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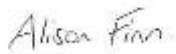
To: Members of the Fire Authority	Enquiries to: Alison Finn Email: committeemanager@humbersidefire.gov.uk Tel. Direct: (01482) 393204 Date: 14 September 2023
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Dear Member

I hereby give you notice that a meeting of **HUMBERSIDE FIRE AUTHORITY** will be held on **FRIDAY, 22 SEPTEMBER 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 21 July 2023	(pages 1 - 4)	Chairperson	To approve
4. Minutes of the Governance, Audit and Scrutiny Sub-Committee held on 4 September 2023.	(pages 5 - 7)	Chairperson	To receive
5. Questions by Members	-	Monitoring Officer & Secretary	To receive
6. Communications	-	Chairperson & Chief Fire Officer/Chief Executive	To receive
7. External Audit Completion Report	(pages 8 - 41)	Mazars	To receive
8. Annual Statement of Accounts 2022/23 (Audited)	(pages 42 - 128)	Executive Director of Finance /Section 151 Officer	To approve

Business	Page Number	Lead	Primary Action Requested
9. Management Accounts period ending 30 June 2023	(pages 129 - 130)	Executive Director of Finance /Section 151 Officer	To receive
10. Financial Outlook 2024/25 Onwards	(pages 131 - 134)	Executive Director of Finance /Section 151 Officer	To approve
11. Capital Programme 2024/25 Onwards – Vehicles, Estates and ICT	(pages 135 - 140)	Area Manager of Prevention, Protection, Fleet and Estates	To approve
12. Equality, Diversity and Inclusion (EDI) Annual Report 2022/23	(pages 141 - 158)	Head of Organisational Development	To approve
13. Bullying, Harassment & Discrimination - Internal Audit Report 2023/24	(pages 159 - 183)	Area Manager of Service Improvement	To receive
14. Real World HR – Service Improvement Journey	(pages 184 - 186)	Executive Director of People and Development	To receive
15. HMICFRS Inspection Update & Update on Values and Culture in Fire and Rescue Services	(pages 187 - 201)	Area Manager of Service Improvement	To receive
16. Executive Director of Finance & S.151 Officer	Verbal	Chief Fire Officer/ Chief Executive	To approve
17. Chief Fire Officer Update	Verbal	Chief Fire Officer/ Chief Executive	To receive

HUMBERSIDE FIRE AUTHORITY

FRIDAY, 21 JULY 2023

PRESENT:

Members

Representing East Riding of Yorkshire Council:

Councillors Astell, Casson, Dennis, Gill, Meredith, Nolan and Sutton

Representing Hull City Council:

Councillors Henry, Matthews, Neal, North, and Woods

Representing North East Lincolnshire Council:

Councillors Lindley, Patrick, Shepherd and Swinburn

Representing North Lincolnshire Council:

Councillors Briggs, Grant, Sherwood and Waltham MBE

Officers of Humberside Fire & Rescue Service

Phil Shillito - Chief Fire Officer & Chief Executive, Kevin Wilson - Executive Director of Finance/Section 151 Officer, Jon Henderson - Area Manager Prevention, Protection, Fleet and Estates, Jason Kirby - Area Manager of Emergency Response, Steve Duffield - Area Manager of Service Improvement, Emma Appleton - Acting Monitoring Officer/Secretary and Rob Close - Committee Manager.

Also in attendance: Andy Blades (HMICFRS).

The meeting was held at Service Headquarters, Hessle.

77/23 APOLOGIES FOR ABSENCE - Apologies for absence were submitted from Councillor Healing, Councillor Petrini, and Jonathan Evison.

78/23 DECLARATIONS OF INTEREST – Councillor Gill declared a non-pecuniary interest in Minute 86/23 as she had supported the Fire Fighters' Charity by hosting an event.

79/23 MINUTES - Resolved - That the minutes of the meeting of the Authority held on 23 June 2023 be approved as a correct record.

