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To: All Members of the Authority



The Protocol and Procedure for visitors attending meetings of Merseyside Fire and Rescue Authority can be found by clicking [here](#) or on the Authority's website: <http://www.merseyfire.gov.uk> - About Us > Fire Authority.

J. Henshaw
LLB (Hons)
Clerk to the Authority

Tel: 0151 296 4000
Extn: 4113 Kelly Kellaway

Your ref:

Our ref HP/DM

Date: 20 February 2019

Dear Sir/Madam,

You are invited to attend the **MERSEYSIDE FIRE AND RESCUE AUTHORITY**
BUDGET MEETING to be held at **1.00 pm** on **THURSDAY, 28TH FEBRUARY,**
2019 in the Liverpool Suite at Service Headquarters, Bridle Road, Bootle, L30 4YD.

Yours faithfully,

A handwritten signature in cursive script that reads 'K. Kellaway PP.'.

Clerk to the Authority

Encl.

MERSEYSIDE FIRE AND RESCUE AUTHORITY

AUTHORITY BUDGET MEETING

28 FEBRUARY 2019

AGENDA

Members

Roy Gladden
Lynne Thompson
Denise Allen, Knowsley Council
Sharon Connor, Liverpool City Council
Joe De'Asha, St Helens
Janet Grace, Sefton
Brian Kenny, Wirral
Les Byrom (Vice-Chair)
Peter Brennan
Lesley Rennie
James Roberts
Jean Stapleton
Sharon Sullivan
Paul Tweed
Andrew Makinson
Steff O'Keeffe
Lisa Preston
Adrian Jones

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 6, "TENDER FOR THE PROVISION OF INSURANCE SERVICES" contains EXEMPT information by virtue of Paragraph (3) of Part 1 of Schedule 12A to the Local Government Act 1972.

2. **Minutes of the previous meeting** (Pages 5 - 16)

The minutes of the previous meeting held on 18th October 2018, are submitted as a correct record and for signature by the Chair.

3. **Asset Management Plans 2019/2020 - 2023/2024** (Pages 17 - 98)

To consider Report CFO/001/19 of the Chief Fire Officer, concerning how the Authority plans to align its physical asset base with its corporate goals and objectives over the next 5 years (2019/20 – 2023/24).

4. **Merseyside Fire and Rescue Authority Budget and Financial Plan 2019/2020 – 2023** (Pages 99 - 174)

To consider Report CFO/009/19 of the Treasurer, concerning information to allow Members to set a medium term capital and revenue financial plan that allocates resources in line with the Authority's strategic aims and ensures that the Authority delivers an efficient, value for money service. This will allow the Authority to determine a budget for 2019/20 and a precept level in line with statutory requirements.

5. **Draft 2019-21 IRMP Supplement** (Pages 175 - 228)

To consider Report CFO/010/19 of the Chief Fire Officer, concerning the release of the draft 2019-21 Supplement to the Integrated Risk Management Plan (IRMP) 2017-20 for a period of 12 weeks' consultation prior to adoption and implementation, whilst noting that the proposals outlined within the IRMP may change to reflect the views expressed during the consultation process.

6. **TENDER FOR THE PROVISION OF INSURANCE SERVICES** (Pages 229 - 350)

To consider Report CFO/008/19 of the Monitoring Officer, concerning the award of contract for the provision of insurance services.

This Report contains EXEMPT information by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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.

MERSEYSIDE FIRE AND RESCUE AUTHORITY

18 OCTOBER 2018

MINUTES

Present: Cllr Leslie T. Byrom CBE (Chair) Councillors
Lynne Thompson, Denise Allen, Sharon Connor,
Joe De'Asha, Janet Grace, Chris Meaden, Peter Brennan,
Lesley Rennie, James Roberts, Jean Stapleton,
Sharon Sullivan, Paul Tweed and Andrew Makinson

Also Present:

Apologies of absence were received from:
Jane Kennedy (PCC), Cllr Brian Kenny, Cllr Steff O'Keeffe,
Cllr Lisa Preston and Cllr Roy Gladden

12. CHAIR'S ANNOUNCEMENT

Prior to the start of the meeting, the Chair of the Authority read out the general housekeeping sheet; and confirmed to all in attendance that the proceedings of the meeting would not be recorded.

The Chair, on behalf of the Authority, congratulated Nick Searle on his recent appointment as Deputy Chief Fire Officer.

The Chair of the Authority also welcomed some visitors to the meeting, including David Dryburgh – MFRA's lead for HMICFRS; and 2 Knowsley Borough Councillors, who were in attendance as part of their development.

1. Preliminary Matters

The Authority considered the identification of any declarations of interest, matters of urgency or items that would require the exclusion of the press and public due to the disclosure of exempt information.

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 were determined by the Chair to be considered as matters of urgency; and
- c) no items of business required the exclusion of the press and public during consideration thereof because of the possibility of the disclosure of exempt information.

2. Minutes of the Previous Meeting

The Minutes of the previous meeting of the authority, held on 14th June 2018, were approved as a correct record and signed accordingly by the Chair.

It was noted that since the previous meeting of the Authority on 14th June 2018, there have been some changes in Committee Membership, as follows:

- Cllr Denise Allen has been appointed to the Audit Committee in place of Cllr Sharon Connor (who was previously appointed to three Committees)
- Cllr Roy Gladden, who has now been appointed to MFRA by Liverpool City Council, be appointed to the Community Safety & Protection Committee (previously stated as New Liverpool Cllr)
- Cllr Les Byrom, be appointed to the Policy & Resources Committee (previously stated as Cllr T.B.C)

3. Amendments to the Authority's Constitution

Members considered Report CFO/061/18 of the Monitoring Officer, informing Members that the Police and Crime Commissioner for Merseyside (PCC) has asked to withdraw her membership of Merseyside Fire and Rescue Authority (MFRA) and has instead asked that Members approve the reconstitution of the Fire and Police Collaboration Committee through which the collaboration between both services can continue to be scrutinised.

Members were informed that the PCC for Merseyside has been a voting Member of MFRA for some time. Although she has advised that she is now unable to continue with this membership, she is still very interested in ensuring that collaboration between Merseyside Police and MFRA continues. Therefore, she has requested that the Fire & Police Collaboration Committee, be re-instated.

Members were advised that Draft Terms of Reference for the Fire & Police Collaboration Committee were attached to the report for their consideration.

The Chair of the Authority thanked the PCC for her contribution to MFRA during her appointment.

Members Resolved that;

- a) The withdrawal of the PCC from full voting membership of MFRA, be approved.
- b) The reconstitution of the Fire and Police Collaboration Committee, be approved; and

- c) The draft Terms of Reference for the Fire and Police Committee as attached in Appendix A to this report, be approved.

4. Revised Protocol - Reporting at Authority Meetings

Members considered Report CFO/054/18 of the Monitoring Officer, concerning a revised Protocol on Reporting at Authority Meetings, for implementation and publication on the Authority's Website.

Members were provided with an overview of the report, which highlighted that a Protocol for Reporting at Authority Meetings has been in place since the Openness in Local Government Bodies Regulations came into force, which allows for the recording of meetings.

However, Members were informed that at the time when the Regulations came into force and the initial Protocol was produced, there were significant building works underway within MFRA's Headquarters building. These works have since been completed, resulting in significantly enhanced building security and a requirement for the Protocol to be revised.

Members were advised that should the revised Protocol be approved for implementation, a copy will be retained on Reception for reference. They were also informed that the Protocol will be applied reasonably, taking account of adverse weather conditions and such.

Members Resolved that:

The attached revised Protocol on Reporting at Authority Meetings, be approved for implementation and publication on the Authority's Website.

5. Equality, Diversity & Inclusion Report April 2017 to March 18

Members considered Report CFO/057/18 of the Chief Fire Officer, concerning an update on the progress made against the Equality, Diversity & Inclusion (ED&I) Action Plan 2017-2020 and our ED&I objectives for 2017-2020.

Members were provided with a detailed overview of the report, which demonstrates MFRA's compliance with the Equality Act 2010 general duty.

Members were informed that Appendix A details the work being undertaken in relation to the delivery of the Action Plan; and analysis of workforce data and information regarding MFRA's Gender Pay Gap.

Members were advised that Equality Objective 1 relates to ensuring that we have the right people in place, who reflect the communities we serve. Members were informed of some of the key headlines from this objective.

Members were informed that the focus of Equality Objective 2 is around the delivery of HFSC's whilst Equality Objective 3 is related to information around

accidental dwelling fires; and it was highlighted that for 2017/18, there were 915 across Merseyside, which is the lowest number of incidents recorded. However, they were also informed that the majority of those incidents were within the most deprived areas.

Objective 5, which is around benchmarking MFRA against equality standards, Members were advised that we are striving to achieve a standard of excellence again in the new Inspection regime; and some of the work undertaken was highlighted, specifically in relation to the health and wellbeing of our staff.

It was explained to Members that the remainder of the report highlights some of the progress made in the delivery of the Equality & Diversity Action Plan.

Questions were raised by Members regarding the number of female employees for 2016/17; and what we are doing to try to increase the number of female and BAME employees and were advised that the number is likely to be somewhere between those for 2015/16 and those for 2017/18, as since MFRA has started to recruit again, there has been a steady increase in the number of female operational staff.

Members were further advised that we are going into communities with a higher level of BAME representation to promote MFRA as an employer of choice. The firefighter recruitment is a very stringent process and individuals drop out at various stages of that process. However, we are now working with those individuals to encourage and support them; and we are trying to reach out and access all of the protected characteristics in some form.

Although previous objectives have been around achieving quotas and targets, now the Authority is focused on encouraging individuals from underrepresented groups to apply for positions within MFRA, whilst still maintaining a rigorous process that ensures that the right people are ultimately selected.

Members were advised that extensive work has been undertaken to increase the appeal of the FRS, for example work with the Princes Trust and Fire Cadets. These programmes can provide progression pathways for young people, therefore the more diverse those teams can be, the better, as they can act as a launch pad for further careers within MFRA.

Further questions were raised by Members in relation to volunteers; and how more young people and those from underrepresented groups can be recruited into the volunteer cohort; and how their input is recognised.

Members were provided with information on volunteer participation in community safety campaigns, operational exercises and events such as Older Persons Day. Some are seeking employment within MFRA whilst others are seeking alternative outcomes..

In addition, Members were informed that volunteers are treated the same as our employees, with access to the same benefits, which are an added incentive to be part of MFRA.

Further comments were made by Members in relation to cadets, with particular mention given to the Archbishop Blanch unit, which is the only all-female unit in the Country; and one which has a high percentage of BAME participants. It was noted that there is a waiting list for young women to join this particular cadet unit; and that several of the young women involved have stated that they wish to be firefighters.

Members also raised questions regarding the lack of operational staff from Asian backgrounds; and whether other FRS's have had more success in recruiting such individuals into operational roles.

Members were advised that there is a clear benefit in looking at other FRS's and through the NFCC, MFRA have a very good relationship with the Asian Fire & Rescue Services Association (AFSA).

Work to break down barriers and build relationships with communities, is starting to change people's views; and as MFRA is recruiting again after an extended period of no recruitment, it is hoped that we will start to see some changes in the staff profile over the forthcoming five years.

Members Resolved that:

The report be approved for publication on the Merseyside Fire & Rescue Service website.

6. Equality Analysis of Workforce and Employment Data as at 31.03.18

Members considered Report CFO/064/18 of the 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 Duty (PSED) and in order to allow scrutiny of the service in relation to the PSED.

Some specific aspects of the report were highlighted to Members, such as the recognition that there is still some work to do around progression for BAME and females.

Questions were raised by Members in relation to the gender pay gap; and specifically around progression opportunities for females in non-operational roles, as the report suggests that there are more females in lower grade non-operational roles.

Members were advised that the figures are skewed somewhat by the fact that there are predominantly males in the higher paid operational roles; and there are more females in non-operational roles – which are often paid less.

Members were informed that there are career progression pathways for both operational and non-operational employees; and that in terms of the makeup of the Strategic Leadership Team, although there are a large number of male

operational leaders, there are also a couple of female non-operational leaders who are part of that Team.

The Chair of the Authority commented that within the sector, there are now several females in very senior positions, who will act as role models. He advised that MFRA have recently advertised two senior operational positions, however there were no female applicants for either role. Therefore, the Authority can only appoint from those who apply.

Further comments were made regarding the percentage of female operational staff being above the national average, which is promising; and the make-up of the Fire Authority, which now consists of a good balance of male and female Members.

Members Resolved that:

- a) The publication of the Equality Analysis of Workforce and Employment Data Report on the Authority website, in order to demonstrate our commitment to equality, diversity and inclusion and to meet our Public Sector Equality Duties, be noted and approved.
- b) The strategic approaches to addressing the key areas of the Workforce data, be endorsed.
- c) The provision of further updates through the future scrutiny of the recently endorsed People Strategy, be noted.

7. Results of the Employees Engagement Survey 2018

Members considered Report CFO/065/18 of the Chief Fire Officer, concerning the results of the MFRA staff engagement survey 2018.

Members were advised that the purpose of this report was to provide the headlines from the 2018 Staff Survey; and that a link to the full reports would be provided following the meeting.

Members were provided with an overview of the report and background information, highlighting that significant progress has been made since the initial staff survey in 2014, despite the 2018 survey being conducted during a period of significant change.

It was stated that a focus has been around ensuring that staff are accessed and communicated with effectively; and feel able to contribute and make suggestions.

Members were informed that the response rate for the 2018 survey was 56%, with the engagement level being 75%. It was highlighted to Members that in terms of responses, significant differences have been observed between

uniformed staff and non-uniformed staff; and also between long-standing staff and newer staff.

Members were advised that there is still work to be done around improving communication with staff; and as such, the current round of Principle Officer Talks to staff have seen a shift in communication style, from being a briefing format, to a conversation.

The Chief Fire Officer advised that the outcomes of the survey will be used to formulate an Action Plan, which will be brought back to Members.

Members were also advised that all Representative Bodies were engaged throughout the process; and all were supportive, encouraging their members to complete the survey.

The Chair of the Authority stated that the results of the 2018 Staff Survey will be a key source in informing the future agenda of MFRA.

Members Resolved that:

- a) The content of the report be noted.
- b) Once devised, the Action Plan be brought back to Members for consideration.

8. 2017/18 FATAL FIRES REPORT/ TEN YEAR FATAL FIRES REPORT

Members considered Report CFO/063/18 of the Chief Fire Officer, concerning insight in relation to the fatal fires which have occurred in Merseyside over the last year 2017/18, and the trends established in relation to fatal fires which have occurred over the previous 10 years.

Members were provided with an overview of the report, which highlighted the key findings.

They were informed that for 2017/18, there were 4 fire fatalities, which although absolutely devastating for the families involved, is the most significant reduction that MFRA have ever had.

Members were also advised that there has been a significant reduction in the number of Accidental Dwelling Fires, with there being under 1000 for 2017/18.

Of the 4 fire fatalities during 2017/18, Members were informed that 3 of those individuals lived alone; and 3 were linked to smoking, which follows the trend observed in previous years. In terms of smoking, Members were advised that this is one area addressed during Safe & Well visits, with information and signposting provided around smoking cessation.

In terms of the 10 year analysis, Members were informed that the information supports our Home Safety Strategy; and confirms that individuals over the age of 65, and those that live alone, are more likely to die in fires.

Members commented that it would also be useful to have information regarding housing tenure.

Members were informed that it is now a requirement for landlords to ensure that working smoke alarms are fitted in their properties, which is a positive step forward.

It was agreed that capturing information regarding the type of property would provide useful insight.

Questions were raised about the loneliness agenda; and how MFRA is engaging with other agencies.

Members were advised that when operational crews identify such individuals, they will refer to the Prevention Teams, who have a better understanding of the support available and have links into other agencies.

Members were also informed that as a result of austerity, adult social care provision is not what it was previously, with vulnerable people receiving just basic welfare checks. Often the time our staff spend with individuals is the only interaction they may have had in weeks. Prevention Teams may provide them with details of Silver line, or a befriending line for vulnerable people, to help create networks.

Members were advised that it is recognised that there are probably an equal number of isolated young people as there are older people; and there is some work to do in this regard.

Members Resolved that

The content of the reports be noted.

9. Home Safety Strategy 2018-2021

Members considered Report CFO/050/18 of the Chief Fire Officer, concerning the progress made in relation to the Home Safety Strategy 2015-2018 and the contents of the Home Safety Strategy (HSS) for 2018-2021).

Members were advised of the work undertaken to ensure the safety of vulnerable people, which starts with a HFSC being undertaken by operational crews.

Data is shared, subject to consent in some circumstances with partners, which enables better targeting of resources.

Members requested that their thanks be passed on to staff for the fantastic preventative work they do in the communities of Merseyside.

The Chief Fire Officer also thanked Members for their involvement in “Older Persons Day”.

Members Resolved that:

- a) The progress made during the implementation of the Home Safety Strategy 2015-2018, be noted.
- b) The contents and direction that are set out in the Home Safety Strategy for 2018-2021 which is attached as Appendix A to this report, be approved.

10. Bonfire Plan 2018

Members considered Report CFO/069/18 of the Chief Fire Officer, concerning the key elements contained within the 2018 Bonfire plan aimed to limit the number of deliberate fires and instances of anti-social behaviour across Merseyside.

Members were provided with an overview of the report, which detailed the 3 phases of the Bonfire Plan. Phase 1, which is concerned with the planning work alongside partners. Phase 2, which is the implementation phase for during the Halloween and Bonfire Period; and Phase 3, which is concerned with the post period de-brief and bonfire sweep.

Members were advised of some of the activity taking place throughout the Bonfire Period, which includes the delivery of presentations within schools, significant work with local businesses around the storage and sale of fireworks, the referral and removal of bonfire material; and the assertive engagement by the Street Intervention Team.

Members were also informed of Operation Banger and the work undertaken with Merseyside Police, which includes the use of a Trojan Fire Appliance, which has proven to be successful in previous years when operational crews have come under attack.

The Chair of the Authority commented that MFRA are very pro-active and the Bonfire Plans have been particularly successful to date. He also stated that MFRA utterly condemn any attacks on our staff.

Further comments were made by Members regarding skips during the period; and it was requested that a message be put out to all Registered Social Landlords requesting that they restrict the use of skips during the Bonfire Period, as contents can be used as fuel.

Members Resolved that:

The contents of the report for the Halloween and Bonfire Period 2018, be noted.

11. PROPOSED NEW FIRE STATION FOR ST. HELENS

Members considered Report CFO/055/18 of the Chief Fire Officer, concerning an update on progress on the proposed new community fire station for St. Helens, which advised of key dates and sought approval to proceed with the scheme at the budget figure stated.

Members were provided with an overview of the report, which highlighted the background to the project; and the previous decision of the Authority to approve the merger of St. Helens and Eccleston Fire Stations.

Members were advised that the new location will improve response times, meaning a more effective operational response. Members were made aware that the land will require remedial work, which are reflected in the estimated cost.

Members were informed that both Merseyside Police and North West Ambulance Service (NWAS) were asked if they would like to share the new facility. Merseyside Police declined as the proposal did not fit with their estate strategy. Although NWAS were initially interested in proceeding they have withdrawn from the project as they were unable to meet the timescales required. Members were therefore advised that the build will be for MFRA only, at the present time.

St. Helens Council have been very supportive in the pre planning process.

Due to the improvement in response times; and the facilities at the current St. Helens Community Fire Station no longer being fit for purpose, Members were advised that it is the recommendation of officers that the project continues and approval be granted to continue with the build.

Members commented that it was good to see the project advancing, however it was a pity that our partners were unable to be involved.

Members were informed that NWAS currently share seven of our community fire stations, which operate very effectively; and it may be that NWAS choose to be involved at a later stage.

Members Resolved that:

- a) progress on the proposed new community fire station for St. Helens be noted;
- b) the timetable required to achieve progress be agreed;
- c) approval to proceed with the new build community fire station at a total estimated cost of £7.700m (inclusive of £2.086m grant from the Transformation and Efficiencies fund), be granted; and

- d) An increase in the current scheme budget by £2.450m, funded by a contribution from the capital investment reserve, be approved.

12. MFRA Lobbying Strategy

Members considered Report CFO/068/18 of the Chief Fire Officer, concerning a proposed lobbying strategy, which if adopted by Merseyside Fire and Rescue Authority (MFRA) can be utilised by Members to influence the Government's funding settlement for 2019/20 and the Comprehensive Spending Review 2019 in order to obtain the best financial settlement possible.

Members were provided with an overview of the report and were informed that the lobbying strategy will aim to secure flexibility regarding Council Tax, highlight the broader role of firefighters and the contribution they make across our communities; and recognise the impact that austerity has had on all of our staff as individuals.

Members were informed that the lobbying strategy has the collective support of the City Region, including all Merseyside District Leaders, the Metro Mayor and MP Frank Field. The timeline for the lobbying process was also highlighted to Members; and it was acknowledged that MFRA need to act quickly. It was also stated that regardless of the outcome, MFRA will continue to lobby and do all we can to protect the communities of Merseyside.

Members were also advised that the lobbying strategy has the full support of all union colleagues.

The recommendations and draft resolution, were highlighted to Members; and those Members with responsibility for answering questions on the discharge of the Authority's functions, within their District Councils, were requested to take the resolution back to their respective councils, to seek their approval and support.

The Chair of the Authority commented that there are several areas where the lobbying strategy will seek to secure improvements for MFRA, including a change to the business rate scheme, as well as around Council Tax. He commented that if they are successful in securing more money for MFRA, it will be spent on more firefighters to make the County safer.

The Chair of the Authority – Cllr Les Byrom, formally moved the following resolution:

“Merseyside Fire & Rescue Authority writes to the Home Office, to formally seek approval to set the 2019/20 annual precept at £5.00 for Council Tax for a Band D property; and pro rata for other bands, in line with the discretion allowed to other fire authorities in previous years.”

The Vice-Chair of the Authority – Cllr Sharon Sullivan, seconded the resolution.

Members voted on the proposed resolution, which was approved unanimously.

The Chair of the Authority advised that the Districts will be asked to consider a wider resolution.

Members played tribute to all staff for their continued support and dedication during austerity; and stated that the Authority, staff and unions need to continue working together.

Members Resolved that:

- a) The approach and actions in relation to lobbying Government as set out in this report, including the drafting of a lobbying submission to be presented to Government in 2019 in support of fair funding for MFRA, be approved.
- b) The tight timescale for action, be noted.
- c) The Chief Fire Officer be instructed to facilitate all necessary steps to prepare a lobbying submission that enjoys the full supported Merseyside's political leadership.
- c) A draft resolution for submission to the District Councils in support of additional Government funding for MFRA, be approved.
- d) Merseyside Fire & Rescue Authority writes to the Home Office, to formally seek approval to set the 2019/20 annual precept at £5.00 for Council Tax for a Band D property; and pro rata for other bands, in line with the discretion allowed to other fire authorities in previous years.

Close

Date of next meeting Thursday, 23 May 2019

Signed: _____

Date: _____

MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	AUTHORITY BUDGET MEETING		
DATE:	28 FEBRUARY 2019	REPORT NO:	CFO/001/19
PRESENTING OFFICER	CHIEF FIRE OFFICER		
RESPONSIBLE OFFICER:	DEB APPLETON, JANET HENSHAW, PAUL MURPHY	REPORT AUTHOR:	ED FRANKLIN STEWART WOODS BERNIE SULLIVAN
OFFICERS CONSULTED:	IAN CUMMINS SIMON PURCELL		
TITLE OF REPORT:	ASSET MANAGEMENT PLANS 2019/2020 - 2023/2024		

APPENDICES:	APPENDIX A:	ESTATES ASSET MANAGEMENT PLAN
	APPENDIX B:	ICT ASSET MANAGEMENT PLAN
	APPENDIX C:	TRANSPORT ASSET MANAGEMENT PLAN

Purpose of Report

1. The purpose of this report is to set out how the Authority, plans to align its physical asset base with its corporate goals and objectives over the next 5 years (2019/20 – 2023/24).
2. The Asset Management Plans take account of the financial challenge faced by the Authority and consequently the changes that are likely to be required to in order to continue to meet requirements and expectations of both internal and external service users.

Recommendation

3. That Members approve the revised Asset Management Plans provided as Appendices to this report.

Introduction and Background

4. This report introduces the strategic plans which set out how the Authority will use its physical assets in an efficient and effective manner over the various life-cycles of the assets to support service delivery.
5. The asset management arrangements divide the Authority’s physical resources into three broad areas;
 1. Buildings, land and contents

2. ICT (including risk critical applications)
 3. Transport / Vehicle fleet
6. The Asset Management Plan for each of the three areas set out the strategic goals for the asset portfolio by outlining what programmes will be delivered, the methods of programme delivery, and what assets and resources will be required.
 7. The Asset Management Plans enable the practical implementation of the Authority's strategic goals and helps in identifying the optimal asset base that is necessary to support service delivery requirements.
 8. The underlying principle in developing Asset Management Plans is that each asset will deliver future benefit to the Authority by supporting service delivery, whether directly or indirectly.
 9. The Asset Management Plans also acknowledge that as employee numbers reduce it becomes increasingly important to ensure the provision of physical assets which fully enable staff to work in the most effective and productive way possible.
 10. The Asset Management Plans should be viewed in conjunction with other strategic documents, in particular, the Capital Strategy and Capital Programme, supporting and informing the Financial Strategy and the budget for 2019/20 to 2023/24.

Equality and Diversity Implications

11. All Asset Management Plans acknowledge the need to comply with all relevant equalities legislation and best practice.

Staff Implications

12. There are no identified staff implications as a result of this report.

Legal Implications

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

Financial Implications & Value for Money

14. There are no direct financial implications as a result of this report.
15. The Asset Management Plans are essential to enable use of financial resources in the most efficient and effective way. They provide supporting information that enables the prioritisation of both capital and revenue expenditure on each of the asset groups to feed into the Authority's 2019/20 – 2023/24 Medium Term Financial Plan elsewhere on today's agenda.

16. The focus on managing assets to support strategic change programmes plays a crucial role towards the Authority's aims of securing measurable efficiency, effectiveness and value for money in delivery of its services.

Risk Management, Health & Safety, and Environmental Implications

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

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

18. This approach will establish on an ongoing basis the suitability of the current assets held by the Authority, identifying future changes in Service need. Monitoring the performance of assets is central to effective forward planning and ensuring assets support the service delivery requirements arising from Authority's strategic priorities.

BACKGROUND PAPERS

GLOSSARY OF TERMS

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Property Asset Management Plan

2019 / 2024

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1 Overview

1.1 Asset Management

This is our Property Asset Management Plan 2019/2024 which supersedes the 'Property Asset Management Plan 2018/2023, following our annual internal review.

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

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

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

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

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

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

The Plan integrates fully with the Authority's business and financial planning processes, with clear alignment between the Asset Plan and other service plans. It reflects the Authority's vision and takes cognisance of, and must be read in conjunction with, the Integrated Risk Management Plan (IRMP).

1.2 Estates

The Estates Department are part of Legal, Procurement, Estates & Democratic services directorate and are responsible for managing the property assets with an estate comprising of approximately 50,000m² of managed space located over 40 acres of land in the Merseyside region, which has a population of some 1.4 million residents and spans 249 square miles (645km²). This incorporates 23 operational Fire and Rescue Stations and a further 16 non-operational support sites including a Marine Rescue Unit and 4 LLAR houses.

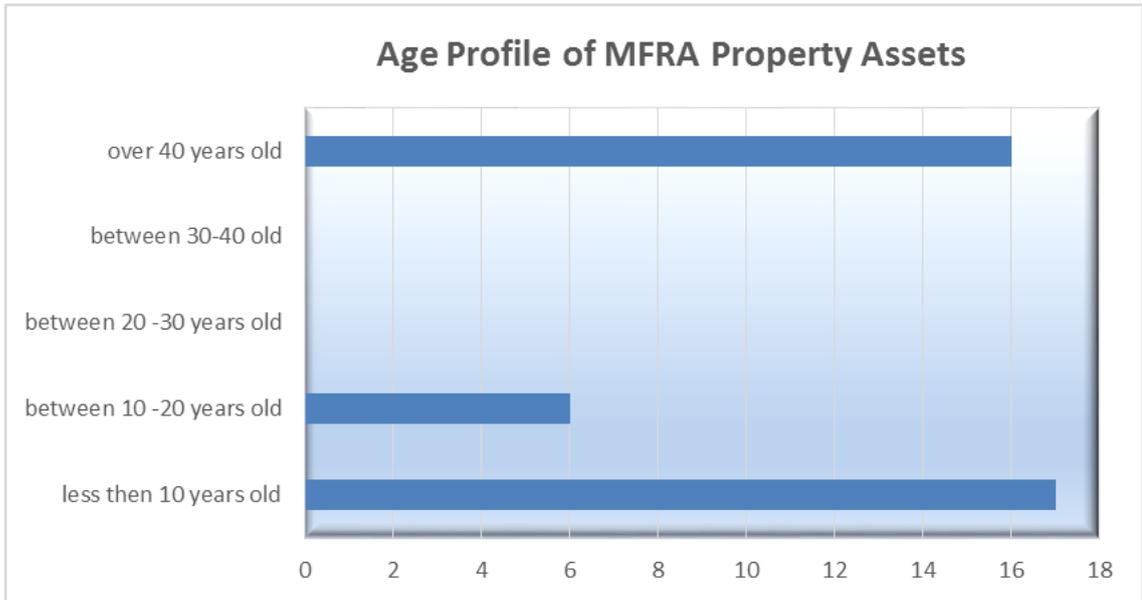
The department can be split into three key delivery areas

- Facilities Management – Bouygues Energies and Services Ltd were awarded the five year contract to provide the facilities service provision in July 2015, covering the following service lines - cleaning, security, reactive and planned maintenance, Helpdesk, condition monitoring, waste, pest control, energy / environmental & statutory compliance.
- Project Management – project management of all major and minor capital build project are developed and managed within the department
- Private Funded Initiative (PFI) – management of the 16 North West PFI fire stations built by Balfour Beatty (seven in Merseyside; four in Lancashire and five in Cumbria).

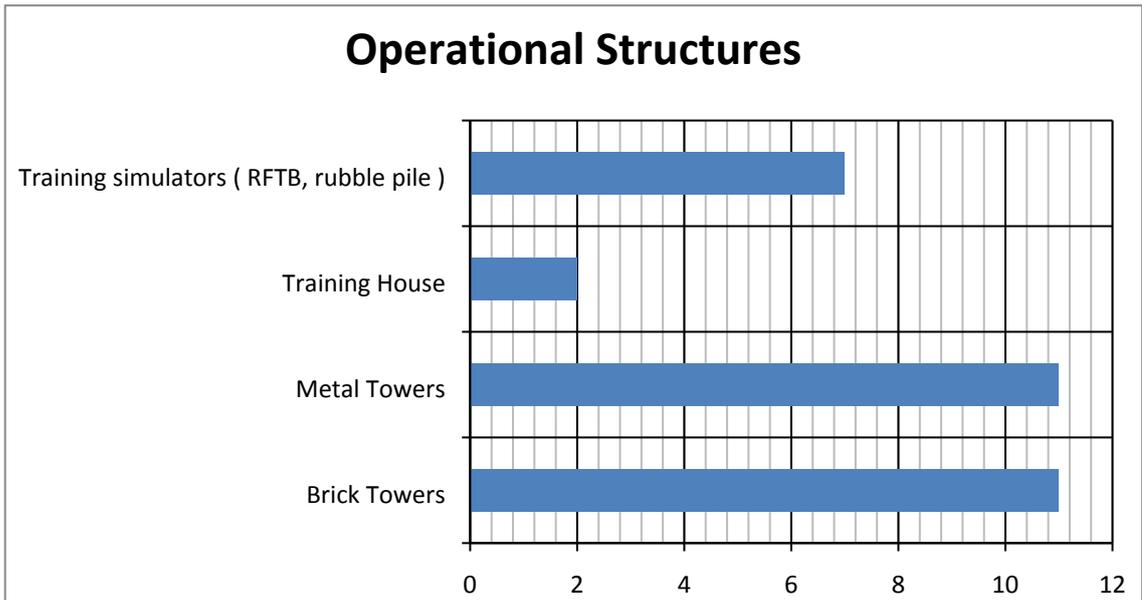
During the last five years Asset Management period there has been significant investment and change to the Authority's property portfolio with the completion of:

- Toxteth Community Fire Station & 'Fire Fit Hub' Youth Facility
- Joint Control Centre
- Refurbishment of Service Headquarters building
- Donation of land adjacent to Birkenhead Fire Station to Wirral Borough Council to allow the construction of a Youth Hub
- Emergency stores – Vesty Road
- Prescott Community Fire & Police Station
- Saughall Massie Community Fire Station

The Estate comprises of a mixture of buildings dating back to 1926. The historic nature of the estate means that some of the properties are old fashioned, lack community facilities and are unwelcoming to the local community. There is a high maintenance requirement associated with the older buildings which are oversized and environmentally inefficient; this clearly provides a challenge for the Estates department managing a high level of backlog maintenance which also increases the levels of reactive works.



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



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

2 Property Aims & Objectives

The Property Asset Management Plan aims to deliver an efficient estate which is fit for purpose to achieve the Authority's Mission of Safer, Stronger Communities - Safe, Effective Firefighters.

The Authority produces an Integrated Risk Management Plan (IRMP) that sets out the ways in which it deals with local risks and challenges. The IRMP updates stakeholders on the progress made against objectives and how it intends to deal with future challenges. The focus of the Asset Management Plan will be determined by the IRMP and as such will be reviewed in line with the IRMP.

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

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

3 Review of Current Property Assets

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

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

Following a successful tender process, the new facilities management contract was awarded to Bouygues Energies and Services in 2015, resulting in an asset condition survey being undertaken along with the implementation of a new computerised maintenance management system to record and manage asset condition and life cycle costs. A validation exercise on the current building assets has taken place as part of the Facilities Management contract with the information uploaded onto the new computerised management system.

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

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

A quinquennial valuation report was completed in March 2015 which shown the property asset book value (land & buildings) to be £63m. This has decreased in line with depreciation, acquisitions and disposal. Book Value as of December 2018 is circa £57m

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

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

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

4 Property Asset Management Strategy

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

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

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

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

A project database is held within Estates department which details projects currently being considered and those approved and under development, see Appendix B - Summary of Key Property Projects.

5 Property Asset Monitoring.

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

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

Information contained with the report includes:

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

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

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

- Structural inspection of training structures over a 5 year cycle
- Annual Inspection of Hot Fire training Units
- 5 yearly fixed electrical inspections
- Annual portable appliance testing
- 5 yearly M & E asset condition surveys

- 5 yearly detailed property/valuation condition surveys
- Annual fitness equipment inspections
- Statutory inspections with frequencies ranging from 1 -5 years

A major asset failure report is produced and reviewed with a view to establishing lessons learnt and to feed back into the planning process whenever a major property asset fails.

6 Property Asset Capital Spend Strategy

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

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

These are explained in the following table:

Property Assets Capital spend Matrix

	Spend	Why	Benefit
Upgrade works	Spend on the existing asset / Infrastructure e.g. upgrade of external lighting, replacing of floor coverings	This spend stops the assets / Infrastructure failing or becoming out of date	More than just 'keeping' the lights on. Ensure Assets and systems are robust, secure and resilient.
Energy Conservation Works	Projects that produce a reduction in energy costs. Help reduce and meet the authority's carbon commitment Use of LED lighting, installing Building management systems	This spend delivers value for money, innovation and savings where appropriate.	accommodating change with a focus on a sound business case and clear deliverables
Major Site Refurbishment works	Spend on Specific Projects where the Asset / premises is an enabler to change or becoming towards the end of it useful life. e.g. refurbishment of 30 year old station,	This spend delivers the Authority's IRMP	Safer, stronger communities; safe effective Fire fighters. Asset value increases

New Build	Spend on Specific New build projects	This spend delivers the Authority's IRMP	Protecting public safety and increasing resilience. New Asset value
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The 5 year Property capital budget for 2019 /2024 can be found in appendix C – 5 year capital programme.

The current new build strategy is based upon the station mergers project, Prescot and Saughall Massie station have been delivered under this project with a new St Helens station planned to be operational in 2020 this will be closely monitored and reviewed and plans amended in line with any Authority decisions.

Appendix A – Summary of Property Assets

FIRE STATIONS					
ID	Property	Details			
10	Kirkdale Studholme St Liverpool	Date Of Construction	2012	Total Floor Area (m2)	1872
		No of Appliance Bays	3	Total Site Area (acres)	0.95
11	City Centre St Annes St Liverpool	Date Of Construction	2006	Total Floor Area (m2)	1516
		No of Appliance Bays	4	Total Site Area (acres)	0.59
12	Kensington Beech St Liverpool	Date Of Construction	2010	Total Floor Area (m2)	962
		No of Appliance Bays	2	Total Site Area (acres)	0.025
14	Speke and Garston Cartwrights Farm Road	Date Of Construction	1999	Total Floor Area (m2)	1331
		No of Appliance Bays	3	Total Site Area (acres)	1.1
15	Toxteth Windsor St Liverpool	Date Of Construction	2013	Total Floor Area (m2)	885
		No of Appliance Bays	2	Total Site Area (acres)	
16	Old Swan Queens Drive Liverpool	Date Of Construction	1999	Total Floor Area (m2)	1331
		No of Appliance Bays	3	Total Site Area (acres)	1.55
17	Belle Vale Childwall Valley Road	Date Of Construction	2013	Total Floor Area (m2)	1596
		No of Appliance Bays	2	Total Site Area (acres)	0.95
18	Aintree Longmoor Lane Liverpool	Date Of Construction	1926	Total Floor Area (m2)	691
		No of Appliance Bays	3	Total Site Area (acres)	0.43
19	Croxteth Storrington Ave Liverpool	Date Of Construction	1950 (1980)	Total Floor Area (m2)	1372
		No of Appliance Bays	4	Total Site Area (acres)	0.46
20	Birkenhead Exmouth St Liverpool	Date Of Construction	2013	Total Floor Area (m2)	1204
		No of Appliance Bays	3	Total Site Area (acres)	0.85
21	Brombough Dock Road, Wirral	Date Of Construction	1959	Total Floor Area (m2)	926
		No of Appliance Bays	3	Total Site Area (acres)	0.8
22	Heswall Telegraph Road, Wirral	Date Of Construction	1940	Total Floor Area (m2)	660
		No of Appliance Bays	3	Total Site Area (acres)	0.48
25	Wallasey Mill Lane Wirral	Date Of Construction	1973	Total Floor Area (m2)	1963
		No of Appliance Bays	6	Total Site Area (acres)	1.2
26	Saughall Massie saughall massie Road, Wirral	Date Of Construction	2019	Total Floor Area (m2)	647
		No of Appliance Bays	2	Total Site Area (acres)	0.48
30	Bootle & Netherton Buckley Hill Bootle	Date Of Construction	2012	Total Floor Area (m2)	1421
		No of Appliance Bays	2	Total Site Area (acres)	1.2
31	Crosby Crosby Road North	Date Of Construction	1961	Total Floor Area (m2)	1015
		No of Appliance Bays	3	Total Site Area (acres)	0.9
32	Formby Church Road Formby	Date Of Construction	2012	Total Floor Area (m2)	813
		No of Appliance Bays	2	Total Site Area (acres)	0.57
33	Southport Manchester Road	Date Of Construction	2013	Total Floor Area (m2)	1649
		No of Appliance Bays	5	Total Site Area (acres)	0.7
42	Kirkby Webster Drive Liverpool	Date Of Construction	1960	Total Floor Area (m2)	915
		No of Appliance Bays	2	Total Site Area (acres)	1
43	Prescot Manchester Road, Prescot	Date Of Construction	2018	Total Floor Area (m2)	1200
		No of Appliance Bays	3	Total Site Area (acres)	2
50	St Helens Parr Stocks Road	Date Of Construction	1957	Total Floor Area (m2)	2487
		No of Appliance Bays	5	Total Site Area (acres)	2.3
51	Newton Le Willows Borron Road	Date Of Construction	2012	Total Floor Area (m2)	813
		No of Appliance Bays	2	Total Site Area (acres)	0.55
52	Eccleston Millfields, St Helens	Date Of Construction	1972	Total Floor Area (m2)	710
		No of Appliance Bays	2	Total Site Area (acres)	0.96

Non Operational Sites					
15	Toxteth Fire Fit Hub Windsor street	Date Of Construction No of Appliance Bays	2013	Total Floor Area (m2) Total Site Area (acres)	3427 3.6
71	Service Headquarters Bridle Road	Date Of Construction No of Appliance Bays	1965	Total Floor Area (m2) Total Site Area (acres)	3310 5.6
71	Joint Control Centre Bridle Road	Date Of Construction No of Appliance Bays	2014	Total Floor Area (m2) Total Site Area (acres)	3710
19b	Training School TDA Storrington Avenue, Liverpool	Date Of Construction No of Appliance Bays	1960	Total Floor Area (m2) Total Site Area (acres)	2920 3.95
19c	SRT Garage Croxteth storrington Avenue	Date Of Construction No of Appliance Bays	2011 7	Total Floor Area (m2) Total Site Area (acres)	857
V1	Vesty Unit 1 Vesty Business Park, Vest Road	Date Of Construction No of Appliance Bays	2008	Total Floor Area (m2) Total Site Area (acres)	3505 2
V5A	Vesty Unit 5A Vesty Business Park, Vest Road	Date Of Construction No of Appliance Bays	2008	Total Floor Area (m2) Total Site Area (acres)	378 0.4
V5B	Vesty Unit 5B Vesty Business Park, Vest Road	Date Of Construction No of Appliance Bays	2008	Total Floor Area (m2) Total Site Area (acres)	378 4
81	Marine Fire 1 Pier Head, Liverpool	Date Of Construction No of Appliance Bays	2012	Total Floor Area (m2) Total Site Area (acres)	251 n/a
32a	Formby LLAR 32 The Hamptons, Formby	Date Of Construction No of Appliance Bays	2010	Total Floor Area (m2) Total Site Area (acres)	166
51a	Newton Le Willows LLAR 26 silverdale Road, Newton le willows	Date Of Construction No of Appliance Bays	1974	Total Floor Area (m2) Total Site Area (acres)	165
51b	Newton Le Willows LLAR 23 Borron Road, Newton Le willows	Date Of Construction No of Appliance Bays	1974	Total Floor Area (m2) Total Site Area (acres)	135
17a	Belle Vale LLAR Chidwall Valley Road	Date Of Construction No of Appliance Bays	2010	Total Floor Area (m2) Total Site Area (acres)	209
18a	Old Stores Richie Avenue	Date Of Construction No of Appliance Bays	1926	Total Floor Area (m2) Total Site Area (acres)	240 0.2
51c	Newton Ambulance Silverdale Road, Newton Le Willows	Date Of Construction No of Appliance Bays	1960	Total Floor Area (m2) Total Site Area (acres)	250 0.22
32a	Cable Street Garage 3a Cable street, Formby	Date Of Construction No of Appliance Bays	1920	Total Floor Area (m2) Total Site Area (acres)	547 0.2

Vacant Properties					
24	West Kirby The Concourse, Wirral	Date Of Construction No of Appliance Bays	1973 3	Total Floor Area (m2) Total Site Area (acres)	547 0.46
23	Upton Arrow Park Road, Wirral	Date Of Construction No of Appliance Bays	1963 2	Total Floor Area (m2) Total Site Area (acres)	541 0.77

Asset by Station	Quantity
Kirkdale	PFI
City Centre	148
Kensington	97
Speke & Garston	107
Toxteth	196
Old Swan	104
Belle Vale	PFI
Aintree	78
Croxteth	156
Birkenhead	PFI
Bromborough	102
Heswall	102
Upton	80
Wallasey	120
Bootle & Netherton	PFI
Crosby	100
Formby	PFI
Southport	PFI
Prescot	150
Saughall Massie	130
Kirkby	99
St Helens	172
Newton le Willows	PFI
Eccleston	84
SHQ /JCC	560
TDA	83
Vesty 1	150
Vesty 5a	80
Vesty 5b	80
Marine Fire 1	62
Formby LLAR	42
Newton Le Willows LLAR - 26 Silverdale Road	19
Newton Le Willows LLAR - 23 Borrton Road	19
Belle Vale LLAR	34
Richie Avenue	n/a
Newton - old Ambulance Station	n/a
Formby - Old Garage	n/a

Assets by Category	Quantity
Automatic Doors & Gates	128
Boilers	119
Building fabric	160
Catering Equipment	272
Doors	72
Electrical equipment & infrastructure	706
Fans	249
Fuel Tanks	28
Generators and ancillary equipment	16
Gym Equipment	178
HVAC	494
Portable appliance tests	9300
Local Exhaust Ventilation system and ancillary equipment	20
Lifts	15
Lighting protection	9
Man safe equipment	1
Metering equipment	11
Pumps	159
Sanitary equipment	326
Sprinkler / de mist equipment	34
Tanks	21

Appendix B – Summary of Key Property Projects

Location	Project	Project Status	Estimated Start Date	Estimated Completion Date
Prescot	Construction of a three bay fire station / training facility and partner accommodation for Merseyside Police	Completed Jan 2018	Nov'16	completed
Saughall Massie	Construction of a two bay fire station / training facility	Planning permission granted	May 2018	March 2019
St Helens	Construction of a three bay fire station / training facility and Possibly partner accommodation for Merseyside Police	Feasibility stage / site investigation being undertaken	Jan 2019	June 2020
Newton Le Willows	Construction of a five bed LLAR house with blue light partner accommodation	Planning permission granted, tender process under way	On hold	
Formby	Construction of a five bed LLAR house with blue light partner accommodation	Planning permission granted, tender process under way	Jan`19	Aug`19
SHQ	Upgrade to electrical supply capacity, Air conditions within Comms room	Feasibility stage	tbc	tbc
Aintree	upgrade of station for day crewing arrangements, including new roof	Tender stage		completed
TDA	Review of all training facilities and refurbishment of station 19 and the TDA site	Planning stage		2022
Vesty 1	Construction of an internal 24 hr emergency store room	tender stage	Oct`15	completed
Various stations	Construction of individual study rooms across 24/hr duty system station	Ongoing		Jun`19
Various stations	Adaptation to fire stations to meet current Equality Act. Provide access to all	Ongoing		Dec`19
Museum	Extension to the Heritage Museum	Awaiting Lottery funding decision		On hold

City Centre	Demolish Claire's building and construct training tower	Building demolish, tower due for completion Mar'18		completed
Allerton	Disposal of site	ongoing		completed
Heswall	Major Refurbishment	on going	March 19	Dec`19
Kirkby	Major Refurbishment	Feasibility	Apr`19	Mar`20
Speke	Major Refurbishment	Feasibility	Apr`23	Mar`24
Old Swan	Major Refurbishment	Feasibility	Apr`23	Mar`24
Bromborough	Major Refurbishment	Feasibility	Apr`19	Dec`19
All locations	Review of security – access control and CCTV provision	Specification design stage	Mar 19	mar 20

Building / Land - Approved Budget 2018/19 to 2022/23

Type of Capital Expenditure	Total Cost £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
Major Site Refurbishments							
BLD016 Community Station Investment	106,400	31,400	25,000	25,000	25,000		
BLD039 FS Refurbishment Heswall	340,600	25,600	290,000	25,000			
BLD041 FS Refurbishment Aintree	159,900				159,900		
BLD042 FS Refurbishment St Helens	102,700		102,700				
BLD055 FS Refurbishment Bromborough	350,000			350,000			
BLD056 FS Refurbishment Eccleston	50,000		50,000				
BLD057 FS Refurbishment Crosby	150,000			150,000			
BLD063 FS Refurbishment Kirkby	374,600	24,600		350,000			
BLD070 Workshop Enhancement	107,300	47,300	60,000				
BLD071 Station Refresh	153,600	51,200	25,000	52,400	25,000		
BLD084 FS Refurbishment Croxteth	293,500		293,500				
BLD085 FS Refurbishment Speke/Garston	300,000		150,000			150,000	
BLD086 FS Refurbishment Old Swan	300,000		150,000			150,000	
BLD087 FS Refurbishment City Centre	25,000	25,000					
BLD088 FS Refurbishment Kensington	140,000		40,000			100,000	
BLD089 FS Refurbishment Toxteth	200,000				200,000		
BLD090 FS Refurbishment Wallasey	125,000	50,000			75,000		
BLD091 TDA Refurbishment	4,560,600	60,600	1,000,000	3,500,000			
BLD093 Marine Fire 1 Refurbishment	150,000				150,000		
	7,989,200	315,700	2,186,200	4,452,400	634,900	400,000	

<u>Station Mergers</u>	
BLD082	Saughall Massie FS New Build (CFO/058/15)
BLD083	St Helens FS New Build (CFO/059/15)
<u>Other Refurbishments</u>	
BLD073	SHQ Museum
<u>LLAR Accomodation Works</u>	
BLD036	LLAR Accommodation Formby
BLD050	LLAR Accommodation Belle Vale
BLD075	LLAR Accommodation Newton-le-Willows
<u>General Station Upgrade Works</u>	
BLD001	Roofs & Canopy Replacements
BLD004	Concrete Yard Repairs
BLD005	Tower Improvements
BLD013	Non Slip Coating to Appliance Room Floors
BLD014	Boiler Replacements
BLD020	Electrical Testing
BLD031	Diesel Tanks
BLD033	Sanitary Accommodation Refurbishment
BLD044	Asbestos Surveys
BLD060	DDA Compliance
<u>Other Works</u>	
BLD007	L.E.V. System in Appliance Rooms
BLD018	Conference Facilities SHQ
BLD026	Corporate Signage

4,739,200	4,739,200	0					
7,700,000	455,000	7,245,000					
12,439,200	5,194,200	7,245,000					
191,000		191,000					
191,000		191,000					
602,800	602,800						
50,000	25,000	25,000					
281,400	30,000	251,400					
934,200	657,800	276,400					
259,600	29,600	70,000	40,000	40,000	40,000	40,000	40,000
125,400	25,400	20,000	20,000	20,000	20,000	20,000	20,000
183,800	133,800	10,000	10,000	10,000	10,000	10,000	10,000
177,500	27,500	30,000	30,000	30,000	30,000	30,000	30,000
110,500	35,500	15,000	15,000	15,000	15,000	15,000	15,000
215,000	40,000	95,000	20,000	20,000	20,000	20,000	20,000
174,700	174,700						
174,000	44,000	50,000	20,000	20,000	20,000	20,000	20,000
109,000	19,000	50,000	10,000	10,000	10,000	10,000	10,000
300,400	55,400	195,000	20,000	10,000	10,000	10,000	10,000
1,829,900	584,900	535,000	185,000	175,000	175,000	175,000	175,000
41,700	16,700	5,000	5,000	5,000	5,000	5,000	5,000
45,000	20,000	5,000	5,000	5,000	5,000	5,000	5,000
39,000	14,000	5,000	5,000	5,000	5,000	5,000	5,000

BLD032	Power Strategy	74,000	39,000	10,000	10,000	5,000	5,000	5,000
BLD034	Office Accommodation	100,300	25,300	15,000	15,000	15,000	15,000	15,000
BLD053	Headquarters Lighting	25,000			25,000			
BLD058	HVAC - Heating, Ventilation & Air Con	112,700	37,700	75,000				
BLD061	Lightening Conductors & Surge Protection	73,200	38,200	10,000	10,000	5,000	5,000	5,000
BLD062	Emergency Lighting	50,300	25,300	5,000	5,000	5,000	5,000	5,000
BLD067	Gym Equipment Replacement	165,100	65,100	20,000	20,000	20,000	20,000	20,000
BLD092	Service Headquarters Offices	124,400	8,800	50,600	65,000			
BLD094	Security Enhancement Works	166,600	41,600	25,000	25,000	25,000	25,000	25,000
CON001	Energy Conservation Non-Salix	237,000	9,000	143,000	25,000	20,000	20,000	20,000
CON002	Energy Conservation Salix	164,500	164,500					
EQU002	Replacement programme for Fridge Freezers	79,700	29,700	10,000	10,000	10,000	10,000	10,000
EQU003	Furniture Replacement Programme	88,800	37,800	10,500	10,500	10,000	10,000	10,000
		1,587,300	572,700	389,100	235,500	130,000	130,000	130,000

24,970,800	7,325,300	10,822,700	4,872,900	939,900	705,000	305,000
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ICT Asset Management Plan

2019 - 2024

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ICT Asset Management Plan

1 Overview

1.1 Information and Communication Technology (ICT)

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

ICT can be split into six key delivery areas:

- The ICT infrastructure - data network, voice and radio networks, personal computers (PCs) and devices, servers, printers, etc.
- Commodity applications which run on the ICT infrastructure - SQL, Oracle, Microsoft Office and e-mail
- Fire Control applications which run on the ICT infrastructure - Vision FX CAD, Vision FX BOSS, SEED and S.t.A.R.S
- Financial applications which run on the ICT infrastructure - ABS eFinancials and ResourceLink
- Corporate applications that run on the ICT infrastructure - Tranman, PIPS, the intranet 'portal', SOFSA, SIRAH and Sophtlogic
- The ICT Service Desk - the central point of contact between ICT providers and users on a day-to-day basis. It is also a focal point for reporting *Incidents* (disruptions or potential disruptions in service availability or quality) and for users making *service requests* (routine requests for services)

The Authority has an in-house ICT team of staff ('ICT') which proactively manages the existing outsourced ICT managed service contract with its ICT partner telent. ICT and telent ensure the maintenance of vital '999' emergency response infrastructure, as well as continuing to expand the use of ICT technology so as to manage our resources more effectively in line with the risks facing firefighters, the communities of Merseyside and the organisational processes of the Authority.

