Bedfordshire
Fire & Rescue Authority

22 March 2023

Members of Fire and Rescue Authority.

Bedford Borough Councillors: C Atkins, J Gambold and M Headley

Central Bedfordshire Councillors: R Berry, J Chatterley, P Duckett, D McVicar and I Shingler

Luton Borough Councillors: J Burnett, K Choudhry, D Franks and Y Waheed

Your attendance is requested at a meeting of the **Fire and Rescue Authority** to be held at **Lecture Theatre, Dunstable Community Fire Station, Brewers Hill Road, Dunstable LU6 1AA / MS Teams** on **Thursday, 30 March 2023** starting at **10.00 am**, Click here to join the meeting, for the transaction of the following business:

Graham Britten
Monitoring Officer

Public Document Pack

A G E N D A

Item	Subject	Lead	Purpose of Discussion
1.	Apologies	Democratic and Regulatory Services Supervisor	

Item	Subject	Lead	Purpose of Discussion
2.	Declarations of Disclosable Pecuniary and Other Interests	Chair	Members are requested to disclose the existence and nature of any disclosable pecuniary interest and any other interests as required by the Fire Authority's Code of Conduct (see note below).
3.	Communications	Chair	
4.	Minutes	Chair	To confirm the Minutes of the meeting held on 2 February 2023 (Pages 5 - 20)
5.	Public Participation	Chair	To receive any questions put to the Authority under the Public Participation Scheme
6.	Audit and Standards Committee 2 March 2023	Cllr Atkins	To receive the minutes of the Audit and Standards Committee meeting held on 2 March 2023 (Pages 21 - 30)
7.	Executive Committee meeting 14 March 2023	Chair	To receive the minutes of the Executive Committee meeting held on 14 March 2023 (Pages 31 - 42)
8.	Treasury Management Strategy and Practices	CFO/ACO	To consider a report (Pages 43 - 146)
9.	Proposed Indicators and Targets for 2023/24	DCFO	To consider a report (Pages 147 - 180)
10.	Q3 2022/23 Performance Report (Sept - Dec)	DCFO	To consider a report (Pages 181 - 208)
11.	CRMP pre-publication report	CFO	Report to follow
12.	Disposal of Assets under the Scheme of Delegated Authority	CFO	To consider a report (Pages 209 - 216)
13.	Response to the Reverend James Jones report on the Hillsborough disaster	CFO	To consider a report (Pages 217 - 222)

Item	Subject	Lead	Purpose of Discussion
14.	Work Programme	CFO	To consider a report (Pages 223 - 234)

Next Meeting	10.00 am on 20 June 2023 at Dunstable Community Fire Station, Lecture Theatre

DECLARATIONS OF INTEREST

From 1 July 2012 new regulations were introduced on Disclosable Pecuniary Interests (DPIs). The interests are set out in the Schedule to the Code of Conduct adopted by the Fire Authority on 28 June 2012. Members are statutorily required to notify the Monitoring Officer (MO) of any such interest which they, or a spouse or civil partner or a person they live with as such, have where they know of the interest.

A Member must make a verbal declaration of the existence and nature of any Disclosable Pecuniary Interest and any other interest as defined in paragraph 7 of the Fire Authority's Code of Conduct at any meeting of the Fire Authority, a Committee (or Sub-Committee) at which the Member is present and, in the case of a DPI, withdraw from participating in the meeting where an item of business which affects or relates to the subject matter of that interest is under consideration, at or before the consideration of the item of business or as soon as the interest becomes apparent.

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MINUTES OF FIRE AND RESCUE AUTHORITY
MEETING HELD ON 2 FEBRUARY 2023

Present: Councillors C Atkins, R Berry, J Burnett, J Chatterley, K Choudhry, P Duckett (Chair), D Franks, M Headley, D McVicar, I Shingler and Y Waheed

CFO A Hopkinson, DCFO C Bigland, ACFO A Kibblewhite, ACO G Chambers, Mr G Britten (MO), Mr S Frank, Ms L Fair and Mrs N Upton

22-23/FRA/60 Apologies

An apology for absence was received from Councillor Gambold.

Councillor Atkins joined the meeting remotely via Teams.

An apology for lateness was received from Councillor Franks, who joined the meeting remotely via Teams at 10.52am.

22-23/FRA/61 Declarations of Disclosable Pecuniary and Other Interests

There were no disclosures of interest.

22-23/FRA/62 Communications

Response to Ministry of Defence

The Chair referred to the late item of urgent business that had been circulated to Members earlier in the week. This would be discussed under the final item on the agenda, in private session.

Luton Festival

The Chair reported that Councillors Choudhry and Waheed would be attending Luton Festival as representatives of the Authority.

High Sheriff Visit

Members were advised that the High Sheriff had recently visited Fire and Rescue Headquarters and had sent a letter of thanks following this.

Recommencement of Station Visits

Following a hiatus on Member Station Visits during the COVID pandemic, the Chair advised that these visits would be resumed.

State of Fire Report

State of Fire and Rescue: The Annual Assessment of Fire and Rescue Services in England 2022 had been published on 20 January 2023, as had the reports of tranche 3 of the second round of inspections.

The Chief Fire Officer explained that the Service was currently in the process of finalising its self-assessment for its latest inspection.

Fire Service Minister Visit

The Chief Fire Officer reported that the new Minister of State for Crime, Policing and Fire, the Right Honourable Chris Philp, MP, had expressed an interest in visiting the Service to discuss its collaboration with East of England Ambulance Service. It was anticipated that a visit to Dunstable Community Fire Station would be arranged.

22-23/FRA/63 Minutes

RESOLVED:
That the Minutes of the meeting of the Authority held on 31 October 2023 be confirmed as a true record.

22-23/FRA/64 Public Participation

Notification of a question had been received from Mr Graham Tranquada.

Mr Tranquada asked for the availability of retained appliances based at Ampthill, Shefford, Toddington and Woburn stations during daytime hours without the provision of whole-time personnel and appliances to make up crewing.

In putting this question, Mr Tranquada recognised that the availability of retained staff was a long-standing issue.

The Deputy Chief Fire Officer replied that the crewing availability for the previous year was as follows: Ampthill 65.2%, Toddington 55.3%, Woburn 68% and Shefford 65.2%. During the first month of 2023, these figures had increased to: Ampthill 76.1%, Toddington 62.2%, Woburn 68% and Shefford 76.48%. This data did not include a breakdown of whether the availability had been influenced by the inclusion of whole-time staff at a station to make an appliance operational. On call availability remained a challenge for the Service, but also for other fire and rescue services both regionally and nationally.

Additional resources had been allocated to On Call Management and three On Call recruitment courses were planned for the calendar year, so it was expected that availability would improve.

The Chief Fire Officer added that the figures quoted related to global crewing availability rather than availability during day time hours. He volunteered to meet with Mr Tranquada to discuss his concerns further.

Mr Tranquada asked a further question on whether the introduction of a whole-time station in that area of the County was being considered. He also asked if there had been occasions when the Service had moved whole-time staff into an on-call station to enable an appliance to be available for mobilisation during the day and how this impacted on the availability of specialist equipment and crewing levels at both whole-time and on call stations.

The Deputy Chief Fire Officer confirmed that the Service would not allow “riding with three” as this was specifically against policy for safety reasons.

As part of the Service’s Community Risk Management Plan, station locations and designations were reviewed on a regular basis in light of performance against attendance standards. The Service used its staff flexibly in order to maximise its appliance availability and ability to respond to incidents. Therefore, firefighters may be moved between whole-time and on call stations, including those with specialist appliances, to improve response capability.

A further detailed written response including the relevant data would be provided to Mr Tranquada and published via the Service’s governance processes.

Mr Tranquada thanked the Chief Fire Officer and Deputy Chief Fire Officer for their responses but reiterated his concern that the lack of available personnel and appliances could result in limited response to incidents in that area of the County.

The Chair commented that the Service was aware of the challenges around the recruitment and retention of on call staff and that measures were being implemented to address this. He thanked Mr Tranquada for sharing his concerns with the Authority.

22-23/FRA/65 Executive Committee Minutes from 15.11.22

The Chair presented the Minutes of the meeting of the Executive Committee held on 15 November 2022.

RESOLVED:
That the Minutes of the Executive Committee meeting held on 15 November 2022 be received.

22-23/FRA/66 Executive Committee Minutes 10.01.23

The Chair presented the Minutes of the meeting of the Executive Committee held on 10 January 2023.

RESOLVED:
That the Minutes of the Executive Committee meeting held on 10 January 2023 be received.

22-23/FRA/67 Audit and Standards Committee 12.01.23

Councillor Atkins submitted the Minutes of the informal meeting of the Audit and Standards Committee held on 12 January 2023.

In doing so, she highlighted the following three areas:

- Through the PSAA arrangements, it had been recommended that the Authority change its external auditors from Ernst & Young to KPMG with effect from 2023/24 for a five year period concluding in 2027/2028.
- Members were reminded to clearly record any gifts or hospitality they had received as a result of being a Member of the Authority.
- An extension request in relation to asset tracking had been received. This had been supported by the Committee and would need to be formally approved by the full Authority.

RESOLVED:
1. That the submitted minutes of the meeting held on 10 January 2023 be received and the decisions made by the Committee, informally, be ratified.
2. That the extension request for Asset Management – Asset Tracking from December 2022 to March 2023 be approved.

22-23/FRA/68 CRMP 2023-27 Update including consultation responses

The Chief Fire Officer advised that, due to the recent publication of the State of Fire report, the draft of the Community Risk Management Plan (CRMP) would be updated in terms of its presentation in response to the report and as such, it was not being presented to this meeting of the Authority.

An updated draft of the CRMP would be shared with Members at the forthcoming Member Development Day on 23 February 2023 from 10am – 1.00pm, with the final version being submitted to the next meeting of the Authority on 30 March 2023.

Mr S Frank, the Head of Strategic Support and Assurance, introduced the report on the consultation results and advised that a total of 439 responses had been received to the survey. As survey respondents had taken longer to complete the survey than in previous years, it was suggested that this had resulted in more informed responses.

It was noted that 88% of respondents had agreed with proposals to increase the Service's Council Tax precept by £5.

In response to questions, the Head of Strategic Support and Assurance reminded Members that, in addition to the recent CRMP/budget survey, the Service had held a number of consultation/engagement events throughout the year that had generated an additional 787 responses. There had been an increase in the percentage of responses received from younger people, with specific engagement in school settings.

RESOLVED:

1. That the progress in developing the Authority's next four year Community Risk Management Plan (CRMP) covering the period 2023-27, be noted.
2. That the results of public consultation and community engagement on the Authority's 2023-24 Budget and the 2023-27 CRMP be approved.

22-23/FRA/69 2022/23 Revenue Budget and Capital Programme Monitoring

The Assistant Chief Officer and Treasurer submitted his report providing an update on the forecast year-end budget monitoring position as at 31 December 2022.

The Assistant Chief Officer and Treasurer reported on the following:

- There were in-year inflationary costs in relation to fuel, contracts and pay.

- Additional business rate income through Section 31 reconciliation payments that had recently been announced. The Service had been awarded £400,000 across January and February 2023. It was being proposed that this be allocated to the pay and pensions reserve.
- The proposed pay award for firefighters of 5% would be funded in part through the saving derived from the reverse of an increase in employer's NI contributions and there was also an offsetting of the Green Book staff pay award through the vacancy factor and NI contributions reversal.
- The costs of replacement Breathing Apparatus and Fire Ground radios had increased, and the Authority was being asked to approve additional expenditure.

In relation to the Breathing Apparatus, the Assistant Chief Fire Officer advised that the new equipment was much safer, more comfortable and more technologically advanced than the current Breathing Apparatus, and this had been brought to the meeting for Members to inspect.

The Chief Fire Officer explained that the current Breathing Apparatus relied on a number of manual processes. The new sets, in addition to electronically monitoring factors such as intake of breath and environmental conditions, allowed the location of users to be accurately identified within the fire ground. The new radios used both digital and analogue and GPS tracking, which would improve communication.

The Breathing Apparatus had last been changed around 10 years ago. The old equipment would either be resold at auction or donated to charity for use in other countries.

RESOLVED:
1. That the updates provided within the report be acknowledged.
2. That the request to fund the expected additional spend on Breathing Apparatus equipment at £308,000 and Fire Ground Radios at £50,000 be approved.
3. That the allocation of the new Business Rates receipts to the Pay/Pension reserve be approved.

<u>22-23/FRA/70 The 2023/24 Revenue Budget and Capital Programme and Council Tax setting</u>

The Assistant Chief Officer and Treasurer introduced his report on the proposed budget for 2023/24.

As part of his introduction, the Assistant Chief Officer and Treasurer reminded Members that they had previously discussed the proposed budget and accompanying documents at two specific Member Budget Workshops.

Members were being asked to agree a revenue budget requirement of £34.78 million with a Council Tax precept of £25.043 million, which equated to a £5 increase for a Band D property up to £109.45, or £2.10 per week. Two Medium Term Revenue Plans were being presented for consideration, with different assumptions on the pay increase to be awarded. An updated Capital programme, Medium Term Financial Strategy and the Treasurer's report on the robustness of estimates and adequacy of reserves were also presented for consideration.

No new borrowing was being proposed as part of the budget, and any business cases for new investment would be presented to Members in future as they arose.

It was noted that Members had agreed earlier in the meeting to allocate any underspend from 2022/23 to the pay and pensions reserves to top up these reserves as they were being used to balance the budget over the medium term. Previous discussions had identified the need for a contaminants reserve and £200,000 had been allocated accordingly.

In relation to the Capital Programme, the cost of five new rescue pumps was being divided into stage payments, with the first stage payment in 2023/24 and the second and third stage payments in 2024/25. ICT and property projects were currently being funded from reserves.

The golden thread linking projects in the Capital Programme to the Community Risk Management Plan priorities was highlighted.

In discussing the two proposals for the budgeting for the pay increase, and public sector pay more generally, Members supported budgeting for the increase as set out in Appendix 1, as this appeared to be the more prudent option. The impact of a larger pay increase could be dealt with during the year if required.

The high level of uncertainty around the settlement was recognised, as was the impact of possible future changes to business rates, and concern was expressed about the budget gap over the medium term. This would have to be addressed in future budgets.

The recommendations relating to the revenue budget requirement of £34.784 million, with a corresponding precept of £25.043 million and a Council Tax increase of up to £5 were put to the meeting, as well as the associated recommendations, and the votes recorded thereon were as follows:

For the Recommendations (9) Councillors R Berry, J Burnett, J Chatterley, K Choudhry, P Duckett, M Headley, I Shingler, D McVicar and Y Waheed

Therefore, these recommendations were carried unanimously.

Councillor Atkins commented that if she had been present at the meeting, she would have voted in favour of the budget proposals.

RESOLVED:

1. That the report be considered and it be determined that for 2023/24:
   a. A Revenue Budget requirement is set at £34.748m, met as indicated in paragraph 3.7 of the report.
   b. In meeting this budget requirement, the Authority's Precept be set at £25.043m and that consequently, a Council Tax increase of £5 up to £109.45 per Band D equivalent property, calculated as shown in Paragraph 3.7 of the report be approved.
   c. In order to meet the Precept requirement, the Treasurer be authorised to issue Precepts in the necessary form to each of the Unitary Councils and for the amounts indicated in Paragraph 3.10 of the report.
2. That the Medium-Term Revenue Plan attached at Appendix 1 to the report be approved, and that the allocation of the £1 million Pay Reserve to be used within 2023/24, as well as the 2023/24 savings and efficiencies detailed at Appendix 2 of the report be approved.
3. That the Medium-Term Capital Programme attached at Appendix 3 to the report be approved, and the use of the £555,000 capital reserve over the years 2023/24 and 2024/25 be supported.
4. That the Medium-Term Financial Strategy attached at Appendix 4 and the Reserves Strategy at Appendix 5 to the report be approved.
5. That in considering the above recommendations, the Treasurer's statement on the robustness of estimates included in the budget and the adequacy of the reserves for which the budget provides, attached at Appendix 6 to the report, be noted.
6. That any budget amendments, following receipt of the final settlement figures, be delegated to the Treasurer and Chief Fire Officer.

<u>22-23/FRA/71 Q2 2022/23 Performance Report (July to September)</u>

Members received the summary or organisational performance at the end of the second quarter of the financial year 2022-2023.

The Deputy Chief Fire Officer provided a general introduction and advised that there were some areas of performance that had caused concern, especially in Response, and that Officers had been charged with identifying how improvements could be made moving forward. A Performance Board had been created to form an additional level of challenge and a new Performance and Insight Manager had been appointed to monitor and challenge the data.

<u>Prevention</u>

Areas of note included:

- The number of Safe and Well visits continued to increase against the five year average.

- The number of fires had increased, most likely as a result of the very hot temperatures experienced over the summer period.

- Deliberate primary dwelling fires had increased. Strategic Operational Commander Ian Evans advised that these were potential arson incidents and the Service worked closely with Bedfordshire Police to catch perpetrators, as it was suspected that certain individuals were responsible for multiple incidents. There had been a reduction of these incidents in Quarter 3. The five year trend was relatively flat, with no significant increase or reduction.

- Secondary fires had seen a significant reduction.

- In general, the number of overall incidents attended had increased, with more incidents attended up to Quarter 3 than in the previous full performance year.

The Chief Fire Officer commented that the Redwood Grove fire had been classed as a deliberate fire and that there were a number of repeat offenders in specific parts of the County.

Protection

Overall, there was a positive level of performance, although there were some areas to note, including:

- The number of fire safety audit/inspections was under target as, although new members of staff had been recruited, they had not reached their competency so were restricted in what work they could undertake. There had also been a number of complex enforcement cases, which impacted on the overall number of audits completed.

- Additional call challenge had been introduced around response to Automatic Fire Detectors (AFDs).

- A high level of enforcement had been undertaken in relation to Houses in Multiple Occupation (HMOs) and sleeping areas above retail premises. To date, 29 prohibition notices, 9 enforcement notices and 1 caution had been issued by the team.

In response to a question, Members were advised that a high level of enforcement activity was focused in the Luton area, with hot spots including Leagrave Road.

The Chief Fire Officer suggested that at a forthcoming Member Development Day, Members could be provided with a map of enforcement activity, which would provide an overview of hot spot areas.

In response to a further question, Strategic Operational Commander Ian Evans advised that AFD calls from care homes were always responded to, as these were high risk premises with significant risk to life, as were hospitals. He referred to an incident in Hertfordshire where it was thought that there was a false alarm at a care home, however, this was not the case and the attendance of the Fire and Rescue Service prevented the possible loss of life.

In addition to call-handling challenge, interventions would also be carried out by the Protection Team if there were multiple false alarms to one premises. An “excessive” amount was defined as more than four false alarms per year. It was noted that the 80/20 rule applied, with the majority of incidents having 1 false alarm per year, with a proportion of others with numerous false alarms. These were normally large sites with many detectors.

The Authority was advised that the total number of false alarms attended was in line with the national average.

Response

Areas of concern were highlighted as follows:

- The percentage availability of the first on-call pump: there had been an increase from the previous year but improvement was still required. The On Call Improvement programme had been developed to address this. A recruitment campaign was being run, including three on call recruit trainee courses during the current calendar year and it was anticipated that this would help improve on call availability.

- The percentage availability of whole-time global crewing availability enabled 9 riders on two pump responses: the Service had taken a conscious decision to maximise the number of appliances available by deploying the fifth person on a two pump station to increase pump availability at On Call stations in key strategic locations. An example of this was the response to the recent high rise fire at Green Court, when two firefighters were moved to Toddington to help provide a response. The on call improvement project should therefore have a direct impact on performance against this measure.

- The percentage of occasions global whole-time crewing met minimum level (4 riders) remained slightly below target but the data was being challenged as it was thought that whole-time pumps taken off the run for mechanical issues were being counted against this indicator as the Service was not aware of any occasions when this indicator had not been met.

- In relation to call-handling, consideration was being given to reporting of separate indicators for calls where the location was known and for calls where the location was not identifiable, as this could considerably increase the length of the call and time of response, eg if a call was received and the location was given as the M1 without any location data such as the What3Words location.

- The percentage of primary fires attended within 10 minutes, which was a key indicator, was not meeting its target, with the current time being 10 minutes and 30 seconds. This was due to the unseasonably hot weather, increased number of incidents requiring a response and on call availability. It was hoped that the Luton pump relocation trial would improve performance against this indicator.

It was noted that a scrutiny group was being created to examine performance around the response targets as it was acknowledged by all that the performance was not as high as it should be.

Empowering

Some training indicators had been affected during the summer period when firefighters were called out to attend the high number of incidents. It was important that the Service was flexible in mobilising its resources in order to respond to incidents.

In relation to the health and safety indicators, there had been no serious accidents reported during the year to date.

Utilising

All the indicators in this area were green with the exception of Grade A defect response time (within 2 hours). The Deputy Chief Fire Officer reported that there was one person working in this area out of hours. A change in ordering of parts was being discussed to increase the availability of spares.

Maximising

Performance against the indicator measuring the percentage of outstanding debt over 90 days old was down. One of the invoices had been settled and payment for the others was currently being chased.

The Finance Team continued to work with budget managers to ensure that purchase orders were in place to improve performance against the indicator measuring the percentage of uncontested invoices paid within 30 days.

In concluding this item, the Chief Fire Officer reported that the percentage of primary fires attended within 10 minutes had increased to 72.73% in January 2023. Work was ongoing to develop the scrutiny call-in process so that non-Executive Members could better scrutinise performance in this area.

RESOLVED:
That the Service's performance against the delivery of the Authority's Community Risk Management Plan (CRMP) at the end of the second quarter 2022-23 and the issues arising be acknowledged.

22-23/FRA/72 Public Sector Equality Duty Report

The Assistant Chief Fire Officer presented the Public Sector Equality Duty Report (2021/22) for consideration and approval to publish in accordance with the Service's statutory duty to do so. The report covered the period 1 April 2021 – 31 March 2022, which included part of the pandemic period. The report included data relating to the characteristics of staff, of which there were 287 whole-time firefighters, 150 on call firefighters and 165 support staff.

The Assistant Chief Fire Officer presented the highlights of the report, which included the following:

- Flexible working arrangements that had been implemented during the pandemic continued to be in place.
- The percentage of on call female firefighters, at 10.7%, was higher than the national average of 7.3%.
- 17.2% of the joiners during the year identified as having a disability.
- A higher percentage of younger people were applying to join the Service.
- There had been a 9.6% increase in applications from individuals from a minority ethnic background.
- The gender pay gap was narrowing.
- 22 new fire cadets had been recruited.

Councillor Burnett requested that the ethnicity information be categorised in accordance with the most recent Census data and asked whether the Service had appointed a permanent Equalities and Diversity Officer.

The Assistant Chief Fire Officer confirmed that the post had been appointed to on 6 January 2023 and that the data could be categorised as requested.

RESOLVED:
That the content of the Public Sector Equality Duty Report (2021/22) report in Appendix 1 be noted and the publication approved.

<u>22-23/FRA/73 Localism Act 2011 - Pay Policy Statement 2023</u>

Members received the annual pay policy statement and its constituent parts for the financial year 2023/24. The pay multiple between the lowest salary and the Chief Fire Officer was 1: 7.94. The average pay multiple of the Fire and Rescue Services in the region listed above was 1:7.89**.** The Service's pay multiple was slightly above the average of the region's Fire Services but remained lower than the public sector averages.

It was noted that those on the lowest pay grades, who were all Green Book staff, had received a pay award of £1925 in 2022/23.

RESOLVED:
That the submitted proposed pay policy statement for 2023/24 be approved.

22-23/FRA/74 Members' Allowances Scheme

Members received the proposed Members' Allowances Scheme for 2023/24, to take effect from 1 June 2023.

In presenting the report, the Monitoring Officer, Mr G Britten, referred to the recommendations made by Independent Remuneration Panels to the three constituent authorities. These had been appended to the report for reference.

I in accordance with previous practice, the allowances had been adjusted in line with the Local Government Pay Settlement (for 'Green Book' staff). However for 22/23 this had been based on a lump sum payment rather than a percentage uplift, it was therefore proposed that the Scheme of Allowances for 23/24 be increased in line with the percentage uplift awarded to Green Book staff for allowances – 4.04%.

RESOLVED:
That the Members' Allowances Scheme be updated from 1 June 2023 in accordance with the proposals set out in the report and that the Scheme be adopted for the financial year 2023/24.

22-23/FRA/75 Briefing on the Independent Culture Review of London Fire Brigade

The Assistant Chief Fire Officer presented a report briefing Members on the findings from London Fire Brigade Cultural Review.

The Service had been undertaking a gap analysis against all recommendations contained within the report, although it was noted that some of the recommendations were specific to the London Fire Brigade. A number of actions had been identified, including the introduction of an anonymous reporting tool and a helpline to report allegations/concerns. The Service was also exploring with potential suppliers, a third party reporting mechanism.

The Chief Fire Officer reported that the National Fire Chiefs Council had prepared some Equality, Diversity and Inclusion (EDI) maturity tools. The Service was exploring with Buckinghamshire and Northamptonshire Fire and Rescue Services the potential for establishing an independent professional standards unit.

RESOLVED:
That the contents of the briefing be acknowledged.

22-23/FRA/76 Calendar of Meetings for 2023/24

Members received the Calendar of Meetings for 2023/24.

RESOLVED:
That the submitted provisional calendar of dates for meetings of the Fire and Rescue Authority and its associated Committees for the forthcoming year be approved.

22-23/FRA/77 Work Programme

Members received the updated Work Programme.

RESOLVED:
That the work programme for 2022-23 be received and the 'cyclical' Agenda Items for each meeting in 2022-23 be noted.

22-23/FRA/78 LOCAL GOVERNMENT ACT 1972, SCHEDULE 12A, PARAGRAPH 3 OF PART 1: EXCLUSION OF THE PUBLIC

RESOLVED:
That, pursuant to Sections 100a(2) and 100A(4) of the Local Government Act 1972, the public be excluded from the discussion of the following item on the grounds that the matters to be discussed involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act (as amended):

Item

78. Industrial Action Update

The meeting ended at 1.33 pm

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

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For Publication

Bedfordshire Fire and Rescue Authority
30 March 2023

SUBJECT: **AUDIT AND STANDARDS COMMITTEE**

Author and contact: Nicky Upton, Democratic and Regulatory Services Supervisor
Democratic.Services@bedsfire.gov.uk

Background Papers: None

Appendix	Title	Protective Marking
1	Minutes of the Audit and Standards Committee Meeting held on 2 March 2023	N/A

Implications

This table provides a short statement of the impact of the recommendations in this report and/or a reference to the relevant paragraph/s in the report.

Will this report affect any of the following?

	Yes / No	Impact / Reference
Financial Implications	No	
Risk Management	No	
Legal Implications	No	
Privacy and Security Implications	No	
Duty to Collaborate	No	

Health and Safety Implications	No	
Equality, Diversity and Inclusion	No	
Environmental Sustainability	No	
Consultation and Communication	Yes	All minutes publicly available to view on the website, with the exception of the Restricted Minutes which are exempt from publication under paragraphs 3 of Part 1 of Schedule 12A (as amended) of the Local Government Act 1972.

PURPOSE:

To report on the informal meeting of the Audit and Standards Committee held on 2 March 2023.

RECOMMENDATIONS:

That the submitted minutes of the meeting held on 2 March 2023 be received and the decisions made by the Committee, informally, be ratified.

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1. Executive Summary

1.1 The draft minutes of the informal meeting of the Audit and Standards Committee held on 2 March 2023 are appended for Members' consideration.

1.2 The Audit and Standards Committee requests the decisions it made be ratified by the Fire Authority, particularly in respect of the following recommendations to the Fire Authority:

22-23/ASC/049 Internal Audit Strategy 2023/24 to 2025/26 – that the full Authority be recommended to approve the Internal Audit Plan for 2023/24

22-23/ASC/051	National Fire Standards – that the full authority be recommended to approve the project being supported and the regional approach.

COUNCILLOR C ATKINS
CHAIR OF AUDIT AND STANDARDS COMMITTEE

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MINUTES OF AUDIT AND STANDARDS COMMITTEE
INFORMAL MEETING HELD ON 2 MARCH 2023

Present: Councillors C Atkins (Chair) and I Shingler

ACO G Chambers, Mr G Britten, Mr S Frank, Ms L Fair and Ms N Upton

Ms D Hanson, Ernst & Young

Ms S Rowlett, RSM

Please note: any decisions made by the Committee at this meeting need to be ratified by the Fire and Rescue Authority to take effect, as the meeting was held informally.

22-23/ASC/41 Apologies

An apology for absence was received from Councillor J Burnett.

22-23/ASC/42 Declarations of Disclosable Pecuniary and Other Interests

There were no declarations of interest.

22-23/ASC/43 Communications

There were no communications.

22-23/ASC/44 Minutes

RESOLVED:
That the Minutes of the meeting held on 12 January 2023 be confirmed as a true record.

22-23/ASC/45 Public Participation

45.1 There were no members of the public present.

22-23/ASC/46 External Audit Plan 2023/24

46.1 Members received a report on the External Audit Plan for 2023/24 setting out the proposed scope of the audit of the 2021/22 accounts.

46.2 Ms D Hanson, Audit Partner, EY, referred members to the following areas of risk that had been identified as detailed within the report: valuation of land and buildings, management override and pension liability. The valuation of land and buildings was particularly complex, with some assets still subject to evaluation. The other two areas of risk were standard, with the pension liability identified as an inherent risk due to the balances involved. Going concern disclosures was also an area of focus.

46.3 Materiality had been set at 2% of gross expenditure, or £871,000, with the performance materiality set at 75%, or £654,000. No significant value for money risks had been identified.

46.4 In response to a question from the Assistant Chief Officer and Treasurer on the timing of the 2021/22 audit, which would now take place during the preparation for the 2022/23 audit and the corresponding impact on workload and response times from Finance Officers to queries from the audit team, Ms Hanson agreed that the timing was not ideal and that EY would seek to manage the impact on the Service and provide additional flexibility to allow staff the ability to complete their work on the more recent accounts. She also confirmed that it was now being proposed to conduct the 2022/23 audit between 19 August and 9 October 2023, recognising that many staff many be on leave during the summer holiday period.

46.4 The Assistant Chief Officer and Treasurer highlighted the section in the report on “developing the right audit culture” and suggested that this may be pertinent to the following agenda item, which was the review of the effectiveness of the external auditors. He also advised that the additional audit fee set out in the report, £15,675, was the additional fee as amended following its referral to the Public Sector Audit Appointments Ltd. (PSAA) (£15,000 less than originally proposed by EY) as a result of the Committee’s challenge of previous years’ fees.

46.5 Ms Hanson reported that any additional fees, regardless of whether they were contested or not, had to be referred to the PSAA as part of the contractual arrangements with PSAA responsible for the management of the process.

RESOLVED:
That the report be acknowledged.

22-23/ASC/47 Ernst & Young Quality Assurance Processes

47.1 The Assistant Chief Officer and Treasurer introduced the report on the external audit quality assurance process, reminding Members that the same process had been undertaken in relation to the internal auditors at the Committee's previous meeting. A link was included in the report to the most recent version of EY's Transparency Report, which was published in 2022. The main areas covered were strategic performance, structure, governance and performance.

47.2 Ms D Hanson advised that the Transparency Report was published annually in June/July. Many of the issues addressed in the report related to high profile issues in the corporate world. She highlighted the importance of the culture and mindset of an organisation and that this led to the need for EY to be challenging of management and to always seek evidence to back up statements made.

47.3 The Assistant Chief Officer referred to a typo in paragraph 3.2 of the report that referred to Mr N Harris, the previous Audit Partner for the Authority. This would be amended to refer to Ms D Hanson, who was currently undertaking this role.

RESOLVED:
That the report be considered and the effectiveness of the quality assurance processes of the Fire and Rescue Authority's external auditors Ernst and Young be confirmed.

22-23/ASC/48 Internal Audit Progress Report

48.1 Mrs S Rowlett of RSM provided the Committee with an update of progress made against the internal audit plan for 2022/23.

48.2 No audit reports had been finalised since the last meeting of the Committee. Three were currently in progress relating to Data Quality- Information Management and Governance Arrangements including GDPR, Implementation of Actions from HMICFRS and Key Financial Controls. The final reports of these audits would be presented to the next meeting of the Committee.

RESOLVED:
That the submitted report be received.

22-23/ASC/49 Internal Audit Strategy 2023/24 to 2025/26

49.1 Mrs S Rowlett of RSM submitted a report on the Internal Audit Strategy from 2023/24 to 2025/26. The areas of focus had been agreed with the Service's Corporate Management Team and included contaminants and staff health and safety, strategic approach to partnerships and collaboration, governance of the Project Management Office and stock control in stores and technical bay, in addition to cyclical audits such as follow up and Key Financial Controls. The Audit Plan for 2023/24 was appended to the report at Appendix B, with the Internal Audit Charter at Appendix C.

