21	40	Youths Throwing Wheelie Bins Onto Bonfire Close To Property	Knowsley	St Michaels Knowsley
Scarisbrick Road, Norris Green	06/11/2017 17:54:27	19	Youths Throwing Stones At Appliance From Loop Line,	Liverpool North	Clubmoor

17. Arson officers had ownership of their own plans and continued to run Multi agency campaigns throughout Bonfire period.

Date	Location	Location	HFSC's	Business Spoken to	SOFSA	Target Hardening/ High Risk	Fly Tipping	Leaflets Home	Leaflets Business
04/10/2017	North	Tuebrook & Stoneycroft Ward	26	0	0	2	0	317	0
04/10/2017	South	Speke	54	0	0	2	0	258	0
09/10/2017	St Helens	Kirkland Street area	30	0	0	2	2	190	0
17/10/2017	Knowsley	Northwood	59	1	0	0	8	91	0
19/10/2017	Wirral	Birkenhead & Tranmere	32	0	0	0	5	200	0
Total			**201**	**1**	**0**	**6**	**15**	**1056**	**0**

N.B. Due to demand on partners and Merseyside Police in Sefton, this campaign did not go ahead.

Equality and Diversity Implications

18. There is an established geographical correlation between the incidence of small anti-social fires and multiple indices of deprivation. By targeting these areas, we improve outcomes for people who suffer from socio-economic deprivation.

19. Fire control carried out a call handling assessment of each incident determining nature, severity and subsequent response. Once the risk assessment had taken place, all known small fires with no issues were queued.

20. Calls were constantly reviewed to ensure that those deemed to be of a higher priority were dealt with first.

21. One member of staff was nominated to continually review the call list and alert the mobilising officer when a number of calls were being received to the same area.

Staff Implications

22. The Trojan Unit was staffed on key nights with Merseyside Police, whilst Arson Teams undertook target hardening on a flexible working pattern. During the bonfire period, an out of hour's team was also in operation.

Legal Implications

23. MFRA is the enforcing authority for the Explosives Regulations 2014, which govern the storage of fireworks. Inspections of premises where fireworks were being stored have been conducted in line with the Regulations and the relevant enforcement guidelines.

Financial Implications & Value for Money

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

Risk Management, Health & Safety, and Environmental Implications

25. All storage of seized fireworks and disposal of collected waste material is completed in compliance with agreed policies and procedures.

Contribution to Our Mission: *Safer Stronger Communities – Safe Effective Firefighters*

26. Extensive Partnership working with Registered Social Landlords, Community Groups, Local Councillors, Private Commerce, other Emergency Services, Skip Companies, Probation Service and other local groups; along with the actions of Prevention teams and operational crews, combine to mitigate the negative effects of activity over the period on the community and firefighters.

BACKGROUND PAPERS

GLOSSARY OF TERMS

Appendix A



Summary Report for Incident Activity during 2017 Bonfire Period

AUDIENCE

AUTHORITY
STRATEGIC MANAGEMENT GROUP
TEAMS INVOLVED IN BONFIRE PLAN

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PREVENTION & PROTECTION DIRECTORATE
STRATEGY & PERFORMANCE DIRECTORATE

Document Control

Amendment History

Version / Issue No.	Date	Author(s)	Remarks / Reason for Change
1.0		R Hanson	

Sign-Off List

Name	Position
DCFO Garrigan	Deputy Chief Fire Officer
Deb Appleton	Director of Strategy & Performance
AM Keen	Director of Prevention & Protection
GM Ryder	Group Manager – Prevention
SM Kay	Station Manager - Prevention
Jo Henderson	District Prevention Manager – Arson Team
Mike Buratti	T/District Prevention Manager – Arson Team
John Fielding	Business Intelligence Manager

Distribution List

Name	Position	I / R
Authority		
Strategic Management Group		
Bonfire Planning Team		

Related Documents

Reference No.	Title	Author	Version & Date
1.0	Bonfire Report v1.1	R Hanson	08/12/2016

Ownership

Has it been agreed with the client that this is a publicly owned document?

Yes/~~No~~

If Yes please state URL: http://www.merseyfire.gov.uk

If No please state reason why:

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3. INTRODUCTION 10

4. METHODOLOGY 10

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Agreement

For the purpose of this report the following agreement was made between the client and the Strategy & Performance Directorate.

This work was requested by Area Manager Guy Keen and received November 2017.

The Manager[1] has approved this report/ piece of work can be undertaken by the Strategy & Performance Directorate.

If the scope of the work changes, authorisation must be again obtained and would be noted within the version control document sheet.

It was agreed that this report would be produced in draft format by December, and would be sent electronically to the Director of Strategy & Performance and Client for comment.

The Manager / Client agreed that their comments would be received back by December 2017. The final report, which will always be in PDF format, would be produced by December 2017, subject to receiving comments.

[1] Deb Appleton

Summary

This report provides a summary analysis of deliberate secondary fires and incidents of violence at work across Merseyside during the 2017 Bonfire Period, with a comparison against previous years. For the purpose of this report, the Bonfire Period is defined as the 19th October – 7th November.
The headlines from this report can be summarised as follows:

- Between the 2016 (579 incidents) and 2017 (392 incidents) bonfire periods there has been a reduction of 187 incidents or -32.3%.
- All districts saw decreases across the period, with the sub-district of Liverpool North having the largest decrease of 55 incidents, followed by Sefton with 47 fewer incidents. The other districts saw reductions of 40 in Wirral, 23 in Knowsley, 14 in St Helens and 8 in Liverpool South.
- Sefton saw the lowest number of incidents with 44 incidents attended. When aggregated proportionally to incidents per 10,000 population - Sefton had proportionally the fewest incidents with 1.6. Knowsley and Liverpool had the highest proportion of 3.9 incidents.
- The top wards for incidents attended were: Birkenhead & Tranmere (Wirral), Cressington (Liverpool South), Everton (Liverpool North), Picton (Liverpool South) and Seacombe (Wirral) all with 14 incidents.
- Concerning incidents attended by station area, 14-Speke/Garston, 15-Toxteth and 19-Croxteth had the greatest number of incidents attended with 37, 34 and 33 respectively.
- Concerning increases and decreases, 14-Speke/Garston had the greatest increase of incidents during 2017 with 13. 20-Birkenhead saw the largest decrease with 22 fewer incidents.
- There were 9 incidents of violence at work during the 2017 bonfire period, 1 less than in 2016.

Introduction

Traditionally the bonfire period leads to heightened numbers of incidents, specifically deliberate secondary fires and violence at work. This report presents an analysis of incidents during the 2017 Bonfire Period in Merseyside, contrasted with the 2016 period as well as historical retrospectives.

For the purpose of this report the bonfire period covers the following time frame: 19th October to 7th November, allowing for a direct date-to-date comparison.

Methodology

To identify and analyse any trends in incidents during the Bonfire Period of 2017 the following methodologies were followed:

- The period of analysis covered from 00:00:00hrs on 19th October to 23:59:59hrs on 7th November.
- Fire related incidents analysed within this report are all deliberate secondary fires[2] as recorded by MF&RS mobilisation system “Vision”. Instances of Violence at Work have been collected from the OSHENS Health and Safety reporting system.

[2] Deliberate secondary fires are based on FSEC (Fire Service Emergency Cover). Incident codes include: 04 01 – Derelict Building, 04 02 – Grassland, 04 03 – Bonfires, 04 04 – Outdoor Structure, 04 05 – Refuse, 04 06 – Derelict Vehicle.

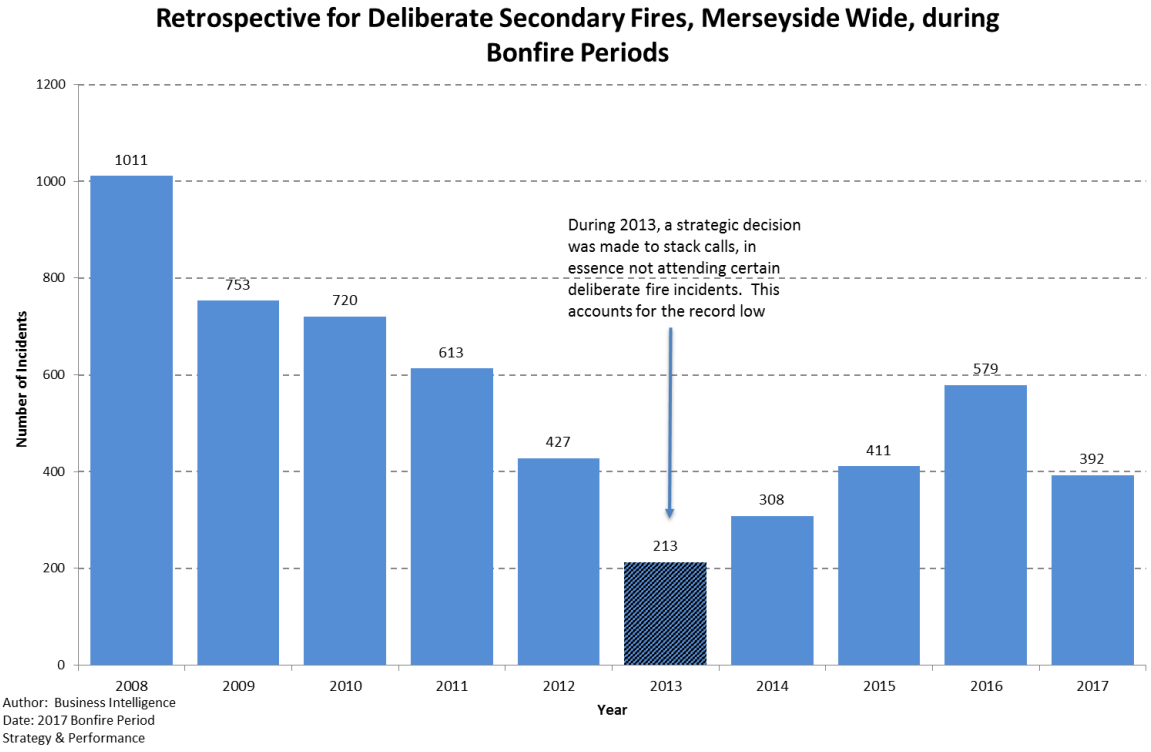
- Deprivation data used within this report is based on Indices of Multiple Deprivation 2015[3] (obtained from Department for Communities and Local Government).
- Population figures are based on mid-2015 and 2016 population estimates published by Office for National Statistics[4]
- The analytical tools adopted in this report include:
  - MapInfo 11 Mapping Software – used to identify hotspot areas for incidents and used to filter data according to district and ward level.
  - Crystal Reports – utilised to extract raw data and information from the Vision mobilising system.
  - Excel 2013 – used to analyse raw data.