80/23 MINUTES OF THE GOVERNANCE, AUDIT AND SCRUTINY COMMITTEE - Resolved - That the minutes of the Governance, Audit and Scrutiny Committee meeting held on 3 July 2023 be received.

81/23 QUESTIONS BY MEMBERS - there were no questions by Members.

82/23 COMMUNICATIONS - none.

83/23 TREASURY MANAGEMENT REPORT - The Executive Director of Finance/Section 151 Officer submitted a report that provided Members with a review of the Authority's treasury management activity and Prudential Indicators for the year 2022/23.

The Authority's temporary investments totalled £9.0m as at 31 March 2023.

Table 1 – Investment income earned 2022/23

Interest Earned 2022/23	Rate of return 2022/23	Benchmark return 2022/23*	Difference
£335,446	3.36%	4.18%	(0.82%)

* Benchmark set as average SONIA rate for the year

Interest earned during 2022/23 was £295k higher than originally budgeted for in respect of investment activity for the year, due to higher interest rates than originally anticipated.

The Authority sought to minimise the use of short-term borrowing to fund temporary cash shortfalls. The Authority did not undertake any short-term borrowing during the year. Long-term loans were taken out either to replace existing loans which had matured or to fund capital expenditure. The Authority's average level of borrowing was £18.8m for 2022/23, on which £608k of interest was payable. The Authority repaid £900k of Public Works Loans Board (PWLB) debt upon maturity whilst taking no new borrowings during the year. Closing PWLB debt at 31 March 2023 was £18.2m.

It was explained that the Authority's investment strategy, set prior to the current financial year, identified more secure counter parts to invest in, thus, a lower investment yield was returned. The Executive Director of Finance/Section 151 Officer advised that a cautious approach was prudent in the current economic climate.

There was some scope to release money from reserves to pay for short term capital projects however, for longer term more costly projects, external borrowing was still seen as the appropriate financing option.

Members took assurance from the treasury management activities undertaken during 2022/23 and the Prudential Indicators as outlined in the report.

Resolved - That the Treasury Management Annual Report 2022/23 be approved.

84/23 ROLE OF MEMBER CHAMPIONS - The Area Manager of Service Improvement submitted a report summarising the role of Member Champions.

The role of Member Champion and the allocation of individual Members to specific roles was first introduced by the Fire Authority in October 2017. Since then, the role of Member Champion had developed over time. Members, except for the Chairperson of the Authority, were each assigned a Member Champion role at the Annual General Meeting of the Authority. The report set out the Member Champion roles assigned, in consultation with Group Secretaries, to individual Members following the Annual General Meeting.

The relevant Area Manager or Executive Director hold quarterly meetings with their respective Member Champions to provide an overview of current and future operational activity (including performance metrics where appropriate) and to consider current and arising issues. It was acknowledged that Members must balance several commitments and responsibilities in their role as elected Member and therefore had only a finite amount of time they could dedicate to their Fire Authority duties. As such, it was proposed that Member Champion meetings only take place on a quarterly basis virtually, either by Microsoft Teams or Zoom, with meetings set to last no longer than one hour.

Whilst the role of a Member Champion was a nominated position it was recognised by the Service that Members would want to forge a relationship more locally within their respective constituent area. Therefore, the District Manager in the respective unitary authority area would also host a specific meeting on a quarterly basis to run through local matters. All Fire Authority Members from the relevant District would be invited and encouraged to attend those district meetings.

Resolved - That the Fire Authority -

- (i) Reiterates its support for and engagement in the role of Member Champions;
- (ii) Approves the Member Champions Terms of Reference, and

(iii) Approves the Terms of Reference for District Meetings.

85/23 AERIAL APPLIANCE REPLACEMENT - The Area Manager of Emergency Response submitted a report summarising the review of the Service's Aerial capability.