49.2 It was noted that the audit on contaminants and staff health and safety was taking place across Bedfordshire, Cambridgeshire and Essex, to identify and share areas of best practice.

49.3 The Assistant Chief Officer and Treasurer highlighted the links to the audit plan with recent discussions held with Members on contaminants and health and safety at recent Member Development Days, with a sum of £200,000 being approved at the most recent Authority meeting for work in this area, which would include the preventing used PPE from being relocated to stations or homes prior to its being decontaminated.

49.4 Mr G Britten, the Monitoring Officer, directed Members' attention to a typo on page 75 of the pack, which referred to Bedfordshire and Luton Fire and Rescue Authority. It was noted that this would be changed to Bedfordshire Fire and Rescue Authority.

RESOLVED:
1. That the submitted report be received.
2. That the full Authority be recommended to approve the Internal Audit Plan for 2023/24.

22-23/ASC/50 Internal Audit Actions Update

50.1 Ms L Fair, Business Support Manager, presented the Committee with a summary of actions arising from internal audit reports over the last three fiscal years, progress to date on current action plans, proposals to extend the original timing for completion and those that had been completed since the last meeting.

50.2 There were five actions set out in Appendix B that had not yet been completed. The first action related to a risk management workshop that had to be postponed due to the weather. This was now taking place on 6 March 2023 and would be completed at that time. The second, on HR – support staff recruitment, was awaiting the creation of an Authorisation to Recruit E-form and was nearing completion. The other three actions were currently in progress and no extension requests were being sought at this meeting.

RESOLVED:
That the progress made to date against action plans be acknowledged.

<u>22-23/ASC/51 National Fire Standards</u>

51.1 Mr S Frank, the Head of Strategic Support and Assurance, presented a report on the National Fire Standards, including a gap analysis on the integration of Fire Standards into Business as Usual (BAU). A detailed presentation had been provided at the Member Development Day held on 23 February 2023. This had also been part of discussions with the HMICFRS inspection team, with the Head of Strategic Support and Assurance expressing the view that this had been a very positive discussion.

51.2 The first regional meeting had taken place on 23 February 2023, chaired by Station Commander Chris Molloy. The aim of these meetings was to share good practice, reduce duplication and explore possible collaboration opportunities.

51.3 To date, 14 standards had been published with 2 additional ones currently being proposed. All of the standards were first considered by the Head of Strategic Support and Assurance and then referred to Subject Matter Experts as appropriate. Value for money considerations were also being taken into account as part of the process.

51.4 The Service was close to achieving full compliance in relation to the Code of Ethics.

51.5 How the Service would go about adopting all fire standards had been integrated into all functional strategies for 2023-27 in line with the Service's Community Risk Management Plan (CRMP), and the Head of Strategic Support and Assurance expressed the view that all standards would be incorporated into Business as Usual by the end of the 2023-2027 CRMP period.

51.6 Through the adoption of a regional approach, it had been recognised that Bedfordshire and Hertfordshire were currently the most advanced Services in the region regarding the implementation of the fire standards.

51.7 The Head of Strategic Support and Assurance suggested that the Committee receive quarterly reports on the implementation of the fire standards and/or exception reports, similar to the reporting against the Service's Corporate Risk Register. The gap analysis would enable any areas of strength and weakness to be reported to the Committee and for Members to monitor progress.

RESOLVED:
That the project continues to be supported and the regional approach be approved.

22-23/ASC/52 Work Programme

52.1 The Committee considered the proposed work programme for 2023/24, noting that this was the final meeting of the current Municipal Year and the next meeting of the Committee would be held in July 2023, following both the elections and the Authority's Annual General Meeting.

52.2 The Assistant Chief Officer and Treasurer reported that the External Audit Results report on the 2022/23 audit would be deferred from the Committee's next meeting as the Committee had today been advised that this audit would be undertaken in September 2023. It was therefore likely that this would be submitted to the meeting of the Committee in January 2024.

52.3 As discussed earlier in the meeting, a quarterly report on the National Fire Standards would be submitted to the Committee.

RESOLVED:
1. That the Committee's updated Work Programme be received.
2. That a quarterly update on the National Fire Standards be added to the Committee's work programme from 2023/24.

The meeting ended at 10.46 am

For Publication

Bedfordshire Fire and Rescue Authority
30 March 2023

SUBJECT: **EXECUTIVE COMMITTEE**

Author and contact: Nicky Upton, Democratic and Regulatory Services Supervisor
Democratic.Services@bedsfire.gov.uk

Background Papers: Governance Review: Constitutional Updates Report submitted to Executive Committee14.03.23
Constitution Updates (moderngov.co.uk)
Item 06 CU App A BFRS desktop governance review.pdf (moderngov.co.uk)
Exec 140323 TOR Final.pdf (moderngov.co.uk)
STANDING ORDERS (moderngov.co.uk)
Item 06 CU App D Call in Provisions.pdf (moderngov.co.uk)
Item 06 CU App E Task and Finish Groups.pdf (moderngov.co.uk)
Item 06 CU App F Scheme of Delegation.pdf (moderngov.co.uk)

Appendix	Title	Protective Marking
1	Minutes of the Executive Committee Meeting held on 14 March 2023	N/A
2	Restricted Minutes of the Executive Committee meeting held on 14 March 2023	Yes

Implications

This table provides a short statement of the impact of the recommendations in this report and/or a reference to the relevant paragraph/s in the report.

Will this report affect any of the following?

	Yes / No	Impact / Reference
Financial Implications	No	
Risk Management	Yes	Robust governance arrangements will reduce the risk to the Service by employing clear procedure to base decision making on. This will serve to increase accountability and transparency.
Legal Implications	Yes	These documents have been subject to legal review and scrutiny.
Privacy and Security Implications	No	
Duty to Collaborate	No	
Health and Safety Implications	No	
Equality, Diversity and Inclusion	Yes	By amending the protocol on public participation, we must ensure that we remain open and accessible to a wide range of individuals. One thing that we must be careful of is that we have an alternative means of communication open for members of the public so that those of the public without access to the internet are able to participate in meetings without difficulty.
Environmental Sustainability	No	
Consultation and Communication	Yes	The Fire Authority have been well consulted through this process. The suggestions emanated from the LGA review of governance that was carried out in collaboration with officers and members.

PURPOSE:

1. To receive the Minutes of the Executive Committee held on 14 March 2023.
2. To recommend to the Fire Authority the adoption of the proposed constitutional updates.

RECOMMENDATIONS:

That:
1. the submitted minutes of the meeting held on 14 March 2023 be received; and
2. the Executive Committee recommends the following documents for approval

   i. draft Terms of Reference for the Authority and the Executive and Audit and Standards Committee
   ii. draft procedural rules for Task and Finish Groups (including Call in Task and Finish Groups)
   iii. draft procedural Standing Orders for the Authority and its Committees
   iv. an additional procedural Standing Order (6b for call-in)
   v. draft Scheme of Delegation to Officers

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1. Executive Summary

1.1 The minutes of the Executive Committee held on 14 March 2023 are appended for Members' consideration.

1.2 The Executive Committee reviewed the proposed constitutional updates and are now recommending approval by the Fire Authority with the following amendments. Links to documents presented at the Executive Committee meeting are available under background papers at the top of this report.

1.3 Terms of Reference (ToR):

- the Authority ToR, point 5, to include the following wording: Any proposed fundamental changes resulting from CRMP work will be presented back to the FRA, such as a station closure or relocation.
- Executive ToR, point 3, to include the following wording: To determine and oversee programmes specified below, and to determine future priority programmes as and when required:
  a) Community Risk Management Plan (CRMP)
  b) Strategic Assets such as fleet, estates and equipment and Sustainability
  c) Budget

d) Collaboration

1.4 Standing Order 6b, Call in:

- number of members required to be changed from 5 to 2 (Standing Order 6b.2)
- with respect to the procedural rules for Task and Finish Group, the following, point 12, has been amended to:

“12. Task and Finish Groups are informal working parties, not formal Committees, therefore with the exception of Call-in Task and Finish Groups the provisions of s. 100A of the Local Government Act 1972 with regard to publication of agenda and access to meetings will not apply.”

1.5 Standing Orders (SO):

- 6a Public Participation to include an extra line, point 10: “The Chairperson has the discretion to accept questions from the public which are not received nor raised in accordance with the foregoing provisions of this Standing Order.”

2. Recommendation

2.1 The Authority adopts the following documents, as amended:

i. draft Terms of Reference for the Authority and the Executive and Audit and Standards Committee
ii. draft procedural rules for Task and Finish Groups (including Call in Task and Finish Groups)
iii. draft procedural Standing Orders for the Authority and its Committees
iv. an additional procedural Standing Order (6b for call-in)
v. draft Scheme of Delegation to Officers

COUNCILLOR P DUCKETT
CHAIR OF EXECUTIVE COMMITTEE

MINUTES OF EXECUTIVE COMMITTEE
MEETING HELD ON 14 MARCH 2023

Present: Councillors P Duckett (Chair), J Chatterley, K Choudhry, M Headley and Y Waheed

CFO A Hopkinson, DCFO C Bigland, ACFO A Kibblewhite, ACO G Chambers, Mr G Britten (MO), Ms L Fair, Ms T Draper and Mrs N Upton

22-23/EC/44 Apologies

An apology for lateness had been received from Councillor Choudhury.

Both Councillor Waheed and Mr G Britten, the Authority's Monitoring Officer, were unwell so were unable to attend the meeting in person and joined remotely via Teams.

22-23/EC/45 Declaration of Disclosable Pecuniary and Other Interests

There were no declarations of interests.

22-23/EC/46 Communications

The Chair reported on the Fire Conference that he had attended the previous week. This had been a very informative event and during the conference the Fire Minister had agreed to visit Bedfordshire to discuss the co-responding activity undertaken in support of the Ambulance Service.

A meeting had recently been held with two of the local MPs representing constituencies in Bedfordshire, Richard Fuller and Andrew Selous.

The Chair advised that the Fire Brigades Union membership had voted to accept the most recent Grey Book pay offer by the national employers of 7% and 5% and that Officers were working through the budgetary implications of this agreement.

The Chair stated that he had attended the strategic briefing presented to the HMICFRS Inspection Team by the Principal Officers the previous day and this had been a positive meeting.

The Chief Fire Officer confirmed that the Fire Minister would be visiting, but the date had had to be postponed due to Parliamentary business. The Director of Fire & Resilience at the Home Office had also indicated a desire to visit; however, it was not yet known if these visits would take place together or separately.

22-23/EC/47 Minutes

RESOLVED:

That the Minutes of the meeting held on 10 January 2023 be confirmed as a true record.

22-23/EC/48 Public Participation

Members noted that no questions had been received in accordance with the public participation scheme approved at the meeting of the Fire and Rescue Authority held on 5 April 2000 (Minute 99/fa/94 refers).

22-23/EC/49 Governance Review: Constitutional Updates

Members received proposed revisions to certain constitutional documents of the Authority that were intended to reflect the Local Government Association's independent review of governance, subsequent discussions with Members and the recommendations arising from the desktop document review of governance documents conducted by Shahin Ismail, Monitoring Officer at Cambridgeshire and Peterborough Fire Authority.

The Monitoring Officer explained how the changes related to the actions that had been agreed at the meeting of the Executive held on 31 October 2022. He also suggested that it may be appropriate for a Code of Conduct to be considered by the Audit and Standards Committee in the next municipal year.

The report set out revised Terms of Reference and Standing Orders for the Authority and its two Committees to clarify the roles of each body. The Monitoring Officer highlighted that the Audit and Standards Committee had been given responsibility for monitoring the operation of the policies relating to grievances, bullying and harassment and the disciplinary procedure. Responsibility for the determination of Stage 2 appeals under the Internal Dispute Resolution Procedure (IDRP) had been removed from the Executive. As the revised Scheme of Delegation placed the approval and adoption of such IDRPs under the Assistant Chief Fire Officer, it was proposed that the Audit and Standards Committee was given responsibility for monitoring the operation of this procedure.

The Monitoring Officer was also proposing amendments to the Authority's Standing Orders, which had not been reviewed since 2017. Changes were being proposed in relation to voting in accordance with current legislative requirements and other changes had been proposed to ensure consistency of language. It was important that these were in accordance with the Combined Scheme under which the Authority was constituted. Standing Orders 1 and 2 had been amended to request that the constituent authorities appointed to the Authority for the four year period and that the Authority acknowledges that it was optimum for the Chair be appointed and then re-appointed for this term to ensure continuity of leadership.

In relation to political proportionality, the Monitoring Officer commented that he needed to correct the narrative to the changes as set out in paragraph 2.9 of his cover report. No such proportionality requirement has been included in Standing Order 25 as to date no political groups have existed on the Authority, the effect being that the proportionality rules (under sections 15 and 16 of the Local Government and Housing Act 1989) have never yet applied to the committees; therefore he had not added a proportionality rule to the Standing Orders. Changes were also being proposed to the Standing Orders relating to public participation and a new Standing Order had been produced detailing the call-in procedure.

In response to a comment about previous discussions around extending the membership of Authority Members in the event that they had not been re-elected to the constituent authorities, the Monitoring Officer advised that this was not possible as Members, if not re-elected, ceased to be Members of the principal authorities four days after the election, after which point they were unable to represent the respective council on any body, including the Fire and Rescue Authority. In the event that an urgent decision had to be taken between the election and the Annual Meeting, this would be taken by the Chief Fire Officer. The legislation that provided for Chairs of principal councils to keep their role until the council's Annual Meeting even if no longer an elected councillor, did not apply to the Fire and Rescue Authority.

In response to additional comments and questions received from Members, the Monitoring Officer made the following comments:

- The Authority could not be bound to re-appoint the Chair for the four year-period, but an expression of intent could be stated.
- Any Member could act as a substitute on any Committee, as there was such a small pool of Members from which to appoint. Some of detail from the previous Standing Orders had been removed and this would be reintroduced to provide additional clarity.
- Prior notification of questions from members of the public allowed for an appropriate response to be provided at a meeting. It was noted that the Chair had discretion, and reference to allow for late questions to be put would be added in the revised Standing Orders.
- Members requested a decrease in the number of Members required for a call-in, from five members to two members.
- Members requested that Task and Finish groups constituted to hear Member call-ins would be held as public meetings. Internal call-ins, or deep dives, could take part in private sessions if required.

In discussing what strategic documents should be reserved for the full Authority, with specific mention being made of Asset Strategies and whether decisions to close or relocate a fire station should be set out under the Executive or Authority terms of reference, it was noted that Members would need to determine which strategic documents they would wish to consider at full Authority meetings. In relation to the closure or relocation of fire stations, whilst it was recognised that a decision of this magnitude would be taken through the Community Risk Management Plan process, and the Plan itself, and the associated annual action plan arising from the Plan, were submitted to the Authority for approval, it was agreed that additional clarity could be provided through the amendment of Section 5.5 and in 3.3 of the Executive functions as it related to “future priority programmes”.

RESOLVED:

That the following documents be recommended to the Authority for approval, taking into account the comments made at the meeting:

i. draft Terms of Reference for the Authority and the Executive and Audit and Standards committees;
ii. draft Procedural Rules for Task and Finish Groups (including Call In Task and Finish Groups)
iii. draft Procedural Standing Orders for the Authority and its Committees
iv. an additional Procedural Standing Order (6b for call-in), subject to the number of Members needed to call-in a decision being reduced from 5 to 2, and clarification that meetings discussing Member call-ins would be open to the public
v. draft Scheme of Delegation to Officers.

<u>22-23/EC/50 Options Appraisal for Bedfordshire Fire and Rescue Service Community Panel</u>

Mr S Frank, Head of Strategic Support and Assurance, presented a report on the findings from recent meetings and research on developing a Community Panel. As part of the development of the new Community Risk Management Plan, a wide range of community engagement and consultation activities had been undertaken, and, as this had been identified as an area for improvement during the last inspection, it had been agreed to strengthen this area.

The report set out the following four options for consideration: collaborate with Bedfordshire Police Community Scrutiny Panel, integrate with Council Community Citizens’ Panels, develop a dedicated Fire and Rescue Service Community Panel and commission the Community Voluntary Service Bedfordshire or Bedfordshire Local Resilience Forum to do this on behalf of the Authority. The risks, benefits and potential costs involved were also set out in the report.

It was suggested that Bedfordshire Police, Healthwatch and the constituent Councils be approached regarding the development of the Panel and requested to advise their own panel members of this so that any interested individuals could be included.

Members of the Executive supported the creation of a dedicated Fire and Rescue Service Community Panel and also the provision of a wide range of engagement activities to include both virtual and in person events, questionnaires and other forms of engagement.

The Head of Strategic Support and Assurance advised that a more detailed report, detailing proposals for the operation of a Fire and Rescue Service Community Panel, would be submitted to the next meeting of the Executive.

RESOLVED:

That the contents of the report be acknowledged and that Option 3 be supported as the best way forward.

22-23/EC/51 Core Code of Ethics

Ms T Draper, the Service's Learning and Development Manager, gave a presentation on the Fire Standard on the Core Code of Ethics. The adoption of such a Code was the first of 14 fire standards currently published by the Fire Standards Board. The Service was required to adopt and embed the Core Code to demonstrate that the service was fully committed and compliant at both an individual and corporate level, ensure the attitudes, professional behaviours and conduct described within the Code were reflected in its decision-making, policies, procedures, processes, and associated guidance that govern how the Service manages, to provide training and support to all those who worked for, or on behalf of, a Service to achieve their understanding of the Code and an appreciation of their responsibilities in adhering to it and to not detract from the Code.

The five principles of the Code of Ethics had been developed in accordance with the Nolan Principles of Public Life and were as follows: put our communities first, integrity, dignity and respect, leadership and equality, diversity and inclusion.

The role of the Authority Members was to hold the Chief Fire Officer to account for the implementation of the Code at a local level, play a proactive role in challenging behaviour inconsistent with the Core Code and ensure strategies, policies and performance measures were in place to promote and embed a positive and inclusive culture.

It was noted that the Assistant Chief Fire Officer had been designated as the senior Officer responsible for promoting the Code throughout the Service.

A one page document entitled "Our Professional Behaviours and Values" had been produced and was widely displayed throughout Service buildings. The eight behaviours (I am trustworthy, I listen, I am inclusive, I am innovative, I am confident and resilient, I am a role model, I encourage continuous improvement, and I am a team player) had been developed in line with the NFCC Leadership Framework, the Code of Ethics and the Service values and, from the 1 April 2023, would be included in all staff performance appraisals, setting the standard for the behaviours expected of all staff throughout the Service and to demonstrate the Service's commitment to embedding these within the Service.

Members recognised the importance of promoting and displaying these values themselves, acknowledging that any cultural change must start at the top of an organisation.

RESOLVED:

That the contents of this covering paper and the presentation be acknowledged, and the adoption of the Core Code of Ethics be approved.

<u>22-23/EC/52 2023/24 KPIs Update</u>

The Deputy Chief Fire Officer gave a presentation to the Executive Committee on the work that was currently being undertaken on the development of 2023/24 Key Performance Indicators (KPIs) following concerns on performance being raised at a previous Authority meeting, and how this information would be reported to Members in future.

A working group of Officers had been constituted to review the current challenges and to discuss how improvements in performance and reporting methodology could be progressed. It was intended for performance improvements to be developed at lower levels of management in the Service, with an escalation process to the Strategic Management Team and full Authority in due course if issues were not resolved.

The Deputy Chief Fire Officer reported that one of the challenges arose from the discrepancy between the descriptions of the performance indicators and the need to accommodate both local and national data requirements. In this respect, a gap analysis of various data sets was being undertaken so that the Service could ensure that it was reporting performance in accordance with the requirements of the Home Office and the Inspectorate, as well as being able to report transparently on local performance issues. There was a significant piece of work ongoing to describe KPIs in “Plain English”.

There was also an issue in relation to tolerance and variance; for example, a tolerance of 5% would be skewed by small numbers, and performance against an indicator could also be skewed by unusual patterns activity, such as the large number of outdoor fires resulting from the unusually hot and dry weather conditions the previous summer.

The Deputy Chief Fire Officer reported on the benchmarking exercise that had been carried out on the call-handling indicators. This had identified that the Service’s performance targets in this area were not in line with the rest of the region or the country, with a significantly shorter time period in which to respond compared to other Service areas, with the majority being over 90/120 seconds in comparison to the 60 second target of the Service. As previously discussed, it was likely that this indicator would be separated into measuring incidents in addressable and non-addressable locations. It was noted that any degree of call challenge would extend the length of the call.

In response to a question from the Chair, the Deputy Chief Fire Officer advised that the Inspectorate drew from a range of times for this indicator, and that the targets could be determined at a local level.

The Chief Fire Officer commented that the call handling indicators, as currently reported, did not take into account the type of fire, such as Category 1 risk of loss to life and property, which were the clear operational priority for response.

The Deputy Chief Fire Officer stated that consideration was also being given to how the data was being presented to Members, and he would be happy to receive feedback from any Member on this. It was intended to produce a report with an introductory executive summary, a KPI chart and then an analysis of performance against the expected standards.

It was recognised that it was also useful to receive and analyse benchmarking data. This had demonstrated that the Service's significant improvement in performance in the delivery of Home Fire Safety Checks had a directly positive impact on the reduction of dwelling fires. The Service had improved from the fifth worst performing Service to the thirteenth best in the space of a few years. This demonstrated the value of prevention activity.

The Chief Fire Officer confirmed that the Service could report on local measures and that this would not influence the opinion of the HMI inspectors, as long as the data required by them was also presented. It was intended to submit a report on KPIs to the next full Authority meeting.

In response to a request from Councillor Waheed, the Deputy Chief Fire Officer agreed to circulate the slide pack to Executive Members for information.

In response to a question on timescales for implementation, Members were advised that it was intended to agree the updated KPIs before the end of the financial year, with the new KPIs being reported to the Authority in September, following the end of the first quarter of the 2023/24 performance year.

RESOLVED:

That the presentation be noted.

22-23/EC/53 Work Programme

Members received the updated work programme for 2023/24 and noted the cyclical items.

It was noted that this would be populated in the coming months following the Authority's Annual Meeting.

RESOLVED:

That the Work Programme 2023/24 be received and the cyclical agenda items be noted.

22-23/EC/54 and 55 LOCAL GOVERNMENT ACT 1972, SCHEDULE 12A, PARAGRAPH 3 OF PART 1: EXCLUSION OF THE PUBLIC

RESOLVED:

That, pursuant to Sections 100A(2) and 100A(4) of the Local Government Act 1972, the public be excluded from the discussion of the following item on the grounds that the matters to be discussed involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act (as amended):

Item:

22-23/EC/54 Industrial Relations/Actions Update

22-23/EC/55 Succession Planning

The meeting ended at 1.34 pm

For Publication

Fire and Rescue Authority
30 March 2023

SUBJECT: **TREASURY MANAGEMENT STRATEGY AND PRACTICES**

Author and contact: G Chambers, FRA Treasurer
Tel No: 01234 845000

Background Papers: The Treasury Management Strategy and Treasury Management Policies for 2022/23 were reviewed and approved by the Fire and Rescue Authority on 24 March 2022. Click HERE for the papers.

Appendix	Title	Protective Marking
A	Treasury Management Strategy Statement	
Annex A	Lending List 2023	
B	Treasury Management Practices	

Will this report affect any of the following?

Implications	Yes/No	Impact/Reference
Financial	Y	Impacts investment income, where cash balances are invested
Risk Management	Y	Low risk appetite in terms of organisations invested in
Legal	N	
Privacy and Security	N	
Duty to collaborate	Y	There is an option for inter authority loans
Health and Safety	N	
Equality, Diversity and Inclusion	N	

Environmental Sustainability	Y	Consideration is always given to Green investment organisations
Consultation and Communication	N	

PURPOSE

To review the Authority's Treasury Management Strategy Statement and Treasury Management Policies.

RECOMMENDATIONS

1. To consider and approve the following documents:

    i. Treasury Management Strategy Statement
    ii. Minimum Revenue Provision Policy and Annual Investment Strategy
    iii. Treasury Management Practices

2. To consider if the Authority wishes to receive Treasury Management training in 2023/24.

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1. <u>Outcome</u>

1.1 Sound internal control and governance arrangements for Treasury Management will ensure the Authority can reduce the risk it faces from treasury management activities.

2. <u>Reason for Report</u>

2.1 Treasury management activities can be defined as follows:

'The management of the organisation's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks.' Source the Chartered Institute of Public Finance and Accountancy (CIPFA).

2.2 The reporting of treasury management activity and the treasury management prudential indicators must meet the requirements of the 2009, 2011 and 2017 revised CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities (as required through Regulations issued under the Local Government Act 2003). The main 2017 Code updates, for information, are noted in para 3.2 below.

3. <u>Updated Documentation</u>

3.1 The Authority is required to consider and scrutinise the relevant treasury management documents. The updated documents for the next financial year that are attached are:

- The Treasury Management Strategy (including the Minimum Revenue Provision Policy and Annual Investment Strategy)
- Treasury Management Practices

3.2 The updated Treasury Management Strategy Statement is attached at Appendix A. There was an update in 2017 to the Code, mainly to capture the increasingly commercial approach being taken by many councils who are investing in property, with many outside of their own authority's area. The Code is now less prescriptive as to what indicators to be included in the strategy. There have been no further updates since.

3.3 Since 2018/19, Inter Authority lending has also been included as an option to consider, should this arise, within the Strategy.

3.4 The Treasury Management Practices are in accordance with the requirements of the Code and Guidance. The updated Treasury Management Practices are attached to this report for Members scrutiny and consideration at Appendix B. These documents provide the cornerstones for effective treasury management and ensure the approved Treasury Management Strategy is adhered to.

The Treasury Management Practices set out the manner in which the Authority will seek to achieve those policies and objectives, and prescribe how it will manage and control those activities.

The material updates to comment on for 2023/24 are:

- Maximum amount of fixed term deposit placed with any one institution has been increased from £5m to £7m.
- Maximum amount of fixed term deposit placed with a Group, where a number of institutions are under one ownership, has been increased form £7m to £10m.

4. Treasury Management and Support

4.1 The Treasurer recognises that treasury management is inevitably a highly technical and challenging area. To ensure that those Authority Members tasked with treasury management responsibility, including those responsible for scrutiny, have the support they need the following training was previously arranged:

- Training sessions were previously provided to Members in 2011, 2013, 2015 and 2017 Link Asset Services).
- The most recent training was again provided by Link Asset Services at the Members Development in July 2022. A further training session can be arranged in 2023/24 should Members request this. This is recommended by the Treasurer as good practice and with the knowledge that there will be new Members of the Authority.

5. Equality and Diversity Implications

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

6. Financial Implications and Value for Money

6.1 The Authority currently has:

- a total borrowing of £9.987m,
- short-term investments of up to £14m, £19m if including short term notice accounts
- budgeted interest of £195k in 2023/24 from investments.

It is vital these transactions are managed efficiently and effectively.

7. Health and Safety and Environmental Implications

7.1 None arising from this report.

ANDREW HOPKINSON
CHIEF FIRE OFFICER

GAVIN CHAMBERS
FRA TREASURER

Bedfordshire Fire and Rescue Service

Treasury Management Strategy Statement

Minimum Revenue Provision Policy Statement and Annual Investment Strategy

2023/24

1. <u>Introduction</u>

1.1 **Background**

The Authority is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Authority's low risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Authority's capital plans. These capital plans provide a guide to the borrowing need of the Authority, essentially the longer term cash flow planning to ensure that the Authority can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Authority risk or cost objectives.

The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

CIPFA defines treasury management as:

- *'The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.'*

This authority has not engaged in any commercial investments and has no non-treasury investments.

1.2 Reporting Requirements

1.2.1. Capital Strategy

The CIPFA 2021 Prudential and Treasury Management Codes require all local authorities to prepare a Capital Strategy report which will provide the following: -

- a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of the strategy is to ensure that all the Authority's elected members fully understand the overall long-term policy objectives and resulting Capital Strategy requirements, governance procedures and risk appetite.

1.2.2. Treasury Management reporting

The authority is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.

a. **Prudential and treasury indicators and treasury strategy** (this report) - The first, and most important report is forward looking and covers: -
   - the capital plans, (including prudential indicators)
   - a minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time)
   - the Treasury Management Strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
   - an Annual Investment Strategy, (the parameters on how investments are to be managed)

b. **A mid-year treasury management report** – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision. In addition, this Authority will receive quarterly update reports.

c. **An annual treasury report** – This is a backward-looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Scrutiny

The above reports are required to be adequately scrutinized before being recommended to the Authority. This role is undertaken by the Fire and Rescue Authority (FRA).

1.3 Treasury Management Strategy for 2023/24

The strategy for 2023/24 covers two main areas:

Capital issues

- The capital expenditure plans and the associated prudential indicators
- The minimum revenue provision (MRP) policy.

Treasury Management issues

- the current treasury position
- treasury indicators which limit the treasury risk and activities on the Authority
- prospects for interest rates
- the borrowing strategy
- policy on borrowing in advance of need
- debt rescheduling
- the investment strategy
- creditworthiness policy; and
- the policy on use of external service providers

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, MHCLG MRP Guidance, the CIPFA Treasury Management Code and MHCLG Investment Guidance.

1.4 Training

The CIPFA Treasury Management Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. Training can be provided to Members by our Treasury Advisor’s, Link Treasury Services, in 2023 at the FRA’s request. Last training provided was 7th July 2022.

1.5 Treasury Management Consultants

The Authority uses Link Treasury Services, Treasury solutions as its external treasury management advisors.

The authority recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Authority will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

2. The Capital Prudential Indicators for 2023/24 – 2025/26

The Authority's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

2.1 Capital expenditure

This prudential indicator is a summary of the Authority's capital expenditure plans, both those agreed previously and those forming part of this budget cycle.

Members have approved the capital expenditure forecasts below as part of the annual budget setting process:

Capital Expenditure £000's	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
Total	748	1,357	2,258	2,876	1,666

Other long-term liabilities. The above financing need excludes other long term liabilities, such as PFI and leasing arrangements which already include borrowing instruments.

The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Financing of capital expenditure £000's	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
Capital receipts	0	0	72	16	70
Capital reserves	748	488	350	305	0
Revenue	0	869	1,836	2,555	1,113
Government Grant	0	0	0	0	483
Net financing need for the year	**0**	**0**	**0**	**0**	**0**

2.2 **The Authority's borrowing need (the Capital Financing Requirement)**

The second prudential indicator is the Authority's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Authority's indebtedness and so its underlying borrowing need. Any capital expenditure above, which has not immediately been paid for, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduced the indebtedness in line with each assets life, and so charges the economic consumption of capital assets as they are used.

The CFR includes any other long-term liabilities (e.g. PFI schemes, finance leases). Whilst these increase the CFR, and therefore the Authority's borrowing requirement, these types of schemes include a borrowing facility by the PFI, PPP lease provider and so the Authority is not required to separately borrow for these schemes.