It should be noted that the majority of analysis contained within this report will be presented at the Merseyside level. Six additional local authority appendices supplement this main report, (section 6).

Results

Retrospective Analysis

Chart 1: 10 Year retrospective analysis of deliberate secondary fires between 2008 and 2017 bonfire periods



[3] Uses IMD 2015 to create a localised deprivation index, in essence grouping deprivation into 10 equal 10% bands, ranging from most deprived to least deprived

[4] Liverpool is divided into Liverpool North and Liverpool South.
Liverpool North is comprised of the following wards: Anfield, Central, Clubmoor, County, Croxteth, Everton, Fazakerley, Kensington and Fairfield, Kirkdale, Knotty Ash, Norris Green, Old Swan, Tuebrook and Stoneycroft, Warbreck, West Derby and Yew Tree
Liverpool South is comprised of the following wards: Allerton and Hunts Cross, Belle Vale, Childwall, Church, Cressington, Greenbank, Mossley Hill, Picton, Princes Park, Riverside, Speke-Garston, St Michaels, Wavertree, Woolton

Chart 1 identifies that the number of incidents attended by Merseyside Fire and Rescue Service was 392 during the 2017 bonfire period. This is a reduction of 187 incidents (-32.3%) from 2016.

When this is compared historically to the 2008 period there has been an overall reduction of 619 incidents (-61.2%).

Although the overall number of incidents has reduced since 2008, 2017 is the first year since 2013 to see a reduction, therefore breaking the upward trend.

Incident Breakdown

Table 1: Breakdown of incident types attended during 2016 and 2017 bonfire period

Incident Type	2016	2017	Change	% Change
04 01 Derelict Building	6	2	-4	-66.7%
04 02 Grassland	45	20	-25	-55.6%
04 03 Intentional Burning / Bonfire	166	105	-61	-36.7%
04 04 Outdoor Structure	20	10	-10	-50.0%
04 05 Refuse Fire	341	255	-86	-25.2%
04 06 Derelict Vehicle	1	0	-1	-100.0%
Grand Total	**579**	**392**	**-187**	**-32.3%**

Table 1 identifies that the vast majority of deliberate secondary fires attended during the 2017 bonfire period were "04 05 Refuse Fires" with 255 incidents – accounting for 65.1% of total incidents. This is slightly higher than 2016, where the proportion was 58.9%.

The incident sub type to see the largest reduction (by number, not percentage) was "04 05 Refuse Fires", with a decrease of 86 incidents or -25.2%, this was followed by "04 03 Intentional Burning/Bonfire" with 61 (-36.7%).

Location Analysis

Table 2: Comparison of incidents attended by district, between 2016 and 2017 bonfire periods (*with incidents per 10,000 population*)[5]

District	2016	2017	Change	% Change
Knowsley	80 (5.4)	57 (3.9)	-23 (-1.6)	-28.8%
Liverpool	252 (5.3)	189 (3.9)	-63 (-1.4)	-25.0%
Liverpool North	156	101	-55	-35.3%
Liverpool South	96	88	-8	-8.3%
Sefton	91 (3.3)	44 (1.6)	-47 (-1.7)	-51.6%
St Helens	59 (3.3)	45 (2.5)	-14 (-0.8)	-23.7%
Wirral	97 (3.0)	57 (1.8)	-40 (-1.3)	-41.2%
Grand Total	**579 (4.1)**	**392 (2.8)**	**-187 (-1.4)**	**-32.3%**

Table 2 provides a breakdown of incidents attended by district. The table identifies that all districts saw decreases of varying degrees, Liverpool's combined total was 63 fewer incidents (-25.0%), followed by Sefton with a decrease of 47 incidents (-51.6%). St Helens had the smallest reduction with 14 incidents (-23.7%), followed by Knowsley

[5] Mid 2016 ward population data has not been released at the time of writing this report and the proportion has been rounded to the nearest 10th.

with 23 (-28.8%) and Wirral with 40 (-41.2%). Liverpool's split was 55 in the North and 8 in the South.

When aggregated to incidents per 10,000 population; Sefton had the fewest incidents during 2017 with 1.6 incidents per 10,000 population, Liverpool and Knowsley have the greatest amount with 3.9 per 10,000 population.

Table 3: Top ten wards for deliberate secondary fires during 2017 bonfire period[6]

Rank	Ward	District	2017	2016	Change	% Change
=1	Cressington	Liverpool South	14	5	9	180.0%
=1	Picton	Liverpool South	14	9	5	55.6%
=1	Seacombe	Wirral	14	13	1	7.7%
=1	Everton	Liverpool North	14	15	-1	-6.7%
=1	Birkenhead & Tranmere	Wirral	14	21	-7	-33.3%
6	Riverside	Liverpool South	13	17	-4	-23.5%
=7	Linacre	Sefton	12	10	2	20.0%
=7	Croxteth	Liverpool North	12	20	-8	-40.0%
=9	Clubmoor	Liverpool North	11	7	4	57.1%
=9	Speke-Garston	Liverpool South	11	14	-3	-21.4%

Table 3 provides the top 10 wards for deliberate secondary fires during the 2017 bonfire period, compared against 2016. The table identifies that: Cressington; Picton; Seacombe; Everton and Birkenhead & Tranmere had the greatest number of incidents with 14.

The table shows that Liverpool South had 4 wards in the top 10 followed by Liverpool North (3), Wirral (2) and Sefton (1).

When compared against the previous year, Cressington has seen a 180% increase (9 incidents) while Birkenhead & Tranmere has seen a 33.3% reduction (-7 incidents).

[6] Table 4 is ordered by the increase in the number of incidents seen

Chart 2: Comparison of incidents attended by station area

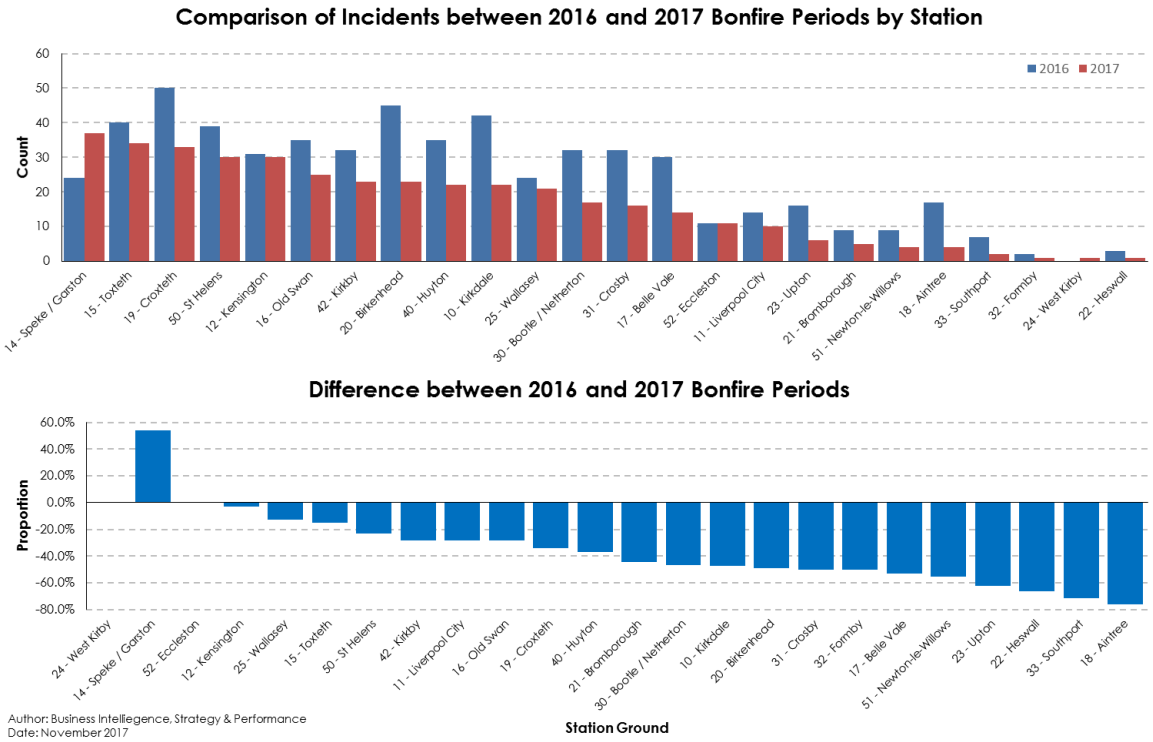


Chart 2 identifies that 2 station areas had increases in activity during the 2017 bonfire period with 14 - Speke/Garston and 24 - West Kirby having increases of **13** and **1** respectively.

Concerning reductions; the stations to see the largest reductions in incidents were: 20 - Birkenhead (**22**), 10 - Kirkdale (**20**), 19 - Croxteth (**17**), 17 - Belle Vale and 31 - Crosby (both **16**) and 30 - Bootle & Netherton (**15**).

