

Fire & Rescue Service Headquarters Summergroves Way Kingston upon Hull HU4 7BB
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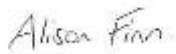
To: Members of the Fire Authority	Enquiries to: Alison Finn
	Email: committeemanager@humbersidefire.gov.uk
	Tel. Direct: (01482) 393204
	Date: 20 April 2023

Dear Member

I hereby give you notice that a meeting of **HUMBERSIDE FIRE AUTHORITY** will be held on **FRIDAY, 28 APRIL 2023** at **10.30AM** at **HUMBERSIDE FIRE & RESCUE SERVICE HEADQUARTERS, SUMMERGROVES WAY, KINGSTON UPON HULL, HU4 7BB.**

The business to be transacted is set out below.

Yours sincerely



for Lisa Nicholson
Monitoring Officer & Secretary to Fire Authority

Enc.

A G E N D A

Business	Page Number	Lead	Primary Action Requested
1. Apologies for absence	-	Monitoring Officer & Secretary	To record
2. Declarations of Interest	-	Monitoring Officer & Secretary	To declare
3. Minutes of the Authority meeting held on 10 March 2023	(pages 1 - 7)	Chairperson	To approve
4. Minutes of the GAS meeting held on 3 April 2023	(pages 8 - 11)	Chairperson	To receive
5. Questions by Members	-	Monitoring Officer & Secretary	To receive
6. Communications	-	Chairperson	To receive
7. External Audit: Annual Strategy Memorandum 2022/23	(pages 12 - 43)	Mazars	To receive
8. Internal Audit: Director of Audit Opinion and Annual Report (2022/23)	(pages 44 - 47)	TiAA	To receive
9. Management Accounts 2022/23 Period ending 28 February 2023	(pages 48 - 49)	Executive Director of Finance & S.151 Officer	To receive
10. Annual Governance Statement 2022/23	(pages 50 - 59)	Assistant Chief Fire Officer & Executive Director of Corporate Services	To approve

Business	Page Number	Lead	Primary Action Requested
11. Anti-Fraud and Corruption Statement 2022/23	(pages 60 - 63)	Assistant Chief Fire Officer & Executive Director of Corporate Services	To approve
12. Use of Delegated Powers by the Chief Fire Officer 2022/23	(pages 64 - 65)	Chief Fire Officer & Chief Executive	To receive
13. Staff Pay Award	(pages 66 - 71)	Executive Director of People and Development	To receive
14. Review of the Prevention Strategy	(pages 72 - 74)	Deputy Chief Fire Officer & Executive Director of Service Delivery	To receive
15. Efficiency & Productivity Plan 2023/24	(pages 75 - 91)	Executive Director of Finance & S.151 Officer and Assistant Chief Fire Officer & Executive Director of Corporate Services	To approve
16. Chief Fire Officer Update	verbal	Chief Fire Officer & Chief Executive	To receive

FRIDAY, 10 MARCH 2023

PRESENT:

Members

Representing East Riding of Yorkshire Council:

Councillors Abraham, Davison, Dennis, Green, Jefferson, Smith [in remote attendance] and West

Representing Hull City Council:

Councillors Chambers, Dad, Neal and Nicola

Representing North East Lincolnshire Council:

Councillors Lindley, Patrick, Shepherd and Swinburn

Representing North Lincolnshire Council:

Councillors Briggs (*Chairperson*), Grant and Sherwood [in remote attendance]

Officers of Humberside Fire & Rescue Service

Phil Shillito - Chief Fire Officer & Chief Executive, Matthew Sutcliffe – Assistant Chief Fire Officer & Executive Director of Corporate Services, Niall McKiniry - Deputy Chief Fire Officer & Executive Director of Service Delivery, Christine Cooper - Executive Director of People and Development [in remote attendance], Kevin Wilson - Executive Director of Finance/Section 151 Officer, Steve Duffield - Area Manager Service Improvement, Jon Henderson - Area Manager Prevention and Protection, Jason Kirby - Area Manager of Emergency Response, Lisa Nicholson - Monitoring Officer/Secretary and Alison Finn - Committee Manager.

Also in attendance:

Internal Auditor

Andrew McCullough (presented Minute 19/23)

The meeting was held at Service Headquarters, Hessle.

13/23 APOLOGIES FOR ABSENCE - Apologies for absence were submitted from Jonathan Evison (Police and Crime Commissioner) and Councillors Belcher, Fox, McMurray and Waltham MBE.

14/23 DECLARATIONS OF INTEREST - There were no declarations of interest.

15/23 MINUTES - Resolved - That the minutes of the meeting of the Authority held on 10 February 2023 be approved as a correct record.

16/23 MINUTES OF THE GOVERNANCE, AUDIT AND SCRUTINY COMMITTEE - Resolved - That the minutes of the Governance, Audit and Scrutiny Committee meetings held on 20 February 2023 be received.

17/23 QUESTIONS BY MEMBERS - there were no questions by Members.

18/23 COMMUNICATIONS - The following communications were reported:

The Service had received two requests from HMICFRS:

- (i) asking for details of any disciplinary cases resulting in gross misconduct due to cultural issues, the Service provided a nil return, and **1**

- (ii) asking how the Service utilised DBS checks during the recruitment process.

19/23 INTERNAL AUDIT PLAN 2023/24 - Andrew McCullough presented the Internal Audit Plan 2023/24.

The Audit Plan for 2023/24 was informed by a risk assessment carried out across Fire Services to ensure that planned coverage of the year focussed on key audit risks and that the coverage enabled a robust annual Head of Internal Audit Opinion to be provided. The key emerging themes were the Macroeconomic and financial environment, increasing wage demands, cyber security and climate change. The Plan would also consider Bullying, Harassment and Discrimination, Enforcement Powers and Priorities, Staff Development and ICT Management Controls.

Resolved - That the Internal Audit Plan be approved.

20/23 TREASURY MANAGEMENT AND CAPITAL EXPENDITURE STRATEGY 2023/24 - The Executive Director of Finance/S.151 Officer submitted a report that set out the Prudential Indicators for Treasury Management and Capital and the Treasury Management Policy Statement for adoption for the financial year 2023/24.

The Authority's Constitution required that the Policy Statement was approved by the full Fire Authority and that responsibility could not be delegated.

The report also outlined the recommended policy to be adopted in respect of creating the Minimum Revenue Provision for 2023/24, in line with the statutory requirements set out in The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 and 2017.

The suggested strategy for 2023/24 in respect of the treasury management function was based upon the S.151 Officer's views on interest rates, supplemented with leading mark forecasts provided by the Authority's treasury management advisors and support from the treasury management team within Hull City Council. The strategy covered:

- limits in force which will limit the treasury risk and activities of the Authority;
- the Treasury Management and Prudential Indicators;
- the current treasury position;
- prospects for interest rates;
- the borrowing requirement strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy;
- the MRP strategy;
- policy on use of external service providers

The approach outlined within the report was aimed at achieving effective and efficient management of the Authority's financial resources and reflected a prudent approach to the management of financial risk for the Authority.

The Authority forecast to have an under-borrowed position in relation to long-term borrowing of £0.911m at the end of 2022/23 which would save in the region of £10k in interest in each year until the borrowing was taken.

Members were requested to consider and approve the Treasury Management Strategy Statement for 2023/24 onwards. Members were also asked to approve an increase to the Money Market Funds from £1 million each to £2 million each subject to a £6 million maximum.

Resolved - (i) That the 2023/24 Treasury Management Strategy Statement be approved, and

- (ii) That the increase to the Money Market Funds from £1 million to £2 million each, subject to a £6 million maximum, be approved.

21/23 PAY POLICY STATEMENT 2023/24 - The Executive Director of People and Development submitted a report that proposed a Pay Policy Statement for Humberside Fire Authority for 2023/24, as required by the Localism Act 2011, for approval by the Fire Authority.

The Act introduced senior staff pay transparency into local authorities with a requirement that authorities prepared a Pay Policy Statement for each financial year. A statement for Humberside Fire Authority was first produced for 2012/13 and approved by the Fire Authority at its meeting on 17 April 2012 (Minute 3839 refers).

The Authority agreed at that time that the Pay Policy Statement should be reviewed annually by officers and that any proposed amendments would be brought before the full Fire Authority for consideration.

The proposed statement for 2023/24 reflected the pay details for the current Strategic Leadership Team posts. A draft Pay Policy Statement for 2023/24 had been produced in compliance with the legislative requirements and having regard to the DCLG guidance. The proposed Statement complied with the legislative requirements and reflected the structure of the Strategic Leadership Team as agreed by the Humberside Fire Authority on 12 March 2021.

Resolved – (i) That the Fire Authority approves the draft Pay Policy Statement for 2023/24;

- (i) That the Chief Fire Officer and Chief Executive be authorised to make factual adjustments to the Policy during the course of 2023/24, for example, in reflection of the impact of any pay awards arising for different employment groups during the year;
- (ii) That any other proposed amendments to the Policy during 2023/24 be brought before the full Authority for consideration;
- (iii) That a review of senior officer (Executive Board and Area Managers) pay be carried out during the financial year 2023/34.

22/23 PERFORMANCE REPORTING AND SERVICE PERFORMANCE INDICATORS 2023/24 - The Assistant Chief Fire Officer & Executive Director of Corporate Services submitted a report that provided information regarding the reporting of Service level performance for the period 2023/24, monitored and retrospectively reported to Members on a bi-annual basis.

Bi-annual performance reporting provided Members and the public with more meaningful performance information. That was achieved as the longer reporting period enabled more robust trend analysis to be completed, combined with the opportunity to evaluate the impact of Service intervention activities.

The established frequency of bi-annual performance reporting would continue for 2023/24, as detailed in the business planning framework and outlined below:

- (i) April to September performance would be reported to Members in November 2023.

- (ii) The annual performance report, reflective of cumulative performance over the full 12-month period, would be issued to Members in June 2024.

Bi-annual performance reporting would be supplemented by exception reporting of relevant trends / incidents or events to Members at Authority meetings and / or Member Days.

Performance reports would be reflective of the following principle Service activities:

- Key Incident Information
- Protection
- Prevention
- Response
- Environmental
- People
- Public Feedback
- Corporate Responsibilities

Specific Service Performance Indicators (SPI's) that would be reported against included:

- SPI High Severity Fires
- SPI 2.2 Total Deliberate Fires
- SPI 2.3 Accidental Dwelling Fires
- SPI 2.4 Deliberate Secondary Fires
- SPI 2.5 Automatic Fire Alarms (Non-Domestic)

Resolved - That Members endorse the approach for the reporting of Service performance for the period 2023/24.

23/23 STATE OF THE FIRE REPORT 2022 - The Assistant Chief Fire Officer & Executive Director of Corporate Services submitted a report that provided an overview of the key findings from the annual assessment of fire and rescue services in England. It was the fourth of such reports and the first in his role as His Majesty's Chief Inspector of Fire and Rescue Services for Andy Cooke, replacing Sir Tom Winsor. There were several national recommendations and findings from their second round of Service inspections.

The second full cycle of all 44 fire and rescue service (FRS) inspections in England, known as Round 2 inspections, was divided into 3 phases of inspection, known as 'tranches'. In December 2021, HMICFRS published the findings from its 13 Tranche 1 inspections. In July 2022, it published its findings from the second tranche of 15 service inspections. Between March and August 2022, it carried out its third and final tranche of 16 service inspections. Having now inspected all 44 services in England, HMICFRS have published the reports on Tranche 3 inspections alongside the State of Fire 2022 report.

The report referenced the need for urgent reform for fire and rescue services stating, "Society is constantly changing, and public services should adapt accordingly. In too many respects, the fire service hasn't." On 26 July 2022, the White Paper consultation closed; the Government had not yet published its response, but former Fire Minister Lord Greenhalgh publicly said that it had an "oven-ready blueprint for reform".

There had been a lack of progress being made against the six national recommendations established by Sir Tom Winsor in the State of Fire 2019 report. Of those six recommendations only two have been completed.

The report positively reflected upon particular areas of progress:

- The NFCC had continuation of national fire and rescue policy and the Fit for Future initiative.
- Development of the Fire Standards which HMICFRS inspection framework will have due regard of during round 3.
- Revision and the introduction to related legislation including the Fire Services Act 2021 sections one and three, alongside the Building Safety Act 2022.

The Service would appropriately manage against the several national recommendations and findings from their second round of Service inspections detailed in the State of Fire Report 2022.

Resolved – (i) That the Service monitors, reviews and actions work as applicable, relating to the identified findings presented in His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) State of Fire Report 2022, aligned to existing workstreams and those recorded in the Service Improvement Plan;

- (ii) That it be acknowledged that the Service received good ratings against each of the three inspection pillars and the 11 diagnostic areas of work, from the round 2 inspection. Subsequently some of the findings from the State of Fire Report were not directly comparable to those in the Service.
- (iii) That it be acknowledged that the Service has established staff representation on key national working groups, including those highlighted in the report.
- (iv) That all national workstreams and standards detailed in the report are accordingly managed by the Service to ensure compliance and effective performance.

24/23 HUMBERSIDE FIRE & RESCUE SERVICE – CULTURAL JOURNEY - The Assistant Chief Fire Officer & Executive Director of Corporate Services submitted a report that outlined the findings into the London Fire Brigade.

An Independent Culture Review commissioned by London Fire Brigade (LFB) identified serious cultural issues within the organisation. The review's author had been clear that the conduct and behaviour of some people at LFB would not be an isolated issue and that all Fire and Rescue Services should take note of the findings and recommendations within the report.

Humberside Fire & Rescue Service was an early adopter of the Core Code of Ethics that were launched by the Fire Standards Board. Prior to their inception the Service had an embedded set of behaviours and principles. The Service was found to be 'good' across the People Pillar of His Majesty's Inspectorate of Constabulary and Fire & Rescue Services inspection in 2022. However, the Service acknowledged that it should seek to continuously improve in that area and was proposing several immediate actions in response to the LFB review.

Whilst there was no evidence to suggest that the systemic problems identified at LFB existed in the Service, the organisation would not be complacent. It was known from previous disciplinary investigations that poor behaviour did occur occasionally despite the work that had been done over the last five years.

The report provided assurance to Members that action had already taken place within the Service since the introduction of the Core Code of Ethics while recognising there was more to do and what was planned to take place since the publication of the LFB report.

The Service was currently out to tender for a third party provider to support the Service with independent rigour. It was envisaged that this work would be completed by late October 2023 which would allow the Service sufficient time to consider any recommendations.

Resolved - (i) That Members note the report and take assurance that the Service is continuing to embed its culture and values, and

(ii) that Members support the use of an external provider in aiding the Service through an independent approach to further embed the values and behaviours expected in line with the Core Code of Ethics within the Service.

25/23 SERIOUS VIOLENCE DUTY – The Area Manager for Prevention and Protection submitted a report to update Members on the progress of the Serious Violence Duty. The Duty was introduced by the Government in May 2021 to ensure relevant services, including Fire and Rescue Services (FRS) worked together to share data and knowledge and allow them to target their interventions to prevent serious violence together.

The Duty applied to the Fire and Rescue Authority for all Authority areas, including Police, Fire and Crime Commissioners, metropolitan Mayors in their capacity as fire and rescue authorities and in the exercise of those functions. Humberside Fire and Rescue had identified Sarah Wilkinson, Head of Prevention to be the FRS lead in that area. However, the Authority as the duty holder would remain responsible for compliance with the requirements of the Duty. The Authority should therefore, ensure that any suitable representative had responsibility and authority for ensuring full participation with the partnership arrangements.

Emergency Services were already subject to a statutory duty to collaborate with one another, and FRS have a key role in those partnerships, often occupying a very trusted position by community groups. Collaboration with partners could aid early identification and diversion from involvement in serious violence, which were both crucial in reversing the increase in harm, which might be caused by and against young people in the local community.

The duty would ensure that serious violence was made a focus within existing multi-agency arrangements, such as multi-agency safeguarding arrangements or Community Safety Partnerships and would allow for collaboration between a much wider set of partners. That duty would also introduce a requirement for local partnerships to establish their local problem profile and produce a local strategy specifically aimed at preventing and reducing serious violence.

The primary role for the Service in the Duty centres on well-established work that the Service had undertaken with Children and Young People to support early intervention to keep young people safe and

away from violence. There was a clear role for the Service to support that work and that should be explored nationally and locally. Fire played a big role and was probably better established than most agencies; increased trust of FRSs should be used more widely through local partnerships.

The Head of Prevention would be the single point of contact for Humberside Fire and Rescue and was working regionally and nationally within the sector and with partners to ensure compliance.

Resolved - That the report be received.

26/23 SUGGESTED SCRUTINY TOPICS 2023/24 - The Assistant Chief Fire Officer & Executive Director of Corporate Services submitted a report with a list of scrutiny topics, proposed by the Strategic Leadership Team for the Fire Authority to consider and shortlist for the Governance, Audit and Scrutiny (GAS) Committee's Scrutiny programme 2023/24.

The GAS committee set an annual scrutiny programme, looking at a variety of aspects of the Service's work and policy implementation from the point of view of the communities it served, to provide constructive feedback and recommendations to improve the Service. The GAS Committee would programme six scrutiny items for completion during 2023/24.

The Authority was requested to consider the proposed topics of scrutiny put forward and shortlist six for the GAS Committee's Scrutiny Programme 2023/24.

Resolved – That the Authority approve the list of scrutiny topics put forward and that the GAS Committee shortlist to six scrutiny items for its 2023/24 Scrutiny Programme.

27/23 INDUSTRIAL ACTION PLANNING UPDATE - The Deputy Chief Fire Officer & Executive Director of Service Delivery verbally updated on the industrial action planning that had been undertaken to date. Industrial Action had now been averted following the acceptance by FBU Members of a 7 per cent in year pay increase and a 5 per cent increase next year for grey book staff. The contingency crews recruited to cover for industrial action would be retained and utilised to provide additional resource to the full-time and on-call model when for future events such as extreme weather events where additional staff would be required.

Resolved - That the report be received.

28/23 CHIEF FIRE OFFICER UPDATE - The Chief Fire Officer/Chief Executive provided a verbal update.

- i. The Chief Fire Officer placed on record his thanks to the local FBU for their engagement during the contingency planning period and agreement with the major incident protocol.
- ii. The Service's Falls team had again been praised and used as an example of good practice.
- iii. The recent Local Government Association (LGA) Conference heard from the new Fire Minister. The subject of Culture was also discussed, including bullying and harassment within the fire and rescue sector. The Chief Fire Officer reiterated that heroism was not an excuse for poor behaviour and that the Service took a zero tolerance towards bullying and harassment.
- iv. Scientists had predicted more volatile weather patterns in the future and the contingency crews recruited in the event of industrial action would be retained to provide a third wave response should they be needed.
- v. The Deputy Chief Fire Officer reported that there had sadly been a fire fatality earlier in the week.

Resolved - That the update be noted.

29/23 EXCLUSION OF THE PRESS/PUBLIC - Resolved - That the press and public be excluded from the meeting for consideration of the following item on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 3 & 4 of Part 1 of Schedule 12A of the Local Government Act 1972.

In making its decision the Authority confirmed that having regard to all the circumstances it was satisfied that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

30/23 EARLY RETIREMENT APPLICATION - The Assistant Chief Fire Officer & Executive Director of Corporate Services submitted a report that contained options for the Authority to consider regarding the application for early retirement of a Head of Function.

Resolved - That Option A be approved (approval of the application for Early Retirement from the Service in line with the Services' Early Retirement Policy).

HUMBERSIDE FIRE AUTHORITY
GOVERNANCE, AUDIT AND SCRUTINY COMMITTEE

3 APRIL 2023

PRESENT: Independent Co-opted Members Chris Brown, Kathryn Lavery, Nigel Saxby, and Gerry Wareham.