The Authority is asked to approve the CFR projections below as part of this Strategy:

£m	**2021/22 Actual @ 31/03/2021**	**2022/23 Estimate @ 01/04/2022**	**2023/24 Estimate @ 01/04/2023**	**2024/25 Estimate @ 01/04/2024**	**2025/26 Estimate @ 01/04/2025**
Total CFR	**7,550**	**7,273**	**7,040**	**6,812**	**6,587**
Movement in CFR	**(277)**	**(233)**	**(229)**	**(225)**	**(221)**

Movement in CFR represented by;					
Net financing need for the year (above)	**0**	**0**	**0**	**0**	**0**
Less MRP/VRP and other financing movements	(277)	(233)	(229)	(225)	(221)
Movement in CFR	**(277)**	**(233)**	**(229)**	**(229)**	**(221)**

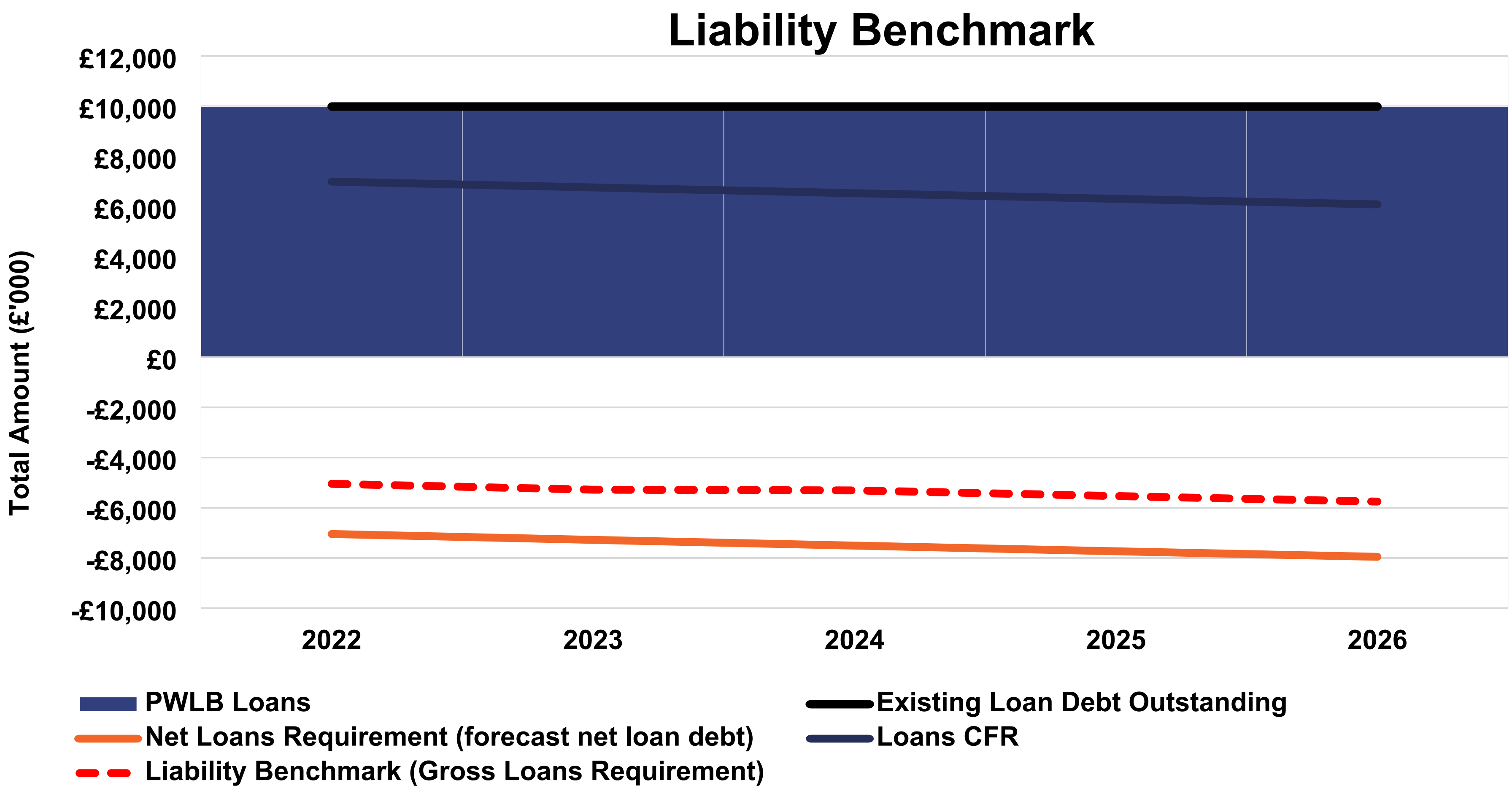
2.3 Liability Benchmark

A third and new prudential indicator for 2023/24 is the Liability Benchmark (LB). The Authority is required to estimate and measure the LB for the forthcoming financial year and the following two financial years, as a minimum.

The liability benchmark measures the Authority's projected net debt requirement plus a short-term liquidity allowance in the form of minimum cash and investment balances. The purpose of the benchmark is to set the level or risk which the Authority regards as its balanced or normal position.

The liability benchmark is an important tool to help establish whether the Authority is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Authority must hold to funds its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

	31.03.22 £m	31.03.23 £m	31.03.24 £m	31.03.25 £m	31.03.26 £m
Existing Loan Debt Outstanding	9,987	9,987	9,987	9,987	9,987
Net Loans Requirement (forecast net loan debt)	7,046	7,279	7,508	7,733	7,954
Loans CFR	6,996	6,763	6,534	6,309	6,088
Liability Benchmark (Gross Loans Requirement)	5,046	5,279	5,308	5,533	5,754
(Over)/Under Liability Benchmark	15,033	15,266	15,295	15,520	15,741



The above chart and graph indicates that as actual loans outstanding exceed the benchmark, this represents an over borrowed position, which results in excess cash.

3. **Borrowing**

The capital expenditure plans set out in Section 3 provide details of the service activity of the Authority. The treasury management function ensures that the Authority's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Authority's capital strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury/prudential indicators, the current and projected debt positions and the annual investment strategy.

3.1 **Current Portfolio Position**

The Authority's treasury portfolio position at 31 March 2021 with forward projections are summarised below. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (the Capital Financing Requirement (CFR), highlighting any over or under borrowing.

£m	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
External Debt					
Debt at 1 April	9,987	9,987	9,987	9,987	9,987
Expected change in Debt	0	0	0	0	0
Other long-term liabilities (OLTL)	0	0	0	0	0
Expected change in OLTL	0	0	0	0	0
Actual gross debt at 31 March	9,987	9,987	9,987	9,987	9,987
The Capital Financing Requirement	7,273	7,040	6,812	6,587	6,366
Under/(over) borrowing	(2,714)	(2,947)	(3,175)	(3,400)	(3,621)

3.2 **Treasury Indicators: limits to borrowing activity**

The Operational Boundary. This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

Operational boundary £M	**2021/22 Estimate**	**2022/23 Estimate**	**2023/24 Estimate**	**2024/25 Estimate**
Debt	9,987	9,987	9,987	9,987
Other long term liabilities	0	0	0	0
Overdraft	0	0	0	0
Total	9,987	9,987	9,987	9,987

The authorised limit for external debt. A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Authority. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

1. This is the statutory limit determined under section 3(1) of the Local Government Act 2003. The Government retains an option to control either the total of all Authority's plans, or those of a specific Authority, although this power has not yet been exercised.

2. The FRA is asked to approve the following authorised limit:

Authorised Limit £M	**2022/23 Estimate**	**2023/24 Estimate**	**2024/25 Estimate**	**2025/26 Estimate**
Debt	9,987	9,987	9,987	9,987
Other long term liabilities	0	0	0	0
Overdraft	0	0	0	0
Worst Case Scenario Payroll	2,200	2,500	2,500	2,500
Total	12,187	12,487	12,487	12,487

3.3 **<u>Prospects for Interest Rates</u>**

The Authority has appointed Link Group as its treasury advisor and part of their service is to assist the Authority to formulate a view on interest rates. Link provided the following forecasts on 07.02.23. These are forecasts for Bank Rate, average earnings and PWLB certainty rates, gilt yields plus 80 bps.

Link Group Interest View 07.02.23

	Mar 23	Jun 23	Sep 23	Dec 23	Mar 24	Jun 24	Sep 24	Dec 24	Mar 25
BANK RATE	4.25	4.50	4.50	4.25	4.00	3.75	3.25	3.00	2.75
5 yr PWLB	4.00	4.00	3.90	3.80	3.70	3.60	3.50	3.40	3.30
10 yr PWLB	4.20	4.20	4.10	4.00	3.90	3.80	3.60	3.50	3.50
25 yr PWLB	4.60	4.60	4.40	4.30	4.20	4.10	3.90	3.80	3.70
50 yr PWLB	4.30	4.30	4.20	4.10	3.90	3.80	3.60	3.60	3.40

Our central forecast for interest rates was previously updated on 19 December and reflected a view that the MPC would be keen to further demonstrate its anti-inflation credentials by delivering a succession of rate increases. This has happened but the Government's continued policy of emphasising fiscal rectitude will probably mean Bank Rate will not need to increase to further than 4.5%

Further down the road, we anticipate the Bank of England will be keen to loosen monetary policy when the worst of the inflationary pressures are behind us – but that timing will be one of fine judgment: cut too soon, and inflationary pressures may well build up further; cut too late and any downturn or recession may be prolonged. Our best judgment is that there will be scope for an early Christmas present for households with a December rate cur priced in, ahead of further reductions in 2024 and 2025.

The CPI measure of inflation looks to have peaked at 11.1% in Q4 2022 (currently 10.5%). Despite the cost-of-living squeeze that is still taking shape, the Bank will want to see evidence that wages are not spiralling upwards in what is evidently a very tight labour market.

Regarding the plan to sell £10bn of gilts back into the market each quarter (Quantitative Tightening), this has started and will focus on the short, medium and longer end of the curve in equal measure.

In the upcoming months, our forecasts will be guided not only by economic data releases and clarifications from the MPC over its monetary policies and the Government over its fiscal policies, but the on-going conflict between Russia and Ukraine. (More recently, the heightened tensions between China/Taiwan/US also have the potential to have a wider and negative economic impact.)

On the positive side, consumers are still estimated to be sitting on significant excess savings left over from the pandemic so that will cushion some of the impact of the above challenges. However, most of those are held by more affluent people whereas lower income families already spend nearly all their income on essentials such as food, energy and rent/mortgage payments.

PWLB RATES

- The yield curve movements have become less volatile of late and PWLB 5 to 50 years Certainty Rates are, generally, in the range of 4.25% to 5.00% (1.3.23).
- We view the markets as having built in, already, nearly all the effects on gilt yields of the likely increases in Bank Rate and the elevated inflation outlook.

The balance of risks to the UK economy: -

- The overall balance of risks to economic growth in the UK is to the downside.

Downside risks to current forecasts for UK gilt yields and PWLB rates include: -

- **Labour and supply shortages** prove more enduring and disruptive and depress economic activity (accepting that in the near-term this is also an upside risk to inflation and, thus, rising gilt yields).

- **The Bank of England** acts too quickly, or too far, over the next year to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.

- **UK / EU trade arrangements** – if there was a major impact on trade flows and financial services due to complications or lack of co-operation in sorting out significant remaining issues.

- **Geopolitical risks,** for example in Ukraine/Russia, China/Taiwan/US, Iran, North Korea and Middle Eastern countries, which could lead to increasing safe-haven flows.

Upside risks to current forecasts for UK gilt yields and PWLB rates: -

- The **Bank of England is too slow** in its pace and strength of increases in Bank Rate and, therefore, allows inflationary pressures to remain elevated for a longer period within the UK economy, which then necessitates Bank Rate staying higher for longer than we currently project or even necessitates a further series of increases in Bank Rate later in the year of in 2024.

- **The pound weakens** because of a lack of confidence in the UK Government's fiscal policies, resulting in investors pricing in a risk premium for holding UK sovereign debt.

- Longer term **US treasury yields** rise strongly if inflation remains more stubborn than the market currently anticipates, pulling gilt yields up higher consequently.

- Projected **gilt issuance, inclusive of natural maturities and QT,** could be too much for the markets to comfortably digest without higher yields compensating.

3.4. <u>Borrowing Strategy</u>

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3.4.1 Borrowing Rates

The Authority is currently maintaining an over-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has been exceeded by loan debt and leasing liabilities. The strategy for the CFR and the under/over borrowed position going forward will be discussed at the next meeting with our Treasury advisors.

Against this background and the risks within the economic forecast, caution will be adopted with the 2023/24 treasury operations. The Treasurer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances.

Sensitivity of the forecast – In normal circumstances the main sensitivities of the forecast are likely to be the two scenarios noted below. The Authority officers, in conjunction with the treasury advisers, will continually monitor both the prevailing interest rates and the market forecasts, adopting the following responses to a change of sentiment:

- *If it were felt that there was a significant risk of a sharp FALL in long and short term rates,* eg due to a marked increase of risks around relapse into recession or of risks of deflation, then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.

- *If it were felt that there was a significant risk of a much sharper RISE in long and short term rates than that currently forecast,* perhaps arising from a greater than expected increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates were still relatively cheap.

3.5 <u>Policy on Borrowing in Advance of Need</u>

The Authority will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Authority can ensure the security of such funds.

In determining whether borrowing will be undertaken in advance of need the Authority will:

- ensure that there is a clear link between the capital programme and maturity profile of the existing debt portfolio which supports the need to take funding in advance of need;
- ensure the ongoing revenue liabilities created, and the implications for the future plans and budgets have been considered;
- evaluate the economic and market factors that might influence the manner and timing of any decision to borrow;
- consider the merits and demerits of alternative forms of funding;
- consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use;
- consider the impact of borrowing in advance on temporarily (until required to finance capital expenditure) increasing investment cash balances and the consequent increase in exposure to counterparty risk, and other risks, and the level of such risks given the controls in place to minimise them.

3.6. **Debt Rescheduling**

Rescheduling of current borrowing in our debt portfolio is unlikely to occur as there is still a very large difference between premature redemption rates and new borrowing rates. If rescheduling is to be undertaken, it will be reported to FRA at the earliest meeting following its action.

The reasons for any rescheduling to take place will include:

- the generation of cash savings and / or discounted cash flow savings;
- helping to fulfil the strategy outlined in paragraph 7 above;
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

Consideration will also be given to identify if there is any residual potential left for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

4. **Annual Investment Strategy**

4.1 **Investment Policy – management of risk**

The Department of Levelling Up, Housing and Communities (DLUHC - this was formerly the Ministry of Housing, Communities and Local Government (MHCLG)) and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team).

The Authority's investment policy has regard to the following:

- DLUHC's Guidance on Local Government Investments ('the Guidance')
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ('the CIPFA TM Code')
- CIPFA Treasury Management Guidance Notes 2018

The Authority's investment priorities will be security first, portfolio liquidity second, then return.

The above guidance from the DLUHC and CIPFA place a high priority on the management of risk. This Authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means:-

1. Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor couterparties are the Short Term and Long Term ratings.

2. **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Authority will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.

3. **Other information sources** used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

4. This authority has defined the list of types of investments instruments that the treasury management team are authorised to use. There are two lists in appendix 5.4 under the categories of 'specified' and 'non-specified' investments.

   - **Specified investments** are those with the high level of credit quality and subject to a maturity limit of one year.
   - **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use. Once an investment is class as non-specified, it remains non-specified all the way though to maturity i.e. an 18 month deposit would still be non-specified even if it has only 11 months left until maturity.

Non-specified investments limit. Under previous regulations the investment of surplus cash was restricted to periods not exceeding 365 days. Under the new regulations that restriction is removed, however investments that do exceed 365 days are classified as non-specified investments because of the greater degree of risk they carry. The Authority has no investments over 365 days.

Should the Authority make use of Property Funds to supplement their investment portfolio, these would be in excess of 365 days. The use of these instruments can be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. The Authority will seek guidance on the status of any fund it may consider using.

As a result of the change in accounting standards for 2022/23 under IFRS 9, this authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, the MHCLG, concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years ending 31.3.23). At the current juncture it has not been determined whether a further extension to the over-ride will be agreed by Government.

4.2 **Creditworthiness Policy**

This Authority applies the creditworthiness service provided by Link Treasury Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- "watches" and "outlooks" from credit rating agencies;
- CDS (Credit Default Swap) spreads that may give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Authority to determine the suggested duration for investments. The Authority will therefore use counterparties within the following durational bands:

- Purple 2 years
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 100 days
- No Colour not to be used for Investments

The Link Treasury Services' creditworthiness service uses a wider array of information other than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue preponderance to just one agency's ratings.

Typically the minimum credit ratings criteria the Authority use will be a Short Term rating (Fitch or equivalents) of F1 and a Long Term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

All credit ratings will be monitored quarterly. The Authority is alerted to changes to ratings of all three agencies through its use of the Link Treasury creditworthiness service.

- If a downgrade results in the counterparty/investment scheme no longer meeting the Authority's minimum criteria, its further use as a new investment will be withdrawn immediately.
- In addition to the use of Credit Ratings the Authority will be advised of information in movements in Credit Default Swap against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Authority's lending list.

Sole reliance will not be placed on the use of this external service. In addition this Authority will also use market data and market information, information on government support for banks and the credit ratings of that government support.

UK banks – ring fencing

The largest UK banks, (those with more than £25bn of retail / Small and Medium-sized Enterprise (SME) deposits, are required, by UK law, to separate core retails banking services from their investment and international banking activities by 1st January 2019. This is known as "ring-fencing". Whilst smaller banks with less than £25bn in deposits are exempt, they can choose to opt up. Several banks are very close to the threshold already and so may come into scope in the future regardless.

Ring-fencing is a regulatory initiative created in response to the global financial crisis. It mandates the separation of retail and SME deposits from investment banking, in order to improve the resilience and resolvability of banks by changing their structure. In general, simpler activities offered from within a ring-fenced bank, (RFB), will be focused on lower risk, day-to-day core transactions, whilst more complex and "riskier" activities are required to be housed in a separate entity, a non-ring fenced bank, (NRFB). This is intended to ensure that an entity's core activities are not adversely affected by the acts or omissions of other member of its group.

While the structure of the banks included within this process may have changed, the fundamentals of credit assessment have not. The Authority will continue to assess the new-formed entities in the same way that it does others and those with sufficiently high ratings, (and any other metrics considered), will be considered for investment purposes.

4.3 Country Limits

Due care will be taken to consider the exposure of the Authority's total investment portfolio to non-specified investments, countries, groups and sectors.

a) **Non-specified investment limit.** The Authority has determined that it will limit the maximum total exposure to non-specified investments as being 30% of the total investment portfolio

b) **Country limit.** The Authority has determined that it will only use approved counterparties from the UK and from countries with a minimum sovereign credit rating of AA- from Fitch. The list of countries that qualify using this credit criteria as at the date of this report are shown in Appendix 5.6. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

c) **Other limits.** In addition:

- No more than £7m will be placed with any non-UK country at one time
- Limits in place above do not apply to a group of companies where the limit is £10m per group
- Sector limits will be monitored regularly for appropriateness

4.4 Investment Strategy

***In-house funds**:*

Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. While most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed. Members of the FRA, during the member budget workshops for 2018/19, enquired about the potential of lending to local authorities. This is a possibility should an amount, interest rate and loan period be agreed. If this was to be something to implement that aligned with our cash flow, guidance and relevant paperwork would be sought and discussed with Link Treasury Services.

- If it is thought that Bank Rate is likely to rise significantly within the time horizon being considered, then consideration will be given to keeping most investments as being short term or variable
- Conversely, if it is thought that Bank Rate is likely to fall within that time period, consideration will be given to locking in higher rates currently obainable, for longer periods.

Investment returns expectations.

The current forecast shown in paragraph 3.3, includes a forecast for Bank Rate to reach 4.5% in Q2 2023.

The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year, are as follows.:

Average earnings in each year	
2022/23 (remainder)	4.30%
2023/24	4.30%
2024/25	3.20%
2025/26	2.60%
2026/27	2.50%
Years 6 to 10	2.80%
Years 10+	2.80%

As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

4.5 Investment performance/risk benchmarking

This Authority will use an investment benchmark to assess the investment performance of its investment portfolio of 7 day SONIA (Sterling Overnight Index Average) compounded rate.

4.6 End of Year Investment Report

At the end of the financial year, the Authority will report on its investment activity as part of its Annual Treasury Report.

4.7 **Policy on the Use of External Service Providers**

The Authority uses Link Treasury as its external treasury management advisers.

The Authority recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Authority will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

Money Market Funds for short-term investments will be considered.

4.8 **Scheme of Delegation**

Please see Appendix 6.

4.9 **Role of the Section 151 Officer**

Please see Appendix 7.

Appendices

1. Prudential and treasury indicators and MRP Statement
2. Interest Rate Forecasts
3. Economic Background
4. Treasury management Practice
5. Approved countries for investments
6. Treasury management scheme of delegation
7. The Treasury Management Role of the Section 151 Officer

MINIMUM REVENUE PROVISION POLICY STATEMENT 2022/23

The Authority implemented the new Minimum Revenue Provision (MRP) guidance in 2009/10 and will assess their MRP for 2020/21 in accordance with the main recommendations contained within the guidance issued by the Secretary of State under section 21(1A) of the Local Government Act 2003.

The major proportion of the MRP for 2022/23 will relate to the more historic debt liability that will continue to be charged at the rate of 4%, in accordance with option 1 of the guidance. Certain expenditure reflected within the debt liability at 31 March 2011 will under delegated powers be subject to MRP under option 3, which will be charged over a period which is reasonably commensurate with the estimated useful life applicable to the nature of expenditure, using the equal annual instalment method*).* For example, capital expenditure on a new building, or on the refurbishment or enhancement of a building, will be related to the estimated life of that building.

Estimated life periods will be determined under delegated powers. To the extent that expenditure is not on the creation of an asset and is of a type that is subject to estimated life periods that are referred to in the guidance, these periods will generally be adopted by the Authority. However, the Authority reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate.

As some types of capital expenditure incurred by the Authority are not capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.

Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Authority's finances. The Authority is asked to approve the following indicators:

a. Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
% Ratios	2.03%	1.12%	1.30%	1.30%	1.39%

The estimates of financing costs include current commitments and the proposals in this budget report.

Treasury indicators for debt

There are three debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs/improve performance. The indicators are:

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments

- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates:

- Maturity structure of borrowing. These gross limits are set to reduce the Authority's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

The FRA is asked to approve the following treasury limits:

Maturity structure of fixed rate borrowing during 2023/24		
	Lower	**Upper**
Under 12 months	0%	25%
12 months to 2 years	0%	25%
5 years to 10 years	0%	25%
10 years and above	0%	100%

INTEREST RATE FORECASTS

1. Individual Forecasts

Link Treasury Services

Interest rate forecast – February 2023

	End Qtr 1 2023	End Qtr 2 2023	End Qtr 3 2023	End Qtr 4 2023	End Qtr 1 2024	End Qtr 2 2024	End Qtr 3 2024
Bank Rate	4.50%	4.50%	4.50%	4.25%	3.75%	3.25%	3.00%
5yr PWLB rate	4.00%	3.9%	3.80%	3.70%	3.60%	3.50%	3.40%
10yr PWLB rate	4.20%	4.10%	4.00%	3.90%	3.80%	3.60%	3.50%
25yr PWLB rate	4.60%	4.40%	4.30%	4.20%	4.10%	3.90%	3.80%
50yr PWLB rate	4.40%	4.20%	4.10%	3.90%	3.80%	3.60%	3.60%

Capital Economics

Interest rate forecast – February 2023

	End Qtr 1 2023	End Qtr 2 2023	End Qtr 3 2023	End Qtr 4 2023	End Qtr 1 2024	End Qtr 2 2024	End Qtr 3 2024
Bank Rate	4.25%	4.50%	4.50%	4.50%	4.25%	4.00%	3.50%
5yr PWLB rate	3.80%	3.70%	3.60%	3.50%	3.50%	3.40%	3.30%
10yr PWLB rate	3.80%	3.70%	3.70%	3.60%	3.50%	3.40%	3.40%
25yr PWLB rate	4.20%	4.00%	4.00%	3.80%	3.70%	3.60%	3.60%
50yr PWLB rate	3.80%	3.80%	3.80%	3.80%	3.80%	3.70%	3.60%

5.3 ECONOMIC BACKGROUND

Against a backdrop of stubborn inflationary pressures, the easing of Covid restrictions in most developed economies, the Russian invasion of Ukraine, and a range of different UK Government policies, it is no surprise that UK interest rates have been volatile right across the curve, from Bank Rate through to 50-year gilt yields, for all of 2022.

Market commentators' misplaced optimism around inflation has been the root cause of the rout in the bond markets with, for example, UK, EZ and US 10-year yields all rising by over 200bps since the turn of the year. The table below provides a snapshot of the conundrum facing central banks: inflation is elevated but labour markets are extra-ordinarily tight, making it an issue of fine judgment as to how far monetary policy needs to tighten.

	UK	Eurozone	US
Bank Rate	4.0%	2.5%	4.5%-4.75%
GDP	0.0%q/q Q4 (4.0%y/y)	+0.1%q/q Q4 (1.9%y/y)	2.9% Q4 Annualised
Inflation	10.1%y/y Jan)	8.5%y/y (Jan)	6.5%y/y (Dec)
Unemployment Rate	3.7% (Dec)	6.6% (Dec)	3.4% (Jan)

Q2 of 2022 saw UK GDP revised upwards to +0.2% q/q, but this was quickly reversed in the third quarter, albeit some of the fall in GDP can be placed at the foot of the extra Bank Holiday in the wake of the Queen's passing. Nevertheless, CPI inflation has picked up to what should be a peak reading of 11.1% in October, although with further increases in the gas and electricity price caps pencilled in for April 2023, and the cap potentially rising from an average of £2,500 to £3,000 per household, there is still a possibility that inflation will spike higher again before dropping back slowly through 2023.

The UK unemployment rate fell to a 48-year low of 3.6%, and this despite a net migration increase of c500k. The fact is that with many economic participants registered as long-term sick, the UK labour force actually shrunk by c500k in the year to June. Without an increase in the labour force participation rate, it is hard to see how the UK economy will be able to grow its way to prosperity, and with average wage increases running at over 6% the MPC will be concerned that wage inflation will prove just as sticky as major supply-side shocks to food and energy that have endured since Russia's invasion of Ukraine on 22nd February 2022.

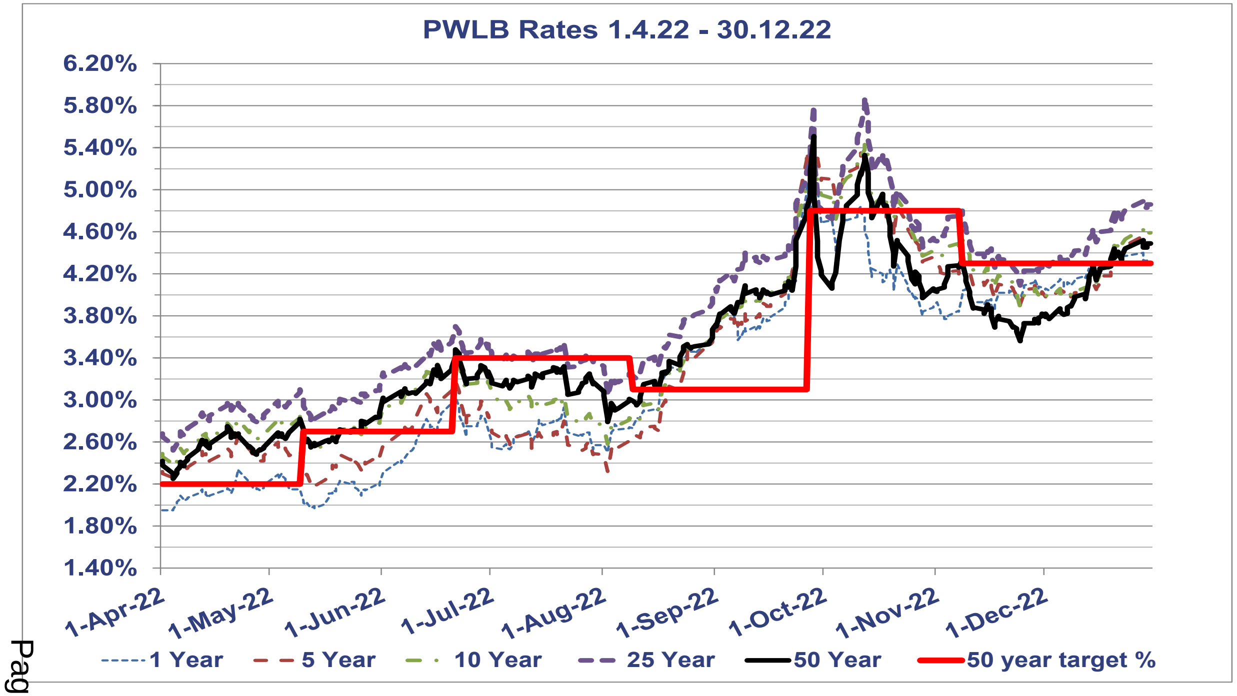
Throughout Q3 Bank Rate increased, finishing the quarter at 2.25% (an increase of 1%). Q4 has seen rates rise to 3.5% in December and the market expects Bank Rate to hit 4.5% by May 2023.

Following a Conservative Party leadership contest, Liz Truss became Prime Minister for a tumultuous seven weeks that ran through September and October. Put simply, the markets did not like the unfunded tax-cutting and heavy spending policies put forward by her Chancellor, Kwasi Kwarteng, and their reign lasted barely seven weeks before being replaced by Prime Minister Rishi Sunak and Chancellor Jeremy Hunt. Their Autumn Statement of 17th November gave rise to a net £55bn fiscal tightening, although much of the "heavy lifting" has been left for the next Parliament to deliver. However, the markets liked what they heard, and UK gilt yields have almost completely reversed the increases seen under the previous tenants of No10/11 Downing Street.

Globally, though, all the major economies are expected to struggle in the near term despite the recent rise above 50 in the composite Purchasing Manager Indices for the UK, US, EZ and China. Whether that means a shallow recession or worse is still unclear. As recently as November, the MPC projected eight quarters of negative growth for the UK lasting throughout 2023 and 2024, but with Bank Rate set to peak at lower levels than previously priced in by the markets and the fiscal tightening deferred to some extent, it is not clear that things will be as bad as first anticipated by the Bank. Indeed, their February Monetary Policy Report suggests five quarters of negative growth, albeit a shallow recession with GDP expected to shrink 0.5% in 2023 and 0.25% in 2024.

The £ has remained resilient of late, recovering from a record low of $1.035, on the Monday following the Truss government's "fiscal event", to $1.21. Notwithstanding the £'s better run of late, 2023 is likely to see a housing correction of some magnitude as fixed-rate mortgages have moved above 5% and affordability has been squeezed despite proposed Stamp Duty cuts remaining in place.

In the table below, the rise in gilt yields, and therein PWLB rates, through the first 9 months of 2022/23 is clear to see.



However, the peak in rates on 28th September as illustrated in the table covering April to December 2022 below, has been followed by the whole curve shifting lower. PWLB rates at the front end of the curve are generally around 1% lower now whilst the 50 years is just under the 1% lower.

HIGH/LOW/AVERAGE PWLB RATES FOR 01.04.22 – 30.12.22

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	1.95%	2.18%	2.36%	2.52%	2.25%
Date	01/04/2022	13/05/2022	04/04/2022	04/04/2022	04/04/2022
High	5.11%	5.44%	5.45%	5.88%	5.51%
Date	28/09/2022	28/09/2022	12/10/2022	12/10/2022	28/09/2022
Average	3.26%	3.41%	3.57%	3.85%	3.51%
Spread	3.16%	3.26%	3.09%	3.36%	3.26%

The S&P 500 and FTSE 100 have climbed in the early weeks of 2023, albeit the former finished 19% down in 2022 whilst the latter finished up 1%.

CENTRAL BANK CONCERNS – DECEMBER 2022

In December, the Fed decided to push up US rates by 0.5% to a range of 4.25% to 4.5%, whilst the MPC followed by raising Bank Rate from 3% to 3.5%, in line with market expectations. EZ rates have also increased to 2% with further tightening in the pipeline.

Having said that, the sentiment expressed in the press conferences in the US and the UK were very different. In the US, Fed Chair, Jerome Powell, stated that rates will be elevated and stay higher for longer than markets had expected. Governor Bailey, here in the UK, said the opposite and explained that the two economies are positioned very differently so you should not, therefore, expect the same policy or messaging.

At the start of February, US rates have further increased by 0.25% to a range of 4.5% - 4.75%, whilst UK Bank Rate increased 0.5% to 4%.

Regarding UK market expectations, although they now expect Bank Rate to peak within a lower range of 425% - 4.5%, caution is advised as the Bank of England Quarterly Monetary Policy Reports have carried a dovish message over the course of the last year, only for the Bank to have to play catch-up as the inflationary data has proven stronger than expected.

In addition, the Bank's central message that GDP will fall for five quarters starting with Q1 2023 may prove to be a little pessimistic. Will the excess savings accumulated by households through the Covid lockdowns provide a spending buffer for the economy – at least to a degree? Ultimately, however, it will not only be inflation data but also employment data that will mostly impact the decision-making process, although any softening in the interest rate outlook in the US may also have an effect (just as, conversely, greater tightening may also).

5.4 TREASURY MANAGEMENT PRACTICE (TMP1) – CREDIT AND COUNTERPARTY RISK MANAGEMENT

SPECIFIED INVESTMENTS:

All such investments will be sterling dominated, with maturities up to a maximum of 1 year, meeting the minimum 'high' quality criteria where applicable.

NON-SPECIFIED INVESTMENTS;

These are any investments which do not meet the specified investment criteria. A maximum of 30% will be held in aggregate in non-specified investment. A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made, it will fall into one of the above categories.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

	Minimum 'High' Credit Criteria	**Use**
Debt Management Agency Deposit Facility	--	In-house
Term deposits – local authorities	--	In-house
Term deposits – banks and building societies **	Green	In-house

Strategy for specified Investments:

The Authority expects to have a net surplus of funds throughout 2023/24 and will invest those funds through the money markets with those organisations included on its approved lending list (attached as Annex A).