ICT ILM, carried out by telent on behalf of the Authority, is done so in line with best practice from the ITIL framework. ITIL is a set of best practices and processes for the management of the ICT infrastructure and the delivery of ICT services and support.

The processes are mature and at the same time provide an infrastructure that is robust, secure, reliable and resilient; telent continues to deliver savings and innovation through

supporting initiatives such as the Multi-Function Device (MFD) contract renewal, whilst continuing to provide a high-performing ICT service desk.

ICT and telent are responsible for ALM of commodity and Fire Control applications, whilst the Finance team and the Strategy and Performance Directorate are responsible for ALM for corporate and in-house developed applications.

1.2 Asset Management

ICT Asset Management is carried out by ICT on behalf of the Authority and it is done so in line with ITIL - Information Technology Asset Management (ITAM). The terminology ITAM is interchangeable with ICT Asset Management.

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

- Planning
- Acquisition
- Operation
- Disposal

And ICT follows five major principles:

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

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

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2 ICT Asset Management Strategy

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

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

ICT has all of its ICT assets recorded in a Configuration Management System (CMS). This system is a database which records details of all the ICT assets and their age, thus enabling ICT to effectively manage the lifecycle of its infrastructure. The database where the asset information is held is on a Service Management System (SMS) called 'Remedy'. This gives the ability to link ICT incidents, assets and people, to enable a more in-depth trend analysis to be performed around ITAM decisions.

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

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

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

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

- Underlying Spend
- ICT Project Spend
- Integrated Risk Management Plan (IRMP) Project Spend
- Fire and Rescue Service (FRS) National Project Spend

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

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

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

Adopting a best practice, asset management and configuration management solution allows ICT to understand:

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

As a result, the following benefits have been realised:

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

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

The system is also used for various analytical tasks including:

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

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

In line with ITIL, ICT has a Definitive Media Library (DML) to improve the way it tracks software and performs ALM.

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3 ICT Infrastructure Asset Monitoring Activities

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

3.1 Capacity Planning

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

Capacity is calculated in various ways depending on the system and specific requirements from ICT.

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

Additionally, network management software is utilised to manage the capacity of all network links used within the Authority's wide area network (WAN) and local area network (LAN).'

3.2 Security

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

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

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

To assist in the automation of processes and administration of the status of both end point devices and servers, an ICT infrastructure discovery tool – Nexthink – has been deployed to enable the ICT estate to be tightly managed and, importantly, easily reported on.

This provides security by design, audit and assurance; Nexthink highlights hardware and software, if it is not fully patched and up-to-date, to allow MFRA to adhere to the required patching level defined by the Emergency Services Network (ESN) code of connection.

A key response to cyber-security is Security Information and Event Management (SIEM) and MFRA is implementing LogPoint as a SIEM tool. This ensures that the appropriate levels of security information are both readily available and stored for an agreed length of time.

Forcepoint is used to protect end-user devices from spam, viruses and other malicious threats via e-mail and internet. The solution configuration is hybrid hosted and on premise.

Sophos Endpoint Protection is used to secure the Authority's systems, including, but not limited to, Windows servers, Windows desktops, Windows laptops, i-Pads and mobile devices against viruses, malware, advanced threats and targeted attacks.

With the rollout of the Samsung mobiles phones we will be able to take advantage of using Mobile Device Management (MDM) for all corporate devices (company-owned devices), protecting our information more securely than in the past.

MDM is provided by Sophos Mobile Control and provides a full suite of management and security tools for any device, covering the important capabilities of management, security, productivity and compliance.

With the introduction of General Data Protection Regulation (GDPR) and ESN, in addition to the ever-changing security threats from mobile malware and data loss, blue light organisations and partner agencies have realised that they require effective MDM to complement existing security protocols.

Devices containing potential sensitive data are encrypted up to 256 bits using Advanced Encryption Standard (AES)'

3.3 Device Preventative Maintenance

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

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

Recently, System Centre Configuration Manager (SCCM) has been introduced. SCCM is a systems management software product developed by Microsoft for maintaining large groups of computers running Windows 10. SCCM will be initially used to provision the Toughpads which were procured in 2017/2018.

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

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

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

N.B. The full ICT service catalogue is too large to be an attachment but it can be accessed on request to ICT.

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4 ICT Infrastructure Asset Monitoring Reports

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

4.1 Service Desk Performance Report – Monthly

The monthly ICT Service Desk Performance Report is provided to enable telent, ICT and the Authority's officers to review the service delivery of ICT for the Authority and, if required, any escalation can be taken to the Strategy and Performance (S&P) ICT and Information Management (IM) Board.

4.2 ICT Infrastructure Usage Report – Monthly

The monthly ICT Infrastructure Usage Report is provided to enable telent, ICT and the Authority's officers to review and discuss infrastructure usage, review the top 10 users of each asset and share the information with the Authority's budget holders.

4.3 Information Security Report – Quarterly

The monthly Information Security Report provides telent, ICT and the Authority's officers (including the Senior Information Risk Owner [SIRO]) with relevant information that supports the Authority's information security policy. It is posted on the portal and is reviewed at the Protective Security Group (PSG) Meeting.

4.4 Problem Management Reports – Monthly

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

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

4.5 Major Incident Management Reports – Ad Hoc

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

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5 ICT Assets Service Pipeline

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

- ICT Service Requests
- ICT Business Relationship Management
- ICT Continuous Service Improvement (CSI)
- Lifecycle Management
- ICT Strategic Framework
- ICT & IM S&P ICT Board
- Other ITIL Standards

A full list of key ICT projects can be found in [Appendix B – Key ICT Projects and Activities](#).

5.1 ICT Service Requests

The ICT Service Desk issues ICT request forms to allow users to request simple technical changes, information, enquiries or hardware and software changes, e.g. mobile phones.

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

5.2 Business Relationship Management

Reporting to the Head of Technology; the Business Relationship Manager (BRM) acts as the liaison between ICT and the organisation to understand its strategic and operational needs. The BRM acts as a single point of contact for senior stakeholders, ensuring understanding of available and future ICT infrastructure services and promoting financial and commercial awareness in order to deliver value-for-money. The BRM represents the organisation's needs and interests within ICT, contributes to the ICT CSI process (see below) and assists with the supervision and prioritisation of ICT infrastructure services projects.

5.3 ICT Continuous Service Improvement (CSI)

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

- Clarity of ownership
- Clarity of requirements

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

5.4 Lifecycle Management

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

5.4.1 ICT ILM

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

5.4.2 ICT ALM

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

5.4.3 ITIL

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

5.5 ICT Strategic Framework

The ICT Strategic Framework is a cycle of four meetings that takes place on an annual basis and the output feeds into the Strategy and Performance (S&P) ICT & IM Board.

The ICT Strategic Framework is part of the governance applied to the delivery of the telent ICT managed service; meetings are held once a quarter to cover one of three topics. There are two 'Innovation and Technology Forums', an 'Efficiency and Value for Money Meeting' and a 'Strategy and Alignment Meeting' held each year.

The ICT Strategic Framework ensures that the ICT managed services contract:

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

5.6 Strategy and Performance (S&P) ICT & IM Board

The plan is to have thematic S&P boards: ICT & IM (with Finance and System Support); Equality and Diversity (E&D); Performance Planning and Risk Information; which means a thematic S&P ICT & IM Board will meet every three months. The purpose of the S&P ICT & IM Board is to ensure that ICT, application provision and information management are coordinated and aligned to ensure the mission and objectives of the Authority are delivered as effectively as possible.

5.7 Other ITIL Standards

- A Change Advisory Board (CAB) has been set up which will ensure that only authorised changes are deployed to the Authority's infrastructure. This will also improve the communication between key system owners and ICT
- ICT maintain and develop a DML. It ensures that:
 - A secure compound is established in which master copies of all authorised versions of the organisation's software are stored and protected
 - All documents pertaining to applications are stored in a central location, e.g. number of users, location of users, contact details of suppliers and Service Level Agreements (SLAs)
- ICT set minimum release management standards which third party suppliers are expected and contracted to reach

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6 ICT Asset Replacement Policy

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

Some of the primary goals for asset replacement are:

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

6.1 ICT Asset Purchasing

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

- For small quantities of ICT commodity items; the Authority's ICT outsourced partner will seek quotes and the Authority will purchase
- For large quantities of ICT commodity items; the Authority's ICT outsourced partner will specify requirements but the Authority's procurement team will run mini-competitions and the Authority will purchase
- For ICT assets which require complex installation or if priority support is required; the Authority's outsourced partner specifies and purchases the item on the Authority's behalf and then the Authority pays via change control
- In such cases the Authority's ICT outsourced partner is requested to run a mini-competition and produce options for the Authority to select
- Purchase is done via the contract change control procedure, and the Change Control Note (CCN) is signed off by ICT, Procurement and Legal. No mark-up is charged by the Authority's ICT outsourced partner, as the contract makes provision for commercial services

6.2 ICT Asset Disposal

ICT has in place procedures for the disposal of ICT assets via a company called 'Computer Waste'. Computer Waste is an Authorised Treatment Facility (ATF), fully registered by the Environment Agency (EA). The company specialises in the recycling of waste electrical and electronic equipment (see WEEE).

- All ICT assets disposed of with Computer Waste are recorded on a waste transfer note that is signed and presented to the Authority for audit purposes

- Hard drives are destroyed on the Authority premises, witnessed by an employee of telent, and an accompanying destruction certificate is presented to the Authority for audit purposes

6.3 Fire Control Applications and Infrastructure Assets

Reporting to the Head of Technology, the ICT Application and Infrastructure Manager (Fire Control) works with the Authority's outsourced ICT partner to carry out appropriate lifecycle management to ensure successful ICT service delivery in line with SLAs. Activities include:

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

Six High Level Areas of ICT in Fire Control.

- Computer Aided Despatch (CAD); this is where incoming emergency calls are logged and the appropriate resources mobilised to incidents. The Authority uses the Vision 3 FX CAD application
- Management Information System (MIS); providing senior officers with real-time incident information, and the organisation with incident history for trend analysis & business intelligence. The Authority uses the Vision 3 FX BOSS application
- An Integrated Communications Control System (ICCS); an ICCS is found at the centre of modern-day control rooms and the Authority has a Capita DS3000. All communications that go into the control room such as 999 telephony calls, administration telephony calls, radio communication and CCTV, plug in to the ICCS. The control room staff then can manage these communications by accessing the ICCS from one place on their desktop
- Wide Area Radio Scheme; emergency services rely on seamless radio communications coverage to effectively perform their daily tasks. The Authority, in line with the police and ambulance, uses Airwave. The national project Emergency Services Mobile Communications Programme (ESMCP) which when completed, will replace Airwave with the ESN.
- Data Mobilisation; Fire Control can mobilise crews to incidents by sending a message to the Mobile Data Terminal (MDT) installed in the appliance. The Authority uses the SEED application

- The Station-End Turnout solution installed in every community fire station is comprised of a number of various hardware and software components and subsystems. The solution involves automatically unlocking doors, switching on of lights, sounding the alarm and printing the emergency turnout information on the fire station printer. This enables crews to respond to emergency turnouts in a safe and efficient manner

CAD-MIS Upgrade

In September 2017, the Authority approved a project to replace Vision 3 FX CAD & Vision 3 MIS applications supplied by Capita.

At the CAD-MIS project board of 02/11/2018, telent presented a proposal which included Rough Order of Magnitude (ROM) costs from Capita to upgrade to Vision5 from Vision 3. The functionality for Vision 5 is defined within a Functional Design Specification (FDS) document which outlines what we will receive for our money. The budgetary price for the 'out of the box' solution is £750k, which also includes associated hardware. Further estimated budget for risk critical enhancements brings the estimated total to £950k to cover all eventualities.

By mid-2019 to end-2019, with the upgrade to Vision 5 complete, the position will be to take stock and determine what will be the Authority's next generation Fire Control solution and whether it will be shared with other emergency services.

Budgetary costs will be fed into the five-Year capital budgeting process once the next generation solution is determined.

ESN

In 2017/2018 a new capital scheme (IT058) was raised to cover the ESN future costs. This is additional to the capital schemes that have been set up to facilitate the Home Office funded preparation works.

Future revenue costs for ESN, which is set for an implementation date of 2021/2022, remain unclear. ESN is rumoured to be 50% cheaper than Airwave which it replaces, however, the grant received from the Home Office is 50% of the current Airwave bill.

Therefore, the current forecast for future revenue spend once implemented, remains neutral.

Future additional costs, however, should not be ruled out at this stage.

6.4 ICT Infrastructure Assets

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

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

RBR is undertaken by ICT, evaluating the agile provision of ICT equipment at stations, SHQ, TDA, Vesty One and 'incidents', based on the roles of the staff housed or present there.

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

ICT has a 5-10-year lifecycle renewal policy for ICT hardware assets such as network switches and telephony, at which point ICT assets will be considered end-of-life.

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

6.5 ICT Commodity Application Assets

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

6.5.1 Microsoft Software: Enterprise Agreement (EA)

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

To continue to use the latest versions of Microsoft products such as Window Server, Windows 10 and Office, the Authority renewed its Microsoft EA in April 2017, for a further three years.

In 2021/2022 the Microsoft EA expires and will be replaced by the Crown Commercial Services (CCS) Cloud Transformation Agreement (CTA). This will have an effect on the budget, but implications are unknown as commercial discussions have yet to commence.

6.5.2 Anti-Virus and E-mail Filtering

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

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

The licences for the anti-virus and e-mail filtering products are procured on a 3-5-year lifecycle and prior to any future renewal, a fit-for-purpose exercise will be carried out.

6.6 Corporate and Financial Application Software

The ICT BRM, as well as acting as the liaison between ICT and the organisation, has a key role to work with System Support, aligning their corporate ALM to the ICT infrastructure, and with Finance to align theirs.

Going forward, from 2020 it is proposed that the overall asset management plan be amended to include the asset management plans for the two departments mentioned.

6.7 Application Gateway Team

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

6.8 ICT Asset Movements 2018/2019

The key ICT assets movements to highlight in 2018/2019 are:

- The procurement and initial rollout of 58 Panasonic Toughpads to replace the Panasonic Toughbooks which have reached end-of-life
- The procurement and initial rollout of 120 Surface Pro tablets in line with RBR
- The procurement and commissioning of a replacement WAN solution for the Vesty campus
- Procurement of Multitone equipment to replace existing Station End turnout PCs
- Prescott Community Fire Station go-live, complete with an ICT asset refresh
- A full technical refresh of the Fire Control ICCS which was paid for by Home Office funding (ESN Phase1 Control Room Works)

- A new public Wi-Fi solution along with an increased number of Wi-Fi access points across the MFRA estate

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7 ICT Asset Capital Spend Strategy

7.1 ICT Asset Investment Process

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

- Underlying Spend
- ICT Project Spend
- IRMP Project Spend
- National FRS Project Spend

These are explained in the following table:

	Spend	Why	Benefit
Underlying Spend	Spend on the existing ICT infrastructure including software, devices, servers, networks and voice communication e.g. upgrade of station switches	This spend stops the ICT infrastructure and any software becoming out of date	More than just 'keeping the lights on' An ICT-enabled organisation whose systems are robust, secure and resilient, with the ability to accommodate change
ICT Project Spend	Projects that: deliver Authority changes, deliver step changes in technology e.g. MDT evolution	This spend delivers value for money, innovation and savings where appropriate	ICT accommodating change with a focus on a sound business case and clear deliverables
IRMP Project Spend	Spend on specific IRMP projects where ICT is a major enabler e.g. station change	This spend delivers the Authority's IRMP	Safer, stronger communities; safe effective firefighters. Releasing budget for frontline resources
National FRS Project Spend	Spend on specific national projects where ICT is a major enabler e.g. Emergency Services Mobile Communications Programme (ESMCP)	Spend to align the Authority's systems to national initiatives	Protecting public safety and increasing national resilience

The 2019/2024 Five-Year Capital Plan can be found in [Appendix C – 2019/2024 ICT Five Year Capital Plan](#)

7.2 Review of the Current Capital Programme

In June 2018 ICT carried out a full review of its capital budget in line with the Treasurer's review of the capital programme. The basis for review was to:

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

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

7.3 Capital Budget External to ICT

The budget for the replacement and the support of audio visual (AV) equipment on stations and at the Training and Development Academy (TDA) has never been the responsibility of ICT. With the recent extension of the telent contract for a further three years, there is an opportunity for telent to provide first and second line support and, on the Authority's behalf, engage a sub-contractor to provide third line support, for the audio visuals on stations and at the TDA.

If there is an appetite to move the responsibility for the purchase and support of AV equipment on stations and at the TDA to ICT, there is a requirement to provide ICT with the capital to do so. A project is planned for the new year to carry out due diligence in terms of the AV equipment in use and the future requirement of AV across all stations and the TDA.

This has been raised in the 2019/2024 ICT five-Year capital planning process.

7.4 The Emergence of Cloud Computing.

The move to the Cloud and taking ICT as a service, rather than buying a product and installing it on your own ICT equipment, moves the cost of ICT from being mostly a capital, one-off cost to an ongoing revenue cost. Therefore, investment in ICT over the coming years will not be a case of deciding where to spend the capital budget, but instead choosing between spending revenue on ICT systems or on other priorities.

ICT will work closely with Finance to achieve this potential transition over the coming years.

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8 Glossary

ABR	Asset Based Resourcing
AES	Advanced Encryption Standard
ALM	Application Lifecycle Management
ATF	Authorised Treatment Facility
AV	Audio visual
BIOS	Basic Input/Output System
BRM	Business Relationship Management or Manager
CAB	Change Advisory Board
CAD	Computer Aided Dispatch
CCN	Change Control Note
CCS	Crown Commercial Services
CMS	Configuration Management System
CSI	Continuous Service Improvement
CTA	Cloud Transformation Agreement
DML	Definitive Media Library (previously Definitive Software Library, DSL)
E&D	Equality and Diversity
EA	Enterprise Agreement or Environment Agency
EOL	End-of-life
ESMCP	Emergency Services Mobile Communications Programme
ESN	Emergency Services Network
FDS	Functional Design Specification
FRS	Fire and Rescue Service
GDPR	General Data Protection Regulation
ICCS	Integrated Communications Control System
ICT	Information and Communication Technology
ILM	Infrastructure Lifecycle Management
IRMP	Integrated Risk Management Plan
ITAM	IT (or ICT) Asset Management
ITIL	Information Technology Infrastructure Library
LAN	Local Area Network
MDM	Mobile Device Management
MDT	Mobile Data Terminal
MFD	Multi-Function Device
MIS	Management Information System
PC	Personal Computer
PIPS	Planning Intelligence and Performance System
PSG	Protective Security Group
RBR	Role Based Resourcing
S&P	Strategy and Performance
SCCM	System Centre Configuration Manager
SIEM	Security Information and Event Management

SIRAH	Site Information Risk and Hazard
SIRO	Senior Information Risk Owner
SLA	Service Level Agreement
SMS	Service Management System
SOFSA	Simple Operational Fire Safety Assessment
SQL	Structured Query Language
StARS	Staff Attendance Recording System
TDA	Training and Development Academy
WAN	Wide Area Network
WEEE	Waste Electrical and Electronic Equipment
WSUS	Windows Server Update Service

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Appendix A – Summary of ICT Infrastructure Assets

Fire Control Services and Infrastructure	Quantity
Physical Servers (Licensed as part of C&C Solution)	19
Virtual Servers (Licensed as part of C&C Solution)	1
C&C Desktops (Licensed as part of C&C Solution)	27
C&C Monitors	27
DS3000 ICCS Server	1
DS3000 ICCS Client	20
DS3000 ICCS touchscreen	20
Capita VAIU	20
Airwave San H radio gateway	1
Stateboard	3
Alerter Masts	12
Alerter Devices (multitone)	178
UHF Radio Set 2 (GP340)	149
UHF Radio Set 3 (GP340 Atex) for breathing apparatus	42
UHF Radio Set 4 (F61)	11
UHF Radio Set 5 (M1 Euro)	18
Station End Mobilising Processors	26
Station End Turnout Printers	36
Station End Auxiliary Relay Unit (ARU)	32
Station End Amplifiers	35
Station End UPS	40
IMT/IGMS Vehicles	2
Packets Atex/Marine Band/Motorola	266
Fire Control Headsets	40
Mobile Data terminals	136
Mobile Data Terminal touchscreen	98
Appliance printers	85
Airwave mobile radio SAN A	115
Airwave SAN J Radio	65
Airwave SAN B Radio	11
MDT Pump Bay Voice Terminal	85

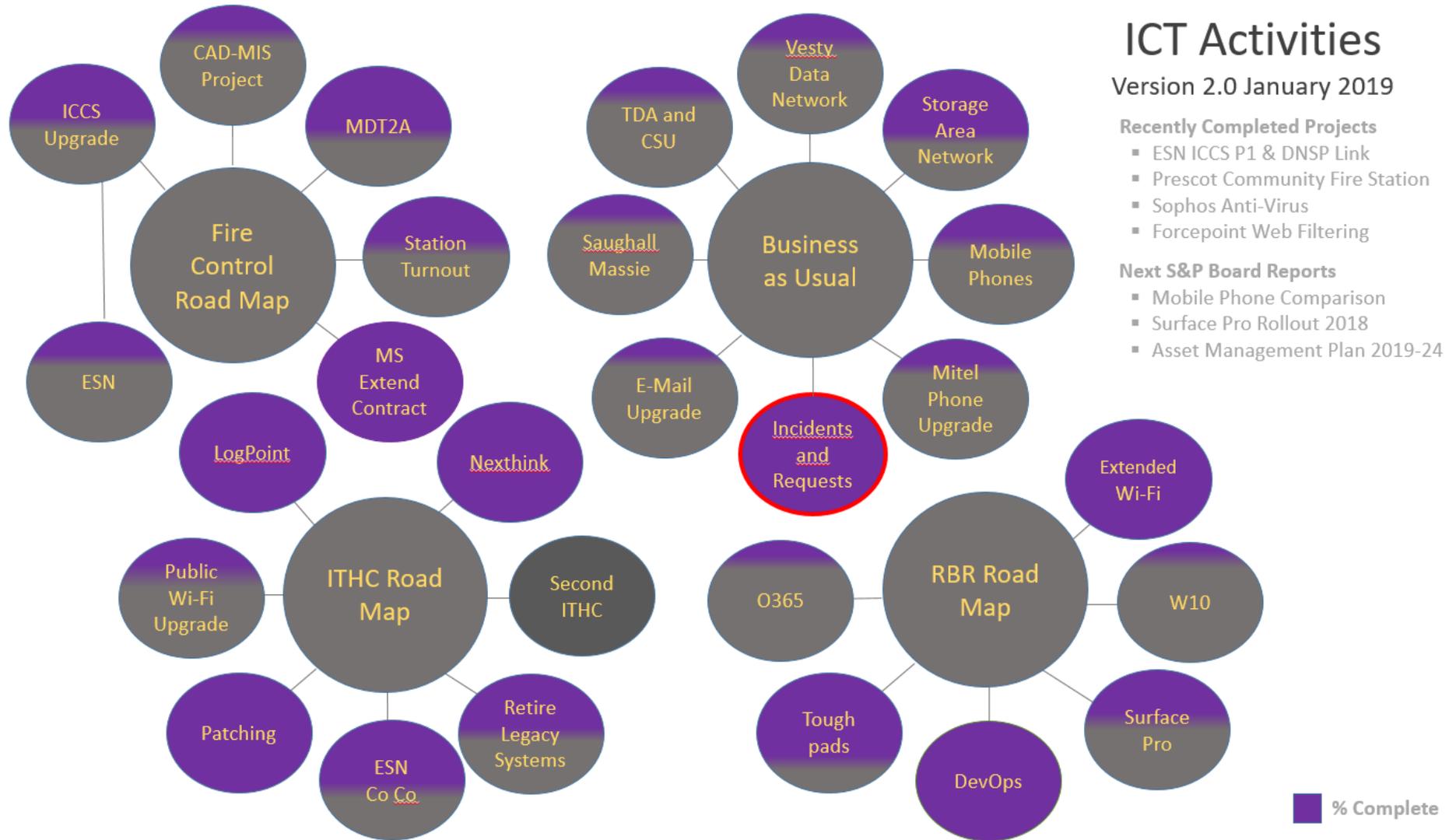
Administration Infrastructure, Managed Servers & Desktop	Quantity
Physical Servers	68
Virtual Servers	102
Desktops (<i>A limited number of users have two monitors</i>)	617
Laptops (<i>Most People have an external monitor</i>)	376
<i>Docking Stations (Most Laptop Users have an external monitor)</i>	385
Tough Books	60
Monitors	967
HP Printers	10
Brother Printers	2
Konica Minolta Multi-Function Devices (Contracted to August 2022)	53
Konica Minolta Desktop Print Devices (Contracted to August 2022)	13
ASA 5515X - Security Appliance	5
ASA 5510 - Security Appliance	3
ASA 5506X - Security Appliance	1
Router c819	2
Router c2921	2
Router c1841	23
Router c1921	7
Switch c4510r-e	1
Switch c4507r+e	1
Switch c3750G-24	2
Switch c3750G-48	1
Switch c3750-48	13
Switch c3750V2-48	7
Switch c3560G	2
Switch c3560E	3
Switch c3560X	1
Switch c3560	1
Switch c3550-48	17
Switch c3550-24	19
Switch c2960G-24	2
Switch c2960G-48	4
Switch c2960S-24	6
Switch c2960S-48	4
Switch c2960x-24	5
Switch c2960x-48	5
AIR-CT5508-K9	1
LAP1141N	9
LAP1142N	48
AIR-CAP1532E-E-K9	1
AIR-AP1852E-E-K9	35
Mitel Mxe	4
Mitel Cxi	6

Mitel IP Sets	700
Mitel 5310 Conferencing Phones	10
HP Tape Library 8096	1
HPE MSA 2050 (Replacement File SAN)	2
HP MSA 2312i (Portal SAN)	1
Panasonic Toughpads	58
Microsoft Surface Pros	122
Microsoft Surface Books	8
Microsoft Surface Laptop	7
Ubiquiti Nanobeam 5AC Gen 2	2

Miscellaneous	Quantity
Mobile Phones	475
iPhones	10
Smartphones	275
MTPAS Enabled Mobile SIMS	96
MDT Enables Data SIMS	87
iPad	54
USB Encrypted USB devices	190
3G Cards/Dongles	23
Modem	51
Fax	8
Scanners	8
Battery Chargers	142
CD Writers	3
CCTV Monitors	12
CCTV VCR	12
Smart Boards	31
Epson Wall Mounted Projector	5
Barco Click Share	5
Samsung Screens	16
IPTV - Server	1
IPTV - Gateways	3
IPTV - Receivers	31
Remote Access Tokens (Celestix)	100
Door Access Controller Server	1
Door Access Controllers	15
Door Access Card Printer	1
Door Access Cards	313
Door Access Proximity + Pin Readers	15
Door Access Push to Exit buttons	13
Door Access Break Glass Units	13
Running Call Phones	31

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Appendix B – Key ICT Projects and Activities



Fire Control Road Map

Item	Description	Status
ICCS Upgrade	This project has four programmes of works which are required to connect the Capita DS3000 ICCS to the new Emergency Services Network (ESN).	The ESN DSNP link is installed. A Phase 1, technology refresh of the ICCS was completed in March 2018. Phase 2a & 2b is dependant on the ESN project.
ESN	ESN will replace the communication service delivered by Airwave with a national mobile voice and data service for all three emergency services.	A new Incremental transition plan will initially provide a data capability during 2019, with the intention of delivering a secure voice solution late 2019-2020.
CAD-MIS Project	Replacement of computer hardware and the upgrading of Vision CAD and Vision BOSS applications to deliver an enhanced CAD for 2020.	Due diligence is taking place around the Vision 5 Functional Design Specification and initial costs to upgrade to Vision5 from Vision 3.
MDT2A	Rollout to frontline appliances of the new Mobile Data Terminals with the Airbus mobilisation and risk app.	Airbus ScResponse screen wobble issue is preventing rollout, and final bearer solution is yet to be confirmed.
Station Turnout	Rollout of Multitone equipment to replace existing Station End Turnout PCs to meet the deadlines set by the ESN project at the time of the ITHC.	A two Station POC has been successfully completed and the remaining Multitone equipment is being procured for rollout.
MS Contract Renew	Extension of the Moore Stephens <u>StARS</u> contract for the provision of TRM by three years, expiring on 31.8.2021.	MS was challenged on the options for hosting <u>StARS</u> . Negotiations involving ICT, <u>telent</u> and Procurement resulted in a contract extension with a £14.5k <u>p.a</u> saving.

Business as Usual

Item	Description	Status
Vesty Data Network	To provide a cost-effective radio solution to connect the MFRA Vesty Road buildings to MFRA SHQ network infrastructure.	Commercials, Legal and Health and Safety documentation all complete and, at the time of writing, installation is planned for January 2019
Storage Area Network	Existing SAN reached storage capacity and hardware was end of life.	A new SAN solution has been procured and it is in the process of being racked in the SHQ and TDA server rooms.
Mobile Phones	Rollout of Samsung Xcover 4 and J6 mobiles phones to replace the existing Windows mobile Phones.	50 of each model has been purchased and from 01/12/2018 any new or replacement smart phones will be Samsung.
Mitel Phone Upgrade	Replacement of legacy Mitel IP Telephony solution to replace existing hardware due to it becoming end of life.	Final proposal being finalised with a view to placing an order in December. Implementation will be during Q1 2019
Incidents and Requests	These are the day to day disruptions to the ICT Service outside of Business as Usual ICT Services. e.g. loss of internet, e-mail.	At the time of writing there are no major incidents that are outstanding.
Saughall Massie Station	Commissioning of ICT for the new Saughall Massie Station.	Structural build is underway and data lines have been commissioned.
E-Mail Upgrade	This is a project to upgrade Exchange from 2010 to 2016/19 OR a migration to a hybrid O365 solution in the Cloud.	Options for upgrade are being considered and an autumn 2019 is a potential time to carry out this work.
TDA	Project comprises the refurbishment of the TDA and the refurbishment of Station 19. TDA is home to Secondary Fire Control and Disaster Recovery.	Construction works planned for: Feb 2019 – March 2021. AV budget is in the draft five-Year Capital 2019-2024.
CSU - POD	ICT Commissioning for a Command Support Unit with conference facilities on-board.	Vehicle has been delivered and the ICT requirements are being sought.

Other Highlights

Item	Description	Status
ITHC Roadmap	IT Health check remedial security activities to ensure readiness for transition onto the ESN.	With most remedial actions complete, it only remains to carry out a second ITHC and complete the ESN Code of Connection.
Toughpads and Surface Pros	Rollout of Toughpads for the SIRAH app and Surface Pros in line with Role Based Resourcing (RBR).	At the time of writing 58 Toughpads and 120 Surface Pros have been procured to be rolled out early 2019.
Windows 10 (W10)	Over and above the Toughpads and Surface Pros is the full rollout of W10 across the organisation.	W10 PC build and user guides are being prepared, with a view to commence rollout April 2019. Note: Windows 7 will be end of life in January 2020.
Extended Wi Fi	Upgrade and expansion of Wi Fi in appliance bays to allow the SIRAH app to update.	Complete.
Office 365	As a requirement to align the ICT infrastructure to future app development activities, a move to using O365 may be required.	O365 is being used by NRAT and ISAR. Discussions are underway in the DevOps Alignment Meetings to determine the Dev ask.

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Appendix C 2019/20 – 2023/2024 ICT Five Year Capital Plan – Draft

ICT - Budget 2018/19 to 2022/23

Type of Capital Expenditure	Total Cost £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
IT002 ICT Software							
Software Licences	12,000	2,000	2,000	2,000	2,000	2,000	2,000
New Virtualisation Infrastructure	160,000	75,000					75,000
3 Year Licences Antivirus & Filtering	11,000	11,000					
5 Year Antivirus & Filtering Software	200,000					200,000	
MDT Software Solution Refresh	100,000					100,000	
Microsoft EA Agreement (Servers & Security)	288,000	48,000	48,000	48,000	48,000	48,000	48,000
Microsoft EA Agreement (Windows & Office)	828,000	128,000	139,000	139,000	139,000	139,000	139,000
Microsoft EA Agreement (Application Development)	30,000	5,000	5,000	5,000	5,000	5,000	5,000
Microsoft SQL Upgrade	60,000						60,000
Logpoint Security Information and Event Mgmt (SIEM) Refresh	80,000						80,000
	1,744,000	289,000	184,000	184,000	184,000	484,000	389,000
IT003 ICT Hardware							
Desktops (target 20%)	288,640	66,040	40,100	40,100	40,100	40,100	40,100
Tablets & Docking Stations (target 20%)	480,200	150,200	62,000	62,000	62,000	62,000	62,000
Monitors & Monitor Arms (target 20%)	89,900	23,300	14,000	14,000	14,000	14,000	14,000
Peripherals replacement (target 20%)	19,900	4,900	3,000	3,000	3,000	3,000	3,000
Mobile device replacement (target 20%)	86,200	50,200	3,000	3,000	3,000	3,000	3,000
Replacement Backup Tape Drive	26,000				25,000		
IP TV Asset Refresh	61,800	1,800	25,000		25,000		
Landline Handset Refresh	10,000						10,000
Audio Visual Conference Facility	120,000			120,000			
Audio Visual Refresh Stations	76,000		75,000				
Audio Visual Refresh TDA	76,000		75,000				
	1,261,940	289,440	287,100	242,100	172,100	122,100	132,100
IT005 ICT Servers							
Server/storage replacement (target 20%)	412,800	87,600	65,000	65,000	65,000	65,000	65,000
Server/storage growth	104,900	34,300	14,000	14,000	14,000	14,000	14,000
New SAN Solution	618,900	121,800	79,000	79,000	79,000	79,000	79,000
IT018 ICT Network							
Local Area Network replacement (discrete)	7,600	7,600					
Network Switches/Routers replacement	277,900	207,300	70,000				
Network Switches/Router growth	44,900	9,300	7,000	7,000	7,000	7,000	7,000
Network Switches/Router - Additional for JCC/TDA Resilience							
Vesty Road Network Link Refresh	40,000		40,000				
IP Telephony							
Wireless Network	74,900	74,600					
	443,700	289,700	117,000	7,000	7,000	7,000	7,000
IT026 ICT Operational Equipment							
Pagers/Alerters	7,400	7,400					
Station End Kit	66,300	5,300	10,000	10,000	10,000	10,000	10,000
Incident Ground Management System	62,600	2,500	50,000				
MDT Replacement (Not incl. in ESMCP)	186,000			120,000			75,000
	312,300	15,200	60,000	130,000	10,000	10,000	85,000
IT058 New Emergency Services Network (ESN)							
ESN Radios / Infrastructure - Estimate	152,000	152,000					
	162,000	162,000					
IT080 ICT Station Change							
Saughall Massie Station End Mobilising Equipment	20,000	20,000					
St Helens Station End Mobilising Equipment	20,000		20,000				
General	40,000	20,000	20,000				
SHQ/JCC Major Refurbishment							
IT053 JCC Backup MACC/Secondary Control Resilience							
Other IT Schemes							
IT019 Website Development	42,200	42,200					
IT027 ICT Security - Remote Access Security FOBS	12,000	2,000	2,000	2,000	2,000	2,000	2,000
IT028 System Development (Portal)	138,800	23,900			110,000		
IT030 ICT Projects/Upgrades	27,600	2,500	5,000	5,000	5,000	5,000	5,000
IT055 C.3.I. C. & C Communication & Information System	26,000		5,000	5,000	5,000	5,000	5,000
IT056 Door Access System	8,800	8,800					
IT057 Fleet Management System	4,800	4,800					
IT059 ESMCP Project Control Room Integration	183,100	183,100					
IT061 ESMCP ICT Remedial Works	161,800	151,800					
IT062 Capita Vision 3 Update (CFO/058/17)	860,000		950,000				
FIN001 FMIS/Eproc/Payroll/HR Replacement	326,300	75,300		250,000			
	1,884,000	484,000	862,000	282,000	122,000	12,000	12,000
	8,332,740	1,887,240	1,728,100	814,100	684,100	724,100	714,100
Original Approved Budget	3,890,000	842,800	1,028,100	888,100	683,100	728,100	
Current Programme	8,332,740	1,887,240	1,728,100	814,100	684,100	724,100	714,100
Changes	2,402,740	724,840	701,000	248,000	21,000	(4,000)	714,100

Appendix D – Application Status

ITIL Standards

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

Application Name	Function	Status	Contract Renewal Date
pharOS10 Legislative Fire Safety	Protection Department Module of Sophtlogic. The module is fully featured for the support and maintenance activities and records associated with the Protection function. It offers detailed premises record files, full details of inspections and visits, history of all steps within Certification Process and details of legislative events.	Containment	31/03/2019
Wand/FireSpace	Remote Fire Safety Audit Tool. WAND allows Fire Safety Officers to download Fire Safety Audits, complete them electronically, before synchronising them back to the central FRS MIS database.	Containment	31/03/2019
Goldmine (Front Range)	This is a CRM used by Fire Service Direct in the Community Fire Safety Arena	Mainstream	16/06/2019
HFSC App (SharePoint Portal)	InfoPath form used by stations to record and refer home fire safety checks	Containment	N/A
IIT Database	Used by IIT to record and report on data relating to incident investigations	Mainstream	N/A
SOFSA (Simple Operational Fire Safety Assessment)	This is used by Protection Department and Stations for recordings information relating to a Simple Operational Fire Safety assessment.	Mainstream	N/A
Business Objects	A reporting tool used in finance	Mainstream	31/08/2021
E-Financials & E-Procurement	Finance, stores and procurement package	Mainstream	31/08/2021
Civica Case Management	Legal case management system includes a library of documents and workflows linked to a central database. Multiple operations and bulk processing are driven from a single input, whilst shared items can be used to store information related to a particular client, matter or case work.	Mainstream	26/02/2020
Modern Gov	Committee decisions management system used to manage authority business including ensuring relevant papers are published to members via the MFRA web page.	Mainstream	31/12/2019
Resourcelink	NGA HR and payroll functionality hosted by ABS 365 to manage the entire employee lifecycle from recruitment to staff development, succession planning and payroll.	Mainstream	31/08/2021
Org Plus	Used by POD to produce organisational charts using the data exported from Resourcelink.	Mainstream	N/A
File Director	Scans and organises images of paper documents used in POD.	Containment	N/A
Civica Tranman	Vehicle Fleet Management System	Mainstream	23/07/2019

Red Kite	Equipment/asset management system. Hosted since April 2010 and used on stations to ensure operational equipment is checked regularly and appropriately maintained.	Mainstream	31/07/2019
Airbus Hydra	GIS solution which provides risk and hydrant data to the incident ground and organisation.	Mainstream	31/05/2019
Draeger	BA Testing Software	Mainstream	07/12/2019
LearnPro (EFS)	eLearning Management Systems provided by eFireService Ltd	Mainstream	30/04/2019
Auto CAD Architecture (Graitec)	CAD (Computer Aided Design) System	Mainstream	06/01/2020
Wall Chart	Training Resource Planner	Mainstream	01/09/2019
SSRI Progress	Captures site specific risk information and presents it to crews via the MDTs.	Containment	N/A
Voyager Fleet	Black box data logger on vehicles.	Mainstream	29/04/2019
CAPITA Vision FX	CAD Computer aided dispatch. This system logs all incoming emergency calls and supports the mobilisation of appropriate resources for incident management. Currently in use within FireControl.	Mainstream	31/03/2019
CAPITA DS3000	ICCS (Integrated Communications & Control System) partnered to the Vision FX CAD System. This system enables FireControl to utilise Radio & Telephony functions to manage incoming 999 calls and communicate with MFRA resources. Currently in use within FireControl.	Mainstream	31/03/2019
SEED Data Mobilisation (BRIGID)	Data Mobilisation: FireControl mobilise crew to incidents by sending a message to the Mobile Data Terminal (MDT) installed in the Appliance. Crews retrieve Risk Related information from the MDT. Currently in use within Operational Vehicles & FireControl.	Mainstream (moving to sunset)	30/06/2019
Vision 3 FX BOSS	Management Information: providing senior officers with real time incident information and the organisation with incident history for trend analysis.	Mainstream	31/03/2019
AIRBUS Sc-Response	Data Mobilisation and Operational Risk retrieval. As part of the replacement programme for the existing SEED (BRIGID) system, a number of alternative products including ScResponse are under investigation.	New	N/A
Operational Performance System (OPS)	Internally developed SQL based application to allow the detailed recording, monitoring and assessment of fire fighter competencies against national standards for firefighters	Mainstream	N/A
Resilience Direct	A replacement service for the National Resilience Extranet that can be built upon to provide additional innovative ways to enhance multi-agency working	Mainstream	N/A
Airbus Steps	Operational Incident Management package installed on devices on the Authority Incident Management Vehicle.	Mainstream	31/05/2019
OSHENS	Health & Safety MIS.	Mainstream	31/12/2019
Simul8 - Process Evolution	Fire Incident Response Simulator (FIRS) Fire Incident Analyser (FIA) Facility Location Planner (FLP) Used by Strategy and Performance for operational response planning and modelling.	Mainstream	28/02/2019
Ximes	Shift pattern modeller	Mainstream	18/10/2019

StARS	TRM staffing system provided by Moore Stephens Consulting and hosted by Bluesource.	Mainstream	31/08/2019
AVCO Anycoms	Middleware which reduces the requirement for manual input and transfers files securely between local authorities.	Mainstream	31/12/2019
Gazetteer	Aligned Assets Gazetteer Application. Corporate gazetteer in use across the Authority to provide standardised address information and UPRN data to corporate systems and users.	Mainstream	28/02/2019
Crystal Reports	Reporting tool used in Strategy and Performance.	Mainstream	N/A
IRS (CLG)	Incident Recording System which interfaces, extracts data from Vision	Mainstream	N/A
Planning, Intelligence and Performance System (PIPs)	System that that will replace, streamline and enhance functionality that is currently delivered through their Intranet Portal capturing business plans, business intelligence, performance management, GIS plotting, project and risk management.	Mainstream	31/07/2019
SharePoint 2013	SharePoint Portal is used to provide the corporate intranet and central repository for MFRS core data.	Mainstream	08/11/2019
MapInfo GIS	MapInfo is a geographical information system used within Strategy and Performance to display and analyse geo-spatial datasets.	Mainstream	30/05/2019
SIRAH (Site Information of Risk and Hazard)	A service wide application used to capture, store and consume all operational risk information.	New	N/A
National Resilience Management System (inc. ESS)	A management system used by the National Resilience Assurance Team (NRAT) and the National Coordination Centre (FRSNCC).	New	N/A

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Transport Asset Management Plan

2019/ 2024

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Transport Asset Management Plan

1 Overview

This plan supersedes all previous Transport Asset Management Plans and covers the period 2019-2024. The plan is updated on an annual basis in conjunction with the Capital finance programme. This plan details all information relevant to the management and maintenance of the Merseyside Fire and Rescue Service (MFRS) vehicle fleet and is kept live with the assistance of the ICT based Tranman system.

The Operational Preparedness Functional Plan, Service Plan and Integrated Risk Management Plan (IRMP) provide the focus for the annual review of the Asset Management Plan; all of which are supported by the capital programme for medium or long term financial planning.

The Transport Asset Management Plan assists the Service by

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

The objectives of the Transport Function are,

- To support MFRS aims and objectives,
- To ensure the most efficient support and use of transport resources,
- To maintain the appropriate levels of operational capability,
- To reduce costs and provide a cost effective environmental impact,
- To maintain a level of flexibility to adjust to the changing demands of MFRS,
- To facilitate the long term planning of transport assets.

2 Capital Expenditure

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

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

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

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

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

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

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

3. Transport Function

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

The transport function provides support to all departments within MFRS in addition to supporting several external agencies, such as Liverpool City Council.

The transport function main areas of responsibility are;

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

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

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

- Vehicle Excise duty
- Registration and licensing
- Availability monitoring
- Incident investigation

Fleet maintenance - the repair and maintenance of vehicles and vehicle mounted equipment is undertaken by workshops within the Transport function. Specialist external contractors are engaged to deal with specialist repairs such as major RTC

damage and specialist certification. The vast majority of repairs, maintenance, conversion or vehicle modification is carried out in house by qualified certificated staff.