Officers Present: Matthew Sutcliffe – Assistant Chief Fire Officer & Executive Director of Corporate Services, Christine Cooper - Executive Director of People and Development, Sam O'Connor – Head of Organisational Development, Steve Duffield – Area Manager of Service Improvement, Martyn Ransom – Joint Deputy Chief Finance Officer & Deputy S.151 Officer, Simon Rhodes - Head of Corporate Assurance, Ian Marritt - Voices for Disability Chair, Jamie Morris – Senior Service Improvement Officer, Gareth Naidoo – Senior Corporate Assurance Officer, Lisa Nicholson – Monitoring Officer/Secretary, and Rob Close – Committee Manager.

External Audit (Mazars)

Ross Woodley – Mazars

Councillor Green was also in attendance.

The meeting was held at the Humberside Fire and Rescue Service Headquarters, Kingston upon Hull.

In the absence of the Chairperson, the Monitoring Officer & Secretary took nominations to appoint a Chair for the meeting.

21/23 APPOINTMENT OF CHAIRPERSON FOR THIS MEETING – Resolved - That Chris Brown be appointed Chair for the meeting.

22/23 APOLOGIES FOR ABSENCE – Apologies for absence were received from Melissa Dearey.

23/23 DECLARATIONS OF INTEREST – No declarations of interest were made with respect to any items on the agenda.

24/23 MINUTES – *Resolved* – That the minutes of the meeting held on 20 February 2023 be confirmed as a correct record.

25/23 ANNUAL STRATEGY MEMORANDUM 2022/23 – Ross Woodley (Mazars) presented the External Audit Strategy Memorandum for the year ending 31 March 2023.

The Committee was advised that the Audit Strategy Memorandum had not significantly changed compared to those of previous years. The Memorandum presented the same three standard fire and rescue service key risks as it had in the previous year. No changes had been made to the fees for the audit, other than a 5.2 per cent increase from inflation which was funded through Public Sector Audit Appointments (PSAA). The calculation for misstatements remained the same as previous years with £43,000 sitting as the threshold misstatement to be reported to the Committee.

There was significant workforce challenges across the public auditing sector which was only exacerbated by the return to the 31 September sign off deadline. However, the Authority's

audit was relatively simple, so the external auditors were cautiously optimistic to meet the sign off deadline. The impact to the Authority from external auditor performance was minimal, though, there was some effort made to include Key Performance Indicators (KPIs) in the contracts made through PSAA. Ultimately, this proved unfeasible.

The external valuer used in the valuation of land and buildings was, so far, considered to be acceptable by the external auditors. Furthermore, while the external auditors were satisfied that there was not likely to be a change in contributions, the assets and liabilities of the pension fund were likely to vary significantly.

Resolved – That the External Audit Strategy Memorandum be received.

26/23 MANAGEMENT ACCOUNTS 2022/23 PERIOD ENDING 28 FEBRUARY 2023 – The Committee received a report of the Deputy Joint Chief Finance Officer and Deputy Section 151 Officer.

The Authority was forecast an underspend of £0.6m in its revenue budget with the inclusion of the 2023 pay award. The capital account was also underspent by £4.2m as a consequence of slippage on estates work.

To meet the additional costs of the pay award, the Authority was able to avoid using reserves because of the accumulated asset interest and capital programme slippage. There was however expected to be a larger impact to the Authority's finances during the next financial year.

The capital programme slippage was not expected to have a detrimental effect on the delivery of service as the programme focussed primarily on replacements for vehicles that had capacity that could still be extended.

It was felt that the activity to recruit and train contingency staff still provided satisfactory value for money as those staff provided a third model of response where necessary.

Resolved – That the Management Accounts for the period ending 28 February 2023 be received.

27/23 ANNUAL GOVERNANCE STATEMENT 2022/23 – The Committee received a report of the Area Manager of Service Improvement summarising the draft Annual Governance Statement for 2022/23.

The Annual Governance Statement 2022/23 would accompany the Authority's audited accounts and had been submitted to the Committee for consideration prior to its adoption at Humberside Fire Authority. The Statement set out ensuring that the Authority's business was conducted in accordance with the law and proper standards and was making economic, efficient, and effective use of its resources through its governance arrangements.

Ultimately, officers were content that the Annual Governance Statement was effective in identifying the Authority's Governance position.

It was explained that the constitution was reviewed on an annual basis including issues of schemes of delegation.

Resolved – (a) That the Committee endorse the draft Annual Governance Statement for 2022/23 to the Humberside Fire Authority.

(b) That, once approved, the Statement on the overall Head of Internal Audit opinion for the period 1 April 2022 to 31 March 2023 be forward to the Governance, Audit and Scrutiny Committee for information.

28/23 ANNUAL ANTI-FRAUD AND CORRUPTION STATEMENT 2022/23 – The Committee received a report of the Area Manager Service Improvement summarising the draft Annual Anti-Fraud and Corruption Statement 2022/23.

Produced in response to the recommendations within an Internal Audit review of Counter Fraud Arrangements, the annual Anti-Fraud and Corruption Statement covered key actions taken throughout the reporting year to provide an assurance of the processes in place. The report covered whistleblowing, anti-bribery, anti-money laundering and anti-fraud and corruption.

The Committee raised concerns that there was a want of evidence to validate the absence of any cases of fraud. However, they subsequently took assurance that any incidence of fraud were reported to the Chair of the Governance, Audit and Scrutiny Committee and the Monitoring Officer.

Resolved – That the Committee endorse the Annual Anti-Fraud and Corruption Statement 2022/23 to the Humberside Fire Authority.

27/23 SCRUTINY ITEM – EQUALITY, DIVERSITY, AND INCLUSION STAFF FORUMS – The Committee received a report of the Head of Organisational Development in response to scope outlined in the Committee's Scrutiny Work Programme for 2022/23.

Following the completion of Public Sector Equality Duty (PSED) from 2016-2020, the Authority decided to renew its approach to equality, diversity and inclusion (EDI) during 2020-2021, and instituted a new focus to the EDI Steering Group and invited staff to develop Staff Forums. Those forums were led by staff for staff and determined their own pace of development and role within the organisation. Three staff forums emerged from interest generated through the EDI Steering Group, and with organisational development internal consultancy support:

- Voices for Women;
- Voices for Disability, and;
- LGBTQ+ network forum.

The EDI steering group met quarterly, chaired by the Head of Organisational Development, who was also the Corporate EDI lead. The group members were a cross section of staff from across the Authority together with Heads of Function and an open invite to the HFA EDI champions. The Chairs of the Staff Forums attended the quarterly EDI Steering Group and actively contributed to the development and achievement of the EDI strategic priorities and PSED as well as identifying challenges for improvements within their forums for underrepresented staff within the Authority.

The Authority's Strategic Leadership Team was fully committed to EDI and actively demonstrated it through the Senior Equality Ambassador roles as they work to promote equality, solve challenges to inequalities both within the service and the communities they serve. The equality strands included race and religion/belief, LGBTQ+, sex, disability, and age.

While the Authority was committed to positive action and promotion of the Authority as an employer of choice, it still suffered from societal, geographic and demographic challenges to overcome, including encouraging diverse communities to consider the Fire and Rescue Service as an employer of choice for them.

Members raised the following points:

- **Impact** – There had been a number of measurable impacts as a result of the EDI Staff Forums. One example was the adoption of a social model approach when responding to staff ill health. To achieve this, the Authority operated a policy of making ‘reasonable adjustments’ to working practices to accommodate staff health conditions. A further example included the contribution of the Voices for Women Group towards the Authority’s menopause policy. Ultimately, feedback from the forums indicated that they were satisfied that their contributions were meaningful and regular with support from EDI ambassadors between meetings.
- **Recruitment** – It was appreciated that there was room to diversify the demographical makeup of the Authority through targeted recruitment strategies and work with community groups. Initial efforts already taken, included providing an increased presence and engagement in areas of demographically diverse make ups. Suggestions moving forward included engaging with minority recruits to determine what the encouraging and discouraging factors where to applying.
- **Retention** – The forums also offered significant support to the prevention of health conditions which may have caused changes to working capacity or early retirement through the lived experience of staff. Furthermore, engagement with staff more generally helped to shape the Authority’s employment policies in order to improve staff satisfaction and ultimately retention.

Resolved – That the Committee endorse the work undertaken by the Equality, Diversity and Inclusion Staff Forums.

Audit Strategy Memorandum

Humberside Fire Authority

Year ending 31 March 2023



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- 03 Audit scope, approach and timeline
- 04 Significant risks and other key judgement areas
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- 08 Materiality and misstatements

- A Appendix A – Key communication points
- Appendix B – Revised auditing standard on Identifying and assessing the risks of material misstatement: ISA (UK) 315 (Revised 2019)

This document is to be regarded as confidential to Humberside Fire Authority. It has been prepared for the sole use of the Authority and the Governance, Audit and Scrutiny Committee as the appropriate sub-committee charged with governance. No responsibility is accepted to any other person in respect of the whole or part of its contents. Our written consent must first be obtained before this document, or any part of it, is disclosed to a third party.

Humberside Fire Authority and Governance, Audit and Scrutiny Committee

Humberside Fire and Rescue Service Headquarters

Summergroves Way, Hull HU4 7BB

27 March 2023

Dear Sirs / Madams

Mazars LLP
The Corner
Bank Chambers
26 Mosley Street
Newcastle Upon Tyne
NE1 1DF

Audit Strategy Memorandum – Year ending 31 March 2023

We are pleased to present our Audit Strategy Memorandum for Humberside Fire Authority for the year ending 31 March 2023. The purpose of this document is to summarise our audit approach, highlight significant audit risks and areas of key judgements and provide you with the details of our audit team. As it is a fundamental requirement that an auditor is, and is seen to be, independent of its clients, section 7 of this document also summarises our considerations and conclusions on our independence as auditors. We consider two-way communication with you to be key to a successful audit and important in:

- reaching a mutual understanding of the scope of the audit and the responsibilities of each of us;
- sharing information to assist each of us to fulfil our respective responsibilities;
- providing you with constructive observations arising from the audit process; and
- ensuring that we, as external auditors, gain an understanding of your attitude and views in respect of the internal and external operational, financial, compliance and other risks facing Humberside Fire Authority which may affect the audit, including the likelihood of those risks materialising and how they are monitored and managed.

With that in mind, we see this document, which has been prepared following our initial planning discussions with management, as being the basis for a discussion around our audit approach, any questions, concerns or input you may have on our approach or role as auditor. This document also contains an appendix that outlines our key communications with you during the course of the audit, and explains the implications of the introduction of the new auditing standard for Identifying and assessing the risks of material misstatement: ISA (UK) 315 (Revised 2019).

Client service is extremely important to us and we strive to provide technical excellence with the highest level of service quality, together with continuous improvement to exceed your expectations so, if you have any concerns or comments about this document or audit approach, please contact me on 0191 383 6300.

Yours faithfully



Gavin Barker

Mazars LLP

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Tel: 0191 383 6300 – www.mazars.co.uk

Mazars LLP is the UK firm of Mazars, an integrated international advisory and accountancy organisation. Mazars LLP is a limited liability partnership registered in England and Wales with registered number OC308299 and with its registered office at 30 Old Bailey, London EC4M 7AU.

We are registered to carry on audit work in the UK by the Institute of Chartered Accountants in England and Wales. Details about our audit register can be viewed at www.auditregister.org.uk under reference number C001139861. VAT number: 839 8356 73

01

Section 01:

Engagement and responsibilities summary

1. Engagement and responsibilities summary

Overview of engagement

We are appointed to perform the external audit of Humberside Fire Authority (the Authority) for the year to 31 March 2023. The scope of our engagement is set out in the Statement of Responsibilities of Auditors and Audited Bodies, issued by Public Sector Audit Appointments Ltd (PSAA) available from the PSAA website: <https://www.psaa.co.uk/managing-audit-quality/statement-of-responsibilities-of-auditors-and-audited-bodies/>. Our responsibilities are principally derived from the Local Audit and Accountability Act 2014 (the 2014 Act) and the Code of Audit Practice issued by the National Audit Office (NAO), as outlined below.

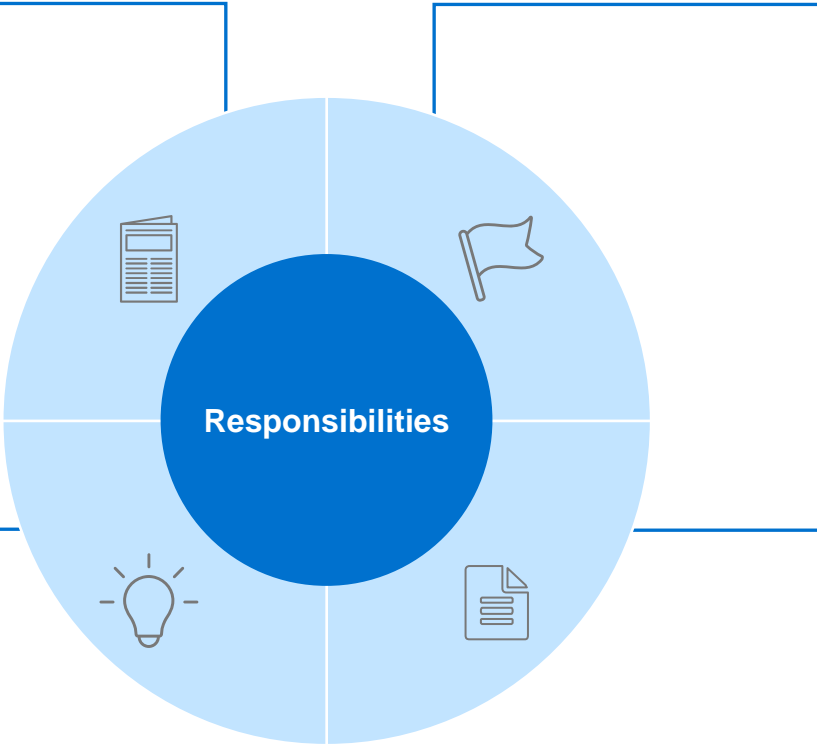
Audit opinion

We are responsible for forming and expressing an opinion on whether the financial statements are prepared, in all material respects, in accordance with the Code of Practice on Local Authority Accounting. Our audit does not relieve management or the Authority as those charged with governance, of their responsibilities.

The Executive Director of Finance is responsible for the assessment of whether it is appropriate for the Authority to prepare its accounts on a going concern basis. As auditors, we are required to obtain sufficient appropriate audit evidence regarding going concern and conclude on: a) whether a material uncertainty related to going concern exists; and b) consider the appropriateness of the Executive Director of Finance's use of the going concern basis of accounting in the preparation of the financial statements.

Value for money

We are also responsible for forming a commentary on the arrangements that the Authority has in place to secure economy, efficiency and effectiveness in its use of resources. We discuss our approach to Value for Money work further in Section 5 of this report.



Fraud

The responsibility for safeguarding assets and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with both those charged with governance and management. This includes establishing and maintaining internal controls over reliability of financial reporting.

As part of our audit procedures in relation to fraud we are required to enquire of those charged with governance, including key management as to their knowledge of instances of fraud, the risk of fraud and their views on internal controls that mitigate the fraud risks. In accordance with International Standards on Auditing (UK), we plan and perform our audit so as to obtain reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether caused by fraud or error. However, our audit should not be relied upon to identify all such misstatements.

Wider reporting and electors' rights

We report to the NAO on the consistency of the Authority's financial statements with its Whole of Government Accounts (WGA) submission.

The 2014 Act requires us to give an elector, or any representative of the elector, the opportunity to question us about the accounting records of the Authority and consider any objection made to the accounts. We also have a broad range of reporting responsibilities and powers that are unique to the audit of local authorities in the United Kingdom

02

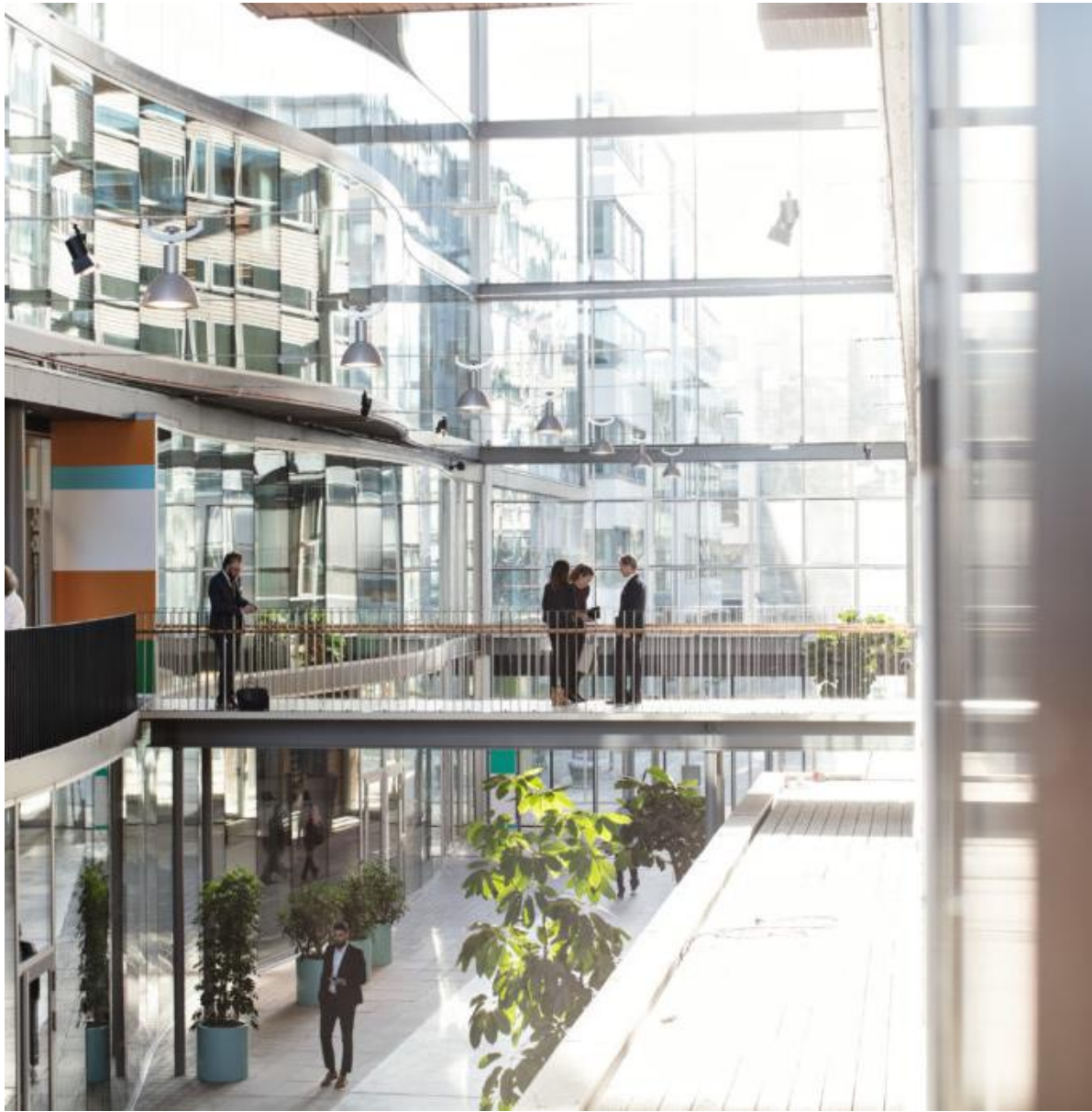
Section 02:

Your audit engagement team

2. Your audit engagement team

The Engagement Lead and Engagement Manager for this audit are unchanged but Henna Tammi has replaced Wanda Khonjwayo as team leader. The key members of this year's audit team are set out below:

Who	Role	E-mail
Gavin Barker	Director and Engagement Lead	Gavin.Barker@mazars.co.uk
Ross Woodley	Manager	Ross.Woodley@mazars.co.uk
Henna Tammi	Team Leader	Henna.Tammi@mazars.co.uk



03

Section 03:

Audit scope, approach and timeline

3. Audit scope, approach and timeline

Audit scope

Our audit approach is designed to provide an audit that complies with all professional requirements.