The Authority's approved lending list includes the following organisations which are thus deemed to have a high credit rating:

- UK and Foreign Banks with a short-term rating of F1 or F1+ and a long-term rating of A- or higher.
- UK Building Societies with a short-term rating of F1 or F1+ and a long-term rating of A- or higher.

Ratings are those given by Fitch, the credit rating agency. In compiling the lending list, other factors such as legal rating and individual rating, which Fitch also provide, have been taken into consideration. The lending list is regularly reviewed to ensure that the organisations included maintain their credit ratings at the required level.

Investments will be made for terms of up to 365 days. The Authority will consider its cash flow requirements, prevailing market conditions and advice from its Treasury Advisers when determining exact terms for each investment, in order to ensure that it is both favourable and prudent. At the time of writing, interest rates are at a low point.

Non-Specified Investments:

These are any other investments that do not meet the criteria above for Specified Investments.

The Authority has no investments other than the short-term investment of surplus cash through the money market. Under previous regulations the investment of surplus cash was restricted to periods not exceeding 365 days. Under the new regulations that restriction is removed, however investments that do exceed 365 days are classified as non-specified investments because of the greater degree of risk they carry.

The Authority is investigating the use of Property Funds to supplement their investment portfolio and these would be in excess of 365 days. The use of these instruments can be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. The Authority will seek guidance on the status of any fund it may consider using.

SPECIFIED INVESTMENTS: (All such investments will be sterling denominated, with **maturities up to maximum of 1 year,** meeting the minimum 'high' rating criteria where applicable)

	Minimum 'High' Credit Criteria	**Use**
Debt Management Agency Deposit Facility	--	In-house
Term deposits – local authorities	--	In-house
Term deposits – banks and building societies **	Green	In-house

Term deposits with nationalised banks and banks and building societies

	Minimum Credit Criteria	Use	Max % Limit	Max Maturity Period
UK banks	Orange	In-house	50%	**1 year**
UK banks and Building Societies	Red	In-house	50%	**6 months**
UK banks and Building Societies	Green	In-house	50%	**100 days**
UK banks and Building Societies	No Colour	In-house	Not to be used	
UK part nationalised banks	Blue	In-house	90%	**1 year**
DMADF – UK Government	AAA	In-house	Unlimited	**6 months**
Local Authorities	Yellow	In-house	50%	**5 years**
Money Market Funds LVNAV	AAA	In-house and Fund Managers		**1 year**
Ultra-Short Dated Bond Funds with a credit score of 1.25	AAA	In-house and Fund Managers		**1 year**
Ultra-Short Dated Bond Funds with a credit score of 1.5	AAA	In-house and Fund Managers		**1 year**
Non-UK Banks	Orange	In-house and Fund Managers	50%	**1 year**

Accounting treatment of investments. The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this Authority. To ensure that the Authority is protected from any adverse revenue impact, which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

5.5 APPROVED COUNTRIES FOR INVESTMENTS

This list is based on those countries which have sovereign ratings of AA- or higher, (we show the lowest rating from Fitch, Moody's and S&P) and also, (except - at the time of writing - for Hong Kong and Luxembourg), have banks operating in sterling markets which have credit ratings of green or above in the Link creditworthiness service.

Based on lowest available rating as at 19.12.22

AAA

- Australia
- Denmark
- Germany
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Canada
- Finland
- U.S.A.

AA

- Abu Dhabi (UAE)
- France

AA-

- Belgium
- Qatar
- **U.K.**

TREASURY MANAGEMENT SCHEME OF DELEGATION

i. **FRA**

- Receiving and approving reports on treasury management policies, practices and activities ;
- approval of annual strategy;
- budget consideration and approval;
- review and recommend for approval the division of responsibilities;
- receiving and reviewing regular monitoring reports and acting on recommendations;
- reviewing a selection of external Treasury service providers and agreeing terms of appointment.;
- the review and challenge function of Treasury Management.

ii. **Treasurer**

- reviewing the treasury management strategy, policy and procedures and making recommendations to the responsible body.

THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER

The S151 (Responsible) Officer:

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers.

The above list of specific responsibilities of the S151 officer in the 2017 Treasury Management Code has not changed. However, implicit in the changes in both codes, is a major extension of the functions of this role, especially in respect of non-financial investments, (which CIPFA has defined as being part of treasury management)): -

- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long term timeframe
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority
- ensure that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources

- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees – our Authority doesn't have these.
- ensuring that members are adequately informed and understand the risk exposures taken on by an authority
- ensuring that the authority has adequate expertise, either in house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following (TM Code p54): -
- Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;
    - Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;
    - Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;
    - Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;
    - Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.

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Weekly Credit List: 17/02/2023

Institution Benchmark: iTraxx Senior Financials Index 83.50 (83.38)

Institution Benchmark: Monitoring Boundary: 100.00

	Fitch Ratings				Moodys Ratings			S & P Ratings		
Organisation	Long Term	Short Term	Viability	Support	Long Term	Short Term	FSR	Long Term	Short Term	Suggested Duration (CDS Adjusted with manual override)
.										
U.K	AA	-	-	-			-			
Collateralised LA Deposit*							-			Y - 60 mths
Debt Management Office							-			Y - 60 mths
Multilateral Development Banks							-			Y - 60 mths
Supranationals							-			Y - 60 mths
UK Gilts							-			Y - 60 mths
Al Rayan Bank Plc					A1	P-1	-			R - 6 mths
Bank of Scotland PLC (RFB)	A+	F1	a	WD	A1	P-1	-	A+	A-1	R - 6 mths
Barclays Bank PLC (NRFB)	A+	F1	a	WD	A1	P-1	-	A	A-1	R - 6 mths
Barclays Bank UK PLC (RFB)	A+	F1	a	WD	A1	P-1	-	A	A-1	R - 6 mths
Close Brothers Ltd	A-	F2	a-	WD	Aa3	P-1	-			R - 6 mths
Clydesdale Bank PLC	A-	F2	bbb+	WD	A3	P-2	-	A-	A-2	G - 100 days
Co-operative Bank PLC (The)	BB	B	bb-	WD	Ba1	NP	-			N/C - 0 mths
Goldman Sachs International Bank	A+	F1		WD	A1	P-1	-	A+	A-1	R - 6 mths
Handelsbanken Plc	AA	F1+		WD			-	AA-	A-1+	O - 12 mths
HSBC Bank PLC (NRFB)	AA-	F1+	a	WD	A1	P-1	-	A+	A-1	O - 12 mths
HSBC UK Bank Plc (RFB)	AA-	F1+	a	WD	A1	P-1	-	A+	A-1	O - 12 mths
Lloyds Bank Corporate Markets Plc (NRFB)	A+	F1		WD	A1	P-1	-	A	A-1	R - 6 mths
Lloyds Bank Plc (RFB)	A+	F1	a	WD	A1	P-1	-	A+	A-1	R - 6 mths
National Bank Of Kuwait (International) PLC	A+	F1		WD			-	A	A-1	R - 6 mths
NatWest Markets Plc (NRFB)	A+	F1	WD	WD	A1	P-1	-	A-	A-2	R - 6 mths
Santander Financial Services plc (NRFB)	A+	F1		WD	A1	P-1	-	A-	A-2	R - 6 mths
Santander UK PLC	A+	F1	a	WD	A1	P-1	-	A	A-1	R - 6 mths
SMBC Bank International Plc	A-	F1		WD	A1	P-1	-	A	A-1	R - 6 mths
Standard Chartered Bank	A+	F1	a	WD	A1	P-1	-	A+	A-1	R - 6 mths
Coventry Building Society	A-	F1	a-	WD	A2	P-1	-			R - 6 mths
Leeds Building Society	A-	F1	a-	WD	A3	P-2	-			G - 100 days
Nationwide Building Society	A	F1	a	WD	A1	P-1	-	A+	A-1	R - 6 mths
Principality Building Society	BBB+	F2	bbb+	WD	Baa2	P-2	-			N/C - 0 mths
Skipton Building Society	A-	F1	a-	WD	A2	P-1	-			R - 6 mths
West Bromwich Building Society					Ba3	NP	-			N/C - 0 mths
Yorkshire Building Society	A-	F1	a-	WD	A3	P-2	-			G - 100 days
National Westminster Bank PLC (RFB)	A+	F1	a	WD	A1	P-1	-	A	A-1	B - 12 mths
The Royal Bank of Scotland Plc (RFB)	A+	F1	a	WD	A1	P-1	-	A	A-1	B - 12 mths

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Bedfordshire and Fire and Rescue Service

TREASURY MANAGEMENT PRACTICES

2023/24

TREASURY MANAGEMENT PRACTICES

The Treasury Management Practices (TMPs) set out the manner in which this Authority will seek to achieve its treasury management policies and objectives and how it will arrange and control these activities.

The following Treasury Management Practices are in accordance with the requirements of the CIPFA Code on Treasury Management in the Public Services:

TMP1 RISK MANAGEMENT

The Treasurer will design, implement and monitor all arrangements for the identification, management and control of treasury management risk, will report at least annually on the adequacy/suitability thereof, and will report, as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the organisation's objectives in this respect, all in accordance with the procedures set out in TMP6, Reporting Requirements and Management Information Arrangements. In respect of each of the following risks, the arrangements which seek to ensure compliance with these objectives are set below.

1. Credit and Counterparty Risk Management

This Authority regards a key objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its counterparty lists and limits reflect a prudent attitude towards organisations with whom funds may be deposited, and will limit its investment activities to the instruments, methods and techniques referred to in TMP4 Approved Instruments Methods and Techniques as listed in the schedule to this document. It also recognises the need to have, and will therefore maintain, a formal counterparty policy in respect of those organisations from which it may borrow, or with whom it may enter into other financing arrangements.

1.1. Policy on the Use of Credit Risk Analysis Techniques

1. The Authority will use credit criteria in order to select creditworthy counterparties for placing investments with.
2. Credit ratings will be used as supplied from all three rating agencies - Fitch, Moodys and Standard and Poors.
3. Treasury management consultants will provide regular updates of changes to all ratings relevant to the Authority.
4. The responsible officer will formulate suitable criteria for assessing and monitoring the credit risk of investment counterparties and shall construct a lending list comprising maturity periods, type, group, sector, country and counterparty limits.

Minimum Ratings 1	Fitch	Moodys	Standard & Poors
Short-term	**F1+**	**P1**	**A1+**
Long-term	AA-	Aa3	AA-
Individual*	C	C	n/a
Support	3	n/a	n/a

* Moodys Financial Strength Rating

Maturity limits will vary from three to twelve months. The maximum limit being twelve months and guidance will be taken from Link Treasury Services creditworthiness service based on using colour, as shown below:

- Purple 2 years
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 3 months
- No Colour Not to be used for Investments

5. Credit ratings for individual counterparties can change at any time. The Treasurer is responsible for applying approved credit rating criteria for selecting approved counterparties. Treasury Management staff will add or delete counterparties to/from the approved counterparty list in line with the policy on criteria for selection of counterparties.

6. This organisation will not rely solely on credit ratings in order to select and monitor the creditworthiness of counterparties. In addition to credit ratings it will therefore use other sources of information including:

   - The quality financial press
   - Market data
   - Information on government support for banks and
   - The credit ratings of Banks/Building Societies that government support

7. Maximum maturity periods and amounts to be placed in different types of investment instrument are as follows:

   - UK and Foreign Banks with a short-term rating of F1 or F1+ and a long-term rating of AA- or higher.
   - UK Building Societies with a short-term rating of F1 or F1+ and a long-term rating of AA- or higher.

8. Diversification: this organisation will avoid concentrations of lending and borrowing by adopting a policy of diversification. It will therefore use the following:

   - Maximum amount to be placed with any one institution - £7m.
   - Group limits where a number of institutions are under one ownership – maximum of £10m.
   - Link limits.
   - Country limits – a minimum sovereign rating of AA- is required for an institution to be placed on our approved lending list.

9. Investments will not be made with counterparties that do not have a credit rating in their own right.

10. Full individual listings of counterparties and counterparty limits as at 17th February 2023 is attached at Annex A.

1.2 Policy on environmental, social and governance (ESG) considerations

This Authority is supportive of the Principles for Responsible Investment (www.unpri.org) and will seek to bring ESG (environmental, social and governance) factors into the decision-making process for investments. Within this, the Authority is also appreciative of the Statement on ESG in Credit Risk and Ratings which commits signatories to incorporating ESG into credit ratings and analysis in a systemic and transparent way. The Authority uses ratings from Fitch, Moody's and Standard & Poor's to support its assessment of suitable counterparties. Each of these rating agencies is a signatory to the ESG in credit risk and ratings statement, which is as follows:

> *"We, the undersigned, recognise that environmental, social and governance (ESG) factors can affect borrowers' cash flows and the likelihood that they will default on their debt obligations. ESG factors are therefore important elements in assessing the creditworthiness of borrowers. For corporates, concerns such as stranded assets linked to climate change, labour relations challenges or lack of transparency around accounting practices can cause unexpected losses, expenditure, inefficiencies, litigation, regulatory pressure and reputational impacts.*
>
> *At a sovereign level, risks related to, inter alia, natural resource management, public health standards and corruption can all affect tax revenues, trade balance and foreign investment. The same is true for local governments and special purpose vehicles issuing project bonds. Such events can result in bond price volatility and increase the risk of defaults.*
>
> *In order to more fully address major market and idiosyncratic risk in debt capital markets, underwriters, credit rating agencies and investors should consider the potential financial materiality of ESG factors in a strategic and systematic way. Transparency on which ESG factors are considered, how these are integrated, and the extent to which they are deemed material in credit assessments will enable better alignment of key stakeholders.*
>
> *In doing this the stakeholders should recognise that credit ratings reflect exclusively an assessment of an issuer's creditworthiness. Credit rating agencies must be allowed to maintain full independence in determining which criteria may be material to their ratings. While issuer ESG analysis may be considered an important part of a credit rating, the two assessments should not be confused or seen as interchangeable.*
>
> *With this in mind, we share a common vision* ***to enhance systematic and transparent consideration of ESG factors in the assessment of creditworthiness****."*

For short term investments with counterparties, this Authority utilises the ratings provided by Fitch, Moody's and Standard & Poor's to assess creditworthiness, which do include analysis of ESG factors when assigning ratings. The Authority will continue to evaluate additional ESG-related metrics and assessment processes that it could incorporate into its investment process and will update accordingly.

2. Liquidity Risk Management

This Authority will ensure it has adequate though not excessive cash resources, borrowing arrangements, overdraft or standby facilities to enable it at all times to have the level of funds available to it which are necessary for the achievement of its business/service objectives.

This Authority will only borrow in advance of need where there is a clear business case for doing so and will only do so for the current capital programme or to finance future debt maturities.

The Treasury Management Section shall seek to minimise the balance held in the Authority's main bank accounts at the close of each working day. Borrowing or lending shall be arranged in order to achieve this aim. At the end of each financial day any unexpected surplus funds are transferred to the SIBA (Special Interest Bearing Account) account which is available from the Authority's main bank. The balance on this account is instantly accessible if the group bank account becomes overdrawn. Should this balance exceed the Group Limit then excess funds will be transferred to the Authority's Barclays account. The balance on the Barclays account is also instantly accessible.

- All payments over £50,000 have to be authorised by the Treasurer or Deputy S151 Officer. With the exception of the Head of ICT who can authorise payments up to £75k
- There are no specific insurance or guarantee facilities as the above arrangements are regarded as being adequate to cover all unforeseen occurrences.

3. Interest Rate Risk Management

This Authority will manage its exposure to fluctuations in interest rates with a view to containing its interest costs, or securing its interest revenues, in accordance with the amounts provided in its budgetary arrangements as amended in accordance with TMP6 Reporting requirements and management information arrangements.

It will achieve this by the prudent use of its approved financing and investment instruments, methods and techniques, primarily to create stability and certainty of costs and revenues, but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous changes in the level or structure of interest rates. This should be the subject to the consideration and, if required, approval of any policy or budgetary implications.

The details of the Authority's views on interest rates are laid out for the coming financial year in the Treasury Management Strategy Report in the prior year to the activity.

The Treasury Management Strategy Report to the Authority each year approves the following limits:

- Authorised limit for external debt
- Operational boundary for external debt
- 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 over 365 days

The indicator for the authorised limit for external debt is the maximum the Authority will allow itself to borrow in each financial year. It includes long-term debt, overdrafts, other long-term liabilities and short-term borrowing (to cover temporary cash shortages).

The operational boundary is the day-to-day or 'normal' limit for borrowing. It includes all long-term debt plus the normal overdraft limit.

4. Exchange Rate Risk Management

This Authority will manage its exposure to fluctuations in exchange rates so as to minimise any detrimental impact on its budgeted income/expenditure levels.

The Authority will, as far as possible, limit its exposure to exchange rate fluctuations by ensuring as many transactions as possible are carried out in sterling.

5. Refinancing Risk Management

This Authority will ensure that its borrowing, private financing and partnership arrangements are negotiated, structured and documented, and the maturity profile of the monies so raised are managed, with a view to obtaining offer terms for renewal or refinancing, if required, which are competitive and as favourable to the organisation as can reasonably be achieved in the light of market conditions prevailing at the time.

It will actively manage its relationships with its counterparties in these transactions in such a manner as to secure this objective, and will avoid over reliance on any one source of funding if this might jeopardise achievement of the above.

The Authority will establish through its Prudential and Treasury Indicators the amount of debt maturing in any year/period.

Any debt rescheduling will be considered when the difference between the refinancing rate and the redemption rate is most advantageous and the situation will be continually monitored in order to take advantage of any perceived anomalies in the yield curve. The reasons for any rescheduling to take place will include:

a. the generation of cash savings at minimum risk;
b. to reduce the average interest rate;
c. to amend the maturity profile and /or the balance of volatility of the debt portfolio.

The maturity profile of the Authority's debt will be reviewed regularly in association with the Authority's Treasury Management Advisers where necessary. Such reviews will seek to determine whether or not market conditions are suitable for refinancing any of the Authority's debt to allow more advantageous borrowing terms. The revenue consequences of refinancing will be evaluated prior to the transaction being completed. The effect on the maturity profile prudential indicator will be analysed to ensure that any changes to the profile are within limits. Any rescheduling would only be undertaken after consultations between the Treasurer.

Rescheduling will be reported to the FRA (Fire and Rescue Authority) *at the meeting immediately following it's action/in the annual review report.*

5.1 Projected Capital Investment Requirements

The responsible officer will prepare a four year plan for capital expenditure for the Authority. The capital plan will be used to prepare a four year revenue budget for all forms of financing charges.

The definition of capital expenditure and long term liabilities used in the Code will follow recommended accounting practice as per the Code of Practice on Local Authority Accounting.

In considering the affordability of its capital plans, the Authority will consider all the resources currently available/estimated for the future together with the total of its capital plans, revenue income and revenue expenditure forecasts for the forthcoming year and the three following years and the impact these will have on council tax. It will also take into account affordability in the longer term beyond this four year period.

The Authority budgeted for revenue contributions for capital expenditure in the 2022/23 budget and continues to do so in the 2023/24 revenue budget.

The Authority will use the definitions provided in the Prudential Code for borrowing (65), capital expenditure (66), capital financing requirement (67), debt (68), financing costs (69), investments (70), net borrowing (71), net revenue stream (72), other long term liabilities (73).

6. Legal and Regulatory Risk Management

This Authority will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements. It will demonstrate such compliance, if required to do so, to all parties with whom it deals in such activities. In framing its credit and counterparty policy under TMP1[1] credit and counterparty risk management, it will ensure that there is evidence of counterparties' powers, authority and compliance in respect of the transactions they may effect with the organisation, particularly with regard to duty of care and fees charged.

This Authority recognises that future legislative or regulatory changes may impact on its treasury management activities and, so far as it is reasonably able to do so, will seek to minimise the risk of these impacting adversely on the organisation.

The treasury management activities of the Authority shall comply fully with legal statute, guidance, Codes of Practice and the regulations of the Authority. These are:

- CIPFA Local Authority Capital Accounting - a reference manual for practitioners' latest year Edition
- CIPFA Guide for Chief Financial Officers on Treasury Management in Local Authorities 1996
- CIPFA Standard of Professional Practice on Treasury Management 2002
- CIPFA Standard of Professional Practice on Continuous professional Development 2005
- CIPFA Standard of Professional Practice on Ethics 2006
- The Good Governance Standard for Public Services 2004
- CIPFA's Treasury Management Codes of Practice and Guidance Notes 2021,
- CIPFA Prudential Code for Capital Finance in Local Authorities and Guidance Notes revised 2021

- LAAP Bulletins
- IFRS - Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of recommended Practice

- PWLB circulars on Lending Policy
- The UK Money Markets Code (issued by the Bank of England – it was formerly known as the Code of Market Conduct issued by the Financial Conduct Authority.)

- The Council's Standing Orders relating to Contracts
- The Council's Financial Regulations
- The Council's Scheme of Delegated Functions

Statutes

- Local Government Finance Act 1988 section 114 – duty on the responsible officer to issue a report if the Council is likely to get into a financially unviable position.
- Requirement to set a balanced budget - Local Government Finance Act 1992 section 32 for billing authorities and section 43 for major precepting authorities.
- Local Government Act 2003
- S.I. 2003 No.2938 Local Government Act 2003 (Commencement No.1 and Transitional Provisions and Savings) Order 2003 13.11.03
- S.I. 2003 No.3146 Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 and associated commentary 10.12.03

- S.I. 2004 No.533 Local Authorities (Capital Finance) (Consequential, Transitional and Savings Provisions) Order 2004 8.3.04
- S.I. 2004 No.534 Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2004 8.3.04
- S.I. 2004 no. 3055 The Local Authorities (Capital Finance and Accounting) (Amendment) (England) (No. 2) Regulations 2004
- S.I. 2006 no. 521 Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2006
- S.I. 2007 no. 573 Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2007
- Local Government and Public Involvement in Health Act 2007 s238(2) – power to issue guidance; to be used re: MRP
- S.I. 2008 no. 414 Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2008
- S.I. 2009 no. 321 Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2009
- S.I. 2009 no. 2272 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) (No.2) Regulations 2009
- S.I. 2009 no. 3093 The Local Government Pension Fund Scheme (Management and Investment of Funds) Regulations 2009
- S.I. 2010 no. 454 (Capital Finance and Accounting) (Amendment) (England) Regulations 2010
- Localism Act 2011
- S.I. 2012 no. 265 Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2012
- S.I. 2012 No. 711 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) (No. 2) Regulations 2012
- S.I. 2012 No. 1324 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) (No.3) Regulations 2012
- S.I. 2012 No. 2269 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) (No. 4) Regulations 2012
- S.I. 2013 no. 476 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2013
- S.I. 2015 no. 234 Accounts and Audit Regulations 2015
- *There has not been an issue of a Local Authorities (Capital Finance and Accounting) (England) Regulations statutory instrument in 2005, 2011 and 2016*
- S.I. 2017 no. 536 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2017
- S.I. 2018 no. 1207 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2018
- Statutory Guidance on Investments 2018
- Statutory Guidance on MRP 2018
- 2019 No. 394 Exiting the European Union financial services: The Money Market Funds (Amendment) (EU Exit) Regulations 2019
- S.I. 2019 no. 396 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2019
- S.I. 2020 no. 1212 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2020
- S.I. 2021 no. 611 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2021

6.1 **Procedures for Evidencing the Authority's Powers to Counterparties**

The Authority's powers to borrow and invest are contained in legislation:

Investing: Local Government Act 2003, Section 12
Borrowing: Local Government Act 2003, Section 1

In addition, it will make available on request the following:

a) the Scheme of Delegation of Treasury Management activities which is contained in the Annual Investment Strategy, Appendix 6, which states which officers carry out these duties;
b) the document which sets which Officers are the authorised signatories.

Lending shall only be made to counterparties on the Approved Lending list. This list has been compiled using advice from the Authority's treasury advisers based upon credit ratings supplied by Fitch, Moodys and Standard and Poors.

The responsible officer shall take appropriate action with the Authority the Chief Fire Officer/Chief Executive and the Chair of the Authority to respond to and manage appropriately political risks such as change of majority group, leadership in the Authority, change of Government etc.

The Monitoring Officer is currently Mr G Britten. The duty of this officer is to ensure that the treasury management activities of the Authority are lawful.

The Assistant Chief Officer is Treasurer, with the CA (Chief Accountant) who is the deputy S151 Officer; the duty of this officer is to ensure that the financial affairs of the Authority are conducted in a prudent manner and to make a report to the Authority if he has concerns as to the financial prudence of its actions or its expected financial position.

7. Fraud, Error and Corruption, and Contingency Management

The Authority will ensure that it has identified the circumstances which may expose it to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings. Accordingly, it will employ suitable systems and procedures, and will maintain effective contingency management arrangements, to these ends.

The Authority will, therefore:

a. seek to ensure an adequate division of responsibilities and maintenance at all times of an adequate level of internal check which minimises such risks;

b. fully document all its treasury management activities so that there can be no possible confusion as to what proper procedures are;

c. staff will not be allowed to take up treasury management activities until they have had proper training in procedures and are then subject to an adequate and appropriate level of supervision;

d. records will be maintained of all treasury management transactions so that there is a full audit trail and evidence of the appropriate checks being carried out.

7.1. Systems and Procedures, Including Internet Services

7.1.1 **Authority**

The Scheme of Delegation to Officers is that overall responsibility for Treasury Management is delegated to the Treasurer. Delegation of other officers is set out in TMP 5 below.

All loans and investments, including PWLB (Public Works Loan Board), are negotiated by the responsible officer or authorised persons.

7.1.2 **Procedures**

The Treasury Team check and monitor the bank accounts daily by using the on-line service. This is password controlled and only delegated officers have access and are issued with ‘Smartcards’ to carry out transactions. The Team ensure that all necessary daily transactions are carried out to achieve the maximum interest possible on available funds.

These transactions are authorised and checked by at least two members of the Treasury Team.

CHAPS (Clearing House Automated Payment System) payments are now available on-line too. These are same-day payments. However, any CHAPS payments have to be authorised by the Treasurer or the Deputy Section 151 Officer. These are very rarely used, normally for investments only.

7.1.3 Investment and Borrowing Transactions

A detailed spreadsheet register of all loans and investments is maintained by the Treasury Management Team.

A written acknowledgement of each deal is sent promptly to the lending or borrowing institution where transactions are done directly with the organisation.

Written confirmation is received and checked against the dealer's records for the transaction.

Any discrepancies are immediately reported to the Treasurer for resolution.

All transactions placed through brokers are confirmed by a broker note showing details of the loan arranged. Written confirmation is received and checked against the dealer's records for the transaction. Any discrepancies are immediately reported to the Treasurer for resolution.

7.1.4 Regularity and Security

Lending is only made to institutions on the approved list of counterparties.

The delegated officer has a record of all investments maturity dates and loan repayment dates.

All loans raised and repayments made go directly to and from the bank account of approved counterparties.

Brokers have a list of named officials authorised to agree deals.

7.1.5 Checks

- The bank reconciliation is carried out monthly from the bank statement to the financial ledger.
- A debt charge/investment income listing is produced every six months when a review is undertaken against the budget for interest earnings and debt costs

- The Authority will ensure that the external funds we invest in, are accounted for in accordance with proper accounting practices.
- The Authority will treat our external fund(s) as our own investments and will separate the assets into their component parts. As a result, the Authority will only take realised gains and losses and interest (accrued and received) to the Income and Expenditure Account.

7.1.6 Calculations

The calculation of repayment of principal and interest notified by the lender or borrower is checked for accuracy against the amount calculated by the delegated Treasury Officer.

The spreadsheet automatically calculates periodic interest payments of PWLB and other long-term loans. This is used to check the amount paid to lenders.

Average weighted capital loans fund interest rates and debt management expenses are calculated monthly using information from the spreadsheet and a monthly report from our Treasury consultants.

These interest and expense rates are then used to calculate the principal, interest and debt management expense charges to the Loans Fund.

7.2 Emergency and Contingency Planning Arrangements

Arrangements are in place within the Finance Department's Business Continuity Plan for Treasury Management.

In the event of the failure of the Internet Banking System then all information required to carry out the daily procedures can be obtained by phone from the Authority's bank. BACS/CHAPS payments may be made by using paper forms and faxing to the bank, after all relevant authorising signatories are obtained.

It is possible for the delegated member of the Treasury Team to access the on-line banking from home, should the need arise.

All members of the Treasury Management Team are familiar with this plan and new members will be briefed on it.

All computer files are backed up on the server to enable files to be accessed from remote sites.

7.3 **Protection Policy/Insurance**

The Authority's current protection policy is with the Fire and Rescue Indemnity Company (FRIC). This is for Motor, Property, Public Liability, Employees/Employers Liability, personal accident, business interruption and computers.

For business travel the Service is insured by Zurich Municipal (ZM). ZM also carry out the service engineering (equipment) inspection.

8. Market Risk Management

This Authority will seek to ensure that its stated treasury management policies and objectives will not be compromised by adverse market fluctuations in the value of the principal sums it invests, and will accordingly seek to protect itself from the effects of such fluctuations.

The Authority has no intention of making investments where the principal value can fluctuate (Gilts, CDs, Etc).

TMP 1 SCHEDULE 1 – SPECIFIED AND NON SPECIFIED INVESTMENTS

SPECIFIED INVESTMENTS:

These are sterling investments that do not exceed 365 days and are with:

- an organisation that has a high credit rating;
- other local authority or,
- Central Government.

Strategy for specified Investments:

The Authority expects to have a net surplus of funds throughout 2023/24 and will invest those funds through the money market with those organisations included on its approved lending list (attached as Annex A).

The Authority's approved lending list includes the following organisations which are thus deemed to have a high credit rating:

- UK and Foreign Banks with a short-term rating of F1 or F1+ and a long-term rating of AA- or higher.
- UK Building Societies with a short-term rating of F1 or F1+ and a long-term rating of AA- or higher.

Ratings are those given by Fitch, the credit rating agency. In compiling the lending list, other factors such as legal rating and individual rating, which Fitch also provide, have been taken into consideration. The lending list is regularly reviewed to ensure that the organisations included maintain their credit ratings at the required level.

Investments will be made for terms of up to 365 days. The Authority will consider its cash flow requirements, prevailing market conditions and advice from its Treasury Advisers when determining exact terms for each investment, in order to ensure that it is both favourable and prudent. At the time of writing, interest rates are at a low point.

Non-Specified Investments:

These are any other investments that do not meet the criteria above for Specified Investments.

The Authority has no investments other than the short-term investment of surplus cash through the money market. Under previous regulations the investment of surplus cash was restricted to periods not exceeding 365 days. Under the new regulations that restriction is removed, however investments that do exceed 365 days are classified as non-specified investments because of the greater degree of risk they carry.

The Authority is investigating the use of Property Funds to supplement their investment portfolio and these would be in excess of 365 days. The use of these instruments can be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. The Authority will seek guidance on the status of any fund it may consider using.

SPECIFIED INVESTMENTS: (All such investments will be sterling denominated, with **maturities up to maximum of 1 year,** meeting the minimum 'high' rating criteria where applicable.)

	*** Minimum 'High' Credit Criteria**	**Use**
Debt Management Agency Deposit Facility	--	In-house
Term deposits – local authorities	--	In-house
Term deposits – banks and building societies **	Green	In-house

APPROVED COUNTRIES FOR INVESTMENTS

This list is based on those countries which have sovereign ratings of AA- or higher, (we show the lowest rating from Fitch, Moody's and S&P) and also, (except - at the time of writing - for Hong Kong and Luxembourg), have banks operating in sterling markets which have credit ratings of green or above in the Link creditworthiness service.

Based on lowest available rating as at 19.12.22

AAA

- Australia
- Denmark
- Germany
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Canada
- Finland
- U.S.A.

AA

- Abu Dhabi (UAE)
- France

AA-

- Belgium
- Qatar
- **U.K**

Term deposits with nationalised banks and banks and building societies

	Minimum Credit Criteria	Use	Max % Limit	Max Maturity Period
UK banks	Orange	In-house	50%	**1 year**
UK banks and Building Societies	Red	In-house	50%	**6 months**
UK banks and Building Societies	Green	In-house	50%	**100 days**
UK banks and Building Societies	No Colour	In-house	Not to be used	
UK part nationalised banks	Blue	In-house	90%	**1 year**
DMADF	AAA	In-house	Unlimited	**6 months**
Local Authorities	N/A	In-house	50%	**5 years**
Money Market Funds LVNAV	AAA	In-house and Fund Managers		**1 year**
Ultra-Short Dated Bond Funds with a credit score of 1.25	AAA	In-house and Fund Managers		**1 year**
Ultra-Short Dated Bond Funds with a credit score of 1.5	AAA	In-house and Fund Managers		**1 year**
Non-UK Banks	Orange	In-house and Fund Managers	50%	**1 year**

Accounting treatment of investments. The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this Authority. To ensure that the Authority is protected from any adverse revenue impact, which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

NON-SPECIFIED INVESTMENTS

The Authority is investigating the use of Property Funds to supplement their investment portfolio and these would be in excess of 365 days. The use of these instruments can be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. The Authority will seek guidance on the status of any fund it may consider using.