[Engineering and Technical Support](#) – the transport function are available 24 hours a day, 365 days a year to offer technical support to all departments within MFRS. This support can be verbal advice over the phone or a physical attendance by a member of the team. A manager from the function will take the initial call and determine the most efficient response. The factors considered are primarily the hours the vehicle will spend unavailable as this may have a significant impact on the operational response. All requests to the function are dealt with within one hour of the initial call and a way forward is to be established within 2 hours. The function also provides availability for a mechanic to attend the operational fire ground to check on appliance use and conditions if deemed necessary by the Officer in Charge.

The on call transport manager will also advise on the locality and availability of spare appliances. This manager is also available to attend any incident which involves a MFRS vehicle. This may be for repair allocation, priority or security reasons.

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

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

4. [Vehicle Asset Management](#)

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

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

Where possible the FRA endeavours to secure a three year maintenance package as part of the contract thus providing a known cost over the assets first three years.

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

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

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

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

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

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

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

5. Vehicle Fleet

The present vehicle fleet is split into seven categories for ease of identification,

- pumping appliances
- special appliances
- aerial appliances
- officer response vehicles
- blue light ancillary
- ancillary vehicles
- Lease cars
- grey fleet

Pumping appliances - Vehicles which comprise of a water storage tank and a fire fighting multi-pressure fire pump. These appliances are also designed as rescue pumps which carry specialist rescue and cutting equipment.

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

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

Officer Response Vehicles - These are vehicles used by Duty officers to respond to incidents under blue light conditions. In most circumstances these are provided under lease arrangements (see paragraph 8 below)

Blue light ancillary- These vehicles are smaller operational response vehicles, such as water support unit, command support unit, small fire unit, out of area deployment vehicles.

Ancillary vehicles - Vehicles that are normally not used at operational incidents and are primarily used for other service delivery requirements, support services and general service transport. This fleet consists mainly of cars and vans.

Lease Cars –The majority of these cars are for Fire officers and used for response to emergence calls and personal use. Those other cars are used by various managers in the day to day use in their role within the authority. See Paragraph 8

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

The full current fleet distribution can be found at appendix 1, 2 and 3

Overview of Vehicle Types

Pumping Appliances

- 28 x Rescue Pumps
- 3 x Specialist Pumps (SRT)
- 8 x Reserve appliances,
- 5 x TDA appliances
- 1 x Youth Engagement

Special Appliances Operational

- 4 Aerial Appliances
- 7 x Prime Movers
- 20 x Demountable pods
- 1 x Crane Lorry
- 1 x LGV Driver Training Vehicle
- 1 x Command Support Unit
- 24 x Officer Response Cars [4x4]
- 1 x Rehab Unit
- 1 x Water Rescue Unit
- 1 x Out of Area Deployment
- 1 x Canine Unit Mercedes Vito
- 1 x HVP Support Van
- 1 x MF1 Boat
- 1 x MF1 Relief Boat
- 1 x Hovercraft
- 2 x Jet Skis

Ancillary Vehicles

- 22 x Station resilience cars
- 9 x PCV
- 24 x Vans
- 56 x Light Cars
- 1 x Occupational Health Mobile Unit
- 2 x Driver Training
- 2 x RTC Education Units
- 1 x JCB Tele Truck
- 1 x Forklift Truck
- 19 x Trailers

Officers Lease Cars

- 26 x Cars

Vehicles identified for disposal

- The following appliances will be for disposal once the new appliances arrive and training is completed. A number of these appliances for disposal will be held in storage till the outcome of Brexit.



National Resilience Vehicles

- 6 x Prime Movers
- 8 x PODS
- 1 x Incident Response Unit
- 1 x CBRNE DIM
- 1 x Toolcat
- 1 x Moffet Mountie

Reserve Fleet

The reserve fleet of pumping appliances are utilised for scheduled maintenance and non-scheduled repairs to the operational front line appliances. Currently, MFRA maintains its reserve fleet of pumping appliances at 25% - 4 to 1.

We have 4 fully kitted reserve appliances which are used for scheduled maintenance on the appliance and all its equipment, short term repairs and modifications programmes. This allows the downtime of the operational appliance availability to be kept to a minimum. We then have 3 un-kitted reserve appliances that are utilised for medium to long term unscheduled work.

This is to ensure suitable operational resilience is available at all times.

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

6. [Asset Refresh Programme](#)

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

- Pumping Appliances will be replaced after 10 years.
- Special Appliances will be replaced after 15 Years.
- Officers Response Cars to be replaced after 5 years
- Blue Light Ancillary Vehicles to be replaced after 10 years.
- Ancillary Vehicles to be replaced after 10 years.
- Demountable Pods to be replaced after 20 years

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

Vehicle refresh for 2019/20

3 x Pumping Appliances

1 x SRT Appliance

Various Cars and Vans

A review of the demountable PODs has taken place and the outcome will likely mean modifications to some PODS and possibly a reduction in quantity.

7. Environmental considerations

Practical considerations to be introduced to improve the carbon footprint of MFRS. Several environmental initiatives are currently practiced by the transport and workshops functions, those being,

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

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

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

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

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

MFRA have been proactive by during these periods to purchase vehicles with the latest technology and keep up with the government guide lines on exhaust emissions.

All vehicles registered after 1st January 2015 within the MFRS fleet must meet Euro 6 emission standards. The appliances purchased over the last financial year by the FRA have an integrated Euro 6 silencer which contains a full-flow particulate filter which

features continuous regeneration and two parallel SCR catalysts with a unique high-precision AdBlu dosage system.

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

New Government Emission Targets.

In 2017 the government set new targets on vehicle emissions for vehicle manufacturer's and transport operators to achieve.

Their main aim is to reduce the amount of Nitrogen Dioxide produced by vehicle emissions and totally remove the use of petrol and diesel engine powered vehicles by 2040. In short, to move to using electric powered vehicles.

Although the technology is there within the industry it is mainly at this time used in small cars and vans. Technology to advance the duration and life of batteries and the performance of vehicles are improving all the time.

Therefore the authority needs to be mindful that investment is required to achieve the targets to be met, this investment will have to be in the vehicle capital refresh programme budget for its ancillary fleet of cars and vans, and the estates department for the infrastructure of the facilities to charge the vehicles at locations of MFRS premises.

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

- Types of available vehicles and their capabilities
- Price of vehicles, whether to purchase or lease
- Maintenance costs
- Running costs
- Charging facilities and infrastructure
- Government incentives and initiatives

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

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

8. [Vehicle Lease Arrangements](#)

MFRS operates two types of vehicle leasing.

- Senior Officer Vehicles - this scheme allows uniformed senior officers to lease a car for business and private use. The lease period is over three years and the vehicle is inspected prior to return to the lease company and any damage or excess mileage must be paid for.
- Fleet vehicles (Appliances & Ancillary vehicles) - over the years several fleet vehicles such as appliances and ancillary vehicles (cars & vans) have been procured through an operating lease scheme, this has proved to be expensive compared with outright purchase. Cars and vans procured by outright purchase have proven to be the best value option. Vehicles are purchased through the government framework agreement (West Yorkshire Fire and Rescue) and are kept for a minimum of 5 years, after which the vehicles are disposed of through public auction or closed bids from within the Service. This has produced a good resale value and the whole life cost of those vehicles is below that of any lease or long term hire agreement.
- Fire appliances - have on occasion been procured under an operating lease scheme; this has proven to be an expensive option due to the expectations of the lease company as to their condition on return. Experience has shown that following inspection by the FTA certain repairs, tyre wear and paint conditions have all required renovation at considerable cost. This type of scheme also inhibits the Service in extending the life of the appliance should they wish to do so and under the terms and conditions of an operating lease you cannot purchase the appliance from the lease company.

9. [Spot Hire](#)

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

10. [Whole Life Costs](#)

The whole life vehicle cost information can be found within the Fleet Management system (Tranman). This captures all costs for servicing and repairs which includes labour, parts, traffic accident damage, insurance, tyres and fuel. Only fuel purchased on by fuel card until MFRS bunkered fuel up grade.

At present MFRS are in the process of replacing/updating fuel pumps at their premises. These systems will then allow all fuel usage to be up-loaded into the fleet management system to then be included in the vehicles whole life cost.

11. Benchmarking

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

Appendix 1

MFRS FLEET

Fleet No.	Reg No.	Call Sign	Vehicle Class	Make	Operator	Department
PAPA 1						
1353	██████	M19P1	APPLIANCE - CAFs	SCANIA	CROXTETH	CROXTETH
1357	██████	M42P1	APPLIANCE - CAFs	SCANIA	KIRKBY	KIRKBY
1362	██████	M30P1	APPLIANCE - CAFs	SCANIA	BOOTLE AND NETHERTON	BOOTLE AND NETHERTON
1363	██████	M52P1	APPLIANCE - CAFs	SCANIA	ECCLESTON	ECCLESTON
1364	██████	M20P1	APPLIANCE - CAFs	SCANIA	BIRKENHEAD	BIRKENHEAD
1365	██████	M18P1	APPLIANCE - CAFs	SCANIA	AINTREE	AINTREE
1366	██████	M17P1	APPLIANCE - CAFs	SCANIA	BELLE VALE	BELLE VALE
1367	██████	M22P1	APPLIANCE - CAFs	SCANIA	HESWALL	HESWALL
1368	██████	M31P1	APPLIANCE - CAFs	SCANIA	CROSBY	CROSBY
1373	██████	M12P1	APPLIANCE - CAFs	SCANIA	KENSINGTON	KENSINGTON
1374	██████	M10P1	APPLIANCE - CAFs	SCANIA	KIRKDALE	KIRKDALE
1375	██████	M50P1	APPLIANCE - CAFs	SCANIA	ST HELENS	ST HELENS
1376	██████	M14P1	APPLIANCE - CAFs	SCANIA	SPEKE/GARSTON	SPEKE/GARSTON
1378	██████	M16P1	APPLIANCE - CAFs	SCANIA	OLD SWAN	OLD SWAN
1379	██████	M51P1	APPLIANCE - CAFs	SCANIA	NEWTON LE WILLOWS	NEWTON-LE-WILLOWS
1380	██████	M15P1	APPLIANCE - CAFs	SCANIA	TOXTETH	TOXTETH
1381	██████	M32P1	APPLIANCE - CAFs	SCANIA	FORMBY	FORMBY
1384	██████	M43P1	APPLIANCE - CAFs	SCANIA	PRESCOT	PRESCOT
1385	██████	M23P1	APPLIANCE - CAFs	SCANIA	UPTON	UPTON
1386	██████	M21P1	APPLIANCE - CAFs	SCANIA	BROMBOROUGH	BROMBOROUGH
1389	██████	M11P1	APPLIANCE - CAFs	SCANIA	CITY CENTRE	CITY CENTRE
1390	██████	M33P1	APPLIANCE - CAFs	SCANIA	SOUTHPORT	SOUTHPORT
1392	██████	M25P1	APPLIANCE - CAFs	SCANIA	WALLASEY	WALLASEY

PAPA 2						
1340	██████	M11P2	APPLIANCE	SCANIA	CITY CENTRE	CITY CENTRE
1342	██████	M25P2	APPLIANCE	SCANIA	WALLASEY	WALLASEY
1344	██████	M18P2	APPLIANCE - CAFs	SCANIA	AINTREE	AINTREE
1355	██████	M30P2	APPLIANCE - CAFs	SCANIA	CROSBY	CROSBY
1356	██████	M33P2	APPLIANCE - CAFs	SCANIA	SOUTHPORT	SOUTHPORT

SPECIALS						
2537	██████	N/A	CARS AND SMALL VANS	MERCEDES	BELLE VALE	OUT AREA DEPLOY
2538	██████	M10S2	BLUE LIGHT ANCILLARY	FORD	KIRKDALE	KIRKDALE

2543	██████	M19R3	BLUE LIGHT ANCILLARY	MERCEDES	CROXTETH	WATER RESCUE SRT
1369	██████	M19R2	APPLIANCE SRT	SCANIA	CROXTETH	CROXTETH
1335	██████	M19R6	SUPPORT APPLIANCE	SCANIA	CROXTETH	CROXTETH
1351	██████	M71T1	CRANE LORRY	SCANIA	SHQ	SHQ
1377	██████	M19R4	SUPPORT APPLIANCE	MAN	CROXTETH	CROXTETH
2586	██████	M15C1	BLUE LIGHT ANCILLARY	MERCEDES	TOXTETH	TOXTETH
2596	██████	M19R	BLUE LIGHT ANCILLARY	MERCEDES	CROXTETH	OUT AREA DEPLOY
2598	██████	M32L1	BLUE LIGHT ANCILLARY	ISUZU	FORMBY	FORMBY
2599	██████	N/A	BLUE LIGHT ANCILLARY	ISUZU	T&DA	WATER TRAINING
2607	██████	M22L1	BLUE LIGHT ANCILLARY	ISUZU	HESWALL	HESWALL
2608	██████	M19R9	BLUE LIGHT ANCILLARY	MERCEDES	CROXTETH	USAR

AERIALS						
1371	██████	M50A1	AERIAL APPLIANCE	VOLVO	ST HELENS	ST HELENS
1372	██████	M25A1	AERIAL APPLIANCE	VOLVO	WALLASEY	WALLASEY
1393	██████	M33A1	AERIAL APPLIANCE	VOLVO	SOUTHPORT	SOUTHPORT
1394	██████	M10A1	AERIAL APPLIANCE	VOLVO	KIRKDALE	KIRKDALE

PRIME MOVERS						
1309	██████	M10T4	PRIME MOVER	VOLVO	KIRKDALE	KIRKDALE
1359	██████	M19T3	PRIME MOVER	SCANIA	CROXTETH	CROXTETH
1360	██████	M19T2	PRIME MOVER	SCANIA	CROXTETH	CROXTETH
1382	██████	M10T3	PRIME MOVER	SCANIA	KIRKDALE	KIRKDALE
1383	██████	M10T2	PRIME MOVER	SCANIA	KIRKDALE	KIRKDALE
1387	██████	M10T1	PRIME MOVER	SCANIA	KIRKDALE	KIRKDALE
1388	██████	M19T1	PRIME MOVER	SCANIA	CROXTETH	CROXTETH

RESERVE						
1339	██████	N/A	RESERVE APPLIANCE	SCANIA	SHQ	TRANSPORT
1343	██████	N/A	RESERVE APPLIANCE	SCANIA	SHQ	TRANSPORT
1345	██████	N/A	RESERVE APPLIANCE - CAFs	SCANIA	SHQ	TRANSPORT
1346	██████	N/A	RESERVE APPLIANCE	SCANIA	VESTY UNIT 1	TRANSPORT
1347	██████	N/A	RESERVE APPLIANCE	SCANIA	VESTY UNIT 1	TRANSPORT
1349	██████	N/A	RESERVE APPLIANCE	SCANIA	VESTY UNIT 1	TRANSPORT
1352	██████	N/A	RESERVE APPLIANCE - CAFs	SCANIA	VESTY UNIT 1	TRANSPORT
1341	██████	N/A	RESERVE APPLIANCE	SCANIA	VESTY UNIT 1	TRANSPORT

MARINE						
6006	████	N/A	JET SKI	YAHABA	CROXTETH	CROXTETH
6007	████	N/A	JET SKI	YAHABA	CROXTETH	CROXTETH
6013	████	M19B3	BOATS AND HOVERCRAFT	GRIFFON	CROXTETH	CROXTETH
6015	████	M81B1	BOATS AND HOVERCRAFT	MST 10Mtr	MARINE FIRE	PIER HEAD
6016	████	M81B2	BOATS AND HOVERCRAFT	ARTIC	MARINE FIRE	WORKSHOPS

TRAINING ACADEMY						
1329	██████	N/A	SUPPORT APPLIANCE	SCANIA	T&DA	DRIVING SCHOOL

1338	██████	N/A	SUPPORT APPLIANCE	SCANIA	T&DA	FIRE TRAINING
1348	██████	N/A	SUPPORT APPLIANCE	SCANIA	T&DA	FIRE TRAINING
1354	██████	N/A	SUPPORT APPLIANCE - CAFs	SCANIA	T&DA	FIRE TRAINING
1350	██████	N/A	SUPPORT APPLIANCE	MAN	T&DA	DRIVING SCHOOL
1391	██████	N/A	SUPPORT APPLIANCE - CAFs	SCANIA	T&DA	DRIVING SCHOOL
1370	██████	N/A	SUPPORT APPLIANCE - CAFs	MERCEDES	KIRKDALE	YE PRINCES TRUST

OFFICER RESPONSE CARS						
2587	██████	N/A	BLUE LIGHT ANCILLARY	VAUXHALL	VESTY UNIT 1	WORKSHOPS
2593	██████	N/A	BLUE LIGHT ANCILLARY	VAUXHALL	SHQ	OPS RESPONSE
2594	██████	N/A	BLUE LIGHT ANCILLARY	VAUXHALL	SHQ	OPS RESPONSE
2597	██████	N/A	BLUE LIGHT ANCILLARY	ISUZU	CROXTETH	OPS RESPONSE
2600	██████	N/A	BLUE LIGHT ANCILLARY	ISUZU	SHQ	OPS RESPONSE
2601	██████	N/A	BLUE LIGHT ANCILLARY	ISUZU	SHQ	OPS RESPONSE
2602	██████	N/A	BLUE LIGHT ANCILLARY	ISUZU	SHQ	OPS RESPONSE
2603	██████	N/A	BLUE LIGHT ANCILLARY	ISUZU	SHQ	IIT
2604	██████	N/A	BLUE LIGHT ANCILLARY	ISUZU	SHQ	IIT
2605	██████	N/A	BLUE LIGHT ANCILLARY	ISUZU	SHQ	IIT
2606	██████	N/A	BLUE LIGHT ANCILLARY	ISUZU	SHQ	OPS RESPONSE
2636	██████	N/A	BLUE LIGHT ANCILLARY	VAUXHALL	SHQ	OPS RESPONSE
2637	██████	N/A	BLUE LIGHT ANCILLARY	VAUXHALL	SHQ	OPS RESPONSE
2640	██████	N/A	BLUE LIGHT ANCILLARY	SKODA	SHQ	OPS RESPONSE
2641	██████	N/A	BLUE LIGHT ANCILLARY	SKODA	T&DA	DRIVING SCHOOL
2642	██████	N/A	BLUE LIGHT ANCILLARY	SKODA	SHQ	OPS RESPONSE
2643	██████	N/A	BLUE LIGHT ANCILLARY	SKODA	SHQ	OPS RESPONSE
2648	██████	N/A	BLUE LIGHT ANCILLARY	SKODA	SHQ	OPS RESPONSE
2649	██████	N/A	BLUE LIGHT ANCILLARY	SKODA	SHQ	OPS RESPONSE
2650	██████	N/A	BLUE LIGHT ANCILLARY	SKODA	SHQ	OPS RESPONSE
2651	██████	N/A	BLUE LIGHT ANCILLARY	SKODA	SHQ	OPS RESPONSE
2652	██████	N/A	BLUE LIGHT ANCILLARY	SKODA	SHQ	OPS RESPONSE
2653	██████	N/A	BLUE LIGHT ANCILLARY	SKODA	SHQ	OPS RESPONSE
2654	██████	N/A	BLUE LIGHT ANCILLARY	SKODA	SHQ	OPS RESPONSE

STATION RESILLIENCE VEHICLES						
2468	██████	N/A	CARS AND SMALL VANS	FORD	OLD SWAN	RESILLIENCE
2475	██████	N/A	CARS AND SMALL VANS	FORD	KIRKDALE	RESILLIENCE
2496	██████	N/A	CARS AND SMALL VANS	RENAULT	KIRKBY	RESILLIENCE
2511	██████	N/A	CARS AND SMALL VANS	FORD	BOOTLE AND NETHERTON	RESILLIENCE
2512	██████	N/A	CARS AND SMALL VANS	FORD	BELLE VALE	RESILLIENCE
2514	██████	N/A	CARS AND SMALL VANS	RENAULT	BROMBOROUGH	RESILLIENCE
2520	██████	N/A	CARS AND SMALL VANS	RENAULT	BIRKENHEAD	RESILLIENCE
2521	██████	N/A	CARS AND SMALL VANS	RENAULT	NEWTON LE WILLOWS	RESILLIENCE
2531	██████	N/A	CARS AND SMALL VANS	SKODA	PRESCOT	RESILLIENCE
2534	██████	N/A	CARS AND SMALL VANS	SKODA	FORMBY	RESILLIENCE
2535	██████	N/A	CARS AND SMALL VANS	SKODA	HESWALL	RESILLIENCE

2536	██████	N/A	CARS AND SMALL VANS	SKODA	WALLASEY	RESILLIENCE
2539	██████	N/A	CARS AND SMALL VANS	MITSUBISHI	TOXTETH	RESILLIENCE
2548	██████	N/A	CARS AND SMALL VANS	FORD	KENSINGTON	RESILLIENCE
2552	██████	N/A	CARS AND SMALL VANS	FORD	ST HELENS	RESILLIENCE
2557	██████	N/A	BLUE LIGHT ANCILLARY	TOYOTA	SOUTHPORT	RESILLIENCE
2566	██████	N/A	CARS AND SMALL VANS	FORD	AINTREE	RESILLIENCE
2567	██████	N/A	CARS AND SMALL VANS	FORD	ECCLESTON	RESILLIENCE
2569	██████	N/A	CARS AND SMALL VANS	VAUXHALL	UPTON	RESILLIENCE
2574	██████	N/A	CARS AND SMALL VANS	VAUXHALL	CITY CENTRE	RESILLIENCE
2585	██████	N/A	BLUE LIGHT ANCILLARY	ISUZU	SPEKE/GARSTON	RESILLIENCE
2590	██████	N/A	CARS AND SMALL VANS	ISUZU	CROSBY	RESILLIENCE

CARS						
2505	██████	N/A	CARS AND SMALL VANS	RENAULT	BELLE VALE	PROT LPOOL S
2506	██████	N/A	CARS AND SMALL VANS	RENAULT	SHQ	FFC
2516	██████	N/A	CARS AND SMALL VANS	RENAULT	CITY CENTRE	PROT LPOOL N
2523	██████	N/A	CARS AND SMALL VANS	RENAULT	SHQ	PROT P&B REGS
2532	██████	N/A	CARS AND SMALL VANS	SKODA	BELLE VALE	PROT LPOOL S
2533	██████	N/A	CARS AND SMALL VANS	SKODA	ST HELENS	ARSON TEAM
2545	██████	N/A	CARS AND SMALL VANS	SKODA	VESTY UNIT 1	POOL VEHICLE
2546	██████	N/A	CARS AND SMALL VANS	FORD	PRESCOT	PREV ST HELENS & KNOWSLEY
2547	██████	N/A	CARS AND SMALL VANS	FORD	BELLE VALE	PROT LPOOL S
2540	██████	N/A	CARS AND SMALL VANS	SKODA	BOOTLE AND NETHERTON	PREV SEFTON
2549	██████	N/A	CARS AND SMALL VANS	FORD	SHQ	H&S DEPT
2550	██████	N/A	CARS AND SMALL VANS	FORD	SHQ	STRATEGIC PLANNING
2551	██████	N/A	CARS AND SMALL VANS	FORD	SHQ	CS ADMIN
2553	██████	N/A	CARS AND SMALL VANS	FORD	SHQ	OPS PLANNING
2560	██████	N/A	CARS AND SMALL VANS	VAUXHALL	BELLE VALE	PREV LPOOL S
2561	██████	N/A	CARS AND SMALL VANS	VAUXHALL	SHQ	PROT RESP OFFICER
2562	██████	N/A	CARS AND SMALL VANS	VAUXHALL	BOOTLE AND NETHERTON	PROT SEFTON
2563	██████	N/A	CARS AND SMALL VANS	VAUXHALL	BOOTLE AND NETHERTON	ARSON TEAM
2564	██████	N/A	CARS AND SMALL VANS	VAUXHALL	SHQ	PROT P&B REGS
2565	██████	N/A	CARS AND SMALL VANS	VAUXHALL	WALLASEY	PROT WIRRAL
2568	██████	N/A	CARS AND SMALL VANS	VAUXHALL	PRESCOT	PREV ST HELENS & KNOWSLEY
2570	██████	N/A	CARS AND SMALL VANS	VAUXHALL	ST HELENS	PROT ST HELENS
2571	██████	N/A	CARS AND SMALL VANS	VAUXHALL	BELLE VALE	PREV LPOOL S
2572	██████	N/A	CARS AND SMALL VANS	VAUXHALL	TOXTETH	ARSON TEAM
2573	██████	N/A	CARS AND SMALL VANS	VAUXHALL	T&DA	DRIVING SCHOOL
2575	██████	N/A	CARS AND SMALL VANS	VAUXHALL	WALLASEY	PREV WIRRAL
2576	██████	N/A	CARS AND SMALL VANS	VAUXHALL	CITY CENTRE	PROT LPOOL N
2577	██████	N/A	CARS AND SMALL VANS	VAUXHALL	BOOTLE AND NETHERTON	PROT SEFTON
2588	██████	N/A	WORKSHOPS AND GALAXY	FORD	VESTY UNIT 1	POOL VEHICLE SHQ
2589	██████	N/A	WORKSHOPS AND GALAXY	FORD	VESTY UNIT 1	POOL VEHICLE SHQ

2616	██████	N/A	CARS AND SMALL VANS	HYUNDAI	VESTY UNIT 1	POOL VEHICLE
2617	██████	N/A	CARS AND SMALL VANS	HYUNDAI	VESTY UNIT 1	POOL VEHICLE
2618	██████	N/A	CARS AND SMALL VANS	HYUNDAI	PRESCOT	PREV ST HELENS & KNOWSLEY
2619	██████	N/A	CARS AND SMALL VANS	HYUNDAI	SHQ	HOME SAFTEY ADVISOR
2620	██████	N/A	CARS AND SMALL VANS	HYUNDAI	PRESCOT	PREV ST HELENS & KNOWSLEY
2621	██████	N/A	CARS AND SMALL VANS	HYUNDAI	BOOTLE AND NETHERTON	PREV SEFTON
2622	██████	N/A	CARS AND SMALL VANS	HYUNDAI	SHQ	OPS PLANNING
2623	██████	N/A	CARS AND SMALL VANS	HYUNDAI	ST HELENS	PROT ST HELENS & KNOWSLEY
2624	██████	N/A	CARS AND SMALL VANS	HYUNDAI	KIRKDALE	ARSON TEAM
2625	██████	N/A	CARS AND SMALL VANS	HYUNDAI	WALLASEY	PREV WIRRAL
2626	██████	N/A	CARS AND SMALL VANS	HYUNDAI	SHQ	YE PRINCES TRUST
2627	██████	N/A	CARS AND SMALL VANS	HYUNDAI	SHQ	ESTATES DEPT
2628	██████	N/A	CARS AND SMALL VANS	HYUNDAI	SHQ	PROT RESP OFFICER
2629	██████	N/A	CARS AND SMALL VANS	HYUNDAI	BOOTLE AND NETHERTON	PREV SEFTON
2630	██████	N/A	CARS AND SMALL VANS	HYUNDAI	SHQ	OPS PLANNING
2631	██████	N/A	CARS AND SMALL VANS	HYUNDAI	BELLE VALE	PREV LPOOL S
2632	██████	N/A	CARS AND SMALL VANS	HYUNDAI	SHQ	YE PRINCES TRUST
2633	██████	N/A	CARS AND SMALL VANS	HYUNDAI	WALLASEY	PROT WIRRAL
2634	██████	N/A	CARS AND SMALL VANS	HYUNDAI	BELLE VALE	PROT LPOOL S
2635	██████	N/A	CARS AND SMALL VANS	HYUNDAI	BOOTLE AND NETHERTON	PROT SEFTON
2655	██████	N/A	CARS AND SMALL VANS	SKODA	SHQ	HOME SAFTEY ADVISOR
2656	██████	N/A	CARS AND SMALL VANS	SKODA	KIRKBY	ARSON TEAM
2657	██████	N/A	CARS AND SMALL VANS	SKODA	BOOTLE AND NETHERTON	PREV SEFTON
2658	██████	N/A	CARS AND SMALL VANS	SKODA	PRESCOT	PREV ST HELENS & KNOWSLEY
2659	██████	N/A	CARS AND SMALL VANS	SKODA	WALLASEY	PREV WIRRAL
2660	██████	N/A	CARS AND SMALL VANS	SKODA	WALLASEY	ARSON TEAM

PCV						
2473	██████	N/A	BLUE LIGHT ANCILLARY	FORD	T+DA	T&DA
2474	██████	N/A	PCV	FORD	PRESCOT	YE PRINCES TRUST
2503	██████	N/A	PCV	FORD	BROMBOROUGH	YE PRINCES TRUST
2515	██████	N/A	PCV	RENAULT	TOXTETH	YE PRINCES TRUST
2526	██████	N/A	PCV	FORD	DERBY ROAD	YE PRINCES TRUST
2544	██████	N/A	PCV	FORD	VESTY UNIT 1	POOL VEHICLE
2591	██████	N/A	PCV	FORD	T+DA	YE PRINCES TRUST
2592	██████	N/A	PCV	FORD	BOOTLE AND NETHERTON	YE PRINCES TRUST
2615	██████	N/A	BLUE LIGHT ANCILLARY	FORD	CROXTETH	CROXTETH

VANS						
2476	██████	N/A	CARS AND SMALL VANS	FORD	VESTY UNIT 1	OPS EQUIP

2477	██████	N/A	CARS AND SMALL VANS	FORD	SHQ	SHQ
2479	██████	N/A	CARS AND SMALL VANS	FORD	VESTY UNIT 1	OPS EQUIP
2480	██████	N/A	CARS AND SMALL VANS	FORD	VESTY UNIT 1	WORKSHOPS
2481	██████	N/A	CARS AND SMALL VANS	FORD	SHQ	YE PRINCES TRUST
2524	██████	N/A	CARS AND SMALL VANS	FORD	T+DA	IND TRAINING
2555	██████	N/A	WORKSHOPS AND GALAXY	FORD	VESTY UNIT 1	POOL VEHICLE
2558	██████	N/A	BLUE LIGHT ANCILLARY	TOYOTA	CROXTETH	USAR
2578	██████	N/A	WORKSHOPS AND GALAXY	FORD	VESTY UNIT 1	WORKSHOPS
2579	██████	N/A	WORKSHOPS AND GALAXY	FORD	VESTY UNIT 1	WORKSHOPS
2580	██████	N/A	BLUE LIGHT ANCILLARY	FIAT	SHQ	OCCUPATIONAL HEALTH
2582	██████	N/A	CARS AND SMALL VANS	ISUZU	SHQ	FIREFIT
2595	██████	N/A	BLUE LIGHT ANCILLARY	FORD	SHQ	RTC REDUCTION
2609	██████	N/A	COURIORS	FORD	VESTY UNIT 1	STORES
2610	██████	N/A	COURIORS	FORD	VESTY UNIT 1	STORES
2611	██████	N/A	COURIORS	FORD	VESTY UNIT 1	STORES
2612	██████	N/A	WORKSHOPS AND GALAXY	FORD	VESTY UNIT 1	WORKSHOPS
2613	██████	N/A	WORKSHOPS AND GALAXY	FORD	VESTY UNIT 1	WORKSHOPS
2614	██████	N/A	WORKSHOPS AND GALAXY	FORD	VESTY UNIT 1	WORKSHOPS
2638	██████	N/A	WORKSHOPS AND GALAXY	FORD	SHQ	HYDRANT TECH
2639	██████	N/A	WORKSHOPS AND GALAXY	FORD	SHQ	HYDRANT TECH
2644	██████	N/A	COURIORS	FORD	VESTY UNIT 1	STORES
2645	██████	N/A	CARS AND SMALL VANS	FORD	VESTY UNIT 1	OPS EQUIP
2646	██████	N/A	CARS AND SMALL VANS	FORD	T&DA	WORKSHOPS
2647	██████	N/A	CARS AND SMALL VANS	FORD	CROXTETH	T&DA

PLANT						
6014	████	N/A	WORKSHOP PLANT	TOYOTA	VESTY UNIT 1	WORKSHOPS
6017	██████	N/A	WORKSHOP PLANT	FLOAT	T&DA	T&DA
6018	██████	N/A	WORKSHOP PLANT	JCB	T&DA	DRIVING SCHOOL

Appendix 2 MFRS Demountable PODs

Reg No.	Model/Trim Description	Operator	Department
██████	SPECIAL RESCUE UNIT	CROXTETH	CROXTETH
██████	ENVIRONMENTAL/HAZMAT UNIT	KIRKDALE	KIRKDALE
██████	BA SUPPORT UNIT	KIRKDALE	KIRKDALE
██████	OPS LOGISTIC UNIT	CROXTETH	CROXTETH
██████	OPS SUPPORT UNIT	KIRKDALE	KIRKDALE
██████	DAMAGE CONTROL UNIT	KIRKDALE	KIRKDALE
██████	MARINE & TUNNEL F/F UNIT	KIRKDALE	KIRKDALE
██████	HOVERCRAFT CARRIER POD	CROXTETH	CROXTETH
██████	HOSE LAYER UNIT	SHQ	SHQ
██████	BA TRAINING UNIT	BROMBOROUGH	BROMBOROUGH
██████	BA TRAINING UNIT	T+DA	T&DA
██████	WELFARE UNIT [TEMP]	KIRKDALE	KIRKDALE
██████	FOAM UNIT	SPEKE/GARSTON	SPEKE/GARSTON
██████	FOAM UNIT	KIRKDALE	KIRKDALE
██████	FIRE FIT UNIT	SHQ	SHQ
██████	FOAM UNIT	KIRKDALE	KIRKDALE
██████	LPP UNIT	KIRKDALE	KIRKDALE
██████	GPU/JCB POD	SHQ	SHQ
██████	INCIDENT COMMAND UNIT	KIRKDALE	KIRKDALE
██████	HOSE LAYER/RECOVERY UNIT	KIRKDALE	KIRKDALE

Appendix 3 NATIONAL RESILIENCE VEHICLES and PODs

Reg No.	Model	Operator	Fleet No.
██████	DAILY	KIRKDALE	DIM
██████	Moffett Mountie	KIRKDALE	FLT002
██████	MAN	KIRKDALE	IRU002
██████	Prime Mover	BELLE VALE	PM013
██████	Prime Mover	CROXTETH	PM0154
██████	Prime Mover	BELLE VALE	PM072
██████	Prime Mover	CROXTETH	PM113
██████	Prime Mover	CROXTETH	PM114
██████	Prime Mover	KIRKDALE	PM189
██████	Toolcat	CROXTETH	TOOLCAT
██████	Module	CROXTETH	10
██████	Module	CROXTETH	11
██████	Module	CROXTETH	3
██████	Module	CROXTETH	4
██████	Module	CROXTETH	7
██████	Module	BELLE VALE	DC13
██████	Module	BELLE VALE	DC72
██████	Module	KIRKDALE	MDD025

Vehicles - Approved Budget 2019/20 to 2023/24

Type of Capital Expenditure	Price Per Unit	Total		2019/20		2020/21		2021/22		2022/23		2023/24	
		Units	Cost £	Units	£	Units	£	Units	£	Units	£	Units	£
VEH002 Ancillary Vehicles													
Cars													
Pool Cars	11,400	23	262,200	8	91,200	6	68,400	9	102,600				
Officer Response Cars- Vauxhall Insignia	22,650	6	135,900							6	135,900		
Officer Resp Cars- Octavia 4x4 Estate 4x4s	20,857	7	146,000									7	146,000
Izusu/Hilux	27,000	8	216,000	8	216,000								
Climbing Wall Vehicle	25,500	1	25,500	1	25,500								
Vans													
Master/Transit Panel 1	22,250	2	44,500	2	44,500								
Master/Transit Panel 2	25,800	6	154,800			3	77,400			3	77,400		
Dog Van Mercedes Vito	49,750	1	49,750	1	49,750								
			1,034,650		426,950		145,800		102,600		213,300		146,000
VEH004 Special Vehicles													
CPL - Aerial Appliance	730,000	2	1,460,000							2	1,460,000		
Prime Movers 3	156,050	3	468,150	1	156,050							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)	86,000	1	86,000					1	86,000				
Water Rescue Unit	54,000	1	54,000	1	54,000								
Crane Lorry	200,000	1	200,000							1	200,000		
			3,148,150		985,050				191,000		1,660,000		312,100
VEH010 Marine Rescue Vessels													
RNLI Class 75 Rib Boats			370,000						370,000				
			370,000						370,000				
Other Vehicles													
VEH001 - Fire Appliances	265,000	12	3,180,000	4	1,060,000	4	1,060,000	4	1,060,000				
VEH005 - Vehicles Water Strategy			16,400		16,400								
			3,196,400		1,076,400		1,060,000		1,060,000				
WOR001 Workshop Equipment													
Equipment			20,000										20,000
Workshop Equip Somers vehicle Lift.		3	59,000	1	19,000					2	40,000		
			79,000		19,000						40,000		20,000
			7,828,200		2,507,400		1,205,800		1,723,600		1,913,300		478,100

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MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	AUTHORITY BUDGET MEETING		
DATE:	28 FEBRUARY 2019	REPORT NO:	CFO/009/19
PRESENTING OFFICER	DIRECTOR OF FINANCE		
RESPONSIBLE OFFICER:	IAN CUMMINS	REPORT AUTHOR:	IAN CUMMINS
OFFICERS CONSULTED:	CHIEF FIRE OFFICER		
TITLE OF REPORT:	MERSEYSIDE FIRE AND RESCUE AUTHORITY BUDGET AND FINANCIAL PLAN 2019/2020 – 2023/2024		

APPENDICES:	APPENDIX A:	DRAFT SUMMARY REVENUE BUDGET ANALYSIS
	APPENDIX B:	PROPOSED CAPITAL PROGRAMME 2019/20 – 2023/24
	APPENDIX C	PROPOSED 2019/20 – 2023/24 FIVE YEAR MTFP
	APPENDIX D	RESERVES

Purpose of Report

1. To present information to allow Members to set a medium term capital and revenue financial plan that allocates resources in line with the Authority’s strategic aims and ensures that the Authority delivers an efficient, value for money service. This will also allow the Authority to determine a budget for 2019/20 and a precept level in line with statutory requirements.

Recommendation

2. That Members consider the report and proposed budget and:-
 - Note the 2019/20 service budget set out in the report.
 - Endorse the Director of Finance’s recommendation on maintaining the current level of general fund balance at £2.000m, and maintaining the reserves as outlined in Paragraph 135 to 138 of this report.
 - Endorse their current plan to increase the precept by just below 3% for 2019/20, raising the Band D Council Tax from £76.56 to £78.84 and confirm the strategy for future precept rises (the plan assumes further increase of just under 2% in each year thereafter).
 - Endorse the assumptions in developing a five year (2019/20 – 2023/24) Financial Plan outlined in the report and approve the Medium Term Financial Plan in Appendix C and the 2019/20 budget estimate of £60.282m.

- Approve the 2019/20 – 2023/24 amended saving plan outlined in the report and summarised in Appendix C.
- Approve the capital strategy and investment strategy as summarised in Appendix B.
- Approve the Minimum Revenue Payment (MRP) strategy for 2019/20 as outlined in Paragraph 66 to 77 of this report.
- Note the prudential indicators relating to the proposed capital programme, paragraph 83 to 85 of this report.
- Approve the Treasury Management Strategy outlined in Section F and agree the Treasury Management indicators set out in paragraph 90(d) of this report for:-
 - External Debt
 - Operational Boundary for Debt
 - Upper limits on fixed interest rate exposure
 - Upper limits on variable rate exposure
 - Limits on the maturity structure of debt
 - Limits on investments for more than 364 days
- Note that the recommendations above provide an approved framework within which officers undertake the day to day capital and treasury activities.

Introduction and Background

3. The Authority is required to determine its budget and precept level for 2019/20 by 1st March 2019.
4. This report will present all the necessary financial information in a single report. This report considers:-
 - Forecast Revenue Estimates
 - The Proposed Capital Programme
 - Savings and Growth Options
 - The Treasury Management Strategy
 - The Minimum Revenue Payment Policy for the Authority
5. Considering all the financial issues to be taken into account in a single report ensures that the Authority can:-
 - Consider the borrowing freedoms available under the prudential code
 - Reflect best practice
 - Provide value for money
 - Focus on the link between capital investment decisions and revenue budgets
 - Continue developing their strategic financial plan

6. The following report structure will be adopted:-

Section	Focus	Paragraph
A	Executive Summary	7- 27
B	Background Information	28- 49
C	Capital Programme	50- 65
D	Minimum Revenue Provision Statement	66-77
E	Prudential Indicator Report	78-87
F	Treasury Management Strategy Statement	88-90
G	Revenue Forecasts 2019/20 – 2023/24	91-111
H	Options for Tackling the Financial Challenge	112-125
I	Adequacy of Reserves and Balances	126-140
J	Budget Timetable & Resolution	141-144

A) EXECUTIVE SUMMARY

7. The Authority must set a balanced budget and a precept level by 1st March 2019.
8. The budget and financial plan should allocate resources in line with the Authority's Mission and Aims:-

Our Mission:

To Achieve; Safer, Stronger Communities - Safe Effective Firefighters

Our Aims:

Excellent Operational Preparedness
Excellent Operational Response
Excellent Prevention and Protection
Excellent People

9. Members approved a 2018/19 – 2022/23 medium term financial plan (MTFP) at the Budget Authority meeting on 22nd February 2018, to deal with all known reductions in Government funding up to 2019/20. The plan approved £12.008m of savings to be delivered by 2019/20 rising to £13.038m by 2022/23. The saving options included:-
 - £8.832m of efficiency savings in management and support services costs,
 - a known or anticipated permanent increase in the council tax base of £2.306m,
 - an operational response budget reduction of £1.900m.
10. The Government have announced the financial settlement for 2019/20 (*the last year of a four year settlement*), and the Settlement Funding Assessment, (SFA), has increased by £0.014m compared to last year's 2019/20 indicative figure as the result of the business rates uplift.
11. Section G of this report outlines all the changes in this year's MTFP compared to last year's estimates. Overall the proposed budget for 2019/20 has increased from £59.866m in last year's plan to £60.282m position, a £0.416m increase.
12. At this year's Budget Strategy day the Chief Fire Officer, (CFO), sought members' support to increase the frontline firefighter response and protection establishment from 620 Full Time Equivalent (FTE) to 642 FTE, plus a new fire engineer post in protection, and an increase in the available fire appliances from 26 to 30. The proposals would enhance the resilience and protection capabilities of the Service in light of some recent significant incidents. If the proposals are agreed by the Authority following a 12 week consultation the CFO will work with the Director of Finance to identify the additional £1m required to implement the proposals (subject to public consultation). The assumption is that a proportion of the budget currently committed to;
 - the repayment of debt servicing costs (associated with historic borrowing required to fund capital expenditure), £6.1m, and
 - the servicing of Local Government Pension Scheme (LGPS) deficit, £0.9m.

can be freed-up by using any revenue savings identified in the year to fund additional minimum revenue provision (debt repayment) and using the capital reserve to pay off in

full any outstanding LGPS deficit as identified in the next actuarial review, expected to be completed in December 2019 - March 2020.

13. Members' supported the CFO's proposal and the MTFP proposals contained in this report have built in the relevant budget realignment to deliver the required £1m investment. As it will take time to recruit and train the additional firefighter staff the MTFP has assumed the £1m will be required from 2020/21, however if it is possible to implement the changes earlier then any costs that cannot be contained within the budget will be funded from the capital investment reserve.
14. To assist with the Authority's long term financial planning a five year plan has been prepared that extends the current approved plan up to and including 2023/24. However, as the level of uncertainty over future costs and funding beyond 2019/20 is significant, particularly regarding the level of future Government support, the Authority is recommended to **simply note any challenge identified post 2019/20** at this time. Future Budget Authority meetings will consider the challenge beyond 2019/20 as the financial information becomes more certain.
15. The updated Plan's key assumptions are:-
 - for **2019/20 a precept increase** of just below **3%** and just under 2% thereafter (the anticipated Government's council tax referendum limit),
 - An **annual 1% increase** in the **tax base from 2020/21 to 2021/22**,
 - A **pay bill increase of 2% per annum** in each year,
 - **2% per annum General Price Inflation**,
 - The proposed reduction in Government financial support for **unfunded public sector pension schemes will increase the Firefighter Pension Scheme(s), FPS, employer contribution rate from 2019/20 by no more than 12.6%**,
 - An **increase in Government funding support of £2.100m to cover** some of the increase in the **FPS employer rate outlined above from 2020/21**,
 - **Government support** (in whatever form):- will **increase by 1.5% p.a.** on the 2019/20 Government Settlement Funding Assessment figure **from 2020/21**.
16. The Authority may choose to increase the 2019/20 precept by 3% or more, however current legislation requires that any increase above a threshold set by the Secretary of State, just under 3% for 2019/20, must be subject to a referendum of the electorate of Merseyside. Any vote against such an increase will require a revised budget and incur the expense of re-billing all the districts within Merseyside estimated at +£1m.
17. The ready reckoner below outlines the impact of a potential just under 3% Council Tax increase:-

2018/19	2019/20	Property Band		Increase	
				£	%
	£				
£51.04	£52.56	For properties in Band	A	1.52	2.98
£59.55	£61.32	For properties in Band	B	1.77	2.97
£68.05	£70.08	For properties in Band	C	2.03	2.98
£76.56	£78.84	For properties in Band	D	2.28	2.98
£93.57	£96.36	For properties in Band	E	2.79	2.98
£110.59	£113.88	For properties in Band	F	3.29	2.97
£127.60	£131.40	For properties in Band	G	3.80	2.98
£153.12	£157.68	For properties in Band	H	4.56	2.98

The level of precept income expected from each Merseyside authority:-

PRECEPT		AUTHORITY
£		
8,353,900	Payable by	LIVERPOOL
7,371,367	Payable by	WIRRAL
4,045,832	Payable by	ST.HELENS
6,628,654	Payable by	SEFTON
2,824,206	Payable by	KNOWSLEY
29,223,959		

18. The proposed 2019/20 MTFP based on the updated assumptions is outlined below, however, at this point in time Government support beyond 2019/20 is unknown:-

2019/20 - 2023/24 FINANCIAL PLAN FUNDING INCREASE +1.5% post 2019/20

	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000
2018/19 MTFP	59,866	61,175	62,650	64,100	64,100
EXPENDITURE - 2019/20 issues:-					
2023/24 Inflation Provision					1,200
Increase in Gov Unfunded Pension Discount above 3%/£600k assumed	2,200	2,200	2,200	2,200	2,200
Gov Funding for the above	-2,592				
Gov Funding for the FPS discount assumed from 2020/21 (CSR 2019)		-2,100	-2,100	-2,100	-2,100
2019 Actuarial review of LGPS: employer rate 15.2% to 17.7%		250	250	250	250
Increase in MRP from one-off additional resources	858	156	59	0	0
Anticipated reduction in MRP / LGPS Deficit budget requirement		-1,000	-1,000	-1,000	-1,000
Increase FF Establishment +22 Posts / Fire Engineer	250	1,000	1,000	1,000	1,000
Increase in Sec 31 grants for national 2019/20 Business Rate relief(s)	-200	-200	-200	-200	-200
New Insurance Tender - Price saving	-100	-100	-100	-100	-100
2019/20 Updated MTFP	60,282	61,381	62,759	64,150	65,350
FUNDING					
Government Funding-Settlement Funding Assessment:					
Top Up Grant	-15,586				
CLG Estimate of Local Business Rate Share	-4,227				
Baseline Funding Level	-19,813				
RSG	-11,000				
Settlement Funding Assessment	-30,813	-30,813	-30,813	-30,813	-30,813
Assume Uplift in SFA by 1.5% p.a. from 2020/21		-462	-931	-1,407	-1,891
Assumed Government Funding-Settlement Funding Assessment	-30,813	-31,275	-31,744	-32,220	-32,704
Adjustment for Business Rates based on NNDR1 District Forecasts					
Adjustment for Local Business Rate income forecast from Districts	-7	0	0	0	0
NNDR Collection Fund (surplus)/deficit	-72	0	0	0	0
Adjustment to Local Business Rates income forecast	-79	0	0	0	0
Council Tax -					
Base Precept Income	-29,224	-29,224	-30,106	-31,015	-31,635
Assume increase in Council Tax Base of 1.0% each year from up to 2021/22		-292	-301	0	0
Assume just under 3% rise year on year in 2019/20 then 2% thereafter		-590	-608	-620	-633
Council Tax Collection Fund (surplus)/deficit	-166	0	0	0	0
Forecast Council Tax Income	-29,390	-30,106	-31,015	-31,635	-32,268
TOTAL FUNDING	-60,282	-61,381	-62,759	-63,855	-64,972
Forecast (Surplus) / Deficit	0	0	0	295	378

19. The Authority has created reserves in recent years to meet the cost of future projects, initiatives or as a contingency against specific risks. The current reserves and planned use is considered in Section I of this report, and summarised below:-

	Estimated 2019/20 Opening Balance	Estimated 2019/20 Expected Use	Estimated 2020/21 Expected Use	Estimated 2021/22 Expected Use	Estimated 2022/23 Expected Use	Estimated 2023/24 Expected Use	Estimated Future Years Expected
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Committed Reserves							
Emergency Related Reserves							
Bellwin & Emergency Planning Reserve	222	0	0	0	0	0	222
Insurance Reserve	500	0	0	0	0	0	500
Modernisation Challenge							
Smoothing Reserve	450	0	-450	0	0	0	0
Ill Health Penalty Reserve	150	0	-75	-75	0	0	0
Recruitment Reserve	3,000	-300	-600	-600	-600	-600	300
Invest to Save	636	-300	-300	-36	0	0	0
Capital, Debt Repayment and LGPS Res	14,414	-5,914	-8,500	0	0	0	0
Specific Projects							
PFI Annuity Reserve	2,001	-200	-220	-240	-260	-1,081	0
Healthy Community Reserve	65	-38	-27	0	0	0	0
Equipment & Clothing Reserve	369	-369	0	0	0	0	0
Training Reserve	150	-50	-50	-50	0	0	0
Inflation Reserve	700	0	0	0	0	0	700
Ringfenced Reserves							
Princes Trust Reserve	121	-61	-60	0	0	0	0
Community Risk Management Reserve	325	-125	-100	-100	0	0	0
Energy Reserve	19	-10	-9	0	0	0	0
Total Committed Reserves	23,122	-7,367	-10,391	-1,101	-860	-1,681	1,722
General Revenue Reserve	2,000	0	0	0	0	0	2,000
Total Reserves	25,122	-7,367	-10,391	-1,101	-860	-1,681	3,722

20. The Director of Finance recommends the Authority maintains a £2.000m General Fund Reserve. Members should be mindful that reserves, balances and one-off savings should only be used to finance one-off expenditure. If such monies are used to fund ongoing revenue expenditure without taking action to reduce underlying expenditure, the Authority would find itself facing the same deficit in the next and future years but without reserves available to finance it. This is underlined by the Auditor's 'Golden Rule' - that "one-off" revenue reserves should not be used to support 'ongoing' revenue expenditure.
21. As with any assumptions those built into the medium term financial plan will be at risk from factors beyond the Authority's control, such as approved pay awards. If any of these assumptions vary then the forecast budget position will be affected. The Authority receives regular financial review reports throughout the year and any corrective action to keep the budget and MTFP in balance will be considered by Members' as part of this reporting process.