Our audit of the financial statements will be conducted in accordance with International Standards on Auditing (UK), relevant ethical and professional standards, our own audit approach and in accordance with the terms of our engagement. Our work is focused on those aspects of your activities which we consider to have a higher risk of material misstatement, such as those impacted by management judgement and estimation, application of new accounting standards, changes of accounting policy, changes to operations or areas which have been found to contain material errors in the past.

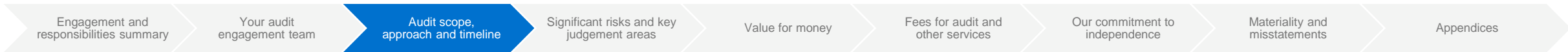
Audit approach

Our audit approach is risk-based and primarily driven by the issues that we consider lead to a higher risk of material misstatement of the accounts. Once we have completed our risk assessment, we develop our audit strategy and design audit procedures in response to the risks identified.

If we conclude that appropriately-designed controls are in place, then we may plan to test and rely upon these controls. If we decide controls are not appropriately designed, or we decide it would be more efficient to do so, we may take a wholly substantive approach to our audit testing. Substantive procedures are audit procedures designed to detect material misstatements at the assertion level and comprise: tests of details (of classes of transactions, account balances, and disclosures); and substantive analytical procedures. Irrespective of the assessed risks of material misstatement, which take into account our evaluation of the operating effectiveness of controls, we are required to design and perform substantive procedures for each material class of transactions, account balance, and disclosure.

Our audit will be planned and performed so as to provide reasonable assurance that the financial statements are free from material misstatement and give a true and fair view. The concept of materiality and how we define a misstatement is explained in more detail in section 8.

The diagram on the next page outlines the procedures we perform at the different stages of the audit.



3. Audit scope, approach and timeline

Planning and Risk Assessment February – March 2023

- Planning visit and developing our understanding of the Authority
- Initial opinion and value for money risk assessments
- Considering proposed accounting treatments and accounting policies
- Developing the audit strategy and planning the audit work to be performed
- Agreeing timetable and deadlines
- Risk assessment analytical procedures
- Determination of materiality

Completion to be confirmed

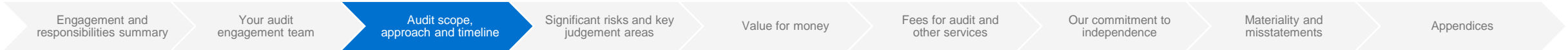
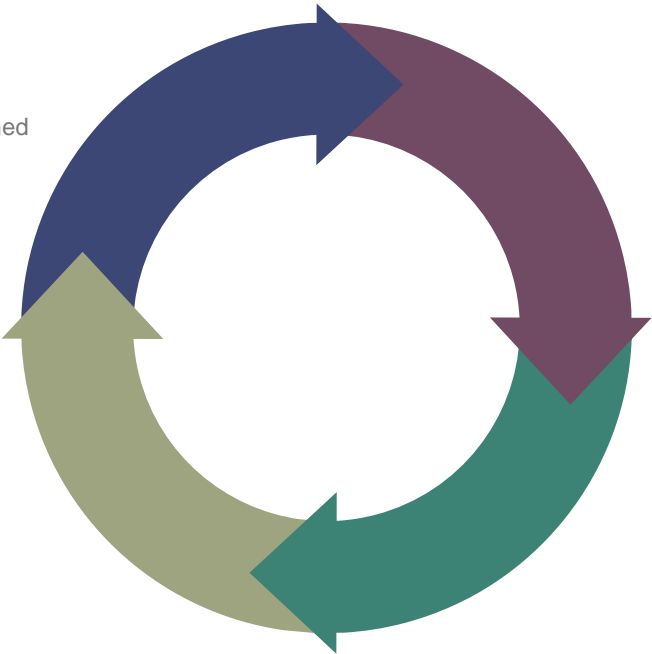
- Final review and disclosure checklist of financial statements
- Final engagement lead review
- Agreeing content of letter of representation
- Reporting to the Authority and Governance, Audit and Scrutiny Committee
- Reviewing subsequent events
- Signing the independent auditor's report

Interim March 2023

- Documenting systems and controls
- Performing walkthroughs
- Assessment of the IT environment, including the design and implementation of IT controls
- Early substantive testing of transactions
- Reassessment of audit plan and revision if necessary

Fieldwork to be confirmed

- Receiving and reviewing draft financial statements
- Delivering our audit strategy starting with significant risks and high risk areas including detailed testing of transactions, account balances and disclosures
- Communicating progress and issues
- Clearance meeting



3. Audit scope, approach and timeline

Reliance on internal audit

Where possible we will seek to utilise the work performed by internal audit to modify the nature, extent and timing of our audit procedures. We will liaise with internal audit to consider the progress and findings of their work prior to the commencement of any controls testing.

If we decide to place reliance on the work on internal audit, we will evaluate the work performed by your internal audit team and perform our own audit procedures to determine its adequacy for our audit.

Management’s and our experts

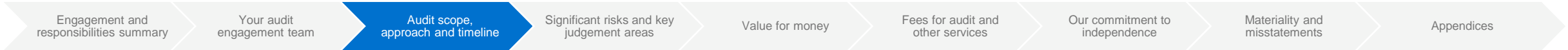
Management makes use of experts in specific areas when preparing the Authority’s financial statements. We also use experts to assist us to obtain sufficient appropriate audit evidence on specific items of account.

Item of account	Management’s expert	Our expert
Defined benefit liability	Government Actuary’s Department (FFPS) and Hymans Robertson (LGPS)	NAO’s Consulting Actuary (PWC)
Property, plant and equipment valuation	Clark Weightman	
Financial Instruments	Link Asset Services	

Service organisations

International Auditing Standards (UK) (ISAs) define service organisations as third party organisations that provide services to the Authority that are part of its information systems relevant to financial reporting. We are required to obtain an understanding of the services provided by service organisations as well as evaluating the design and implementation of controls over those services. The table below summarises the service organisations used by the Authority and our planned audit approach.

Items of account	Service organisation	Audit approach
Processing the payroll system underpinning expenditure figures and remuneration disclosures within the financial statements.	East Riding of Yorkshire Council	We are also the auditor of the Council and have direct access to accounting records and staff. Accordingly, we can substantively test the financial statements in the same way as if the Authority did not rely on a service organisation. We will review and document the controls in place for production of the financial statements and also within the material financial information systems.
Processing the treasury management system underpinning loans and investment figures and financial instrument disclosures within the financial statements.	Hull City Council	We are also the auditor of the Council and have direct access to accounting records and staff. Accordingly, we can substantively test the financial statements in the same way as if the Authority did not rely on a service organisation. We will review and document the controls in place for production of the financial statements and also within the material financial information systems.



04

Section 04:

**Significant risks and other key
judgement areas**

4. Significant risks and other key judgement areas

Following the risk assessment approach discussed in section 3 of this document, we have identified risks relevant to the audit of financial statements. The risks that we identify are categorised as significant, enhanced or standard. The definitions of the level of risk rating are given below:

Significant risk

Significant risks are those risks assessed as being close to the upper end of the spectrum of inherent risk, based on the combination of the likelihood of a misstatement occurring and the magnitude of any potential misstatement. Fraud risks are always assessed as significant risks as required by auditing standards, including management override of controls and where applicable revenue recognition.

Enhanced risk

An enhanced risk is an area of higher assessed risk of material misstatement at audit assertion level other than a significant risk. Enhanced risks require additional consideration but does not rise to the level of a significant risk, these include but may not be limited to:

- key areas of management judgement, including accounting estimates which are material but are not considered to give rise to a significant risk of material misstatement; and
- other audit assertion risks arising from significant events or transactions that occurred during the period.

Standard risk

This is related to relatively routine, non-complex transactions that tend to be subject to systematic processing and require little management judgement. Although it is considered that there is a risk of material misstatement (RMM), there are no elevated or special factors related to the nature, the likely magnitude of the potential misstatements or the likelihood of the risk occurring.

Summary risk assessment

The summary risk assessment, illustrated in the table below, highlights those risks which we deem to be significant and other enhanced risks in respect of the Authority. We have summarised our audit response to these risks on the next page.

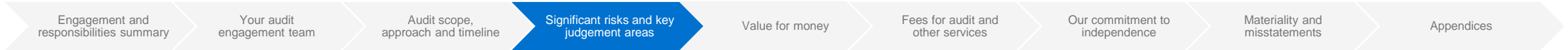


4. Significant risks and other key judgement areas

Specific identified audit risks and planned testing strategy

We have presented below in more detail the reasons for the risk assessment highlighted above, and also our testing approach with respect to significant risks. An audit is a dynamic process, should we change our view of risk or approach to address the identified risks during the course of our audit, we will report this to the Authority and Governance, Audit and Scrutiny Committee

	Description	Fraud	Error	Judgement	Planned response
1	<p>Management override of controls This is a mandatory significant risk on all audits due to the unpredictable way in which such override could occur.</p> <p>Management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur there is a risk of material misstatement due to fraud on all audits.</p>	●	○	○	<p>We plan to address the management override of controls risk through performing audit work over accounting estimates, journal entries and significant transactions outside the normal course of business or otherwise unusual..</p> <p>We will use a computer audit analytical technique (CAAT) to efficiently identify journals with risk characteristics and test 100% of such adjustments to the financial ledger.</p>



4. Significant risks and other key judgement areas

Significant risks

	Description	Fraud	Error	Judgement	Planned response
2	<p>Net defined benefit liability valuation £719M (2021/22)</p> <p>The financial statements contain material pension entries in respect of retirement benefits. The calculation of these pension figures, both assets and liabilities, can be subject to significant volatility and includes estimates based upon a complex interaction of actuarial assumptions. Moreover, in 2022/23 the actuary is undertaking a triennial revaluation of the local government pension fund. This results in an increased risk of material misstatement.</p>	○	●	●	<p>We will discuss with key contacts any significant changes to the pension estimates. In addition to our standard programme of work in this area, we will evaluate the management controls you have in place to assess the reasonableness of the figures provided by the Actuary and consider the reasonableness of the Actuary's output, referring to an expert's report on all actuaries nationally.</p> <p>We will review the appropriateness of the key assumptions included within the valuations, compare them to expected ranges and review the methodology applied in the valuation. We will consider the adequacy of disclosures in the financial statements.</p> <p>We will also seek assurance from the audit of East Riding Pension Fund.</p>
3	<p>Valuation of land and buildings £48M (2021/22)</p> <p>The financial statements contain material entries on the Balance Sheet as well as material disclosure notes in relation to the Authority's holding of land and buildings. Although the Authority uses a valuation expert to provide information on valuations, there remains a high degree of estimation uncertainty associated with the revaluation of land and buildings due to the significant judgements and number of variables involved in providing revaluations. In addition, in 2021/22 the Authority extended the scope of the valuation after discovering material errors that required a prior period adjustment in the accounts. We have therefore identified the valuation of land and buildings to be an area of significant risk.</p>	○	●	●	<p>We plan to address this risk by considering the Authority's arrangements for ensuring that land and building values are reasonable and we will use data on valuation trends and relevant indices to assess the reasonableness of the valuations provided by the external valuer. We will also assess the competence, skills and experience of the valuer.</p> <p>We plan to discuss methods used with the valuer and examine any test valuations. We will use indices provided by NAO's valuation expert (Gerald Eve) to confirm the assets not revalued are unlikely to have materially changed in value.</p> <p>We will test the revaluations in year to valuation reports and supporting calculation sheets and ensure that the calculations are correct and source data agrees with floor plans and indices.</p>

05

Section 05: **Value for money**

5. Value for money

The framework for Value for Money work

We are required to form a view as to whether the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out in order to form our view, and sets out the overall criterion and sub-criteria that we are required to consider.

2022/23 will be the third audit year where we are undertaking our value for money (VFM) work under the 2020 Code of Audit Practice (the Code). Our responsibility remains to be satisfied that the Authority has proper arrangements in place and to report in the audit report and/or the audit completion certificate where we identify significant weaknesses in arrangements. Separately we provide a commentary on the Authority's arrangements in the Auditor's Annual Report.

Specified reporting criteria

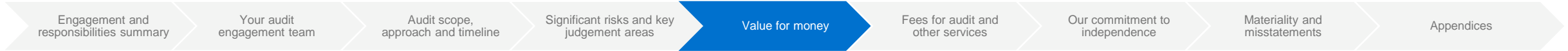
The Code requires us to structure our commentary to report under three specified criteria:

- 1. **Financial sustainability** – how the Authority plans and manages its resources to ensure it can continue to deliver its services
- 2. **Governance** – how the Authority ensures that it makes informed decisions and properly manages its risks
- 3. **Improving economy, efficiency and effectiveness** – how the Authority uses information about its costs and performance to improve the way it manages and delivers its services

Our approach

Our work falls into three primary phases as outlined opposite. We need to gather sufficient evidence to support our commentary on the Authority's arrangements and to identify and report on any significant weaknesses in arrangements. Where significant weaknesses are identified we are required to report these to the Authority and make recommendations for improvement. Such recommendations can be made at any point during the audit cycle and we are not expected to wait until issuing our overall commentary to do so.

Planning and risk assessment	Obtaining an understanding of the Authority arrangements for each specified reporting criteria. Relevant information sources will include: <ul style="list-style-type: none">• NAO guidance and supporting information• Information from internal and external sources including regulators• Knowledge from previous audits and other audit work undertaken in the year• Interviews and discussions with staff and members
Additional risk-based procedures and evaluation	Where our planning work identifies risks of significant weaknesses, we will undertake additional procedures to determine whether there is a significant weakness.
Reporting	We will provide a summary of the work we have undertaken and our judgements against each of the specified reporting criteria as part of our commentary on arrangements. This will form part of the Auditor's Annual Report. Our commentary will also highlight: <ul style="list-style-type: none">• Significant weaknesses identified and our recommendations for improvement• Emerging issues or other matters that do not represent significant weaknesses but still require attention from the Authority

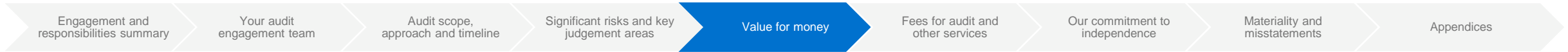


5. Value for money

Identified risks of significant weaknesses in arrangements

The NAO’s guidance requires us to carry out work at the planning stage to understand the Authority’s arrangements and to identify risks that significant weaknesses in arrangements may exist.

Although we have not fully completed our planning and risk assessment work, we have not identified any risks of significant weaknesses in arrangements in our planning to date. We will report any further identified risks to the Governance, Audit and Scrutiny Committee on completion of our planning and risk identification work. We issued our Auditor’s Annual Report on our 2021/22 work in January 2023, which included the VFM Commentary required by the Code. This did not identify any significant weaknesses in arrangements or make any recommendations.



06

Section 06:

Fees for audit and other services

6. Fees for audit and other services

Fees for work as the Authority’s appointed auditor

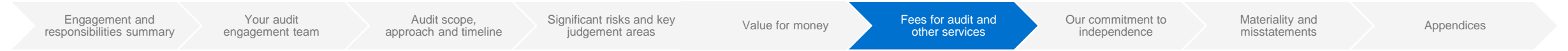
At this stage we are not proposing any fee increase in 2022/23 from our final fees for 2021/22, other than the inflationary fee increase which is to be funded by PSAA and is not included in the table below. Additional fees for 2021/22, which in turn will impact on the 2022/23 audit fee, are still subject to PSAA approval.

Area of work	2022/23 Proposed audit fee (£ excluding VAT)	2021/22 Actual Fee (£ excluding VAT)
Planned fee in respect of our work under the Code of Audit Practice (part of scale fee of £29,527 for 2022/23)	24,561	24,561
Recurring increases in the base audit fee arising from regulatory pressures (part of scale fee of £29,527 for 2022/23)	4,966	4,966
Additional fees in respect of the VFM approach introduced in 2020/21	5,000	5,000
Additional fees in respect of the revised ISA 540	1,900	1,900
Total fees	36,427 *	36,427

* The 2022/23 fee is subject to a 5.2% inflationary increase, not included in the table above. As set out in the PSAA’s ‘Consultation on 2022/23 audit fee scale’ published in August 2022, PSAA will fund the inflationary increase using “surplus funds not required for PSAA’s operations, which would otherwise be distributed to opted-in bodies” (p8 of the consultation).

Fees for non-PSAA work

At this stage we are not expecting to undertake any non-PSAA work at the Authority in 2022/23.



07

Section 07:

Our commitment to independence

7. Our commitment to independence

We are committed to independence and are required by the Financial Reporting Council to confirm to you at least annually in writing that we comply with the FRC's Ethical Standard. In addition, we communicate any matters or relationship which we believe may have a bearing on our independence or the objectivity of the audit team.

Based on the information provided by you and our own internal procedures to safeguard our independence as auditors, we confirm that in our professional judgement there are no relationships between us and any of our related or subsidiary entities, and you and your related entities creating any unacceptable threats to our independence within the regulatory or professional requirements governing us as your auditors.

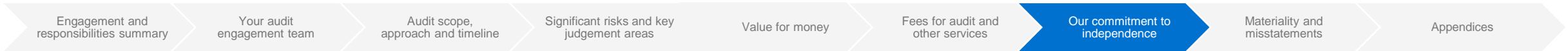
We have policies and procedures in place which are designed to ensure that we carry out our work with integrity, objectivity and independence. These policies include:

- all partners and staff are required to complete an annual independence declaration;
- all new partners and staff are required to complete an independence confirmation and also complete computer based ethical training;
- rotation policies covering audit engagement partners and other key members of the audit team; and
- use by managers and partners of our client and engagement acceptance system which requires all non-audit services to be approved in advance by the audit engagement partner.

We confirm, as at the date of this document, that the engagement team and others in the firm as appropriate, Mazars LLP are independent and comply with relevant ethical requirements. However, if at any time you have concerns or questions about our integrity, objectivity or independence please discuss these with Gavin Barker in the first instance.

Prior to the provision of any non-audit services Gavin Barker will undertake appropriate procedures to consider and fully assess the impact that providing the service may have on our auditor independence.

Any emerging independence threats and associated identified safeguards will be communicated in our Audit Completion Report.



08

Section 08:

Materiality and misstatements

8. Materiality and misstatements

Summary of initial materiality thresholds

Threshold	Initial threshold £'000s
Overall materiality	1,440
Performance materiality	1,150
Specific materiality	
• Senior officer remuneration	5
• Members expenses and exit packages	1
Trivial threshold for errors to be reported to the Authority and Governance, Audit and Scrutiny Committee	43

Materiality

Materiality is an expression of the relative significance or importance of a particular matter in the context of financial statements as a whole.

Information is considered to be material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

Judgements on materiality are made in light of surrounding circumstances and are affected by the size and nature of a misstatement, or a combination of both. Judgements about materiality are based on consideration of the common financial information needs of users as a group and not on specific individual users.