Violence at Work

Table 4: Overall counts of Violence at Work by district since 2013

District	2013	2014	2015	2016	2017
Knowsley	1	2	0	3	4
Liverpool	0	5	3	3	4
Liverpool North	*0*	*3*	*2*	*3*	*1*
Liverpool South	*0*	*2*	*1*	*0*	*3*
Sefton	1	1	0	2	1
St Helens	0	2	0	0	0
Wirral	0	0	3	2	0
Grand Total	**2**	**10**	**6**	**10**	**9**

During the 2017 bonfire period there were 9 incidents of violence at work; 1 less than during 2016. When taking the full five year date range into consideration; the count of violence at work incidents does fluctuate and therefore is difficult to reach a conclusion as there is little to no consistency.

It should be noted that though violence at work incidents are an unwanted aspect of the fire fighter role / advocate role, it is imperative that all occurrences are reported as this

intelligence allows partner organisations to target areas of risk as well as feeds into risk assessing areas where crews and advocate teams could be working in future.

Table 5: Details of Violence at Work during 2017 bonfire period

Address	Call Date	Station	Details	District	Ward
Coronation Park, St Lukes Road, Crosby,	23/10/2017 19:33:00	31	Children's Play Area - Group Of Youths	Sefton	Victoria
Toxteth Street, Dingle,	25/10/2017 19:43:52	15	Group Of Approx 15 - 20 Youths Threw Stones At Crew, No Injuries To Crew	Liverpool South	Riverside
Kirkby, Tower Hill, Bank Lane,	30/10/2017 19:51:04	42	Windscreen Smashed By Youths	Knowsley	Park Knowsley
Off/Childwall Valley Road, Belle Vale,	30/10/2017 21:26:20	17	Nearside Passenger Window Smashed By Brick	Liverpool South	Belle Vale
Carr Terrace, Prescot,	31/10/2017 20:34:04	40	Youths Throwing Stones At Vehicle Causing Small Scratch On Vehicle	Knowsley	Prescot East
Childwall Valley Road, Childwall,	03/11/2017 21:46:26	16	Green Laser Shone At Appliance	Liverpool South	Childwall
Fleetwood Gardens, Headbolt Lane, Kirkby	04/11/2017 14:13:11	42	Threatening Behaviour From Youth	Knowsley	Shevington
Pluckington Road, Helston Green, Huyton,	05/11/2017 20:50:21	40	Youths Throwing Wheelie Bins Onto Bonfire Close To Property	Knowsley	St Michaels Knowsley
Scarisbrick Road, Norris Green	06/11/2017 17:54:27	19	Youths Throwing Stones At Appliance From Loop Line,	Liverpool North	Clubmoor

5.5 Deprivation Analysis

Chart 3: Deprivation Analysis during the 2016 Bonfire Period[7]

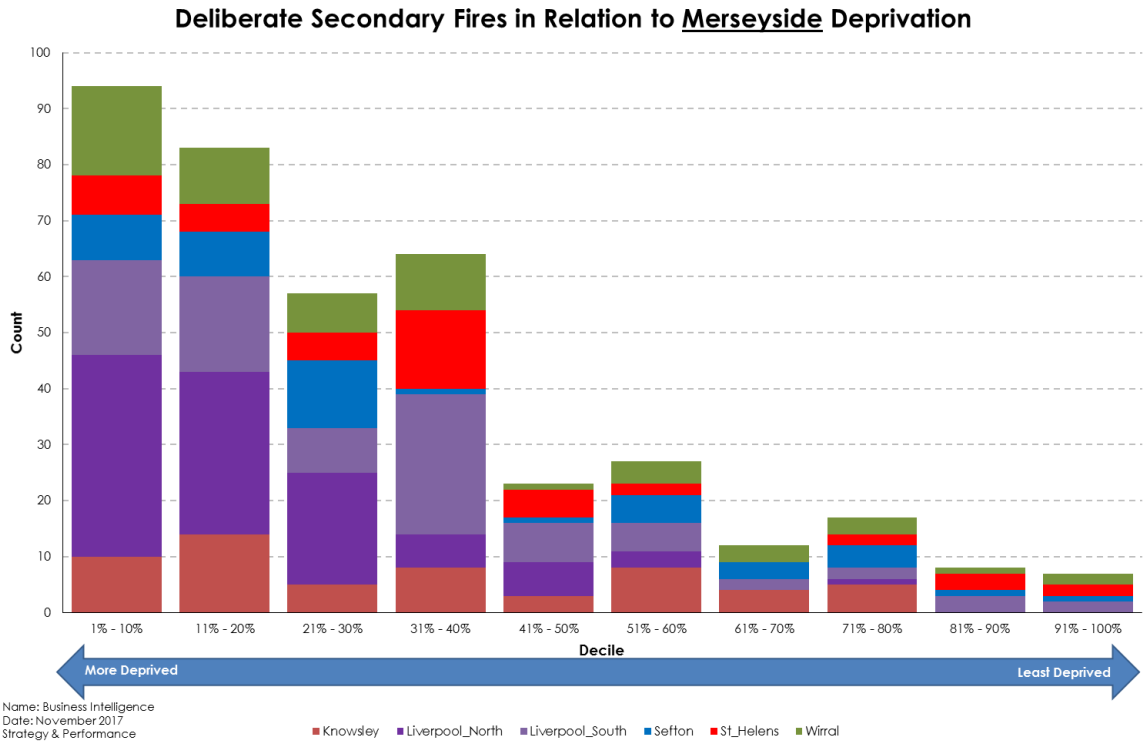


Chart 3 graphically illustrates the link between deliberate secondary fire incidents and levels of deprivation. The chart clearly identifies that more deliberate fire incidents

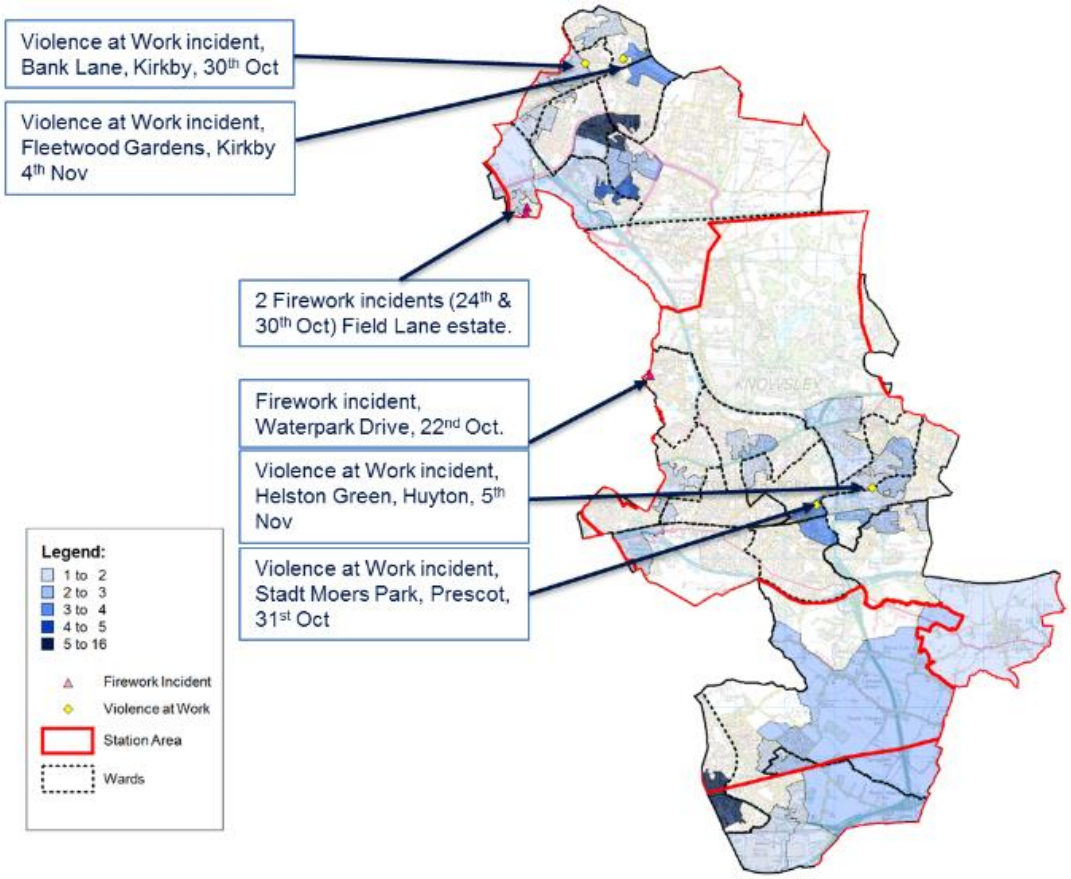
[7] The chart axis runs from 0-10% which represents the most deprived areas of Merseyside and 90-100% which represents the least deprived

occur in areas of high deprivation as opposed to areas of where there is least deprivation.

Appendices

The following appendices include: a temporal analysis by day and hour with mapping including brief breakdowns of incidents attended by district, identifying hotspot areas and incidents of note.