TMP 2 PERFORMANCE MEASUREMENT

1. **Evaluation and Review of Treasury Management Decisions**

The Authority has a number of approaches to evaluating treasury management decisions:

a. quarterly reviews carried out by the Treasury Management Team,
b. reviews with our treasury management consultants,
c. annual review after the end of the year as reported to full FRA,
d. half yearly/quarterly/other monitoring reports to FRA,
e. comparative reviews,
f. strategic, scrutiny and efficiency value for money reviews.

2. **Periodic Reviews during the Financial Year**

The Treasurer holds a treasury management review meeting with the Treasury Management Team every quarter to review actual activity against the Treasury Management Strategy Statement and cash flow forecasts.

This will include:

a. Total debt (both on-and off balance sheet) including average rate and maturity profile.
b. Total investments including average rate and maturity profile and changes to the above from the previous review and against the TMSS.

3. **Reviews with Our Treasury Management Consultants**

The Treasury Management Team holds reviews with our consultants every six months to review the performance of the investment and debt portfolios. Our consultants also provide a monthly Investment portfolio.

4. **Annual Review after the End of the Financial Year**

An Annual Treasury Report is submitted to the FRA each year after the close of the financial year. The report details the performance of the debt/investment portfolios. This report contains the following:

a. total debt and investments at the beginning and close of the financial year and average interest rates,
b. borrowing strategy for the year compared to actual strategy,

c. investment strategy for the year compared to actual strategy,
d. explanations for variance between original strategies and actual,
e. debt rescheduling done in the year,
f. actual borrowing and investment rates available through the year,
g. comparison of return on investments to the investment benchmark,
h. compliance with Prudential and Treasury Indicators,
i. other.

5. **<u>Comparative Reviews</u>**

When data becomes available, comparative reviews are undertaken to see how the performance of the Authority on debt and investments compares to other Authorities with similar size portfolios (but allowing for the fact that Prudential and Treasury Indicators are locally set). Data used will be sourced from:

- CIPFA Treasury Management statistics published each year for the last complete financial year.
- Reviews from Treasury Advisers (Link).

6. **<u>Benchmarks and Calculation Methodology</u>**

6.1 **Debt Management**

- Average rate on all external debt.
- Average period to maturity of external debt.
- Average period to maturity of new loans in previous year.

6.2 **Investment**

This Authority will use an investment benchmark to assess the investment performance of its investment portfolio of overnight 7 day SONIA (Sterling Overnight Index Average) compounded rate.

7. Consultants'/Advisers' Services

This Authority's policy is to appoint full-time professional treasury management consultants and separate leasing advisory consultants.

8. Policy on External Managers (Other Than Relating to Superannuation Funds)

The Authority's policy is not to appoint external investment fund managers.

TMP 3 DECISION-MAKING AND ANALYSIS

1. Funding, Borrowing, Lending, and New Instruments/Techniques

1.1 Records to Be Kept

The Treasury Section has a paper treasury management system backed up by electronic records in which all investment and loan transactions are recorded.

Full details of the system are covered in the user manual. The following records will be retained:

Daily cash balances and forecasts
Money market rates obtained by email from brokers/banks
Dealing slips for all money market transactions
Brokers' confirmations for investment and temporary borrowing transactions
Confirmations from borrowing/lending institutions where deals are done directly
PWLB loan confirmations
PWLB debt portfolio schedules.

1.2 Processes to Be Pursued

Cash flow analysis
Debt and investment maturity analysis
Ledger reconciliation
Review of opportunities for debt restructuring
Review of borrowing requirement to finance capital expenditure (and other forms of financing where those offer value for money)
Performance information (eg monitoring of actuals against budget for debt charges, interest earned, debt management; also monitoring of average pool rate, investment returns etc.)

1.3 **Issues to Be Addressed**

1.3.1 *In respect of every treasury management decision made the Authority will:*

a. above all be clear about the nature and extent of the risks to which the Authority may become exposed;

b. be certain about the legality of the decision reached and the nature of the transaction, and that all authorities to proceed have been obtained;

c. be content that the documentation is adequate both to deliver the Authority's objectives and protect the Authority's interests, and to deliver good housekeeping;

d. ensure that third parties are judged satisfactory in the context of the Authority's creditworthiness policies, and that limits have not been exceeded;

e. be content that the terms of any transactions have been fully checked against the market, and have been found to be competitive.

1.3.2 *In respect of borrowing and other funding decisions, the Authority will:*

a. consider the ongoing revenue liabilities created, and the implications for the organisation's future plans and budgets;

b. evaluate the economic and market factors that might influence the manner and timing of any decision to fund;

c. consider the merits and demerits of alternative forms of funding, including funding from revenue, leasing and private partnerships;

d. consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use.

1.3.3 *In respect of investment decisions, the Authority will:*

a. consider the optimum period, in the light of cash flow availability and prevailing market conditions;

b. Consider the alternative investment products and techniques available, especially the implications of using any which may expose the Authority to changes in the value of its capital.

TMP 4 APPROVED INSTRUMENTS, METHODS AND TECHNIQUES

1. Approved Activities of the Treasury Management Operation

Borrowing
Lending
Debt repayment and rescheduling
Consideration, approval and use of new financial instruments and treasury management techniques
Managing the underlying risk associated with the Authority’s capital financing and surplus funds activities
Managing cash flow
Banking activities
Leasing

2. Approved Instruments for Investments

The Authority must approve an Annual Investment Strategy in compliance with Government Guidance on Local Government Investments issued under Section 15 (1) (a) of the Local Government Act 2003. This sets out the Authority’s policies for managing its investments and for giving priority to the security and liquidity of those investments.

3. Approved Techniques

The strategy deals with the credit ratings defined for each category of investments ensuring security and liquidity of investments.

4. Approved Methods and Sources of Raising Capital Finance

Finance will only be raised in accordance with the Local Government Act 2003 and within this limit the Authority has a number of approved methods and sources of raising capital finance. These are:

On Balance Sheet	Fixed	Variable
PWLB	●	●
Internal (capital receipts and revenue balances)	●	●
Leasing (not operating leases)	●	●

Other Methods of Financing
Government and EC Capital Grants
Operating leases

Borrowing will only be done in Sterling. All forms of funding will be considered dependent on the prevailing economic climate, regulations and local considerations. The responsible officer has delegated powers in accordance with Financial Regulations, Standing Orders, the Scheme of Delegation to Officers Policy and the Treasury Management Strategy to take the most appropriate form of borrowing from the approved sources.

5. **Investment Limits**

The Annual Investment Strategy sets out the limits and the guidelines for use of each type of investment instrument.

6. **Borrowing Limits**

See the Treasury Management Strategy Statement and Prudential and Treasury Indicators.

TMP 5 ORGANISATION, CLARITY AND SEGREGATION OF RESPONSIBILITIES AND DEALING ARRANGEMENTS

1. **Allocation of Responsibilities**

1.1 **Fire and Rescue Authority**

- Receiving and reviewing regular reports on treasury management policies, practices and activities.
- Recommending approval of annual strategy.
- Approval of amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices.
- Budget consideration and approval.
- Approval of the division of responsibilities.
- Approving the selection of external service providers and agreeing terms of appointment.

1.2 **Treasurer**

- Reviewing the treasury management policy and procedures and making recommendations to the responsible body.

2. Principles and Practices Concerning Segregation of Duties

The following duties must be undertaken by separate officers:

Dealing	Negotiation and approval of deal. Receipt and checking of brokers confirmation note against loans diary. Reconciliation of cash control account. Bank reconciliation.
Accounting Entry	Production of transfer note. Processing of accounting entry.
Authorisation/Payment of Deal	Entry onto system. Approval and payment.

3. **<u>Treasury Management Organisation Chart</u>**

Chief Fire Officer/Chief Executive

Assistant Chief Officer/Treasurer

Chief Accountant

Corporate Accountant

Principal Finance Officer

Principal Finance Officer

4. Statement of the Treasury Management Duties/Responsibilities of each Treasury Post

4.1 The Responsible Officer (Treasurer)

The responsible officer is the person charged with professional responsibility for the treasury management function and in this Authority is the Treasurer.

This person will carry out the following duties:

a. recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;

   b. submitting regular treasury management policy reports;

   c. submitting budgets and budget variations;

   d. receiving and reviewing management information reports;

   e. reviewing the performance of the treasury management function;

f. ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;

   g. ensuring the adequacy of internal audit, and liaising with external audit;

   h. recommending the appointment of external service providers;

i. the responsible officer has delegated powers through this policy to take the most appropriate form of borrowing from the approved sources, and to make the most appropriate form of investments in approved instruments;

j. the responsible officer may delegate his power to borrow and invest to members of his staff. The Chief Accountant and the Treasury Management Team must conduct all dealing transactions, or staff authorised by the responsible officer to act as temporary cover for leave/sickness. All transactions must be authorised by at least two of the named officers above;

k. the responsible officer will ensure that Treasury Management Policy is adhered to, and if not will bring the matter to the attention of elected members as soon as possible;

l. prior to entering into any capital financing, lending or investment transaction, it is the responsibility of the responsible officer to be satisfied, by reference to the Authority's legal department and external advisors as appropriate, that the proposed transaction does not breach any statute, external regulation or the Authority's Financial Regulations;

m. it is also the responsibility of the responsible officer to ensure that the Authority complies with the requirements of The Non-Investment Products Code (formerly known as the London Code of Conduct) for principals and broking firms in the wholesale markets.

4.2 The Chief Accountant

The responsibilities of this post will be:

a. adherence to agreed policies and practices on a day-to-day basis,

b. supervising Treasury Management staff,

c. monitoring performance on a day-to-day basis,

d. submitting management information reports to the responsible officer,

e. identifying and recommending, opportunities for improved practices.

4.3 The Chief Fire Officer/Chief Executive

The responsibilities of this post will be:

a. Ensuring that the system is specified and implemented.

b. Ensuring that the responsible officer reports regularly to the Fire & Rescue Authority on treasury policy, activity and performance.

4.4 The Corporate Accountant

The responsibilities of this post will be:

a. With guidance from the Chief Accountant ensuring that the system is specified and implemented.

b. Ensuring that the Principal Finance Officers fulfil the responsibilities set out below.

4.5 The Principal Finance Officers

The responsibilities of this post will be:

a. Monitoring the daily cashflow and day-to-day transactions.

b. Execution of transactions.

c. Maintaining relationships with counterparties and external service providers.

d. Monitoring investments and loans with regards to maturing and repayment dates.

e. Monthly bank reconciliations.

f. Ensuring all paperwork for raising loans and investments is recorded correctly and is in accordance with the Treasury Management Strategy.

4.6 **Internal Audit**

The responsibilities of Internal Audit will be:

a. Reviewing segregation with approved policy and treasury management practices.

b. Reviewing segregation of duties and operational practice.

c. Assessing value for money from treasury activities.

d. Undertaking probity audit of treasury function.

4.7 **Absence Cover Arrangements**

Both Principal Finance Officers have access, passwords and smartcards to enable them to use the on-line banking service for all day-to-day transactions.

4.8 **Dealing Limits**

There are no dealing limits for individual posts.

4.9 **Settlement Transmission Procedures**

A formal form/letter signed by two agreed cheque signatories setting out each transaction is completed where preliminary instructions have been given by telephone. For payments a transfer will be made through the Banks on-line system to be completed by 2.00 pm on the same day.

4.10 **Documentation Requirements**

For each deal undertaken a record is prepared giving details of dealer, amount, period, counterparty, interest rate, dealing date, payment date(s), broker (if one used).

TMP 6 REPORTING REQUIREMENTS AND MANAGEMENT INFORMATION ARRANGEMENTS

1. **Annual Programme of Reporting**

   a. Annual reporting requirements before the start of the year:

      i. review of the organisation's approved clauses, Treasury Management Policy Statement and practices;

      ii. strategy report on proposed treasury management activities for the year comprising of the Treasury Management Strategy Statement, Annual Investment Strategy and Minimum Revenue Provision Policy Statement.

   b. Mid-year review.

   c. Annual review report after the end of the year.

2. **Annual Treasury Management Strategy Statement**

2.1 The Treasury Management Strategy Statement sets out the specific expected treasury activities for the forthcoming financial year. This strategy will be submitted to FRA for scrutiny and approval before the commencement of each financial year.

2.2 The formulation of the annual Treasury Management Strategy Statement involves determining the appropriate borrowing and investment decisions in the light of the anticipated movement in both fixed and shorter-term variable interest rates. For instance, this Authority may decide to postpone borrowing if fixed interest rates are expected to fall, or borrow early if fixed interest rates are expected to rise.

2.3 The Treasury Management Strategy Statement is concerned with the following elements:

   a. Prudential and Treasury Indicators
   b. current Treasury portfolio position
   c. borrowing requirement
   d. prospects for interest rates
   e. borrowing strategy
   f. policy on borrowing in advance of need
   g. debt rescheduling
   h. investment strategy

i. creditworthiness policy
j. policy on the use of external service providers
k. any extraordinary treasury issue
l. the MRP strategy

2.4 The Treasury Management Strategy Statement will establish the expected move in interest rates against alternatives (using all available information such as published interest rate forecasts where applicable), and highlight sensitivities to different scenarios.

3. The Annual Investment Strategy Statement

At the same time as the Members receive the Treasury Management Strategy Statement they will also receive a report on the Annual Investment Strategy which will set out the following:

a. The Authority's risk appetite in respect of security, liquidity and optimum performance.

b. The definition of high credit quality to determine what are specified investments as distinct from non specified investments.

c. Which specified and non specified instruments the Authority will use.

d. Whether they will be used by the in house team, external managers or both (if applicable).

e. The Authority's policy on the use of credit ratings and other credit risk analysis techniques to determine creditworthy counterparties for its approved lending list.

f. Which credit rating agencies the Authority will use.

g. How the Authority will deal with changes in ratings, rating watches and rating outlooks.

h. Limits for individual counterparties and group limits.

i. Country limits.

j. Levels of cash balances.

k. Interest rate outlook.

l. Budget for investment earnings.

m. Policy on the use of external service providers.

4. **The Annual Minimum Revenue Provision**

This statement will set out how the Authority will make revenue provision for repayment of its borrowing using the four options for so doing and will be submitted at the same time as the Annual Treasury Management Strategy Statement.

5. **Policy on Prudential and Treasury Indicators**

5.1 The Authority approves before the beginning of each financial year a number of treasury limits which are set through Prudential and Treasury Indicators.

5.2 The responsible officer is responsible for incorporating these limits into the Annual Treasury Management Strategy Statement, and for ensuring compliance with the limits. Should it prove necessary to amend these limits, the responsible officer shall submit the changes for approval to the FRA.

6. **Mid-Year Review**

The Authority will review its treasury management activities and strategy on a six monthly basis. This review will consider the following:

a. activities undertaken,

b. variations (if any) from agreed policies/practices,

c. interim performance report,

d. regular monitoring,

e. monitoring of treasury management indicators for local authorities.

7. Annual Review Report on Treasury Management Activity

An annual report will be presented to the FRA at the earliest practicable meeting after the end of the financial year, but in any case by the end of September. This report will include the following:

a. transactions executed and their revenue (current) effects,

b. report on risk implications of decisions taken and transactions executed,

c. compliance report on agreed policies and practices, and on statutory/regulatory requirements,

d. performance report,

e. report on compliance with CIPFA Code recommendations,

f. monitoring of treasury management indicators

8. Management Information Reports

Management information reports will be prepared at least twice a year by the Treasurer and will be presented to the FRA.

These reports will contain the following information:

a. a summary of transactions executed (may want to add brokers used and fees paid) and their revenue (current effects);

b. measurements of performance including effect on loan charges/investment income;

c. degree of compliance with original strategy and explanation of variances;

d. any non-compliance with Prudential limits or other treasury management limits.

TMP 7 BUDGETING, ACCOUNTING AND AUDIT ARRANGEMENTS

1. Statutory/Regulatory Requirements

The Accounts are drawn up in accordance with the Code of Practice on Local Authority Accounting in Great Britain that is recognised by statute as representing proper accounting practices. The Authority has also adopted in full the principles set out in CIPFA's 'Treasury Management in the Public Services - Code of Practice' (the 'CIPFA Code'), together with those of its specific recommendations that are relevant to this Authority's treasury management activities.

2. Accounting Practices and Standards

Due regard is given to the Statements of Recommended Practice and Accounting Standards (SORP's) as they apply to Local Authorities in Great Britain.

3. Sample Budgets/Accounts/Prudential and Treasury Indicators

The Treasurer will prepare a four year medium term financial plan with Prudential and Treasury Indicators for treasury management which will incorporate the budget for the forthcoming year and provisional estimates for the following two years. This will bring together all the costs involved in running the function, together with associated income. The Treasurer will exercise effective controls over this budget and monitoring of performance against Prudential and Treasury Indicators, and will report upon and recommend any changes required in accordance with TMP6.

4. List of Information Requirements of External Auditors

- Reconciliation of loans outstanding in the financial ledger to treasury management records.
- Maturity analysis of loans outstanding.
- Certificates for new long term loans taken out in the year.
- Reconciliation of loan interest, discounts received and premiums paid to financial ledger by loan type.
- Calculation of loans fund interest and debt management expenses.
- Calculation of interest on working balances.

- Interest accrual calculation.
- Principal and interest charges records.
- Analysis of any deferred charges.
- Calculation of loans fund creditors.
- Annual Treasury Report.
- Treasury Management Strategy Statement and Prudential and Treasury Indicators.
- Review of observance of limits set by Prudential and Treasury Indicators.
- Calculation of the Minimum Revenue Provision.
- Treasury Management consultants valuations including investment.
- Income schedules and movement in capital values.

5. **Monthly Budget Monitoring Report**

Monthly electronic Budget Monitoring reports are produced for the CMT and go out monthly. Whilst a written budget monitoring report goes to CMT regularly. The report is intended to highlight any variances between budgets and spend in order that the Authority can assess its financial position. Details of treasury management activities are included within this report.

TMP 8 CASH AND CASHFLOW MANAGEMENT

1. Arrangements for Preparing/Submitting Cash Flow Statements

Cash flow projections are prepared annually, monthly and daily. The annual and monthly cash flow projections are prepared from the previous years' cash flow records, adjusted for known changes in levels of income and expenditure and also changes in payments and receipts dates. These details are supplemented on an ongoing basis by information received of new or revised amounts to be paid or received as and when they are known.

2. Bank Statements Procedures

The Authority receives weekly bank statements and a daily download of data from its bank. All amounts on the statement are checked to source data from Payroll, Creditors etc.

A formal bank reconciliation is undertaken on a monthly basis by a Principal Finance Officer (PFO).

3. Payment Scheduling and Agreed Terms of Trade With Creditors

Our policy is to pay creditors within 30 days of the invoice date and this effectively schedules the payments. This Authority will not allow Creditors to set up a Direct Debit, unless Utilities, to ensure that the Authority maintains control of all outgoing payments and is not subject to any possible fraudulent automatic payments.

4. Arrangements for Monitoring Debtors/Creditors Levels

The Treasurer is responsible for monitoring the levels of debtors and creditors. A monthly Debtors and Creditors reconciliation is carried out monthly by a PFO.

5. Procedures for Banking of Funds

All money received by an officer on behalf of the Authority will without unreasonable delay be passed to the Finance Admin Assistants (FAA), to deposit in the Authority's banking accounts. The FAA will notify a PFO each week of cash and cheques being banked the next day so that the figures can be taken into account in the daily cash flow.

TMP 9 MONEY LAUNDERING

This Authority is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money.

Accordingly, it will maintain procedures for verifying and recording the identity of counterparties and reporting suspicions, and will ensure that staff involved in this are properly trained. The present arrangements, including the name of the officer to whom reports should be made, are detailed below:

1. Background Legislation

There are several Acts of Parliament and the FSA (Financial Services and Markets Act 2000) has also made provisions relating to money laundering, with the main legislation being contained in the Criminal Act 1993 (which contains the provision to implement the EU Money Laundering Directive).

Detailed money laundering regulations came into effect on 1 March 2004 under SI 2003 No 3075, and this Statutory Instrument, along with the Acts listed below, cover the main compliance requirements.

The key requirements of this legislation cover an area wider than the fairly narrow Treasury Management function, including possessing, or in any way dealing with, or concealing, the proceeds of crime.

Whilst the Authority is not directly required to implement the requirements of the Money Laundering Regulations 2003 (except through this TMP), the implications of the Terrorism Act 2000, the Anti-Terrorism, Crime and Security Act 2001 and The Proceeds of Crime Act 2002 place an onus of responsibility on individuals associated with treasury process to consider its implications.

2. Outline of the Requirements of the Regulations and Statutes

Every Officer should in the course of Authority business implement:

2.1 Identification Procedures

(SI 2003/3075 Money Laundering Regulations, 4 & 5). This regulation applies if:

a. You are forming a business relationship; or

b. considering undertaking a one-off transaction; and

i. suspect a transaction involves money laundering,

ii. a payment is to be made for Euro 15,000 or more (approximately £10,000).

c. In respect of two or more one-off transactions that the transactions are linked and involve Euro 15,000 or more.

2.2 **In these instances you should:**

a. Set up and maintain identification procedures to ensure the counterparty produces satisfactory evidence of his identity.

b. Follow the procedures to ensure the counterparty provides satisfactory evidence.

2.3 **These procedures should reflect:**

a. The greater potential for money laundering if the counterparty is not physically present when being identified.

b. If satisfactory evidence is not obtained the relationship or transaction does not proceed.

c. If the counterparty acts, or appears to act, for another person, reasonable measures must be taken for the purpose of identifying that person.

2.4 The primary exception to this requirement is if the counterparty carries on FSA regulated business in the UK (or comparable or by overseas regulatory authority) it is not required that you obtain evidence. In this case most treasury transactions will be undertaken with or via relevant businesses, although there may be isolated exceptions such as the Post Office.

2.5 **Record Keeping Procedures (Money Laundering Regulation 6)**

The Authority should maintain procedures covering the retention of records. To ensure compliance, records are required to be kept for 5 years after the end of the transaction or relationship.

2.6 **Internal Reporting Procedures (Money Laundering Regulation 7)**

The Authority maintains internal reporting procedures which document:

a. the "nominated officer", the Treasurer is the Money Laundering Reporting Officer (MLRO) who will receive nominations under this regulation;

b. any other person in the organisation to whom information may arise which may result in them knowing or suspecting reasonable grounds for knowing or suspecting money laundering, fraud or use of the proceeds of crime;

c. if the MLRO receives a disclosure they should consider, in the light of all information, whether it gives rise to such knowledge or suspicion; and

d. if the MLRO determines that the information or matters should be disclosed they should do so to the National Criminal Intelligence Service (see 8. below).

2.7 **Other Procedures (Money Laundering Regulation 3(b))**

The Authority should establish other procedures of internal control and communication as may be appropriate for the purpose of forestalling and preventing money laundering.

2.8 **Training (Money Laundering Regulation 3(c))**

The Authority should take appropriate measures to ensure that relevant employees are:

a. Made aware of the provisions of these regulations, Part 7 of the Proceeds of Crime Act 2002, Section 117 of the Anti-Terrorism, Crime and Security Act 2001 and sections 18 and 21A of the Terrorism Act 2000 (these deal with the offences and are available from www.legislation.hmso.gov.uk)

b. Given training in how to recognise and deal with transactions which may be related to money laundering.

c. National Crime Intelligence Service – In the event of an offence or a possible offence you should contact: NCIS Law enforcement personnel: Contact NCIS initially through 020 7238 8000.

2.9 In order to address these requirements the Authority has set up the following procedures:

2.9.1 *For Treasury Management Purposes:*

1. ***Training* –** Through this document and specific training, Treasury staff will be kept aware of developments in money laundering regulations. The Treasurer will keep abreast of money laundering issues through publications and internet. The Treasurer will, if required, arrange appropriate training for Treasury Management staff to ensure that they are kept up-to-date with treasury management issues including money laundering.

2. ***Material and regular deposits or borrowing* –** For all investment or borrowing counterparties, the ACO and Treasury Officer will ensure that the counterparty has been suitably identified. This will take the form of:

2.9.2 *Investment Counterparties* - All investment counterparties which are maintained on the Authority's lending list will be a deposit taker authorised by a regulatory body such as the FSA. Those counterparties not authorised as a deposit taker though the FSA are institutions such as the Bank of England or Post Office and are not required to be the subject of stringent identification procedures, but Treasury staff will review these on a case by case basis.

2.9.3 *Borrowing Counterparties* – All borrowing counterparties are dealt with through either the following routes:

i. ***Via Money brokers* –** In this instance Money Laundering Regulations 5(2) applies in as much as the combination of the use of brokers and reasonable grounds that the counterparty carried on authorised business in the UK.

ii. ***Direct dealing* –** In this instance the Authority uses only recognised names, ones with credit ratings and to which the Authority has reasonable grounds to expect that the counterparty carries on regulated business in the UK. For a few notable exceptions such as Bank of England or Post Office, the nature of their business does not require stringent identification procedures, but the Authority will undertake procedures to 'know the counterparty'.

2.9.4 If any Treasury investment counterparties are not known to the Authority the Treasury Officer will ensure identification of the counterparty by checking the credit rating of the organisation via the Authority's treasury advisers, Sector. This would normally be undertaken during the compilation of the counterparty list. If the counterparty is neither credit rated, nor known to be carrying on regulated business (eg FSA), the Authority will not deal with that organisation.

2.9.5 *Small or Irregular Treasury Deposits* **–** The Authority does not accept deposits from local institutions of individuals.

2.10 **Non-Treasury Management Transactions**

2.10.1 **Regular cash and other receipts –** The Authority will in the normal operation of its services accept cash payments from individuals or organisations in relation to rents, sundry debtors etc. However the de minimus limit of Euro 15,000 applied in the regulations will mean that the requirements of the regulations do not apply to the majority of the Authority's customers, unless the Authority employee would have reasonable grounds to suspect money laundering activities of crime or is simply suspicious.

2.10.2 Significant cash receipts should be properly evaluated, evidence gathered and if not supported, refused. Any bank payments from unknown or overseas banks should be subject to similar scrutiny.

2.10.3 **Occasional receipts from infrequent customers –** The main receipts accepted by the Authority will be related to capital receipts from the sale of assets, although any other receipts in excess of Euro 15,000 will be reviewed.

2.10.4.**Payments –** The majority of the payments by the Authority will be via the payroll directly to bank accounts. Similarly the majority of creditor payments will be paid via BACS directly to domestic bank accounts or by crossed cheques and so the same controls will apply. In these cases the relevant bank will be required to comply with the money laundering regulations for their clients.

2.10.5 **Cash Payments –** The Authority does not make cash payments.

2.10.6 **Refunds –** A significant overpayment which results in a repayment will be properly investigated and authorised before payment.

2.10.7 **Fraud –** The Authority will regularly review risk areas, materiality and probability of loss.

2.11 Reporting

The Money Laundering Reporting Officer for this Authority is the Treasurer. Any concern of a transaction possibly being linked to either money laundering of the proceeds of crime must be referred to the MLRO for consideration and if the concerns are validated the NCIS must be notified.

2.12 Proceeds of Crime Act 2002

Money laundering has the objective of concealing the origin of money generated through criminal activity. Legislation has given a higher profile to the need to report suspicions of money laundering. The Proceeds of Crime Act (POCA) 2002 established the main offences relating to money laundering. In summary, these are:

- concealing, disguising, converting, transferring or removing criminal property from England and Wales, from Scotland or from Northern Ireland;
- being concerned in an arrangement which a person knows or suspects facilitates the acquisition, retention, use or control of criminal property;
- acquiring, using or possessing criminal property.

These apply to all persons in the UK in a personal and professional capacity. Any person involved in any known or suspected money-laundering activity in the UK risks a criminal conviction. Other offences under the POCA include:

- failure to disclose money-laundering offences
- tipping off a suspect, either directly or indirectly
- doing something that might prejudice an investigation – for example, falsifying a document.

2.13 Terrorism Act 2000

This Act made it an offence of money laundering to become concerned in an arrangement relating to the retention or control of property likely to be used for the purposes of terrorism, or resulting from acts of terrorism. All individuals and businesses in the UK have an obligation to report knowledge, reasonable grounds for belief or suspicion about the proceeds from, or finance likely to be used for, terrorism or its laundering, where it relates to information that comes to them in the course of their business or employment.

2.14 The Money Laundering Regulations 2007

Organisations pursuing relevant business (especially those in the financial services industry regulated by the FSA) are required to appoint a nominated officer and implement internal reporting procedures; train relevant staff in the subject; establish internal procedures with respect to money laundering; obtain, verify and maintain evidence and records of the identity of new clients and transactions undertaken and report their suspicions. In December 2007 the UK Government published the Money Laundering Regulations 2007, which replaced the Money Laundering Regulations 2003.

2.15 **Local Authorities**

Public service organisations and their staff are subject to the full provisions of the Terrorism Act 2000 and may commit most of the principal offences under the POCA, but are not legally obliged to apply the provisions of the Money Laundering Regulations 2007. However, as responsible public bodies, they should employ policies and procedures which reflect the essence of the UK's anti-terrorist financing, and anti-money laundering, regimes. Accordingly this Authority will do the following:

a. evaluate the prospect of laundered monies being handled by them;

b. determine the appropriate safeguards to be put in place;

c. require every person engaged in treasury management to make themselves aware of their personal and legal responsibilities for money laundering awareness;

d. make all its staff aware of their responsibilities under POCA;

e. appoint a member of staff to whom they can report any suspicions. This person is the Treasurer.

2.16 **Procedures for Establishing Identity/Authenticity of Lenders**

It is not a requirement under POCA for local authorities to require identification from every person or organisation it deals with. However, in respect of treasury management transactions, there is a need for due diligence and this will be affected by following the procedures below:

The Authority does not accept loans from individuals.

All loans are obtained from the PWLB, other local authorities or from authorised institutions under the Financial Services and Markets Act 2000. This register can be accessed through the FSA website on www.fsa.gov.uk .

When repaying loans, the procedures in 2.17 will be followed to check the bank details of the recipient.

2.17 **Methodologies for Identifying Deposit Takers**

In the course of its Treasury activities, the Authority will only lend money to or invest with those counterparties that are on its approved lending list. These will be local authorities, the PWLB, Bank of England and authorised deposit takers under the Financial Services and Markets Act 2000. The FSA register can be accessed through their website on www.fsa.gov.uk.

All transactions will be carried out by BACS/CHAPS for making deposits or repaying loans.

TMP 10 TRAINING AND QUALIFICATIONS

The Authority recognises that relevant individuals will need appropriate levels of training in treasury management due to its increasing complexity. There are two categories of relevant individuals:

a. Treasury management staff employed by the Authority,

b. Members charged with governance of the Treasury Management function.

All Treasury Management staff should receive appropriate regular training relevant to the requirements of their duties at the appropriate time. The Authority uses the Consultancy services of Link Treasury Services Ltd to provide training for individual members of staff engaged on treasury related activities.

Additionally, training may also be provided on the job and it will be the responsibility of the Treasurer to ensure that all staff under his/her authority receive the level of training appropriate to their duties. This will also apply to those staff who from time to time cover for absences from the Treasury Management Team.

1. Details of Approved Training Courses

Treasury Management staff and Members will go on courses provided by our treasury management consultants, Link Treasury Services Ltd, or on approved treasury management courses by providers such as CIPFA.

2. Records of Training Received by Treasury Staff

The Treasurer will maintain records on all staff and the training they receive.

3. Approved Qualifications for Treasury Staff

Assistant Chief Officer / Treasurer

Title: Treasurer
Professional Qualifications: CPFA

Officer responsible for TM under ACO

Title: Chief Accountant
Professional Qualifications: CGMA

Officer responsible for TM under CA

Title: Corporate Accountant
Professional Qualification: Studying towards or already has CCAB equivalent or CIMA.

Treasury Manager on a daily basis

Title: Principal Finance Officer
Professional Qualification: AAT

Other TM Team Members

Titles: Principal Finance Officers
Professional Qualifications: AAT

4. Record of Secondment of Senior Management

Records will be kept of senior management who are seconded into the Treasury Management Section in order to gain first hand experience of treasury management operations.