The assessment of what is material is a matter of professional judgement and is affected by our perception of the financial information needs of the users of the financial statements. In making our assessment we assume that users:

- have a reasonable knowledge of business, economic activities and accounts;
- have a willingness to study the information in the financial statements with reasonable diligence;
- understand that financial statements are prepared, presented and audited to levels of materiality;
- recognise the uncertainties inherent in the measurement of amounts based on the use of estimates, judgement and the consideration of future events; and
- will make reasonable economic decisions on the basis of the information in the financial statements.

We consider materiality whilst planning and performing our audit based on quantitative and qualitative factors.

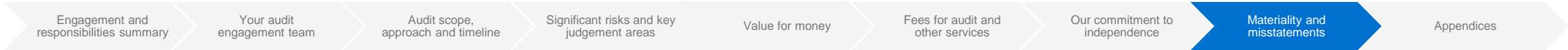
Whilst planning, we make judgements about the size of misstatements which we consider to be material and which provides a basis for determining the nature, timing and extent of risk assessment procedures, identifying and assessing the risk of material misstatement and determining the nature, timing and extent of further audit procedures.

The materiality determined at the planning stage does not necessarily establish an amount below which uncorrected misstatements, either individually or in aggregate, will be considered as immaterial.

We revise materiality for the financial statements as our audit progresses should we become aware of information that would have caused us to determine a different amount had we been aware of that information at the planning stage.

Our provisional materiality is set based on a benchmark of 2% of gross expenditure. We identify a figure for materiality but identify separate levels for procedures designed to detect individual errors, and also a level above which all identified errors will be reported to the Authority and Governance, Audit and Scrutiny Committee.

We consider that gross expenditure remains the key focus of users of the financial statements and, as such, we base our materiality levels around this benchmark.



8. Materiality and misstatements

Materiality (continued)

We expect to set a materiality threshold 2% of gross revenue expenditure at the surplus / deficit level after excluding exceptional items and revaluation and impairment gains and losses. Based on the 2021/22 audited financial statements we anticipate the overall materiality for the year ending 31 March 2023 to be in the region of £1.5m (£1.5m in the prior year).

After setting initial materiality, we continue to monitor materiality throughout the audit to ensure that it is set at an appropriate level.

Performance Materiality

Performance materiality is the amount or amounts set by the auditor at less than materiality for the financial statements as a whole to reduce, to an appropriately low level, the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. Our initial assessment of performance materiality is based on low inherent risk, meaning that we have applied 80% of overall materiality as performance materiality.

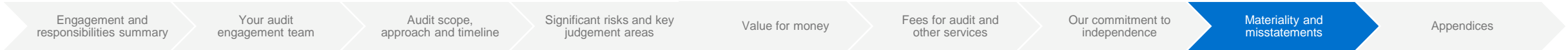
Misstatements

We accumulate misstatements identified during the audit that are other than clearly trivial. We set a level of triviality for individual errors identified (a reporting threshold) for reporting to the Authority and Governance, Audit and Scrutiny Committee that is consistent with the level of triviality that we consider would not need to be accumulated because we expect that the accumulation of such amounts would not have a material effect on the financial statements. Based on our preliminary assessment of overall materiality, our proposed triviality threshold is £43,000 based on 3% of overall materiality. If you have any queries about this, please do not hesitate to raise these with Gavin Barker.

Reporting to the Authority and Governance, Audit and Scrutiny Committee

The following three types of audit differences above the trivial threshold will be presented to the Authority and Governance, Audit and Scrutiny Committee:

- summary of adjusted audit differences;
- summary of unadjusted audit differences; and
- summary of disclosure differences (adjusted and unadjusted).





Appendices

A: Key communication points

B: Revised auditing standard on Identifying and assessing the risks of material misstatement: ISA (UK) 315 (Revised 2019)

Appendix A: Key communication points

We value communication with Those Charged With Governance as a two-way feedback process at the heart of our client service commitment. ISA 260 (UK) 'Communication with Those Charged with Governance' and ISA 265 (UK) 'Communicating Deficiencies In Internal Control To Those Charged With Governance And Management' specifically require us to communicate a number of points with you.

Relevant points that need to be communicated with you at each stage of the audit are outlined below.

Form, timing and content of our communications

We will present the following reports:

- Audit Strategy Memorandum;
- Audit Completion Report; and
- Auditor's Annual Report

These documents will be discussed with management prior to being presented to yourselves and their comments will be incorporated as appropriate.

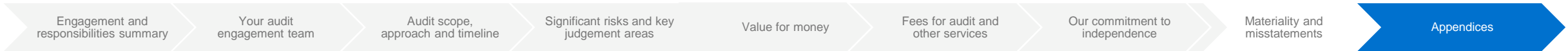
Key communication points at the planning stage as included in this Audit Strategy Memorandum

- Our responsibilities in relation to the audit of the financial statements;
- The planned scope and timing of the audit;
- Significant audit risks and areas of management judgement;
- Our commitment to independence;

- Responsibilities for preventing and detecting errors;
- Materiality and misstatements; and
- Fees for audit and other services.

Key communication points at the completion stage to be included in our Audit Completion Report

- Significant deficiencies in internal control;
- Significant findings from the audit;
- Significant matters discussed with management;
- Significant difficulties, if any, encountered during the audit;
- Qualitative aspects of the entity's accounting practices, including accounting policies, accounting estimates and financial statement disclosures;
- Our conclusions on the significant audit risks and areas of management judgement;
- Summary of misstatements;
- Management representation letter;
- Our proposed draft audit report; and
- Independence.



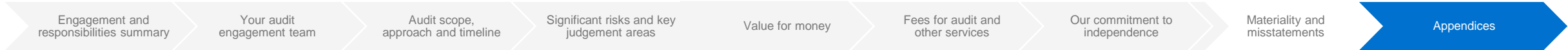
Appendix A: Key communication points

ISA (UK) 260 ‘Communication with Those Charged with Governance’, ISA (UK) 265 ‘Communicating Deficiencies In Internal Control To Those Charged With Governance And Management’ and other ISAs (UK) specifically require us to communicate the following:

Required communication	Where addressed
Our responsibilities in relation to the financial statement audit and those of management and those charged with governance.	Audit Strategy Memorandum
The planned scope and timing of the audit including any limitations, specifically including with respect to significant risks.	Audit Strategy Memorandum
With respect to misstatements: <ul style="list-style-type: none"> • uncorrected misstatements and their effect on our audit opinion; • the effect of uncorrected misstatements related to prior periods; • a request that any uncorrected misstatement is corrected; and • in writing, corrected misstatements that are significant. 	Audit Completion Report
With respect to fraud communications: <ul style="list-style-type: none"> • enquiries of the Authority and Governance, Audit and Scrutiny Committee to determine whether they have a knowledge of any actual, suspected or alleged fraud affecting the entity; • any fraud that we have identified or information we have obtained that indicates that fraud may exist; and • a discussion of any other matters related to fraud. 	Audit Completion Report and discussion at the Authority and Governance, Audit and Scrutiny Committee. Audit planning and clearance meetings

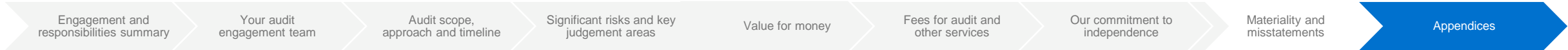
Appendix A: Key communication points

Required communication	Where addressed
<p>Significant matters arising during the audit in connection with the entity’s related parties including, when applicable:</p> <ul style="list-style-type: none"> • non-disclosure by management; • inappropriate authorisation and approval of transactions; • disagreement over disclosures; • non-compliance with laws and regulations; and • difficulty in identifying the party that ultimately controls the entity. 	Audit Completion Report
<p>Significant findings from the audit including:</p> <ul style="list-style-type: none"> • our view about the significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures; • significant difficulties, if any, encountered during the audit; • significant matters, if any, arising from the audit that were discussed with management or were the subject of correspondence with management; • written representations that we are seeking; • expected modifications to the audit report; and • other matters, if any, significant to the oversight of the financial reporting process or otherwise identified in the course of the audit that we believe will be relevant to the Authority and Governance, Audit and Scrutiny Committee in the context of fulfilling their responsibilities. 	Audit Completion Report
Significant deficiencies in internal controls identified during the audit.	Audit Completion Report
Where relevant, any issues identified with respect to authority to obtain external confirmations or inability to obtain relevant and reliable audit evidence from other procedures.	Audit Completion Report



Appendix A: Key communication points

Required communication	Where addressed
Audit findings regarding non-compliance with laws and regulations where the non-compliance is material and believed to be intentional (subject to compliance with legislation on tipping off) and enquiry of the Authority and Governance, Audit and Scrutiny Committee into possible instances of non-compliance with laws and regulations that may have a material effect on the financial statements and that the Authority and Governance, Audit and Scrutiny Committee may be aware of.	Audit Completion Report and the Authority and Governance, Audit and Scrutiny Committee meetings
With respect to going concern, events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern, including: <ul style="list-style-type: none"> whether the events or conditions constitute a material uncertainty; whether the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements; and the adequacy of related disclosures in the financial statements. 	Audit Completion Report
Reporting on the valuation methods applied to the various items in the annual financial statements including any impact of changes of such methods	Audit Completion Report
Indication of whether all requested explanations and documents were provided by the entity	Audit Completion Report



Appendix B: Revised auditing standard on Identifying and assessing the risks of material misstatement: ISA (UK) 315 (Revised 2019)

Background

ISA (UK) 315 (Revised 2019) introduces major changes to the auditor’s risk identification and assessment approach, which are intended to drive a more focused response from auditors undertaking work to obtain sufficient appropriate audit evidence to address the risks of material misstatement. The new standard is effective for periods commencing on or after 15 December 2021 and therefore applies in full for the Authority’s 2022/23 audit.

The most significant changes relevant to the Authority’s audit are outlined below.

Enhanced risk identification and assessment

The standard has enhanced the requirements for the auditor to understand the audited entity, its environment and the applicable financial reporting framework in order to identify and assess risk based on new inherent risk factors which include:

- Subjectivity
- Complexity
- Uncertainty and change
- Susceptibility to misstatement due to management bias or fraud.

Using these inherent risk factors, we assess inherent risk on a spectrum, at which the higher end of which lies significant risks, to drive an audit that is more focused on identified risks. Auditors are now also required to obtain sufficient, appropriate evidence from these risk identification and assessment procedures which means documentation and evidence requirements are also enhanced.

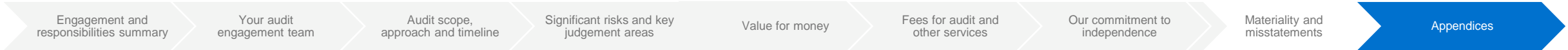
Greater emphasis on understanding IT

In response to constantly evolving business environments, the standard places an increased emphasis on the requirements for the auditor to gain an understanding of the entity’s IT environment to better understand the possible

risks within an entity’s information systems. As a result, we are required to gain a greater understanding of the IT environment, including IT general controls (ITGCs).

Increased focus on controls

Building on the need for auditors to gain a greater understanding of the IT environment, the standard also widens the scope of controls that are deemed relevant to the audit. We are now required to broaden our understanding of controls implemented by management, including ITGCs, as well as assess the design and implementation of those controls.



Gavin Barker, Director

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Humberside Fire & Rescue Service

Internal Audit Annual Report

2022/23

April 2023

Internal Audit Annual Report

Introduction

This is the 2022/23 Annual Report by TIAA on the internal control environment at Humberside Fire & Rescue Service. The annual internal audit report summaries the outcomes of the reviews we have carried out on the organisation's framework of governance, risk management and control. This report is designed to assist Humberside Fire Authority in making its annual governance statement.

Our approach is based on the International Standards for the Professional Practice of Internal Auditing which have been developed by the Institute of Internal Auditors (IIA) and incorporate the Public Sector Internal Audit Standards (PSIAS). In 2022, TIAA commissioned an External Quality Assessment (EQA) of its internal audit service. The independent EQA assessor was able to conclude that TIAA 'generally conforms to the requirements of the Public Sector Internal Audit Standards and the mandatory elements of the Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF).' 'Generally conforms' is the highest rating that can be achieved using the IIA's EQA assessment model.

Ongoing quality assurance work was carried out throughout the year and we continue to comply with ISO 9001:2015 standards. Our work also complies with the IIA-UK Professional Standards and relevant guidance issued by the Accounts & Audit Regulations 2015.

HEAD OF INTERNAL AUDIT'S ANNUAL OPINION

TIAA is satisfied that, for the areas reviewed during the year, Humberside Fire & Rescue Service has reasonable and effective risk management, control and governance processes in place.

This opinion is based solely on the matters that came to the attention of TIAA during the course of the internal audit reviews carried out during the year and is not an opinion on all elements of the risk management, control and governance processes or the ongoing financial viability or your ability to meet financial obligations which must be obtained by the Humberside Fire & Rescue Service from its various sources of assurance.

Internal Audit Planned Coverage and Output

The 2022/23 Annual Audit Plan approved by the Governance, Audit and Scrutiny Committee was for 65 days of internal audit coverage in the year.

During the year there were two changes to the Audit Plan. The audit of Community Fire Risk Management Information System (CFRMIS) was replaced by a review of Secondary Contracts at management request. The ICT Management Controls audit has been deferred to 2023/24 and will be part of a more detailed ICT review. These changes were approved by the Governance, Audit and Scrutiny Committee.

The planned work that has been carried out against the plan and the status of work not completed is set out at Annex A. No extra work was carried out which was in addition to that set out in the Annual Audit Plan.

Assurance

TIAA carried out eight reviews, which were designed to ascertain the extent to which the internal controls in the system are adequate to ensure that activities and procedures are operating to achieve Humberside Fire & Rescue Service's objectives. For each assurance review an assessment of the combined effectiveness of the controls in mitigating the key control risks was provided. Details of these are provided in Annex A and a summary is set out below.

Assurance Assessments	Number of Reviews	Previous Year
Substantial Assurance	0	2
Reasonable Assurance	5	6
Limited Assurance	3	1
No Assurance	0	0

The areas on which the assurance assessments have been provided can only provide reasonable and not absolute assurance against misstatement or loss and their effectiveness is reduced if the internal audit recommendations made during the year have not been fully implemented.

We made the following total number of recommendations on our audit work carried out in 2022/23. The numbers in brackets relate to 2021/22 recommendations.

Urgent	Important	Routine
0 (1)	32 (14)	9 (15)

Audit Summary

Control weaknesses: There were three areas reviewed by internal audit where it was assessed that the effectiveness of some of the internal control arrangements provided 'limited assurance.' Recommendations were made to further strengthen the control environment in these areas and the management responses indicated that the recommendations had been accepted.

Recommendations Made: We have analysed our findings/recommendations by risk area and these are summarised below.

Risk Area	Urgent	Important	Routine
Directed			
Governance Framework	0	13	6
Risk Mitigation	0	1	0
Compliance	0	14	3
Delivery			
Performance Monitoring	0	2	0
Sustainability	0	1	0
Resilience	0	1	0

Operational Effectiveness Opportunities: One of the roles of internal audit is to add value and during the financial year we provided advice on opportunities to enhance the operational effectiveness of the areas reviewed and the number of these opportunities is summarised below.

Operational
2

Independence and Objectivity of Internal Audit

There were no limitations or restrictions placed on the internal audit service which impaired either the independence or objectivity of the service provided.

Performance and Quality Assurance

The following Performance Targets were used to measure the performance of internal audit in delivering the Annual Plan.

Performance Measure	Target	Attained
Completion of Planned Audits	100%	100%
Audits Completed in Time Allocation	100%	100%
Final report issued within 10 working days of receipt of responses	95%	86%*
Compliance with Public Sector Internal Audit Standards	100%	100%

* One report issued after 11 days not 10. Clarifications were required before issue.

Release of Report

The table below sets out the history of this Annual Report.

Date Report issued:	20 th April 2023
---------------------	-----------------------------

Annexes

Annex A

Actual against planned Internal Audit Work 2022/23

System	Type	Planned Days	Actual Days	Assurance Assessment	Comments
Equality Impact Assessments	Assurance	6	6	Reasonable	Final report issued
GDPR	Assurance	5	5	Reasonable	Final report issued
FireWatch	Assurance	6	6	Limited	Final report issued
Quality Assurance – Prevention and Protection	Assurance	6	6	Reasonable	Final report issued
Follow up (mid-year)	Assurance	2	2	N/A	Final report issued
Collaboration Activity	Assurance	6	6	Limited	Final report issued
Secondary Contracts	Assurance	6	6	Reasonable	Final report issued
ICT-Management Controls	Assurance	4	0	N/A	Moved to 2023-24
Key Financial Controls	Assurance	7	7	Reasonable	Final report issued
Rota Availability System	Assurance	6	6	Limited	Final report issued
Follow up (year-end)	Follow Up	2	2	N/A	Final report issued
Annual Planning		2	2		Annual Plan issued
Annual Report		1	1		Annual Report issued
Audit Management		6	6		
Total Days		65	61		

Humberside Fire Authority
28 April 2023

Report by the Executive Director of
Finance/S151 Officer

MANAGEMENT ACCOUNTS 2022/23 – BASED ON PERIOD ENDING 28 FEBRUARY 2023

1. SUMMARY

- 1.1 This report highlights the current financial position based on information to 28 February 2023.
- 1.2 The end of year projections are set out below for the revenue budget, the capital programme and the pensions account.

2. RECOMMENDATIONS

- 2.1 That Members take assurance from this report and the Authority's financial position for the period ending 28 February 2023.

3. BACKGROUND

- 3.1 Management Accounts are reported to Members four times a year with the financial position at 30 June, 30 September, 31 December and 28 February.

4. PERIOD ENDING 28 FEBRUARY 2023

- 4.1 The summary estimated outturn position for the current financial year based on information to 28 February 2023 is as follows:

CATEGORY	2022/23 OUTTURN PROJECTION
HFA	
Revenue Budget	£0.060m underspend
Capital Programme	£3.085m spend against £7.292m allocation
Pensions Account	£13.523m deficit

- 4.2 This is the final set of Management Accounts for the 2022/23 financial year and work is now well underway to compile the published Annual Accounts for 2022/23.
- 4.3 Further details on all of these areas are available electronically alongside the agenda papers on the Fire Authority's website at www.humbersidefire.gov.uk/fire-authority.

Resourcing/Financial/Value for Money Implications

- 4.4 Sound financial management contributes to the achievement of the Authority's objectives.

Risk/ Health and Safety/Legal Implications

- 4.5 The quarterly Management Accounts help to ensure that the Authority meets its legal and regulatory requirements.

Linkages to any Strategic/Corporate Plans/Policies

- 4.6 The production of robust, timely and detailed information in relation to the Authority's financial position contributes to the Strategic Plan objective of a 'Stronger Organisation'. The information specifically underpins good governance and good financial management.

5. EQUALITY IMPLICATIONS

- 5.1 There is no requirement to carry out an equality impact analysis as this report does not relate to a policy or service delivery change.

6. CONCLUSION

- 6.1 That Members take assurance from this report and the Authority's financial position for the period ending 28 February 2023.

Kevin Wilson
Executive Director of Finance/S151 Officer

Officer Contact

Kevin Wilson – Executive Director of Finance/S151 Officer

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Background Papers

2022/23 Management Accounts

Humberside Fire Authority
28 April 2023

**Report by the Assistant Chief Fire
 Officer & Executive Director of
 Corporate Services**

ANNUAL GOVERNANCE STATEMENT 2022/23

1. SUMMARY

- 1.1 It is a requirement of the Fire Authority to publish an Annual Governance Statement (AGS) on a yearly basis.
- 1.2 The report sets out the draft Annual Governance Statement (AGS) in respect to 2022/23 (Appendix 1). Given the content of the Statement, it is felt desirable that the Authority should specifically review the AGS separately from the Annual Accounts, although the AGS will form part of the Annual Accounts, the draft of which will be submitted to the Authority in July 2023.