22. The proposed 5 year capital programme is detailed in section C. The table below summarises the proposed £36.481m of investments which are mainly in the Authority's property, vehicle and ICT assets.

Capital Expenditure	Total Cost £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
Building/Land	17,645,500	10,822,700	4,872,900	939,900	705,000	305,000
Fire Safety	3,175,000	635,000	635,000	635,000	635,000	635,000
ICT	4,665,500	1,729,100	914,100	584,100	724,100	714,100
Ops Equip & Hydrants	3,166,500	1,986,000	317,500	189,000	222,000	452,000
Vehicles	7,828,200	2,507,400	1,205,800	1,723,600	1,913,300	478,100
Expenditure	36,480,700	17,680,200	7,945,300	4,071,600	4,199,400	2,584,200
Financing Available	Total £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
Capital Receipts	1,875,000	1,875,000	0	0	0	0
RCCO	1,875,000	375,000	375,000	375,000	375,000	375,000
Capital Reserves	8,414,000	4,914,000	3,500,000	0	0	0
Grants	2,881,000	2,881,000	0	0	0	0
Total Non Borrowing	15,045,000	10,045,000	3,875,000	375,000	375,000	375,000
Unsupported Borrowing	21,435,700	7,635,200	4,070,300	3,696,600	3,824,400	2,209,200
Total Funding	36,480,700	17,680,200	7,945,300	4,071,600	4,199,400	2,584,200

23. The proposed capital programme has a borrowing requirement of £7.635m in 2019/20 and £21.436m across the whole life of the plan. The proposed borrowing is unsupported or prudential as Members will note that the Government no longer allocates any supported borrowing to FRA's and therefore no longer builds any revenue grant funding support for new borrowing in the formula grant. This means all borrowing is prudential.

24. The Authority needs to be mindful of the revenue costs of borrowing. Current and future debt servicing costs as a consequence of the proposed capital programme have been built into the proposed financial plan. This report provides members with a number of prudential indicators so they can ensure that this commitment is considered affordable, prudent and sustainable in light of these prudential indicators (Section E).

25. The Prudential Code requires the Authority to set a Treasury Management Strategy that includes a number of indicators and limits. It sets a framework for the Director of Finance to manage investments and borrowing within.

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

- Overall Level of External Debt
- Operational Boundary for Debt
- Upper limits on fixed interest rate exposure
- Upper limits on variable rate exposure
- Limits on the maturity structure of debt
- Limits on investments for more than 364 days

27. Minimum Revenue Provision (MRP) is the amount of money set aside in the revenue budget by the Authority each year to reduce its overall level of debt. The Authority is required under the Local Authorities (Capital Finance and Accounting, England, Amendment) Regulations 2008 to prepare a statement on its policy for MRP in respect of the forthcoming year. Regulations require the Authority to pay debt at a rate which it considers prudent. The Director of Finance has reviewed the MRP policy in line with the legislation and the report outlines the proposed MRP policy for 2019/20 and future years in section D of this report.

B) BACKGROUND INFORMATION

28. This section provides general financial information on the Authority's finances and financial health.
29. If any organisation wants to be successful its budget setting and medium term financial plan must allocate resources to support its key strategic aims and priorities. This is a vital consideration when organisations face periods of severe financial challenge.
30. For many years now the Authority has maintained a comprehensive medium term financial plan (MTFP) and capital programme. Since 2010 the Government has implemented an austerity plan in an attempt to reduce national debt. A significant element of the plan was to reduce the level of Government funding for local government (this includes fire and rescue authorities). As the Authority had a relatively low council tax base it was more reliant upon Government grant funding to support its revenue budget and therefore suffered a more proportionate financial loss than almost every other fire and rescue authority in the country.
31. The cumulative percentage reduction in Government revenue support for the Authority between 2010/11 (£46.3m) and 2019/20 (£30.8m) equates to a 33% cash reduction or approximately 50% in real terms. In 2010/11 the revenue budget requirement was £73.3m of which Government support funded 63%. A real cut in Government support of 50% by 2019/20 meant unavoidable reductions in the front line operational services over this period.
32. The 2019/20 Budget requirement is £60.3m, therefore over the 2010/11 – 2019/20 period the total revenue budget will have reduced from £73.3m to £60.3m or £13.0m which represents a 18% cash or approximately 40% real reduction.
33. The impact on the Authority of this level of cut in funding has resulted in significant reductions in the level of resources. Ten years ago the Authority employed approximately 1,000 Full Time Equivalents (FTE) firefighters. At the end of 2018 the number was 620 FTEs, 38% lower than 2010/11. Support and technical staff have reduced from 425 FTE to 291 FTE, a 32% reduction. Many of these staff carry out important front line preventative work with the Merseyside community.
34. In 2010/11 the Authority had 42 wholetime fire appliances immediately available and 1 retained - 43 appliances in total. By the end of 2018 the Authority's budgeted position is 26 (18 appliances immediately available 24/7; 6 day crewed appliances (immediately available during the day and on 30 minute recall at night); and 2 fully wholetime retained appliances which are available on a 30 minute recall 24/7).
35. This report sets out in section H, the CFO's proposals to reverse some of the reduction in the firefighter establishment, increasing it to 642 FTE and also increasing the number of available appliances to 30, (20 appliances immediately available; 6 (immediately available during the day and on 30 minute recall at night); 3 fully wholetime retained appliances which are available on a 30 minute recall 24/7 and 1 Search & Rescue Appliance).

36. In order to deliver the approved saving options the Authority approved plans to close or merge a number of fire stations that will see the number of fire stations reduce from 26 to 22 once the programme has been fully implemented, (by 2020/21).
37. This report provides the Authority with an update on the financial challenge for any known changes and outlines the proposed financial plan to maintain a balanced position up to at least 2019/20.
38. 2020/21 and future years - any further cuts in Government support may result in further reductions in firefighters, fire appliances and stations.
39. The Integrated Risk Management Plan (IRMP) is the key driver in the allocation of the Authority's resources in response to the risks facing Merseyside. The Authority's IRMP states the main strategic themes that the Authority has been progressing and its plans for the future. The current IRMP covers the period from 2017 to 2020. As a consequence of the CFO's proposal to re-invest in frontline services by looking to increase the firefighter establishment and the provision of appliance availability, a supplementary draft IRMP for the 2019 – 2021 period is on today's agenda for consideration by Members. The proposals contained within the supplementary IRMP will be subject to stakeholder consultation and then the supplementary IRMP will come back to Members' for approval.
40. The Authority's Mission and Aims as set out in the IRMP are repeated below. Any financial plan should aim to allocate resources to deliver the mission and aims.

Our Mission;

To Achieve; Safer Stronger Communities - Safe Effective Firefighters

Our Aims;

Excellent Operational Preparedness

We will provide our firefighters with training, information, procedures and equipment to ensure they can safely and effectively resolve emergency incidents.

Excellent Operational Response

To maintain an excellent emergency response to meet risk across Merseyside with safety and effectiveness at its core.

Excellent Prevention and Protection

Working with partners and our community to protect the most vulnerable.

Excellent People

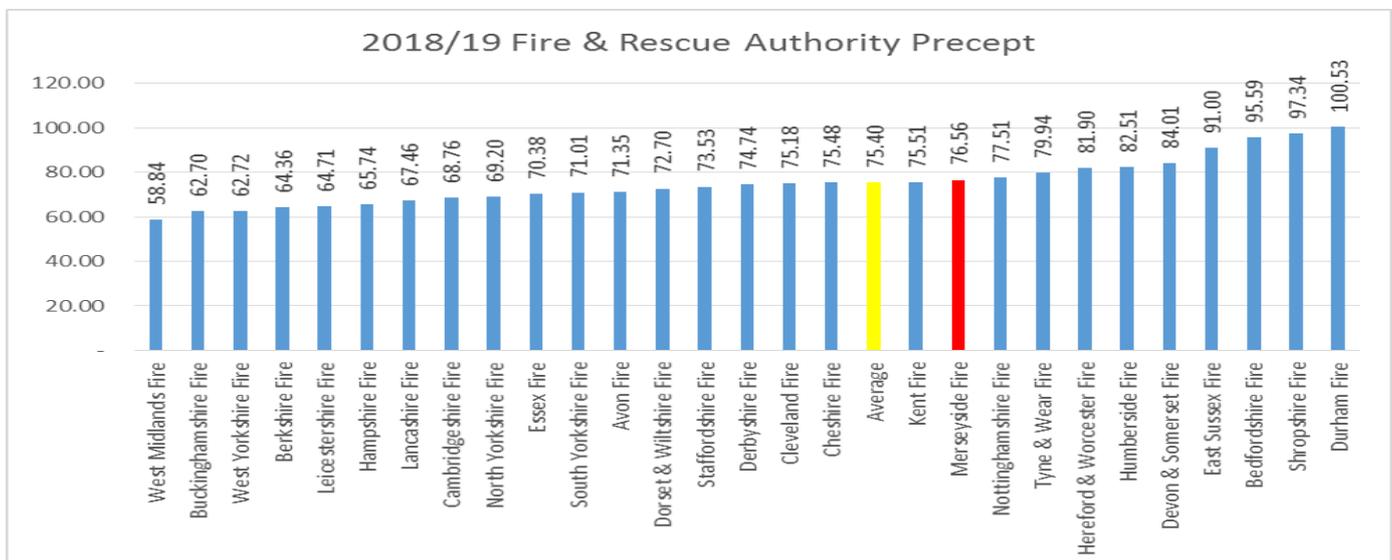
We will develop and value all our employees, respecting diversity, promoting opportunity and equality for all.

41. In recent years the Authority has adopted a financial strategy that:-
 - Sought to control Council Tax increases,
 - Planned for pay awards and cost increases in line with Treasury inflation forecasts,
 - Sought to generate significant savings through staff reductions whilst avoiding compulsory redundancy,
 - Sought to minimise the impact of cuts on frontline services including prevention,
 - Made significant investment in IT and computing (including outsourcing),

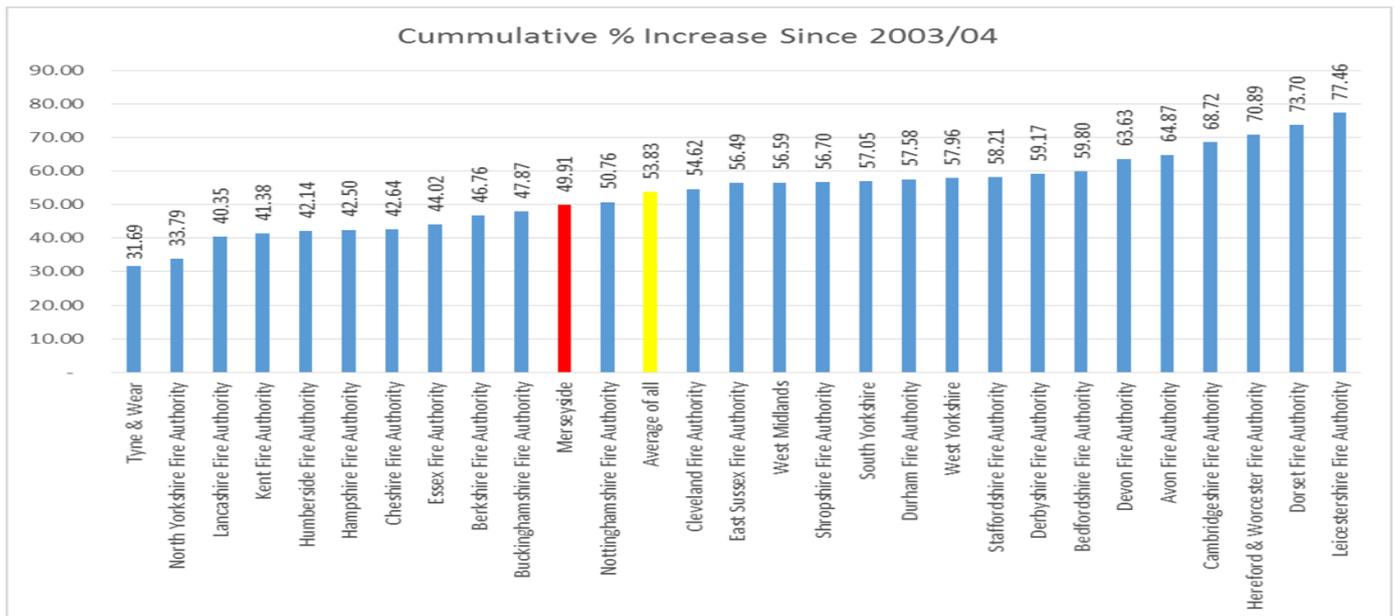
- Provided further investment in equality and health and safety,
- Attempted to plan prudently over the medium term by considering all significant risks to the assumptions in the financial plan and creating specific reserves if deemed necessary,
- Maintained a general reserve of at least £2m following assessments of risk,
- Because of pressures on revenue budget generally avoided funding capital expenditure from revenue through leasing or RCCO,
- Invested in the capital infrastructure of the Authority in line with the Asset Management Plan, vehicle replacement strategies and corporate objectives.

42. These strategies have over recent history allowed the Authority to reduce costs and maintain relatively low levels of Council Tax increase despite very tight grant settlements.

43. The Authority's 2018/19 (Band D) Council Tax is £76.56, this is slightly above the FRS national average, £75.40, as shown in the bar chart below:-

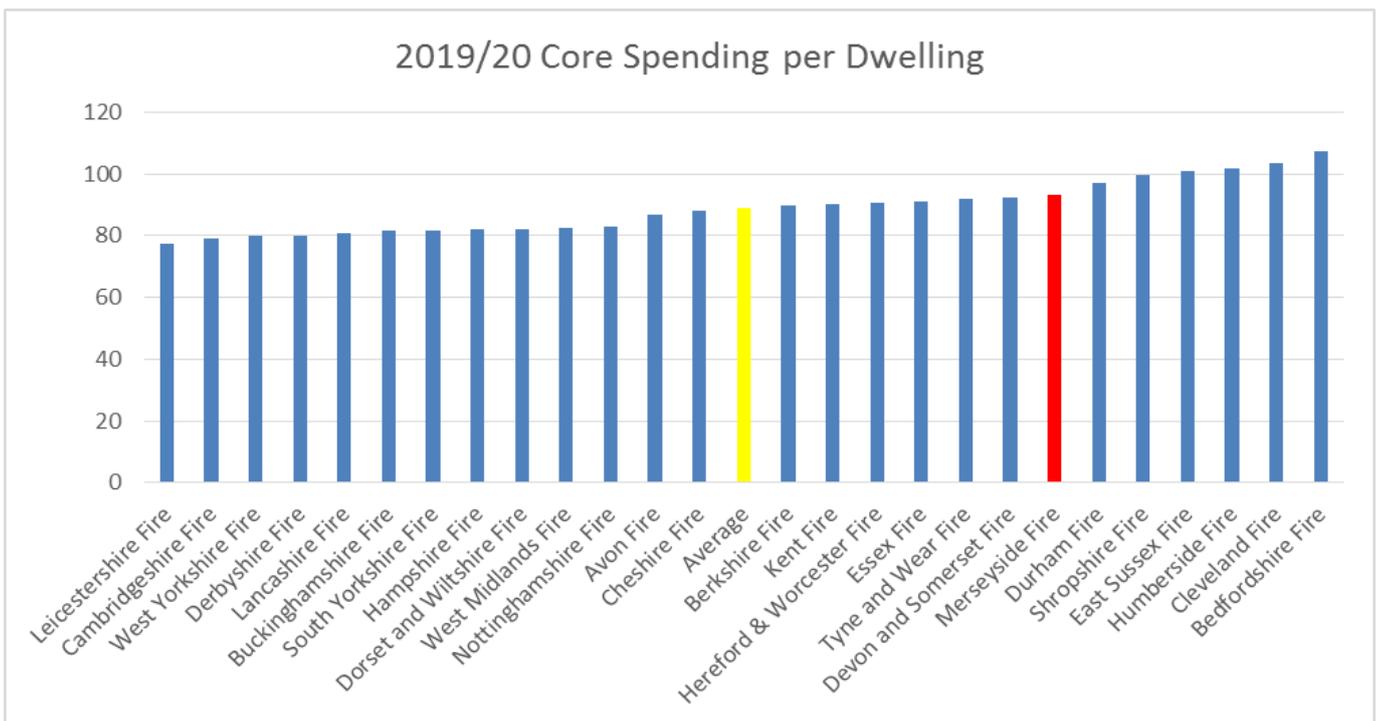


44. Over the past 15 years when compared to the other FRA's Merseyside has had one of the lowest cumulative council tax increases:



45. The Authority’s control of council tax should be considered in light of the fact that across the same time period the council tax base of Merseyside has had one of the lowest increases. The tax base reflects how much income is generated by £1 of “Band D” equivalent council tax. So if the tax base increases, income will increase, even if the council tax charge remains unchanged.

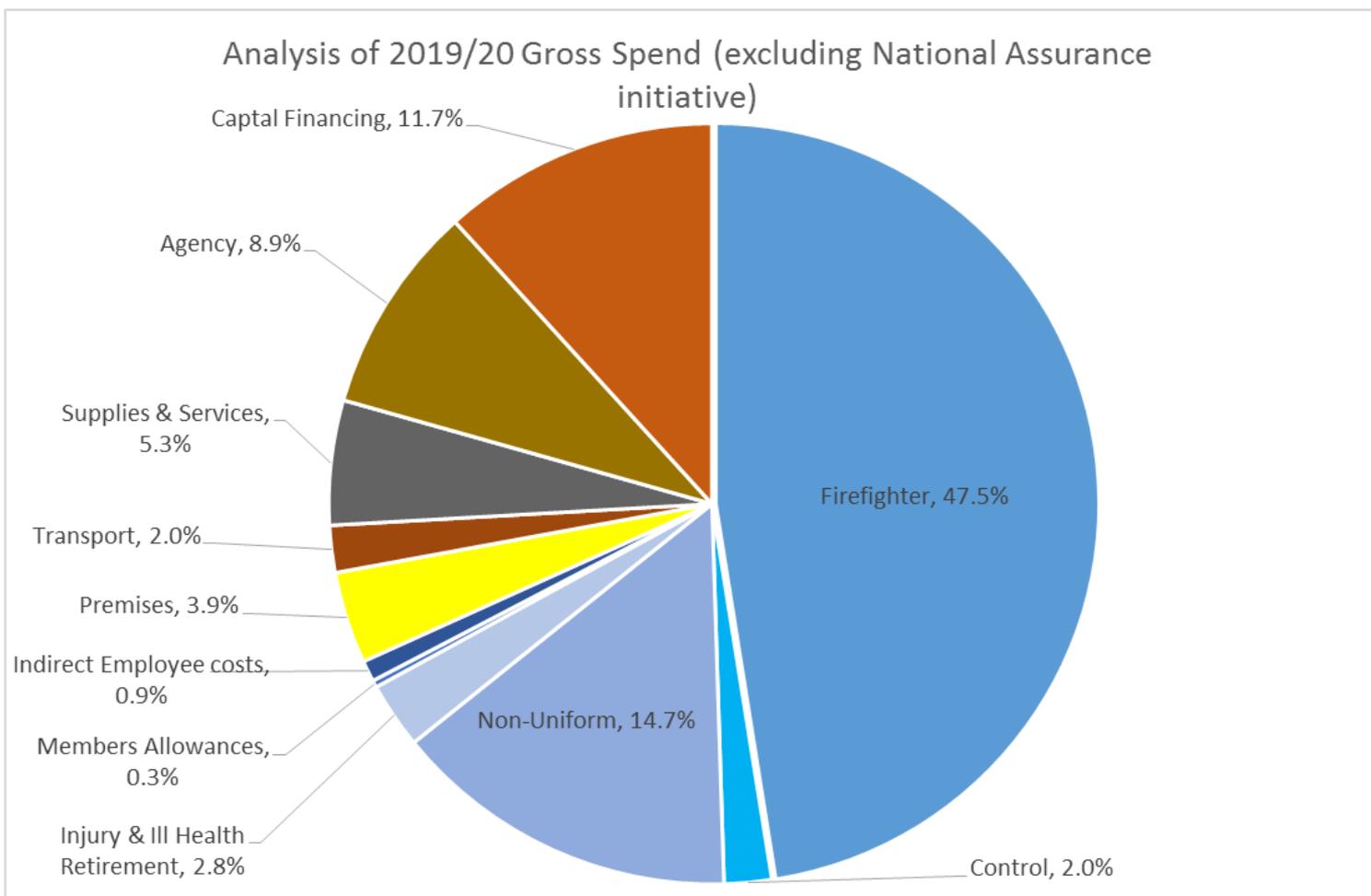
46. However, despite recent improvements it should be noted that we remain, in comparison to our peers, a relatively high spending Authority on a core spending per dwelling basis. *(Core Spending is a Government measure of estimated overall budget which includes Government funding plus council tax income based on future precept and tax base increases and the compensating small business rates grant)*



47. The Authority has a proven track record for meeting significant financial challenges in the past. The Authority, as part of a risk based strategy, has built up reserves in recent years to provide a short term buffer whilst the structural changes to deliver the required savings on a permanent basis are implemented. The unprecedented reductions in Government funding will require difficult decisions but the Authority has a proven track record in managing its financial affairs well as can be seen in the following indicators:-

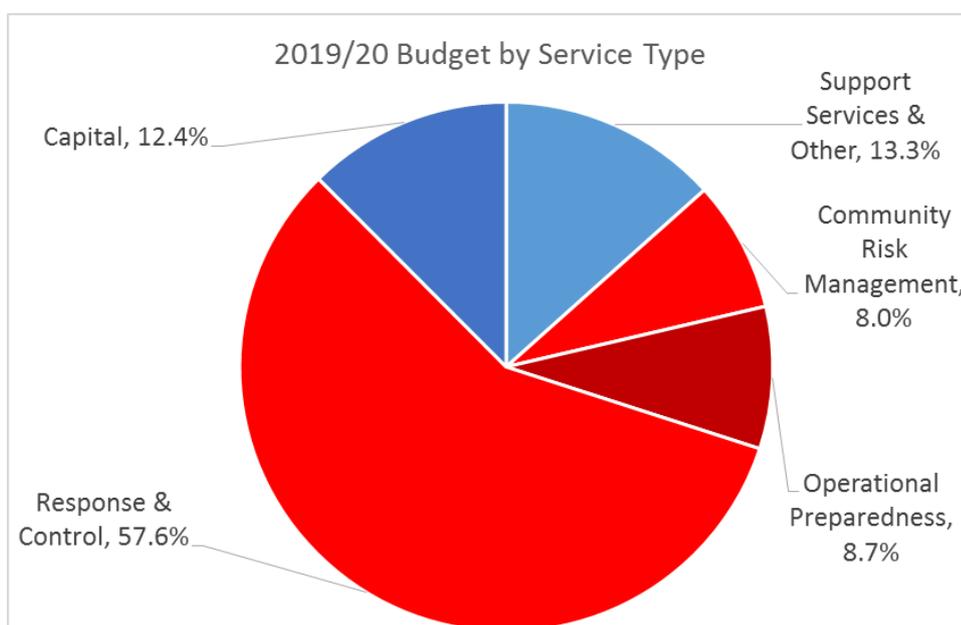
- 2017/18 Statement of Accounts were audited without qualification once again.
- Annual Audit Letter highlighted general satisfaction with financial corporate governance and reporting arrangements.
- The Authority has maintained a general revenue reserve of at least £2.0m in recent years.
- Cost centre budgeting now well established along with a culture of financial management.
- Maintained a medium term financial plan and capital programme and most importantly a consistent medium term strategy.
- Successfully delivered large-scale changes and savings.

48. Members will be aware that Merseyside Fire and Rescue Service expenditure is predominantly employee related (68%). (The blue sections relate to employee costs):-



A full subjective analysis of the base budget for 2019/20 is set out in **Appendix A**. A subjective analysis is only part of the overall view on spending and in order to assist Members the same data is shown in a “thematic” view below and is based upon the Service’s strategic objectives.

49. The Authority has an excellent track record of investing in line with its corporate priorities. It can be seen from the pie chart overleaf that most expenditure 57.6% goes on emergency and specialist response. In addition 8.7% goes on Operational Preparedness and 8.0% on Community Risk Management. Therefore over 74.3% of expenditure is on the “front line” services. In addition the 12.4% on capital costs relates mostly to previous investment in front line assets, fire stations, vehicles and equipment. The remaining 13.3% is on support services.



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

Operational Response & Control (Total £34.7m)

- Service delivery and emergency response through its 24 (reducing to 22) fire stations.
- Specialist capabilities such as the Search and Rescue Team.
- Invested in staff safety – procured state of the art fire kit, helmets, boots, breathing apparatus and appliances.
- Invests £1.4m operating a Training and Development Academy.
- Deliver HFSC programme.
- Investing in new community fire stations.
- Marine Rescue Unit to support John Lennon airport and safety on the River Mersey.

Community Risk Management (Total £4.8m)

- Prevention & Protection Teams; £2.0m.
- Community Prevention work and youth engagement; £2.0m.

- Employment of specialist Advocates and continuation of the Princes Trust and other programmes.
- Fire Service Direct; £0.2m
- Purchase and installation of £0.3m of smoke alarms per annum (capital)

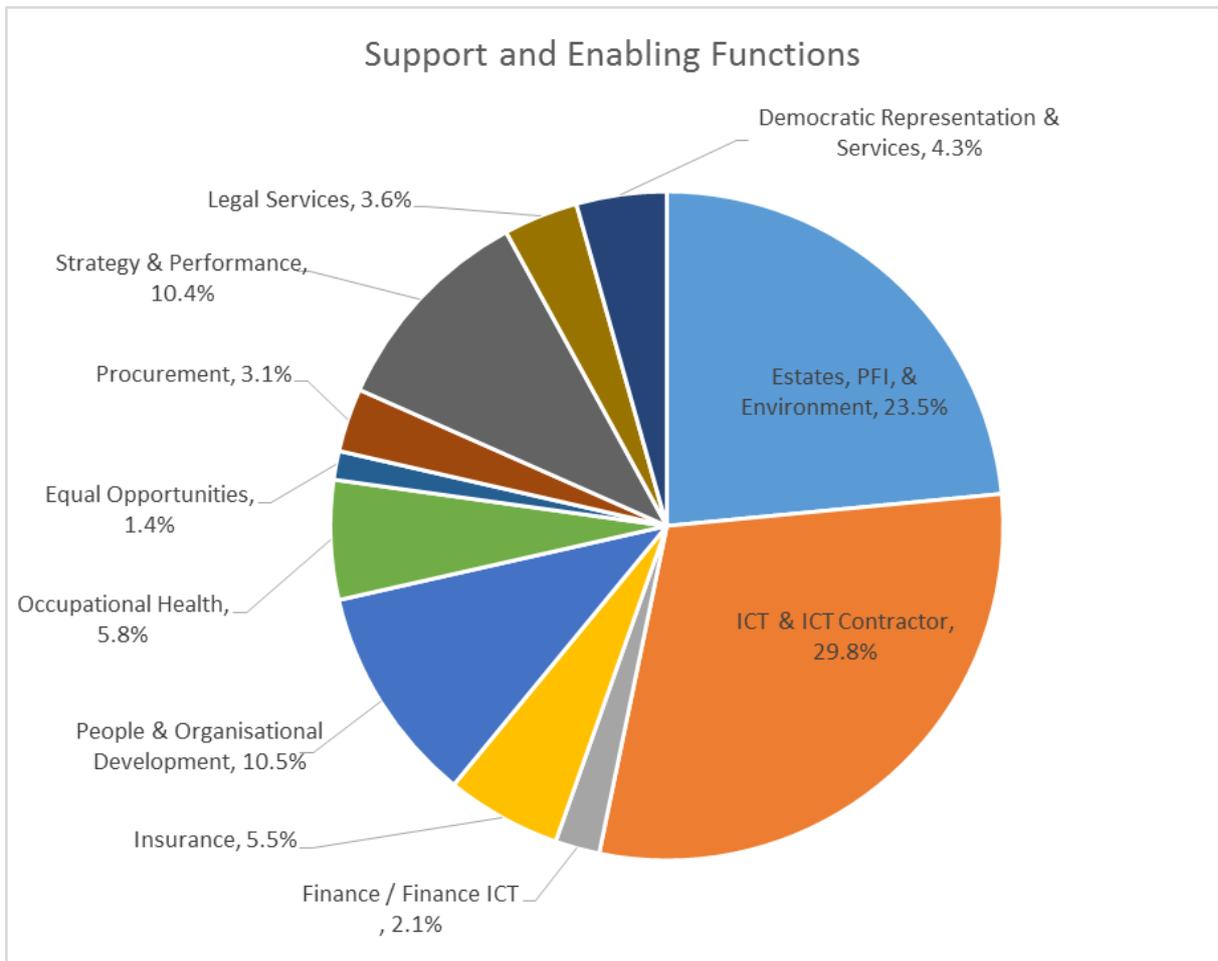
Operational Preparedness (Total £5.2m)

The investment of £5.2m delivers a variety of services which helps prepare for a full range of possible incidents in Merseyside and ensure Firefighter safety.

- Operational Planning and Policy
- Contingency Planning
- New Dimensions (National Resilience) to cope with major disasters and terrorist threats
- Operational Equipment Team
- Water Section
- Health and Safety Department
- Transport/Fleet Management – to keep vehicles operating effectively
- Workshops
- National Operational Guidance Review Team

Support Services & Enabling Services (Total £8.0m)

The investment in support services of £8.0m represents 13.3% of the budget. The pie chart below shows the breakdown of those support areas:-



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

- Estates – includes the running costs of buildings including 24 Community Fire Stations;
- ICT – includes the cost of the Fire Control;
- Occupational Health – to support staff wellbeing and manage attendance.

In addition some costs are unavoidable for any organisation;

- Insurance - to cover 3rd party, vehicle, public and employer liabilities;
- Legal; Payroll; Accounting; Human Resources; Procurement etc. to support the organisation in paying its staff, suppliers, carrying out activities within the law, supporting station mergers and other front line services and preparing statutory returns.

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

C) CAPITAL STRATEGY AND PROGRAMME

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

various expert professionals in areas like buildings, vehicles, ICT, and operational equipment. Initial bids were requested and through an iterative process and officers have modified the programme taking into account:-

- The updated five year asset management plans (the asset management plans can be found on today's Authority agenda), and
- service requirements, in particular investments required to support and deliver the IRMP.
- the need to adopt a prudential approach to capital borrowing under the new regime, being mindful of affordability, prudence and sustainability and in particular the impact on Council Tax levels.

56. Each financial year the Authority produces a rolling five year capital programme to manage major capital schemes. Owing to the nature of capital expenditure a large number of schemes span more than one financial year so the programme is a rolling programme covering five future financial years.
57. Although the proposed capital programme covers a five year period for those assets that have a significant longer life an extended term view of future capital investment exists. This is true specifically for property investment as these assets may have a +50 year asset life. Property asset management objectives exist to identify planned spend over a +10 year period. In addition, fire appliances and specialist vehicles have a 10 to 15 year asset life and a replacement strategy exists that ensures the Authority maintains the appropriate levels of operational capability. The vehicle replacement strategy ensures appliance and specialist vehicle refresh is spread over a number of years to allow flexibility on model options and to keep pace with new technology and innovations in design and development.
58. The proposed £36.481m five-year programme, set out in Appendix B, is summarised in the table below. This table also identifies funding of the programme and a resultant borrowing requirement of £21.436m.

Proposed Capital Programme for 2019/2020 - 2023/2024

Capital Expenditure	Total Cost £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
Building/Land	17,645,500	10,822,700	4,872,900	939,900	705,000	305,000
Fire Safety	3,175,000	635,000	635,000	635,000	635,000	635,000
ICT	4,665,500	1,729,100	914,100	584,100	724,100	714,100
Operational Equipment & Hydrants	3,166,500	1,986,000	317,500	189,000	222,000	452,000
Vehicles	7,828,200	2,507,400	1,205,800	1,723,600	1,913,300	478,100
Expenditure	36,480,700	17,680,200	7,945,300	4,071,600	4,199,400	2,584,200
Financing Available	Total £	2019/20 £	2020/21 £	2021/22 £	2021/22 £	2021/23 £
Capital Receipts	1,875,000	1,875,000	0	0	0	0
RCCO	1,875,000	375,000	375,000	375,000	375,000	375,000
Capital Reserves	8,414,000	4,914,000	3,500,000	0	0	0
Grants	2,881,000	2,881,000	0	0	0	0
Total Non Borrowing	15,045,000	10,045,000	3,875,000	375,000	375,000	375,000
Unsupported Borrowing	21,435,700	7,635,200	4,070,300	3,696,600	3,824,400	2,209,200
Total Funding	36,480,700	17,680,200	7,945,300	4,071,600	4,199,400	2,584,200

59. New additions to the capital programme have increased the overall expenditure by £3.637m, the reasons for this are :-
- (a) The addition of the “extra year” to the programme 2023/24, £2.584m.
 - (b) New Expenditure Proposals in 2019/20 – 2022/23 of £1.053m have been included. The key items are for investment are; an upgrade in the current fire control ICT system (£0.312m), replacement of the financial and HR information system (£0.250m); other ICT investment (£0.150m); operational equipment purchases (£0.020m); and to cover vehicle price increases (£0.321m).
60. **Appendix B** provides a full analysis of the current 5 year capital programme. The main areas of capital programme expenditure are summarised below:-
- A. Building Investment Strategy (£17.646m)
The estate comprises of 24 fire stations (*that will reduce to 22 following the completion of the current station merger programme at Saughall Massie and St Helens*), a Training and Development Academy (TDA), Service Headquarters including Fire and Rescue Control, Marine Rescue Unit, and the Engineering Centre. The capital programme reflects the funding required to replace, maintain and enhance the current estate stock, and when possible seeks to attract external funding or specific contributions (capital grants, capital receipts, capital reserves) to reduce the level of borrowing required. Estates maintain and revise a 5 year property asset management plan supported by a 10 year property strategy. The proposed capital programme is consistent with the priority areas that are contained within the plan. The construction of new community fire stations, Saughall Massie and St Helens as part of the station merger programme accounts for £7.245m of the planned spend. The refurbishment and essential work at fire stations and the TDA makes up most of the balance.
 - B. Fire Safety (Community Risk Management) (£3.175m)
Smoke alarms and sprinkler systems are being classed as capital expenditure in line with Government guidance. This follows the awarding of historic capital grants by the (then) Office of the Deputy Prime Minister towards the purchase cost of such items in financial years 2004/05 through to 2007/08. Current policy is to capitalise the installation costs of smoke alarms estimated at £1.875m over the period, however this expenditure is not funded through borrowing but financed in the year by a revenue contribution to capital.
 - C. ICT – Investing in line with the ICT Strategy (£4.665m)
In line with the increasing use of technology to improve the service there is a significant investment in ICT within the programme. The most significant investments are in line with a planned replacement policy of 5 years for PCs, servers and network £1.4m; software licenses £1.5m and the Fire Control ICT upgrade £1.2m.
 - D. Operational Equipment & Hydrants (£3.167m)
Provision is also made to ensure that a modern fire and rescue service can be delivered and firefighters kept safe, in particular provision is made for investment in specialist rescue equipment and new breathing apparatus such as :-

- a. Hydraulic rescue equipment, £0.3m
- b. BA and resuscitation equipment, £0.1m
- c. Bulk foam, £0.1m
- d. Radiation/gas detection equip, £0.1m
- e. Thermal imaging cameras, £0.2m
- f. Water rescue equipment, £0.2m
- g. Operational ladders, £0.2m
- h. Other specialist equipment, £0.6m
- i. National Resilience Assurance Team (NRAT) asset refresh, £1.2m
- j. Installation of new or replacement hydrants in line with our water strategy, £0.2m.

The Authority acts as lead authority for the Home Office in relation to national assurance and as such receives grant funding to procure all national assurance asset refresh. The £1.2m identified above is fully funded by the Home Office and assets once procured are redistributed to the national assurance teams.

E. Vehicle Replacement Strategy (£7.828m)

The Fleet Manager has identified needs as follows:-

a. Fire Appliances;

The Authority has developed an appliance replacement strategy based on the economic life of an appliance. Each appliance has an estimated service life of 10 years on the front line followed by 2 years as a reserve appliance. The plan provides for 12 new appliances. The total appliance fleet is 37, of which 29 are left on stations including the SRT and 8 held in reserve. The CFO is proposing to have 30 appliance available in the future and this will mean bringing a fully kitted appliances back from the reserve.

b. Specialist Vehicles;

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

- Combined Platform Ladder appliances (2 new vehicles)
- Incident Management Unit (IMU)
- Prime Movers (3)
- Crane Lorry (1)
- BA Support Unit (1)

c. Ancillary Vehicles;

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

Officers continuously monitor and review the specialist vehicle and ancillary fleet requirements and any amendments to the proposed capital programme will be brought back to members for approval during 2019/20.

61. Capital receipts: - capital receipts are usually the proceeds from the sale of assets. Any such receipts can be applied either to reduce an Authority's outstanding debt or to be reinvested in the capital infrastructure. The Authority has (when available) used capital receipts as a source of funding for new capital investment with little, if any, being used

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

62. The proposed capital programme anticipates capital receipts from a number of site disposals totalling £1.875m. It assumes that this income will be used to reinvest in the capital infrastructure and support the capital programme. Members should note that the anticipated capital receipt values are based on the best estimates at a point in time.
63. Capital Grants: As part of the 2010 spending review the Government also made the decision that there will be no supported borrowing allocations for the Fire and Rescue Service in the spending review period. Government capital support will be given in the form of a capital grant only. The Authority was successful in its bid for transformation grant funding for a programme of station mergers and £1.631m remains unapplied at the time of writing this report and is committed to the St Helens new fire station. As outlined in the capital operational equipment schemes the Authority has received £1.250m for NRAT asset refresh. The proposed capital programme assumes £2.881m funding from capital grants for these schemes.
64. Borrowing:- Under the Prudential capital system local authorities are now able to determine their level of borrowing. However, the Government has retained reserve powers to limit an Authority's borrowing if the Government believes an Authority's proposals to be "unaffordable" or in times of national public spending constraint. The proposed capital programme represents an overall expenditure increase of £3.637m reflecting the proposed new starts expenditure. After taking into account the non-borrowing funding the impact of these net additions to the expenditure programme on the Authority's borrowing requirement is a net increase of £3.262m. The level of prudential "unsupported" borrowing in the proposed 5 year programme is £21.436m and the future revenue servicing cost of this debt has been built into the medium term financial plan as outline below.
65. When the Authority borrows money it has to factor the debt repayment and interest costs into its financial plans. The minimum revenue provision (MRP) methodology calculates how much debt repayment is required each year. Following the new Capital Regulations announced in 2008 the Authority must approve an MRP Statement each year that sets out the policy on MRP. Section D of this report outlines for Members the proposed MRP policy for 2019/20 – 2023/24 and the methodology for calculating the MRP. More information on the impact on the Capital Programme is shown in the section on Prudential Indicators (Section E).

(D) MINIMUM REVENUE PROVISION STATEMENT

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

rental that goes to write down the balance sheet liability under proper accounting practices. This is in effect a modified version of the asset life - annuity method, the impact on the revenue account is neutral with MRP for these items matching the principal repayment embedded within the PFI or lease agreement.

70. The 2019/20 MRP is determined by the actual level of outstanding debt (CFR) as at the end of 2018/19. It is recommended that the Authority adopt a similar strategy for MRP determination as that in 2018/19;
- For all capital expenditure incurred after 1st April 2008 financed by **unsupported (prudential) borrowing**; MRP to be calculated using the Asset Life Method – equal instalments method.
 - For credit arrangements such as **on balance sheet leasing arrangements (finance leases)**; the MRP charge is to be equal to the principal element of the annual rental.
 - For **on balance sheet PFI contracts**; the MRP charge will be equal to the principal element of the annual rental.
71. For all capital expenditure incurred before 1st April 2008 and funded via supported borrowing the MRP is determined via a straight line (equal instalment) method for a period of up to 40 years (except land for which a 50 year period is used). The Director of Finance views this to be prudent methodology as it ensures that all of the debt is repaid over a finite timeframe.
72. The options set out above meet the requirement for MRP to be deemed prudent but also allows certainty and predictability over MRP charges. The financial plan outlined in this report takes into account the proposed Authority's policy on MRP.
73. In addition it is proposed that if any approved MRP/Interest budget becomes available due to; capital schemes being re-phased; additional specific non-borrowing funding becoming available; or a reduction on the approved capital programme and required borrowing, then the Service may choose to make additional MRP payments if the overall financial position of the Authority in that year remains consistent with the approved financial plan.
74. As part of the financial strategy to "free-up" £1m future debt and LGPS deficit commitments, any revenue budget savings identified in a year may be used to make additional one-off MRP payments.
75. By adopting the recommendations above the MRP charge for 2019/2020 would be £4.6m, consisting of £0.9m funded from one-off windfall savings in the year, and £3.5m for historic capital schemes funded from borrowing. All figures quoted within this paragraph exclude PFI and Finance lease costs as the "MRP" element of these payments is a notional figure and contained within the rental budget.
76. Interest on loans taken out to fund capital expenditure is estimated at £2.1m.
77. The proposed financial plan includes budget provision to meet the MRP and interest payments based on historic and planned future capital spend. The Authority in the past has determined it can afford and sustain significant prudential borrowing in order to allow

the required level of investment in the infrastructure and assets of the Authority to deliver a modern well equipped fire and rescue service.

(E) PRUDENTIAL INDICATOR REPORT

78. Having formulated a draft Capital Programme, the Authority, in making final decisions upon that Capital Programme and Revenue Budget 2019/20, will need to consider a report setting out a range of Prudential Indicators aimed at demonstrating the intended Investment Programme's affordability, prudence and impact upon Treasury Management activity and strategy.
79. It should be noted, however, that in order to provide those indicators, capital and revenue financial plans need to be prepared for each of the next three financial years, commencing with 2019/20.
80. The financial plans prepared in respect of the financial years 2020/21 and 2021/22 are not to be mistaken for approved Budgets. They are, at this stage, only a guide for financial planning and as such subject to significant change as a result of decisions made by the Authority. However, such plans are required to be supported by an indication of future Council Tax. At this stage an assumption of Council Tax increases of just under 3% in 2019/20 and just under 2% thereafter.
81. The Authority must demonstrate that its spending plans comply with the Prudential Code by the publication of a number of performance indicators, which are known as the Prudential Indicators. ***Details of the prudential indicators for this Authority are provided below.***
82. The purpose of the indicators is to demonstrate that capital investment remains within sustainable limits and that the Authority has considered the impact of the whole plan on future levels of Council Tax. The indicators that will measure this are:-
- Estimates of the ratio of capital financing charges to the net revenue budget
 - Estimates of the precept that would result from the three-year capital plan.
 - Estimates of the capital financing requirement.
83. The prudential indicators for the Authority are:-

a) Capital Expenditure

The actual capital expenditure that was incurred in 2017/18 and the estimates of capital expenditure to be incurred for the current and future years that are recommended for approval are:

	Actual 2017/18	Estimate 2018/19	Estimate 2019/20	Estimate 2020/21	Estimate 2021/22	Estimate 2022/23	Estimate 2023/24
	£000,s	£000,s	£000,s	£000,s	£000,s	£000,s	£000,s
Capital Expenditure	10,159	13,545	17,680	7,945	4,072	4,199	2,584

Members will note that the increased expenditure in 2017/18 – 2019/20 reflects a number of significant investments including;

- The planned new fire stations in Prescot, St Helens, and Saughall Massie, £17.756m over the 2017/18 – 2018/19 period.

- Refurbishment of the Training and Development Academy of £4.854m 2018/19 – 2020/21
- New fire appliances spend of £4.672m over 2017/18 – 2021/22

This explains why the total expenditure in 2017/18 – 2020/21 appears to be relatively high. In addition it is important to remember capital costs are shown as the gross figure and are not shown net of any grants or contributions received to contribute towards the cost. More details on the capital programme are given elsewhere in the report (Section C).

(b) Ratio of Financing Costs to Net Revenue Stream

Estimates of the ratio of capital financing costs to net revenue stream (excludes capital amounts met from Government grants and specific funding) for the current and future years, and the actual figures for 2017/18 are:

	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Ratio of Financing costs to Net Revenue Stream	10.39%	12.81%	6.79%	7.91%	8.47%	9.07%	10.00%

This shows that forecast debt financing costs will increase from 10.4% in 2017/18 to 12.8% in 2018/19 reflecting the strategy to make additional MRP payments from any identified revenue savings in the years in order to free-up future debt servicing budget to invest in front line services. As stated previously the impact of the Government's decision to issue no new supported borrowing for CSR10 & CSR15 has meant all MRP calculations are now based on asset life and this has resulted in a steady increase on the ratio over the 2019/20 to 2023/24 period. Eventually the ratio will fall as historic debt is repaid and all other debt is paid off over the life of the asset. This is also affected by the fact that whilst the Authority's debt is increasing its overall budget is reducing because of forecast Government funding cuts.

(c) Effect on the Precept

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

	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Incremental Impact of Capital Investment Decisions	-£0.20	£1.43	£0.44	£0.29	-£0.10	£0.79

This indicator compares the capital programme set by the Authority in last year's budget process to the proposed revised capital programme submitted this year. It is intended to show the marginal impact of the overall capital programme, and the decisions being made by the Authority, on the Council Tax levels. The re-phasing of expenditure from 2018/19 into 2019/20 approved during the year and the new starts in 2019/20 – 2023/24 explains the movement in the figures over this period (some vehicle spend was re-phased from 2022/23 into 2023/24 during 2018/19 resulting in the negative figure in 2022/23).

84. The Capital Financing Requirement (CFR) measures the Authority's underlying need to borrow for capital investment purposes.
85. Based on current commitments for 2018/19 and the latest estimates of capital investment decisions in future years, the capital financing requirement at 31st March is as follows:

	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	31.3.19	31.3.20	31.3.21	31.3.22	31.3.23	31.3.24
	£000,s	£000,s	£000,s	£000,s	£000,s	£000,s
Capital Financing Requirement	46,368	51,882	53,076	53,504	53,863	52,032

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

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

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

87. The Authority had no difficulty in meeting this requirement as the Authority's CFR (excluding PFI) is expected to reach £53.504m by the end of 2021/22 and the expected maximum debt position, (the "operational boundary" – see Treasury Management Strategy) for 2021/22 is £50.000m. The reason for the borrowing figure being lower than the CFR figure reflects the availability of cash in the form of reserves to the Authority and therefore the ability to defer having to take out new loans for the short to medium term.