5. Statement of Professional Practice (SOPP)

1. Where the Chief Financial Officer is a member of CIPFA, there is a professional need for the CFO to be seen to be committed to professional responsibilities through both personal compliance and by ensuring that relevant staff are appropriately trained.
2. Other staff involved in treasury management activities who are members of Consultative Committee of Accounting Bodies (CCAB) must also comply with the SOPP.

6. Member Training Records

Records will be kept of all training in treasury management provided to Members.

7. Members Charged With Governance

Members charged with diligence also have a personal responsibility to ensure that they have the appropriate skills and training for their role.

TMP 11 USE OF EXTERNAL SERVICE PROVIDERS

1. Details of Contracts with Service Providers, Including Bankers, Brokers, Consultants, Advisers

This Authority will employ the services of other organisations to assist it in the field of treasury management. In particular, it will use external consultants to provide specialist advice in this ever more complex area. However, it will ensure that it fully understands what services are being provided and that they meet the needs of this organisation, especially in terms of being objective and free from conflicts of interest.

It will also ensure that the skills of the in-house Treasury Management Team are maintained to a high enough level whereby they can provide appropriate challenge to external advice and can avoid undue reliance on such advice.

Treasury Management staff and their senior management will therefore be required to allocate appropriate levels of time to using the following sources of information so that they are able to develop suitable levels of understanding to carry out their duties, especially in challenge and avoiding undue reliance.

- The quality financial press.
- Market data.
- Information on Government support for banks.
- The credit ratings of that Government support.

2. Banking Services

Nat West

a. Name of supplier of service is the Nat West Bank.
b. Regulatory status – banking institution authorised to undertake banking activities by the FSA.
c. The branch address is:
High Street, Bedford
Corporate Service Team Tel No: 0345 835 1215
d. Cost of service is variable depending on schedule of tariffs and volumes.
e. Payments due monthly.
f. Annual review with the Bank to discuss, agree and sign the Advice of Borrowing Terms and Conditions.

Barclays

a. Name of second supplier of service is the Barclays Bank.
b. Regulatory status – banking institution authorised to undertake banking activities by the FSA.
c. The branch address is:
   16/18 St. Peters Street, St. Albans AL3 4DZ
   Corporate Service Team Tel No: 0800 027 1319
d. Cost of service is variable depending on schedule of tariffs and volumes.
e. Payments due monthly.
f. Annual review with the Bank to discuss, agree and sign the Advice of Borrowing Terms and Conditions.

3. Consultants/Advisers Services

3.1 Treasury Consultancy Services

The Authority will seek to take expert advice on interest rate forecasts, annual treasury management strategy, timing for borrowing and lending, debt rescheduling, use of various borrowing and investment instruments, how to select credit worthy counterparties to put on its approved lending list etc.

The performance of consultants will be reviewed by the Treasurer every 6 months to check whether performance has met expectations.

Name and address of supplier of service is:

Link Treasury Services

6th Floor
65 Gresham Street
London
EC2V 7NQ
Tel: 0871 664 6800

a. Regulatory status: investment adviser authorised by the FSA.
b. Contract commenced 1 June 2021 and runs for three years to 31 May 2024.
c. Cost of service is £6,375 + VAT (increasing by 2% each year).
d. Payments due on 30 June 2021, 30 June 2022 and 30 June 2023.

3.2 **Credit Rating Agency**

The Authority receives a credit rating service through its treasury management consultants, the costs of which is included in the consultant's annual fee.

TMP 12 CORPORATE GOVERNANCE

List of Documents to be Made Available for Public Inspection

The Authority is committed to the principle of openness and transparency in its treasury management function and in all of its functions.

It has adopted the CIPFA Code of Practice on Treasury management and implemented key recommendations on developing Treasury Management Practices, formulating a Treasury Management Policy Statement and implementing the other principles of the Code.

The following documents are available for public inspection:

- Treasury Management Policy Statement
- Treasury Management Strategy Statement
- Annual Investment Strategy
- Minimum Revenue Provision Policy Statement
- Annual Treasury Review Report
- Treasury Management monitoring reports (eg half yearly)
- Annual Accounts and Financial Instruments Disclosure Notes
- Annual Budget
- Four Year Capital Programme
- Minutes of Committee Meetings

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For Publication

Bedfordshire Fire and Rescue Authority
30 March 2023

SUBJECT: **PERFORMANCE TARGET SETTING 2023-24 (APRIL 2023 to MARCH 2024)**

Author and contact: Paul Hughes, Head of ICT
Paul.hughes@bedsfire.gov.uk

Background Papers:

Appendix	Title	Protective Marking
1	Number and list any appendices	

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Agenda Item 9

Implications

This table provides a short statement of the impact of the recommendations in this report and/or a reference to the relevant paragraph/s in the report.

Will this report affect any of the following?

	Yes / No	Impact / Reference
Financial Implications	No	Any adjustments to budgets as a result of this paper will be discussed and cost implications reported to Members in line with our Members Handbook and governance arrangements.
Risk Management	Yes	Our Corporate Risk Register is reviewed monthly by the HSSA, and a quarterly update presented to the Audit and Standards Committee.
Legal Implications	No	Our performance is reported in line with the Fire Service Act 2004 and Fire and Rescue Service National Framework 2018.

Privacy and Security Implications	No	Performance reports are produced in line with GDPR and information security legislation. There are no privacy issues or security implications from this report.
Duty to Collaborate	No	The [Policing and Crime Act 2017] requires the Authority to consider opportunities for collaboration with the police and ambulance services.
Health and Safety Implications	No	Health and safety performance implications are discussed at the Health and Safety Steering Group. Any serious implications for staff and third parties will be reviewed by the Health and Safety Manager and reported to Members.
Equality, Diversity and Inclusion	No	Where performance affects people with protected characteristics under the Equality Act 2010, we will give due regard to the public sector equality duty. A People Impact Assessment (PIA) is produced for all Projects, Strategies and public events. The purpose of a PIA is to support consideration of equality and diversity issues in the design, development and delivery of activity, change, projects, procedures, guidance and technical notes across the Service.
Environmental Sustainability	No	The Natural Environment and Rural Communities Act 2006 requires that a public authority must, in exercising its functions, have regard, so far as is consistent with the proper exercise of those functions, to the purpose of conserving biodiversity. Consider the impact of the proposals on climate change, harmful emissions, consumption of resources and sustainability. The Environment Bill which is scheduled to gain Royal Assent in Autumn 2021 creates a new enforcement regime overseen by the Office for Environmental Protection if a public authority has allegedly failed to comply with environmental law.
Consultation and Communication	Yes	Progress against targets will be reported to meetings of the FRA quarterly. Our approach to Communications and Engagement is set out in our Comms and Engagement Strategy 2022-23. This includes our principles of consultation.

PURPOSE:

To brief Members on the proposed targets for the range of Key Performance Indicators (KPIs) for the financial year 2023/24 which underpin delivery of the Community Risk Management Plan.

RECOMMENDATIONS:

That Members:

1. Discuss and scrutinise the proposed KPI targets for 2022/23
2. Approve the agreed targets for inclusion in the Service Performance Management Framework.

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1. Background

1.1. Both operational and corporate performance is monitored and managed internally via the Corporate Management Team (CMT) Forum. The Fire and Rescue Authority scrutinises performance on a quarterly basis via a combined performance report covering all areas of operational and corporate performance.

1.2. The targets within contained within this report have been set against a five-year performance average with consideration placed upon the variations in previous years data. Where appropriate, consideration has also been given to current performance against 2022/23 targets. The Key Performance Indicators (KPI) and targets support assurance against the strategic aims. Once the new Community Risk Management Plan 2023-2027 (CRMP) has been approved any changes to the KPI metrics will be brought back to the Fire Authority.

1.3. One of the strategic priorities set out in the current CRMP is to enable better access to data and performance insight as doing so will help empower staff to take greater ownership for delivering performance improvements at all levels. To support this strategic priority, the Service is continually reviewing what and how it captures data and how best to utilise the broad range of risk and performance information available.

1.4. The measures in this report are complemented by a series of over 220 local performance measures to give a Service-level view of performance but also allows officers to ‘drill-down’ to local levels to drive improvements.

1.5. It is expected that the performance reports, provided quarterly, will continue to evolve during 2023/24 as work continues within the Business Information Team to increase the breadth and availability of risk and performance information and to aligned the service measures to those judged by the Home Office and His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS)

1.6. Officers will work collaboratively with Members on any future proposals to evolve our KPIs to drive performance whilst implementing sector best practice.

2.0

2.1 Prevention

Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Number of primary fires	0002a	FRA	Quarterly	905	819	815	10% reduction on 5-year average. Trend unclear following rise in 2022-23 assessed to be extreme weather related.
Number of accidental fire fatalities	0013e	FRA	Quarterly	3	0	0	Target carried forward
Number of fire injuries where victim went to hospital	0014a	FRA	Quarterly	33	Fewer than 29	32	5% reduction on 5-year average (upward trend)
Number of deliberate fires	0003a	FRA	Quarterly	672	687	687	Maintain current target. Trend unclear following rise in 2022-23 assessed to be extreme weather related.

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Number of primary accidental dwelling fires		0002ai-i	FRA	Quarterly	330	321	297	10% reduction on 5-year average (overall downward trend)
Number of primary deliberate dwelling fires		0002ai-ii	FRA	Quarterly	34	31	31	Maintain current target (unclear trend)
Number of primary deliberate fires - other buildings		0002ai-iii	CMT	Quarterly	45	44	43	5% reduction on 5-year average (unclear trend)
Number of delivered home fire safety visits		0015	FRA	Quarterly	5890	10,000	10,000	Stretch target (upward trend)
Number of home fire safety visits delivered to high-risk groups		0016a	CMT	Quarterly	2066	n/a	n/a	For information – will be monitored through OCT to CMT
Number of secondary fires		0002b	FRA	Quarterly	920	861	874	5% reduction on 5-year average. Trend unclear following rise in 22-23 assessed to be extreme weather related.

2.2 Protection

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Percentage of Building Regulations consultations completed on time		0022ai	FRA	Quarterly	94%	95%	95%	Realistic level of compliance with building regulations guidance
Number of Fire Safety Audits/inspections completed		Pi16	FRA	Quarterly	2169	2400	2400	This comprises the audits and inspections carried out by specialist and operational staff
Number of Building Regulations consultations responded to		0022a	FRA	Quarterly	513	n/a	n/a	For information
Number of primary fires in non-domestic buildings		0039	FRA	Quarterly	124	121	112	10% reduction on 5-year average (downward trend)
Number of automatic fire detector false alarms in non-domestic properties		0011a	FRA	Quarterly	657	651	651	Maintain current target (unclear trend)
Number of prohibition notices served		0023g	FRA	Quarterly	14	n/a	n/a	For information
Number of enforcement notices served		TBA	FRA	Quarterly	5	n/a	n/a	For information

2.3 Response: Incident Totals

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Number of incidents attended		0001	FRA	Quarterly	6416	n/a	n/a	For information
Number of fires attended		0001a	FRA	Quarterly	1860	n/a	n/a	For information
Number of other non-fire incidents (special services) attended		0001b	FRA	Quarterly	2002	n/a	n/a	For information
Number of false alarms attended		0001c	FRA	Quarterly	2553	n/a	n/a	For information

Response: Resource Availability

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
On-call availability of 1st pump		0034	FRA	Quarterly	68%	90%	80%	80% still reflects a stretch target for one year only
Percentage of occasions global crewing enabled 9 riders on two pump responses (wholetime)		0040	FRA	Quarterly	58%	90%	n/a	Recommend removal of this measure
Percentage of shifts where Service crewing level is sufficient for all wholetime pumps		0040a	FRA	Quarterly	100%	100%	100%	

Response: Response Time Performance

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Number of emergency calls received		0028	FRA	Quarterly	n/a	n/a	n/a	New measure
Percentage of emergency calls answered within 7 seconds		0028a	FRA	Quarterly	0%	90%	n/a	Recommend removal of this measure.
Percentage of emergency calls to Primary fires handled within 90s		0029e	FRA	Quarterly	24%	96%	90%	Service target – recommend only measuring Primary fires and setting at 90s on 90% of occasions
Average call-handling time to Primary fires for Bedfordshire incidents (seconds)		0029	FRA	Quarterly	123	60	90	Service target – recommend only measuring Primary fires and setting at 90
Percentage of Primary fires attended within 10 mins (from time of send/alert)		0030g	FRA	Quarterly	60%	80%	80%	Service level performance as per CRMP
Average response time to primary fires (seconds)		0030a	FRA	Quarterly	586	600	600	Recommend remains the same
Percentage of RTCs attended within 13 mins (from time of send/alert)		0030f	FRA	Quarterly	68%	80.00%	80%	Service level performance as per CRMP
Average response time to RTCs (seconds)		0030d	FRA	Quarterly	667	780	780	Recommend remain the same

Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Percentage of secondary fires attended within 20 mins (from time of send/alert)	0030e	FRA	Quarterly	94%	n/a	90%	Service level performance as per CRMP
Average response time to secondary fires (seconds)	0030b	FRA	Quarterly	633	1200	1200	Recommend remain the same

* BFRS Historical Performance is only based on 3 years validated data for these measures.

2.4 Empowering

Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Percentage of new entrants to the Whole-time operational staff who declare as women	0050a	FRA	Annually	8%*	20%	20%	A women's target is proposed given our commitment to address the under-representation of females in operational firefighting roles. The target recommended is based on our recruitment intakes which are small, therefore a realistic target of 20%, which equates to 2 in 10 new entrants is proposed rather than an unrealistic target based on the female population.

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Percentage of new entrants to the On-Call operational staff who declare as women		0050b	FRA	Annually	12%*	13%	20%	A women's target is proposed given our commitment to address the underrepresentation of females in operational firefighting roles. The target recommended is based on our recruitment intakes which are small, therefore a realistic target of 20%, which equates to 2 in 10 new entrants is proposed rather than an unrealistic target based on the female population.
Percentage of support staff (Control and Green Book) new entrants who declare as male		New measure	FRA	Annually	N/A	Monitor	40%	This is a new measure proposed to monitor progress in addressing the under-representation of those declaring as male in the support staff (Control and Green Book) workforce. Year to date males comprise 35% of this workforce.

Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Percentage of new entrants to the Whole-Time Operational staff who identify as BAME	New Measure	FRA	Annually	N/A	Monitor	20%	This is a proposed new KPI, as previously we have set a target for both Whole-Time and On-Call new entrants combined. The KPI is recommended given our commitment to improving the underrepresentation of people who declare as BAME in operational firefighting roles. The target recommended is based on our recruitment intakes which are small, therefore a realistic target of 20%, which equates to 2 in 10 new entrants is proposed rather than an unrealistic target based on the BAME population across the County

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Percentage of new entrants to the On-Call operational staff who identify as BAME		New measure	FRA	Annually	N/A	Monitor	5%	This is a proposed new KPI, as previously we have set a target for both Whole-Time and On-Call new entrants combined. The KPI is recommended given our commitment to improving the underrepresentation of people who declare as BAME in operational firefighting roles. The target recommended is based on our recruitment intakes which are small, therefore a realistic target of 5%, which equates to 1 in 20 new entrants is proposed. The target reflects the demographic of those who live within the required radius (turn out time) and the rural location of our On-Call stations.

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Percentage of support staff (Control and Green Book) new entrants who declare as BAME		New measure	FRA	Annually	N/A	Monitor	20%	This is a new measure. The categorization of support staff including Control staff is used by Fire statistics and can be used for comparison purposes. Also the small number of staff recruited in Control could be identifiable if they are counted separately. A target of 20% is proposed, based on the relatively small numbers recruited per annum and as a reflection of the average 25% BAME population in Bedfordshire.
Percentage of operational staff new entrants (Whole-Time and On-Call) who declare as disabled		New measure	FRA	Annually	N/A	Monitor	12%	This is a new measure with a proposed target of 12%. The proposed target has been calculated from consideration of the 2021 UK Annual Population and Labour Force Survey which identified that 20% of those aged 16-64 declared a disability. However, in order to be realistic and achievable the target needs to reflect the operational and physically demanding nature of the role and the conditions that individuals could have and be able to perform operational roles.

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Percentage of support staff (Control and Green Book) new entrants who declare as disabled		New measure	FRA	Annually	N/A	Monitor	20%	This is a new measure with a proposed target of 20%. The proposed target reflects the 2021 UK Annual Population and Labour Force Survey which identified that 20% of those aged 16-64 declared a disability.
Percentage of Whole-time operational staff who declare as women		0052a	FRA	Annually	6.14%*	8%	8%	The existing target of 8% is recommended for adoption in 2023/24 at the time of writing women made up 6.19% of the whole-Time workforce. This target is challenging given the size of our recruitment intakes, meaning that our ability to improve representation is very limited.
Percentage of On-Call operational staff who declare as women		0052b	FRA	Annually	10%*	11%	15%	It is recommended that the target is increased to 15%, given year to date performance of 13.4%. This target is challenging given the size of our recruitment intakes, meaning that our ability to improve representation is very limited.

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Percentage of operational staff new entrants (Whole-Time and On-Call who identify as BAME		0054a	FRA	Annually	8.22%*	15%	15%	It is recommended that the target of 15% be re-adopted for this performance year to provide a challenging yet realistic target based on our intake of new entrants rather than the County population.
Percentage of Whole-Time operational staff who identify as BAME		0056a	FRA	Annually	7.45%*	Monitor	8%	A target of 8% is proposed, based on current representation of 5.84%. An 8% target remains challenging given the size of our recruit intakes. Which means that our ability to increase representation is limited.
Percentage of On-Call operational staff who identify as BAME		0056b	FRA	Annually	5.54%*	Monitor	6%	A target of 6% is proposed reflecting small intakes and the rural location and demographics of our On-Call recruitment pool.
Percentage of support staff (Control and Green Book) who identify as BAME		New measure	FRA	Annually	N/A	Monitor	20%	This is a new measure. The categorization of support staff including Control staff is used by Fire Statistics and can be used for comparison purposes. Also the small number of staff recruited in Control could be identifiable if they are counted separately. A target of 20% is proposed, based on the relatively small numbers recruited per annum.

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Percentage of Whole-time operational staff who declare as disabled		New measure	FRA	Annually	N/A	Monitor	4.99%	This is a new measure with a proposed target of 4.99%. The proposed target has been calculated based on current performance 1.98% and national performance (Fire Statistics 2022) of 4.9%
Percentage of On-Call operational staff who declare as disabled		New measure	FRA	Annually	N/A	Monitor	3.3%	This is a new measure with a proposed target of 3.3%. The proposed target has been calculated based on current performance 1.65% and national performance (Fire Statistics 2022) of 3.3%
Percentage of support staff (Control and Green Book) who identify as disabled		New measure	FRA	Annually	N/A	Monitor	9.5%	A new measure is proposed for comparison to Fire Statistics. Current national performance is 9.5%, which will be a challenging target given current declaration rate of 2.15% in Service

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Percentage of operational staff (Whole-Time and On-Call) new entrants who declare as women		New measure	FRA	Annually	N/A	Monitor	20%	A new measure identifying the percentage of women in operational roles (Whole-Time and On-Call) is proposed. This categorization is used by Fire Statistics and can be used for comparison purposes. The target is based on intake size, rather than population to make a more meaningful, stretch yet realistic target.
Percentage of support staff (Control and Green Book) who identify as Male		New measure	FRA	Annually	N/A	Monitor	40%	A new measure is proposed to monitor progress to address the under-representation of those declaring as male in the support staff (Control and Green Book) workforce. Current male representation is 35%.

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Percentage of working time lost due to sickness (excluding On-Call)		0060	FRA	Quarterly	3.99%	4%	4.4%	It is recommended that a target of 4.4% is adopted this performance year. COVID 19 absences continue to occur and are included in all absence data. There is greater population interaction and there is still a significant level of re/infection especially in the Autumn and Winter months. NHS waiting lists for clinical opinion, treatment or surgery continue to grow, in December 2022 the NHS waiting list was reported to be 7 million, this is having an impact on individuals' diagnosis treatment and leads to those who require clinical diagnosis, treatment and surgery being off work for longer periods of time.

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Percentage of the On-Call workforce with 4 or more sickness absences in a 12-month period		0061	FRA	Quarterly	1%	5%	5%	On-Call staff don't have a set work pattern so their absence is counted in days lost rather than as a % of working time. This is why their measure is reported separately. COVID 19 absences continue to occur and are included in all absence data. There is greater population interaction and there is still a significant level of re/infection especially in the Autumn and Winter months. NHS waiting lists for clinical opinion, treatment or surgery continue to grow, in December 2022 the NHS waiting list was reported to be 7 million, this is having an impact on individuals' diagnosis treatment and leads to those who require clinical diagnosis, treatment and surgery being off work for longer periods of time.

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Percentage of Operational (Wholetime and Control) leavers excluding retirement or dismissals		0062a	FRA	Annually	3%*	7%	4%	New measure. This measure has been reviewed and it is proposed that leavers are counted in different occupational work groups, so the measure has been adapted to categorize Support Staff separately (see below 0062c). Turnover targets have been based on an average of the past 3 year's performance (rounded up) plus an additional % dependent on current performance A target of 4% is proposed for 2023/2024 as average performance for the previous 3 years is 3%(rounded) 19/20: 3.21%, 20/21: 2.51%, 21/22: 3.58%) Current performance (2022/2023) is 5% (rounded). It is likely that turnover will increase for operational staff due to employee dissatisfaction with changes to pension schemes and entitlements, as well as the potential for increases in transfers to other FRAs as Services increasingly

Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Cont'd: Percentage of Operational (Wholetime and Control) leavers excluding retirement or dismissals							compete for skilled and experienced firefighters in response to the competitive labour market. The current UK labour market is reporting historical numbers of job vacancies and attraction and retention remain a key challenge across both the public and private sector with the most recent (2020/21) Local Government Benchmarking Survey identifying the labour turnover rate for organisations in the UK at 9%.

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Percentage of On-Call leavers (excluding retirement or dismissals)		0062b	FRA	Annually	13%	13%	14%	New measures. Calculating the number of leavers is a key HR metric it can be an indicator of employee satisfaction. The BFRS target is usually based on the performance over the last 3 completed years (rounded up) + 1% given On-Call turnover rates. It is proposed that the 2022/2023 target is 14%. Average performance for the previous 3 years is 13%. (19/20: 8.61%, 20/21: 13.27%, 21/22 15.65%) Current performance (2022/2023) is 17% (rounded). The current UK labour market is reporting historical numbers of job vacancies and attraction and retention remain a key challenge across both the public and private sector with the most recent (2020/21) Local Government Benchmarking Survey identifying the Labour Turnover Rate for organisations in the UK as 9%.

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Cont'd: Percentage of On-Call leavers (excluding retirement or dismissals)								The revised (February 2023) pay offer from the Employers side proposes a review of the On-Call duty system and reward package within 8 months. The outcome of this review may change terms and conditions and may result in more leavers.
Percentage of Support Staff leavers excluding retirements or dismissals		0062c	FRA	Annually	7%	6%	9%	New measure. Calculating the number of leavers is a key HR metric it can be an indicator of employee satisfaction. This is the first year that this KPI has captured support staff separately. Turnover targets have been based on an average of the past 3 year's performance (rounded up) plus an additional % dependent on current performance A target of 9% is proposed for 2023/2024 as average performance for the previous 3 years is 7% (rounded). Current performance (2022/2023) is 9% (rounded).

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Cont'd: Percentage of Support Staff leavers excluding retirements or dismissals								The current UK labour market is reporting historical numbers of job vacancies and attraction and retention remain a key challenge across both the public and private sector with the most recent (2020/21) Local Government Benchmarking Survey identifying the labour turnover rate for organisations in the UK at 9%.
Percentage of station-based operational BA wearers that have attended a Tactical Firefighting assessment within the last 2 years		T1	FRA	Quarterly	98%	98%	98%	Measures T1 - T5 cover safety critical operational training. Organisational expectation is to maintain a frequency-based attendance for all 'in scope' personnel within these skillsets. Historical reporting shows 98% as stretch targets and that they remain a reasonable expectation, therefore unchanged for 2023/24.

Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Percentage of qualified EFAD drivers that have attended a refresher course within the last 3 years	T2	FRA	Quarterly	97%	98%	98%	As T1 above Due to the risk that is associated with driving it is important to report this to the FRA. Recommended change in the wording to EFAD in place of LGV, as people do not take an LGV refresher.
Percentage of station-based operational staff that have attended a Water Rescue revalidation course within the last 3 years	T3	CMT	Quarterly	97%	98%	98%	This measure is a requalification of specialist and not core skills. Can be managed at CMT level
Percentage of watches/sections at BFRS stations that have at least 60% of operational personnel qualified in Trauma Care or equivalent	T4	FRA	Quarterly	95%	98%	98%	Note: new for 2022/2023 is the addition of the "or equivalent" as individuals providing Emergency Medical Care / Corresponding etc. May hold a higher qualification than the LIVES course Due to the links with the work that is undertaken on behalf of EEAST it is recommended that this is reported to the FRA.

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Percentage of station-based operational staff that have attended a Working at Height or Rope Rescue Revalidation assessment within the last 3 years		T5	CMT	Quarterly	92%	98%	98%	This measure is a requalification of specialist and not core skills. Can be managed at CMT level
New Measure Percentage of Level 1 Incident Commanders that have attended an Incident Command Assessment within the required frequency for their role.		T6	FRA	Quarterly	93%	98%	98%	This is a new measure to align with the requirements of National Operational Guidance the number of level 1 commanders is a recommended new measure It is recommended that this reported to the FRA as part of reassurance that all commanders on appliances are qualified Target has been stretched to 98%
Percentage of Flexible Duty Officers that have attended an Incident Command Assessment within the required frequency for their role		T7	FRA	Quarterly	92%	98%	98%	As above

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Percentage of workplace training completed by Whole-time Operational Personnel via PDR Pro within the last 12 months.		T8a	CMT	Quarterly	86%	92%	92%	These targets will now resume back to normal following the period of pro rata due to the introduction of PDR Pro version 5. Reworded to reflect that this is now measuring the workplace training activities
Percentage of workplace training completed by On call Operational Personnel via PDR Pro within the last 12 months.		T8b	CMT	Quarterly	81%	90%	90%	See T8a
Percentage of workplace training completed by Control Personnel via PDR Pro within the last 12 months		T8c	CMT	Quarterly	85%	90%	90%	See T8a
Percentage of workplace training completed by Senior Management roles (SM to SOC) via PDR Pro within the last 12 months.		T8d	CMT	Quarterly	85%	92%	92%	See T8a
Percentage of workplace training completed by Whole-time Day Duty WM's via PDR Pro within the last 12 months		T8e	CMT	Quarterly	85%	92%	98%	See T8a

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Number of serious accidents where the individual is off sick for more than 28 days (per 1000 employees)		H1	FRA	Quarterly	51.74%	3.78	3.78	5-year average 2016-21 is 3.79. Target has been set to remain at 3.78 which was the target for the previous reporting period. Note - One serious accident resulting in an over 28-day injury equates to 1.96.
Number of working days/shifts lost to accidents per 1000 employees (excluding On-Call employees)		H2	FRA	Quarterly	96.80%	291.15	291.5	5-year average 2016-21 is 392.02. Target has been set to remain at 291.15 which was the target for the previous reporting period.
Number of 24 hour cover periods lost to accidents per 1000 On-Call employees.		H3	FRA	Quarterly	22.16%	703.62	703.62	5-year average 2016-21 is 2265.86 Target has been set to remain at 703.62 which was the target for the previous reporting period. Note - The very high figures for 2016/17, 2019/20 and 2020/21 create a high 5-year average and would therefore increase the target significantly.

Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Number of vehicle collisions involving fire service fleet vehicles including non-operational assets.		FRA	Quarterly	36.4	5% lower than the previous year as stretch target Based on the previous 5 years data this equates to 1.8	34.6	New measure. Based on the previous 5 years data (2020/21 numbers have been excluded due to an outlier of accidents as a result of Covid) The average number of accidents is 36.4

2.5 Utilising

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Grade A Defect Response Time (within 1 hour)		WS1a	CMT	Quarterly	94%	90%	90%	Workshops targets will remain the same as the previous year. Note: If two Grade defects logged at the same time, the duty mechanic will not meet the target due to travel distances. The implementation of the electronic fleet management system will provide further data to review
Grade A Defect Response Time (within 2 hours)		WS1b	CMT	Quarterly	98%	95%	95%	As above
The percentage of time when Rescue Pumping Appliances were unavailable for operational use due to an annual service, defect or other works. (Turnaround Time)		WS2a	FRA	Quarterly	1.98%	5%	5%	
The percentage of time when Aerial Appliances and SRU were unavailable for operational use due to an annual service defect or other works. (Turnaround Time)		WS2b	FRA	Quarterly	2.73%	5%	5%	

Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
The percentage of time when other operational appliances were unavailable for operational use due to an annual service, defect or other works. (Turnaround Time)	WS2c	FRA	Quarterly	0.45%	3%	3%	Target to stay the same, additional work such as upgrade to onboard systems, CCTV installation and BA replacement may impact this target.
The number of hours as a percentage the appliance is unavailable for operational response in the reporting period, other than for the time measured under the turn-a-round time. (Idle time)	WS4	CMT	Quarterly	1.00%	2%	2%	As above
The total time expressed as a % when ALL Appliances were available for operational use after the turn-a-round time and idle time are removed from the total time in the reporting period	WS5	CMT	Quarterly	97.93%	93%	93%	As above
Annual Services undertaken	WS6	CMT	Quarterly	100%	97%	97%	Target to remain the same as previous year. New Fleet management system will be reviewed to ascertain if additional measures can be recorded in relation to the servicing for the EEAST Ambulances.

2.6 Maximising

Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
Percentage of routine financial reports distributed within 6 working days of period-end closure	0066	CMT	Quarterly	100.00%	90%	90%	Measure is met each time as denoted by the 5 year average. To be monitored at CMT.
The percentage of uncontested invoices paid within 30 days	0067	CMT	Quarterly	89.79%	96%	93%	Best Value Performance Indicator Target decreased from 96% to 93%. Still issues with invoices not be passed for payment, no Purchase orders. Average this year is 88.8%. Finance to continue to work with CMT members, flagging areas of non compliance.
The percentage of outstanding debt over 90 days old	0068	CMT	Quarterly	3.69%	1.5%	2.5%	Increased to 2.5%, due to capacity to chase debt and increasing volume.
To resolve Priority 1 Incidents within 1 Hour. (P1 = Any incident preventing the mobilisation of any fire appliance or a major ICT incident that causes all users not being able to access critical / vital ICT systems)	0042	FRA	Quarterly	100%	96%	96%	Mission Critical systems take priority for ICT Resources. Target has been increased to reflect the stability of the recent ICT hardware improvements and ICCS/Mobs going 100% cloud.

Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
To resolve Priority 2 Incidents within 2 Hours. (P2 = Any incident reducing the resiliency to mobilise a fire appliance or Multiple users unable to perform their role or gain access to key applications and systems.	0043	FRA	Quarterly	99%	97%	97%	Target based on Services SLA. Performance has exceeded target since 2014/15. The 2022/23 target acknowledges that resources may be diverted to Mission Critical Incidents and Projects. The small number of incidents of this type makes the impact of a single incident on performance significant.
To resolve Priority 3 Incidents within 4 Hours. (P3 = Any incident resulting in degraded performance of an application / system for multiple users; access to an application / system for a single user.	0044	CMT	Quarterly	99%	97%	97%	Target based on Services SLA. Performance has exceeded target since 2014/15. The 2022/23 target acknowledges that resources may be diverted to Mission Critical Incidents and Projects. The small number of incidents of this type makes the impact of a single incident on performance significant.

	Performance indicator	PI ref	Audience (CMT/FRA)	Frequency of reporting	BFRS 5-year average	BFRS target 2022/23	BFRS target 2023/24	Target-setting rationale
To resolve Priority 4 Incidents within 8 Hours. (P4 = Any incident resulting in degraded performance of an application / system for a single user. ** Most incidents will fall under this category.		0045	CMT	Quarterly	95%	93%	93%	Target based on Services SLA. The highest proportion of incidents fall into this category. The anticipated draw on resources to support priority projects again throughout 2022/23 is expected to reflect in the performance outcome for these lower category incidents therefore 93% is a challenging target.
The percentage availability of core ICT network services		0046	FRA	Quarterly	100%	98%	98%	Target meets the agreement for levels of Service from ICT Catalogue of Network Services. Core ICT Network availability median 98%.
The percentage availability of Business Applications		0047	CMT	Quarterly	100%	98%	98%	Target meets the agreement for levels of Service from ICT Catalogue of Services. Core ICT availability median 98%

CHRIS BIGLAND
DEPUTY CHIEF FIRE OFFICER

For Publication

Bedfordshire Fire and Rescue Authority
30 March 2023

SUBJECT: **PERFORMANCE REPORT FOR END OF QUARTER THREE (2022-23)**

Author and contact: **Paul Hughes, Head of ICT**
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Background Papers: Previous quarterly updates Fire Authority - Modern Council (moderngov.co.uk)

Appendix	Title	Protective Marking
N/A		

Implications

This table provides a short statement of the impact of the recommendations in this report and/or a reference to the relevant paragraph/s in the report.