Map 1: Geographical Breakdown of Incidents in Knowsley



Ward	#
Cherryfield	6
Kirkby Central	6
Halewood West	5
Prescot East	4
St Michaels	4
Whiston South	4
Halewood South	4
Park	4
Whiston North	3
Whitefield	3
Longview	3
Halewood North	3
Northwood	2
Shevington	2
St Bartholomews	1
Page Moss	1
Roby	1
Prescot West	1
Total	57

Author: J Fielding
Date: 08/11/2017
Produced using MapInfo
Strategy & Performance

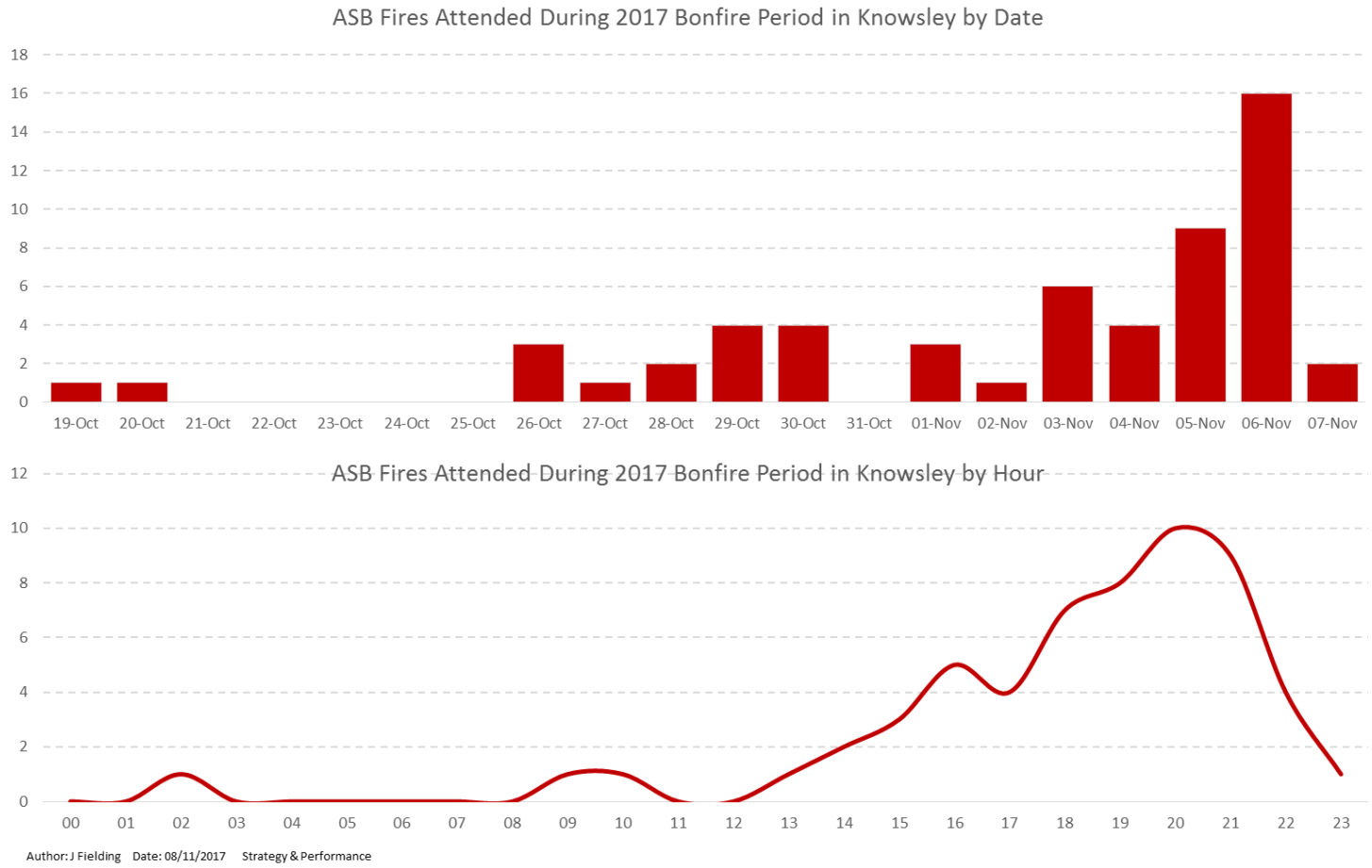
Map Reference:

Concentrations of Deliberate Secondary Fires in Knowsley by SOA Between 19th October - 7th November 2017

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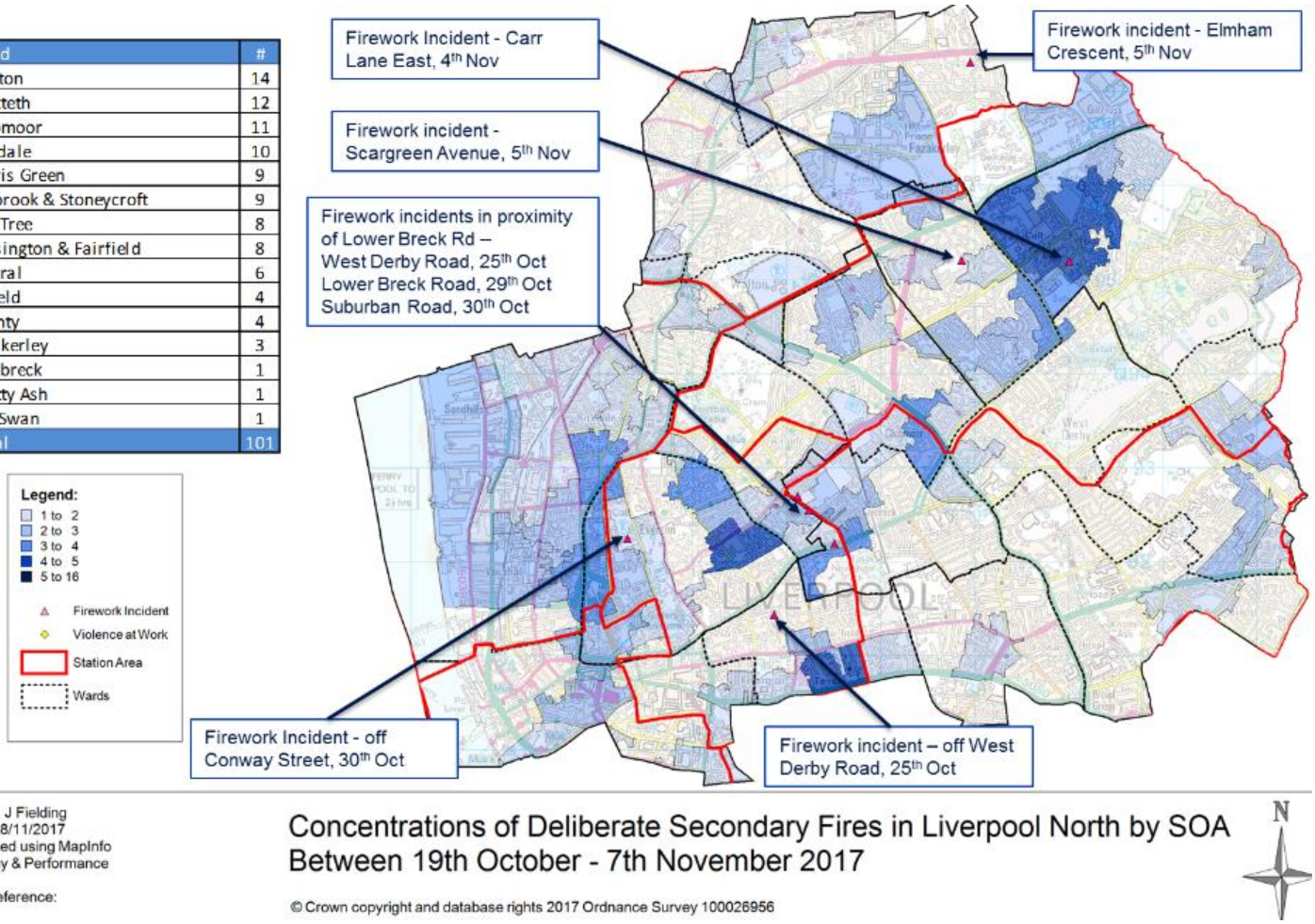
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Chart 4: Temporal Breakdown of Incidents in Knowsley



Map 2: Geographical Breakdown of Incidents in Liverpool North

Ward	#
Everton	14
Croxteth	12
Clubmoor	11
Kirkdale	10
Norris Green	9
Tuebrook & Stoneycroft	9
Yew Tree	8
Kensington & Fairfield	8
Central	6
Anfield	4
County	4
Fazakerley	3
Warbreck	1
Knotty Ash	1
Old Swan	1
Total	101



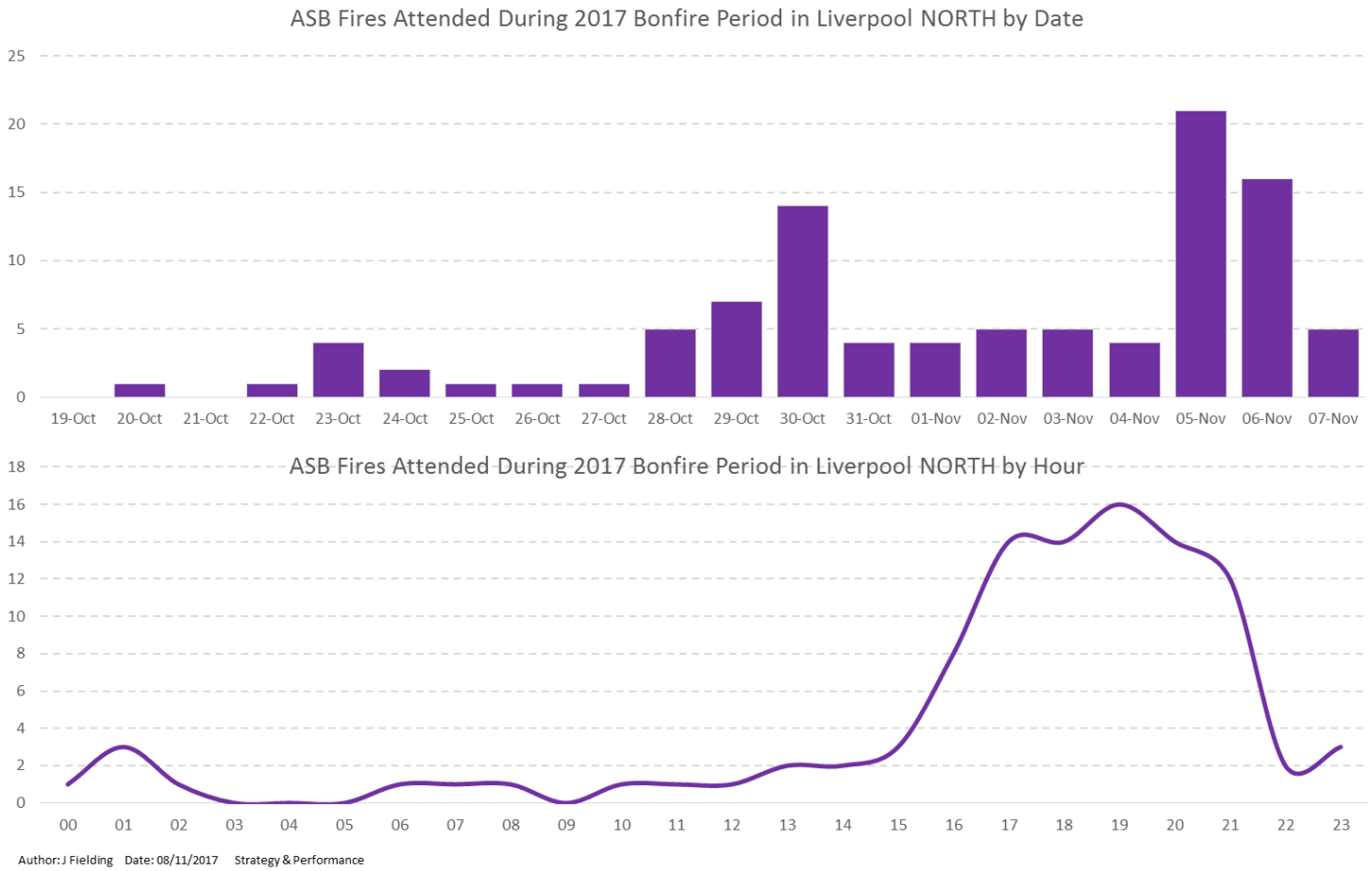
Author: J Fielding
Date: 08/11/2017
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Map Reference:

Concentrations of Deliberate Secondary Fires in Liverpool North by SOA
Between 19th October - 7th November 2017

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Chart 5: Temporal Breakdown of Incidents in Liverpool North



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Map 3: Geographical Breakdown of Incidents in Liverpool South

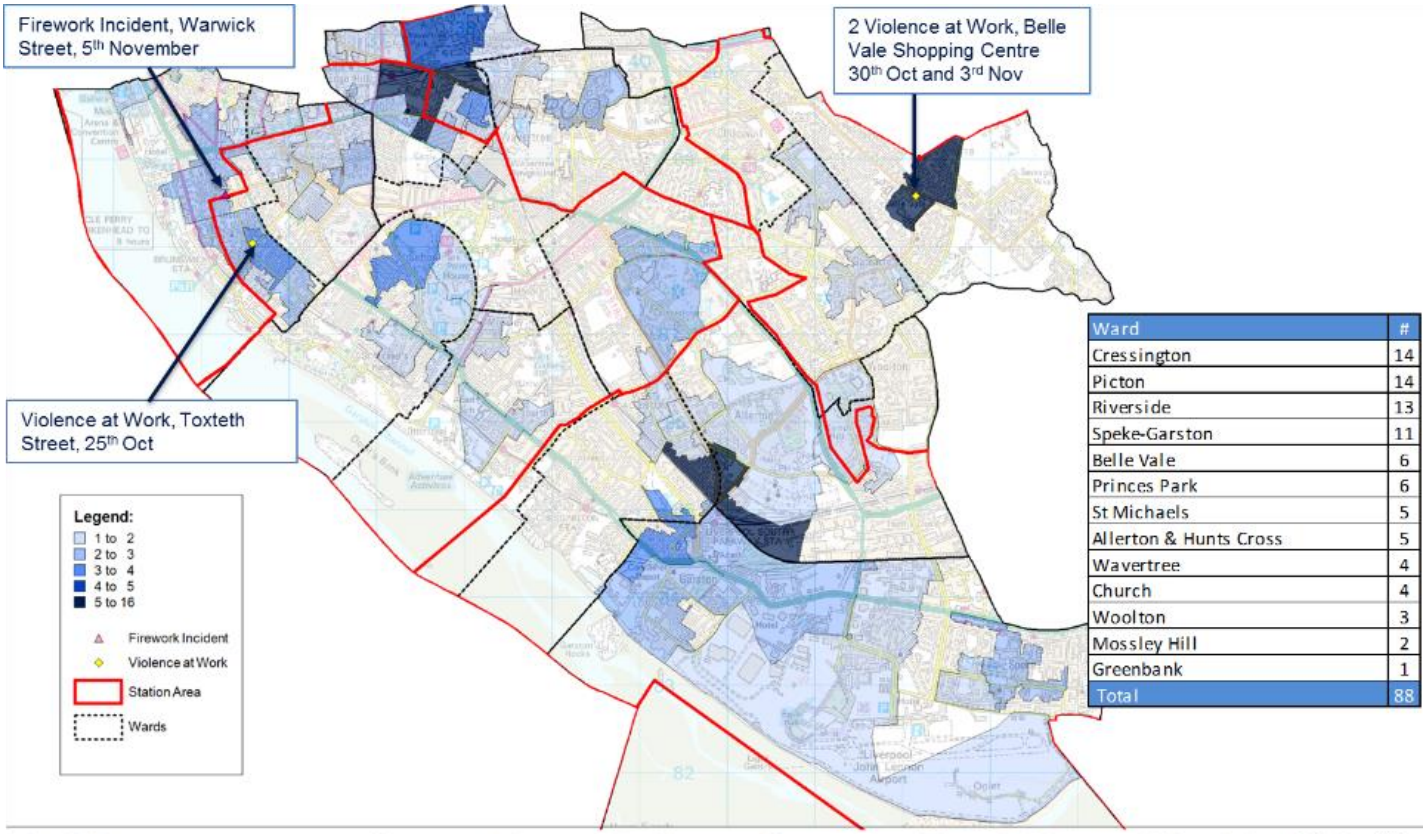
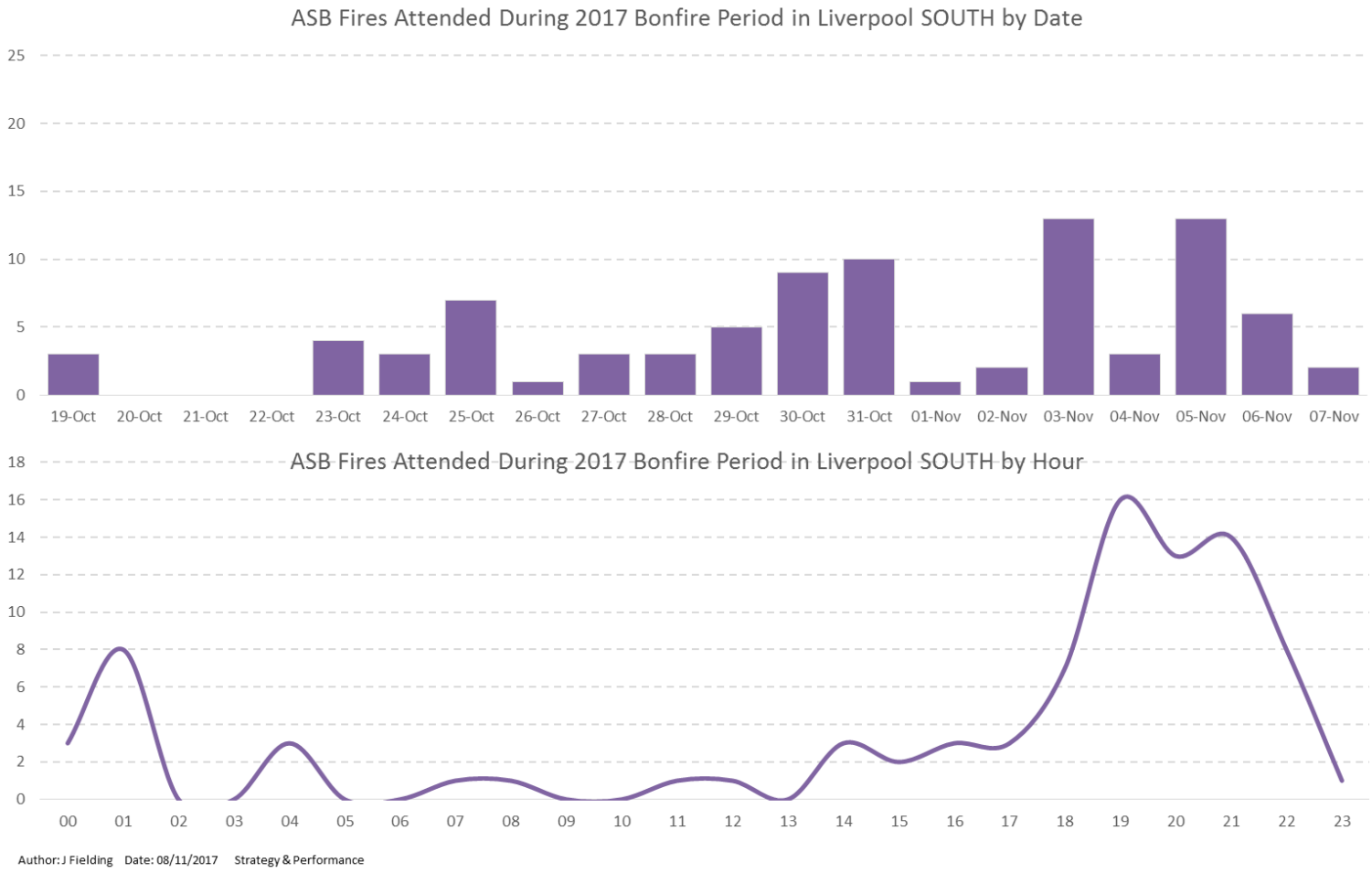
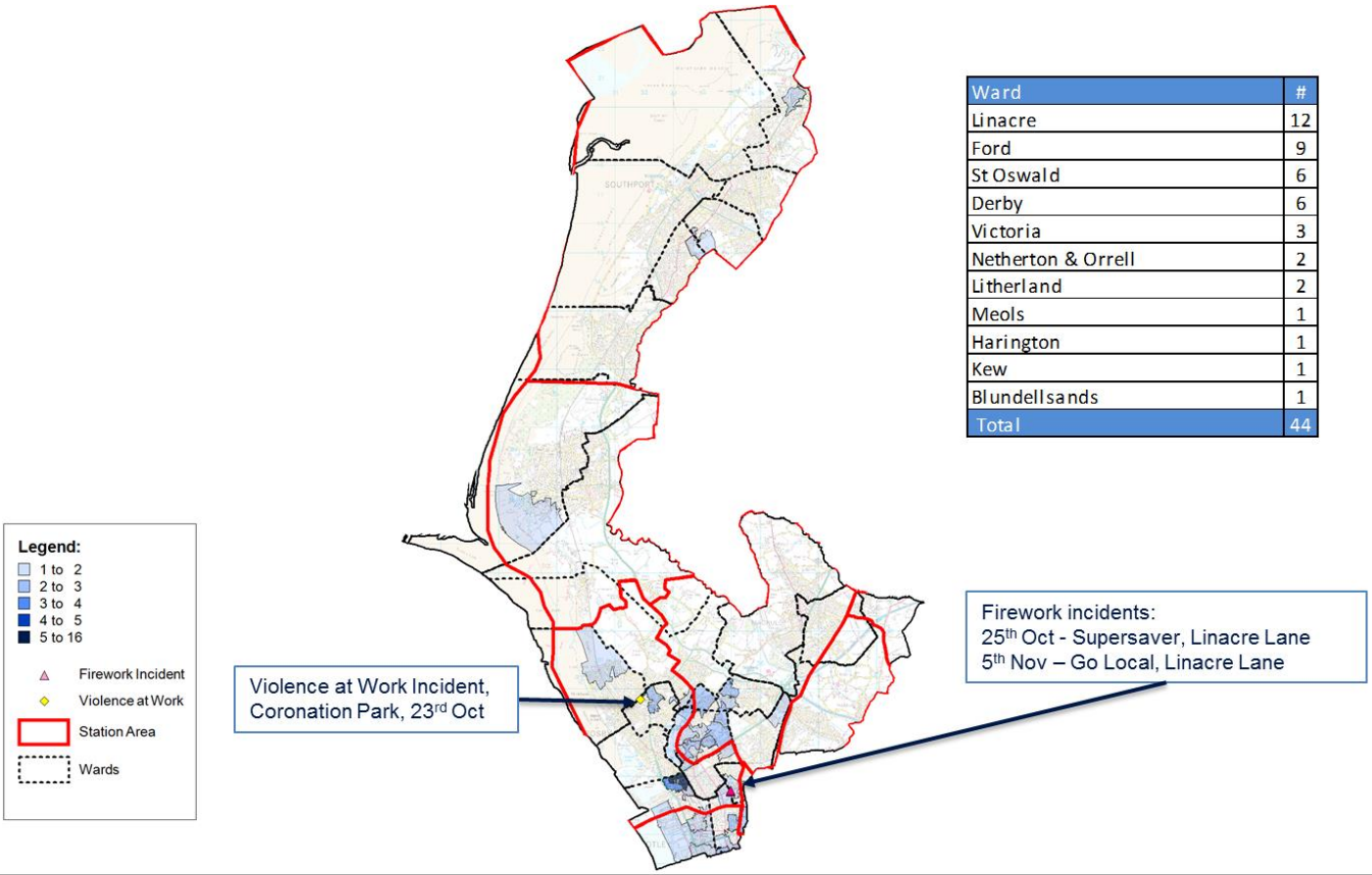


