



**MINUTES OF THE POLICY COMMITTEE held on 16 June 2010 at Fire Service Headquarters, Winsford**

**PRESENT:** Councillors D Topping (Chair), P Booher, J Crockatt, R Fletcher, J Joyce, G Merry, L Redhead, G Smith and J Weatherill

**APOLOGIES:** Councillor R Polhill

**PART 1 – MATTERS CONSIDERED IN PUBLIC**

**1 PROCEDURAL MATTERS**

**A Chair and Membership of the Committee**

Members were asked to note the membership of the Committee for 2010-11, as agreed by the Fire Authority at their Annual General Meeting on 2 June 2010 and listed below:

Councillors D Topping (Chair)  
P Booher  
J Crockatt  
R Fletcher  
J Joyce  
G Merry  
R Polhill  
L Redhead  
G Smith  
J Weatherill

**B Apologies for Absence**

It was noted that apologies had been received from Councillor R Polhill.

**C Declaration of Members' Interests**

There were no declarations of Members Interests.

**D Minutes of the Policy Committee meeting held on 17 March 2010**

**RESOLVED:**

**That the minutes of the meeting of the Policy Committee held on Wednesday 17 March 2010 be confirmed as a correct record.**

## **ITEMS REQUIRING DISCUSSION / DECISION**

### **2 AUDIT OPINION PLAN 2009-10**

The Treasurer introduced the report and explained that the Authority's External Auditors produced an Annual Audit Opinion Plan ('the Plan') which set out the fee for the audit for the previous years (2009-10) financial statements. The External Auditors, Julian Farmer and Alan Rawling, were in attendance to represent the Audit Commission and present the Plan.

The External Auditor provided an overview of the content of the plan and explained that the Plan was based on the Audit Commission's risk-based approach to audit planning.

The External Auditor commented that there were no risks identified in the Audit which had not been expected and outlined the key risk areas as detailed in the report. The specific areas identified included the future responsibility for the Regional Control Centre (RCC) which was identified in the initial fees letter in April 2009. Members discussed the risks associated with the RCC and the mitigating controls that the Service had put in place by developing a new Control and Command Centre at HQ. The External Auditor explained that the accounting aspects of the risk remained as Cheshire Fire & Rescue Service were a partner in the North West Region's RCC.

Other specific risks highlighted in the updated risk assessment included weaknesses in the payroll system and the requirements of the 2009 SORP which included two key changes which would affect the Fire Authority. The Director of People and Organisational Development informed Members of the steps taken to address the weaknesses in the payroll system by appointing a new payroll provider and introducing mechanisms to quality check the process. This had led to a significant improvement in the Service from 1<sup>st</sup> April 2010.

A Member raised a query on the fees set by the Audit Commission and also queried how Members could make value for money decisions on Audit fee proposals without comparators.

The External Auditor explained that the fees proposed were based on consultation with all authorities and the scale of fees was applied consistently to all authorities. The External Auditor commented that the fee was 6% below the scale fee and that the Authority could review other Fire Authority fees for comparative data.

#### **RESOLVED:**

**That the Audit Opinion Plan 2009-10 be received.**

### **3 INTERNAL AUDIT ANNUAL REPORT 2009-10**

The Treasurer introduced the Internal Auditor, Sandra Welsh from RSM Tenon, who presented Members with the Internal Audit Annual Report 2009-10. The Internal Auditor explained that the report provided a summary of work undertaken over the last 12 months and the Internal Auditors opinions to assist the Authority in preparing an informed Annual Governance Statement.

The Internal Auditor outlined the Internal Audit Assurance Statement for 2009/10 which provided a positive opinion on the adequacy and effectiveness of Cheshire Fire Authority's arrangements for governance, risk management and control.

**RESOLVED:**

**That the draft 2009-10 Internal Audit Annual Report be received.**

**4 END OF YEAR PERFORMANCE REPORT 2009-10**

The Director of Finance and Corporate Planning introduced the report outlining the Performance Report 2009-10 which included an overview of key service achievements, financial performance and key performance indicators.