2. RECOMMENDATIONS

- 2.1 It is recommended that the Fire Authority approve the draft Annual Governance Statement 2022/23, as set out at Appendix 1.

3. BACKGROUND

- 3.1 Regulation 4 of the Accounts and Audit Regulations 2003 required the Humberside Fire Authority to conduct an annual review of the effectiveness of its system of internal control and publish a Statement of Internal Control (SIC) up until 2006/07.
- 3.2 From 1 April 2007 the SIC was replaced by the AGS. Guidance was issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) Finance Advisory Network in respect to the production of the AGS. In addition, guidance has also been set out in the CIPFA/Solace (Society of Local Authority Chief Executives) good governance framework.
- 3.3 The CIPFA/Solace good governance framework brought together a number of governance principles and requirements, including replacing the previous Statement of Internal Control with a new Annual Governance Statement (AGS) from 2007/08.
- 3.4 The AGS takes account of CIPFA Bulletin 06 issued 11 February 2021 providing guidance relevant for the annual review of the system of internal control and publication of the Annual Governance Statement (AGS). This guidance concerns the requirements of the Delivering Good Governance in Local Government Framework 2016 CIPFA and Solace (the Framework). It also takes into account the introduction of the CIPFA Financial Management Code 2019 (FM Code) during 2020/21.

4. REPORT DETAIL

- 4.1 The six key principles of good governance as laid down in the 2007 framework have been reviewed within the 2016 framework and re-issued as seven key principles:
 - (i) Behaving with integrity, demonstrating strong commitment to ethical values. And respecting the rule of law.
 - (ii) Ensuring openness and comprehensive stakeholder engagement.
 - (iii) Defining outcomes in terms of sustainable economic, social, and environmental benefits.

- (iv) Determining the interventions necessary to optimise the achievement of the intended outcomes.
- (v) Developing the entity's capacity, including the capability of its leadership and the individuals within it.
- (vi) Managing risks and performance through robust internal control and strong public financial management.
- (vii) Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

4.2 The Authority's governance framework comprises the systems and processes, culture and values, by which the HFA is directed and controlled. The framework demonstrates how the HFA accounts to, engages with and leads within the community. It enables the HFA to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

4.3 The Constitution of the Authority, published on the Authority's website, includes:

- Committee Membership and Terms of Reference
- Scheme of Delegation to Officers
- Financial Procedure Rules
- Contract Procedure Rules
- Members' Code of Conduct
- Officer/Employees' Code of Conduct
- Protocol for Member and Officer Relationships
- Code of Corporate Governance.

4.4 In essence the AGS is the formal Statement (signed by the Chairperson of the Fire Authority, the Chief Fire Officer & Chief Executive and other Statutory Officers) that recognises, records and publishes the governance arrangements of the Fire Authority. The AGS is much broader than the SIC, although the overall assurance process remains. The AGS must reflect the governance framework.

4.5 The assurances in respect to the AGS derive from the following:

- External Audit – through assessment
- Internal Audit
- Members
- Section 151 Officer
- Secretary/Monitoring Officer
- Strategic Leadership
- Third parties, including partnership arrangements.

4.6 There is no model AGS, but rather the Guidance sets out best practice in developing an AGS.

4.7 The production of the AGS dovetails strongly with corporate risk management and the Annual Audit Report from Internal Audit.

Governance, Audit and Scrutiny (GAS) Committee input

4.8 This draft AGS was considered by the GAS Committee at its meeting of 3 April 2023 and endorsed to the Authority.

Legal implications

- 4.9 This AGS ensures that the Fire Authority complies with regulation 4(2) of the Accounts and Audit Regulations 2003 as amended 2006 and 2011.

Linkages to the Strategic Plan

- 4.10 This report underpins good governance arrangements, which is an enabler of the current Strategic Plan.

5. EQUALITY IMPLICATIONS

- 5.1 There is no requirement to carry out an equality impact analysis as this report does not relate to a policy or service delivery change.

6. CONCLUSION

- 6.1 The AGS ensures that the Fire Authority complies with regulation 4(2) of the Accounts and Audit Regulations 2003 as amended 2006 and 2011.
- 6.2 The draft AGS 2022/23 is attached at Appendix 1 for Members' approval.

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Background Papers

None

Glossary/Abbreviations

AGS	Annual Governance Statement
CIPFA	Chartered Institute of Public Finance and Accountancy
FM	Financial Management Code
SIC	Statement of Internal Control
SOLACE	Society of Local Authority Chief Executives

HUMBERSIDE FIRE AUTHORITY ANNUAL GOVERNANCE STATEMENT 2022/23

Scope of Responsibility

1. The Humberside Fire Authority (HFA) is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The HFA also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
2. In discharging this overall responsibility, the HFA is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.
3. The HFA has approved and adopted a code of corporate governance applicable to Members, which is consistent with the principles of the Chartered Institute of Public Finance and Accountancy (CIPFA)/ Society of Local Authority Chief Executives (Solace) Delivering Good Governance in Local Government Framework 2016 Edition. A copy of the code can be obtained from the Secretary to the Fire Authority.
4. The HFA has approved and adopted the National Fire Chiefs Council (NFCC) Core Code of Ethics for Fire and Rescue Services for employees to abide by.
5. This statement explains how the HFA has complied with the code of corporate governance and also meets the requirements of regulation 4(3) of the Accounts and Audit (England) Regulations 2011 in relation to the publication of an Annual Governance Statement.

The purpose of the governance framework

6. The governance framework comprises the systems and processes, culture and values, by which the HFA is directed and controlled. The framework demonstrates how the HFA accounts to, engages with and leads within the community. It enables the HFA to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.
7. The system of internal control is a significant part of the governance framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness.
8. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the HFA's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.
9. The governance framework has been in place at the HFA for the year ending 31 March 2023 and up to the date of approval of the Statement of Accounts.

The Governance Framework 2022/23

10. The key elements of the HFA's governance framework included:

- a) The [Constitution](#) of the Authority which includes:
- Committee Membership and Terms of Reference;
 - Scheme of Delegation to Officers;
 - Financial Procedure Rules;
 - Contract Procedure Rules;
 - Members' Code of Conduct;
 - Employees' Code of Conduct;
 - Protocol for Member and Officer relationships;
 - Code of Corporate Governance.
- b) The Governance, Audit and Scrutiny (GAS) Committee, as well as the HFA itself, received regular reports on the Service's performance arrangements.
- c) An approved [Corporate Risk and Opportunity Policy](#).
- d) An approved 'Local Code of Corporate Governance' in accordance with the CIPFA/SOLACE Framework for Corporate Governance.
- e) The designation of the Chief Fire Officer as Chief Executive responsible to the HFA for all aspects of operational management.
- f) The designation of the Executive Director of Finance and S.151 Officer (Local Government Act 1972) in accordance with Section 112 of the Local Government Finance Act 1988 and conforming with the governance requirements of the CIPFA Statement on the role of the Chief Financial Officer in Local Government (2010).
- g) The designation of the Secretary as Monitoring Officer with the requirement to report to the full HFA if it is considered that any proposal, decision or omission would give rise to unlawfulness or maladministration.
- h) The Executive Board has considered a strategic overview of the HFA control environment, including the response to external audit, performance management, strategic planning and scrutiny of Risk and Opportunity Management.
- i) The production of quarterly [Management Accounts](#) which are distributed to all Members of SLT and are considered at the GAS Committee meetings and the HFA.
- j) The Service and Finance Planning process.
- k) In accordance with the Service Business Planning Framework the Strategic Plan and Community Risk Management Plan (CRMP) for 2021-24 ensure a three-year plan, linked to the [Medium Term Resource Strategy](#).
- l) The Strategic Plan 2021/24 includes strategic objectives and Directorate responsibilities. The [Strategic Plan 2021-24](#) was approved by HFA in December 2020 following consultation.
- m) The [Community Risk Management Plan \(CRMP\) 2021-24](#) takes account of the requirements of the 2018 Fire and Rescue National Framework for England, providing a detailed assessment of the risks facing our communities and personnel and the measures taken to mitigate those risks. .

- n) Current [Anti-Fraud and Corruption, Anti-Bribery and Anti-Money Laundering Policies](#). We publish these and other such Policies, associated data and information on the HFRS Website under Data Transparency.
- o) The Authority is committed to the highest possible standards of integrity, openness, fairness, inclusivity, probity and accountability. HFA aims to provide a positive and supportive culture to enable employees to raise their concerns.

A [Whistleblowing Policy](#) and subscription to the services of the whistleblowing charity, Protect, are in place. Staff are informed of this service via Siren and the Whistleblowing Policy which is published on the external website.

The Authority has also introduced a 'Freedom to Speak up Guardian' role through the new Wellbeing Manager in Occupational Health, providing another independent reporting route for staff to raise concerns.
- p) A Service Improvement Plan has been developed to ensure that improvement areas across the Service, including any actions arising from His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) Inspection, are documented, evidenced and regularly reviewed.
- q) Member and Officer Development Programmes. During 2022/23 Officers undertook facilitated supportive leadership development. Access to the T2Hub of Management and Leadership Self Development resources, Continual Professional Development through the Leadership Forum and Guest Speakers and Officers completing the Executive Leadership Programme.
- r) Six scheduled Member Days to support Member development and awareness of developing agenda for the Service and across the Sector as a whole.
- s) An approved Treasury Management Policy and Prudential Indicators.
- t) A Protective Marking Scheme (based upon the Her Majesty's Government Security Framework).
- u) Implementation of a [Public Sector Equality Duty \(PSED\) action plan](#) to implement its priorities. Actions within this plan have been fully integrated within the LGA FRS Equality Framework Self-assessment/action planning process and Priorities following consultation.
- v) Aligned service delivery with our four Local Authorities (Hull, East Riding, North Lincolnshire and North East Lincolnshire) through District management teams, is helping partnership work and assists us to be closer and more accountable to local communities.
- w) Bi-Annual Performance Reports to HFA are published on our [website](#).
- x) A Pension Board, as required under The Firefighters' Pension Scheme (Amendment) (Governance) Regulations 2015, was formed in 2015 to oversee compliance in the operation of the Firefighters' Pension Scheme (FPS). The Pension Board met twice during 2022/23.
- y) The Executive Director of People and Development chairs a Joint Consultative Committee attended by all Representative Bodies to discuss any matters relating to staff terms and conditions.

- aa) Member Champions continue to support functional areas and are invited to attend local District performance meetings and to meet with Area Managers and Executive Directors.
- bb) Consultation on our Council Tax Precept for 2022/23 drew a significant number of responses from our community (2325). This allowed Fire Authority Members to make an informed decision on this matter.
- cc) In line with legislative requirements HFRS published its [Gender, Ethnicity and Disability Pay Gap Report](#) by the end of March 2023. Any arising actions are included within the Report to HFA.
- dd) Emergency Preparedness for significant events is assured through provision of a fulltime team, established and tested Business Continuity Plans and a lead role within the Humber Local Resilience Forum (LRF).
- ee) Policies relating to compliance, management and administration of information governance, under the General Data Protection Regulation (GDPR) are published on the [website](#).

Review of Effectiveness

- 11. The HFA has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the executive managers within the Authority who have responsibility for the development and maintenance of the governance environment, the head of internal audit's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.
- 12. The GAS Committee has continued its scrutiny programme during 2022/23, including the scrutiny of:
 - Fire Standards
 - Procurement
 - Equality, Diversity and Inclusion (EDI) - Equality Impact Analysis
 - General Data Protection Regulation (GDPR) Compliance
 - EDI Staff Forums.
- 13. The induction of new Members and continuing training of all Members (via Member Days and Member Champion meetings) during 2022/23 has further enabled Members to discharge the functions of the HFA.
- 14. During the 2022/23 financial year, the HFA and its committees met as follows:
 - HFA - nine occasions
 - GAS Committee - seven occasions
 - Pension Board - two occasions.
- 15. Members of the Pension Board receive reports against a number of key workstreams designed to ensure that the Board operates in compliance with the Pension Regulator's Code of Practice for Pension Boards, this encompasses three broad areas: Governance, Administration and Communication.
- 16. The review of the effectiveness of the system of internal control is informed by:

- The work of Senior Officers
 - The work of Internal Audit
 - Corporate Risk and Opportunity
 - Performance information
 - The Authority's External Auditor, in their Auditor's Annual Report, Audit Completion Report, Annual Audit Letter and other reports.
17. Internal Audit has undertaken a number of reviews during 2022/23. The following areas were covered:
- Equality Impact Analysis
 - Firewatch
 - Prevention & Protection quality assurance
 - Service collaborations
 - Secondary contracts
 - GDPR
 - Mid-year follow up
 - Key Financial Controls
 - Fire Service Rota
18. The Authority is fully compliant against the CIPFA Financial Management Code. Full compliance against the code became mandatory from 1 April 2022.
19. The overall Head of Internal Audit opinion for the period 1 April 2022 to 31 March 2023 provides Reasonable Assurance. The Authority proactively utilises Internal Audit as an effective tool to receive independent assessment and assurance in targeted areas of work as identified by the Service Improvement Framework.
20. The effectiveness of the governance framework is considered throughout the year by SLT, the GAS Committee and HFA. Much of this is discharged through internal reports such as Management Accounts and Performance Reports as well as the work of Internal and External Audit. Any significant issues are captured via the risk management system and considered by the Fire Authority where appropriate.

Governance Update 2022/23

21. There were no significant governance issues during 2022/23.
22. Members are assured that the Service has appropriate arrangements in place should use of the powers under the Regulation of Investigatory Powers Act (RIPA) 2000 be necessary. There was no use of RIPA or requests for covert surveillance during 2022/23.
23. The Police & Crime Act 2017 places a statutory duty upon Fire and Rescue, Police and Ambulance services to collaborate. The Act also enables Police and Crime Commissioners (PCC) to take responsibility for fire and rescue services, where a Business Case is formed and there is local public support.
24. We continue to proactively identify collaborative opportunities with the Police, Ambulance services and other bodies. This has included:
- A joint Emergency Service Fleet Management workshop with the Police.
 - A joint Estates (Operational and Strategic) function with Humberside Police.
 - Provision of a medical First Responder scheme in partnership with Yorkshire Ambulance (YAS), East Midlands Ambulance Service (EMAS).

- A Hull Falls, Intervention Response, Safety Team (F.I.R.S.T) with City Health Care Partnership (CHCP), Humber, Coast and Vale Integrated Care System (ICS) and Hull City Council.
 - An agreement with Yorkshire Ambulance Service (YAS) for them to provide Service wide Clinical Governance.
 - Memorandums of Understanding with Humberside Police and Ambulance Trusts to support response activities including:
 - Fire Investigation
 - Forced Entry for Medical Rescues
 - Drone
 - Bariatric
 - An Integrated Health Centre incorporating a Full-Time fire station, in partnership with Humber, Coast and Vale ICS.
 - A Fire and Police Transformation Board continues to review collaboration opportunities where they are beneficial and practicable.
 - Shared provision of a Health and Safety function with Humberside Police, managed by HFRS.
 - HFRS providing Financial Management support to Humberside PCC.
 - 'Don't Cross the Line' campaign to support stopping attacks on Emergency Service Workers.
25. The Service was last inspected by HMICFRS at the end of 2021 into 2022 and rated the Service as 'Good' across all three pillars (Effectiveness, Efficiency and People). The findings represent an improvement on the last routine inspection in 2018, which suggested the Service needed to do more in how it developed its workforce and increase the diversity of the people it employs. The Service Improvement Plan has been refreshed to address any findings from the inspection and to prepare the Service for its next inspection, due to take place later in 2023/24. Performance monitoring against the Service Improvement Plan is undertaken through a Strategic Leadership Team performance meeting held every other month.
26. The Appointments Committee met three times during 2022/23 to appoint to the following Executive posts:
- Chief Fire Officer and Chief Executive
 - Deputy Chief Fire Officer and Executive Director of Service Delivery
 - Assistant Chief Fire Officer and Executive Director of Corporate Services
27. One Whistleblowing complaint was received internally during 2022/23 and was dealt with in accordance with the Whistleblowing Policy. An investigation is currently in progress.
28. On 18 May 2022 the Secretary of State for the Home Department (Home Secretary) published a White Paper and Consultation outlining a package of proposed reforms for fire and rescue services. The White Paper described proposed areas of reform that are intended to drive change and strengthen fire and rescue services across three principle areas: (i) People, (ii) Professionalism and (iii) Governance. The Consultation closed on 26 July 2022 and the Sector is still awaiting the outcome and Government's response.

Strategic Risk and Opportunity Register

29. The Service has in place a Strategic Risk and Opportunity Register which enables it to understand, monitor and mitigate against the Service's overall risk profile. The Service can use a range of techniques for identifying specific risks that may potentially impact on one or more objectives. The top critical Strategic Risks for 2022/23 as outlined below will continue to be progressed and monitored throughout the next financial year.

- Reduction in external funding
- Threat of Industrial Action (IA)
- Mobile Data Terminal (MDT) Failure
- Emergency Services Network (ESN) (at present)

Conclusions

30. This Annual Governance Statement for 2022/23 provides Members with a high level of assurance for the Authority's governance arrangements.

Signed

.....
Chair of the Authority

.....
Chief Fire Officer & Chief Executive

.....
S.151 Officer

.....
Secretary & Monitoring Officer

Humberside Fire Authority
28 April 2023

**Report by the Assistant Chief Fire
 Officer & Executive Director of
 Corporate Services**

ANTI-FRAUD AND CORRUPTION STATEMENT 2022/23

1. SUMMARY

- 1.1 An annual Anti-Fraud and Corruption Statement is produced in response to recommendations within an Internal Audit review of Counter Fraud Arrangements conducted during 2016/17. The Statement covers key actions taken throughout the reporting year to provide an assurance of the processes in place.
- 1.2 This report has been considered by the Governance, Audit and Scrutiny (GAS) Committee at the meeting held 3 April 2023.

2. RECOMMENDATIONS

- 2.1 It is recommended that the Fire Authority approves the Anti-Fraud and Corruption Statement for 2022/23 as set out at Appendix 1.

3. BACKGROUND

- 3.1 An annual Anti-Fraud and Corruption Statement is produced in response to recommendations within an Internal Audit review of Counter Fraud Arrangements conducted during 2016/17. The Statement covers key actions taken throughout the reporting year to provide an assurance of the processes in place.
- 3.2 The outcomes of the review, including a number of recommendations and agreed actions, were reported to the GAS Committee on 10 April 2017. A specific recommendation was received that the Chief Fire Officer & Chief Executive should publish a formal statement of the Fire Authority's commitment to anti-fraud, bribery and corruption measures.
- 3.3 The GAS Committee also conducted a scrutiny review of anti-fraud and corruption measures in 2018.

4. REPORT DETAIL

- 4.1 Related anti-fraud Service Policies are reviewed annually, in conjunction with the GAS Committee. These include:
 - Whistleblowing
 - Anti-Bribery
 - Anti-Money Laundering
 - Anti-Fraud and Corruption
- 4.2 Members also receive assurances through the Annual Governance Statement.

Recommendations from GAS Committee

4.3 The GAS Committee received the draft Anti-Fraud and Corruption Statement at its meeting of 3 April 2023 for making any recommendations to the Authority. The Committee endorsed the draft Anti-Fraud and Corruption Statement but suggested the Statement could provide clearer evidence where there have been no cases of reported fraudulent activities. As such under Section 6 of the draft Statement, a further paragraph has been inserted to reflect the reporting mechanisms and that the Monitoring Officer and Chair of the GAS Committee, who would be notified of any such incidents, can confirm there have been no reported fraudulent activities.