(F) TREASURY MANAGEMENT STRATEGY STATEMENT 2019/20

INTRODUCTION

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

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

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

PROPOSED STRATEGY

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

- The Treasury Management Strategy 2019/20.
- The External Debt and Treasury Management Prudential Indicators and Limits for 2019/20 to 2021/22.
- The Investment Strategy 2019/20.
- The Minimum Revenue Provision (MRP) Statement included in section D which sets out the Authority's policy on MRP.

TREASURY MANAGEMENT STRATEGY

90. The suggested strategy for 2019/20 in respect of Treasury Management is based upon treasury officers' views on interest rates supplemented by leading market forecasts. The strategy covers:-

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

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

(a) PROSPECTS FOR INTEREST RATES:

The Bank of England Monetary Policy Committee (MPC) increased the base rate by 0.25% to 0.75% at its meeting on 2 November 2018. This was the first time the base rate has been increased above 0.5% since the base rate was reduced to the historically low level in March 2009 as part of the monetary policy response to the financial panic of 2008. The MPC has since then put any further action on hold, probably until such time as the fog of Brexit clears and there is some degree of certainty of what the UK will be heading into. It is particularly unlikely that the MPC would increase the base rate in February 2019 ahead of the deadline in March for Brexit, if no agreement on Brexit has been reached by then. On the assumption that an orderly Brexit agreement is reached there is speculation that the MPC could return to increasing the bank rate in May 2019 but then hold fire again until February 2020. However, this is obviously based on making huge assumptions which could be confounded. In the event of a disorderly Brexit, then cuts in the base rate could well be the next move.

PWLB rates and gilt yields have continued to experience exceptional levels of volatility linked to geo-political, sovereign debt crisis and emerging market developments. Long Term PWLB rates peaked during quarter 3 of 2018/19 at 2.99% before falling sharply to a low of 2.59%, a spread of 40 bps in a relatively short period of time. The 50 year PWLB rate ended the quarter at 2.69%

The overall structure of interest rates has for some time meant that short term rates have remained lower than long term rates. In this scenario, the strategy will continue to be to reduce investments and borrow for short periods and possibly at variable rates when required. However, this needs careful review to avoid incurring higher borrowing costs in the future when the Authority may not be able to avoid new borrowing to finance capital expenditure and/or refinance maturing debt.

(b) CAPITAL BORROWING AND DEBT RESCHEDULING:

The borrowing requirement comprises the expected movements in the Capital Financing Requirement and reserves plus any maturing debt which will need to be re-financed. The Authority does not envisage that any new long term borrowing will be required in 2019/20. Given the likely structure of interest rates described above, it is envisaged that any borrowing to meet short term cash flow shortages will be for very short periods. Against this background, Treasury Officers will monitor the interest rate market and adopt a pragmatic approach to any changing circumstances.

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

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

(c) ANNUAL INVESTMENT STRATEGY

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

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

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

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

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

Specified investments will comprise the following institutions: -

- The UK Government (such as the Debt Management Account deposit facility, UK Treasury Bills or a Gilt with less than one year to maturity).

- Supranational bonds of less than one year’s duration.
- UK Local Authorities.
- Money Market Funds.
- Ultra-Short Duration Bond Funds.
- UK Banks.
- Foreign banks registered in the UK.
- Building Societies.

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

Long term credit rating A-

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

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

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

Investment Limits: - The credit ratings and individual limits for each institution within the categories of investments to be used by the Authority in 2019/20 are as follows:

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

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

Ways to increase investment returns have been considered including (a) reducing the minimum credit rating criteria from A- to BBB; (b) increasing the limits with individual institutions and (c) investing for periods longer than one year. Any of these ways would involve taking on additional risk because higher investment returns can only be achieved by taking higher risks. The decision not to do this but to continue with current policies was taken in the light of the Banking Reform Act which enables the Government to force investors to take losses if a bank became insolvent. It is now unlikely that the Government would fully fund a taxpayer bail-out of a failed bank.

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

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

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

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

Credit ratings are only the starting point when considering credit risk. The Code of Practice requires the Authority to supplement credit rating information with additional operational market information which will be applied before making any specific investment decision from the agreed pool of counterparties. Credit Default Swaps and negative rating watches/outlooks are examined and the financial press, internet and financial information systems are monitored for market information regarding its counterparties. It also receives daily e-mails from various market participants that

could identify potential problems. Any information that casts doubt on an institution's creditworthiness is acted on by suspending investment with that institution.

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

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

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

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

Yield: - The Authority's benchmark for investment returns is the 7 day LIBID rate.

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

(d) EXTERNAL DEBT PRUDENTIAL INDICATORS:

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

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

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

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

Authorised Limit for External Debt		2019/20	2020/21	2021/22
		£'000	£'000	£'000
Gross Borrowing		52,000	53,000	53,000
Other Long Term Liabilities		18,000	18,000	18,000
TOTAL		70,000	71,000	71,000

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

Operational Boundary for External Debt		2019/20	2020/21	2021/22
		£'000	£'000	£'000
External Borrowing		41,000	47,000	50,000
Other Long Term Liabilities		18,000	18,000	18,000
TOTAL		59,000	65,000	68,000

Actual External Debt: The prudential indicator for actual external debt considers a single point in time and hence is only directly comparable to the authorised limit and operational boundary at that point in time. Actual external debt is monitored during the year against the limits. It is forecast to be £37.6 million at 31st March 2019.

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

Balance Sheet Projections	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual	Estimate	Estimate	Estimate	Estimate
	£'m	£'m	£'m	£'m	£'m
Capital Financing Requirement	64.3	64.5	69.6	70.4	70.4
Less: PFI	(18.6)	(18.1)	(17.8)	(17.3)	(16.9)
Less:MRD	(0.3)	(0.3)	(0.2)	(0.2)	(0.2)
Borrowing CFR	45.4	46.1	51.6	52.9	53.3
Existing Debt Portfolio	38.1	37.6	37.3	36.9	37.9
Over(-)/Under borrowing	7.3	8.5	14.3	16.0	15.4
Borrowing as a % of CFR	83.9%	81.6%	72.3%	69.8%	71.1%

(e) TREASURY MANAGEMENT PRUDENTIAL INDICATORS:

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

- Upper limit on fixed interest rate exposures;
- Upper limit on variable interest rate exposures;
- Upper and lower limits for the maturity structure of borrowing;
- Total principal sums invested for periods longer than 364 days.

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

Upper Limits on Interest Rate Exposures		2019/20	2020/21	2021/22
		%	%	%
Fixed		100	100	100
Variable		50	50	50

This means that the Director of Finance will manage fixed interest rate exposures within the range 50% to 100% and variable interest rate exposures within the range 0% to 50% for 2019/20.

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

	Upper Limit	Lower Limit
Under 12 months	50%	0%
12 months and within 24 months	50%	0%
24 months and within 5 years	50%	0%
5 years and within 10 years	50%	0%
10 years and above	90%	0%

Total Principal Sums Invested for Periods Longer than 364 Days: It is recommended that the limit for investments of longer than 364 days be set at £2 million for each of the years 2019/20, 2020/21 and 2021/22.

(f) PERFORMANCE INDICATORS

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

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

- Borrowing – Average rate of borrowing for the year compared to average available.
- Investments – Internal returns compared to the 7 day LIBID rate.

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

Training - CIPFA's Code of Practice requires the Director of Finance to ensure that members with responsibility for treasury management receive adequate training in treasury management.

(g) TREASURY MANAGEMENT ADVISORS

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

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

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

(G) REVENUE FORECASTS 2019/20 – 2023/24

91. The Authority has in recent years maintained a robust medium term financial plan. The plan is fully reviewed on an annual basis and monitored and reported on a quarterly basis through the financial review reports to Members. This section of the report will develop a financial forecast for the Authority based upon the latest information. It will:-
- Outline the historical background to the current financial plan,
 - Outline the underlying assumptions to support forecast,
 - Outline any movement since the previously approved financial plan.
92. Following the financial crisis of 2008 the Government has implemented a programme of austerity and that has resulted in significant reductions in Government grant funding for the Authority since 2011/12.
93. The Authority approved plans to cope with the spending review cuts over the 2011/12 – 2015/16 period and approved £25.6m of total saving options. The structural changes required to sustain the approved saving have all been actioned bar the station merger programme which, as planned, would take a number of years to implement. The new Saughall Massie fire station is expected to be completed by the end of this financial year, and a detailed plan for a new station in St Helens is near completion.
94. In 2016/17 the Government offered and the Authority accepted a four-year funding settlement for 2016/17 to 2019/20. The cut in Government support and financial plan assumptions meant that at the Authority's 2016/17 Budget meeting it was facing an £11m financial challenge by 2019/20. The Authority approved a financial plan at the 2016/17 Budget meeting that would deliver the required savings to meet the challenge. Since then and as part of the budget setting process the financial plan has been updated for any changes to the key assumptions such as pay awards and the inclusion of additional years beyond 2019/20 have required the plan to be updated each year.
95. The 2018/19 plan approved a strategy that delivered based on the information at that time a balanced financial position for 2018/19 and 2019/20. Due to the significant uncertainty over future Government funding support beyond 2019/20 Members noted any financial challenges beyond 2019/20 and agreed to deal with any challenge once future funding became clearer. Currently the Government is preparing for the comprehensive spending review 2019 (CSR2019) to set the Government departmental spending limits for 2020/21 and possibly beyond. In addition to uncertainty around what CSR2019 will mean for the Authority other reviews are being carried out by the Government on how it assess relative need and the funding arrangements for fire and local authorities for implementation in 2020/21. An attempt has been made to prepare a MTFP for the next five years up to 2023/24 and the following paragraphs will consider what assumptions have been made.
96. The current plan relies upon the delivery of the savings and efficiencies approved by Members although most have already been delivered, but to assist Members a summary of the key efficiencies and savings are outlined overleaf:

	2019/20 £m
• 2016/17 – 2018/19 Pay Bill Increase of 1%, then 2% thereafter	-£0.8m
• Technical (<i>non-pay inflation, MRP, FPS etc</i>)	-£6.5m
• Council Tax Base increase / Precept Increase 3% 18/19 + 19/20	<u>-£2.3m</u>
• Non-Operational savings	-£9.6m
• Operational Service Savings (<i>up to 49 FF posts</i>)	<u>-£1.9m</u>
Total	-£11.5m

97. This report now advances the current plan to incorporate the years up to 2023/24. The proposed 2019/20 plan takes into account; the key assumptions; changes to costs and funding; and amendments to the approved saving options outlined at the Members Budget Strategy Day on 24th January 2019:-

Inflation - Pay & Prices Changes:-

98. The plan includes a contingency for pay awards and price increases in each year. This has been prepared using the following assumptions –

- In all years of the plan an annual increase in the pay bill of 2%,
- Assumes all other price inflation of 2% p.a.
- Members have indicated their commitment to reduce their own costs (previously Members have made reductions in allowances of £24,000) and the plan once again assumes a freeze in Member allowances for the eleventh consecutive year.

Pensions:-

99. The Government's concern over the cost of public pensions has not gone away despite introducing new schemes in 2014/15 and 2015/16 for the local government and firefighter pension schemes. The current plan takes account of:-

- The Merseyside Local Government Pension scheme (LGPS), which is a funded public pension scheme undertakes, a three year actuarial review. The next review will be undertaken in 2019 and will impact on 2020/21 and future years. The most recent indicative figures suggest an increase in employer rates to fund future service benefits and the Authority's employer rate may increase from 15.2% to 17.5% with effect from April 2020 adding £0.250m p.a. to the pay bill. The plan assumes this rate will be applied from 2020/21.
- As well as paying an employer contribution to cover the cost of current and future benefits, the Authority must make good any deficit in historic contributions. At the last actuarial review (2016) the fund was 85% funded. The Actuary indicated that a payment of just under £1m a year was required from the Authority for potentially the next 16 years to cover this deficit. The fund position can change with each actuarial review as the funds assets and liabilities can go up and down. Before Christmas 2018 the Actuary indicated the fund was approaching nearly a 100% funding level. The next valuation will be based on the situation as at 31 March 2019.
- In March 2016 the then Chancellor announced in the Government's 2016 Budget statement a reduction in the discount rate to be used in valuations of unfunded public service pension schemes with effect from 2019/20. A reduction in the discount rate has the effect of increasing the cost of future benefits and therefore increasing the total contribution required from employers. The Government has yet to announce the impact this will have on the various Firefighter Pension Schemes (FPS) but they have announced the "average" increase will be +12.6%, significantly above the 3% or

£0.600m p.a. assumed in the 2018/19 plan from 2019/20. A 12.6% increase is estimated at a £2.8m p.a. increase, £2.2m higher than expected. The Government will announce the actual rate increases at some point in the near future. For 2019/20 the Government will make a one-off grant payment of £2.6m or 90% of the additional cost, reducing the impact to £0.2m or actually a £0.4m favourable variance to the 2019/20 position assumed in the current plan. However, the Government have said future support will be built into the CSR2019 but they have not said how much. The proposed plan assumes the funding will reduce from the 2019/20 90% grant funding level to a 75% level that will be built into the general Government support the Authority receives.

- The FBU challenged the way the Government implemented the 2015 FPS and had some partial success in that the transitional protection arrangements introduced with the 2015 FPS were unlawfully discriminatory on grounds of age. Currently the impact on MTFP of any remedy is unknown and it is expected that the Government will try to appeal the decision. No provision has been built into the MTFP for any potential cost associated with this issue.

Review of Approved Saving Options:-

100. **£1.9m Operational Response saving** - The current plan includes the £1.9m operational response saving that resulted in a loss of 49 firefighter posts and changes to a number of duty systems. The budgeted establishment for firefighters is 620 FTE, however since Members approved this option a number of major fire incidents have occurred, particularly the Grenfell Tower Fire, Liverpool Arena Car Park fire and terror incidents in London and Manchester. The CFO has also considered the increased risk around Liverpool City centre and waterfront and the increasing demand being placed on protection services following the Grenfell Tower fire. As the CFO identified at the Members' budget strategy day he is recommending the firefighter establishment now be increased by 22 posts and a Fire Engineer post be created. This investment will require the identification of £1m from existing budgets, which will be considered in the next section of the report. The proposed supplementary IRMP for 2019 – 2021 elsewhere on today's agenda provides Members with more background on the growing risk and need for the increase in establishment and appliances and options for achieving the required cover. Therefore the plan will assume an increase in the firefighter establishment and a new Fire Engineer post, from late 2019 as it will take time to consult, recruit and implement the changes.
101. **£6.5m Technical and Support savings** – All savings are on track to be delivered but a small adjustment was required to reflect a minor re-phasing as the expected delivery date slipped for some options from 2018/19 to 2019/20.
102. **Council Tax income & Pay savings** – The council tax base increase have been slightly higher than the level set in the plan, up to and including 2019/20. Members amended the assumption around annual pay increases to 2% from 2018/19. The firefighter pay award for 2017/18 – 2019/20 has yet to be settled but the proposed plan has kept the assumption at 2%.

Firefighter Recruitment:-

103. Over the next eight years the Service is forecasting approximately 50% of the current firefighters will retire and leave the Service. By 2025 without any recruitment this would leave less than 300 competent firefighters.

It can take up to 2 years for a new firefighter recruit to become a competent firefighter. In order to maintain the operational establishment it will be necessary to continue with the strategy of recruiting in advance of the expected retirements and therefore exceed the budgeted establishment on a temporary basis. Between 2018 to 2025 the cost of recruitment in advance of retirements is likely to result in firefighter employee costs exceeding the budget by at least £3m. Members have agreed to the creation of a Recruitment Reserve to meet the recruitment of firefighters in advance of expected retirements. The use of the reserve and its adequacy will be monitored over the coming years.

Cost of Capital Borrowing:-

104. The revenue impacts of capital investment decisions and proposed 2019/20 – 2023/24 capital programme are included within forecasts. The plan also takes into account the proposed MRP policy discussed previously in section D. In addition as approximately 10% of the revenue budget is committed over the long term to service historic debt the MRP policy in this report sets a strategy of using any one-off savings or resources to make additional MRP payments with the view of freeing-up debt servicing budget in the near future to re-invest in frontline services.

Insurance Saving

105. The Authority's insurance requirements have recently gone out to tender and elsewhere on today's agenda the results of that process are outlined for Members consideration. The recommended tender will deliver a net saving of £0.1m and this has been taken into account in the proposed MTFP.

Resources Available:-

106. The Authority has two main sources **Government Funding** and **Council Tax**. In 2013/14 the Government reformed the Fire and Local Government funding system and introduced the Business Rates Retention scheme. The new system provides support in the form of a Revenue Support Grant (RSG) and Business Rates Baseline Funding (made up from local business rates and a top-up grant). The Government has delivered the reductions in support for local authorities and fire and rescue authorities by reducing RSG.

Government Funding:-

The Government have announced the indicative Settlement Funding Assessment (SFA) for the Authority in February 2018, and the 2019/20 settlement has now been confirmed at a marginally higher figure, £0.014m as the business rates annual uplift is slightly higher than anticipated. The Government also compensates the Authority by the payment of s31 grants for the loss of business rates due to Government discounts for small business rates and other adjustments. The 2019/20 s31 grants have increased by £0.2m and this has been built into the proposed plan as a permanent increase. In addition, based on the Merseyside district council local business rates forecasts for 2019/20, the Authority will receive an additional £0.007m above the amount estimated in the SFA.

In reality the format and level of Government funding from 2020/21 is unpredictable due the number of unknowns; the CSR2019 outcome; the future level of FPS support; the impact of the fair funding review; Brexit and many more issues. The proposed plan attempts to forecast future Government support beyond 2019/20 however, for the

reasons stated in the above, it is very challenging to forecast with any certainty the likely levels of support beyond 2019/20. That being said the plan assumes a 1.5% increase in the SFA on the basis the baseline element of the SFA, business rates, would go up by the September CPI increase each year. However, the Government may reduce the revenue support grant (or equivalent) if austerity continues beyond 2019/20 or fire is deemed a lower priority than other services for any growth in Government support.

Council Tax:-

107. The current plan assumes a Council Tax Base Increase of 1% year on year up to 2021/22. The actual increase in 2019/20 was +1.5%:-

District	2018/19 Council Tax Taxbase	2019/20 Council Tax Taxbase	Variance	
				%
LIVERPOOL	104,171.03	105,960.17	1,789.14	1.72%
WIRRAL	92,255.90	93,497.80	1,241.90	1.35%
ST.HELENS	50,563.00	51,317.00	754.00	1.49%
SEFTON	82,939.50	84,077.30	1,137.80	1.37%
KNOWSLEY	35,093.00	35,822.00	729.00	2.08%
	365,022.43	370,674.27	5,651.84	1.55%
2018/19 Band D Tax Level	76.56	76.56		
Total Income £	27,946,117	28,378,822	432,705	1.55%

This means that for each £1 of Council Tax the level of income will be greater than that generated in 2018/19 by £5,651.84. The result of this is that the income from the current level of Council Tax is anticipated to be higher by £432,705 (this is assumed to be a permanent increase). The current plan had assumed a 1% or £0.279m increase, therefore the actual increase has resulted in additional tax income of £0.154m.

The Government announced last year that for 2018/19 and 2019/20 the maximum level of increase in Council Tax before holding a referendum will be **just under 3%** (previously 2%). Members agreed at 2018 and 2019 budget strategy days to include a precept increase of just under 3% for 2018/19 and 2019/20 and this has been assumed in the proposed plan. The plan also assumes that Members will uplift the Precept by just under 2% in 2020/21 and each year up to 2022/23 on the basis the referendum limit reverts back to its previous limit. A just under 3% increase for 2019/20 will see the Band D precept increase from £76.56 to £78.84, an increase of £2.28. The precept increase will raise an additional £0.845m in 2019/20.

District	2019/2020 Council Tax Taxbase	2019/2020	2019/20	2019/20
		Band D Precept NO Change	Band D Precept <3%	Change
		£76.56	£78.84	£2.28
		£	£	£
LIVERPOOL	105,960.17	8,112,311	8,353,900	241,589
WIRRAL	93,497.80	7,158,192	7,371,367	213,175
ST.HELENS	51,317.00	3,928,829	4,045,832	117,003
SEFTON	84,077.30	6,436,958	6,628,654	191,696
KNOWSLEY	35,822.00	2,742,532	2,824,206	81,674
	370,674.27	28,378,822	29,223,959	845,137

Each billing authority maintains a collection fund account to which any surplus or deficit in the actual collected council tax or local business rate income to that assumed in the budget is charged. The Districts of Merseyside have reviewed their collection funds and identified the proportion of any surplus or deficit attributable to the Authority. The results are set out in the tables below and show a net surplus of £238,554. This impact is a one-off.

District	2018/2019 Council Tax Coll fund deficit/ (surplus)	District	2018/2019 NDR Coll fund deficit/ (surplus)	District	2018/2019 Coll fund deficit/ (surplus)
	£		£		£
LIVERPOOL	-79,388	LIVERPOOL	-36,864	LIVERPOOL	-116,252
WIRRAL	-26,078	WIRRAL	-691	WIRRAL	-26,769
ST.HELENS	-16,283	ST.HELENS	-9,081	ST.HELENS	-25,364
SEFTON	-49,587	SEFTON	-17,679	SEFTON	-67,266
KNOWSLEY	5,000	KNOWSLEY	-7,903	KNOWSLEY	-2,903
	-166,336		-72,218		-238,554

OVERALL IMPACT

108. The overall impact of all these changes to the 2018/19 MTFP is that the Authority maintains a balanced position for 2019/20, but faces a potential financial challenge of **£0.844m in 2020/21 rising to £1.378m by 2023/24:-**

Changes from 2018/19 MTFP						
	2019/20	2020/21	2021/22	2022/23	New Year	
	£'m	£'m	£'m	£'m	2023/24	
	£'m	£'m	£'m	£'m	£'m	
2018/19 MTFP net position	0.000	0.041	0.214	0.635	0.635	
New Year (inflation)					1.200	
New Year 2% precept increase yield					-0.633	
FPS Government Actuary adjustment (discount rate adj.)	2.200	2.200	2.200	2.200	2.200	
2019/20 Gov Grant for above	-2.592	0.000	0.000	0.000	0.000	
CSR2019 Estimated funding for above	0.000	-2.100	-2.100	-2.100	-2.100	
2019 LGPS Actuarial Review - Estimated Employer rate increase 15.2% to 17.7%	0.000	0.250	0.250	0.250	0.250	
Increase FF Establishment +22 FTE & Fire Engineer Post	0.250	1.000	1.000	1.000	1.000	
Increase in s31 Grant for Bus Rates Adj.	-0.200	-0.200	-0.200	-0.200	-0.200	
New Insurance contact - Saving	-0.100	-0.100	-0.100	-0.100	-0.100	
Settlement Funding Assessment - 19/20 Increase	-0.014	-0.014	-0.014	-0.014	-0.014	
Forecast SFA 2020/21 adjustment (2018/19 to 2019/20 plan)		-0.066	-0.131	-0.195	-0.679	
Local Business Rates yield adjustment	-0.007					
Collection Fund Surplus	-0.238					
Higher Tax Base Increase impact (£0.154m) & Impact on Precept yield (£0.003m)	-0.157	-0.157	-0.157	-0.157	-0.157	
C T Base increase impact on Future Income forecast		-0.010	-0.021	-0.024	-0.024	
Increase MRP based on one-off favourable position	0.858					
Overall Impact	0.000	0.844	0.941	1.295	1.378	

109. Members have previously been advised simply to note any challenge beyond 2019/20 due to the uncertainty over Government support. As Members' supported the CFO's request to include the re-investment of £1m back into frontline response and protection services this has been built into the proposed plan from late 2019. At the Budget Strategy day it was agreed that this investment would be built back into the plan subject to the Director of Finance identifying budget to cover this investment. Therefore the next section of this report looks at how this can be achieved over the 2019/20 – 2020/21 period and built into the 2019/20 MTFP on a permanent basis.

110. The updated financial plan before any new savings are put forward to cover the £1m investment is outlined in the table overleaf:-

2019/20 - 2023/24 FINANCIAL PLAN FUNDING INCREASE +1.5% post 2019/20					
	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000
2018/19 MTFP	59,866	61,175	62,650	64,100	64,100
EXPENDITURE - 2019/20 issues:-					
2023/24 Inflation Provision					1,200
Increase in Gov Unfunded Pension Discount above 3%/£600k assumed	2,200	2,200	2,200	2,200	2,200
Gov Funding for the above	-2,592				
Gov Funding for the FPS discount assumed from 2020/21 (CSR 2019)		-2,100	-2,100	-2,100	-2,100
2019 Actuarial review of LGPS: employer rate 15.2% to 17.7%		250	250	250	250
Increase in MRP from one-off additional resources	858	0	0	0	0
Increase FF Establishment +22 Posts / Fire Engineer	250	1,000	1,000	1,000	1,000
Increase in Sec 31 grants for national 2019/20 Business Rate relief(s)	-200	-200	-200	-200	-200
New Insurance Tender - Price saving	-100	-100	-100	-100	-100
2019/20 Updated MTFP	60,282	62,225	63,700	65,150	66,350
FUNDING					
Government Funding-Settlement Funding Assessment:					
Top Up Grant	-15,586				
CLG Estimate of Local Business Rate Share	-4,227				
Baseline Funding Level	-19,813				
RSG	-11,000				
Settlement Funding Assessment	-30,813	-30,813	-30,813	-30,813	-30,813
Assume Uplift in SFA by 1.5% p.a. from 2020/21		-462	-931	-1,407	-1,891
Assumed Government Funding-Settlement Funding Assessment	-30,813	-31,275	-31,744	-32,220	-32,704
Adjustment for Business Rates based on NNDR1 District Forecasts					
Adjustment for Local Business Rate income forecast from Districts	-7	0	0	0	0
NNDR Collection Fund (surplus)/deficit	-72	0	0	0	0
Adjustment to Local Business Rates income forecast	-79	0	0	0	0
Council Tax -					
Base Precept Income	-29,224	-29,224	-30,106	-31,015	-31,635
Assume increase in Council Tax Base of 1.0% each year from up to 2021/22		-292	-301	0	0
Assume just under 3% rise year on year in 2019/20 then 2% thereafter		-590	-608	-620	-633
Council Tax Collection Fund (surplus)/deficit	-166	0	0	0	0
Forecast Council Tax Income	-29,390	-30,106	-31,015	-31,635	-32,268
TOTAL FUNDING	-60,282	-61,381	-62,759	-63,855	-64,972
Forecast (Surplus) / Deficit	0	844	941	1,295	1,378

111. Section H of this report will now consider what saving options are available to the Authority to meet the £1m investment in frontline response and protection.

(H) Options for Tackling the Future Financial Challenge (2019/20 – 2023/24)

112. The Budget Authority on the 22nd February 2018, CFO/004/18, approved saving options to deal with the financial challenge up to 2019/20 arising from Government funding reductions. Section G of this report has updated members on any changes to the approved plan and confirmed that the proposed plan for 2019/20 maintains a balanced position. However, as the updated plan now has built in the £1m re-investment into frontline services this section needs to consider how this will be funded.
113. To assist with the Authority's long term financial planning a five year plan has been prepared that extends the current approved plan up to and including 2023/24. As the level of uncertainty over future costs and funding is significant beyond 2019/20, particularly regarding the level of future Government support, Members are asked to simply note any financial challenge outside the £1m investment funding issue. The uncertainty over future Government funding is so significant it is impossible to rationalise any decisions that may have an adverse impact on services that keep the Merseyside community safe from fire risk. Future Budget Authority meetings will consider the challenge beyond 2019/20 as the financial information becomes more certain.
114. Before looking at any areas of potential savings it is important to remember that the Authority has agreed a number of Value for Money Principles that have underpinned its approach to budgets and financial plans in recent years. They are:-

Value for Money Principles (Budget Principles):

Principle 1 – Allocate resources in a way that contributes towards the achievement of MFRA's Mission, Aims and Values

Principle 2 – To continue to seek to avoid compulsory redundancy (if possible given the difficult financial circumstances)

Principle 3 – To choose budget options which minimises negative impact on the front line services or on firefighter safety

Principle 4 – To consider budget approaches which ensure the right balance between local and national funding levels and considers the views of local people on the right level of council tax balanced against aspirations for service levels

Principle 5 – To allocate resources having considered the impact on our diverse communities and our employees.

115. Officers have considered the saving options available in light of;
- the Value for Money Principles,
 - the views of the Members at the Budget Strategy day, and
 - the Service's savings hierarchy that seeks to protect the front line services by looking at possible saving options in the following order of priority:-
 - a. To consider technical and non-employee saving options in the first instance,
 - b. Review council tax income forecasts,

- c. Consider savings targets as far as possible on Support and Management Costs, and finally,
- d. Choosing efficiencies in front line staffing arrangements that minimise the impact on front line services to the public.

116. **Identification of £1m Budget to fund frontline response & Protection Investment:-**

Non-Employee and Technical saving options.

117. **Pay & Price Inflation** – Pay pressure is growing after years of pay freezes or limited increases of 1%. While the current plan assumption of 2% p.a. is probably on the lower side of employees' expectations any opportunity to reduce the assumption below 2% is felt to be unrealistic.
118. **Non-employee Budgets** – since 2010/11 most of these budgets have been reduced or frozen at historic levels. As the 2018/19 MTFP included a £0.426m saving from non-employee support services budgets with effect from 2019/20, it may be prudent at this point to see if this and previous cuts to these budgets are sustainable before considering further additional savings at this point.
119. Repayment and servicing of historic debt associated with borrowing for capital investment – **Minimum Revenue Provision (MRP)**. Historic borrowing and planned future new borrowing of £21.4m (based on the 5 year capital programme) means the Authority has a capital financing requirement (CFR) of approximately £50m. Because the Authority holds reserves, grants unapplied, and other cash it has been able through an effective treasury management strategy to keep actual borrowing to £38m and use internal cash as a temporary funding source. In addition any savings on interest payments or other capital servicing costs have been used to make additional MRP payments, basically paying debt off early. The MRP statement in section D of this report is now recommending Members use any future identified one-off savings to make additional MRP payments. This approach will hopefully result in the annual £6m revenue budget committed for MRP and interest payments being reduced in the near future and contribute towards any required re-investment in the front line services. Members are asked to support this strategy. **An estimate of £0.150m to £0.250m can be freed-up from the MRP budget from 2020/21 to go towards the CFO's £1m ask.**
120. **Local Government Pension Scheme – MFRA annual deficit payments.** Based on the **2016** actuarial assessment the LGPS was approximately **85% funded** (it needs to be 100% as it is a fully funded scheme). The Authority was assessed as having a potential £16m deficit on historic benefits and had to pay this off through a payment of approximately £1m p.a. over the next 16 years. This annual deficit payment has been built into the 2020/21 budget and future years at a provision of £0.84m. The next actuarial review will be carried out during 2019 and will assess the value of the fund's assets and expected liabilities as at 31.03.19. The Actuary has indicated the fund may be closer to 100% funded, but this may change when the assessment has been completed, or, at some future point as it will reflect the fund's assets and liabilities value at that time. If the improved situation is confirmed when the 2019 actuarial review has been completed in early 2020 then potentially it may be possible to free-up the £0.84m deficit payment budget. The Director of Finance will commence discussions with the Actuary over the next 12 months to consider if this is feasible. The Actuary has a statutory duty to ensure the fund is fit for purpose and may view the fund needs to be

+100% funded to cover the risk from an adverse performance in the fund's asset value. Indicative estimates suggest a one-off payment between £2m - £6m, (this will be credited to the Authority's LGPS fund) may be required to cover any risk from increased liabilities or reduction in asset value. **Members are asked to support the assumption that the £0.84m LGPS deficit payment budget can be freed-up and any one-off payment to the fund (£2m - £6m) can be covered from the capital reserve (see next section on reserves).**

Council Tax – Precept Increase.

121. The Financial Plan assumes a just below 2% council tax increase for 2020/21 and future years which is expected to be the maximum level of increase before holding a referendum. The referendum limit will not be known before the 2020/21 local government settlement announcement in December 2019.

The Authority might consider a **higher (above 2%) Council Tax increase** in future years but this would require the Authority to hold a referendum (local vote on its proposals). There are a number of practical issues relating to a potential referendum that would make it a high risk proposition. The Authority has to meet the costs of the referendum that would need to hold one in each district and get a positive vote in each (Estimate £1m-2m). The Authority would have to meet the cost of rebilling if it were not successful (potentially as high as +£1m) and would still have to find the required savings to balance the budget. There are administrative limitations on the process and campaigning around any referendum which would limit the ability to present a comprehensive argument. There would be a substantial impact on the taxpayer

Therefore the assumption is that Members would want to keep future Precept increases to within the council tax referendum limit, just under 2%, (1.99%), as currently reflected in the updated MTFP.

122. Support Services and Management Costs

The proposed plan assumes the 2019/20 £0.426m saving approved as part of the 2018/19 MTFP is achievable. The Senior Leadership Team have made the necessary changes to support services to deliver this saving.

123. Operational Response Staff Savings.

The £1.9m operational response saving that reduced the firefighter establishment to 620 FTE and necessitated a number of changes to duty systems at various stations and the availability of appliance numbers has been implemented. Obviously the investment of £1m back into frontline response means the CFO can consider how best to use the additional firefighter and appliance provision. The supplementary 2019 – 2021 IRMP outlines those options and will go out for the relevant consultation before the preferred option is implemented at some point in 2019.

124. The financial plan assumptions are subject to a number of risks beyond the control of the Authority. Small percentage changes to the assumed annual pay rises or employer pension contribution rates can significantly adversely impact the Authority's financial position, requiring the identification of additional saving options. Also future Government settlements will impact on the Authority's ability to deliver the service it believes is required to protect the Merseyside community. The Director of Finance will constantly

monitor the financial plan and report back to the Authority via the quarterly financial monitoring reports if any action is required by the Authority to amend or adjust the proposed MTFP or put the £1m investment at risk.

125. The proposed financial plan for 2019/20 – 2023/24 is summarised in the table overleaf and attached to this report as Appendix C.

2019/20 - 2023/24 FINANCIAL PLAN FUNDING INCREASE +1.5% post 2019/20

	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000
2018/19 MTFP	59,866	61,175	62,650	64,100	64,100
EXPENDITURE - 2019/20 issues:-					
2023/24 Inflation Provision					1,200
Increase in Gov Unfunded Pension Discount above 3%/£600k assumed	2,200	2,200	2,200	2,200	2,200
Gov Funding for the above	-2,592				
Gov Funding for the FPS discount assumed from 2020/21 (CSR 2019)		-2,100	-2,100	-2,100	-2,100
2019 Actuarial review of LGPS: employer rate 15.2% to 17.7%		250	250	250	250
Increase in MRP from one-off additional resources	858	156	59	0	0
Anticipated reduction in MRP / LGPS Deficit budget requirement		-1,000	-1,000	-1,000	-1,000
Increase FF Establishment +22 Posts / Fire Engineer	250	1,000	1,000	1,000	1,000
Increase in Sec 31 grants for national 2019/20 Business Rate relief(s)	-200	-200	-200	-200	-200
New Insurance Tender - Price saving	-100	-100	-100	-100	-100
2019/20 Updated MTFP	60,282	61,381	62,759	64,150	65,350
FUNDING					
Government Funding-Settlement Funding Assessment:					
Top Up Grant	-15,586				
CLG Estimate of Local Business Rate Share	-4,227				
Baseline Funding Level	-19,813				
RSG	-11,000				
Settlement Funding Assessment	-30,813	-30,813	-30,813	-30,813	-30,813
Assume Uplift in SFA by 1.5% p.a. from 2020/21		-462	-931	-1,407	-1,891
Assumed Government Funding-Settlement Funding Assessment	-30,813	-31,275	-31,744	-32,220	-32,704
Adjustment for Business Rates based on NNDR1 District Forecasts					
Adjustment for Local Business Rate income forecast from Districts	-7	0	0	0	0
NNDR Collection Fund (surplus)/deficit	-72	0	0	0	0
Adjustment to Local Business Rates income forecast	-79	0	0	0	0
Council Tax -					
Base Precept Income	-29,224	-29,224	-30,106	-31,015	-31,635
Assume increase in Council Tax Base of 1.0% each year from up to 2021/22		-292	-301	0	0
Assume just under 3% rise year on year in 2019/20 then 2% thereafter		-590	-608	-620	-633
Council Tax Collection Fund (surplus)/deficit	-166	0	0	0	0
Forecast Council Tax Income	-29,390	-30,106	-31,015	-31,635	-32,268
TOTAL FUNDING	-60,282	-61,381	-62,759	-63,855	-64,972
Forecast (Surplus) / Deficit	0	0	0	295	378

(I) ADEQUACY OF RESERVES AND BALANCES

126. Responsibilities of Chief Finance Officers - Under Part 2 of the Local Government Act 2003, the Chief Finance Officer of an Authority is now required to comment on the following matters:

- the robustness of the estimates made for the purposes of determining its Budget Requirement for the forthcoming year;
- the adequacy of the proposed financial reserves.

127. There is then a requirement for the Authority to have regard to the report of the Chief Finance Officer when making decisions on its Budget Requirement and level of financial reserves.

128. In the Authority the Chief Finance Officer is the Director of Finance. For the purposes of the Act the “financial reserves” of the Authority would incorporate Committed Reserves and Working Balances.

129. To make a final judgement on these issues it will be necessary to consider the proposed budget decisions of the Authority in the light of this budget report.

Robustness of Estimate

130. To fully satisfy the Chief Finance Officer any proposed Budget or amendment should therefore:-

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

Adequacy of proposed Financial Reserves

131. Under the 2003 Local Government Act the Secretary of State may enact Regulations that define certain types of “controlled reserves” and the minimum level for those Reserves. At the time of preparing this report the Secretary of State has not enacted any such Regulations.

132. However, the 2003 Act still places a requirement upon the Chief Finance Officer to report if the level of reserves is likely to be inadequate. That report should contain comment upon:
- the reasons for that situation
 - the actions, if any, considered appropriate to prevent the situation arising.
133. There is then a requirement for the Authority to respond to the report when making decisions on its future financial reserves.

Fire and Rescue National Framework for England

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

General Revenue Reserve £2m (3% of Revenue Budget)

135. In recent years the Authority has maintained a general revenue reserve of £2m. As a general rule external audit view an appropriate level for a general reserve as **5%** of the forecast Net Operating Expenditure unless the organisation had a financial risk management process operating which justified a lower level of reserves. In addition the Fire and Rescue National Framework requires a statement within the reserves strategy outlining the justification for a general reserve larger than 5%.
136. For this Authority, a 5% forecast Net Operating Expenditure equates to approximately £3m. However, a £2m reserve is felt to be adequate as:-
- The Authority's has a comprehensive risk management strategy (Corporate Risk Register) that identifies all material risks and reports these and the mitigating arrangements via a quarterly report to members.
 - The Authority maintains a number of specific committed reserves against risk, for example inflation and self-insured claims.
 - The Authority is a single purpose entity and does not face as full a range of risks to manage as a multi-purpose local authority.
 - The Authority is unlikely to face significant increases in cost because of uncontrollable demand lead service issues (for example Social Services care for the elderly).
 - Members will note that the Authority's revenue reserves have not generally been consumed during the year by overspending but have been maintained throughout the year.

Therefore, as the significant risks are known and are being managed or have a specific reserve, the Director of Finance (Chief Finance Officer) recommends **maintaining the general reserve at its current £2.000m level.**

Committed (Earmarked) Reserves

137. The Authority has created these reserves for specific purposes and involve funds being set aside to meet known or predicted future liabilities or risks. The CFO has outline the need to re-invest in frontline response and protection services and is looking to free-up

£1m of budget from existing debt servicing and LGPS budgets as outlined previously in this report. To this end the Director of Finance has carried out a review of current reserves based on the latest financial review and known planned future use of the Authority's forecast reserves. The proposed reserves for 2019/20 and future years are outlined below and the planned use over the MTFP in the table at the end.

- **Capital, Debt Repayment and LGPS Reserve, £14.4m** - £8.4m of the reserve is committed to fund the remaining station merger work relating to a new fire station in St Helens and the refurbishment of the TDA. The balance, £6m has been committed to fund the LGPS deficit (potentially up to £10m but the figure is subject to the 2019 actuarial review and may reduce significantly if the Fund's asset valuation continues to improve - a figure of £6m is the current worst case scenario). Without the reserve the Authority would have to borrow to fund the new St Helens station and TDA works meaning an increase in the debt servicing budget (currently £6m), and, continue to pay the LGPS deficit over the next 10 plus years at up to £1m p.a.
- **Recruitment Reserve, £3.0m** - Given over 50% of the current firefighters will retire over the next 5 to 8 years the Authority is currently planning to recruit in advance of these employees leaving over this period. This means the firefighter establishment will be on average +20 FTE above the budgeted establishment at a potential +£0.7m p.a. This reserve may need to be increased over the next 5 years.
- **PFI Annuity Reserve, £2.0m** - PFI schemes have an affordability gap (existing budget plus grant never covers the proposed total cost of the scheme). As grant is paid in advance of the full PFI scheme being completed PFI authorities therefore receive "excess" grant relative to the unitary charge payments at the beginning of the scheme. This available grant is put into a reserve and is then drawdown to smooth out the affordability gap over the life of the PFI. This reserve provides the Authority with that resource and will be fully utilised over the PFI life.
- **Inflation Reserve, £0.7m** - This reserve provides some resilience if the key assumption in the Budget & Financial Plan around pay and price inflation of 2% p.a. proves to be too low. The current 2017/18 - 2019/20 firefighter pay claim is for 17% over this period. For each additional 1% it would require a permanent budget increase of £0.4m p.a. This reserve would hopefully allow the Authority time to identify and implement any new savings to fund the pay award if it exceeded they level assumed in the plan.
- **Invest to Save Reserve, £0.6m** - This reserve was established to pump prime efficiency initiatives required to deliver longer term savings. The reserve will fund a temporary increase in the Applications team up to 2021/22 in order to facilitate the development of in-house applications that will reduce staff administration support costs in the future.
- **Insurance Reserve, £0.5m** - The Authority has a number of insurance premiums that require it to cover an excess, (£250k on employee & public liability, £10k on vehicles). Based on recent claims history this reserve has been established as a

contingency to cover those costs that can't be contained within the base revenue budget.

- **Smoothing Reserve, £0.5m** - This reserve was created to allow the Authority the time to re-engineer the Service and deliver future saving options if future Government funding is less than anticipated. Currently the 2020/21 and future years Government funding is unknown and is subject to a spending review, funding mechanism review, and change to the current Business Retention funding mechanism. This level of uncertainty means the Authority may face significant future funding cuts but with little time to manage any required budget reductions. By having the reserve the Authority may be able to avoid compulsory redundancies.
- **Equipment & Clothing Reserve, £0.4m** - These reserves reflect those planned projects or invests that had been budgeted for but not completed in the anticipated year and therefore the budget has been carried forward. The refresh of firefighter personal protective equipment (PPE), £0.3m, and operational equipment, £0.1m, is expected to be finalised over the next 12 months.
- **Bellwin & Emergency Planning Reserve, £0.2m** - The Bellwin scheme is intended to reimburse the eligible cost of local authority actions taken in the immediate phase of an emergency. The Government expects councils to cover costs themselves up to a certain level - an individual authority is required to have spent 0.2% of its calculated annual budget on works that have been reported. This reserve is held as a contingency in order to provide the Authority with the funds to meet those cost not deemed to be eligible for grant support and any other emergency planning costs.
- **Training Reserve, £0.2m** – The Authority intends to take on significant numbers of firefighter recruits over the next few years. This reserve has been created to ensure the base revenue training budget can be flexed upwards if training demands exceed the available budget.
- **Ill Health Penalty Reserve, £0.2m** - Any firefighter ill health retirement results in a one-off charge to the Authority of either 2 or 4 times the relevant salary. This charge is currently spread over three years and the reserve is used to ensure the cost can be contained within the revenue budget provision.
- **Ringfenced Reserves, £0.5m** - External grants / contributions have been received to fund specific projects (Prince's Trust, Local Authorities funds for community initiatives). This reserve ensures the funds are brought forward until they have been fully spent.

138. The anticipated planned use over the MTFP is outlined in the table overleaf:-

	Estimated 2019/20 Opening Balance	Estimated 2019/20 Expected Use	Estimated 2020/21 Expected Use	Estimated 2021/22 Expected Use	Estimated 2022/23 Expected Use	Estimated 2023/24 Expected Use	Estimated Future Years Expected
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Committed Reserves							
Emergency Related Reserves							
Bellwin & Emergency Planning Reserve	222	0	0	0	0	0	222
Insurance Reserve	500	0	0	0	0	0	500
Modernisation Challenge							
Smoothing Reserve	450	0	-450	0	0	0	0
Ill Health Penalty Reserve	150	0	-75	-75	0	0	0
Recruitment Reserve	3,000	-300	-600	-600	-600	-600	300
Invest to Save	636	-300	-300	-36	0	0	0
Capital, Debt Repayment and LGPS Res	14,414	-5,914	-8,500	0	0	0	0
Specific Projects							
PFI Annuity Reserve	2,001	-200	-220	-240	-260	-1,081	0
Healthy Community Reserve	65	-38	-27	0	0	0	0
Equipment & Clothing Reserve	369	-369	0	0	0	0	0
Training Reserve	150	-50	-50	-50	0	0	0
Inflation Reserve	700	0	0	0	0	0	700
Ringfenced Reserves							
Princes Trust Reserve	121	-61	-60	0	0	0	0
Community Risk Management Reserve	325	-125	-100	-100	0	0	0
Energy Reserve	19	-10	-9	0	0	0	0
Total Committed Reserves	23,122	-7,367	-10,391	-1,101	-860	-1,681	1,722
General Revenue Reserve	2,000	0	0	0	0	0	2,000
Total Reserves	25,122	-7,367	-10,391	-1,101	-860	-1,681	3,722

139. The Director of Finance recommends that the Authority hold the £25.122m identified above in reserves at the start of the financial plan.

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

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

(J) BUDGET TIMETABLE & RESOLUTION

141. There is a legal requirement for the Authority to set a balanced budget and decide its level of precept before 1st March 2019. The Authority meeting is now invited to:

- Confirm the financial plan set out in Appendix C, approve the budget requirement of £60.282m for 2019/20 as outlined in Appendix C.
- note that the Authority's council tax base for 2019/20 is 370,674.27, being the aggregate of the tax bases calculated by the Districts.
- approve the following amounts calculated in accordance with Sections 42a to 49 of the Local Government Finance Act 1992:-

Calculation of Aggregate Amounts Under Section 42a (2) and (3) of the Local Government Act 1992					
			Gross Expenditure 2019/20	Gross Income 2019/20	Estimate 2019/20
			£'000	£'000	£'000
(A)	sec 42 (2) (a)	Service Budget	84,760		84,760
(B)	sec 42 (3) (a)	Income		-20,201	-20,201
		Reserves Movement:			
(A)	sec 42 (2) (c)	Contribution to reserves	40		40
(B)	sec 42A (3) (a)	Contribution from reserves		-4,317	-4,317
		Budget Requirement	84,800	-24,518	60,282
(B)	sec 42A (3) (a)	Spending Funding Assessment		-30,813	-30,813
(B)	sec 42A (3) (a)	Local NNDR Estimate Adjustment		-7	-7
(B)	sec 42A (3) (a)	Collection Fund Deficit / (Suplus)		-238	-238
		Non-Precept Income		-31,058	-31,058
(C)	In accordance with Sec 42A (4), aggregate of (A) over (B)	Precept Requirement			29,224
		Tax Base			370,674.27
		Precept Requirement / Tax Base:			£78.84
		Basic Tax Amount At Band 'D'			£78.84

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

2018/19	2019/20	Property Band		Increase	
	£			£	%
£51.04	£52.56	For properties in Band	A	1.52	2.98
£59.55	£61.32	For properties in Band	B	1.77	2.97
£68.05	£70.08	For properties in Band	C	2.03	2.98
£76.56	£78.84	For properties in Band	D	2.28	2.98
£93.57	£96.36	For properties in Band	E	2.79	2.98
£110.59	£113.88	For properties in Band	F	3.29	2.97
£127.60	£131.40	For properties in Band	G	3.80	2.98
£153.12	£157.68	For properties in Band	H	4.56	2.98

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

PRECEPT		AUTHORITY
£		
8,353,900	Payable by	LIVERPOOL
7,371,367	Payable by	WIRRAL
4,045,832	Payable by	ST.HELENS
6,628,654	Payable by	SEFTON
2,824,206	Payable by	KNOWSLEY
29,223,959		

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

Thursday	18 th April 2019
Thursday	30 th May 2019
Friday	5 th July 2019
Monday	12 th August 2019
Wednesday	18 th September 2019
Thursday	24 th October 2019
Friday	29 th November 2019
Thursday	9 th January 2020
Friday	14 th February 2020
Tuesday	17 th March 2020

Equality and Diversity Implications

145. Future reports on staff saving plans, if required, will be accompanied by EIAs.

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

Staff Implications

147. The relevant consultation will take place as and when the plans are drawn up to deliver the required staffing change to deliver the reduction in support staff and firefighters.