Will this report affect any of the following?

	Yes / No	Impact / Reference
Financial Implications	No	Any adjustments to budgets as a result of this paper will be discussed and cost implications reported to Members in line with our Members Handbook and governance arrangements.
Risk Management	Yes	Our Corporate Risk Register is reviewed monthly by the HSSA and a quarterly update presented to the Audit and Standards Committee.

Legal Implications	No	Our performance is reported in line with the Fire Service Act 2004 and Fire and Rescue Service National Framework 2018.
Privacy and Security Implications	No	Performance reports are produced in line with GDPR and information security legislation. There are no privacy issues or security implications from this report.
Duty to Collaborate	No	The Policing and Crime Act 2017 requires the Authority to consider opportunities for collaboration with the police and ambulance services.
Health and Safety Implications	No	Health and safety performance implications are discussed at the Health and Safety Steering Group. Any serious implications for staff and third parties will be reviewed by the Health and Safety Manager and reported to Members.
Equality, Diversity and Inclusion	No	Where performance affects people with protected characteristics under the Equality Act 2010, we will give due regard to the public sector equality duty. A People Impact Assessment (PIA) is produced for all Projects, Strategies and public events. The purpose of a PIA is to support consideration of equality and diversity issues in the design, development and delivery of activity, change, projects, procedures, guidance and technical notes across the Service.
Environmental Sustainability	No	The Natural Environment and Rural Communities Act 2006 requires that a public authority must, in exercising its functions, have regard, so far as is consistent with the proper exercise of those functions, to the purpose of conserving biodiversity. Consider the impact of the proposals on climate change, harmful emissions, consumption of resources and sustainability. The Environment Bill which is scheduled to gain Royal Assent in Autumn 2021 creates a new enforcement regime overseen by the Office for Environmental Protection if a public authority has allegedly failed to comply with environmental law.

Consultation and Communication	No	Our approach to Communications and Engagement is set out in our Comms and Engagement Strategy 2022-23. This includes our principles of consultation.

PURPOSE:

To present a summary of organisational performance at the end of the third quarter of the financial year.

RECOMMENDATIONS:

That Members:

1. Consider the Service's performance against the delivery of the Authority's Community Risk Management Plan (CRMP) at the end of the third quarter 2022-23 and consider any issues arising.

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1. <u>Background</u>

1.1. Both operational and corporate performance is monitored and managed internally via the regular Corporate Management Team (CMT) meeting.

1.2. The Key Performance Indicators (KPI) and targets included within the report reflect those established as part of the Authority's 2022/23 planning cycle, and in support of the strategic aims set out in the Authority's Community Risk Management Plan 2019-2023 (CRMP):

- Section 3-5: Prevention, Protection and Response (Service Delivery);
- Section 6: Utilising and Maximising (Corporate Services);
- Section 7: Empowering (Human Resources)

1.3. One of the strategic priorities set out in the CRMP is to enable better access to data and performance insight as doing so will help empower staff to take greater ownership for delivering performance improvements at all levels. To support this strategic priority, the Service is undertaking a comprehensive review of how it captures and utilises the broad range of risk and performance data available.

1.4. This report contains a set of Service Delivery KPIs that are aligned to the service delivery aims of the CRMP, namely Prevention, Protection and Response. These KPIs are drawn from a greatly expanded set of over 220 KPIs measuring both output and outcome performance across the Prevention, Protection and Response areas of the Service. They have been devised to give a Service level view of performance and are internally used to 'drill-down' to local levels to drive performance.

1.5. Performance data is collected from the Incident Recording System (IRS) and internal databases such as iTrent, Protection and Home Fire Safety Visits database. For a variety of reasons some records take longer than others to upload to the IRS and other databases and therefore totals are constantly being amended (by relatively small numbers). The performance report therefore represents a 'snapshot' based upon the best information available at the point in time this report was prepared.

2. Performance Reporting by Exception

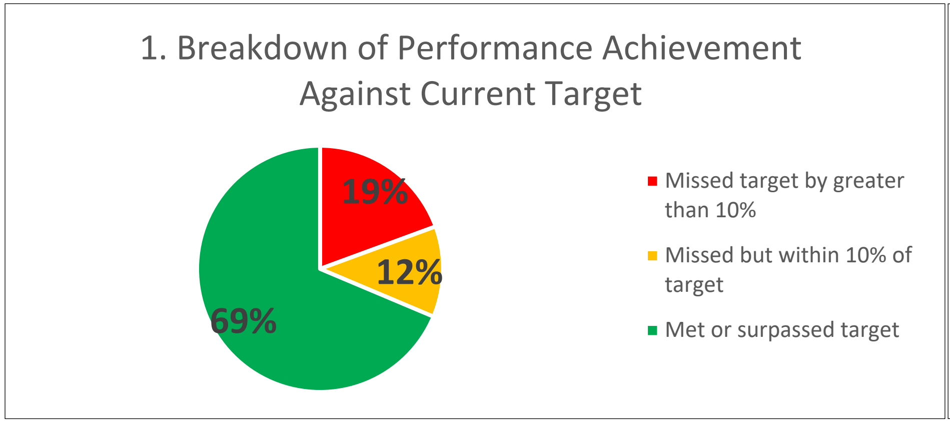
2.1. The following sections of the report present an overview of performance in key areas of the Service, providing explanatory narrative on specific operational and corporate indicators where performance was notably strong or where additional work is required to secure improvement.

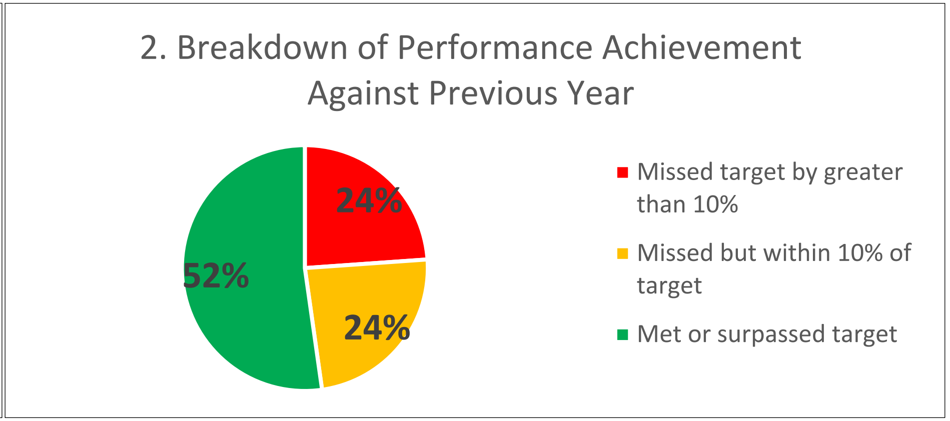
2.2. Service Delivery performance is presented from 3 perspectives:

- Comparison against the annual target levels;
- Comparison with performance at the same point last year;
- Comparison with the 5-year average.

2.3. The status of each measure is noted using the following key:

Colour Code	Exception Report	Status
GREEN	n/a	Met or surpassed target
AMBER	Required	Missed but within 10% of target
RED	Required	Missed target by greater than 10%
Note: All targets are represented as 100% of the target for that period and the actual as a percentage of that target.		





PREVENTION

Performance Indicator	KPi Ref	Aim	2022/23 Q3 Actual	2022/23 Q3 Target	Actual v Target	2021/22 Q3 Actual	Actual vs Previous Year	5-year average	Actual v 5-year Average
Total number of primary fires	0002a	Down	680	614	+10.75%	578	+17.65%	697.4	-2.50%
Total number of accidental fire fatalities	0013e	Down	0	0	n/a	5	-100.00%	2	-100.00%
Total number of (primary) fire injuries where victim went to hospital	0014a	Down	21	21	-0.00%	25	-16.00%	23.4	-10.25%
Total number of deliberate (Arson) fires	0003a	Down	620	515	+20.39%	429	+44.52%	563	+10.12%
Total number of accidental primary dwelling fires	0002ai-i	Down	211	241	-12.44%	189	+11.64%	245.6	-14.09%
Total number of deliberate primary dwelling fires	0002ai-ii	Down	26	23	+13.04%	23	+13.04%	25	+4.00%
Total number of deliberate primary other building fires	0002aiii-ii	Down	30	33	-9.09%	32	-6.25%	34.6	-13.29%
Total number of delivered home fire safety visits	0015	Up	6417	7500	-14.44%	6706	-4.31%	3724.8	+72.27%
Total number of home fire safety visits delivered to high risk groups	0016a	Up	1804	n/a	n/a	1612	+11.91%	1023	+76.34%
Total number of secondary fires	0002b	Down	1069	646	+65.48%	632	+69.15%	773.6	+38.19%

Prevention Commentary:

Total number of primary fires

The primary fire target has been missed by 10.75% and the number of primary fires is higher than the same quarter last year however 21-22 had an unusually low number of primary fires compared to previous years. The increase in primary fires compared to last year is due to increases in the number of dwelling, outdoor and outdoor structure and road vehicle fires. The increase in outdoor fires is likely to be related to the exceptionally hot and dry weather in the summer. The number of fires is 2.5% fewer compared to the five-year average for this quarter. Primary fires show some seasonality, on average over the past five years 78% of primary fires for the year were in Q1-3. Accounting for this seasonality, the projection is that the number of fires will be 6.45% over target by year end.

No. of Deliberate (Arson) Fires

The linear target for Q1-3 has been exceeded by 20.39%. Compared to the same period last year all categories of deliberate fires have shown an overall increase of 44.52%. Deliberate fires show seasonal patterns with 82% of the annual deliberate fires occurring in Q1-Q3 over the past five years. When seasonality is considered, the current projection is that the annual target will be missed by 9%. The increase in deliberate fires is likely to be related to the exceptionally hot and dry weather in the summer. Using the new Geographical Information System tool procured by the Service Community Safety Officer (Arson) has produced maps of deliberate fires showing repeat locations, clusters, hot-spots and emerging trends across the county. These have been made available to Station Commanders and other BFRS staff to enable them to focus activity in areas of repeat locations, clusters, hot-spots, and emerging trends/patterns. Appropriate action has been taken wherever possible by CSO (Arson) to address repeat locations etc. and this will continue to be focus of arson prevention work when identified.

Total number of deliberate primary dwelling fires

The target for the number of deliberate dwelling fires has been missed by 13.04%. Deliberate dwelling fires do not show seasonal variation, so the annual target may not be met. During Q1-Q3 there have been a total of 26 deliberate dwelling fires of which 19 were recorded as ‘others property’ or 'unknown owner’ and 7 as ‘own property’. Three of these fires were in unoccupied dwellings under construction. Since the Q1-Q2 period there have been 6 new deliberate fires with no repeat locations. Serious incidents involving two fatalities (Green Court and Redwood Grove) have been described in previous quarterly reports. Local policing teams are provided with monthly data on all deliberate fires across the county.

Number of delivered home fire safety visits

The target for home fire safety visits has been missed by 14.44%. However, despite not meeting the target, numbers are 72% higher than the five-year average year. The prevention team is actively engaging with other agencies at work in the community to encourage them to make referrals for vulnerable households they encounter. The new paperless e-form for delivery of home fire safety visits was launched on 22 February 2023. The new e-form ensures all aspects of the NFCC person-centred framework are addressed and will capture much more comprehensive data on fire safety risks in the home and FRS interventions. This will facilitate improved risk profiling and evaluation however it does take longer to complete that the previous visit activity. Training to teams from other agencies has been delivered to enable them to identify fire risk, make referrals and to deliver home fire safety visits in the community on our behalf. The service will give access to two of these external organisations to our new HFSV app, in a partnership trial, with the intention of increasing the overall number of HFSV achieved in the future.

Total number of secondary fires

The target for the number of secondary fires has been missed by 65%. Secondary fires show seasonal variation with 86% of fires in Q1-3, however, even taking account of this, the current projection is that the annual target will be missed by 45%. As set out above, 2022-23 has been hot and dry compared to previous years. 75% of the total secondary fires are outdoor fires and 39% of the total secondary fires have been deliberate in nature. During the summer BFRS engaged in community messaging about the greater risks of fire due to the hot dry conditions and discouraged the use of barbeques and other behaviours that can increase the risk of fires starting. It is anticipated that the publication of national statistics will confirm that other FRS have also experienced abnormally high numbers of secondary fires due to the weather conditions this year. The service will benchmark our performance against national datasets to provide Members with further detail when the data is released. This highlights the impact that climate change may have on the number of incidents attended by FRS.

PROTECTION

Performance Indicator	KPi Ref	Aim	2022/23 Q3 Actual	2022/23 Q3 Target	Actual v Target	2021/22 Q3 Actual	Actual vs Previous Year	5-year average	Actual v 5-year Average
The percentage of Building Regulations consultations completed on time	Pi15	Up	97% 267 / 276	95%	+2.04%	88%	+10.23%	94%	+3.19%
Total Fire Safety Audits/inspections completed	Pi16	Up	2059	1800	+14.38%	2488	-17.24%	2175	-5.33%
Number of Building Regulations consultations responded to	0022a	Up	351	n/a	n/a	446	-21.30%	163	+115.87%
Total number of primary fires in non-domestic buildings	0039	Down	76	91	-16.48%	93	-18.28%	101	-24.75%
Total number of automatic fire detector false alarms in non-domestic properties	0011a	Down	532	515	+3.30%	606	-12.21%	385	+38.18%
Total number of prohibition notices served	0023g	Up	26	n/a	n/a	13	+100%	2	+1200%
Total number of enforcement notices served	TBA1	Up	8	n/a	n/a	3	+166.67%	2	+300%

Protection Commentary:

The number of automatic fire detector (AFD) false alarms in non-domestic properties

The target has been narrowly missed, but performance is poor compared to the five-year average. Care homes & other residential home premises account for 16.35% of the total of these false alarms. The next highest categories are Hospital premises (12.59%), schools (11.09%) & warehouse premises (8.08%). Around 50% of the total is from a single false alarm attendance to a building. The Service aims to reduce attendance to AFD false alarms through call handling and interventions by the protection team. Call handling has the greatest scope for reducing the number of incidents attended. Fire Control now record the reason if a mobilisation is made during normal working hours to AFD in lower risk premises, in order to enable better understanding and analysis. This may be having a positive impact as performance is 12.21% improved on the same period last year and will continue to be monitored via the Control Station Commander.

RESPONSE: Incident Totals

Performance Indicator	KPi Ref	Aim	2022/23 Q3 Actual	2022/23 Q3 Target	Actual v Target	2021/22 Q3 Actual	Actual vs Previous Year	5-year average	Actual v 5-year Average
Total Incidents	0001	Down	5996	n/a	n/a	5232	+14.60%	4786	+25.29%
Total Fires	0001a	Down	1748	n/a	n/a	1229	+42.23%	1504	+16.24%
Total Special Services	0001b	Down	2065	n/a	n/a	1847	+11.80%	1338	+54.33%
Total False Alarms attended	0001c	Down	2183	n/a	n/a	2156	+1.25%	1944	+12.29%

NOTE: The measures highlighted in bold below and overleaf relate to the CRMP Emergency Response Standards

RESPONSE: Resource Availability

Performance Indicator	KPi Ref	Aim	2022/23 Q3 Actual	2022/23 Q3 Target	Actual v Target	2021/22 Q3 Actual	Actual vs Previous Year	5-year average	Actual v 5-year Average
The percentage availability of first on-call pump	0034	Up	65.19%	90%	-27.57%	58.27%	+11.86%	66.04%	-1.30%
The percentage of time whole-time global crewing availability enabled 9 riders on 2 pump responses	0040	Up	45% 83 / 184	90%	-50%	18.33%	+145.45%	43.46%	+3.55%
Percentage of shifts where Service crewing level is sufficient for all wholetime pumps*	0040a	Up	100%	100%	+0%	100%	+0%	100%	+0%

RESPONSE: Response Time Performance

Performance Indicator	KPi Ref	Aim	2022/23 Q3 Actual	2022/23 Q3 Target	Actual v Target	2021/22 Q3 Actual	Actual vs Previous Year	5-year average	Actual v 5-year Average
The Percentage of emergency calls handled within 60s	0029e	Up	19.26%	80%	-75.89%	19.18%	+0.57%	24.21%	-20.33%
Average Call Handling Time for Bedfordshire incidents (Sec)	0029	Down	131	60	+118.08%	128.60	+1.75%	140.34	-6.76%
The Percentage of Primary Fires attended within 10 mins (From Time of Send/Alert)	0030g	Up	51% 342 / 671	80%	-35.95%	60.69%	-15.58%	59.93%	-14.50%
Average response time to primary fires (Sec)	0030a	Down	642	600	+7.08%	588.22	+9.22%	595.56	+7.88%
The Percentage of RTC's attended within 13 mins (From Time of Send/Alert)	0030f	Up	66% 212 / 321	80%	-18.11%	66.81%	-1.94%	68.06%	-3.75%
Average response time to RTC'S (Sec)	0030d	Down	692	780	-11.28%	654.04	+5.81%	657.62	+5.23%
The Percentage of Secondary Fires attended within 20 mins (From Time of Send/Alert)	0030e	Up	93% 991 / 1066	96%	-3.32%	94.82%	-2.12%	94.56%	-1.84%
Average response time to secondary fires (Sec)	0030b	Down	643	1200	-46.44%	630.48	+1.94%	623.29	+3.12%

Response Commentary:

Total Fires- Total fires have continued the increase seen in previous quarters. It is highly likely this links to the dry and extremely hot weather and when considered against the particularly low number last year this distorts the perceived risk. It is important to acknowledge that the five year average is also increasing therefore it has to be considered that the up tread will continue and officers will need to consider this as part of understanding operational needs in the future to deliver operational response. Secondary fires still account for the biggest increase. Response teams remain focussed on prevention activity as contained in the current station plans. A refreshed Response Strategy will help to focus officers' efforts in analysing and driving performance as we inform the new Station plans being published in April. Station Commanders already work closely with our Arson Reduction lead to ensure Cadcorp and Acorn mapping at the LSOA level are used to target our response to deliberate and accidental dwelling fires.

Total Special Services- Special service incidents have increased again, which can be attributed to the ever-evolving operational environment. The important work carried out to support the NHS' operating and system pressures looks likely to continue as the health sector struggles to manage demand. BFRS support the NHS with a range of activities including bariatric response, Falls Teams, Emergency Medical Response and Co-responding. The new concept of operations for the whole East region is established and led by our service. The senior team have also met with the Integrated Care System board members (ICS) to look at where we can mutually assist one another in a range of operational and intelligence led environments.

Total False Alarms- There is still work to do in this area and it continues to be a focus for the IRS working group, the Control Station Commander and the wider Response management team. A modest 1.25% increase following the 2.5% decrease in mobilisations we observed last time may suggest we have plateaued and will have to consider how to improve this figure after embedding mobilisation rationale records in the Control room which has had a positive impact. We are still looking to empower decision making in the Control room so we will continue to explore further call challenge within the current policy framework and more autonomy to not mobilise to repeat locations where risk is low i.e., staffed sleeping risk during the day etc to bring mobilisations below or in line with the 5-year average. However, we are aware this call challenge does perversely affect the KPI for our call handling time.

Percentage availability of first on-call pump- We have improved on where we were last year and are back to being broadly in line with the 5-year average. Recruitment and retention continue to be a challenge in the On-Call both locally, regionally and nationally, we can demonstrate the challenges during the last 5-year period with 122 leavers and 123 starters which appears to directly link with the availability average, in simple terms we have remained static with numbers of On Call Firefighters but this costs the organisation significant time in recruitment, training and kit provision. A significant area of focus for the on-call improvement project is retention. We are trialling a more flexible approach to providing cover to see if this aids our existing staff. We are improving managerial support, reviewing Strategic Reserve and our policies on crewing, we are also looking at how we train our on-call to keep new starters engaged more effectively and expediate the process of initial onboarding. HR are also amending the leaving interview process to better capture the reasons people have left so we can learn lessons and make improvements where trends are identified. All of this work supports our ambition of improving availability and increasing retention, ultimately reducing cost and improving performance.

Pleasing to note is that we have seen and number of successes already with significant increases in availability at Bedford + 17%, Kempston + 6%, Sandy + 8%, Shefford + 4% and Woburn up 4% on last year.

Percentage of time whole-time global crewing availability enabled 9 riders on 2 pump responses- We are reviewing the relevance of this measure as officers are actively encouraged to maximise appliance availability across the service. Put simply the overall number of appliances and a better geographical coverage is providing better risk cover for the public than utilising a 5th person on a wholetime appliance reducing the total number of appliances available across the County. Our Duty Group Commanders manage optimum pump availability by utilising a 5th Person in a more strategic way each day.

We currently maximise overall pump availability by deploying the 5th person on a 2-pump station to increase pump availability at On Call locations. This increases our number of pumps available in key strategic locations but therefore makes it impossible to meet this specific KPI, success in the On-Call project will have a direct impact on this measure.

Percentage of shifts where Service crewing level is sufficient for all wholetime pumps*- This measure has been rewritten since the last performance paper was presented. The previous descriptor was “the percentage of occasions global wholetime crewing met minimum level (4 riders)” this reference to 4 riders dictates that the indicator refers to fire engines and so the definition simplification has been applied. As Members will recall during the briefing on last quarter’s performance, an error in reporting was stated. This relates to other erroneous data being included. A review of staff availability has been conducted based on wholetime personnel showing at on-duty in the Gartan people rostering system. This confirms that at no time has wholetime fire engine availability dropped below 100%. There is a hierarchy of reductions (degradation plan) that the Duty Group Commander would employ to ensure wholetime fire engine availability is the last thing that would be impacted. A series of decisions occur prior to that point including cancelling courses, moving day duty staff to cover fire engines and, more recently, the ability to offer on-call staff shifts on wholetime fire engines.

% emergency calls handled within 60 seconds – Performance remains low compared to the expectation of the KPI however officers have conducted a national benchmarking review to consider the appropriateness of this measure. We are a significant outlier when considering the national picture. Most services have no standard reported and those that do all have at least 50% extra built into their time expectations.

This is further compounded as we actively encourage Fire Control operators to challenge certain call types and calls at non-addressable locations that need triangulation prior to mobilising all work against the achievement of the current KPI. A paper is been prepared to propose how we bring the service in line with the national measures, Home Office and HMICFRS methodology and make the measure more meaningful to staff and the FRA as described at the Executive Meeting.

Average Call Handling Time for Bedfordshire incidents (Sec) – As described above new measures will be proposed shortly.

% of primary fires attended within 10 mins- This measure is still reporting sub optimal performance albeit there has been a 7% improvement on performance from quarter 2 and significant further work is underway to improve performance long term. Members called for a deep dive into this area of activity and Officers have been reviewing the transaction chain from time of call, mobilising activity, availability and attendance times to prepare a report for the Lead member for Response and Resilience. This report will be presented shortly as the service awaits further analysis relating to the Luton pump trial which is due to end at the end of March.

Call handling may not be speeded up significantly having had direct observation of call handling practices conducted during the call-in review field work. However, the chain beyond that point can be improved in some areas. At a point in the services history a decision was made to create pre-rigging areas at all stations. This meant crews would congregate at a particular location away from the fire engine to robe in PPE before moving to the fire engine. This was instigated due to a personal injury that occurred under the previous guidance. The ergonomics and pathway analysis of this practice shows that the stations are not able to follow the swiftest route to the fire engine which is adding time to our response. Officers have taken responsibility for this and are rolling out station specific guidance to reduce the travel time to mobilise whilst continuing to maintain the highest levels of health and safety. This will be monitored through the Operational Command Team and reports published to that group to drive improvement via the performance team.

Further work to improve the digital workflows on the fire engine MDTs have occurred to reduce officer administration when booking out to incident and this is intended to reduce the burden on Officers in charge of the fire engine at the time of turning out to an emergency so they can concentrate on team performance and safety.

The work described above and our continued focus to improve on-call availability through the dedicated improvement project will start to see this performance area improve.

% of RTCs attended within 13 mins- Similarly to the above commentary on primary fires, the new work on station efficiency around turnout times will see us move under this target and 5-year average. Coupled with improvements in On Call recruitment and retention will see better cover and first pump availability across the County, especially where RTC's occur in rural areas away from wholetime appliances.

% of secondary fires attended within 20 mins – This remains very slightly slower than the 5-year average and well within tolerance for these types of incidents.

EMPOWERING

Human Resources

Performance Indicator	KPi Ref	Aim	2022/23 Q3 Actual	2022/23 Q3 Target	Actual v Target	2021/22 Q3 Actual	Actual vs Previous Year	5-year average	Actual v 5-year Average
The percentage of working time lost due to sickness (excludes On-Call)	0060	Down	3.52%	4%	-20%	2.34%	+50.21%	3.64%	-3.22%
The percentage of the On-Call workforce with 4 or more incidences of sickness in a 12-month period	0061	Down	0.00%	5%	-100%	0.22%	-100%	2.02%	-100%
The percentage of returned appraisal documents to HR within 3 months of reporting year (end October) All Staff	0063	Up	93.13%	90%	+3.48%	88.23%	+5.55%	88.25%	+5.53%

Maximising Human Resources Commentary:

All measures are on target for reporting quarter.

EMPOWERING

Organisational Development

Performance Indicator	KPi Ref	Aim	2022/23 Q3 Actual	2022/23 Q3 Target	Actual v Target	2021/22 Q3 Actual	Actual vs Previous Year	5-year average	Actual v 5-year Average
The percentage of station based operational BA wearers that have attended a Tactical Firefighting assessment within the last 2 years	T1	Up	100%	98%	+2.04%	99%	+1.01%	98%	+2.25%
The percentage of qualified LGV drivers that have attended a refresher course within the last 3 years	T2	Up	99%	98%	+1.02%	98%	+1.02%	98%	+1.43%
The percentage of station based operational staff that have attended a Water Rescue revalidation course within the last 3 years	T3	Up	98%	98%	0.00%	97%	+1.03%	96%	+1.87%
Percentage of watches/sections at BFRS stations that have at least 60% of operational personnel qualified in Trauma Care or equivalent	T4	Up	100%	98%	+2.04%	94%	+6.38%	96%	+3.95%
Percentage of station based operational staff that have attended a Working at Height or Rope Rescue Revalidation assessment within the last 3 years	T5	Up	95%	98%	-3.06%	94%	+1.06%	93%	+1.71%
Percentage of Level 1 Incident Commanders that have attended an Incident Command Assessment within the required frequency for their role.	T6	Up	99%	98%	+1.02%	94%	+5.32%	92%	+7.14%
Percentage of Flexible Duty Officers that have attended an Incident Command Assessment within the required frequency for their role	T7	Up	100%	98%	+2.04%	100%	0.00%	98%	+1.63%

EMPOWERING

Organisational Development

Performance Indicator	KPi Ref	Aim	2022/23 Q3 Actual	2022/23 Q3 Target	Actual v Target	2021/22 Q3 Actual	Actual vs Previous Year	5-year average	Actual v 5-year Average
Percentage of workplace training completed by Wholetime Operational Personnel via PDR Pro within the last 12 months.	T8a	Up	82%	77%	+6.49%	78%	+5.81%	78%	+5.58%
Percentage of workplace training completed by On-call Operational Personnel via PDR Pro within the last 12 months.	T8b	Up	76%	75%	+1.33%	73%	+4.83%	73%	+4.35%
Percentage of workplace training completed by Control Personnel via PDR Pro within the last 12 months	T8c	Up	67%	75%	-10.67%	77%	-12.61%	78%	-13.73%
Percentage of workplace training completed by Senior Management roles (SM to SOC) via PDR Pro within the last 12 months.	T8d	Up	77%	77%	0.00%	78%	-0.00%	77%	-0.00%
Percentage of workplace training completed by Wholetime Day Duty WM's via PDR Pro within the last 12 months	T8e	Up	75%	77%	-2.60%	76%	-1.10%	77%	-2.88%

Due to the migration from PDR Pro version 3 to 5 the above table including the targets has been revised to exclude two months where data was not available

Empowering - Organisational Development Commentary:

Commentary: The Service has achieved good levels of compliance against our training targets across all measures during Q3. It is worth noting the Service also delivered a full in-house Whole-time recruits course during Q3, with 12 new Firefighters successfully completing their acquisition training and being posted to their operation stations.
A total of 230 training courses have been recorded on the course management system as completed during Q3 of 22/23.

T5 - Percentage of station based operational Working at Height Operators that have attended a Working at Height recertification assessment within the last three years.
The target KPI for Q3 is set at 98%, the actual performance achieved was 95% which is 3% under the desired target but a 1% improvement on the previous year. One Working at Height courses had to be cancelled this quarter due to a protracted operational incident. Courses are scheduled in with nominations received for Q4 to cater for all who require the training and to achieve KPI target.

The Percentages have been adjusted for T8a – T8e as this link's to training accessed via PDR Pro. This is due to the upgrade from Version 3 to Version 5 and where the activity is recorded.

T8c Percentage of workplace training completed by Control Personnel via PDR Pro within the last 12 months.
The target KPI for Q3 has not been achieved and is currently recorded as 67% which is 8% under the adjusted pro rata target of 75%. This is an improvement of 1.94% over the previous year's Q3 figure (when pro rata) however this is not acceptable and will be managed by the returning Control Station Commander.

T8e Percentage of workplace training completed by Wholetime Day Duty WM's via PDR Pro within the last 12 months.
The target KPI for Q3 has not been met and is currently recorded as 75% which is a 2.06% decrease on the actual target of (a pro rata 77%). The Competency and Development team will work with Watch Managers and their line managers to rectify this before the end of Q4.

	EMPOWERING
	Health & Safety

Performance Indicator	KPi Ref	Aim	2022/23 Q3 Actual	2022/23 Q3 Target	Actual v Target	2021/22 Q3 Actual	Actual vs Previous Year	5-year average	Actual v 5-year Average
Number of serious accidents where the individual is off sick for more than 28 days (per 1000 employees)	H1	Down	0.00	2.8	-100%	5.71	-100%	1.39	-100%
Number of working days/shifts lost to accidents per 1000 employees (excluding On-Call employees)	H2	Down	87.44	218.36	-59.96%	423.43	-79.35%	127.53	-31.44%
Number of 24-hour cover periods lost to accidents per 1000 On-Call employees.	H3	Down	64.64	527.72	-87.75%	3167.84	-97.96%	538.11	-87.99%

Empowering – Health & Safety Commentary:

H1 Number of Serious Accidents.
There have been no over 28 days injuries in Q1. The H1 figure is below the Q3 target of 2.8 (days per 1000 employees) with an actual figure of 0.0. The H1 figure is significantly below the previous year Q3 figure of 5.71 days lost and under the 5-year average.

H2 Number of working days/shifts lost to accidents per 1000 employees (excluding On Call (RDS) employees).
The H2 figure is below the Q3 target figure of 218.36 days lost by 130.92 days, this is because there has been a significant reduction in serious accidents during Q3. This figure is a significant reduction on the previous year's Q3 figure of 423.43 days lost and below the 5 year average.

H3 Number of 24-hour cover periods lost to accidents per 1000 On Call (RDS) employees.
The H3 figure is below the Q3 target of 527.72 by a total of 463.08 which is a significant reduction. The figure is below the previous Q3 figure by 3103.02 as a result of individuals who were long term sick returning to operational duties.