4.4. The draft Anti-Fraud and Corruption Statement for 2022/23 is set out at Appendix 1 and, subject to the Authority's approval, will be published on the Authority's website.

5. EQUALITY IMPLICATIONS

5.1 There is no requirement to carry out an equality impact analysis as this report does not relate to a policy or service delivery change.

6. CONCLUSION

6.1 The Authority is asked to approve the Anti-Fraud and Corruption Statement for 2022/23 as set out at Appendix 1.

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Background Papers

None

Glossary/Abbreviations

GAS	Governance, Audit and Scrutiny Committee
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HUMBERSIDE FIRE AUTHORITY

ANTI-FRAUD AND CORRUPTION STATEMENT 2022/23

Introduction

1. Humberside Fire Authority (HFA) is committed to the highest possible standards of integrity, openness, probity and accountability. The management of the risk of fraud and corruption and ensuring that effective counter fraud arrangements are in place are key elements of Corporate Governance.
2. Our Communities expect the HFA to conduct its affairs with integrity, honesty, openness and to demand the highest standards of conduct from those working for it.
3. The HFA recognises that sound systems of public accountability are vital to effective management and to maintain confidence in the Service and is committed to protecting the public funds entrusted to it. This Anti-Fraud & Corruption Statement outlines the HFA's commitment to creating an anti-fraud culture and maintaining high ethical standards in its administration of public funds. A culture of honesty and openness is a key element in tackling fraud.
4. In order to prevent, discourage and detect fraud, the Authority has in place and will continue to develop appropriate controls and procedures. These are inter-related and are designed to frustrate fraud or corruption. They cover culture, prevention, detection and training.
5. Actions around Fraud, Corruption and Bribery form part of the Authority's commitment to robust governance arrangements.

Key Actions during 2022/23

6. Existing policies and strategies are reviewed on an ongoing basis and annually in conjunction with the Governance, Audit and Scrutiny (GAS) Committee. The policies listed below are current and are published on the Authority's [website](#):
 - a) Anti-Fraud & Corruption Policy
 - b) Whistleblowing Policy
 - c) Anti-Bribery Policy
 - d) Anti-Money Laundering Policy

As stated in the Anti-Fraud & Corruption and Whistleblowing policies the Monitoring Officer and Chair of GAS Committee are, amongst others, independent named contacts that individuals can report any concerns to.

7. The Monitoring Officer and Chair of the GAS Committee can confirm that there have been no attempted fraud, bribery or corruption identified during 2022/23. However, the organisation remains vigilant and constantly reviews the operating environment.

Assurance

8. The Authority has comprehensive crime insurance arrangements in place. This cover is for all employees and third parties up to £500k.
9. The GAS Committee are consulted on policy development to combating fraud across the Authority.
10. Arrangements are in place to utilise Internal Audit if required to investigate suspected cases of fraud.
11. We periodically draw to the attention of staff the relevant policies. This is usually through email bulletins and entries in internal communications.
12. We maintain our knowledge, assurance and best practice to deal with current fraud risks and issues through our relationship with Internal Audit. We also receive and disseminate alerts via our Internal Auditors (TiAA).
13. We challenge ourselves through Internal and External audit provision to ensure our procedures are robust and current.
14. We continue to fully participate in the Cabinet Office's National Fraud Initiative (NFI) and receive reports on the outcomes.
15. We have appropriate arrangements in place that encourage staff to raise their concerns. The Whistleblowing Policy and distribution of literature around the Protect Service further support our internal actions.

Signed:

Chair of the Humberside Fire Authority

Chief Fire Officer and Chief Executive

USE OF DELEGATED POWERS BY THE CHIEF FIRE OFFICER 2022/23

1. SUMMARY

- 1.1 The report provides the Authority with details of the decisions taken by the Chief Fire Officer & Chief Executive during 2022/23 to vary the establishment, under his delegated powers within the Fire Authority's Constitution (section 4.1).
- 1.2 Members should note that this report concerns only permanent changes to the establishment. Temporary posts, re-gradings and changes in job content where the post remains substantially the same are not included as such decisions are within the remit of the Chief Fire Officer & Chief Executive under the Constitution.

2. RECOMMENDATIONS

- 2.1 That the Fire Authority takes assurance that the Scheme of Delegation is being exercised properly.

3. BACKGROUND

- 3.1 The Scheme of Delegation set out in the Constitution gives the Chief Fire Officer & Chief Executive delegated authority as follows:

PART 3 DECISION MAKING

Section B - Scheme of Delegation

(m) In respect to human resource matters:

- (vi) to vary in any one financial year the overall establishment to a maximum of 0.5% of total annual budget (provided that such a variation does not affect more than 10 permanent full-time equivalent posts), and provided that any such variations are within the approved Budget (and confirmed by the S.151 Officer) and are in accordance with the approved Strategic Plan (and CRMP) of the HFA. The Chief Fire Officer & Chief Executive shall report on an annual basis to the HFA setting out the basis upon which such powers have been exercised.
- 3.2. Members should note that this report concerns only permanent changes to the establishment. Temporary posts, re-gradings and changes in job content where the post remains substantially the same are not included as such decisions are within the remit of the Chief Fire Officer & Chief Executive under the Constitution

4. REPORT DETAIL

- 4.1 In the year 2022/23 the following substantive establishment changes have been approved under the delegated authority given to the Chief Fire Officer & Chief Executive:
 - Deletion of a Watch Manager position within the Corporate Assurance section.

5. EQUALITY IMPLICATIONS

- 5.1 There is no requirement to carry out an equality impact analysis as this report does not relate to a policy or service delivery change.

6. CONCLUSION

- 6.1 Members are asked to note the substantive establishment changes during 2022/23 approved under the delegated authority given to the Chief Fire Officer & Chief Executive.
- 6.2 The Authority should take assurance that the Scheme of Delegation is being exercised properly.

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Background Papers

None

Glossary/Abbreviations

CRMP	Community Risk Management Plan
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HFRS STAFF PAY AWARDS ANNUAL UPDATE

1. SUMMARY

- 1.1 This report is intended to give Humberside Fire Authority an update report outlining the pay position of all the staff groups it employs, including current arrangements and awards made over previous years for comparison.
- 1.2 It is considered important that the HFA have a transparent and detailed view of staff pay and how that is changing over time in order that they may contextualise other reports to the HFA in respect of efficiencies and new ways of working and be able to better place the Service in the wider public sector service providers in terms of their own and/or home Authority experience.

2. RECOMMENDATIONS

- 2.1 It is recommended that the Fire Authority note:
- i) That Grey book staff have accepted a pay offer of 7% for 2022/23 and 5% for 2023/24 from the National Employers (NJC) Grey Book
 - ii) That Green book staff have rejected a pay offer of a flat rate of £1925 for 2022/23 across all pay spines or a minimum increase of 3.88 per cent on all pay spines plus 3.88% on all allowances with effect from April 2023 from the National Employers (NJC) for Local Government;
 - iii) That the Gold book offer is not comparable to the Grey book offer made to other operational staff and negotiations are ongoing;
 - iv) That Gold book staff, unlike Grey and Green book staff are not limited to national collective bargaining and have the facility to negotiate local pay awards through the 'twin track' facility with Humberside Fire Authority.

3. BACKGROUND

- 3.1 This report provides an 'Annual Update' on pay matters ensuring that Members are sighted on the pay position of its staff groups, the negotiations around pay that take place annually and the mechanisms that exist for pay negotiations for each staff group.

4. REPORT DETAIL & OPTIONS/PROPOSALS

Grey Book

- 4.1 Grey Book staff are those uniformed members of staff in the roles of Firefighter to Area Manager. They are represented at their National Employer NJC by the Fire Brigades Union (FBU) and Fire Officers Association (FOA). In addition, there also exists a Middle Managers' Negotiating Body (MMNB) who have plenary powers to deal with the pay and conditions of middle managers (Station Managers, Group Managers and Area Managers) within the framework of the NJC. The NJC consists of 28 members appointed by representative bodies (14 employers' representatives and 14 Fire Brigades' Union representatives). The MMNB consists of 28 members (14 employers' representatives, 13 Fire Brigades' Union and 1 Fire Officers' Association representative). The mechanism for pay negotiation for Grey Book staff involves an annual pay claim followed by an offer in response by their NJC employers' side. Any pay increments agreed are due for payment in July annually.

- 4.2 For Grey Book staff, detailed discussions on pay have been held over several years and the FBU, who represent most staff in this group, have pushed for a significant pay rise through the Employers' side of the NJC since June 2017. The Authority has received regular updates on the discussions and negotiations that have taken place over the last five years, but no agreement has been reached on the longer-term issue of pay. Each year, however, an interim agreement has been reached for a cost-of-living increase.
- 4.3 On 31 May 2022 the FBU wrote to the National Employers and outlined their pay claim for 2022. A copy of the claim was identified in NJC Circular NJC/31/22.

The pay claim included the following requests:

- i) Pay increase: Using CPI as the measure of inflation, a competent firefighter needs an increase of more than £4,000 to restore real wages lost over more than a decade of austerity. Therefore, a settlement for 2022 should urgently begin to address this through an immediate and significant pay rise, as well as by setting out a roadmap for further significant improvements in pay
- ii) RDS firefighters: There are widespread and increasing difficulties in relation to the recruitment and retention of RDS firefighters. This has created, among other things, increasing problems regarding the availability of appliances crewed by those working retained duties in many FRSSs. This matter should be addressed by the employers proposing significant improvements in the pay and rewards package for such firefighters, which should include a substantial increase in the annual retaining fee.
- iii) Firefighters (Control): The essential contribution of firefighters (control) has been highlighted by the debate around the Grenfell fire and the issues discussed in the Manchester Arena Inquiry. We are concerned that this contribution is not currently recognised by the current pay scales. Therefore, we seek a reduction in the gap between the rates for control specific roles and "firefighting" roles.
- iv) Pay progression: We have previously set out our concerns about the impact of the current flat pay structure on our members. You are aware that this has had the effect of hitting employees on Grey Book rates harder than those in sectors with systems of pay progression. CPD should be equalised and could be incorporated into a new system of pay progression beyond the competent rate.
- v) New roles: The employees' side has also previously set out the union's expectation for any agreement in relation to broadening the role of a firefighter. We remain committed to developing the work of our service in the face of changing risk. This must be done by negotiation and agreement. It also requires investment from the governments of the UK. Nevertheless, these discussions should be immediately progressed.
- vi) Continuous Professional Development: A firefighter is a firefighter wherever he or she may work in the UK. They perform the same duties and take the same risks. Accordingly, payments should be equal across the sector according to rank/role. Moreover, firefighters perform to a very high standard. To these ends we seek agreement that CPD:-
 - Will be paid at the highest current national rate, indexed by the %age pay rise for this and future years;
 - Should be paid as part of core pay, perhaps as an increment after a number of years service;
 - Should continue to be paid on promotion.

In view of the above, the employers' side of the NJC needs to urgently address these issues by means of an immediate and substantial pay increase to NJC rates of pay. We hope this can be concluded prior to 1 July.

- 4.4 Following the consultation events, the National Employers decided to make a formal offer on 27 June 2022 of 2% for all Grey Book staff effective from 1 July 2022. The details of the offer are contained in NJC Circular NJC 1/22.

- 4.5 The FBU subsequently consulted their members and rejected the offer of a 2% pay increase on 19 July 2022 and this was communicated to FRSs through NJC Circular NJC 2/22.
- 4.6 A number of meetings were held in the subsequent months between the FBU and the National Employers. Eventually, an improved pay offer was tabled on 4 October 2022 of 5%.
- 4.7 The 5% pay offer was rejected and FBU balloted its members for strike action, with 88% voting in favour of strike action.
- 4.8 An improved offer was made in February 2023, which included a two-year deal of 7% for 2022/23 and 5% for 2023/34. The details of the offer are contained in NJC circular NJC 3/23.
- 4.9 Following a consultative ballot of its members, the FBU unanimously accepted the two-year offer on 6 March 2023 with payments backdated to 1 July 2022.
- 4.10 It is noted the view of the Chief Fire Officer, the Chair of the Fire Authority and members was, our firefighters deserved an immediate and substantial pay rise.

Green Book

- 4.11 Green Book members of staff are all those members of staff who are non-operational. They are represented at their National Employer NJC by UNISON, GMB and UNITE. The NJC consists of 70 members, 12 from employers' representatives, 31 from UNISON, 16 from GMB and 11 from UNITE. Any pay increments agreed are due for payment in April annually.
- 4.12 The pay claim from the Joint Trade Union Side was made on 30 January 2023. The pay claim included the following requests:
 - i) An increase of RPI + 2% on all spinal column points In addition:
 - ii) Consideration of a flat rate increase to hourly rates of pay in order to bring the minimum rate up to £15 per hour within two years
 - iii) A review and improvement of NJC terms for family leave and pay
 - iv) A review of job evaluation outcomes for school staff whose day to day work includes working on Special Educational Needs (SEN)
 - v) An additional day of annual leave for personal or well-being purposes
 - vi) A homeworking allowance for staff for whom it is a requirement to work from home
 - vii) A reduction in the working week by two hours • A review of the pay spine, including looking at the top end, and discussions about the link between how remuneration can be used to improve retention
- 4.13 On 23 February 2023 the National Employers made a one year full and final offer of:
 - i) With effect from 1 April 2023, an increase of £1,925 (pro rata for part-time employees) to be paid as a consolidated, permanent addition on all NJC pay points 2 to 43 inclusive
 - ii) With effect from 1 April 2023, an increase of 3.88 per cent on all pay points above the maximum of the pay spine but graded below deputy chief officer
 - iii) With effect from 1 April 2023, an increase of 3.88 per cent on all allowances
- 4.14 Following a meeting with the National Employers on 8 March 2023, UNISON, GMB and UNITE rejected the offer. UNISON has announced a ballot for industrial action, whilst GMB and Unite members will be consulted on the basis of a recommendation that the offer be rejected. UNISON's ballot for industrial action will not take place until mid/late May. If UNISON meets the threshold of a 50% turnout and their members vote in favour of strike action their timetable may mean that strike action doesn't commence

until September, which will be more than 6 months after the employer's offer was made.

Gold Book Staff

- 4.15 Gold Book members of staff are those members of staff in the most senior management positions occupying the roles of Brigade Manager or similar. They are represented at their national employer NJC by the Fire Leaders Association (FLA). The mechanism for pay negotiation for Gold Book staff involves an annual pay claim which is submitted in September/October annually followed by an offer in response by their NJC employers' side. Any pay increments agreed are due for payment in January annually. Any pay increments agreed are due for payment in January annually, although in recent years the decision around an increase has generally not been taken until after the decision has been taken around the Grey Book pay award. This has enabled a level of consistency to be applied across the various staff groups for operational staff. Once the Grey book pay offer has been agreed Gold book employees would normally receive the same pay offer as Grey book employees and this would be backdated to 1 January of that year.
- 4.16 It is worthy of note that, in addition to the process described in the paragraph above, Gold Book staff have within their terms and conditions, negotiated a further mechanism to address pay described as the 'twin track' approach which states: *"There is a 'twin-track' approach for determining levels of pay for Brigade Manager roles (Area Managers and Executive Directors (including non-operational roles)). At national level, the NJC shall review annually the level of pay increase applicable to all those covered by this agreement. In doing so, the NJC will consider affordability, other relevant pay deals and the rate of inflation at the appropriate date. Any increase agreed by the NJC will be communicated to fire authorities by circular."*
- 4.17 The 'twin-track' approach allows Gold Book staff to negotiate pay awards locally with their employing authorities, in addition to and/or separately from the national arrangements. This mechanism was originally introduced to allow for an opportunity to even out the wide variance in Brigade Manager pay around the country which often disadvantaged those at the lower end of the pay scales when accepting nationally negotiated, annual percentage increments. It also ensures that differentials are maintained between senior operational roles which encourages progression and keeps the Service competitive when recruiting for vacancies externally.
- 4.18 It is noted that a number of Services, including regionally West Yorkshire Fire and Rescue Service and North Yorkshire Fire and Rescue Service have locked Gold and Grey book pay together to negate the need to implement the 'twin track' approach and maintain pay award parity for operational staff.
- 4.19 It is the Area Manager role that sees the greatest erosion of the pay differential under the current circumstances. This means that all 3 of our Area Managers who have been promoted in the past 12 months have seen a significant erosion of their pay when compared to the role below which is at Group Manager level. Without a local agreement on pay parity for these critical roles HFRS will remain very uncompetitive in terms of attracting and retaining these senior roles.
- 4.20 There has not previously been the need to make a local pay claim to HFA under the 'twin track' approach due to the custom and practice of pay parity between Gold and Grey book staff in terms of NJC annual pay awards, the assumption of parity is a long standing one and as such this is fully budgeted for. A general principle of the Gold book is that staff terms and conditions should at least be no worse off than those of Grey book staff.
- 4.21 Members are reminded that Gold Book staff have not had a pay increase for over two years and that a benchmark review has not taken place since 2008. Members agreed an external review of senior officer pay should be undertaken during 2023/24.

- 4.22 It is the intent of the CFO/CE to submit a pay summary report to Members of the HFA annually. This will also incorporate, where necessary, a pay claim for Gold Book staff members under the 'twin track' approach as a supplement to the pay summary report.
- 4.23 The table below summarises the pay awards for each staff group since 2017.

Staff Group/Pay Award	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2034/24
Green Book	1%	2%	2%	2.75%	1.75%	£1925	Not agreed
Grey Book	1%	2%	2%	2%	1.5%	7%	5%
Gold Book	1%	2%	2%	2%	1.5%	Not agreed	Not agreed

5. RESOURCING/FINANCIAL/VALUE FOR MONEY IMPLICATIONS

- 5.1 A 1% pay increase across all staff groups equates to a cost to the Service of £366k, assumptions for pay awards have been developed to ensure that the Medium-Term Resource Strategy (MTRS) is robust and affordable. Based on previous years, the assumption was made in the MTRS that the Gold book pay offer would be comparable to the Grey book offer and therefore been funded in the Authority's MTRS.

The Authority's budget is kept under continuous review and the effects of any pay offers/awards that are made that adversely affect the Authority's budget position will be reported in a timely manner and also through the quarterly Management Accounts that are considered by the Governance, Audit and Scrutiny Committee and the HFA throughout the financial year.

6. STRATEGIC PLAN COMPATABILITY

- 6.1 This report is compatible with Strategic Objective 3: "We value and support the people we employ" and Objective 4: 'We efficiently manage the Service'"

7. EQUALITY IMPLICATIONS

- 7.1 There is no requirement to carry out an equality impact analysis as this report does not relate to a policy or service delivery change.

8. CONCLUSION

- 8.1 That the Fire Authority note:
- i) That Grey book staff have accepted a pay offer of 7% for 2022/23 and 5% for 2023/24 from the National Employers (NJC) Grey Book;
 - ii) That Green book staff have rejected a pay offer of a flat rate of £1925 for 2022/23 across all pay spines or a minimum increase of 3.88 per cent on all pay spines plus 3.88% on all allowances with effect from April 2023 from the National Employers (NJC) for Local Government;
 - iii) That the Gold book offer is not comparable to the Grey book offer made to other operational staff and negotiations are ongoing.
 - iv) That Gold book staff, unlike Grey and Green book staff are not limited to national collective bargaining and have the facility to negotiate local pay awards through the 'twin track' facility with Humberside Fire Authority.