Legal Implications

148. The Authority must act in accordance with its powers and duties under the legislation which includes setting a balanced budget and deciding the level of precept prior to 1st March 2019.

Financial Implications & Value for Money

149. See Executive Summary

Risk Management, Health & Safety, and Environmental Implications

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

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

151. To Achieve; Safer Stronger Communities - Safe Effective Firefighters. The proposed financial plan considers how best to allocate resources and deliver a balanced budget in light of the approved mission of the service and service priorities.

BACKGROUND PAPERS

CFO/004/18 “MERSEYSIDE FIRE AND RESCUE AUTHORITY BUDGET AND FINANCIAL PLAN 2018/2019 – 2022/2023” Budget Authority 22nd February 2018

GLOSSARY OF TERMS

MFRA	M erseyside F ire and R escue A uthority
MFRS	M erseyside F ire and R escue S ervice
CFR	Capital Financing Requirement – measures the amount of capital spending that has not yet been financed by capital receipts, capital grants or contributions from revenue income. It measures the underlying need to borrow for capital purpose, although this borrowing may not necessarily take place externally (use of available cash etc.).
MRP	Minimum revenue provision, an amount set aside from revenue towards the repayment of loan debt.
RESERVES	Amounts set aside to meet future contingencies but whose use does not affect the Authority’s net expenditure in a given year. Appropriations to and from reserves may not be made directly from the revenue account.

UNSUPPORTED BORROWING	No Revenue Support Grant to cover the costs associated with borrowing and the Authority must earmark revenue funds to cover these costs.
RSG	Revenue Support Grant
FRA	Fire and Rescue Authority
MTFP/ PLAN	Medium Term Financial Plan
FPS	Firefighters' Pension Scheme
LGPS	Local Government Pension Scheme
PWLB	Public Works Loans Board
MPC	Monetary Policy Committee

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2019/20 DRAFT SUMMARY REVENUE BUDGET ANALYSIS

		2019/20
		£'000
Budget Requirement		
Fire Service		62,711
Corporate Management		486
NRAT MFRS Lead Authority (Budget Neutral)		0
Contingency for Pay/Price Changes		1,534
TOTAL SERVICE EXPENDITURE		64,731
Interest on Balances		-172
NET OPERATING EXPENDITURE		64,559
Contribution to/(from) Reserves:		
Capital Investment Reserve		-3,993
PFI Annuity Reserve		-91
Energy Reseve		40
Invest to save Reserve		-233
		-4,277
BUDGET REQUIREMENT		60,282
Funding:		
Settlement Funding Assessment		-30,813
Business Rates Adjustment		-7
Collection Fund Deficit		-238
Precept Income		-29,224
		-60,282

2019/20 DRAFT FIRE SERVICE REVENUE BUDGET

		2019/20
EMPLOYEES		£'000
Uniformed		
Firefighters		30,844
Control		1,338
Additional Hours		1,938
	TOTAL UNIFORMED	34,120
APT&C and Manual		
APT&C		9,386
Tender Drivers		118
Catering		175
Transport Maintenance		589
Hydrant technicians		55
	TOTAL APT&C/MANUAL	10,323
Other Employee Expenses		
Allowances		62
Training Expenses		454
Other Expenses		29
Development Expenses		80
Employee Insurance		137
Enhanced pensions		52
MPF Pen Fixed Rate		74
Catering Expenditure		118
HFRA Capitalisation Payroll		-375
	TOTAL OTHER EMPLOYEE EXPEND	631
Pensions		
Injury Pension		1,755
Ill Health Ret charges		174
	TOTAL PENSIONS	1,929
	TOTAL EMPLOYEES	47,003
PREMISES		
Building Maintenance Repairs		29
Site Maintenance Costs		14
Energy		761
Rent		42
Rates		1,563
Water		214
Fixtures		15
Insurance		53
	TOTAL PREMISES	2,691
TRANSPORT		
Direct Transport		391
Tunnel Fees		11
Operating Lease		133
Other Transport Costs		470
Car Allowances		94
Insurance		229
	TOTAL TRANSPORT	1,328

2019/20 DRAFT FIRE SERVICE REVENUE BUDGET

		2019/20
		£'000
SUPPLIES & SERVICES		
Administrative Supplies		14
Operational Supplies		258
Hydrants		11
Consumables		43
Training Supplies		112
Fire Prevention Supplies		64
Catering Supplies		30
Uniforms		306
Printing & Stationery		103
Professional Fees/Service		815
Communications		674
Postage		14
Command/Control		8
Computing		204
Medicals		196
Travel & Subsistence		72
Grants/Subscriptions		96
Advertising		2
Furniture		13
Laundry		82
Insurances		38
Hospitality		4
	TOTAL SUPPLIES & SERVICES	3,159
AGENCY SERVICES		
Super Fund Admin		119
ICT Service Provider		1,454
ICT Managed Suppliers		413
PFI Unitary Charges ((Int/Principal/Op Costs)		2,746
Estates Service Provider		1,220
	TOTAL AGENCY SERVICES	5,952
CENTRAL EXPENSES		
Finance & Computing		402
	TOTAL CENTRAL EXPENSES	402
CAPITAL FINANCING		
PWLB Debt Charges		6,656
MRB Debt Charges		60
Revenue Contribution to Capital		5,289
	TOTAL CAPITAL FINANCING	12,005
TOTAL EXPENDITURE		72,540
INCOME		
Specific Grants		6,938
Fees & Charges		1,193
Reinforcing moves		5
Rents etc		848
Recharges Secondments		456
Contributions		165
Recharges Internal		214
Other Income		10
	TOTAL INCOME	9,829
NET EXPENDITURE		62,711

2019/20 DRAFT CORPORATE MGT REVENUE BUDGET

		BASE
		2018/19
		£'000
EXPENDITURE		
	Finance & Legal costs	
	Finance Officer	79
	Legal Officer	107
	Democratic Rep (1020)	
	- Travel & Subsistence	18
	- Conference fees	2
	- Members Allowances	208
	- Telephones	1
	- Training	1
	Central Expenses (1030)	
	Bank charges	15
	District Audit Fees	25
	Subscriptions	30
TOTAL EXPENDITURE		486

2019/20 DRAFT USAR/ISAR REVENUE BUDGET

		BASE
		2019/20
		£'000
EXPENDITURE		10,200
INCOME		10,200
	NET EXPENDITURE	0

Proposed Capital Programme for 2019/2020 - 2023/2024

Capital Expenditure	Total Cost £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
Building/Land	17,645,500	10,822,700	4,872,900	939,900	705,000	305,000
Fire Safety	3,175,000	635,000	635,000	635,000	635,000	635,000
ICT	4,665,500	1,729,100	914,100	584,100	724,100	714,100
Ops Equip & Hydrants	3,166,500	1,986,000	317,500	189,000	222,000	452,000
Vehicles	7,828,200	2,507,400	1,205,800	1,723,600	1,913,300	478,100
Expenditure	36,480,700	17,680,200	7,945,300	4,071,600	4,199,400	2,584,200
Financing Available	Total £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
Capital Receipts	1,875,000	1,875,000	0	0	0	0
RCCO	1,875,000	375,000	375,000	375,000	375,000	375,000
Capital Reserves	8,414,000	4,914,000	3,500,000	0	0	0
Grants	2,881,000	2,881,000	0	0	0	0
Total Non Borrowing	15,045,000	10,045,000	3,875,000	375,000	375,000	375,000
Unsupported Borrowing	21,435,700	7,635,200	4,070,300	3,696,600	3,824,400	2,209,200
Total Funding	36,480,700	17,680,200	7,945,300	4,071,600	4,199,400	2,584,200

Building / Land - Approved Budget 2019/20 to 2023/24

Type of Capital Expenditure	Total Cost £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
Major Site Refurbishments						
BLD016 Community Station Investment	75,000	25,000	25,000	25,000		
BLD039 FS Refurbishment Heswall	315,000	290,000	25,000			
BLD041 FS Refurbishment Aintree	159,900			159,900		
BLD042 FS Refurbishment St Helens	102,700	102,700				
BLD055 FS Refurbishment Bromborough	350,000		350,000			
BLD056 FS Refurbishment Eccleston	50,000	50,000				
BLD057 FS Refurbishment Crosby	150,000		150,000			
BLD063 FS Refurbishment Kirkby	350,000		350,000			
BLD070 Workshop Enhancement	60,000	60,000				
BLD071 Station Refresh	102,400	25,000	52,400	25,000		
BLD084 FS Refurbishment Croxteth	293,500	293,500				
BLD085 FS Refurbishment Speke/Garston	300,000	150,000			150,000	
BLD086 FS Refurbishment Old Swan	300,000	150,000			150,000	
BLD088 FS Refurbishment Kensington	140,000	40,000			100,000	
BLD089 FS Refurbishment Toxteth	200,000			200,000		
BLD090 FS Refurbishment Wallasey	75,000			75,000		
BLD091 TDA Refurbishment	4,500,000	1,000,000	3,500,000			
BLD093 Marine Fire 1 Refurbishment	150,000			150,000		
	7,673,500	2,186,200	4,452,400	634,900	400,000	
Station Mergers						
BLD082 Saughall Massie FS New Build						
BLD083 St Helens FS New Build (CFO/059/15)	7,245,000	7,245,000				
	7,245,000	7,245,000				
Other						
BLD073 SHQ Museum	191,000	191,000				
	191,000	191,000				
LLAR Accommodation Works						
BLD036 LLAR Accommodation Formby						
BLD050 LLAR Accommodation Belle Vale	25,000	25,000				
BLD075 LLAR Accommodation Newton-le-Willows	251,400	251,400				
	276,400	276,400				
General Station Upgrade Works						
BLD001 Roofs & Canopy Replacements	230,000	70,000	40,000	40,000	40,000	40,000
BLD004 Concrete Yard Repairs	100,000	20,000	20,000	20,000	20,000	20,000
BLD005 Tower Improvements	50,000	10,000	10,000	10,000	10,000	10,000
BLD013 Non Slip Coating to Appliance Room Floors	150,000	30,000	30,000	30,000	30,000	30,000
BLD014 Boiler Replacements	75,000	15,000	15,000	15,000	15,000	15,000
BLD020 Electrical Testing	175,000	95,000	20,000	20,000	20,000	20,000
BLD033 Sanitary Accommodation Refurbishment	130,000	50,000	20,000	20,000	20,000	20,000
BLD044 Asbestos Surveys	90,000	50,000	10,000	10,000	10,000	10,000
BLD060 DDA Compliance	245,000	195,000	20,000	10,000	10,000	10,000
	1,245,000	535,000	185,000	175,000	175,000	175,000
Other Works						
BLD007 L.E.V. System in Appliance Rooms	25,000	5,000	5,000	5,000	5,000	5,000
BLD018 Conference Facilities SHQ	25,000	5,000	5,000	5,000	5,000	5,000
BLD026 Corporate Signage	25,000	5,000	5,000	5,000	5,000	5,000
BLD032 Power Strategy	35,000	10,000	10,000	5,000	5,000	5,000
BLD034 Office Accommodation	75,000	15,000	15,000	15,000	15,000	15,000
BLD053 Headquarters Lighting	25,000		25,000			
BLD058 HVAC - Heating, Ventilation & Air Con	75,000	75,000				
BLD061 Lightening Conductors & Surge Protection	35,000	10,000	10,000	5,000	5,000	5,000
BLD062 Emergency Lighting	25,000	5,000	5,000	5,000	5,000	5,000
BLD067 Gym Equipment Replacement	100,000	20,000	20,000	20,000	20,000	20,000
BLD092 Service Headquarters Offices	115,600	50,600	65,000			
BLD094 Security Enhancement Works	125,000	25,000	25,000	25,000	25,000	25,000
CON001 Energy Conservation Non-Salix	228,000	143,000	25,000	20,000	20,000	20,000
EQU002 Replacement Prog for Fridge Freezers	50,000	10,000	10,000	10,000	10,000	10,000
EQU003 Furniture Replacement Programme	51,000	10,500	10,500	10,000	10,000	10,000
	1,014,600	389,100	235,500	130,000	130,000	130,000
	17,645,500	10,822,700	4,872,900	939,900	705,000	305,000

Fire Safety - Approved Budget 2019/20 to 2023/24

Type of Capital Expenditure	Total Cost £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
FIR002 Smoke Alarms (100,000 HFRA target)	1,175,000	235,000	235,000	235,000	235,000	235,000
FIR005 Installation Costs (HFRA)	1,875,000	375,000	375,000	375,000	375,000	375,000
FIR006 Deaf Alarms (HFRA)	125,000	25,000	25,000	25,000	25,000	25,000
	3,175,000	635,000	635,000	635,000	635,000	635,000

ICT - Approved Budget 2019/20 to 2023/24

Type of Capital Expenditure	Total Cost £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
IT002 ICT Software						
Software Licences	10,000	2,000	2,000	2,000	2,000	2,000
New Virtualisation Infrastructure	75,000					75,000
5 Year Antivirus & Filtering Software	200,000				200,000	
MDT Software Solution Refresh	100,000				100,000	
Microsoft SQL Upgrade	50,000					50,000
Logpoint Security Info& Event Mgt (SIEM) Refresh	80,000					80,000
Microsoft EA Agreement (Servers & Security)	240,000	48,000	48,000	48,000	48,000	48,000
Microsoft EA Agreement (Windows & Office)	695,000	139,000	139,000	139,000	139,000	139,000
Microsoft EA Agreement (Application Development)	25,000	5,000	5,000	5,000	5,000	5,000
	1,475,000	194,000	194,000	194,000	494,000	399,000
IT003 ICT Hardware						
Desktops (target 20%)	200,500	40,100	40,100	40,100	40,100	40,100
Tablets & Docking Stations (target 20%)	310,000	62,000	62,000	62,000	62,000	62,000
Monitors & Monitor Arms (target 20%)	70,000	14,000	14,000	14,000	14,000	14,000
Peripherals replacement (target 20%)	15,000	3,000	3,000	3,000	3,000	3,000
Mobile device replacement (target 20%)	15,000	3,000	3,000	3,000	3,000	3,000
Replacement Backup Tape Drive	25,000			25,000		
IP TV Asset Refresh	50,000	25,000		25,000		
Landline Handset Refresh	10,000					10,000
Audio Visual Conference Facility	120,000		120,000			
Audio Visual Refresh Stations	75,000	75,000				
Audio Visual Refresh TDA	75,000	75,000				
	965,500	297,100	242,100	172,100	122,100	132,100
IT005 ICT Servers						
Server/storage replacement (target 20%)	325,000	65,000	65,000	65,000	65,000	65,000
Server/storage growth	70,000	14,000	14,000	14,000	14,000	14,000
	395,000	79,000	79,000	79,000	79,000	79,000
IT018 ICT Network						
Local Area Network replacement (discrete)						
Network Switches/Router replacement	80,000	72,000	2,000	2,000	2,000	2,000
Network Switches/Routers Growth	25,000	5,000	5,000	5,000	5,000	5,000
Vesty Road Network Link Refresh	40,000	40,000				
	145,000	117,000	7,000	7,000	7,000	7,000
IT026 ICT Operational Equipment						
Station Equipment Replacement	50,000	10,000	10,000	10,000	10,000	10,000
Incident Ground Management System	50,000	50,000				
MDT Replacement (Not incl. in ESMCP)	195,000		120,000			75,000
	295,000	60,000	130,000	10,000	10,000	85,000
IT060 ICT Station Change						
St Helens Station End Mobilising Equipment	20,000	20,000				
	20,000	20,000				
Other IT Schemes						
IT027 Security Remote Access Security FOBS	10,000	2,000	2,000	2,000	2,000	2,000
IT028 System Development (Portal)	110,000			110,000		
IT030 ICT Projects/Upgrades	25,000	5,000	5,000	5,000	5,000	5,000
IT055 C.3.I. C.&C Comms & Information System	25,000	5,000	5,000	5,000	5,000	5,000
IT062 Capita Vision 3 Update (CFO/058/17)	950,000	950,000				
FIN001 FMIS/Eproc/Payroll/HR Replacement	250,000		250,000			
	1,370,000	962,000	262,000	122,000	12,000	12,000
	4,665,500	1,729,100	914,100	584,100	724,100	714,100

Operational Equipment - Approved Budget 2019/20 to 2023/24

Type of Capital Expenditure	Total Cost £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
OPS003 Hydraulic Rescue Equipment						
Hydraulic Rescue Equipment - Replacement Program	290,000		60,000	60,000	85,000	85,000
	290,000		60,000	60,000	85,000	85,000
OPS005 Resuscitation Equipment						
Resuscitation Rescue Equipment	30,000		30,000			
Defibrillator Batteries	12,000	12,000				
Appliance Resuscitation Equipment & Cylinders	45,500	45,500				
	87,500	57,500	30,000			
OPS024 BA Equipment/Communications						
BA Cylinder Replacement	20,000	20,000				
BA Test Rig	14,500		14,500			
BA Set Batteries	20,000	20,000				
	54,500	40,000	14,500			
OPS036 Radiation/Gas Detection Equipment						
Radiation Detection Equipment	45,000		45,000			
Single Gas Detection Equipment	20,000		20,000			
	65,000		65,000			
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	37,000	10,000	10,000	5,000	6,000	6,000
OPS009 POD Equipment (Demountable Unit)	112,500	112,500				
OPS011 Thermal Imaging Cameras	175,000					175,000
OPS022 Water Rescue Equipment	165,000	45,000	30,000	30,000	30,000	30,000
OPS023 Gas Detection Equipment (MYRA DS)	65,000	10,000	10,000	15,000	15,000	15,000
OPS026 Rope Replacement	55,000	15,000	10,000	10,000	10,000	10,000
OPS027 Light Portable Pumps	20,000		20,000			
OPS031 CCTV Equipment	10,000	10,000				
OPS034 Operational Ladders	224,000	160,000	16,000	17,000	14,000	17,000
OPS038 Water Delivery System	30,000	30,000				
OPS039 Water Delivery Hoses	79,000	15,000	15,000	15,000	17,000	17,000
OPS054 Electrical Equipment	103,000	35,000			8,000	60,000
OPS055 NRAT Asset Refresh	1,250,000	1,250,000				
OPS056 PV Stop (Solar Panels)	16,000	16,000				
	2,341,500	1,708,500	111,000	92,000	100,000	330,000
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
	3,166,500	1,986,000	317,500	189,000	222,000	452,000

Vehicles - Approved Budget 2019/20 to 2023/24

Type of Capital Expenditure	Total		2019/20		2020/21		2021/22		2022/23		2023/24	
	Units	Cost £	Units	£	Units	£	Units	£	Units	£	Units	£
VEH002 Ancillary Vehicles												
Cars												
Pool Cars	23	262,200	8	91,200	6	68,400	9	102,600				
Officer Response Cars- Insignia	6	135,900							6	135,900		
Officer Resp Cars- Octavia 4x4 4x4s	7	146,000									7	146,000
Izusu/Hilux	8	216,000	8	216,000								
Climbing Wall Vehicle	1	25,500	1	25,500								
Vans												
Master/Transit Panel 1	2	44,500	2	44,500								
Master/Transit Panel 2	6	154,800			3	77,400			3	77,400		
Dog Van Mercedes Vito	1	49,750	1	49,750								
		1,034,650		426,950		145,800		102,600		213,300		146,000
VEH004 Special Vehicles												
CPL - Aerial Appliance	2	1,460,000							2	1,460,000		
Prime Movers 3	3	468,150	1	156,050							2	312,100
IMU	1	650,000	1	650,000								
BA Support Unit (POD)	1	125,000	1	125,000								
Mercedes IMU	1	105,000					1	105,000				
Curtain Sided Truck	1	86,000					1	86,000				
Water Rescue Unit	1	54,000	1	54,000								
Crane Lorry	1	200,000							1	200,000		
		3,148,150		985,050				191,000		1,660,000		312,100
VEH010 Marine Rescue Vessels												
RNLI Class 75 Rib Boats		370,000						370,000				
		370,000						370,000				
Other Vehicles												
VEH001 - Fire Appliances	12	3,180,000	4	1,060,000	4	1,060,000	4	1,060,000				
VEH005 - Vehicles Water Strategy		16,400		16,400								
		3,196,400		1,076,400		1,060,000		1,060,000				
WOR001 Workshop Equipment												
Equipment		20,000										20,000
Workshop Equip Vehicle Lift.	3	59,000	1	19,000					2	40,000		
		79,000		19,000						40,000		20,000
		7,828,200		2,507,400		1,205,800		1,723,600		1,913,300		478,100

2019/20 - 2023/24 FINANCIAL PLAN FUNDING INCREASE +1.5% post 2019/20					
	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000
2018/19 MTFP	59,866	61,175	62,650	64,100	64,100
EXPENDITURE - 2019/20 issues:-					
2023/24 Inflation Provision					1,200
Increase in Gov Unfunded Pension Discount above 3%/£600k assumed	2,200	2,200	2,200	2,200	2,200
Gov Funding for the above	-2,592				
Gov Funding for the FPS discount assumed from 2020/21 (CSR 2019)		-2,100	-2,100	-2,100	-2,100
2019 Actuarial review of LGPS: employer rate 15.2% to 17.7%		250	250	250	250
Increase in MRP from one-off additional resources	858	156	59	0	0
Anticipated reduction in MRP / LGPS Deficit budget requirement		-1,000	-1,000	-1,000	-1,000
Increase FF Establishment +22 Posts / Fire Engineer	250	1,000	1,000	1,000	1,000
Increase in Sec 31 grants for national 2019/20 Business Rate relief(s)	-200	-200	-200	-200	-200
New Insurance Tender - Price saving	-100	-100	-100	-100	-100
2019/20 Updated MTFP	60,282	61,381	62,759	64,150	65,350
FUNDING					
Government Funding-Settlement Funding Assessment:					
Top Up Grant .	-15,586				
CLG Estimate of Local Business Rate Share	-4,227				
Baseline Funding Level	-19,813				
RSG	-11,000				
Settlement Funding Assessment	-30,813	-30,813	-30,813	-30,813	-30,813
Assume Uplift in SFA by 1.5% p.a. from 2020/21		-462	-931	-1,407	-1,891
Assumed Government Funding-Settlement Funding Assessment	-30,813	-31,275	-31,744	-32,220	-32,704
Adjustment for Business Rates based on NNDR1 District Forecasts					
Adjustment for Local Business Rate income forecast from Districts	-7	0	0	0	0
NNDR Collection Fund (surplus)/deficit	-72	0	0	0	0
Adjustment to Local Business Rates income forecast	-79	0	0	0	0
Council Tax -					
Base Precept Income	-29,224	-29,224	-30,106	-31,015	-31,635
Assume increase in Council Tax Base of 1.0% each year from up to 2021/22		-292	-301	0	0
Assume just under 3% rise year on year in 2019/20 then 2% thereafter		-590	-608	-620	-633
Council Tax Collection Fund (surplus)/deficit	-166	0	0	0	0
Forecast Council Tax Income	-29,390	-30,106	-31,015	-31,635	-32,268
TOTAL FUNDING	-60,282	-61,381	-62,759	-63,855	-64,972
Forecast (Surplus) / Deficit	0	0	0	295	378

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	Estimated 2019/20 Opening Balance	Estimated 2019/20 Expected Use	Estimated 2020/21 Expected Use	Estimated 2021/22 Expected Use	Estimated 2022/23 Expected Use	Estimated 2023/24 Expected Use	Estimated Future Years Expected
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Committed Reserves							
<u>Emergency Related Reserves</u>							
Bellwin & Emergency Planning Reserve	222	0	0	0	0	0	222
Insurance Reserve	500	0	0	0	0	0	500
<u>Modernisation Challenge</u>							
Smoothing Reserve	450	0	-450	0	0	0	0
Ill Health Penalty Reserve	150	0	-75	-75	0	0	0
Recruitment Reserve	3,000	-300	-600	-600	-600	-600	300
Invest to Save Reserve	636	-300	-300	-36	0	0	0
<u>Capital, Debt Repayment and LGPS Res</u>	14,414	-5,914	-8,500	0	0	0	0
<u>Specific Projects</u>							
PFI Annuity Reserve	2,001	-200	-220	-240	-260	-1,081	0
Healthy Community Reserve	65	-38	-27	0	0	0	0
Equipment & Clothing Reserve	369	-369	0	0	0	0	0
Training Reserve	150	-50	-50	-50	0	0	0
Inflation Reserve	700	0	0	0	0	0	700
<u>Ringfenced Reserves</u>							
Princes Trust Reserve	121	-61	-60	0	0	0	0
Community Risk Management Reserve	325	-125	-100	-100	0	0	0
Energy Reserve	19	-10	-9	0	0	0	0
Total Committed Reserves	23,122	-7,367	-10,391	-1,101	-860	-1,681	1,722
General Revenue Reserve	2,000	0	0	0	0	0	2,000
Total Reserves	25,122	-7,367	-10,391	-1,101	-860	-1,681	3,722

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MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	AUTHORITY BUDGET MEETING		
DATE:	28 FEBRUARY 2019	REPORT NO:	CFO/010/19
PRESENTING OFFICER	CHIEF FIRE OFFICER		
RESPONSIBLE OFFICER:	CHIEF FIRE OFFICER	REPORT AUTHOR:	DEB APPLETON
OFFICERS CONSULTED:	STRATEGIC LEADERSHIP TEAM, IRMP OFFICER		
TITLE OF REPORT:	DRAFT 2019-21 IRMP SUPPLEMENT		

APPENDICES:	APPENDIX A: DRAFT 2019-21 IRMP SUPPLEMENT
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Purpose of Report

1. To request that Members approve the release of the draft 2019-21 Supplement to the Integrated Risk Management Plan (IRMP) 2017-20 for a period of 12 weeks' consultation prior to adoption and implementation, whilst noting that the proposals outlined within the IRMP may change to reflect the views expressed during the consultation process.

Recommendation

2. That Members approve the release of the draft 2019-21 Supplement to the Integrated Risk Management Plan (IRMP) 2017-20 for a period of 12 weeks' consultation prior to final approval, publication and implementation. The draft supplement can be found at Appendix 1 to this report.

Introduction and Background

3. The Fire and Rescue Service Act 2004 and the National Framework for England 2018 onwards, outline the legal requirements to produce an IRMP. The primary objective for this process is to make each Fire and Rescue Authority more responsive to locally identified risk and needs, and better able to deliver safer communities.
4. Merseyside Fire and Rescue Authority (MFRA)'s IRMP is a medium term plan that captures future aspirations and the strategic direction for the Authority in order to deliver its Mission: "Safer Stronger Communities; Safe, Effective Firefighters".
5. The outcome of the 12 week consultation will be reported back to Authority following the consultation period. The draft 2019-21 Supplement to the Integrated Risk Management Plan (IRMP) 2017-20 contains the proposals being considered by the Authority in order meet the budget challenges it faces

whilst aspiring to continue to deliver an excellent Service to the residents of Merseyside.

6. This IRMP considers existing and emerging risk, demand and opportunities such as the ageing population of Merseyside, vulnerability to fire and other risks, impact of the Grenfell Tower fire, impact of fire and rescue service inspection, marine and weather-related incidents such as flooding, the increased risk of terrorism and addressing the reduction in staff available to deliver our services over a number of years that has particularly impacted on our resilience as a Service.
7. In general, our work to deliver against our IRMP has been progressing well and many of our objectives will remain the same during the life of this Supplement, but there are key areas that the Authority wishes to address between 2019-21 to improve public safety and reinvest in the services we provide. These areas are:

Resilience

The proposal to;

- Improve our emergency response and resilience by having up to 30 fire appliances available day and night (a combination of Wholetime and Retained). This is an increase on the 26 proposed in our original 2017-20 IRMP.
- We propose to achieve this increase in the number of fire engines from 26 (18 fire engines immediately available 24/7; 6 day crewed fire engines (immediately available during the day and on 30 minute recall at night); and 2 fully wholetime retained fire engines which are available on a 30 minute recall 24/7)
- to 30 by providing 20 appliances immediately available; 6 day crewed fire engines (immediately available during the day and on 30 minute recall at night); 3 fully wholetime retained fire engines which are available on a 30 minute recall 24/7 and 1 Search & Rescue fire appliance.
 - In practical terms this will mean that during the day we will have 27 (inc Search & Rescue appliance) immediately available fire appliances with a further 3 available within 30 minutes (for resilience purposes).

And

- 21 immediately available fire appliances (inc Search & Rescue appliance) during the night with a further 9 available within 30 minutes (for resilience purposes).

Introducing multiple fire engines at three stations – taking the best from all operational duty systems and combining them under a Hybrid Model. This approach will provide 2 fire engines during the day with 1 retained and 1 fire engine during the night with 2 retained. The Day Crewing Wholetime Retained stations identified for conversion to the Hybrid Model are Liverpool City, Wallasey and St Helens; identified based on response time performance.

The specific details on how this would work are captured later on in this supplement. The proposals are subject to public consultation and MFRA approval. The changes in St Helens would be subject to the move to the new station in Watson Street – so in reality they wouldn't take place for at least 12 months (current arrangements would remain in place during that period).

Protection

And the proposal to;

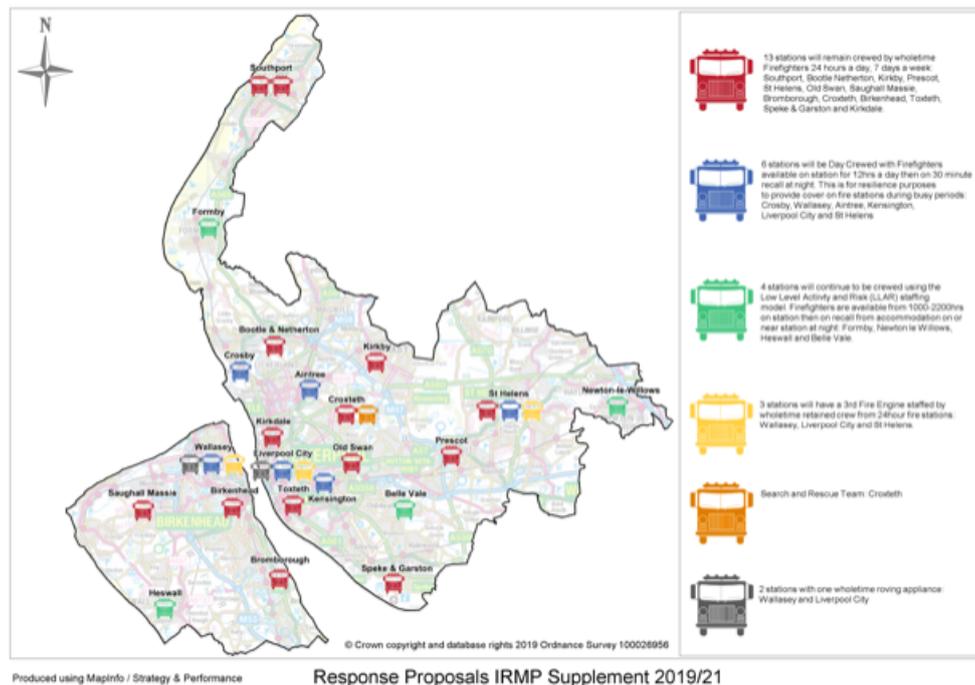
- Increase the Protection establishment by 5 Protection Officers
- Introduce a Fire Engineer role
- Support the development of a new management information system

Response

And the proposal to;

- Increase the number of Firefighter roles from 620 to 642 (plus 20 in training)
- Establish a ridership (number of firefighters on a fire engine) of 5 at key locations to ensure at least 9 personnel are available to respond to life risk incidents.
- Re-establish Crew Managers at key locations – with their continued use elsewhere as part of development pathway
- Enhance response to terrorist attack and marine/flood related incidents from Liverpool City and Wallasey fire stations respectively
- Maintain cover during the night time at Liverpool City and Wallasey based on the introduction of the Hybrid Model
- Re-distribute specialist appliances to align with the new model – and duty systems operated

- Utilise the appliances at Liverpool City and Wallasey to manage risk and demand across Merseyside dynamically, facilitate training and improve response and resilience during spate conditions.



The changes require the Authority to increase its Response and Protection budget by over £1m. The Chief Fire Officer has provided assurance to the Authority that he can achieve this without affecting frontline services and key functions.

MFRA will also establish a ridership (number of firefighters on a fire engine) of 5 at key locations and those hosting National Resilience assets which require specific modes of operation, and 4 elsewhere (this reflects the current realities – riding 5 remains a long term aspiration of the Service).

MFRA fully appreciates that it will take time to get to this new position so we will utilise budget underspend to pay off debt in order to release the revenue funding required to make it a sustainable long term plan.

In addition to the new and alternative proposals:

- MFRA will continue to recruit in significant numbers to meet future needs – people who live in Merseyside – recruited to reflect the communities we serve.

- MFRA can continue to staff the Combined Platform Ladder on a permanent basis.
- MFRA will build a new station in St Helens – on the basis of improved operational response.
- MFRA will complete the building of Saughall Massie to maximise our speed of response
- MFRA will commit £5m to redevelop our training facilities.

Which will ensure

- MFRA can use the increased capacity to support our aspiration around Emergency Medical Response
- MFRA is better equipped to respond to foreseeable and emerging risk
- MFRA can support the lateral development and progressive development of all our staff
- MFRA is responding immediately to the findings of Her Majesty's Inspectorate of Constabularies and Fire & Rescue Services.

Equality and Diversity Implications

8. An Equality Impact Assessment will be further developed with feedback from the 12 week consultation process.

Staff Implications

9. The IRMP will undoubtedly have implications for staff in relation to management structures, duty systems and ways of working.
10. As such, any implications arising from the proposals detailed within this report will be subject to ongoing dialogue with the representative bodies and staff themselves to ensure they have full sight on any changes which may impact on them directly.
11. The views of staff will be considered as part of the consultation process.
12. The implications to staff will be a key consideration in the implementation of the 2019-21 supplement – in line with the Authority's engagement principles.

Legal Implications

13. Section 21 of the Fire and Rescue Services Act 2004 places a statutory duty upon every Fire and Rescue Authority to put in place an IRMP having regard to the National Framework for England 2012. This report is the last stage of the process to fully discharge statutory duties placed upon the Authority to produce and publish an IRMP.

Financial Implications & Value for Money

14. The principles established during the public consultation forums undertaken by Opinion Research Services were used in the development of the 2017-20 IRMP and remain appropriate for the supplement which extends the 2017-20 IRMP. The new proposals are designed to address some of the impact of previous cuts in Government grant to maintain the high levels of service received by the Merseyside public and improve resilience.
15. No alternative proposals than those contained within the IRMP were suggested during the budget planning process that would allow the Authority to meet their obligations to set a balanced budget.

The 2019/20 – 2023/24 Medium Term Financial Plan (MTFP), which will be considered elsewhere on today's Authority agenda, has built £1m plus into the future revenue budget to fund the additional investment required to deliver the proposals within the 2019 – 2021 IRMP supplement. Any variances to Government funding or other assumptions contained in the MTFP (costs, savings proposals or funding) may put the proposals at risk

Risk Management, Health & Safety, and Environmental Implications

16. The IRMP details the strategic approach to risk management, encompassing what has been done to manage risk and what will be done in the years to 2021.
17. Should these IRMP changes not be approved then the original plans would be implemented which could result in a higher level of risk being experienced by the public.

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

18. The IRMP is the primary means by which the Authority sets out how it will prepare for and respond to risk within its communities.

BACKGROUND PAPERS

GLOSSARY OF TERMS

Merseyside Fire and Rescue Authority

2019-21 Supplement to the Integrated Risk Management Plan **2017-20**

Foreword

Thank you for taking the time to review the content of our Integrated Risk Management Plan (IRMP) 2017-20 and considering the alternative proposals contained within this supplement, which if approved would extend the current plan to 2021, aligning it to our medium term financial plans.

When reviewing the plan we ask that you give particular regard to the alternative proposals contained within the supplement, as it is these alternative options that we are consulting on as an alternative to those approved back in 2016/17 when the plan was first considered.

Since then a number of significant national and international incidents have occurred, these incidents combined with changes to the city region infrastructure and the initial findings of Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) have quite rightly given the Authority cause to review the suitability of its plans to ensure that they are still fit for purpose.

The supplement also includes new proposals which have emerged since the plan was first approved.

The supplement to the original plan ensures that the Authority complies with the requirements placed on it to assess all foreseeable fire and rescue related risks that could affect its communities, whether they are local, cross-border, multi-authority and/or national in nature, from fires to terrorist attacks.

This requirement to identify and assess national and cross border risk is particularly relevant to Merseyside Fire & Rescue Authority (MFRA) as we hold Lead Authority status for the coordination and deployment of National Resilience capabilities on behalf of the Home Office.

As a result of these factors, combined with emerging risk (heightened terrorist threat, increasing environmental events, significant building fires) our alternative options are specifically focused on increasing the Service's ability to deal with large scale and protracted incidents (Resilience) and ensuring our legislative (Fire Protection) capabilities are enhanced in order to meet the emerging demands placed on the Authority following the Grenfell Tower fire (Dame Judith Hackitt Review).

We appreciate that on the basis of efficiency and effectiveness this does not mean that we should always have the same number of fire engines available during the day as we do at night (given we are two thirds busier during the day) but it does mean that when we need to, we should be able to quickly increase the number of fire engines we have available, to protect the public. This is particularly important during busy periods or when we are required to resolve large or complex incidents.

In order to achieve this ambition we are proposing to increase the number of available fire engines from 26 to 30 and an increase in the number of firefighters from 620 to 642.

This would be the first time that firefighter numbers have increased since 2006.

The plan also incorporates a proposal to increase the number of staff in Protection roles (legislative fire safety) to help make commercial and public buildings safer.

We intend to meet the cost of this re-investment in the frontline (Response and Protection) (circa £1m+) through the use of our current reserves combined with ambitious debt repayment plans (as with all plans of this nature further cuts to funding would result in the Authority having to review its Medium Term Financial Plan).

If implemented in full these proposals would maintain night-time cover in Liverpool City Fire Station and Wallasey Fire Stations.

They would also see the fire engines at our 10 key stations staffed with 5 personnel (whilst staffing a fire engine with 4 people is safe, our aspiration is to maintain 5 where possible).

You will appreciate that the new proposals represent a significant change from the original plans contained within our IRMP; as such we would encourage you to comment on them in full.

Our plans have been developed to reflect the link between risk, demand and vulnerability. They will ensure the Service is able to respond quickly, whilst increasing our resilience to deal with large and protracted incidents. Our investment in Protection will ensure we are able to better protect those people from fire risk, and our prevention services will remain targeted to the most vulnerable sections of our communities.

A truly Integrated Risk Management Plan.

The more informed we are by your views, the more able we are to meet your aspirations, with that in mind I hope that you will fully participate in the formal consultation process detailed later in this supplement).

A number of proposals contained within the original plan are not identified for change; as such they will still be delivered as planned.

Thank you once again for reviewing our plans and we hope that you find the rest of the document it easy to understand and informative.

Phil Garrigan / Les Byrom

Executive Summary

Merseyside Fire & Rescue Authority (MFRA) shares the Chief Fire Officer's ambition to make Merseyside Fire & Rescue Service the very best fire & rescue service in the country and as such they have approved proposals to consult the public on the alternative proposals contained within this supplement.

A twelve [12] week public consultation will start on 14th of March 2019 on the new and alternative proposals (those that are different to the ones contained within the 2017 -2020 Integrated Risk Management Plan (IRMP)).

The Key changes to the original 2017/20 IRMP are:

Resilience

The proposal is to;

- Improve our emergency response and resilience by having up to 30 fire appliances available day and night (a combination of Wholetime and Retained). This is an increase on the 26 proposed in our original 2017-20 IRMP.
- We propose to achieve this increase in the number of fire engines from 26 (18 fire engines immediately available 24/7); 6 day crewed fire engines (immediately available during the day and on 30 minute recall at night); and 2 fully wholetime retained fire engines which are available on a 30 minute recall 24/7)
- to 30 by providing 20 appliances immediately available; 6 day crewed fire engines (immediately available during the day and on 30 minute recall at night); 3 fully wholetime retained fire engines which are available on a 30 minute recall 24/7 and 1 Search & Rescue fire appliance.
 - In practical terms this will mean that during the day we will have 27 (including a Search & Rescue appliance) immediately available fire appliances with a further 3 available within 30 minutes (for resilience purposes).

And

- 21 immediately available fire appliances (including a Search & Rescue appliance) during the night with a further 9 available within 30 minutes (for resilience purposes).

Introducing multiple fire engines at three stations – taking the best from all operational duty systems and combining them under a Hybrid Model. This approach will provide 2 fire engines during the day with 1 retained and 1 fire engine during the night with 2 retained. The Day Crewing Wholetime Retained stations identified for conversion to the Hybrid Model are Liverpool City, Wallasey and St Helens; identified based on response time performance.

The specific details on how this would work are captured later on in this supplement. The proposals are subject to public consultation and Merseyside Fire & Rescue

Authority (MFRA) approval. The changes in St Helens would be subject to the move to the new station in Watson Street – so in reality they wouldn't take place for at least 12 months (current arrangements would remain in place during that period).

Protection

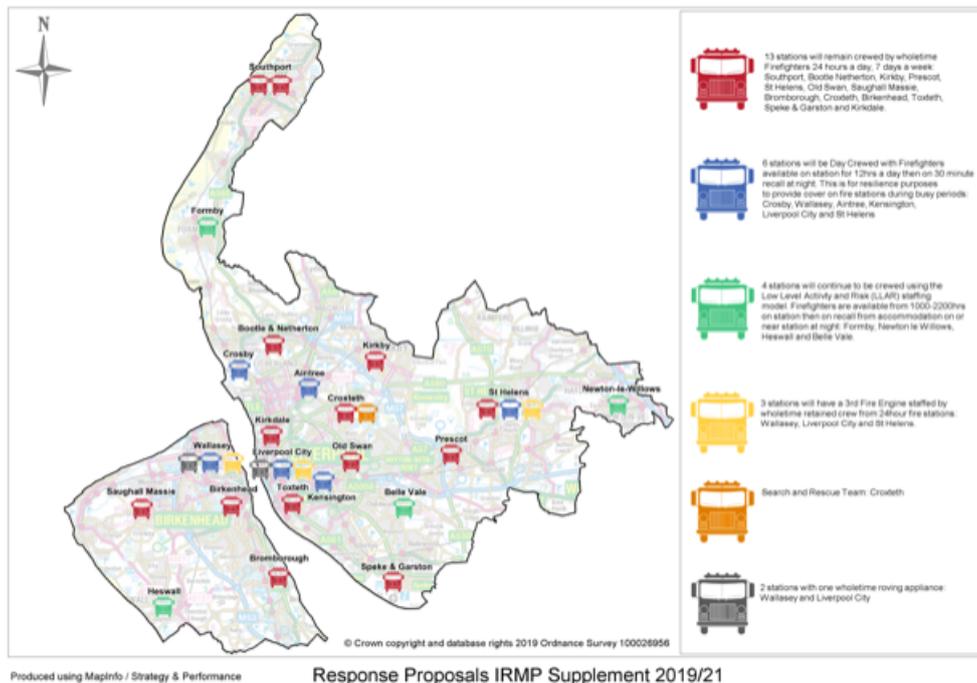
The proposal is to;

- Increase the Protection establishment by 5 Protection Officers
- Introduce a Fire Engineer role
- Support the development of a new management information system

Response

The proposal is to;

- Increase the number of Firefighter roles from 620 to 642ⁱ (plus 20 in training)
- Establish a ridership (number of firefighters on a fire engine) of 5 at key locations to ensure at least 9 personnel are available to respond to life risk incidents.
- Re-establish Crew Managers at key locations – with their continued use elsewhere as part of development pathway
- Enhance response to terrorist attack and marine/flood related incidents from Liverpool City and Wallasey fire stations respectively
- Maintain cover during the night time at Liverpool City and Wallasey based on the introduction of the Hybrid Model
- Re-distribute specialist appliances to align with the new model – and duty systems operated
- Utilise the appliances at Liverpool City and Wallasey to manage risk and demand across Merseyside dynamically, facilitate training and improve response and resilience during spate conditions.



The changes require the Authority to increase its Response and Protection budget by over £1m. The Chief Fire Officer has provided assurance to the Authority that he can achieve this without affecting frontline services and key functions.

MFRA will also establish a ridership (number of firefighters on a fire engine) of 5 at key locations and those hosting National Resilience assets which require specific modes of operation, and 4 elsewhere (this reflects the current realities – riding 5 remains a long term aspiration of the Service).

MFRA fully appreciates that it will take time to get to this new position so we will utilise budget underspend to pay off debt in order to release the revenue funding required to make it a sustainable long term plan.

In addition to the new and alternative proposals:

- MFRA will continue to recruit in significant numbers to meet future needs – people who live in Merseyside – recruited to reflect the communities we serve.
- MFRA can continue to staff the Combined Platform Ladder on a permanent basis.
- MFRA will build a new station in St Helens – on the basis of improved operational response.
- MFRA will complete the building of Saughall Massie to maximise our speed of response
- MFRA will commit £5m to redevelop our training facilities.

Which will ensure

- MFRA can use the increased capacity to support our aspiration around Emergency Medical Response
- MFRA is better equipped to respond to foreseeable and emerging risk
- MFRA can support the lateral development and progressive development of all our staff
- MFRA is responding immediately to the findings of Her Majesty's Inspectorate of Constabularies and Fire & Rescue Services.

Introduction

The responsibilities of the Fire and Rescue Authority are set out in legislation; The Fire and Rescue Services Act 2004, places requirements on the Service to; respond; prevent; protect; educate and inform.

This is further reinforced by The Civil Contingencies Act 2004 which expressly requires Category 1 & 2 responders (including emergency services and local authorities) to work together to deal with emergencies and the Regulatory Reform (Fire Safety) Order 2005 which details the requirements for “Responsible Persons” of business premises to comply with fire safety regulations.

This legislation is underpinned by The National Framework for Fire and Rescue Services which sets out what the Fire and Rescue Service ‘Should’ and ‘Must’ do in order to meet its legal duties efficiently and effectively.

The Framework itself specifically suggests services should; Identify & Assess Risk, Prevent & Protect, Respond, Collaborate and ensure National Resilience & Business Continuity is maintained.

This is strengthened by the statement that fire and rescue authorities must put in place arrangements to prevent and mitigate these risks, either through adjusting existing provision, effective collaboration and partnership working, or building new capability.

Within the National Framework for Fire and Rescue Authorities, each fire and rescue authority is required to produce an integrated risk management plan (IRMP) which must:

- reflect up to date risk analyses including an assessment of all foreseeable fire and rescue related risks that could affect the area of the Authority;
- demonstrate how prevention, protection and response activities will best be used to prevent fires and other incidents and mitigate the impact of identified risks on its communities, through authorities working either individually or collectively, in a way that makes best use of available resources;
- outline required service delivery outcomes including the allocation of resources for the mitigation of risks;
- set out its management strategy and risk-based programme for enforcing the provisions of the Regulatory Reform (Fire Safety) Order 2005 in accordance with the principles of better regulation set out in the Statutory Code of Compliance for Regulators, and the Enforcement Concordat;
- cover at least a three-year time span and be reviewed and revised as often as it is necessary to ensure that the authority is able to deliver the requirements set out in this Framework;
- reflect effective consultation throughout its development and at all review stages with the community, its workforce and representative bodies and partners; and
- be easily accessible and publicly available.

The Merseyside Fire and Rescue Authority 2017/20 IRMP is available on our website <http://www.merseyfire.gov.uk/asp/pages/IRMP/IRMP2017-20/IRMP2017.html> It should be read in conjunction with this supplement.

In line with best practice, the IRMP has been reviewed annually to determine progress against objectives and the most recent review was considered by the Fire and Rescue Authority in December 2018.

At that time it was not intended to produce a new IRMP in 2019/20 however for the reasons expressed by the Chief Fire Officer within his foreword and as detailed below, this intention has now changed.

The alternative plans proposed are reliant on the payment of debt and the adoption of revised duty systems at Liverpool City, Wallasey and St Helens.

Approval of this plan and the alternate proposals would extend the current IRMP to 2021.

A decision to continue with the current IRMP would see it conclude in 2020 prior to a new plan being developed.

Our Mission is to achieve:

Safer, Stronger Communities – Safe Effective Firefighters

Our Aims are:

Excellent Operational Preparedness

We will provide our firefighters with the training, information, procedures and equipment to ensure they can safely and effectively resolve all emergency incidents.

Excellent Operational Response

We will maintain an excellent emergency response to meet risk across Merseyside with safety and effectiveness at its core.

Excellent Prevention and Protection

We will work with our partners and our community to protect the most vulnerable through targeted local risk reduction interventions and the robust application of our legal powers.

Excellent People

We will develop and value all our employees, respecting diversity, promoting opportunity and equality for all.