	UTILISING									
Performance Indicator	**KPi Ref**	**Aim**	**2022/23 Q3 Actual**	**2022/23 Q3 Target**	**Actual v Target**	**2021/22 Q3 Actual**	**Actual vs Previous Year**	**5-year average**	**Actual v 5-year Average**
Grade A Defect Response Time (within 1 hour)	WS1a	Up	91.48% 57 / 62	90%	+1.64%	96.88%	-5.58%	92.11%	-0.69%
Grade A Defect Response Time (within 2 hours)	WS1b	Up	94.27% 59 / 62	95%	-0.76%	96.88%	-2.69%	98.03%	-3.83%
The percentage of time when Rescue Pumping Appliances were unavailable for operational use due to an annual service, defect or other works. (Turnaround Time)	WS2a	Down	2.50%	5%	-49.94%	1.30%	+91.89%	1.94%	+29.28%
The percentage of time when Aerial Appliances and SRU were unavailable for operational use due to an annual service defect or other works. (Turnaround Time)	WS2b	Down	3.04%	5%	-39.21%	2.09%	+45.41%	2.55%	+19.15%
The percentage of time when other operational appliances were unavailable for operational use due to an annual service, defect or other works. (Turnaround Time)	WS2c	Down	0.60%	3%	-79.90%	0.26%	+128.33%	0.38%	+60.33%
The number of hours as a percentage the appliance is unavailable for operational response in the reporting period, other than for the time measured under the turn-a-round time. (Idle time)	WS4	Down	1.09%	2%	-45.27%	0.73%	+50.96%	0.92%	+19.39%
The total time expressed as a % when ALL Appliances were available for operational use after the turn-around time and idle time are removed from the total time in the reporting period	WS5	Up	97.80%	93%	+5.17%	98.51%	-0.72%	97.95%	-0.15%
Annual Services undertaken	WS6	Up	100.00%	97%	+3.09%	100.00%	0.00%	100.00%	0.00%

Utilising – Fleet Commentary:

Grade A defect Response Time (within 1 hr)
The target for a Grade A response within 1hr has been achieved. The Q3 target for this KPI is set at 90% and an actual measure of 91.48% was achieved. This figure is 5.58% down on the previous year, and lower than the 5 -year average by 0.69%. The 0.69% decrease on the 5-year average represents one incident of non- performance against target.

Grade A Defect Response Time (within 2 hrs)
The target for a Grade A response within 2 hours has not been achieved. The Q3 target for this KPI is set at 95% and an actual measure of 94.27% was achieved. Overall, this represents 0.73% lower actual performance than the target for Q3. This figure is lower in comparison to the previous year by 3.83%, where the performance was recorded as 98.03%. The drop in performance in comparison to the previous year relates to one incident of non–performance during Q3.

The percentage of time when Rescue Pumps were unavailable for operational use due to an annual service, defects or other works (Turnaround Time)
The target for the percentage of unavailability of the Rescue Pumps due to defects or annual service is set at 5%. The performance target was achieved with an overall measure of 2.50%, this represents an achievement of 2.50% under target for Q3. This figure is a decrease against the Q3 performance for the previous year Q3 figure by 1.20% and represents a decrease against the 5-year average performance of 1.94%. Part of the reason for the fall against the previous Q3 and 5-year average is as a result of an increase of the number of vehicles that are passing through the workshops requiring maintenance including EEAST, along with an increase in bringing testing and blue light / radio fitting internally. The main overall reason for the delays is due to the availability of spare parts and the issues that are being experienced due to lack of spares.

The percentage of time when Aerial Platforms and the SRU are unavailable due to defects or annual service requirements. (Turnaround Time)
The target for the percentage of unavailability of the Aerial platforms and SRU due to defects or annual service is set at 5%. The performance target was achieved with an overall measure of 3.04%. This represents an achievement of 1.96% under target for Q3. This figure is a decrease against the Q3 performance for the previous year by 0.95% and is a decrease against the 5-year average performance of 0.49%. This was caused by lead times on spare parts increasing as a result of supply chain issues.

The percentage of time when other operational appliances were unavailable due to annual service, defects or other work.
The target for other operational appliances being unavailable is set at 3%. The performance for Q3 was achieved at 0.60%, which is 2.40% above the Q3 target. In comparison to the previous year's Q3 performance 0.26% this is an increase of 0.34%, however this is represented as an overall increase of 128.33% as a comparator. This increase is related to spare parts availability and lead times.

The number of hours as a percentage the appliance is unavailable for operational response in the reporting period, other than for the time measured under the turn-a-round time. (Idle time)

The target for the number of hours as a percentage the appliance is unavailable for operational response was achieved in Q3 with a result of 1.09% against a target of 2% (0.91% better than target). The Q3 performance was a decrease against the previous year's result of 0.73% and against the 5 – year average of 0.92%. This increase is related to spare parts availability and lead times.

The total time expressed as a % when ALL Appliances were available for operational use after the turn-a-round time and idle time are removed from the total time in the reporting period.

The total time expressed as a % when all appliances were available for operational use after the turnaround time and idle time are removed from the total time in the reporting period was achieved in Q3 with a performance of 97.80% against a target of 93%. (4.80% better than target).

In comparison to last year's Q3 this was a decrease of 0.72% and against the 5-year average of 0.15%. The decrease in all appliance availability is down to the increase in lead times and decrease spare part availability.

Annual Services Undertaken

It should be noted that the performance figure for Q3 is a target of 97% as a stretch target, the actual figure achieved was 100% as all appliances requiring a Service were maintained in this quarter.

MAXIMISING

Finance

Performance Indicator	KPi Ref	Aim	2022/23 Q3 Actual	2022/23 Q3 Target	Actual v Target	2021/22 Q3 Actual	Actual vs Previous Year	5-year average	Actual v 5-year Average
Percentage of routine financial reports distributed within 6 working days of period-end closure	0066	Up	100.00%	90%	+11.11%	100.00%	0.00%	100.00%	0.00%
The percentage of uncontested invoices paid within 30 days	0067	Up	88.10% 3737 / 4234	96%	-8.23%	90.52%	-2.68%	93.67%	-5.95%
The percentage of outstanding debt over 90 days old	0068	Down	0.007% £895 / £127k	1.5%	-100%	0.89%	-99%	2.77%	-100%

Maximising – Finance Commentary:

0067 - Percentage of uncontested invoices paid within 30 days - Measure is amber due to the many invoices still being received without a valid purchase order in place, and delays in managers authorizing invoices for payments. Whilst work continues with budget managers to ensure that PO's are raised and invoices authorised in a timely manner the Corporate Programme Board recently pushed the upgrade of the service finance and invoicing system from 'pipeline' into 'active', this will mean a project is formed and supported with resources to deliver an upgrade which will automate some of the approval processes workflow and positively impact our ability to achieve this KPI in the future.

MAXIMISING

Information and Communication Technology

Performance Indicator	KPi Ref	Aim	2022/23 Q3 Actual	2022/23 Q3 Target	Actual v Target	2021/22 Q3 Actual	Actual vs Previous Year	5-year average	Actual v 5-year Average
The percentage of Incidents on Mission Critical services resolved within 1 Hour	0042	Up	100.00%	96%	+4.17%	100.00%	0.00%	100.00%	0.00%
The percentage of incidents on Business-Critical services resolved within 2 Hours	0043	Up	100.00%	97%	+3.09%	100.00%	0.00%	99.24%	+0.76%
The percentage of incidents on Business Operational services resolved within 4 Hours	0044	Up	100.00%	97%	+3.09%	100.00%	0.00%	98.87%	+1.14%
The percentage of incidents on Administration Services resolved within 8 Hour	0045	Up	93.27%	93%	+0.29%	93.74%	-0.50%	95.18%	-2.00%
The percentage availability of core ICT services	0046	Up	100.00%	98%	+2.04%	100.00%	0.00%	100.00%	0.00%
The percentage availability of Business Applications Availability	0047	Up	99.99%	98%	+2.03%	100.00%	-0.01%	n/a	n/a

Maximising ICT Commentary:

All measures are on target for reporting quarter.

Implications

3.1 Corporate risk implications include potential impacts on all the Risk Register's current corporate risks. Members agreed new aims for our approach to corporate risk at the Audit and Standards Committee meeting on the 14th July 2022.

3.3 No new spending proposals are included at this time. Financial implications for our new CRMP 2023-28 include the development of spending proposals and their subsequent consultation.

3.4 Policy implications include all functional areas of the Service. The aim is to develop manageable and affordable actions over a 4-5-year period. Previous CRMP action plans contained 63 actions in 2019-20, 44 in 2020-21, in 32 in 2021-22 and 16 in 2022-23.

CHRIS BIGLAND
DEPUTY CHIEF FIRE OFFICER

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FOR PUBLICATION

Bedfordshire Fire and Rescue Authority
30 March 2023

SUBJECT: **DISPOSAL OF ASSETS UNDER THE SCHEME OF DELEGATED AUTHORITY**

Author and contact: AREA COMMANDER JASON TAI – jason.tai@bedsfire.gov.uk

Background Papers: None

Appendix	Title	Protective Marking
1	Tables of Assets for Disposal	

Implications

This table provides a short statement of the impact of the recommendations in this report and/or a reference to the relevant paragraph/s in the report.

Will this report affect any of the following?

	Yes / No	Impact / Reference
Financial Implications	Yes	The disposal of obsolete operational service assets may support future Capital Budget for the replacement of asset(s), dependent on whether those assets are sold or donated to a third party.
Risk Management	No	
Legal Implications	Yes	When disposing of any obsolete operational assets the Service will be cognisant of and comply with any legal requirements that relate to those assets.

Privacy and Security Implications	No	
Duty to Collaborate	No	
Health and Safety Implications	No	
Equality, Diversity and Inclusion	No	
Environmental Sustainability	Yes	The Service has a duty to dispose of assets in a manner that does not impact on the environment and complies with any current legislation.
Consultation and Communication	No	This paper supports the Fire and Rescue Authority's ongoing strategy for the disposal of obsolete operational assets.

PURPOSE:

To provide Members with an update on the disposal of obsolete vehicles and equipment assets.

RECOMMENDATION:

1. That Members of the Fire and Rescue Authority acknowledge the content of the report.

2. That Members authorise the disposal of the equipment assets detailed in the report which collectively have the potential to achieve income over the £10,000 threshold under the scheme of delegated authority.

1. Executive Summary

1.1 This paper provides an update on the assets disposed of over the financial year 2022/23, and assets that may be disposed of over the next 12 months, under the scheme of delegated authority. The assets referred to within this report are obsolete equipment and vehicles. The Service has continued to experience difficulties in obtaining replacement vehicles due to the microchip shortage and the impact of the War in Ukraine. This has resulted in the disposal of several vehicles (mainly vans) being delayed, whilst waiting for the delivery of the new vehicles. The Service has also reallocated several vehicles due to the increased demand from departments for vans. The previous disposal of asset report (2022/23) indicated that the Breathing Apparatus (BA) sets and Fireground Radios would be disposed of during 2022/23, whilst the evaluations have been completed for the replacement equipment the replacement programme will be completed in 2023/24, therefore the assets will be continue to remain in Service and will be disposed of in 2023/24.

1.2 There were no rescue pumps or specialist appliances that were due to be replaced as part of the capital replacement programme, vehicle replacement was mainly small light vehicles, cars and equipment.

2. Disposed Assets

2.1 Table 1 (Vehicle assets) and Table 1A (Equipment assets) shows the assets disposed of, and their realised value. During 2022/23, some vehicles have been re-deployed following condition reports that were carried out by the Transport and Engineering Manager, demonstrating that vehicles that could have been disposed of based on time or their age, were still in a condition that allowed them to be used in some capacity within BFRS. The Service has continued to experience difficulties with delivery of replacement vehicles as a result of micro-chip shortages, which has resulted in existing vehicles being delayed for disposal.

2.2 During 2022/23 there was 1 vehicle disposed of with a value below £10,000. There were no vehicles disposed of with an individual value above the £10,000 threshold. 3 vans were due to be disposed in 2022/23, however due to an identified need to provide vans for 2 cleaners and at Toddington station, the vans have been retained. The total income generated from the sale of the vehicle was £2200, which will be used to support the Capital Budget for the replacement of future asset(s); see Appendix 1 for further details.

2.3 The Service also disposed of numerous items of equipment that had no value to the Service and would have been disposed of through waste disposal. These items were either obsolete therefore requiring replacement or had a lifespan which has been exceeded rendering the items unusable within Service. There was a total of 151 items of equipment that consisted primarily of a welfare trailer, Drone, life jackets, Holmatro RTC equipment, Tirfor winches and other ancillary equipment. These items generated a total net income of £29,482 after deductions and auction fees.

2.4 Following an appeal from the NFCC the Service donated 4 complete sets of Holmatro RTC equipment to the Ukraine.

3 Assets that may be disposed of in 2023/24

3.1 The vehicle assets detailed in Table 2 (Appendix 1) may be disposed of in 2023/24. The Service Delivery Asset Group (SDAG) will continue to evaluate the life of an asset following a vehicle condition report prepared by the Transport and Engineering Manager. The table is therefore indicative of the funds that maybe achieved through disposal of the assets highlighted.

3.2 Table 2 indicates that there are no individual vehicles that have the potential to be sold for more than the £10,000 threshold. This is mainly due to the lifespan of the vehicles being extended and re-distributed within the Service. A large number of vans that have been retained within the Service are due to be replaced, the Service predicts that the new vans on order will start to arrive shortly to allow the old vans to be released.

3.3 Equipment assets in Table 2A (Appendix 1) show those assets that may be disposed of in the next 12 months; this list highlights equipment that is due for replacement within 2023/24. It was previously reported that the Breathing Apparatus (BA) sets and fireground radios were due to be replaced in 2022/23 following completion of the tender process and that this would generate approximately £82,050 of income. Both projects have undergone an evaluation process and a preferred replacement has been identified. Additional funding has been approved by the FRA for the BA sets and Radios which will ensure that the equipment is procured during 2023/24. As a result, the assets have also been included within Table 2A for this report. A Tender has started for replacement Thermal image cameras and it is estimated that the old cameras will generate approximately £6,000. There is also likely to be additional equipment that maybe disposed of during the year, following an evaluation of condition.

3.4 There are several items of equipment that collectively is likely to generate income above the £10,000 threshold, with that in mind this paper also requests that Members authorise the sale of these assets at an appropriate time during 2023/2024.

AREA COMMANDER JASON TAI
HEAD OF TRAINING AND ASSET MANAGEMENT

APPENDIX 1

Table 1: Vehicle Assets That Were Disposed of in 2022/2023

Date of Disposal	Fleet No	Type	Income Value £
March 2023	54	Vauxhall Antara	2,200
		Total	**£2,200**

Table 1A: Equipment Assets Disposed of in 2022/2023

Date of Disposal	Equipment Type/Name	Receiver of Goods/Charity	Income Value £
April 2022- March 2023	Welfare trailer, Drone & Ancillary Equipment, various other equipment etc.	Withams Disposal	29482
Nov 2022	4 x Holmatro RTC sets	NFCC Ukraine Appeal	Donated
		Total	**£29,482**

Table 2: Vehicle Assets That May Be Disposed of in 2023/24

Date of Disposal	Fleet No	Type	Chassis Type	Potential Income* £
TBC	53	Antara	Vauxhall	2000
TBC	52	Antara	Vauxhall	2000
TBC	112	Movano LWB Van	Vauxhall	2500
TBC	107	Combo Station Van	Vauxhall	2000
TBC	120	Combo Station Van	Vauxhall	2000
TBC	5	Vivaro Crew Cab	Vauxhall	2500
TBC	121	Combo Station Van	Vauxhall	2000
TBC	122	Combo Station Van	Vauxhall	2000
			Total	**£13,400**

Table 2A: Equipment Assets Due for Disposal in 2023/24

Date of disposal	Equipment Type/Name	Receiver of Goods/Charity	Potential Income * £
TBC	Thermal Imaging Camera (TIC's)	Withams Disposal	6,000
TBC	125 BA Sets	Withams Disposal	31,250
TBC	400 BA Cylinders	Withams Disposal	40,000
TBC	270 Motorola handheld Radios	Withams Disposal	£10,800
		Total	**£88,050**

* **Note: The prices detailed in the tables above are indicative as the assets will be sold at auction.**

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FOR PUBLICATION

Bedfordshire Fire and Rescue Authority
30 March 2023

SUBJECT: **BRIEFING ON THE REVEREND JAMES JONES REPORT ON THE HILLSBOROUGH DISASTER**

Author and contact: **Steve Frank, Head of Strategic Support and Assurance**
Steve.frank@bedsfire.gov.uk

Background Papers: 'The patronising disposition of unaccountable power'. A report to ensure the pain and suffering of the Hillsborough families is not repeated by The Right Reverend James Jones KBE

Appendix	Title	Protective Marking
1	The Charter for Families Bereaved through Public Tragedy	N/A

Implications

This table provides a short statement of the impact of the recommendations in this report and/or a reference to the relevant paragraph/s in the report.

Will this report affect any of the following?

	Yes / No	Impact / Reference
Financial Implications	No	
Risk Management	No	No direct impact. Many aspects of the six objectives of the Charter already aligns with the minimum standards of behavior expected from employees of the Authority as set out in extant policies and procedures.

Legal Implications	Yes	The Charter is a statement of intent that the Authority 'will strive' to comply with its six objectives. There have been attempts to introduce legislation to oblige public bodies and officials to make all their dealings, with families and with official bodies, more transparent including a duty to assist the courts, official inquiries, and investigations. This has previously been outlined in a Public Authority (Accountability) Bill, known colloquially as the "Hillsborough Law" after the Hillsborough Inquiry in April 2017, but this did not progress beyond a second reading in Parliament.
Privacy and Security Implications	No	
Duty to Collaborate	Yes	The Policing and Crime Act 2017 requires the Authority to consider opportunities for collaboration with the police and ambulance services. Both the College of Policing and the National Police Chiefs' Council (on behalf of all 43 police forces in England and Wales) have signed up to the Charter.
Health and Safety Implications	No	
Equality, Diversity and Inclusion	Yes	Adoption of the Charter is consistent with the Authority's obligations under the Public Sector Equality Duty to have regard to the need to, i.e., advance equality of opportunity between people who share a protected characteristic and those who do not.
Environmental Sustainability	No	
Consultation and Communication	Yes	At a meeting on 30 November 2022 of the National Fire Chiefs Council (on which Bedfordshire Fire and Rescue Service is represented) the NFCC Chairman recommended that fire and rescue services promote the charter and to sign up to it if they have not already done so. If the Charter is adopted a copy of the signed and completed document will be promoted on the Authority's website

PURPOSE:

The purpose of this report is to ask the Authority to sign up to The Charter for Families Bereaved through Public Tragedy (included as the Appendix to this report).

RECOMMENDATION:

It is recommended that ‘The Charter for Families Bereaved through Public Tragedy’ be adopted and be attested by the signatures of the Chairman and the Chief Fire Officer.

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1. Executive Summary

1.1 This report aims to provide an insight into what the bereaved Hillsborough families have experienced over the 28 years which have passed since April 1989, and to place that insight on the official public record.

1.2 Following the 2017 Manchester Arena bombing and preceding the establishment by the Home Secretary on 22 October 2019 of the Manchester Arena statutory public inquiry, The Kerslake Report was published on the 27 March 2018 . An interim ‘progress report’ providing an update on the work of the Review was published on 12 January 2018. This contained a recommendation from Lord Kerslake that public bodies adopt one of the ‘points of learning’ within ‘The patronising disposition of unaccountable power’ report by the Right Reverend James Jones KBE to sign up to a ‘Charter for Families Bereaved through Public Tragedy’.

1.3 The Right Reverend Jones had been commissioned by Theresa May, as Home Secretary, following the conclusion of the Hillsborough inquests in 2016. The report identified 24 other ‘points of learning’ describing the changes that the Right Reverend Jones believed were necessary, following his experiences as chairman of the Hillsborough Independent Panel, including proper participation of bereaved families at inquests and the introduction of a duty of candour for police officers. Such a duty had already been introduced in the NHS by Regulation 20 of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014, following Sir Robert Francis’ inquiry into Mid-Staffordshire NHS Foundation Trust published by the House of Commons on 6 February 2013 .

1.4 The, then, Chairman of the National Fire Chiefs Council (NFCC) signed the NFCC up to the Charter on 9 May 2018[1].

2. Contents of the Review

2.1 The report is divided into the following thematic chapters:

- Chapter 1 – Treatment of the bereaved families in the aftermath of the Hillsborough disaster
- Chapter 2 – Inquests
- Chapter 3 – Public inquiries
- Chapter 4 – Criminal and disciplinary investigations

2.2 The report contains 25 points of learning across a range of subjects. The report considers each to be vitally important, but three are seen as crucial.

- First, the creation of a Charter for Families Bereaved through Public Tragedy – a charter inspired by the experience of the Hillsborough families.
- Second, there is a pressing need for what is described in this report as 'proper participation' of bereaved families at inquests.
- Third, the call for the establishment of a 'duty of candour' for police officers.

3 Actions for Bedfordshire Fire and Rescue Authority

3.1 The contents of the report have been reviewed and a gap analysis is being completed against the recommendations contained within the report. It should be noted that a number of these recommendations are mainly specific to the Police and criminal justice system.

3.2 The gap analysis will be reviewed by the corporate management team and any areas which are found to be amber or red will be addressed.

[1] Charter for Families Bereaved through Public Tragedy (nationalfirechiefs.org.uk)

4 RECOMMENDATIONS:

4.1 That Members acknowledge the contents of the report.

4.2 That the Charter for Families Bereaved through Public Tragedy is adopted and signed by the Chief Fire Officer and the Chairman.

STEVE FRANK
HEAD OF STRATEGIC SUPPORT AND ASSURANCE

Appendix 1

The Charter for Families Bereaved through Public Tragedy

In adopting this charter, we commit to ensuring that **Bedfordshire Fire and Rescue Authority** learns the lessons of the Hillsborough disaster and its aftermath, so that the perspective of the bereaved families is not lost.

We commit to **Bedfordshire Fire and Rescue Authority** becoming an organisation which strives to:

1. In the event of a public tragedy, activate its emergency plan and deploy its resources to rescue victims, to support the bereaved and to protect the vulnerable.

2. Place the public interest above our own reputation.

3. Approach forms of public scrutiny – including public inquiries and inquests – with candour, in an open, honest and transparent way, making full disclosure of relevant documents, material and facts. Our objective is to assist the search for the truth. We accept that we should learn from the findings of external scrutiny and from past mistakes.

4. Avoid seeking to defend the indefensible or to dismiss or disparage those who may have suffered where we have fallen short.

5. Ensure all members of staff treat members of the public and each other with mutual respect and with courtesy. Where we fall short, we should apologise straightforwardly and genuinely.

6. Recognise that we are accountable and open to challenge. We will ensure that processes are in place to allow the public to hold us to account for the work we do and for the way in which we do it. We do not knowingly mislead the public or the media.

Signed:

Chairman

Signed:

Chief Fire Officer

For Publication

Bedfordshire Fire and Rescue Authority
30 March 2023

SUBJECT: **WORK PROGRAMME 2023-24**

Author and contact: **Nicky Upton, Democratic and Regulatory Services Supervisor**
Democratic.services@bedsfire.gov.uk

Background Papers: None

Appendix	Title	Protective Marking
1	FRA Work Programme	N/A
2	Executive Committee Work Programme	N/A
3	Audit & Standards Committee Work Programme	N/A
4	Member Development Work Programme	N/A
5	Budget Workshop Work Programme	N/A

Implications

This table provides a short statement of the impact of the recommendations in this report and/or a reference to the relevant paragraph/s in the report.

Will this report affect any of the following?

	Yes / No	Impact / Reference
Financial Implications	No	
Risk Management	No	

Legal Implications	Yes	Meetings/committees set in accordance with The Bedfordshire Fire Services (Combination Scheme) Order 1996 (now amended by Variation Order 2012) in order to carry out functions specified within the Fire and Rescue Services Act 2004
Privacy and Security Implications	No	
Duty to Collaborate	No	
Health and Safety Implications	No	
Equality, Diversity and Inclusion	No	
Environmental Sustainability	No	
Consultation and Communication	Yes	Agenda items will be either statutory items for consideration, topical items or other subject matters raised via Corporate Management Team and/or Principal Officer discussions. Following initial liaison with the Chair of the Meeting/Committee, items will be added to the respective work programme with Fire Authority Members being given the opportunity at each meeting to request any additional topics for consideration or training requirements

PURPOSE:

To review and report on the work programme for 2023-24 and to provide Members with an opportunity to request additional reports for the Fire Authority meetings.

RECOMMENDATION:

That Members consider the work programme for 2023-24 and note the ‘cyclical’ Agenda Items for each meeting in 2023-24.

ANDREW HOPKINSON
CHIEF FIRE OFFICER

FIRE AND RESCUE AUTHORITY - WORK PROGRAMME 2023/24

FRA Meeting Dates	Cyclical Agenda Items	Agenda item (locked for editing)	CFO Review (select from drop down list)	Notes
20.06.23 **AGM**		Membership		
		Election of Chair 2023/24		
		Election of Vice Chair 2023/24		
		Communications		
		Minutes from 30.03.23		
		Authorisation of Members to report to the Constituent Councils on meetings of the FRA		
		Appointment of Committees		
		Representation on Local Government Associations (LGA) Matters		
		Member Development		
		Work Programme		
	Additional/Commissioned Items			

FRA Meeting Dates	Cyclical Agenda Items	Agenda item (locked for editing)	CFO Review (select from drop down list)	Notes
19.07.23		Communications		
		Minutes from 20.06.23		
		Executive Committee Minutes from 03.07.23		
		Annual Report 2022/23		
		2023/24 Revenue Budget and Capital Programme Monitoring Programme		
		Updated Medium Term Financial Strategy		
		Treasury Management Annual Report		
		2023-2027 CRMP Strategic Planning Cycle		
		Portfolio Leads Update: Digital and Data Transformation		
		Blue Light Estate Strategy		
		Work Programme		
	Additional/Commissioned Items			

FRA Meeting Dates	Cyclical Agenda Items	Agenda item (locked for editing)	CFO Review (select from drop down list)	Notes
21.09.23		Communications Minutes from 19.07.23 Audit & Standards Committee Minutes from 06.07.23 Statement of Assurance 2022/23 Q1 2023/24 Performance Report (April to June) Planning report for 2023/24 Revenue Budget, Capital Programme and Council Tax Setting Portfolio Leads Update: Workforce & OD Collaboration Update Work Programme		
	Additional/Commissioned Items			

FRA Meeting Dates	Cyclical Agenda Items	Agenda item (locked for editing)	CFO Review (select from drop down list)	Notes
07.12.23		Communications Minutes from 21.09.23 Executive Minutes from 03.10.23 and 23.11.23 ASC Minutes from 17.10.23 CRMP Consultation Proposals 2023/24 Revenue Budget and Capital Programme Monitoring Q2 2023/24 Performance Report (July to September) Programme Board Update Mid Year Treasury Management report Public Sector Equality Duty Report Portfolio Lead update: Prevention and Protection Work Programme		
	Additional/Commissioned Items			

FRA Meeting Dates	Cyclical Agenda Items	Agenda item (locked for editing)	CFO Review (select from drop down list)	Notes
13.02.24		Communications		
		Minutes from 07.12.23		
		ASC Minutes from 04.01.24		
		Executive Minutes from 22.01.24		
		CRMP Update including consultation responses		
		The 2024/25 Revenue Budget, Capital Programme and Council Tax setting		
		Members' Allowances Scheme		
		Localism Act 2011 – Pay Policy Statement 2023		
		Calendar of Meetings for 2024/25		
		Proposed Indicators and Targets for 2024/25		
		Portfolio Lead update: Assets and Collaboration		
		Work Programme		
	Additional/Commissioned Items			

FRA Meeting Dates	Cyclical Agenda Items	Agenda item (locked for editing)	CFO Review (select from drop down list)	Notes
16.04.24		Communications		
		Minutes from 13.02.24		
		Executive Committee Minutes from 14.03.24		
		ASC Minutes from 26.03.24		
		2023/24 Revenue Budget and Capital Monitoring Programme		
		Treasury Management Strategy and Practices		
		Q3 2022/23 Performance Report Update (Sept – Dec)		
		Business Continuity Planning		
		Disposal of Assets under the Scheme of Delegated Authority		
		Asset Management Strategy (reviewed every 3 years, next review 2022/23)		
		Portfolio Lead Update: Operational Response and Resilience		
		Procurement Policy and Contract Procedures (reviewed every 2 years, due 2025)		
		Work Programme		
	Additional/Commissioned Items			

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EXECUTIVE COMMITTEE - WORK PROGRAMME 2023/24

Executive Committee 03.07.23

Cyclical Agenda Items	Agenda item (locked for editing)	CFO Review (select from drop down list)	Notes
	Communications		
	Executive Committee Minutes from 14.03.23		
	Appointment of Portfolio Holders		
	Proposals for Member Development Programme for 2023/24		
	Work Programme		
Additional/Commissioned Items			

Executive Committee 03.10.23

Cyclical Agenda Items	Agenda item (locked for editing)	CFO Review (select from drop down list)	Notes
	Communications		
	Executive Committee Minutes from 03.07.23		
	Work Programme		
Additional/Commissioned Items			

Executive Committee 15.11.23

Cyclical Agenda Items	Agenda item (locked for editing)	CFO Review (select from drop down list)	Notes
	Communications		
	Executive Committee Minutes from 03.10.23		
	CRMP Update		
	Work Programme		
Additional/Commissioned Items			

Executive Committee 22.01.24	Cyclical Agenda Items	Agenda item (locked for editing)	CFO Review (select from drop down list)	Notes
		Communications		
		Executive Committee Minutes from 15.11.22		
		CRMP Update		
		Work Programme		
	Additional/Commissioned Items			

Executive Committee 14.03.24	Cyclical Agenda Items	Agenda item (locked for editing)	CFO Review (select from drop down list)	Notes
		Communications		
		Executive Committee Minutes from 22.01.24		
		2024/25 KPIs update		
		Work Programme		
	Additional/Commissioned Items			

AUDIT AND STANDARDS COMMITTEE - WORK PROGRAMME 2023/24

Audit & Standards Committee Meeting Date	Cyclical Agenda Items	Agenda item (locked for editing)	ACO Review (select from drop down list)	Notes
06.07.23		Election of Vice Chair		
		Communications		
		ASC Minutes from 02.03.23		
		Review of Terms of Reference		
		Draft 2022/23 Annual Governance Statement, Statement of Accounts and Letter of Representation		
		Internal Audit Annual Report 2022/23		
		Internal Audit Progress Report 2022/23 and 2023/24		
		Internal Audit Actions Update		
		Update to the Authority's Finance Regulations (Biennial review - due 2023)	Deferred	Deferred from March meeting
		Review of Code of Conduct and Annual Report on Standards		
		Fire Standards Board update		July 2024 will be the Annual Report to tie in with CRR
		Annual Review of the entire Corporate Risk Register		**Restricted**
		Work Programme		
	Additional/Commissioned Items			

Audit & Standards Committee Meeting Date	Cyclical Agenda Items	Agenda item (locked for editing)	ACO Review (select from drop down list)	Notes
17.10.23		Communications		
		ASC Minutes from 06.07.23		
		External Audit Progress Report (E&Y)		
		Audit Results Report (E&Y)(Results of 2021/22 audit including any matters outstanding)	Deferred	Deferred from July meeting
		Internal Audit Progress Report		
		Internal Audit Actions Update		
		Statement of Assurance		
		Review of Fire Authority's Effectiveness (Biennial review - due 2024/25)		
		Fire Standards Board update		
		Corporate Risk Register - Exception Report		**Restricted**
		Work Programme		
	Additional/Commissioned Items			

Audit & Standards Committee Meeting Date 04.01.24

Cyclical Agenda Items	Agenda item (locked for editing)	ACO Review (select from drop down list)	Notes
	Communications		
	ASC Minutes from 17.10.23		
	Audit Results Report (E&Y)(Results of 2022/23 audit including any matters outstanding)		Provisional date for 22/23 audit: Sept/early October 2023
	Internal Audit Progress Report (RSM)		
	Review of the Effectiveness of the Fire & Rescue Authority's Internal Auditors		
	Internal Audit Actions Update		
	Review of Monitored policies (next review to be September 2024 to provide full year)		
	Report on Registration of Interests and Gifts/Hospitality		
	Fire Standards Board update		
	Corporate Risk Register - Exception report		**Restricted**
	Work Programme		
Additional/Commissioned Items			

Audit & Standards Committee Meeting Date 26.03.24

Cyclical Agenda Items	Agenda item (locked for editing)	ACO Review (select from drop down list)	Notes
	Communications		
	ASC Minutes from 04.01.24		
	External Audit Plan 2024/25 (E&Y/KPMG)		
	Ernst & Young Quality Assurance Processes		
	Internal Audit Progress report		
	Internal Audit Strategy 2024/25 to 2026/27		
	Internal Audit Actions Update		
	Corporate Risk Register - Exception report		**Restricted**
	Work Programme		
Additional/Commissioned Items			

BUDGET WORKSHOP 2023/24

Budget Workshop (1) 30.11.23

Cyclical Agenda Items	**Agenda item (locked for editing)**	**CFO Review (select from drop down list)**	**Notes**
	CRMP		
	2024-25 Budgeting		
Additional/Commissioned Items			

Budget Workshop 25.01.24

Cyclical Agenda Items	**Agenda item (locked for editing)**	**CFO Review (select from drop down list)**	**Notes**
	Introduction		
	Council Tax Consultation - summary of responses (to date)		
	Revenue Budget		
	Capital Programme 2024/25 - 2027/28		
	Summary and next steps		
Additional/Commissioned Items			

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