The Head of Corporate Communications explained that the Performance Report reflected performance Service wide and also performance by individual departments. The format for the report had been reviewed to produce a more visual document with a public focus on the narrative to put Service performance into context and make the document easier to read for members of the public.

Members discussed the document and, subject to a few minor amendments to clarify particular aspects of the document, agreed that it was a well produced report which was concise and easy to read. The Chief Fire Officer explained that this was a positive report but there were some challenges when publicising the information to ensure that the overall message on Service performance was received.

Members of the Policy Committee wished to place their thanks on record to the Officers who had contributed to the Service's performance and those involved in the production of the report.

**RESOLVED: That**

- [1] the Performance Report 2009/10 (attached as an Annex) be approved; and**
- [2] the Performance Report be referred to Performance and Overview Committee for further scrutiny.**

**5 Income and Charging Policy**

The Chair introduced this report and gave a brief overview of the content of the paper highlighting the need to consider reputational issues when debating policy requirements.

The Treasurer highlighted the fact that the Fire Authority had the legal power to charge for some of the services that it provided, but currently there was no clear policy that determined in what circumstances a charge would be levied and how the charge would be calculated. The main purpose of the report was to provide details on the legal powers of the Authority to generate income and charge for services and also to prompt debate in respect of charging for attendance at each category of non-statutory incident.

The report also provided information for Members consideration in respect of the use of income generation and charging for non-core services.

Members debated the content of the report and a number of comments/issues were raised to which the Treasurer responded including:

Administration Costs – it was noted that the cost of recovering fees should be calculated and also the process for cost recovery would need to be carefully considered.

Fire Authorities – A Member queried what other Fire Authority's policies in respect of charging for non-core services were. The Treasurer explained that he had spoken to a number of colleagues and there were many differing views and a lack of consistency in policy implementation.

Non-Statutory functions – There was a need to balance reputation against re-covering costs for non-statutory functions and also the issue of people's expectations of the Service.

**RESOLVED: That**

- [1] the legal powers of the Authority to generate income and levy charges be noted: and**
- [2] the report be referred to the Members Awayday for further consideration in respect of charging for different incident types and the next steps in developing an Income and Charging Policy.**

**6 Pension Abatement Policy**

The Director of People and Organisational Development presented the report which sought approval for the adoption of a new Pension Abatement Policy for both uniformed employees and non-uniformed support staff.

Firefighters Pension Scheme Circular 10/2009 advised Fire and Rescue Authorities (FRAs) of Communities and Local Governments position regarding the abatement of a Pension Scheme member's pension upon re-employment. It also encouraged FRAs to formulate and publish a general

policy on abatement which took account of factors such as employment law, equal opportunities and resource planning.

Regulation 70 of the Local Government Pension Scheme (Administration) Regulations 2008 requested that each administering authority formulated and kept under review a policy concerning abatement. Cheshire Fire and Rescue Service, therefore, needed to ensure that it provided clear guidelines on the issue of abatement to its staff.

A Pension Abatement Policy, which was submitted as an annex to the report submitted, had been developed which applied to both uniformed members who were members of either the Firefighters Pension Scheme or the New Firefighters Pension Scheme and to non-uniformed support staff who were members of the Local Government Pension Scheme.

The Policy outlined the Service position in respect to both:

- in-service abatement (i.e. re-employment to a post covered by the same scheme which is paying the individual's pension or to a different scheme); and
- inter-service abatement (i.e. re-employment of retired public servants from any public sector organisation).

The Director of People and Organisational Development asked Members to note the following amendments to the printed document:

Para 5.2 add 'or Gold Book' terms and conditions

Para 5.6 add 'or White Book' terms and conditions

Para 5.8 add ' or JNC for Officers (White Book)'

**RESOLVED: That**

**That the Pension Abatement Policy (attached as an Annex to the report and as amended) be approved for adoption.**

**PART 2 – BUSINESS TO BE DISCUSSED IN PRIVATE**

None