The aerial appliance at Scunthorpe Station was due for replacement in 2026/27. Due to the age of the appliance, the Service had experienced reliability issues and repair /maintenance complications. To ensure continued provision of the capability, the Service had an older 32m aerial appliance on hire. The reliability issues and approaching replacement date for the appliance prompted a review of the Service's Aerial capability.

A detailed review was undertaken by the Emergency Preparedness and Fleet & Equipment Team. The review was considered by the Executive Board and a decision made to bring the replacement of the appliance forward into this financial year and delay the replacement of the Water Support Unit until 2026/27. A concise version of the review was provided through the report for members information and assurance.

The appliance chassis were standard designs imported from abroad before bespoke bodies were made to order. While there was an ambition to pursue the green agenda and develop an electric fleet, the Authority did not expect aerial appliances to imminently move from diesel to electric. Upon the need for disposal, the aerial appliance was returned to the supplier for a small capital return of £13,000.

As the length of the ladder increased, the base of the appliance footprint also increased which led to a compromise in length to 45 metres to retain effective movability through narrower streets. 45 metres was still seen as effective for aerial appliances when considered against the high rise building profile in the Service area.

Resolved - That report be received.

86/23 CHIEF FIRE OFFICER UPDATE - The Chief Fire Officer/Chief Executive provided a verbal update.

- The Reforming our Fire and Rescue Service White Paper had not been published prior to Parliamentary recess, however the Authority would continue its work with the Fire Brigades Union in relation to matters that may be raised in the White Paper.
- A fire engine previously in the Authorities fleet, valued at £4,000, had been donated to North Lindsey College after it reached the end of its lifecycle, to be used by students studying mechanical engineering.
- Following the notice of resignation of the Executive Director of Finance/Section 151 Officer, an advertisement for the role had now gone live.
- The Authority received a letter from HMICFRS on issues of misconduct, as did all other Fire and Rescue Services. Ten Services are being selected for inspection but no notification had been received regarding who the ten were at this stage.
- An officer of the Authority sat on the National Fire Chiefs Council Personal Protective Equipment (PPE) Contaminants project board offering significant insights as the Authority budgeted for PPE.
- A letter was received by the Authority from a representative of Women in the Fire Service UK, thanking the Authority for the extensive support provided.
- The Fire Fighters' Charity confirmed that the Service raised the significant amount of £71,000 in the previous year. The lead officer for the charity GM Richard Gibson will be invited to the September authority meeting so that members can acknowledge the work undertaken.
- A range of internal services and external organisation were available to staff to raise concerns about the Authority's practices or individual members of staff. Members took assurance in the Service's commitment to good practice and employee health and wellbeing.

Resolved - That the update be noted.

87/23 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.

88/23 CONTROL 25 PROJECT – The Area Manager of Emergency Response submitted a report updating Members on the critical function of Fire Control.

Resolved - That the report be received.

HUMBERSIDE FIRE AUTHORITY
GOVERNANCE, AUDIT AND SCRUTINY COMMITTEE

4 SEPTEMBER 2023

PRESENT: Independent Co-opted Members Chris Brown, Melissa Dearey and Nigel Saxby

Officers Present: Matthew Sutcliffe – Assistant Chief Fire Officer & Executive Director of Corporate Services, Mark Blenkinsop – Head of Joint Estates, Andy Day – Head of Function, Jason Kirby – Area Manager of Emergency Response, Jamie Morris – Designate Head of Corporate Assurance, Martyn Ransom – Joint Deputy Chief Finance Officer & Deputy S.151 Officer, via Microsoft Teams Andy McCulloch – Internal Audit (TIAA), Lisa Nicholson – Monitoring Officer/Secretary, and Rob Close – Committee Manager.

External Audit

Ross Woodley – Mazars

Internal Audit

Andrew McCulloch - TIAA (in remote attendance)

Councillor Briggs was also in attendance.

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

40/23 APOLOGIES FOR ABSENCE – Apologies for absence were received from Kathryn Lavery and Gerry Wareham.