Background

This IRMP demonstrates how our prevention, protection and response activities will best be used to prevent fires and other incidents and mitigate the impact of identified

risks on its communities, through authorities working either individually or collectively, in a way that makes best use of available resources.

The plan considers the demand for our services and the resources we have available.

Full details of our roles, responsibilities and statutory duties are contained within the main 2017-2020 IRMP – reference to this document will be of benefit when considering the supplement in full.

Response

MRFS has adopted a ten minute response standard to all life risk incidents in Merseyside on 90% of occasions.

To achieve this we have established 10 Key Stations which means that as long as we have a fire engine available at each one of the ten key fire stations we can respond to the majority of Merseyside in ten minutes.

This is a minimum standard of achievement as in reality our average attendance time is much quicker at 5mins 47secs (from a fire engine being alerted to an incident to booking in attendant at the incident), the fifth fastest in the UK and the quickest to life risk incidents in the North West.

Preparedness

We also plan to respond effectively to large and complex incidents, several incidents occurring simultaneously and incidents that take a long time to resolve.

Our planning assumptions are based on being able to resource one incident requiring 20 fire engines or two incidents occurring simultaneously each requiring 10 fire engines, whilst maintaining our 10 key stations before the need to request assistance from our neighbouring fire and rescue services. This emerging methodology has informed our alternate proposals.

This planning assumption is based on historic incidents and foreseeable risk.

Prevention

Our world renowned Prevention services keep people safe at home and on our roads and waterways as well as preventing arson, deliberate fire setting and fire related anti-social behaviour.

Our Home Fire Safety Checks and Safe and Well Visits are targeted to those most at risk; those over 65, living alone with complex health needs.

Protection

Our Protection services ensure that the people responsible for commercial and public buildings are fulfilling their duties to be compliant with fire safety legislation; to consult on building planning applications regarding matters of fire safety and to run licencing schemes for Petroleum and Explosives.

Our Protection activities are delivered through our Risk Based Inspection Programme.

Emerging Risk – alternative plans

Since we published the IRMP in April 2017 some significant events have had an impact on the fire and rescue service, locally, regionally and nationally. These include:

- The Grenfell Tower Fire - Dame Judith Hackitt's Report into the tragic Grenfell Tower fire contains recommendations regarding the fire testing regime and the suitability of the fire safety measures in place at the time of the fire. These recommendations are welcomed by the Fire and Rescue Service as it will improve public safety, but it will also result in a considerable increase in workload for our teams.
- The Manchester Arena Bombing - The Kerslake Report into the emergency services' response to the Manchester Arena bomb in 2017 contains learning for all fire and rescue services, along with their partner organisations such as the police and ambulance services.
- Westminster Bridge and Borough Market terror attacks - also contains learning for fire and rescue services, as well as highlighting the real and emerging threat faced by blue light responders when deploying to such incidents.
- The Arena Car Park Fire - A Significant Incident Review was completed following a major fire in a multi-storey car park on the Liverpool waterfront. As well as learning from our own experiences in relation to the incident, we are sharing that learning with fire and rescue services nationally and internationally.
- Saddleworth Moor and Winter Hill - Grass and gorse fires (often referred to as wild fires) occurred in significant numbers during the hot summer of 2018 leading to a high numbers of incidents across Merseyside and the North West Region. Notable incidents on Saddleworth Moor and Winter Hill highlighted the impact of the cuts on the sector's resilience as services (despite their best efforts), were not able to offer the same levels of support to each other that they had previously provided.

In addition to the emerging risk and impact on operational demand, inward investment in the Liverpool City Region has changed the risk profile across the region; this has required the Authority to review its arrangements based on foreseeable risk (see below).

- Marine Risk - Over recent years there has been a significant increase in the growth of both the Liverpool and Wirral Waters schemes; resulting in an extremely diverse range of users; as well as handling more than 40 million tonnes of cargo with 15000 ship movements a year.
- A flourishing Cruise Liner Terminal – Liverpool also has a vibrant leisure and tourism trade which results in a high number of holiday makers visiting the city each year.

- MFRS provides training, supports partner agencies and trains alongside the following; Liverpool John Lennon Airport, Merseyside Police, North West Ambulance Service (Hazardous Area Response Teams), Royal Navy, HM Coastguard, RNLI, Bristow Helicopters, Peel Ports, Pilot Services, Cruise Liner Terminal and Lowland Search and Rescue.
- An ever increasing part of the role carried out by MFRA's Marine Rescue Unit relates to suicide prevention and work focused on maintaining the continued of shipping onto shipping lanes. Work is ongoing with partners to provide earlier intervention and support for vulnerable members of our community.

The emergence of Her Majesty's Inspectorate of Constabulary and Fire and Rescue.

- Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services completed their inspection of MFRS in December 2018. Although the results are not yet known, the overall process for all English fire and rescue services will provide the Government, the public and other stakeholders (along with the Service itself) with more insight into the efficiency and effectiveness of all fire and rescue services.

We have reflected on the findings following the first tranche of inspections and how they might affect Merseyside in the future and whilst we are confident that we provide an excellent service to the public we believe it appropriate to begin to address sector wide issues now, rather than wait until the current IRMP has expired to write a new plan.

Changes to Protection (legislative fire safety) is one such example.

Key Areas of Focus

In general, we believe our work to deliver the 2017 -2020 IRMP has been progressing well and many of our objectives will remain the same during the life of this supplement, but there are key areas that the Authority wishes to address between 2019-21 to improve public safety and reinvest in the services we provide.

Specifically these areas are:

- Resilience – we would seek to increase the number of fire engines we have available (immediately or via retained arrangements) from 26 to 30. In doing so we would increase the numbers available during the day and night but we would also utilise them in a dynamic way that better meets demand and risk placed on the Authority; allowing us to improve our average response time whilst maintaining our 10 minute response standard (see alternate proposals).
- Retained cover – we would seek to increase the number of retained appliances utilising wholtime / professional firefighters - allowing us to quickly increase the number of resources required to deal with major or protracted incidents (see alternate proposals).
- Protection (fire safety inspections) – we would propose to increase the number of Fire Safety Auditors/Inspectors sufficient to meet the growing demands for ensuring fire safety compliance in public and commercial buildings (see alternate proposals).

- Protection – we would propose to recruit a Fire Engineer to support our protection activity, particularly with regards to high rise and complex buildings (see alternate proposals).
- Training - we would propose to enhance the training and capabilities of crews in Liverpool City and Wallasey alongside the introduction of the Hybrid Duty System – specific focus will be on the areas of emergent risk identified previously (see alternate proposals).

Notably

- Enhanced focus on emerging Terrorist threat.
 - Marine Risk
 - Environmental Risk – Flood / Wildfire
- Roving appliances: an additional appliance would be introduced at Liverpool City, Wallasey and St Helens. These roving appliances will predominantly cover geographical risk areas but the flexibility that they will offer will allow the Authority to utilise them to respond to transient risk or demand or provide cover for training taking place elsewhere in the Service. We will also utilise these appliances in areas where risk has been identified at pre-determined events, such as Aintree Grand National, Liverpool Giants, Southport Air Show, river festivals and international sports (see alternate proposals).

Our proposals

The sections below detail the original proposals set out in the 2017-20 IRMP. For the benefit of the reader we have provided an update on progress and where applicable. We have also specifically referenced the alternative proposals so the reader can compare and contrast the options being considered/consulted on.

Operational Response

Original 2017-20 IRMP Proposal

1. *During the day (0830-2030) we will continue to have 24 appliances immediately available to be deployed to incidents & two appliances that can be mobilised within 30 mins.*

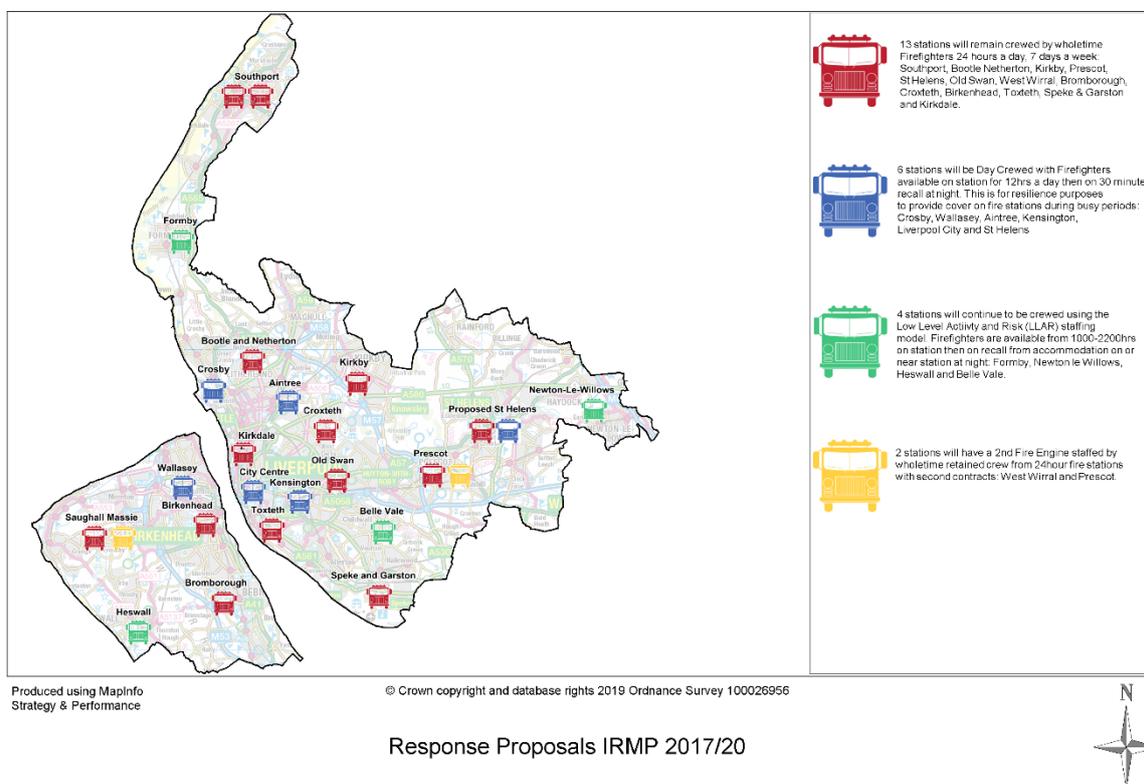
We have implemented this proposal with the exception of the provision of the two fully retained appliances, however on the basis of our future recruitment approach we are currently able to staff two additional day crewed appliances during the day shift rather than providing the two retained appliances as per our proposal. This interim arrangement provides a higher level of cover than was initially planned. This will continue until no longer feasible, at which point we will revert back to the IRMP 2017-2020 proposal.

Original 2017-20 IRMP Proposal

2. Overnight (2030-0830) this number will reduce to 18 immediately available fire engines with a further 8 available on a maximum 30 minute delay

We completed the implementation of this proposal on 14th September 2018, but continue to provide night time cover at Liverpool City and Wallasey fire stations since implementation. The way in which we are currently doing this is unsustainable in the longer term.

The graphic below shows the number and type of fire engines that will be available if we continue to implement the 2017-20 IRMP proposals.



Original 2017-20 IRMP Proposal

3. These additional fire engines will be available through the use of secondary wholetime retained contracts for firefighters. Retirement of 80-100 firefighters during 2017-20

The secondary contract aspect of this has been completed.

Original 2017-20 IRMP Proposal

4. Undertake recruitment between 2017-20 to ensure numbers & competence is maintained (making sure we have enough firefighters for the future)

Our last firefighter recruit course ended in December 2018, with those firefighters joining their fire stations from January 2019. We intend to run three firefighter recruit courses a year up to 2021.

Original 2017-20 IRMP Proposal

- 5. We will change some shift patterns from wholetime to days only wholetime crewing (retained cover provided at night)*

This has been delivered. See also the update on 1 and 2 above.

Alternative 2019-21 IRMP Supplement Proposal

It is proposed that 1, 2 and 3 above are replaced with the following proposals to improve resilience to effectively address new and emerging risk/learning arising from significant local and national events during this current IRMP period. In adopting the following changes MFRS believes it will be able to address demand and risk more effectively, providing a better service to Merseyside communities than would have been provided by the original proposals.

- We propose to improve our emergency response and resilience by having up to 30 fire appliances available during the day and night (a combination of Wholetime and Retained). This is an increase on the 26 proposed in our original 2017-20 IRMP.***
- We propose to achieve this increase in the number of fire engines from 26 (18 fire engines immediately available 24/7; 6 day crewed fire engines (immediately available during the day and on 30 minute recall at night); and 2 fully wholetime retained fire engines which are available on a 30 minute recall 24/7)***
- to 30 by providing 20 appliances immediately available; 6 day crewed fire engines (immediately available during the day and on 30 minute recall at night); 3 fully wholetime retained fire engines which are available on a 30 minute recall 24/7 and 1 Search & Rescue fire appliance.***
- In practical terms this will mean that during the day we will have 27 (inc Search & Rescue appliance) immediately available fire appliances with a further 3 available within 30 minutes (for resilience purposes).***

And

- 21 immediately available fire appliances (inc Search & Rescue appliance) during the night with a further 9 available within 30 minutes (for resilience purposes).***
- To achieve this we intend to increase the number of fire fighters employed by Merseyside Fire & Rescue Authority from 620 to 642.***
- To achieve this we intend to recruit up to 60 new firefighters each year during the life of the plan to maintain the 642 figure.***

- ***This proposal also includes a commitment to maintain fire engines with five firefighters on at key locations (including those where five firefighters are required to operate our National Resilience assets) with other locations operating with four firefighters per fire engine.***
- ***We will also review the location of our specialist appliances to determine what is the most suitable location based on the risk and demand in the area, the appropriateness of the duty system and the capacity of a fire station to house the additional asset.***

An operational crew of four [4] provides for a nationally recognised safe system of work for the UK fire and rescue service, however we intend to maintain a crew of five [5] at around half our fire stations so that we can respond as efficiently and effectively as possible to life risk incidents.

These arrangements will ensure that we are always able to send at least nine firefighters to life risk incidents either by mobilising one fire engine with five firefighters and a second with five or four, or three fire engines with four firefighters on each.

- ***We propose to increase the number of available fire engines by the introduction of a 'Hybrid' duty system at three locations; Liverpool City, Wallasey and St. Helens, this system combines elements of Days, Nights and Retained duties whilst also maintaining immediate cover with at least one 24/7 fire engine.***
- ***Adopting such a model would allow us to provide day, night and retained cover and provide three fire engines at each of the locations above (an increase on what was planned in the 2017-20 IRMP).***
- ***The Hybrid would deliver immediate and continuous night-time cover at both Liverpool City and Wallasey fire stations.***

The Hybrid model duty system will provide the following from each location:

- Two fire engines immediately available during the day between 0830hrs - 2030hrs and a third fire engine providing retained cover on a 30min recall to help deal with particular busy periods, large scale or protracted incidents.
- One fire engine immediately available during the night between 2030hrs – 0830hrs and two fire engines providing retained cover on a 30min recall to help deal with particular busy periods, large scale or protracted incidents.

The graphic below describes the proposed change:



In practice, staff will work across all three appliances on a Hybrid duty system undertaking day shifts, night shifts and an equal amount of retained shifts. This equates to approximately 10 day shifts, 5 night shifts and 15 retained shifts per month, where a retained shift either follows a day shift or precedes a night shift, for example:

- 12 hour day shift (0830-2030hrs) followed by a 12 hour retained shift (2030-0830hrs)
- 12 hour retained shift during the day (0830-2030hrs) followed by a night shift (2030-0830hrs)

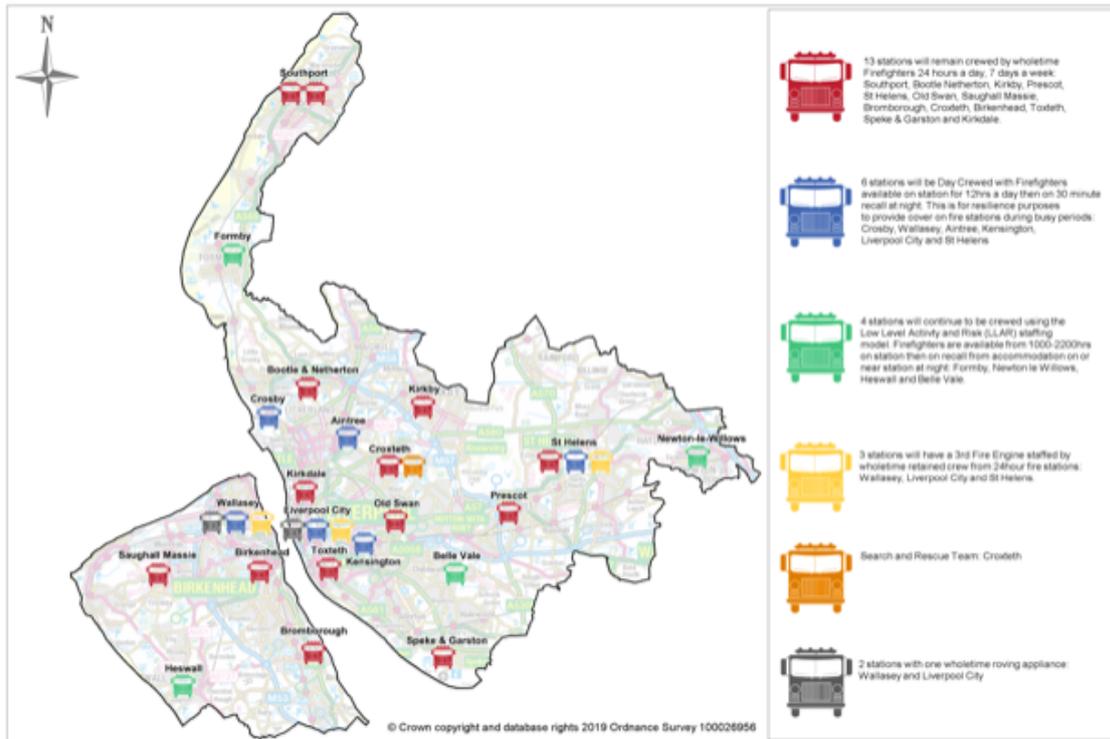
These stations would enhance our response capabilities to terrorist threat, marine and environmental (flood) risk.

The replacement of the original proposals 1-3 with the implementation of three Hybrid stations will increase MFRS appliance numbers from the current 26 to 30

This proposal is based on the analysis of risk, demand, vulnerability and performance (further details are available at appendix 1).

To achieve this the Authority will be required to utilise some of its financial reserves to pay off debt. This commitment will free up revenue budget that can be invested in the front line and other priority areas.

The graphic below shows the number and type of fire engines that would be available if the new proposals are adopted:



Produced using MapInfo / Strategy & Performance

Response Proposals IRMP Supplement 2019/21

Original proposal 4 above will remain, but the date will be extended to 2021.

Original 2017-20 IRMP Proposal

6. *Completion of station mergers (closing two stations and building one new station) at three locations - (St Helens, Prescot & Saughall Massie)*

Prescot fire station is now complete and open and Saughall Massie is being built (it is due to open in 2019). In October 2018 the Fire and Rescue Authority agreed to seek planning permission for a new station in St Helens (on land off Milverney Way/Watson Street).

This proposal will remain in the IRMP.

New - 2019-21 IRMP Supplement Proposal

We will continue to explore opportunities to improve the efficiency and effectiveness of the Service, including whether the current locations of our fire stations and other buildings allow us to provide the best services and whether there is any scope for further station mergers.

Original 2017-20 IRMP Proposal

7. *We propose that when the Emergency Medical Response trial is complete, Merseyside Fire and Rescue Authority will introduce EMR to all fire crews across Merseyside during the lifespan of this IRMP.*

We are still awaiting the conclusion of negotiations between fire and rescue service national employers' organisation and the Fire Brigades Union, EMR remains a priority for the Service as the previous pilot undertaken evidenced the impact that

responding alongside North West Ambulance Service to Cardiac Arrest victims could have with regards to survivability across Merseyside (as was shown during the pilot in 2016/17). It will remain in the IRMP to be reviewed when the outcomes of national negotiations are known.

Operational Preparedness

Original 2017-20 IRMP Proposal

8. *We intend to add to the resilience of the marauding terrorist firearms attack (MTFA) capability by training and equipping proposed whole time day duty shift stations to perform this function in addition to the Search & Rescue Team.*

Provision of a response to terrorist attack is included in the contracts for new firefighters and initial training input has been delivered.

Further training will be delivered to designated locations. MTFA/MTA governance arrangements are now well established at national level with strategic and tactical forums meeting on a quarterly basis. Single service assurance framework has been developed and an on-line self-assessment tool has been released in January 2019. The findings from that process will inform the development of a tri-service assurance process to be progressed with multi-agency partners as part of the National Joint Operating Working Group.

Original 2017-20 IRMP Proposal

9. *We intend to supplement the resilience of the Urban Search and Rescue (USAR) capability by training all new recruits in to the Service to USAR technician level & create opportunities for staff to work in the USAR team.*
10. *We will also train all new recruits to Swift Water Rescue Technician in order to increase the number of Type B & C water rescue teams the Service can deploy.*

Firefighters who have demonstrated the skills and attributes to become a full USAR technician, have and will continue to be developed to enhance the Service's Search and Rescue capabilities.

Should the alternate proposals be approved MFRS will train staff at designated stations i.e. Wallasey to Swift Water Rescue Technician in order to increase the number of water rescue teams the Service can deploy.

The Service has two Department for Environment Food and Rural Affairs type B boat rescue teams that can respond locally, regionally or nationally to incidents involving wide area flooding

Original 2017-20 IRMP Proposal

- 11. We are committed to maintaining robust assurance arrangements for the National Resilience capabilities located across the English FRS on behalf of Home Office.*
- 12. We will work with the Home Office to fully embed the principle of devolution of responsibility for National Resilience capabilities to the sector through the Lead Authority arrangement.*

National Resilience is the term used to describe a range of specialist capabilities that are provided and maintained via Government funding, that are available to respond nationally to deal with unusually large or complex emergencies; for example major building collapse. Merseyside Fire and Rescue Service, as the Lead Authority for the delivery of National Resilience manages, assures, coordinates and reports on the deployment of these assets through the National Resilience Assurance Team (NRAT) on behalf of the government.

MFRS also has the responsibility for the national mobilisation and coordination of National Resilience assets via the National Resilience Fire Control, National Resilience skills acquisition training and National Resilience Long Term Capability Management which provides support, asset refresh and contract management for the maintenance of all National Resilience fleet and equipment.

New work will involve considering how all National Resilience capabilities will be configured and how they may need to be refreshed or replaced by 2024.

This proposal will remain in the IRMP.

Original 2017-20 IRMP Proposal

- 13. As part of the collaboration programme with Merseyside Police, we are planning to include the Police MATRIX team in similar joint training plans to further enhance response capability at major incidents.*

This proposal is linked to the Joint Emergency Services Interoperability Programme which was set up to improve the way the emergency services work together and training is continually kept under review. Our Detection, Identification and Monitoring team (part of our approach to National Resilience) currently trains with Matrix team and the location of the North West Ambulance Hazardous Area Response Team at Croxteth fire station means that fire and rescue and ambulance service teams work closely together.

Original 2017-20 IRMP Proposal

- 14. We may change how training is delivered in the longer term. We propose to work with partner organisations to explore opportunities for efficiencies, driving further collaboration & improving effectiveness.*

It has been agreed that a training review should take place and it is expected to begin in early 2019.

A review of how the Service delivers training to all staff has been carried out and recommendations approved by the Strategic Leadership Team which will ensure that

the Training and Development Academy infrastructure is both efficient and effective and able to meet the demands of the service.

This proposal will remain in the IRMP.

New - 2019-21 IRMP Supplement Proposal

We will explore the feasibility of introducing a drone capability which would be provided on a retained basis by crews operating from a hybrid station.

New - 2019-21 IRMP Supplement Proposal

We will explore the use of technology to support the mobilisation of resources to all operational incidents types, using mobile phone capabilities (data/technology) to better inform the mobilisation and dispatch of fire engines and specialist vehicles – e.g. 999Eye (as used by West Midlands FRS).

New - 2019-21 IRMP Supplement Proposal

In light of findings from the 2018 fire and rescue service inspection process we intend to consider how best to enhance the information we hold about risks in neighbouring fire and rescue services to assist us when we respond to over the border incidents.

New - 2019-21 IRMP Supplement Proposal

In light of findings from the 2018 fire and rescue service inspection process we intend to consider how best to enhance cross border training with neighbouring fire and rescue services to assist us when we respond to over the border incidents.

Community Risk Management

Prevention

Original IRMP 2017-20 Proposal

15. We are in discussion with local Clinical Commissioning Groups & Public Health professionals in relation to the introduction of Safe and Well visits across Merseyside.

The Service's Safe and Well visits have been externally evaluated with the findings utilised to inform future strategy. As such, the Service will be well positioned to deliver any joint commissioning arrangements.

The approach has resulted in **10,486** Safe & Well Visits being delivered to over 65s, raised awareness of the NHS Bowel Cancer Screening Programme to **4293** people over 60, carried out **3857** Falls Risk Assessments to over 65s, held **2532** MECC (making every contact count) conversations with smokers, provided advice about reducing alcohol intake to **2751** people and taken the blood pressure of **682** people.

This proposal will remain in the IRMP.

Original 2017-20 IRMP Proposal

16. Alongside Merseyside Police and our Local Authorities we are exploring the concept of fully integrated early help services, creating shared service Community Safety/Early Help Hubs, which it is envisaged will better co-ordinate resources.

Each of the five local authorities has adopted an approach to Early Help which aims to support the most vulnerable in our communities. Our front line staff can refer into the different local authorities to provide additional support for vulnerable people.

We have embedded officers within the multiagency District Hubs. We are continuing to explore further opportunities to enhance this approach whilst also focusing on community safety fire and rescue service priorities.

This proposal will remain in the IRMP.

Original 2017-20 IRMP Proposal

17. With partners:

- We are committed to the building of digitally inclusive community where everyone has access to affordable broadband & devices, has the right skills & confidence to use the internet and the ability to use technology to improve their quality of life & get out of poverty.*
- We propose to deliver a multi-disciplinary monitoring system, through smart smoke alarms linked to Fire Control to enable vulnerable residents to stay safe.*

We are now working in Wirral supporting the Wirral Plan Housing Pledge for 2018-19 in relation to improving the quality of Wirral's housing offer for residents. MFRS' contribution is in identifying opportunities to design and plan the introduction of assistive technology to improve wellbeing and safety to promote independence for residents.

MFRS are also now members of the Knowsley digital inclusion steering group.

This project is developing and future evaluation will assist us with our next steps.

This proposal will remain in the IRMP.

Original 2017-20 IRMP Proposal

18. We aim to develop a volunteer cohort to support engagement events, work with other community stakeholders to identify

Update

MFRS began the recruitment of volunteers in early 2017 with the first group receiving induction training in March 2017. Our volunteers have supported events and initiatives such as.

- Arson reduction campaigns across Merseyside
- Assisting our staff in the delivery of Home Fires Safety Checks and reassurance campaigns following major incidents
- Water Safety Week
- Community clean up events with key partners in Wirral
- Health and Wellbeing events, promoting our Safe and Well & home fire safety.
- High Rise Campaigns across Merseyside following the Grenfell Tower fire in London.

We are enthusiastic about the way this project is developing and look forward to recruiting more volunteers to support our work in the community.

This proposal will remain in the IRMP.

Original Proposal (from the 2017 IRMP review)

18a Marketing and Funding Strategy - MFRS are considering opportunities for further funding and sponsorship from the private sector to support its Youth Engagement programmes. Particularly those related to Early Intervention / Early Help.

We remain committed to this approach and are in the early stages of pursuing external funding. Work will commence on refining the funding strategy in 2019.

This proposal will remain in the IRMP.

Protection

Original 2017-20 IRMP Proposal

19. Towards 2020 we will ensure targeting the right level of Protection expertise to the level of risk by using a wide range of data & intelligence sources.

We implemented a new Risk Based Inspection Programme in July 2018 that uses 13 data sets to help us more accurately target the higher risk premises in Merseyside to ensure that owners and occupiers are complying with their legal responsibilities. This will help us ensure that we can continue to reduce the risk of fire in the future.

In 2019 we will develop a management information application that will help us carry out inspections and record information more efficiently and effectively.

This proposal will remain in the IRMP.

There is, however, a national shortage of skilled fire protection officers and increasing demand for fire protection expertise following the Grenfell Tower fire in 2017, so we have worked hard to find ways to increase our expertise, whilst still considering budget constraints.

New - 2019-21 IRMP Supplement Proposal

We will increase the number of staff in our Protection team to carry out legislative fire safety work.

We also plan to introduce a non-uniformed role of Fire Engineer to provide technical expertise that will assist us provide expert advice to building owners and developers.

This new proposal reflects our additional commitment to Protection and helps to address concerns highlighted by Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services in their initial report on fire and rescue service inspection. This will help us improve the way in which we work closely with building owners and occupiers to improve compliance with legislation and take action to deal with non-compliance.

We believe that Protection is key to keeping people safe in public and commercial buildings and we propose to increase the number of staff carrying out Protection work by creating five new uniformed manager roles to help improve the capacity of the Protection team.

Original 2017-20 IRMP Proposal

20. We propose that Business Fire Safety Advisors will complement the work of Protection by further supporting our risk based strategy, developing initiatives & campaigns to target specific business premises across Merseyside.

Ten Business Fire Safety Advisors have been recruited with some already moving into higher level roles and two unfortunately leaving the Service due to the high demand for their expertise. Further new recruits to this area started work in the autumn of 2018.

This proposal will remain in the IRMP.

Original 2017-20 IRMP Proposal

21. Introduction of the Protection Response Team will ensure operational crews are fully prepared to respond safely & effectively to fires with a heightened knowledge of the built environment.

We propose further involvement in planning activities, exercise support & debriefing MFRS & multi-agency exercises.

The team will support the management of risk through undertaking 'peak performance' inspections with partners.

Peak performance inspections (visiting premises when they are operating – e.g. inspecting a night club when it is open) are now fully established, successful and embedded as normal business within the Risk Based Inspection Programme.

A shortage of expertise has meant that we have not yet been able to implement a full Protection Response Team and therefore the provision of training to operational crews on the built environment has been limited. We are working to resolve this issue by considering innovative ways to increase our resources.

This proposal will remain in the IRMP.

Original 2017-20 IRMP Proposal

22. MFRA will develop a Merseyside Better Business for All approach by April 2018 working with local stakeholders. By working together to remove real and perceived barriers to growth by understanding each other's perspective, we can develop our approach, tackle obstructions & find solutions to move forward.

MFRS was a founding member of the Liverpool City Region Better Business for All (BBfA) partnership in 2017. However, the future direction BBfA nationally is uncertain, affected by the Hackitt Review of Building Regulations (after the Grenfell Tower fire).

Linked to this is the Primary Authority Scheme which enables companies to work with a single fire and rescue service for legislative fire safety advice that they can then apply to all of their operations regardless of where they are in the country. MFRS has one Primary Authority in place and another pending.

We will consider our ongoing commitment to Primary Authority partnerships in the light of the previously mentioned challenges in relation to the resources we have available.

Finance

Original IRMP 2017-20 Proposal

23. Financial proposals:

- *Prepare a multi-year financial plan*
- *Set council tax increase in line with the financial plan*
- *Assume 2% pay increase for our staff for 2019/20 and each year thereafter*
- *Look to re-invest £1m in frontline services and increase the number of firefighters from 620 to 642.*
- *Fund the £1m investment from anticipated savings on future debt payments and pension deficit payments.*
- *Deliver the saving plan approved in the 2018/19 financial plan.*

Our five year Medium Term Financial Plan rolls forwards every year and it is updated to deal with any changes.

We will set our council tax at the referendum limit allowed, currently set at just under 3% for 2019/20 and anticipated to be just under 2% in future years.

Employee costs make up approximately 75% of the revenue budget and the financial plan assumes annual pay awards of 2%. Any pay bill increase above the 2% assumption will require compensating saving to be identified.

The approved budget savings remain on track to deliver the efficiencies in management, support services and non-employee costs.

We are seeking to increase the firefighter establishment from 620 to 642 (full time equivalents) subject to public consultation and we are planning recruitment to ensure we have sufficient resources in the future to balance the firefighters retiring from the Service.

Equality and Diversity Implications

We are committed to equality, diversity and inclusion in relation to our staff and to the services we deliver to our communities. Our Equality and Diversity Objectives (as detailed in the IRMP 2017-20) remain unchanged from the IRMP 2017-20 but they will be extended to 2021 as part of this supplement. They are:

- Create a strong cohesive organisation that is positive to rising to the future challenges we face.
- Ensure that people from diverse communities receive equitable services that meet their needs.
- Reducing fires and other incidents amongst the vulnerable protected groups
- To ensure that staff are better equipped to deliver their roles whilst showing due regard to the need to: “eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Equality Act, advance

equality of opportunity and foster good relations between people who share a protected characteristic and those who don't."

- To continue to aspire to achieving excellence, or equivalent, in a Fire and Rescue Service Equality Framework

We have developed an initial Equality Impact Assessment on our new proposals and we will build on this during the twelve week consultation period which begins on **14th March 2019**.

During this process we will be considering the impact of our proposals on the nine protected groups;

Age, disability, gender reassignment, race, religion or belief, gender, sexual orientation, marriage and civil partnership, and pregnancy and maternity. We also include a tenth characteristic of Social Economic Deprivation

This process will also include considering the impact of our proposals on our staff and communities.

Consultation

We consulted extensively with the public and other stakeholders when we developed the 2017-20 IRMP and we have reconsider the outcomes of that consultation as we have written that supplement.

During 2016/17 stakeholders told us that they would:

- prefer us to keep stations open using different duty systems than close stations
- like us to maintain a standard 10 minute response to all Life Risk Incidents across Merseyside rather than have some areas fall outside of that standard
- prefer us to use wholtime (full time) firefighters to protect its communities rather than retained firefighters
- like us to secure a long term solution which protects staff moving forward
- wish us to avoid compulsory redundancy
- want performance against the response standard to be a determining factor when implementing change.
- expect us to resource to meet the demands placed on the Service
- expect us to maximise our productivity to protect the public
- like us to keep prevention at the forefront of our work

- support our proposals to respond 'along with' NWAS to Cardiac Arrest incidents
- like to see blue light collaboration not integration
- understand the need to deliver a balanced budget in line with our medium term financial plan

We would like to know what you think about the new and alternative proposals in this supplement compared with those we proposed in the 2017-20 IRMP.

Previous public consultation indicated that people valued our emergency response; so we have carried out analysis and research to create new proposals that we believe will improve upon what we originally planned.

But people also wanted us to maintain a focus on our communities and make sure that we work in a way that is safe for our staff and for the public of Merseyside.

We believe that our new proposals as detailed are logical and rational and represent a better way forward for the Service; but what do you think?

- Do you prefer the original proposals or the alternative proposals contained within this supplement?
- What do you think about the proposals which are all together new?

You can comment in the following ways:

On-line survey: [link to be inserted when consultation is launched]

By email: consultation2@merseyfire.gov.uk

In writing: IRMP Officer, Merseyside Fire and Rescue Service, Bridle Rd, Bootle, Liverpool L30 4YD

Deadline: 6th June 2019

We will also be consulting with our staff and organisation that have an interest in the work that we do. This includes:

Internal :

- Staff will be encouraged to consider the new proposals and submit comments through the consultation process.
- Representative Bodies (trade unions and staff associations)

External :

- Community engagement
- Public consultation forums
- Partner organisations

Thank you for helping us to make Merseyside safer and stronger.

Alternative Formats

We are committed to ensuring that all our information is fully accessible for all communities across Merseyside, we have included this document on our website which can be accessed from our Webpage <http://www.merseyfire.gov.uk/equality & diversity>

We also provide a free speech, reading and translation service using Browse Aloud to help people who require online reading support access our documents this can be located on the front page, top left of our website by clicking the button called "listen with Browse Aloud"

If you would like a copy in Arabic, Bengali, Chinese, French or Somali please contact us at Diversity Team, Merseyside Fire & Rescue Service Headquarters, Bridle Road , Bootle, Liverpool L30 4YD. Telephone 0151 296 4422 or email diversityteam@merseyfire.gov.uk.

Arabic

Diversity: على بنا الاتصال يرجى الصومالية، أو الفرنسية، أو الصينية، أو البنغالية، أو العربية، باللغة نسخة أردت إذا Team, MF&RS Headquarters, Bridle Road, Bootle, Liverpool, L30 4YD والمينيكوم الهاتف كبرى طباعية بحروف أيضاً متوفر 296 0151 الإلكتروني البريد أو 4422 diversityteam@merseyfire.gov.uk.

Bengali

আপনি আরবি, বাংলা একটি কপি চান, চীনা, ফরাসি বা সোমালি কনুন যোগাযোগ ডাইভারসিটি দল আমাদের, MF & আরএস সদর, রশ্মি রোড, Bootle, লিভারপুল L30 4YD. টেলিফোন এবং মিনি কম 0151 296 4422 বা ইমেইল diversityteam@merseyfire.gov.uk. বহুতর মুদ্রণ এছাড়াও উপলব্ধ.

Chinese

如果你想复制的阿拉伯语，孟加拉语，中国，法国或索马里，请联系 我们多元化的团队，MF & RS总部，马勒路，布特尔，利物浦L30 4YD。电话和小型机0151 296 4422 或电邮 diversityteam@merseyfire.gov.uk。在较大的打印也可以。

French

Si vous souhaitez obtenir une copie en arabe, bengali, chinois, contactez s'il vous plaît français ou en Somalie nous à la diversité équipe, siège de MF & RS, Bridle Road, Bootle, Liverpool L30 4YD. Téléphone et minicom 0151 296 4422 ou par Courriel diversityteam@merseyfire.gov.uk. Egalement disponible en gros caractères.

Somali

Haddii aad rabtid nuqul Carabi, Bangaali, Shinees, Faransiis ama Soomaali fadlan la xiriir kooxda Diversity, Merseyside Fire & Rescue Service, Headquarters Service, Bridle Road, Bootle Liverpool L30 4YD. Telefoonka: 0151 296 4422 ama Email: diversityteam@merseyfire.gov.uk. Sidoo Kale waxaa heli kartaa iyadoo far waaweyn ah.

This Document is also available in larger print and can be reproduced in Braille on request.

Analysis of risk and demand

The process of preparing the 2019-21 supplement to the IRMP 2017-20 has involved consideration of risk and demand and analysis of alternative options. The IRMP 2017-20 provides details of the key risks in Merseyside as identified in the Merseyside Community Risk Register: <http://merseysideprepared.org.uk/media/1448/2018-merseyside-community-risk-register-public-facing.pdf>

Further consideration of those risks has led us to identify the following new areas we need to focus on in the next two years:

- Dealing with the risk of terrorism; particularly in urban centres
- Dealing with protracted incidents and/or several smaller incidents occurring at the same time.
- How best to support neighbouring fire and rescue services during periods of high demand (such as extensive grass fires during the summer months). Existing arrangements are well established and it is common practice to use the resources of neighbouring services during busy periods. To make these more robust and consistent with emerging risks and FRS demands
- To continue to review operational risk information, including the conversion of existing property risk information into a new electronic format that will capture the same information and more.
- Including how MFRS can share Cross Border risk information with neighbouring FRS's. Resilience Direct is a secure online platform through which risk critical information can be shared with partner agencies during planning and response to incidents.
- All Fire and Rescue Services are signed up to the national mutual aid protocol. As such, this affords support and resilience to serious, significant and catastrophic incidents across the UK. Merseyside Fire and Rescue Service as lead authority for National Resilience play a key role in ensuring all such assets are maintained and fit for purpose to support the national arrangements.
- Business continuity threats such as Cyber-attack, and fuel/power outages

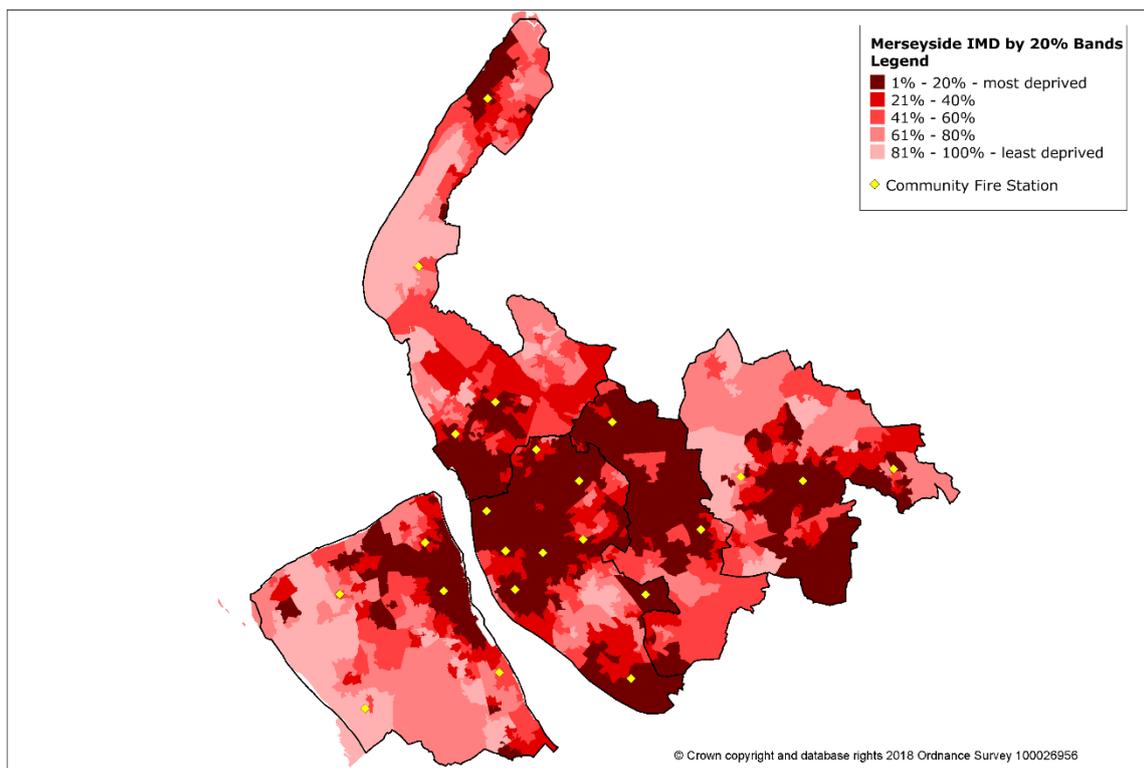
Other areas of Risk and Demand

Deprivation

We know that the likelihood of having a fire increases as deprivation increases and Merseyside is one of the most deprived areas of the country¹. The map below shows the most and least deprived areas within Merseyside along with the locations of our community fire stations. As deprivation results in higher demand, it influences where we position our fire engines, so as to mitigate this risk as much as possible.

1

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/465791/English_Indices_of_Deprivation_2015_-_Statistical_Release.pdf

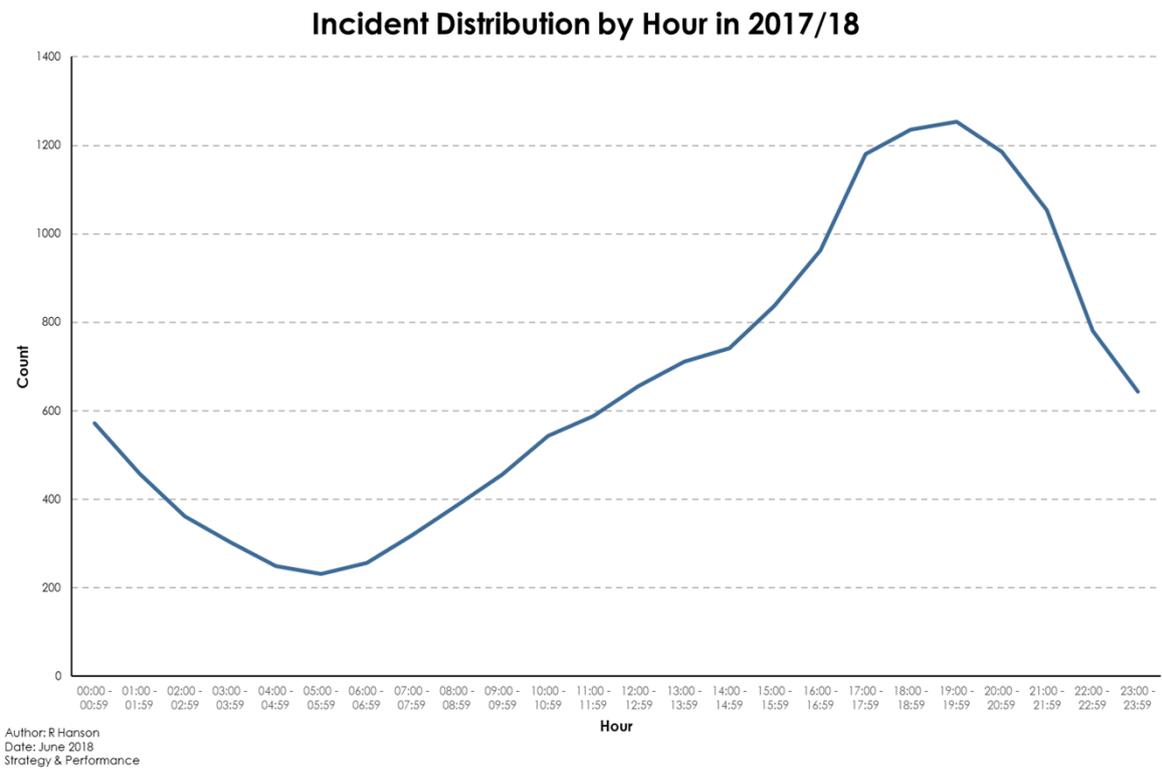
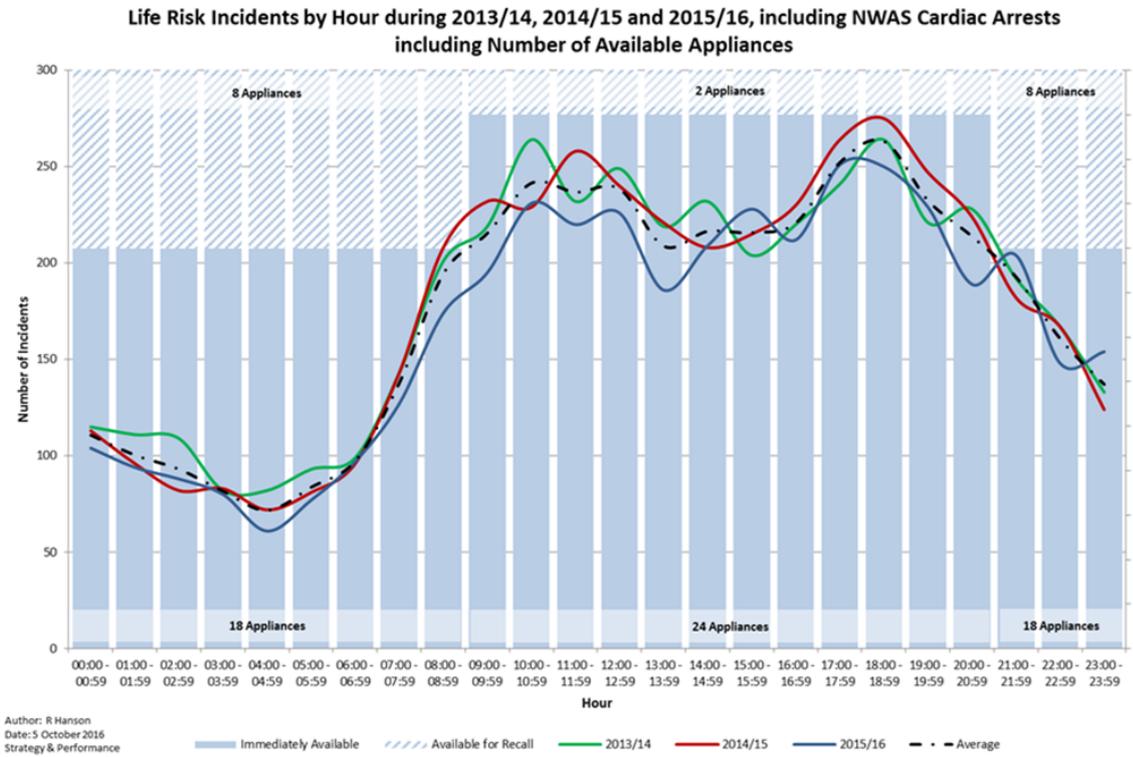


Incident numbers

Although incidents have mainly reduced or stayed at a similar level, we have begun to see numbers creep up over recent years (particularly in deliberate fire incidents and false alarms). We know that more incidents occur during the daytime than at night and that there are areas of Merseyside where demand and risk are higher than others. As such our review has indicated that the public would benefit from us reinvesting in these areas to provide more resilience for times of high or unexpected demand. Because of this we are proposing the changes to our response proposals in our IRMP supplement.