Chart 6: Temporal Breakdown of Incidents in Liverpool South



Map 4: Geographical Breakdown of Incidents in Sefton



Ward	#
Linacre	12
Ford	9
St Oswald	6
Derby	6
Victoria	3
Netherton & Orrell	2
Litherland	2
Meols	1
Harington	1
Kew	1
Blundellsands	1
Total	44

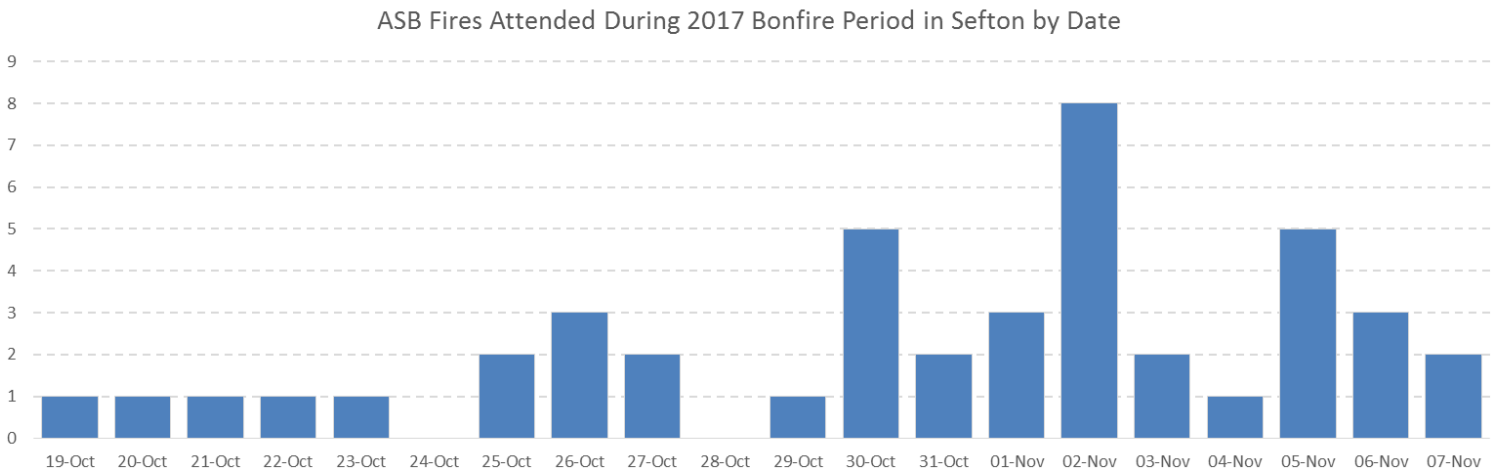
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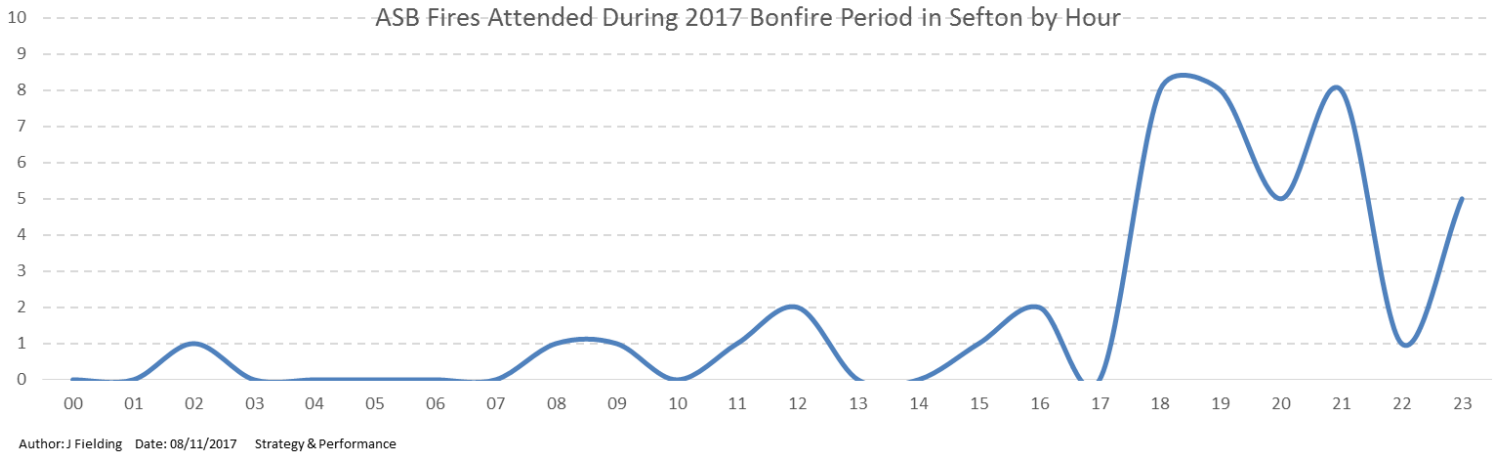
Map Reference:

Concentrations of Deliberate Secondary Fires in Sefton by SOA
Between 19th October - 7th November 2017