41/23 DECLARATIONS OF INTEREST – No declarations of interest were made with respect to any items on the agenda.

42/23 MINUTES – Members of the Committee expressed an interest in seeing an update to the scrutiny item on grievance procedures in January 2024.

Resolved – (a) *That the minutes of the meeting held on 3 July 2023 be confirmed as a correct record.*

(b) *That the Committee receive an update to the scrutiny item on grievance procedures in January 2024.*

43/23 MANAGEMENT ACCOUNTS PERIOD ENDING 30 JUNE 2023 – The Committee received a report of the Deputy Joint Chief Finance Officer and Deputy Section 151 Officer detailing the final outturn report. The Committee was advised that the Service ran an underspend of £0.295m with all capital projects on budget. Investments were considered to be yielding an acceptable return. The reserve budget was still underspent however this took into account the forthcoming pay award.

It was clarified that the contracts awarded outside of tender process were done so with the knowledge that the providers had specialist knowledge and experience in those works. The decisions not to create a new tender was made at an area manager level and was subject to an audit.

The on-call fire fighters' pay underspend would be addressed as part of a reprofiling exercise. Impacts were seen as a result of bank holidays and new recruits.

Resolved - *That the report be received.*

44/23 INTERNAL AUDIT REPORTS – The Committee received a report of TIAA, the Authority's internal auditors, detailing the internal audit reports. The Committee was advised that there was one additional piece of work being included on the internal audit plan considering procurement exercises.

The Committee were interested to know how the field work for the audits was conducted. The internal auditors agreed to give some further detail of this outside of the meeting.

Resolved – *That the report be received.*

45/23 External Audit Completion Report – The Committee received a report of Mazars, the Authority's external auditors, detailing the external audit completion report. The Committee was advised that there were significant delays in local audits, and it was a great testament to the finance team for getting their audit completion report for 2022/23. There were no significant changes to bring to Members' attention and it was noted that the audit's sign off will follow the previous year's timetable.

The investment referred in the report to awaiting confirmation from the National Audit Office. This was an issue faced by all Fire and Rescue Services in the country and not specific to Humberside.

Resolved - *That the update be noted.*

46/23 ANNUAL STATEMENT OF ACCOUNTS 2022/23 (AUDITED) – The Committee received a report of the Deputy Joint Chief Finance Officer and Deputy Section 151 Officer detailing the audited annual statement of accounts for 2022/23. The Committee was advised that these accounts would be going, with some minor amendments, to the meeting of Humberside Fire Authority in September.

The Committee suggested that a further breakdown of the type of fires be added to the Service Performance Summary 2022/23.

Resolved - *That the update be noted.*

45/23 SCRUTINY ITEM: DIGNITY WORKS SCHEME – The Committee received a report of the Area Manager of Prevention, Protection, Fleet and Estates.

The Committee was advised that since 2011, the Service had been undertaking an improvement programme of dignity works to its Estate. Further to this, in 2018, the Service published its Professional Standards Dignity at Work Policy before making a marked improvement and significant increase in the provision of dignity works, to ensure full compliance with both the Dignity at Work Bill 2001 and the Equality Act 2010.

The Service always had a reactive approach to Estate management and since 2011/12 the Service invested just short of £4 million in dignity works across the Estate. Work began to ensure that the Service's Estate was fully compliant and appropriate for use, following the Service publishing its Professional Standards Dignity at Work Policy. Whilst this programme of work was being undertaken, the Service's inspection by His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) in 2022 highlighted that problem areas still existed, resulting in a full review of the dignity improvement scheme.