Incident type	2008/09	2013/14	2016/17	2017/18	1Yr Change	%1Yr Change	5 Yr Change	%5 Yr Change	10 Yr Change	%10 Yr Change
Accidental fires in the home	1306	1153	993	928	-65	-6.5%	-225	-19.5%	-378	-28.9%
Non-domestic property fire	623	315	324	297	-27	-8.3%	-18	-5.7%	-326	-52.3%
Other property fire	1203	727	670	629	-41	-6.1%	-98	-13.5%	-574	-47.7%
Deliberate vehicle fire	1078	472	617	640	23	3.7%	168	35.6%	-438	-40.6%
Deliberate Secondary (small) fire	7697	5141	4158	4221	63	1.5%	-920	-17.9%	-3477	-45.2%
Other Secondary (small) fire	643	614	595	602	7	1.2%	-12	-2.0%	-41	-6.4%
Automatic fire alarms (false alarms) – in the home & Other	1862	1892	2526	2808	282	11.2%	916	48.4%	946	50.8%
Automatic fire alarms (false alarms)– Non-domestic	4203	862	616	596	-20	-3.2%	-266	-30.9%	-3607	-85.8%
False Alarm Good Intent	2294	1429	1694	1881	187	11.0%	452	31.6%	-413	-18.0%
Malicious False Alarm	413	203	195	232	37	19.0%	29	14.3%	-181	-43.8%
Special Service calls	2181	2026	2470	2553	116	4.7%	560	27.6%	405	18.6%
Special Service – Road traffic collision	750	514	607	556	-51	-8.4%	42	8.2%	-194	-25.9%
Grand Total	24253	15348	15465	15976	511	3.3%	628	4.1%	-8278	-34.1%

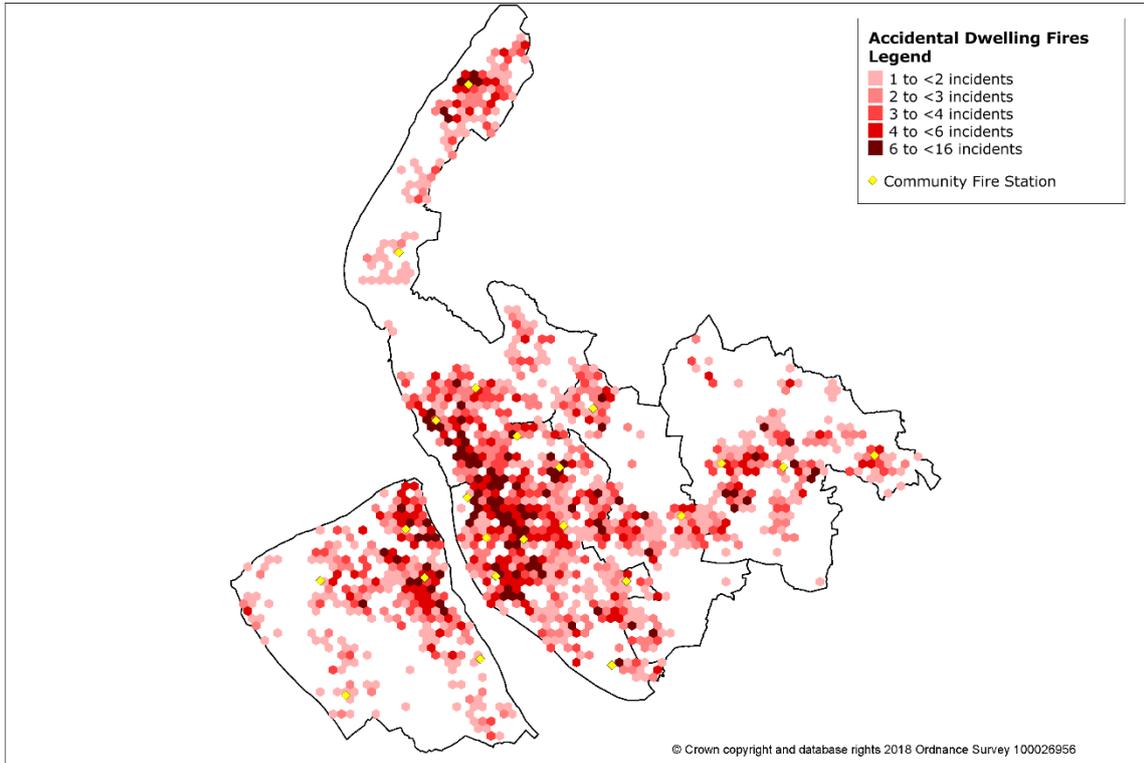
Demand for our emergency services (how many incidents we are called to and when) is also an important consideration. The graph below shows that incidents don't occur in the same numbers during the day and night – so it is most effective and efficient to take this into account when planning how many fire engines we will have on duty at any one time. The first chart below includes cardiac arrest incidents that MFRS could assist the ambulance service with.

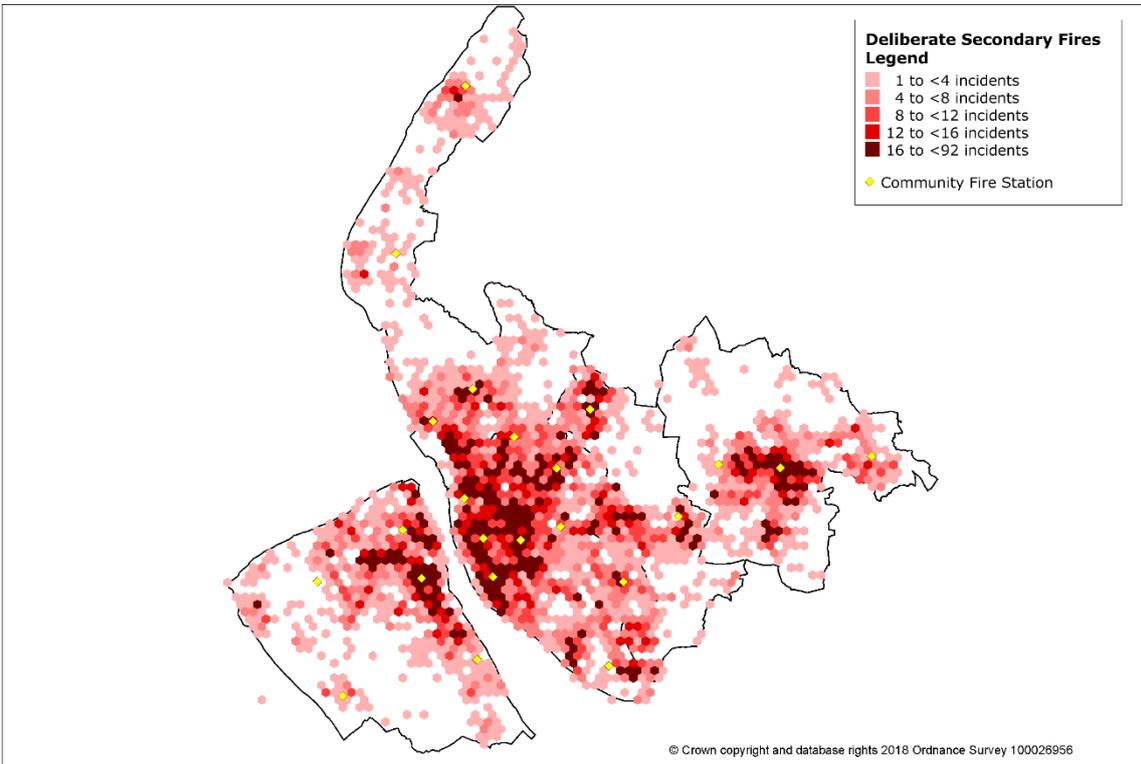
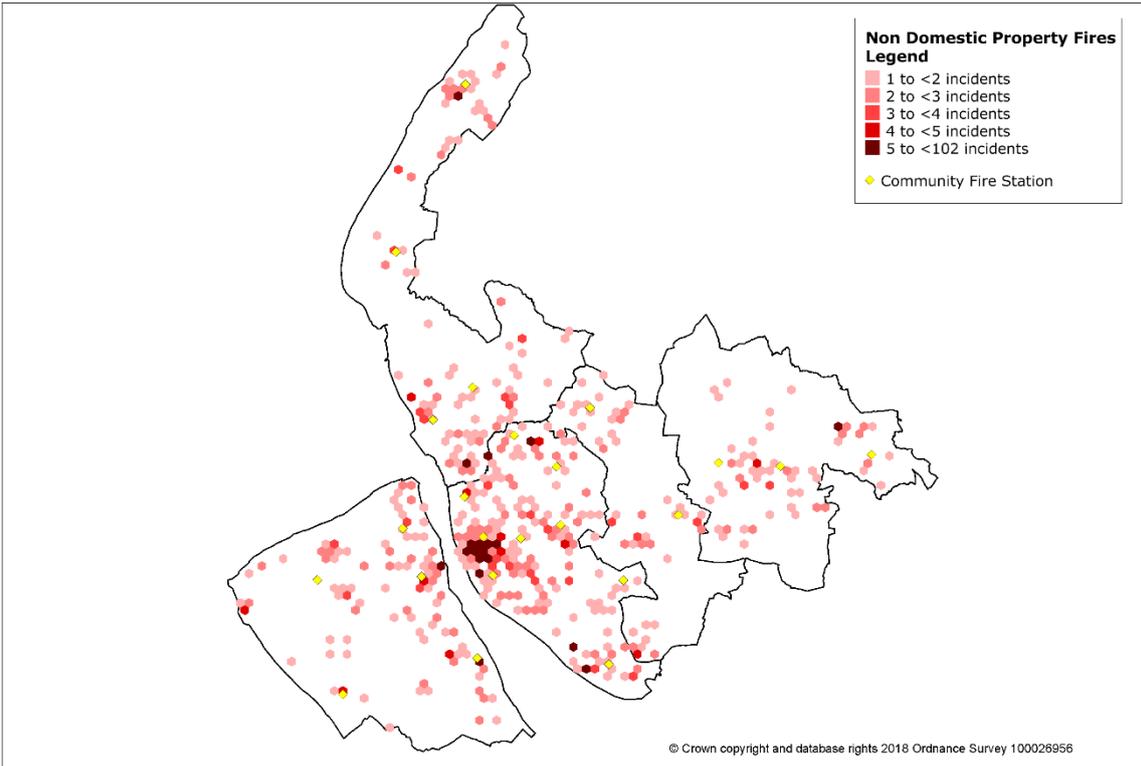


The chart above shows all incidents attended by MFRS. Both graphs show that the majority of incidents occur during the day.

Distribution of incidents

The distribution of incidents follows a similar pattern to that of deprivation, with a higher number of incidents occurring in the most deprived areas. The maps below show the distribution of non-domestic property fires (eg commercial, industrial and public buildings), secondary fires (typically small fires such as bonfires and grassland – although these can become much larger) and domestic fires (homes). The pattern of these incidents also influences where we position our fire engines.





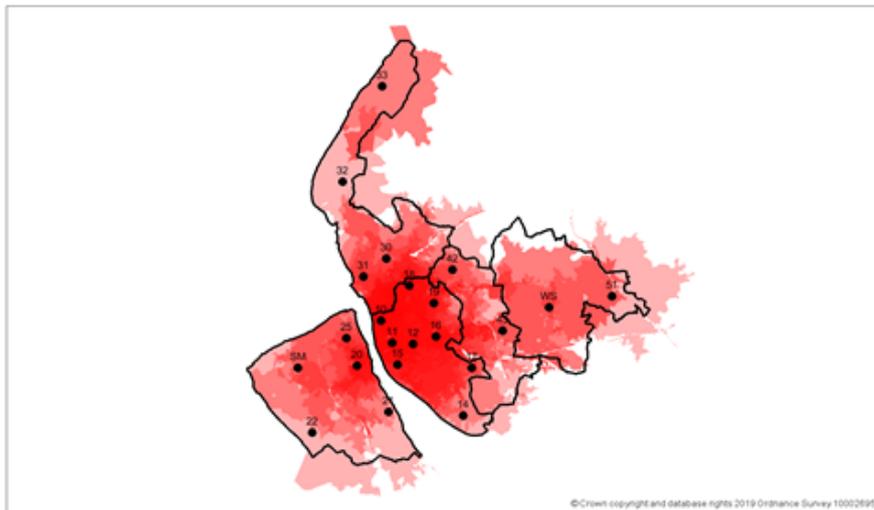
Response Coverage

MRFS have adopted a ten minute response standard to all life risk incidents in Merseyside on 90% of occasions.

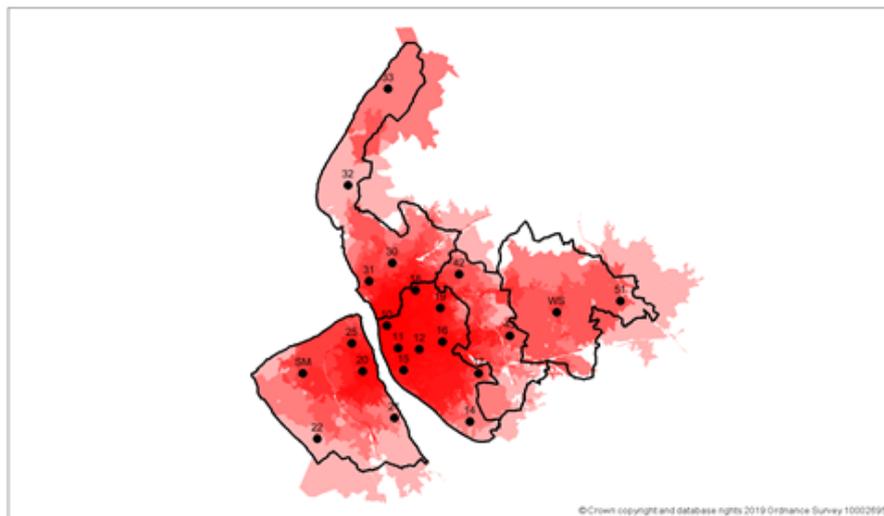
To achieve this we have established 10 Key Stations which means that as long as we have a fire engine available at each one of the ten key fire stations we can respond to the majority of incidents in Merseyside within ten minutes.

This is a minimum standard of achievement as in reality our average attendance time is much quicker at 5mins 47secs (alert to mobile), the fifth fastest in the UK and the quickest to life risk incidents in the North West.

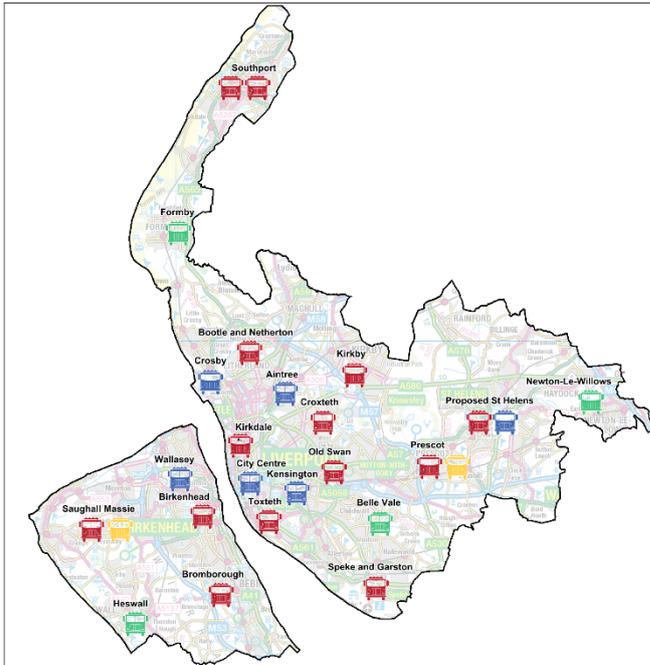
The maps below show the increased coverage provided by the new alternative response options contained within the IRMP supplement compared to the original proposals. This means that we can improve coverage in some of the areas where we have more incidents.



10 Minute Response Isochrones – Day
Response Proposals IRMP 2017/20



10 Minute Response Isochrones – Day
Response Proposals IRMP Supplement 2019/21



 13 stations will remain crewed by wholetime Firefighters 24 hours a day, 7 days a week: Southport, Bootle Netherton, Kirkby, Prescot, St Helens, Old Swan, West Wirral, Bromborough, Croxteth, Birkenhead, Toxteth, Speke & Garston and Kirkdale.

 6 stations will be Day Crewed with Firefighters available on station for 12hrs a day then on 30 minute recall at night. This is for resilience purposes to provide cover on fire stations during busy periods: Crosby, Wallasey, Aintree, Kensington, Liverpool City and St Helens

 4 stations will continue to be crewed using the Low Level Activity and Risk (LLAR) staffing model. Firefighters are available from 1000-2200hrs on station then on recall from accommodation on or near station at night: Formby, Newton le Willows, Heswall and Belle Vale.

 2 stations will have a 2nd Fire Engine staffed by wholetime retained crew from 24-hour fire stations with second contracts: West Wirral and Prescot.

Produced using MapInfo Strategy & Performance

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Response Proposals IRMP 2017/20



 13 stations will remain crewed by wholetime Firefighters 24 hours a day, 7 days a week: Southport, Bootle Netherton, Kirkby, Prescot, St Helens, Old Swan, Saughall Massie, Bromborough, Croxteth, Birkenhead, Toxteth, Speke & Garston and Kirkdale.

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 3 stations will have a 3rd Fire Engine staffed by wholetime retained crew from 24-hour fire stations: Wallasey, Liverpool City and St Helens.

 Search and Rescue Team: Croxteth

 2 stations with one wholetime roving appliance: Wallasey and Liverpool City

Produced using MapInfo / Strategy & Performance

Response Proposals IRMP Supplement 2019/21

Full time equivalent

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Equality Impact Assessment

Title of Project	IRMP Supplement 2019-21 Proposals
Department:	Strategy and Performance
Date:	20th February 2019
Completed by:	Wendy Kenyon and Craig Whitfield

1: What are the main aims and objectives of the project and are any of them in your opinion Positive / Negative or Neutral in relation to those protected groups outlined in section 6 below

The key changes to the original 2017/20 IRMP are listed below and are the basis for the completion of this EIA. This EIA sets out to review each of the proposals individually to ascertain their Impact in relation to our Diverse Communities of Merseyside and specifically how the proposals affect the Fire and Rescue Services we deliver to those communities **Positively, Negatively or Neutrally**. There will be separate EIAs carried out in relation to any of the proposals below that may have the potential to impact staff in terms of equality.

The IRMP Proposals are :

1. Resilience

And the proposal to;

1.1 To improve our emergency response and resilience by having up to 30 fire appliances available day and night (a combination of Wholetime and Retained). This is an increase on the 26 proposed in our original 2017-20 IRMP.

We propose to achieve this increase in the number of fire engines from **26** (18 fire engines immediately available 24/7; 6 day crewed fire engines (immediately available during the day and on 30 minute recall at night); and 2 fully wholetime retained fire engines which are available on a 30 minute recall 24/7)

to **30** fire engines (20 fire engines immediately available; 6 day crewed fire engines

(immediately available during the day and on 30 minute recall at night); 3 fully wholetime retained fire engines which are available on a 30 minute recall 24/7 and 1 Search & Rescue fire appliance.

In practical terms this will mean that during the day we will have 27 immediately available fire engines with a further 3 available within 30 minutes (for resilience purposes).

And

21 immediately available during the night with a further 9 available within 30 minutes (for resilience purposes).

This is an increase on the original 2017-20 IRMP proposal.

EQUALITY IMPACT: This proposal set out in 1.2 is considered to have a **Positive Impact** on All Communities of Merseyside as there is an increase in fire and rescue coverage. The introduction of the Hybrid Model Duty System increases the ability for MFRS to provide reliance and response in areas of high deprivation in Liverpool, Wallasey and St Helens. The two former districts have higher levels of Diversity.

2. Protection

And the proposal to;

- 2.1 Increase the Protection establishment by 5 Protection Officers
- 2.2 Introduce a Fire Engineer role
- 2.3 Support the development of a new management information system

EQUALITY IMPACT: This proposals set out in 2.1,2.2 and 2.3 will have the potential to provide a greater protection service to businesses of Merseyside , this will help the current work around” Engaging Diverse Businesses” which is a programme of work designed to ensure diverse businesses are supported with Fire safety. The use of Positive Action to recruit Protection Officers will be an opportunity to increase the diversity of the Protection workforce. The proposals are considered to have a **Positive impact** on diverse business communities and the wider communities of Merseyside.

3. Response

And the proposal to;

- 3.1 Increase the number of Firefighter roles from 620 to 642ⁱ (plus 20 in training)
- 3.2 MFRA will also establish a ridership (number of firefighters on a fire engine) of 5 at Key locations and those hosting National Resilience assets which require specific modes of operation, and 4 elsewhere which is line with safe schemes of work (this reflects the current realities – riding 5 remains a long term aspiration of the Service). By providing 5 at Key Locations this will ensure that at least 9 personnel are available to respond to life risk incidents.
- 3.3 Re-establish Crew Managers at Key locations – with their continued use elsewhere as part of development pathway
- 3.4 Enhance response to terrorist attack and marine/flood related incidents from Liverpool City and Wallasey fire stations respectively
- 3.5 Maintain cover during the night time at Liverpool City and Wallasey based on the introduction of the Hybrid Model
- 3.6 Re-distribute specialist appliances to align with the new model – and duty systems operated
- 3.7 Utilise the appliances at Liverpool City and Wallasey to manage risk and demand

across Merseyside dynamically, facilitate training and improve response and resilience during spate conditions.

EQUALITY IMPACT: This proposals set out in 3.1 to 3.8 will have the potential to provide a greater rescue and response service to the Diverse Communities of Merseyside. Through the increase in resources of Firefighters, Fire engines and redistribution of specialist appliances. Liverpool City and Wallasey have higher proportions of cultural diverse communities and the improvement in response and resilience during spate conditions and of a night will be a **Positive Impact**.

Proposal 3.2 has both a **Positive Impact and Negative Impact** in so much as it will utilise Firefighters riding 4 on non-key stations to help redirect the resources not sued there to enable key stations to 5. This will match resource to risk and demand. Whist riding 4 is still within safe schemes of work , there is a long term aspiration to ride 5 within MFRA

Proposal 3.4 has the potential to open up pathways to increase the diversity of our workforce at management level which has low levels of Female and BAME staff , the opportunity to provide positive action within progression, as set out in our People Strategy ,could support this as a **Positive Impact**

2: Who will be affected by the objectives proposed in the project and will this be Negative /Neutral or Positive?

Communities of Merseyside
Operational Staff
Protection Staff

3: What monitoring data have you considered?

Summarise the findings of any monitoring data you have considered regarding this Functional Plan. This could include data which shows whether it is having the desired outcomes and also its impact on members of different equality groups.

<p>What monitoring data have you considered?</p>	<p>Data Is available in relation to Proposal 1.1</p> <p>The data provided in appendix A –E Data</p> <p>Appendix A: defines the 10 scenarios that have been worked through to decide where the best place would be to trial the Hybrid model duty system whilst maintaining or increasing response times</p> <p>The response times are anticipated to be above average, therefore positive impact for all protected groups in those station areas.</p> <p>The introduction of increased night cover will have a positive impact for the areas of Liverpool and Wallasey, these have higher levels of social deprivation and diversity in relation Race and Religion which has been identified by our</p>
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	<p>Community Profile maps and will therefore be a positive impact on those groups.</p> <p>Appendix B-E demonstrate, through maps, the impact the additional coverage, and additional appliances will have, during both the day and night. Appendix E shows that using the Hybrid model on nights will provide improved response through the greater shading of red showing a greater availability of appliances.</p> <p>There are no changes to the rest of the response times for other areas – therefore no impact in terms of Equality.</p>
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4: Research	
<p><i>Summarise the findings of any research you have considered regarding this Functional Plan. This could include quantitative data and qualitative information; anything you have obtained from other sources e.g. CFOA/CLG guidance, other FRSs, etc.</i></p>	
What research have you considered?	What did it show?
	N/A

5. Consultation
<p><i>Summarise any consultation you have had ,when developing the pilot project , with any protected groups (listed in 6 below) both internally and externally to the organisation about how the Functional plan objectives might impact them either positively or negatively or natural</i></p>
<p>During 2016/17 we undertook extensive consultation regarding the planning principles MFRA should apply when developing draft proposals for the draft IRMP 2017/20. Then later in 2016 we ran a further 12 week consultation to seek opinions on the proposals in the draft IRMP. During this process we hosted a wide variety of consultation and engagement activities including:</p> <ul style="list-style-type: none"> • Public consultation facilitated by an independent organisation • Staff consultation • Local authority and strategic partner consultations (including all Local Councils, all Chief Fire Officers, local Police and Ambulance chief officers, local MP’s, local libraries and One Stop shops) • Staff representative bodies • On-line questionnaires • Extensive use of the internet (website, portal, Facebook and Twitter) to publicise events <p>A Year 2 (2018/19) IRMP update has been carried and during Spring 2019 we will undertake the same 12</p>

weeks consultation with public, staff and stakeholders around proposals (1.1 to 3.7) in the draft IRMP 2019-21 supplement. Including 5 public forums in each of our Districts between 23rd and 30th April 2019. The use of MerPol Community Action and advisory group meetings will assist consultation with diverse community groups

The outcome of the 12 week consultation will be reported back to Authority following the consultation period.

The following consultation has been carried out with our staff in relation to the Proposals 1.1 , 3.6, and 3.7

- Presentation by CFO to Authority
- Presentation by CFO to Station Managers
- Presentation by CFO to all Day Crewing staff (8 Appliances) on the 24th January 2019, the day the concept was agreed by Authority. Crews attending were given the opportunity during the two hour facilitated session to ask any questions regarding the proposal.
- Station Managers are currently having informal conversations with crews about the concept and collating, frequently asked questions will be included on the project Portal page.
- Portal Page has been created to provide staff with a platform for FAQ's, copy of the presentations, the communication plan and any other related documents.
- Consultation with representative bodies are being scheduled

The next steps:

- Hybrid Model Duty System presentation has been developed and will be delivered to all crews
- Invitation to talk to members of staff networks – female firefighter forum and the BAME/Culture network regarding possible impacts

6. Conclusions - Provide any conclusions ascertained from section 2 to 5 above about the equality Impacts for each protected group – Describe the impact in terms of Negative, Positive or neutral.

(a) Age

No Specific Impacts have been established in relation to age at this stage however an increase in response and protection resources will no doubt have a positive impact on the delivery of our Fire and rescue service which does have a focus on age related fire risks through the delivery of HFSC's. The additional resources will assist with the delivery of Home Fire Safety and Fire Protection strategy.

(b) Disability including mental, physical and sensory conditions)

No Specific Impacts have been established in relation to Disability at this stage however an increase in response and protection resources will no doubt have a positive impact on the delivery of our Fire and rescue service which does have a focus on age related fire risks through the delivery of HFSC's. The additional resources will assist with the delivery of Home Fire Safety and Fire Protection strategy.

(c) Race (include: nationality, national or ethnic origin and/or colour)

The introduction of increased night cover will have a positive impact for the areas of Liverpool and Wallasey (as well other areas as highlighted in appendix C and E), these areas have higher levels of social deprivation and diversity in relation Race and Religion which has been identified by our Community Profile maps and will therefore proposals to increase resources be a positive impact on those groups.

The increase in resources around FF, Crew managers and Protection staff will be an opportunity to increase the diversity of the workforce through our positive action programmes. These target under representative groups which include Black, Asian and Ethnic Minority groups.

(d) Religion or Belief

- As C above

(e) Sex (include gender reassignment, marriage or civil partnership and pregnancy or maternity)

No Specific Impacts have been established in relation to Sex at this stage in relation to communities of Merseyside.

The increase of FF, Crew managers and Protection staff will be an opportunity to improve the diversity of the workforce through our positive action programmes. These target under representative groups which include Female Firefighters.

(f) Sexual Orientation

No Specific Impacts have been established in relation to Sexual Orientation at this stage in relation to communities of Merseyside.

The increase of FF, Crew managers and Protection staff will be an opportunity to improve the diversity of the workforce through our positive action programmes. These target under representative groups which include individuals from different sexual orientations.

(g) Socio-economic disadvantage

No Specific Impacts have been established in relation to socio-economic disadvantage at this stage however an increase in response and protection resources will no doubt have a positive impact on the delivery of our Fire and rescue service which does have a focus on the risks of fire for this particular protected group. The additional resources will assist with the delivery of Home Fire Safety and Fire Protection strategy.

7. Taking into account the information contained in the sections above what are the final Outcomes and Decisions

If the project or any of its objectives will have the potential to have a negative impact on members of one or more of the protected groups, explain how this will be managed or mitigated or justified as being an appropriate and necessary means of achieving the legitimate aims set out in your plan

There are no Negative Equality impacts at this stage, however the 12 week consultation with staff and public will be an opportunity to review this EIA and gather views from the diverse communities of Merseyside which will inform the decisions the Authority take to implementing the proposals contained in the IRMP supplement 2019-21

8. Equality Improvement Plan

The following activities have been identified by the Diversity and Consultation Manager as part of the EIA reviewing and signing off process.

- 1) The EIA will be treated as a live document throughout the IRMP consultation and initial introduction of the Hybrid Model Duty system and beyond – this will include evaluation from staff and public consultation
- 2) The impact on different groups will need to be consulted on with staff networks and the EDI staff steering group.

9. Equality & Diversity Sign Off

The completed EIA form must be signed off by the Diversity Manager before it is submitted to Strategic Management Group or Authority.

Signed off by: Wendy Kenyon

Date: 20.02.19

Comments:

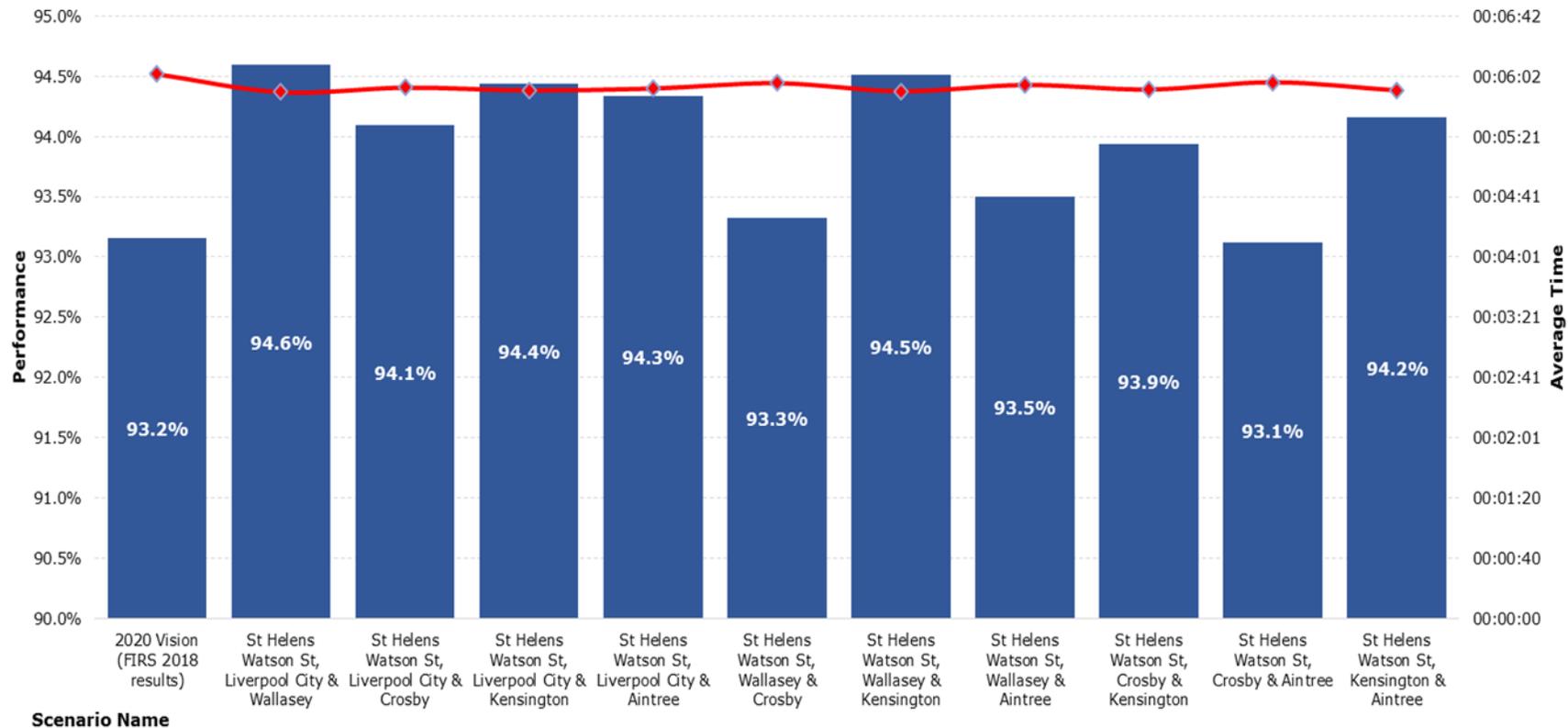
EIA Agreed subject to action carried out in 8 above

For any advice, support or guidance about completing this form please contact the DiversityTeam@merseyfire.gov.uk or on 0151 296 4422

The completed form along with the related policy/report/project document should be emailed to the Diversity Team at: DiversityTeam@merseyfire.gov.uk

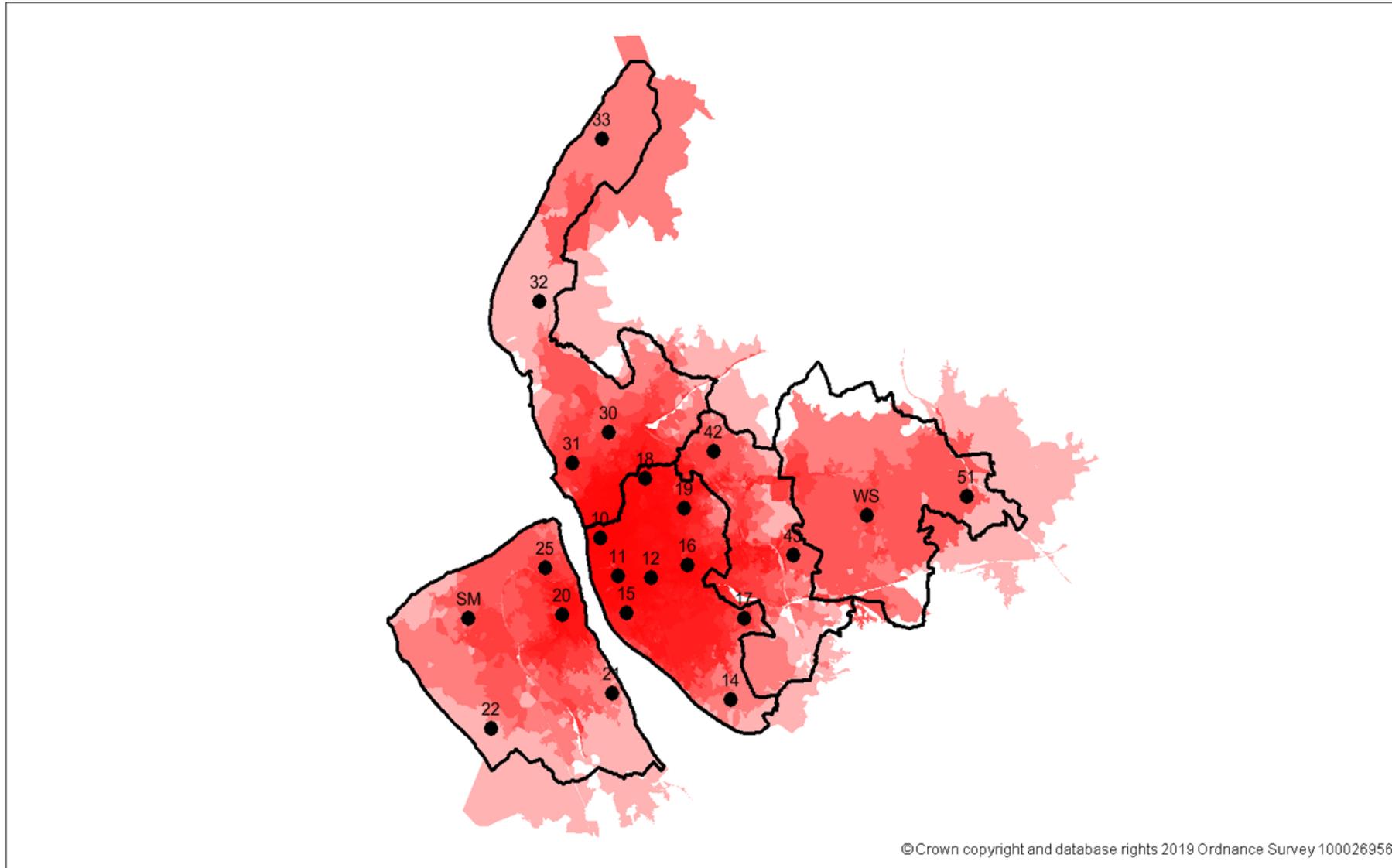
Risk, Demand and Performance – The Hybrid Model

Anticipated Performance and Average Response Times for Hybrid Scenarios

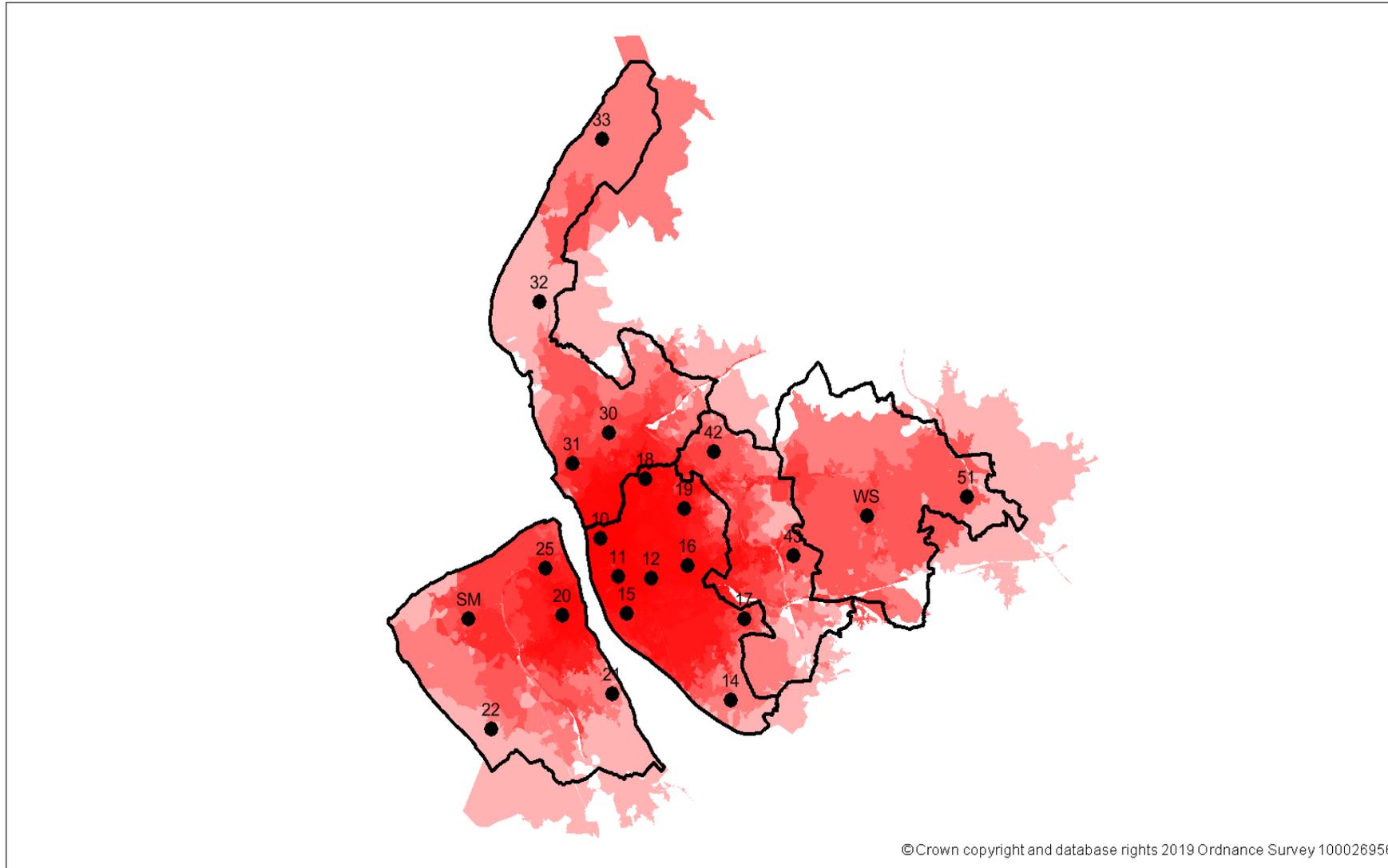


Strategy & Performance
Date: January 2019

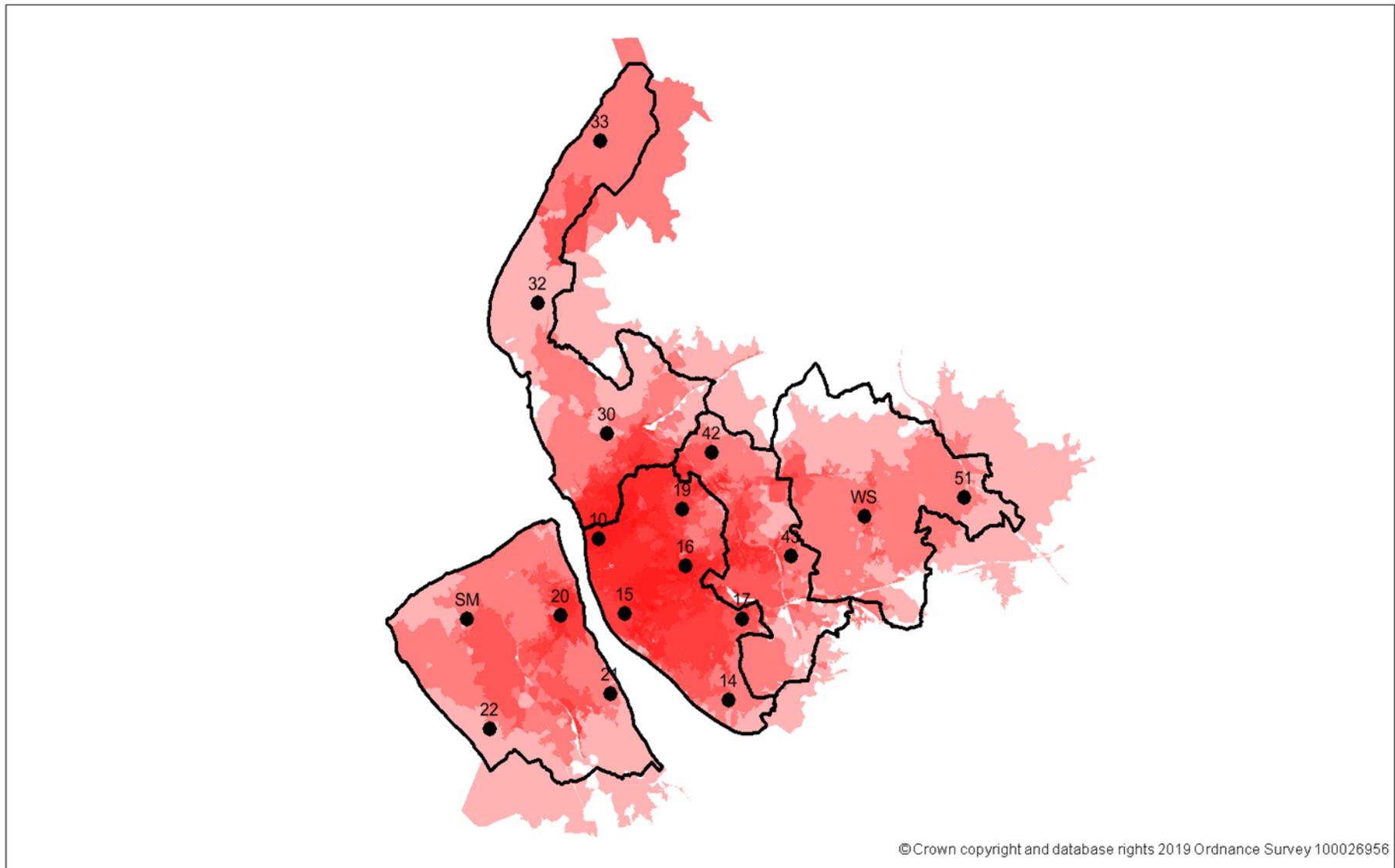
■ Anticipated Performance ◆ Average Response Time



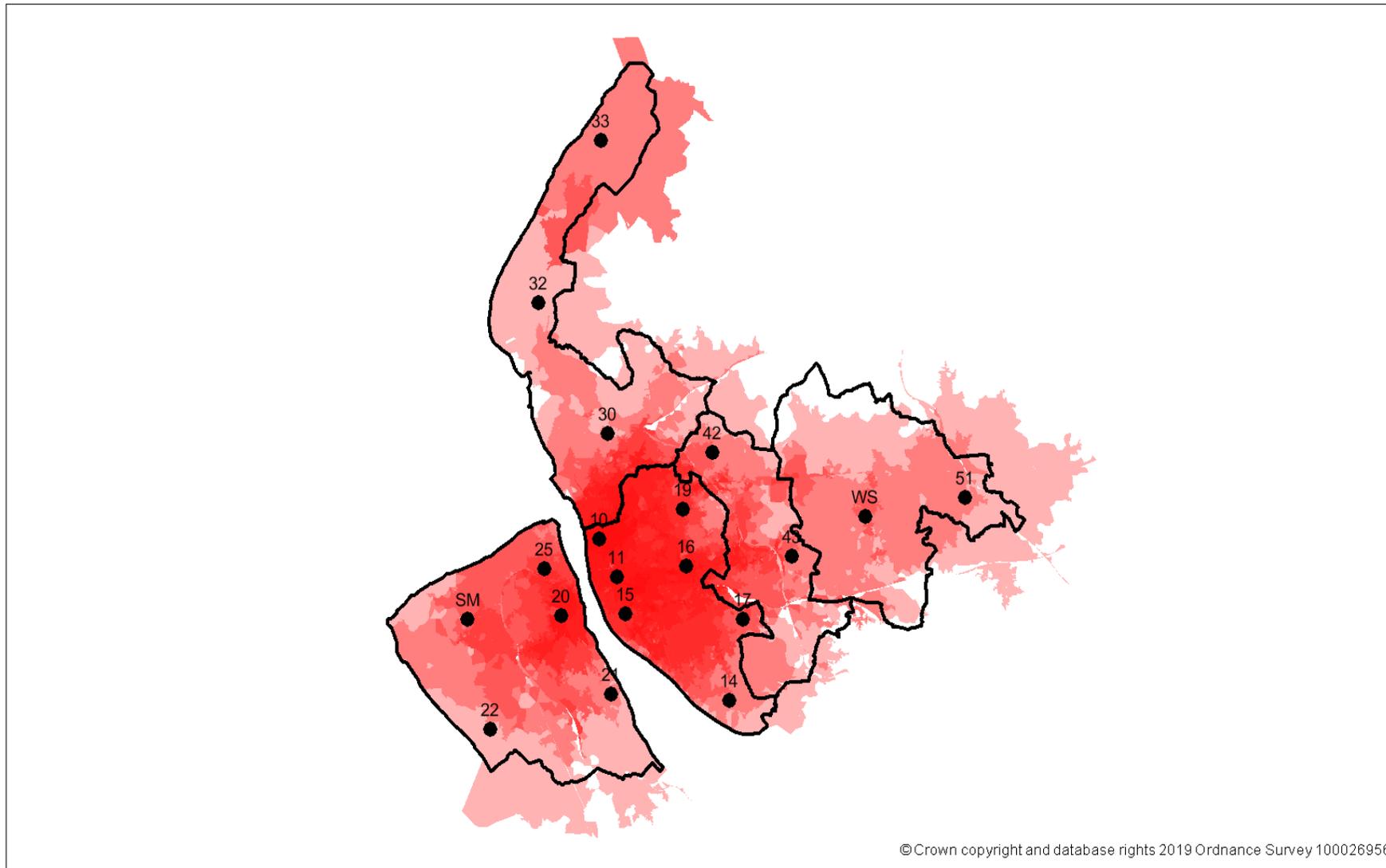
10 Minute Response Isochrones - Day
Response Proposals Merseyside 2020 - Current



10 Minute Response Isochrones - Day
Response Proposals Merseyside 2020 - Hybrid



10 Minute Response Isochrones - Night
Response Proposals Merseyside 2020 - Current



10 Minute Response Isochrones - Night
Response Proposals Merseyside 2020 - Hybrid

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

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