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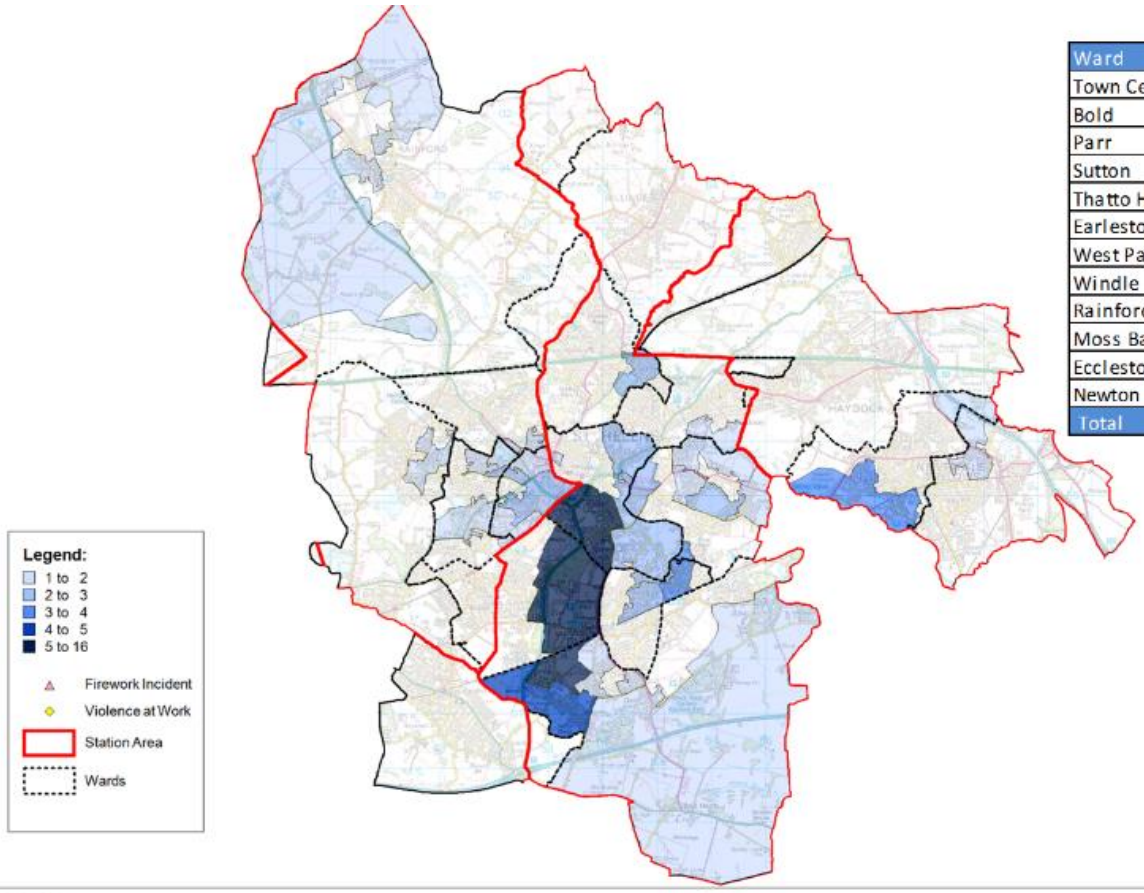
Chart 7: Temporal Breakdown of Incidents in Sefton





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Map 5: Geographical Breakdown of Incidents in St Helens



Ward	#
Town Centre	10
Bold	7
Parr	7
Sutton	5
Thatto Heath	3
Earlestown	3
West Park	2
Windle	2
Rainford	2
Moss Bank	2
Eccleston	1
Newton	1
Total	45

Author: J Fielding
Date: 08/11/2017
Produced using MapInfo
Strategy & Performance

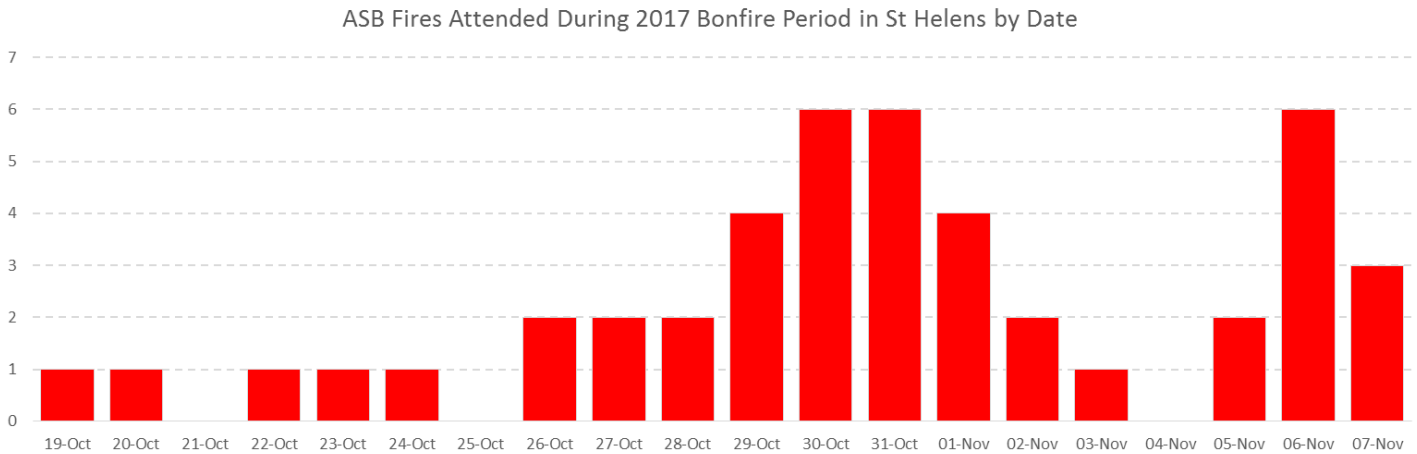
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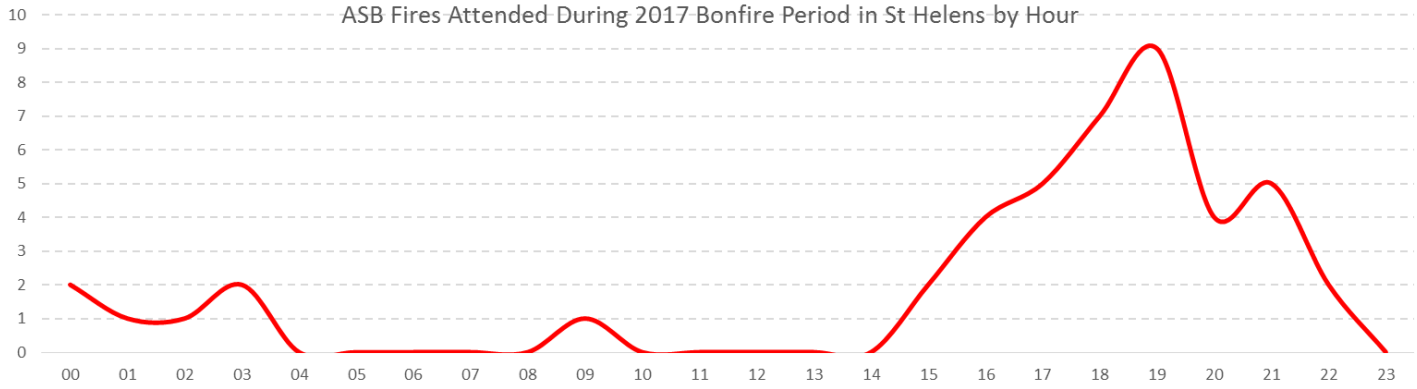
Concentrations of Deliberate Secondary Fires in St Helens by SOA
Between 19th October - 7th November 2017

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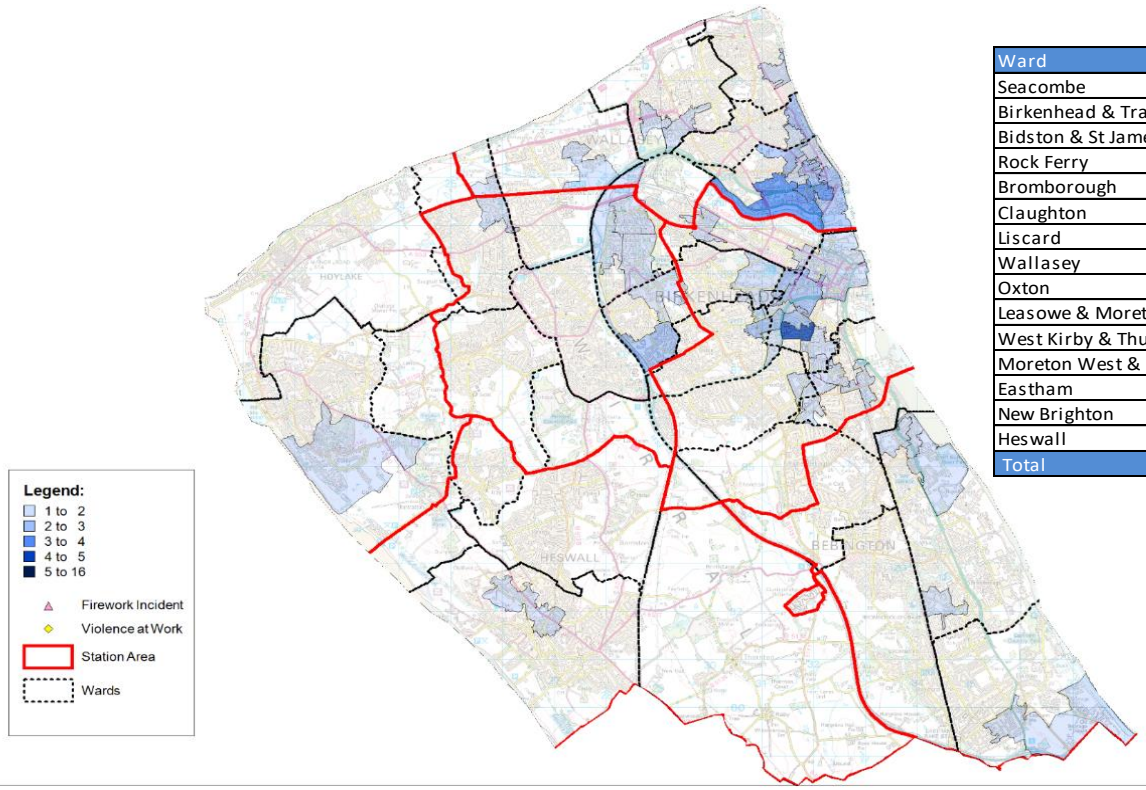
Chart 8: Temporal Breakdown of Incidents in St Helens





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Map 6: Geographical Breakdown of Incidents in Wirral



Ward	#
Seacombe	14
Birkenhead & Tranmere	14
Bidston & St James	5
Rock Ferry	4
Bromborough	4
Claughton	3
Liscard	3
Wallasey	2
Oxton	2
Leasowe & Moreton East	1
West Kirby & Thurstaston	1
Moreton West & Saughall Massie	1
Eastham	1
New Brighton	1
Heswall	1
Total	57