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Background Papers

None

Glossary/Abbreviations

**Humberside Fire Authority
28 April 2023**

**Report by Deputy Chief Fire Officer
& Executive Director of Service
Delivery**

REVIEW OF THE PREVENTION STRATEGY

1. SUMMARY

- 1.1 The Service's Prevention Strategy was due for review at the end of the financial year. An increase in fire fatalities, when viewed against previous years, supported the need for a deeper dive review to ensure that our Prevention activities are focussed on the most vulnerable from fire.
- 1.2 Accidental dwelling fire fatalities for 2022/23 totalled 7 when the average for the previous 5 years has been 5 fatalities. In addition, we had 3 fatalities from a fire following a road traffic collision (RTC) and 1 from a deliberate fire.
- 1.3 The Service has proactively reviewed our targeting programme, and its work with partners, in line with the data. We are amending our Strategy to broaden our high-risk group and develop partner knowledge to ensure support to most vulnerable in the community.

2. RECOMMENDATIONS

- 2.1 It is recommended that the Fire Authority note the detail of the report and take assurance that the Strategy is actively reviewed based on an intelligence and data led approach.

3. BACKGROUND

- 3.1 The Service's Prevention Strategy broadly has 3 elements in relation to home fire safety prevention. These are:
 - 1) Proactive targeting of those who are known to be at highest risk of dying in a domestic fire, this risk is identified using national and local fire death data.
 - 2) Referrals from partner agencies, such as Health Care, Local Authorities, Police, of those who are deemed to need fire prevention support and advice.
 - 3) Post incident targeting. This is where we target properties within proximity of a recent incident.
- 3.2 In 2022/23 we had 5,110 properties within are proactive targeting group, we received 1,088 referrals and conducted 751 post incident interventions.
- 3.3 Our key intervention, for these cases, is a home fire safety visit (HFSV). Where our personnel will assess risk, give safety advice and install smoke detection.

4. REPORT DETAIL & OPTIONS/PROPOSALS

- 4.1 During 2022/23, there have been a total of 7 accidental dwelling fire fatalities In Humberside. This is higher than in the previous 5 years when the average number per year was 5. The last time we recorded a number higher than this average was in 2017/18 when there were 8.
- 4.2 Accidental fires in the home that result in a fatality are the focus of our main prevention activity, the HFSV.

- 4.3 Every occurrence of a fire fatality is followed up by a serious incident review. As part of that process, we engage with partners to understand which agencies have had recent contact with the individuals and what interventions were taken.
- 4.4 Of the 7 fatalities:
- 5 were on the north bank,
 - 5 were white males between 54 – 75.
 - We had previous contact with 6 of them and had difficulty influencing behavioural change.
- 4.5 We benchmark performance indicators with other Fire and Rescue Services as part of our family group. Data to the end of quarter three of 2022/23 indicated that Humberside had one of the highest number of deaths per 100,000 population of 14 services that took part in the benchmarking. Seven of the 14 services have shown an increase in varying degrees. We are currently awaiting the most recent national fatality data to further inform the overall picture.
- 4.6 We contacted other services nationally and from those 6 who responded, 4 services have reported increases. One increasing to 9 from an average of 2 and another increasing to 9 from an average of 4. We have also requested national trend information from the Home Office. Therefore, indications are that this increase is being seen nationally as well as locally.
- 4.7 We have confidence in our risk profiling methodology. That methodology has been praised by the HMICFRS during inspections and is considered to be consistent with national best practice.
- 4.8 Our risk profile for 2022/23 was generated after analysis of local and national fire fatality and casualty data using data science algorithmic models which highlighted the importance of key attributes (with likelihood weighting) in the risk of becoming a fire fatality. The algorithmic models allow us to profile how all the risk attributes have combined in a unique set of circumstances to culminate in a fire fatality.
- 4.9 The model then categorises individuals and properties based on risk. There are 9 categories of risk ranging from high to low which are coded. The scoring includes factors such as age lifestyle, accommodation and their social and personal factors. Our prevention strategy means we proactively target the highest risk category, which includes a total of 5,110 properties.
- 4.10 Based on our strategy review and detailed analysis of our fatality incidents we are expanding our highest risk group to include the next category down. As a result, our proactive targeting will increase from 5,110 properties to approximately 9,000. We are confident that we can flex our resourcing model to ensure we can meet this increased demand.
- 4.11 In addition, as result of the review, we will be revisiting and revitalising the training input we deliver to partners to ensure the quality of the referrals we receive.

5. EQUALITY IMPLICATIONS

- 5.1 The Prevention Strategy is underpinned by a series of Equality Impact Assessment. The amendments to the Strategy, outlined, do not have any negative impacts.

6. CONCLUSION

- 6.1 The Service's Prevention Strategy was due for review at the end of the financial year. An increase in fire fatalities, when viewed against previous years, supported the need for a deeper dive review.
- 6.2 Fire fatalities for 2022/23 increased to a total of 11 when the average for the previous 5 years has been 5 fatalities.

- 6.3 The Service has reviewed its proactively targeting programme, and its work with partners, in line with the data. We are amending our strategy to broaden our high-risk group and develop partner knowledge to ensure support to most vulnerable in the community. As a result, our proactive targeting, of the high risk group, will increase from 5,110 properties to approximately 9,000 properties.
- 6.4 We will continue to review and evaluate our Strategy and interventions.

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Background Papers

None

Glossary/Abbreviations

HFSV	Home Fire Safety Visit
HMICFRS	His Majesty's Inspectorate of Constabulary and Fire and Rescue Services
RTC	Road Traffic Collision

EFFICIENCY AND PRODUCTIVITY PLAN 2023/24

1. SUMMARY

- 1.1 The Minister of State for Crime, Policing and Fire requires all Fire and Rescue Authorities to produce an Efficiency and Productivity Plan for the period 2023/24, aligned to Home Office guidance regarding content. In simple terms, the Plan explains how Humberside Fire Authority (HFA) aims to deliver efficiencies and increased productivity, against national targets, set for 2021/22 – 2024/25 Spending Review period.
- 1.2 The draft HFA Productivity and Efficiency Plan 2023/24, as attached at Appendix 1, provides detail of the efficiency and productivity progress of HFA against the national goals and with due consideration of efficiencies being made, alongside the uptake of the full £4.99 Precept Tax rise flexibility offered within the Spending Review.
- 1.3 In line with our transparency in publishing other Strategic Plans and Financial Information, the Plan is published on the Authority's [website](#). The Authority commits to publishing an annual report on the progress of the Efficiency and Productivity Plan on its website, alongside the Annual Statement of Assurance, in July of each year.

2. RECOMMENDATIONS

- 2.1 It is recommended that the Fire Authority approve the draft Efficiency and Productivity Plan 2023/24, as attached at Appendix 1.

3. BACKGROUND

- 3.1 The Minister of State for Crime, Policing and Fire requires all Fire and Rescue Authorities to produce an Efficiency and Productivity Plan for the period 2023/24, aligned to Home Office guidance regarding content. In simple terms, the Plan explains how Humberside Fire Authority (HFA) aims to deliver efficiencies and increased productivity, against national targets, set for 2021/22 – 2024/25 Spending Review period.
- 3.2 The National Fire Chiefs Council (NFCC) and the Local Government Association (LGA) have proposed that across FRSs in England, the sector could create 2% of non-pay efficiencies and increase productivity by 3% in this period. The Chief Fire Officer and Chief Executive is the sector lead for National Fire Chief Council (NFCC) Productivity and Efficiency workstreams. The national workstreams seek to provide a greater understanding of how to accurately measure productivity within the fire and rescue sector, in particular, those activities delivered by full-time firefighters.
- 3.3 The HFA Productivity and Efficiency Plan 2023/24 provides detail of the efficiency and productivity progress of HFA against the national goals and with due consideration of efficiencies being made, alongside the uptake of the full £4.99 Precept Tax rise flexibility offered within the Spending Review.
- 3.4 In line with our transparency in publishing other Strategic Plans and Financial Information, the Plan is published on the Authority's [website](#).
- 3.5 HFA's strategy for the provision of fire and rescue services for three years is driven by the approved Community Risk Management Plan (CRMP) and the Strategic Plan 2021

- 2024. The plans have been developed by Government guidance in these areas. These plans are available to view on the Authority's website Strategic Plan, Community Risk Management Plan.

- 3.6 These plans are also supported by the Service's Medium-Term Resource Strategy (MTRS), setting out how HFA will fund the Service. The MTRS is based on several assumptions, which are detailed within this Efficiency and Productivity Plan. The MTRS can also be viewed on the Authority's website MTRS.
- 3.7 Humberside Fire Authority commits to publishing an annual report on the progress of the Efficiency and Productivity Plan. This will be published on the Authority's website, alongside our Annual Statement of Assurance, in July of each year.

4. REPORT DETAIL

Efficiency Savings

- 4.1 HFA has achieved non-pay efficiency savings of 2.25% during 2022/23 and plans to achieve 2.42% during 2023/24 and 2.46% during 2024/25.

Workforce Planning

- 4.2 Our operational and non-operational workforce is managed through workforce planning arrangements. This identifies existing and future vacancies and considers the role requirements and recruitment needs against current priorities, to utilise vacancies more effectively in deciding whether the role be immediately filled or considered for reallocation and re-evaluation into other parts of the Service in line with Service needs.

Procurement - Cost savings

- 4.3 Each year the Authority submits a return under the Fire Commercial Transformation Programme to NFCC. This outlines both cashable savings and cost avoidance achieved by the Service through the efficient and effective implementation of good procurement practices.
- 4.4 The Service has reported a total of £1.12m in cost savings or avoidance since April 2020 and will continue to use the most appropriate procurement route to meet the needs of the Authority.

Productivity

- 4.5 HFA is committed to pursuing a 3% increase in productivity in line with national targets, set for 2021/22 – 2024/25 Spending Review period. All service delivery activities are data, risk and intelligence-led aligning delivery to the risks faced across the Humber area.
- 4.6 Productivity expectations for fulltime firefighter activities are aligned to the delivery of the Community Risk Management Plan (CRMP) and dynamically monitored through bespoke PowerBI. Threshold/Outcome Performance Dashboards, accessible by senior and middle management teams and at a tactical fire station level. Performance is monitored dynamically by relevant managers; weekly performance outcome reports are presented to Strategic and Tactical briefings. As part of this work attention has been focused on defining baseline capacity. This has enabled surplus availability to be redirected to improving both the outputs and outcomes for the community.
- 4.7 Fulltime firefighter productivity is measured against the:
- Prevention activity including physical risk-based domestic Home Fire Safety Visits (HFSVs).
 - Protection activity including risk-based engagements and audits.
 - Local risk identification, management and recording activity including Operational Risk visits aligned to the FRS Act 2004 s7(ii)d.

- Learning and Development activities to maintain firefighter role competence.
- Recruitment activities in support of Positive Action.
- Dynamic monitoring of fulltime and on-call crewing levels and the effective and efficient deployment of any fulltime firefighter surplus crewing, above standard crewing thresholds. Including Prevention and Protection activities, supporting on-call crewing and other targeted activities.

5. EQUALITY IMPLICATIONS

- 5.1 There is no requirement to carry out an equality impact analysis as this report does not relate to a policy or service delivery change. Members should be assured, however, that relevant equality impact analyses have already been undertaken that support this work, particularly in terms of productivity activities that have created a change.

6. CONCLUSION

- 6.1 HFA has achieved non-pay efficiency savings of 2.25% during 2022/23 and plans to achieve 2.42% during 2023/24 and 2.46% during 2024/25.
- 6.2 HFA is committed to pursuing a 3% increase in productivity in line with national targets, set for 2021/22 – 2024/25 Spending Review period. All service delivery activities are data, risk and intelligence-led aligning delivery to the risks faced across the Humber area.
- 6.3 The Authority commits to publishing an annual report on the progress of the Efficiency and Productivity Plan. This will be published on the Authority's website, alongside the Annual Statement of Assurance, in July of each year.
- 6.4 Members are asked to consider and approve the draft Efficiency and Productivity Plan for the period 2023/24 as submitted to the Home Office.

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Background Papers

None

Glossary/Abbreviations

CRMP	Community Risk Management Plan
HFA	Humberside Fire Authority
HFSV	Home Fire Safety Visits
LGA	Local Government Association
MTRS	Medium-Term Resource Strategy
NFCC	National Fire Chiefs Council

Humberside Fire Authority



Efficiency and Productivity Plan 2023 - 2024



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About the Plan

The Minister of State for Crime, Policing and Fire requires all Fire and Rescue Authorities to produce an Efficiency and Productivity Plan for the period 2023/24, aligned to Home Office guidance regarding content. In simple terms, the Plan explains how Humberside Fire Authority (HFA) aims to deliver efficiencies and increased productivity, against national targets, set for 2021/22 – 2024/25 Spending Review period.

The National Fire Chiefs Council (NFCC) and the Local Government Association (LGA) have proposed that across FRSs in England, the sector could create 2% of non-pay efficiencies and increase productivity by 3% in this period.

The HFA Productivity and Efficiency Plan 2023/24 provides detail of the efficiency and productivity progress of HFA against the national goals and with due consideration of efficiencies being made, alongside the uptake of the full £4.99 Precept Tax rise flexibility offered within the Spending Review.

In line with our transparency in publishing other Strategic Plans and Financial Information, the Plan is published on the Humberside Fire and Rescue Service (HFRS) Website [About Us | Humberside Fire](#)

HFA's strategy for the provision of fire and rescue services for three years is driven by the approved Community Risk Management Plan (CRMP) and the Strategic Plan 2021 - 2024. The plans have been developed by Government guidance in these areas. These plans are available to view on the HFRS website [Strategic Plan, Community Risk Management Plan](#).

These plans are also supported by the Service's Medium Term Resource Strategy (MTRS), setting out how HFA will fund the Service. The MTRS is based on several assumptions, which are detailed within this Efficiency and Productivity Plan. The MTRS can also be viewed on the HFRS website [MTRS](#).

Section 1: Primary information

Budgeted Expenditure and Income

Humberside Fire Authority	2023/24 £M	2024/25 £M	2025/26 £M	2026/27 £M
Fire Response and Protection	49.228	50.900	51.853	52.632
Capital Financing	3.465	3.515	3.632	3.841
Total	52.693	54.415	55.485	56.473

MTRS Group Budget Forecast	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m
Base budget	47.625	52.693	54.415	55.485
Budget pressures				
Pay Related Increases	3.064	1.076	0.858	0.672
Non-Pay Inflation	0.688	0.386	0.394	0.417
Budget pressures / (Savings)	0.567	0.497	-	-
Revenue Impact of Capital Financing	1.028	0.051	0.117	0.210
Total budget pressures	5.347	2.010	1.369	1.299
Efficiency Savings Requirement	(0.279)	(0.288)	(0.299)	(0.311)
Additional Savings Requirement	-	-	-	-
Net Budget Requirement	52.693	54.415	55.485	56.473
Central Government Grant Income	18.514	18.551	18.774	19.280
Business Rates Received from Local Authorities	6.021	6.021	6.021	6.021
Business Rates – Collection Fund Surplus / (Deficit)	0.166	(0.300)	(0.300)	(0.300)
Council Tax Precept Income	27.055	29.044	30.510	32.050
Council Tax Precept - Collection Fund Surplus / (Deficit)	0.370	0.450	0.450	0.450
Total Income	52.126	53.766	55.455	57.501
Funding Gap / (Surplus) Before Reserves	0.567	0.649	(0.030)	(1.028)
The planned use of reserves:				
Transfer (from)/to Earmarked reserves	(0.567)	(0.649)	0.030	1.028
Funding gap / (surplus) after use of reserves	-	-	-	-

Reserves

MTRS Reserves Forecast	At 1 April 2023 £m	At 1 April 2024 £m	At 1 April 2025 £m	At 1 April 2026 £m	At 1 April 2027 £m
Earmarked Reserves					
Insurance	0.500	0.500	0.500	0.500	0.500
The Ark – National Flood Resilience Centre	1.000	1.000	-	-	-
Capital Programme Funding	2.220	2.070	1.920	1.770	1.620
Business Continuity	1.000	1.000	1.000	1.000	1.000
ESMCP	0.265	0.265	0.265	0.265	0.265
Service Improvement and Environment	0.030	0.030	0.030	0.030	0.030
Control Room	1.000	0.500	-	-	-
Pay and Prices	1.600	-	-	-	-
Total Earmarked Reserves	7.615	5.365	3.715	3.565	3.415
General Reserves	6.902	7.935	7.286	7.256	8.284
Total Reserves	14.517	13.300	11.001	10.821	11.699

HFA retains £7.615m Earmarked Reserves for the following purposes:

- Insurance – to meet potential uninsured losses.
- The Ark (National Flooding Resilience Centre) – to meet HFA contribution to progress the ARK project.
- Capital Programme Funding – funding for the Capital Programme to replace capital grant funding from the Home Office, which has now ceased.
- Business Continuity – to meet any expenditure required in relation to maintaining the Service's resilience for the delivery of Statutory Functions.
- Emergency Services Mobile Communication Programme (ESMCP) – to meet the costs of the ESMCP rollout.
- Service Improvement and Environment – to support environmental initiatives across the Service in support of the Environmental Sustainability Plan.
- Control Room – to meet costs in relation to the Control Room.
- Pay and Prices – funding for pay and prices increases in excess of budget assumptions.

Council Tax Precept 2023/24

HFA approved a £4.99 annual increase on a Band D property for 2023/24. Despite this increase, the Authority is still using reserves to balance the budget in 2023/24 and 2024/25. Pay and non-pay inflation continue to put significant pressure on the Authority's finances.

Non-Pay Efficiency Savings

HFA has achieved non-pay efficiency savings of 2.25% during 2022/23 and plans to achieve 2.42% during 2023/24 and 2.46% during 2024/25.

Productivity

The HFRS Chief Fire Officer and Chief Executive is the sector lead for National Fire Chief Council (NFCC) Productivity and Efficiency workstreams. The national workstreams seek to provide a greater understanding of how to accurately measure productivity within the fire and rescue sector, in particular, those activities delivered by full-time firefighters.

HFA is committed to pursuing a 3% increase in productivity in line with national targets, set for 2021/22 – 2024/25 Spending Review period.

All service delivery activities are data, risk and intelligence-led aligning delivery to the risks faced across the Humber area. Performance information is published via the HFRS website and includes (but is not limited to):

- Strategic Plan and Strategic Objective Outcome Measures 2021/24.
- CRMP 2021/24.
- Annual Performance Report 2022/23.
- Budget monitoring reports (revenue, capital, and treasury).
- Annual Statement of Accounts.
- Medium Term Resource Strategy (MTRS).
- Annual Governance Statement 2022/23.
- Annual Internal Audit Plan 2023/24.
- Annual Statement of Assurance 2022/23.
- Information required in compliance with the Local Government Transparency Code.
- HFA and Governance Audit and Scrutiny Committee meeting Agendas and Minutes.

Productivity expectations for fulltime firefighter activities are aligned to the delivery of the Community Risk Management Plan (CRMP) and dynamically monitored through bespoke PowerBI. Threshold/Outcome Performance Dashboards, accessible by senior and middle management teams and at a tactical fire station level. Performance is monitored dynamically by relevant managers; weekly performance outcome reports are presented to Strategic and Tactical briefings. As part of this work attention has been focused on defining baseline capacity. This has enabled surplus availability to be redirected to improving both the outputs and outcomes for the community.

Productivity of Full-Time Firefighters

Fulltime firefighter productivity is measured against the:

- Prevention activity including physical risk-based domestic Home Fire Safety Visits (HFSVs).
- Protection activity including risk-based engagements and audits.
- Local risk identification, management and recording activity including Operational Risk visits aligned to the FRS Act 2004 s7(ii)d.
- Learning and Development activities to maintain firefighter role competence.
- Recruitment activities in support of Positive Action.
- Dynamic monitoring of fulltime and on-call crewing levels and the effective and efficient deployment of any fulltime firefighter surplus crewing, above standard crewing thresholds. Including Prevention and Protection activities, supporting on-call crewing and other targeted activities.

Productivity - Promising Practice 1

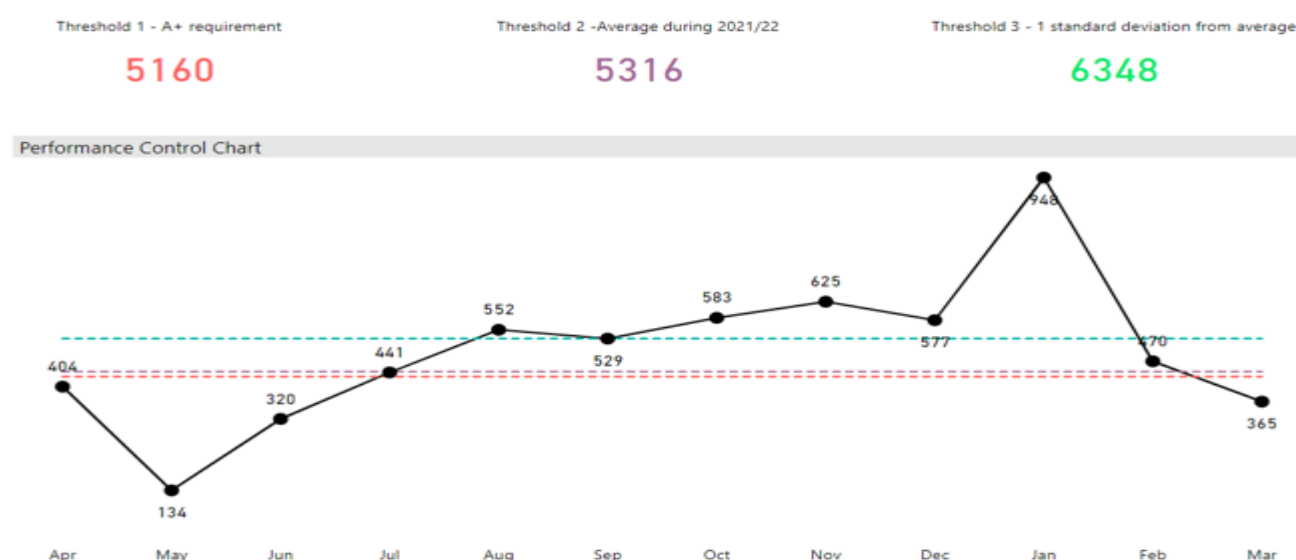
Through, and in support of the national workstreams led by the Chief Fire Officer, resources have been applied to the development of several intuitive dashboards that enable dynamic monitoring of Prevention and Protection activities, delivered by fulltime firefighters in support of dedicated Prevention and Protection teams, whilst also monitoring productivity against operational demand and other necessary daily activities and outputs. Whilst work continues to refine this approach there is a clear focus towards improved and measured productivity delivering improved outcomes for our communities. This adds value to national programmes of work with the Home Office and HMICFRS, to support the ongoing development of productivity and efficiency drivers.

Productivity Monitoring

Prevention Risk Activity

As well as reacting to partner and public referrals, our Fire Fatality Profile drives our Home Fire Safety Visits (HFSV). HFSV-related activities are recorded against threshold charts to provide a visual representation of productivity.

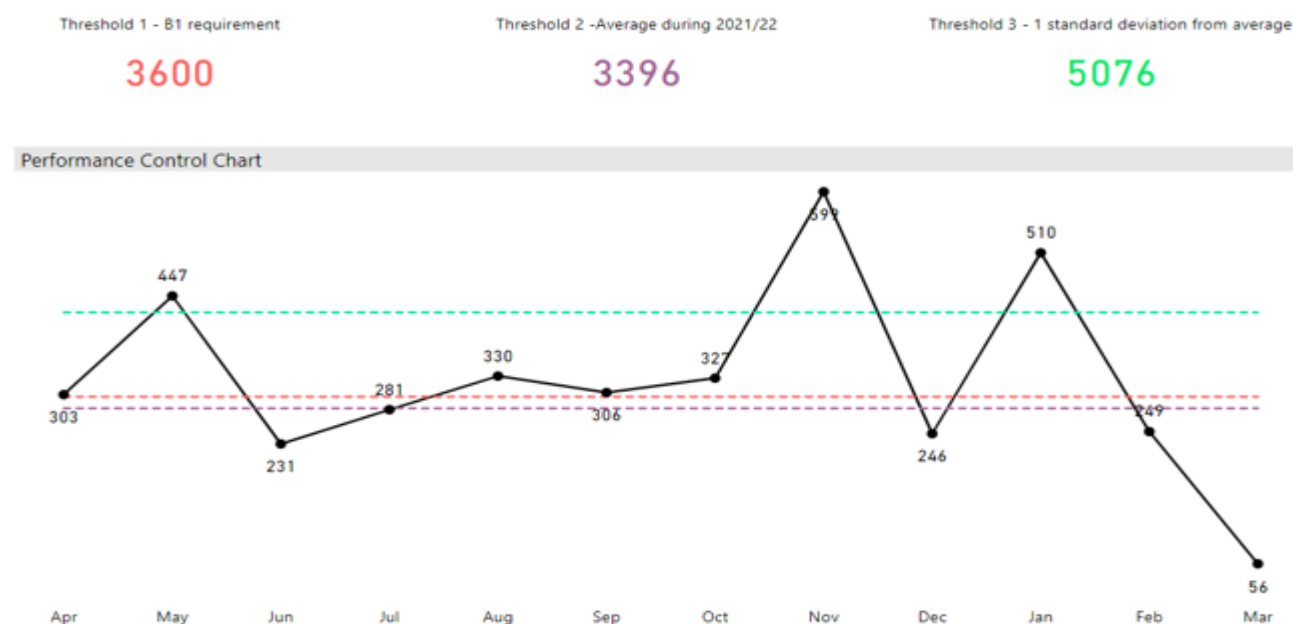
Threshold chart 1 shows home fire safety visit (HFSV) related activity by crews during 2022/23. The red line indicates the level of visits required to complete visits in the highest-risk households. The purple line is the average for the monthly number of activities conducted last year (2021/22). The green line is 1 standard deviation from the average (The reassurance of continuous improvement). Should we meet the green line target each month, the increase in productivity for the year would mean an additional 1032 HFSV activities will have been carried out, an increase from last year of 19%. During the past year, we have surpassed this target 5 times. This represents an actual increase in productivity of 10% compared to last year (2021/22).



Threshold chart 1 – Home Fire Safety Visits and Attempts

Protection Risk Activity

As well as reacting to partner and public referrals, our Risk Based Inspection Programme (RBIP) drives our audits by Inspectors and our engagement visits by crews. Crews engage with low complexity, non-sleeping risk businesses, referring any concerns to our inspectors. Threshold chart 2 shows the number of these engagements carried out by crews during 2022/23. The chart is constructed in the same way as the HFSV chart. Should we meet the green line target each month, the increase in productivity for the year would mean an additional 1032 engagement activities will have been carried out, an increase from last year of 19%. The actual increase in productivity was 11% compared to last year (2021/22).



Threshold chart 2 – B1 Protection Engagement visits and attempts

We recalculate our threshold charts and our risk profiles annually to ensure that we are always striving for continuous improvement and increased productivity to meet the risk in our communities.

Site Specific Risk Information (SSRI) Activity

Our crews inspect premises to monitor operational risk. Again, we have dashboards that measure the rate of inspection and whether these are completed within our policy time frames. This inspection format also covers the 29 Upper Tier 'Control of Major Accident Hazards' (COMAH) sites in the Humber area. Our visits are aligned to the national Provision of Operational Risk Information System (PORIS), from the Governments' Fire and Rescue Service Operational Guidance. We are working on aligning our Risk Based Inspection Process and SSRI requirements within our upgraded CFRMIS system in 2023 to improve the efficiency of these visits.

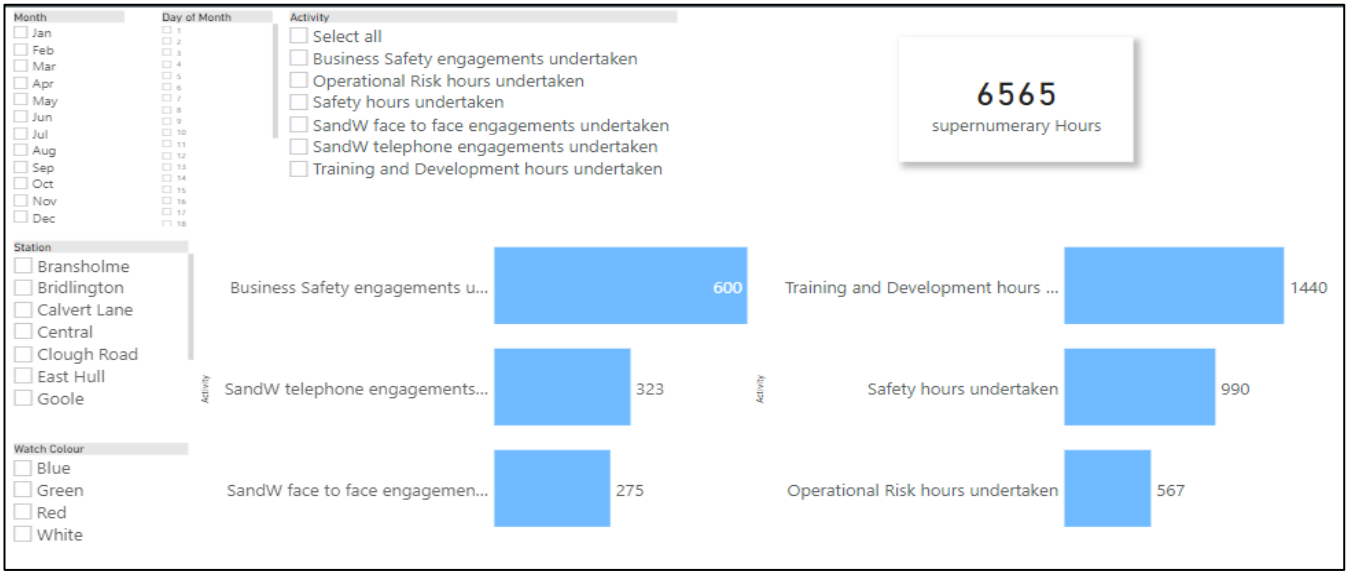
Learning and Development Activity

We utilise a dashboard to measure how compliant our stations are with the competence they need to fulfil our CRMP requirements. We have set threshold levels for each theme and station. This helps us to monitor if the crews are up to date with their initial and revalidation training. We

monitor learning and development such as the rate of compliance for mandatory e-learning packages covering topics like safeguarding, modern slavery, and data protection across all relevant staff groups.

Surplus Crewing

Humberside Fire and Rescue Service require 67 firefighters to crew all fulltime frontline fire engines. On days when more than 67 firefighters are available, those additional firefighters are redirected to maximise productivity in delivering other targeted activities. Dashboard 1 shows how we use and monitor the additional resources.



Dashboard 1 – Supernumerary crew utilisation

Section 2: Secondary information

Collaboration

HFRS has worked closely with Humberside Police across several areas to identify and assess opportunities to deliver services through collaborative or shared approaches. This includes collaboration across the management of Humberside Police and Humberside Fire and Rescue Service Vehicles, the management of Health and Safety and buildings across the Humber area. Opportunities are being explored to expand this collaborative relationship to improve the environmental sustainability and impacts of both organisations.

Collaboration – Promising Practice 2

In 2015, Humberside Fire and Rescue Service and Humberside Police collaborated to form the Emergency Services Fleet Management (ESFM) company. ESFM manage a shared vehicle and maintenance facility which provides a total solution for the management of vehicles across both organisations, including blue light response and other fleet vehicles. The collaboration has created cashable efficiencies of circa £800k over the period April 2015 to March 2023 and provided opportunities for shared learning in the management of fleets across both organisations.

Collaboration – Promising Practice 3

Through a cost recovery contracted model, Humberside Fire and Rescue Service provide a Falls Intervention Response Team within Hull to assist vulnerable people that fall in their home and respond when other partner resources are not immediately available. Resources are assigned to this with a one-hour response time and when not responding the team is utilised to deliver prevention activities including physical home safety visits, improving outcomes for vulnerable people across Hull and contributing to community outcomes. This service has been recognised as good practice by the Department for Health.

Transformation Plans

HFRS has introduced a bi-annual structured Decision Conferencing approach, which brings together all senior leaders to prioritise transformational projects and programmes. In March 2023, the two projects approved for progress are:

- HR system consolidation – a project to bring together systems utilised across several Service areas to identify opportunities for consolidation where that consolidation can improve efficiency and productivity (cashable and non-cashable) and maintain accuracy.
- Salary Sacrifice Scheme for Electric Vehicles (EV) – a project to look at the introduction of a scheme to enable affordable access to EVs for staff, on a private ownership basis, funded through salary sacrifice. This will lead to efficiencies in the employer's national insurance contributions (cashable) as well as contributing towards our commitment to deliver targets within our Environmental Sustainability Plan and in support of a greener environment across the Humber area (non-cashable).

Broader transformation activity is aligned with the development and delivery of the CRMP, including annual public consultation regarding arising risks and opportunities and practical options for the mitigation of risk.

A strategic project Programme Register is in place to record the governance and progression of project activity.

A strategic focus on continuous improvement is embedded within strategic and tactical leadership activity. A Service Improvement Directorate led by the Assistant Chief Fire Officer ensures service activities remain focused. Improvement workstreams are documented and evidenced within a Service Improvement Plan, including HMICFRS inspection outcomes and other workstreams.

Independent scrutiny is provided via an annual, commissioned and HFA approved, internal independent Audit Plan focussed on improvement areas.

Further assurance is provided to HFA through an independent Governance, Audit and Scrutiny Committee, made up of co-opted lay members. The purpose of the Committee is to provide independent advice and recommendations to the HFA on the adequacy of the governance and risk management frameworks, internal controls and financial reporting, and internal and external audits, thereby helping to ensure efficient and effective assurance arrangements are in place.

The Committee sets its scrutiny programme annually, looking at a variety of aspects of Humberside Fire and Rescue Service's work and policy implementation from the point of view of the communities it serves; to provide constructive feedback and recommendations to improve the Service.

Charging Policies

Special Service charges, including those associated with reducing the burden of Unwanted Fire Signals (False Alarms), are increased in line with inflation each year and applied appropriately. Any income generated through this approach is reinvested into prevention and protection competence. This approach has also increased the capacity for operational crews to be redirected in support of our CRMP.

The Service also generates rental income, recharging for secondments and through collaborations with Health partners.

Asset Management and Investment in Technology

Through software investment, Humberside Fire and Rescue Service have maximised capacity and efficiency in the delivery of services to the community.

In 2022/23

- Extensions to the life of vehicles, now based on a 10 year replacement schedule instead of a previous 7 year on our 79 light vehicles (cars and vans), will realise average savings of £74k/year in the vehicle replacement strategy.

In 2023/24

- Improvements to fire engine equipment checks software to further reduce the time needed to check equipment and further increase capacity to deliver other activities.

- Planned investments in software for the delivery of prevention, protection, and risk activities, will lead to a cashable saving of over £100k in replacing existing old and expensive tablet hardware currently being used for these activities, with newer and cheaper electronic devices. This will also lead to further cashable savings in connection software of £17k/year for contractual maintenance.
- Use of existing technologies to mobilise officers to incidents will lead to £40k savings in not needing to replace current hardware used for this purpose.
- Reducing the number of direct dial telephone lines in use across the service is to be investigated. This is with the hope that cost savings can be realised by reducing the number currently available but not being used and making use of innovative technologies, for making telephone calls.

Resourcing Models

HFRS employ three resourcing models to resource emergency response and delivery of services by operational firefighters: Fulltime, On-call and Contingency Fire Crew.

Fulltime firefighters aligned to a 24hr duty shift. This shift pattern was introduced across all fulltime stations in 2020, increasing capacity for other activities by reducing the time taken to conduct shift commencement activities (such as vehicle and equipment checks) to once per day.

Resourcing – Promising Practice 4

Humberside Fire and Rescue Service require 67 firefighters to crew all fulltime frontline fire engines. On days when more than 67 firefighters are available, those additional firefighters are redirected to maximise productivity in delivering other targeted activities.

On-call firefighters serve our more rural communities and provide availability through a locally managed self-rostering system to maximise the availability of on call resources in line with our bi-annually published performance plan.

Resourcing – Promising Practice 5

A third innovative approach to providing additional call-off resilience resources for spate calls during extreme weather conditions and Industrial Action, within a **Contingency Fire Crew** model, has been introduced as part of our Community Risk Management Plan. Similar in concept to volunteer models widely employed across Europe and Australia, Contingency firefighters are paid a retainer and attend regular training sessions.

Workforce Planning

Our operational and non-operational workforce is managed through workforce planning arrangements. This identifies existing and future vacancies and considers the role requirements and recruitment needs against current priorities, to utilise vacancies more effectively in deciding whether the role be immediately filled or considered for reallocation and re-evaluation into other parts of the Service in line with Service needs.

Procurement - Collaboration Initiatives with External Partners

HFRS evaluates its procurement activity and pursues collaborative opportunities where there are benefits identified. These include financial, resources, experience, combined working, and contract convergence. Where a collaboration has been identified, a project team is set up to explore the opportunity and develop and agree to terms of reference, the specification of requirements and undertake risk assessments and analysis including for equality.

Once an agreement has been reached then the procurement teams take this to market, having assessed the most suitable route, and carry out the sourcing exercise in partnership to identify a preferred product and report to their respective Services the outcome.

Recently HFRS has undertaken a joint procurement project to undertake the replacement of the Service's PPE provision. The Services which took part in the collaboration with Humberside were South Yorkshire FRS, West Yorkshire FRS, and North Yorkshire FRS which produced several benefits such as cost saving of £150k and circa £50k/annum maintenance, resource sharing and implementation of a regional standardised laundry and maintenance contract.

Procurement - National Frameworks

HFRS may establish a Framework Agreement or seek access to Framework Agreements held by another public authority. Where a framework is to be utilised then HFRS must comply with all terms and conditions of the existing framework. The Service's professionally qualified Procurement team will assist officers in the identification of a suitable framework that may be available during the assessment of the route to market and will ensure compliance with the requirements of the framework. HFRS uses a range of Framework Agreements provided by professional buying organisations for a range of goods and services.

HFRS uses, amongst others, frameworks hosted by the following organisations:

- YPO – Yorkshire Purchasing Organisation.
- ESPO – Eastern Shires Purchasing Organisation.
- NFCC – National Fire Chiefs Council.
- CCS – Crown Commercial Services.
- HTE – Health Trust Europe.




Procurement - Cost savings

Each year HFRS submits a return under the Fire Commercial Transformation Programme to NFCC. This outlines both cashable savings and cost avoidance achieved by the Service through the efficient and effective implementation of good procurement practices.

The Service has reported a total of £1.12m in cost savings or avoidance since April 2020 and will continue to use the most appropriate procurement route to meet the needs of the Authority.

Progress of the Efficiency and Productivity Plan

Humberside Fire Authority commits to publishing an annual report on the progress of the Efficiency and Productivity Plan. This will be published on the HFRS website, alongside our Annual Statement of Assurance, in July of each year.

		
Cllr John Briggs	CFO Phil Shillito	Kevin Wilson
Chair of Humberside Fire Authority	Chief Fire Officer and Chief Executive, Humberside Fire and Rescue Service	Executive Director of Finance/S.151 Officer, Humberside Fire and Rescue Service