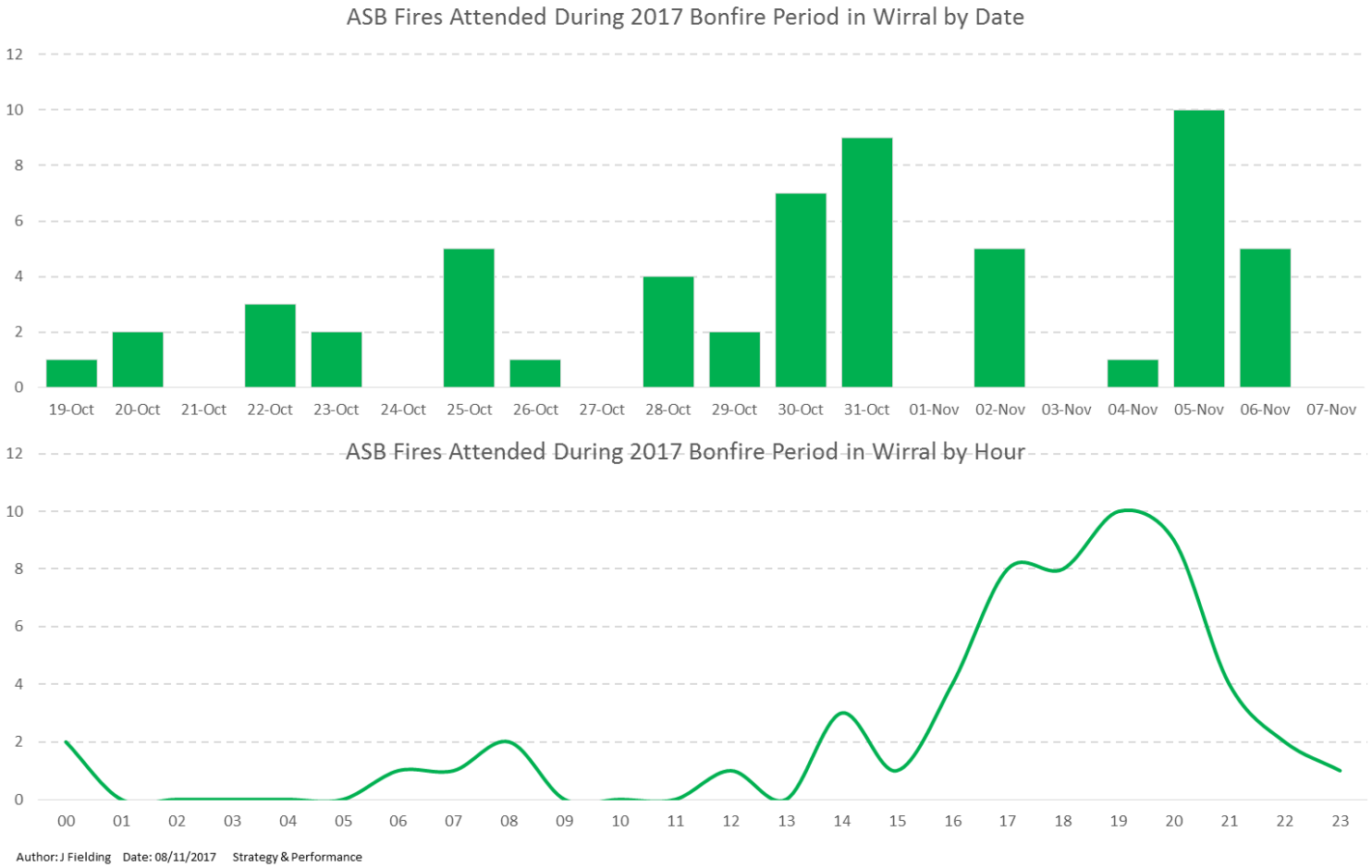
Author: J Fielding
Date: 08/11/2017
Produced using MapInfo
Strategy & Performance

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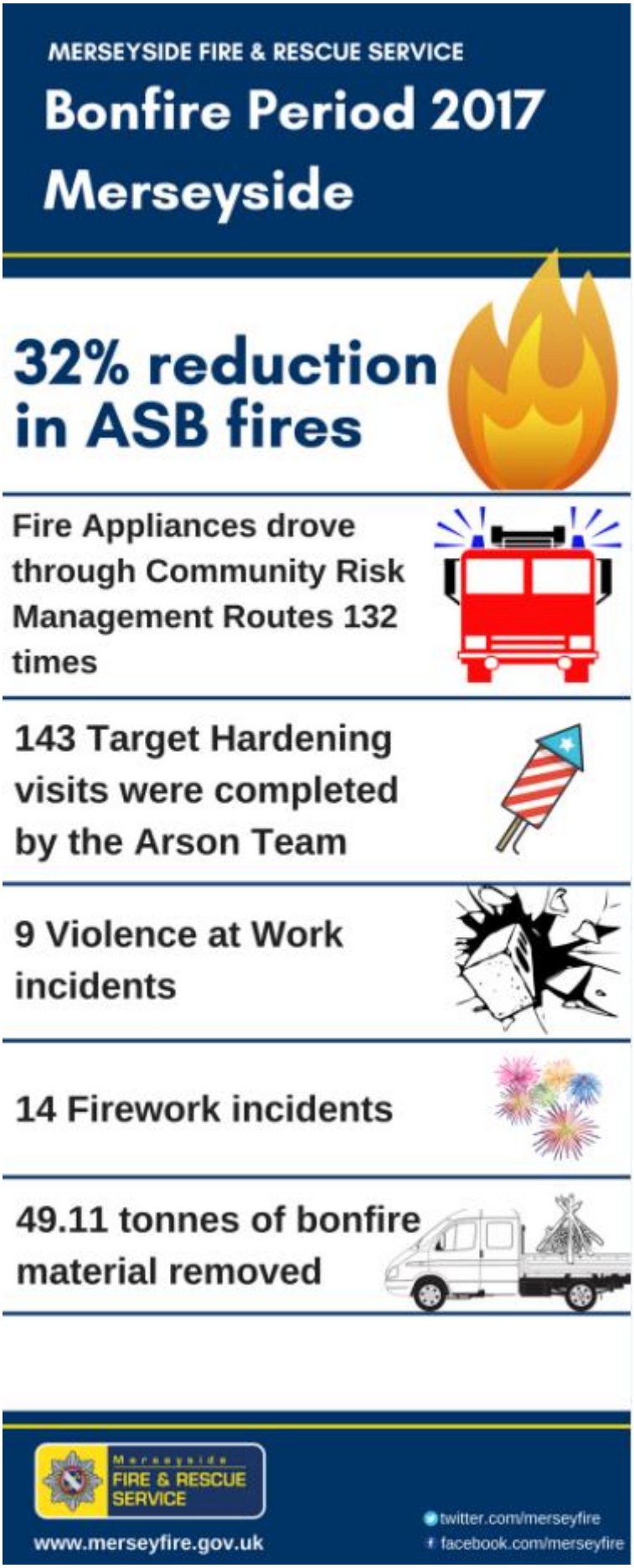
Concentrations of Deliberate Secondary Fires in Wirral by SOA
Between 19th October - 7th November 2017

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Chart 9: Temporal Breakdown of Incidents in Wirral



Appendix B


MERSEYSIDE FIRE & RESCUE SERVICE
Bonfire Period 2017
Merseyside
32% reduction in ASB fires
Fire Appliances drove through Community Risk Management Routes 132 times
143 Target Hardening visits were completed by the Arson Team
9 Violence at Work incidents
14 Firework incidents
49.11 tonnes of bonfire material removed
Merseyside FIRE & RESCUE SERVICE
www.merseyfire.gov.uk
twitter.com/merseyfire
facebook.com/merseyfire

MERSEYSIDE FIRE & RESCUE SERVICE

Bonfire Period 2017
Liverpool North

35% reduction in ASB fires



Fire Appliances drove through Community Risk Management Routes 62 times



30 Target Hardening visits were completed by the Arson Team



1 Violence at Work incidents



8 Firework incidents



9.22 tonnes of bonfire material removed



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MERSEYSIDE FIRE & RESCUE SERVICE

Bonfire Period 2017
Liverpool South

8% reduction in ASB fires



Fire Appliances drove through Community Risk Management Routes 11 times



27 Target Hardening visits were completed by the Arson Team



3 Violence at Work incidents



1 Firework incidents



8.44 tonnes of bonfire material removed



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MERSEYSIDE FIRE & RESCUE SERVICE

Bonfire Period 2017

Sefton

52% reduction in ASB fires



Fire Appliances drove through Community Risk Management Routes 6 times



26 Target Hardening visits were completed by the Arson Team



1 Violence at Work incidents



2 Firework incidents



5.5 tonnes of bonfire material removed



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MERSEYSIDE FIRE & RESCUE SERVICE

Bonfire Period 2017
Wirral

41% reduction in ASB fires



Fire Appliances drove through Community Risk Management Routes 24 times



9 Target Hardening visits were completed by the Arson Team



0 Violence at Work incidents



0 Firework incidents



11.94 tonnes of bonfire material removed



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MERSEYSIDE FIRE & RESCUE SERVICE

Bonfire Period 2017
St Helens

24% reduction in ASB fires



Fire Appliances drove through Community Risk Management Routes 15 times



9 Target Hardening visits were completed by the Arson Team



0 Violence at Work incidents



0 Firework incidents



6.10 tonnes of bonfire material removed



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MERSEYSIDE FIRE & RESCUE SERVICE

Bonfire Period 2017
Knowsley

29% reduction in ASB fires



Fire Appliances drove through Community Risk Management Routes 14 times



30 Target Hardening visits were completed by the Arson Team



4 Violence at Work incidents



3 Firework incidents



8.40 tonnes of bonfire material removed



Merseyside FIRE & RESCUE SERVICE

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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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