Further works were already being planned or progressed to ensure that the Service became fully compliant with the support of a task and finish working group led by a Service Delivery Manager. To assist in the identification and progress of future work, the Service planned to adopt an NHS method of Estate inspection and improvement called 'The Six Facet Survey' which sought to consider:

- The building's condition
- Its overall functional suitability (this included Dignity and Welfare, Clean areas, Storage, Security and Gym/Rest areas).
- Space utilisation
- Quality of its amenities, comfort, and environment
- Statutory Compliance items, such as Health & Safety, Asbestos and Flood Risks.
- The buildings energy ratings

The Committee then considered the following aspects:

- **Requests for Transfers** – It was clarified that, while requests for station transfers were not uncommon, these usually came as a result of ambitions for busier work or proximity to home rather than the facilities offered at stations.
- **Staff Surveys** – Issues of facilities were not a common issue raised under staff surveys.
- **Expectations** – Officers were confident that staff were comfortable with the conditions currently available to them. There was some concern that facilities may act as a disincentive to recruitment, however the evidence available did not support this.
- **Inspections** – A new member of staff was recruited to, to join joint services for a full programme of inspections before the end of 2023. Following that, a five-year plan would provide a concise roadmap for ongoing maintenance and refurbishment.

Resolved – *That the update be noted.*

46/23 GAS COMMITTEE SCRUTINY PROGRAMME 2023/24 – The Committee Manager submitted a report summarising the Committee's Scrutiny Programme 2023/24.

Resolved - *That the Programme be received.*

Audit Completion Report

Humberside Fire Authority Year ended 31
March 2023

August 2023

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[Appendix A: Draft management representation letter](#)

[Appendix B: Draft audit report](#)

[Appendix C: Independence](#)

[Appendix D: Other communications](#)

Our reports are prepared in the context of the 'Statement of Responsibilities of auditors and audited bodies' and the 'Appointing Person Terms of Appointment' issued by Public Sector Audit Appointments Limited. Reports and letters prepared by appointed auditors and addressed to the Authority are prepared for the sole use of the Authority and we take no responsibility to any member or officer in their individual capacity or to any third party. Mazars LLP is the UK firm of Mazars, an international advisory and accountancy group. Mazars LLP is registered by the Institute of Chartered Accountants in England and Wales.

Humberside Fire Authority and Governance, Audit and Scrutiny Committee

Humberside Fire and Rescue Service Headquarters

Summergroves Way

Hull HU4 7BB

22 August 2023

Dear Committee Members

Audit Completion Report – Year ended 31 March 2023

We are pleased to present our Audit Completion Report for the year ended 31 March 2023. The purpose of this document is to summarise our audit conclusions.

The scope of our work, including identified significant audit risks and other areas of management judgement, was outlined in our Audit Strategy Memorandum dated 27 March 2023. We have reviewed our Audit Strategy Memorandum and concluded that the original significant audit risks and other areas of management judgement remain appropriate.

We would like to express our thanks for the assistance of your team during our audit.

If you would like to discuss any matters in more detail, then please do not hesitate to contact me on 07896 684771.

Yours faithfully



Gavin Barker

Mazars LLP

Mazars LLP

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

01

Section 01:

Executive summary

1. Executive summary

Principal conclusions and significant findings

The detailed scope of our work as your appointed auditor for 2022/23 is set out in the National Audit Office's (NAO) Code of Audit Practice. Our responsibilities and powers are derived from the Local Audit and Accountability Act 2014 and as outlined in our Audit Strategy Memorandum, our audit has been conducted in accordance with International Standards on Auditing (UK) and means we focus on audit risks that we have assessed as resulting in a higher risk of material misstatement.

In section 4 of this report, we have set out our conclusions and significant findings from our audit. This section includes our conclusions on the audit risks and areas of management judgement in our Audit Strategy Memorandum, which include:

- Management override of controls;
- The valuation of the defined benefit pension liability / asset; and
- The valuation of land and buildings.

Misstatements and internal control recommendations

Section 5 sets out internal control recommendations and section 6 confirms that there are no unadjusted audit misstatements. Section 7 outlines our work on the Authority's arrangements to achieve economy, efficiency and effectiveness in its use of resources.

Status and audit opinion

We have substantially completed our audit in respect of the financial statements for the year ended 31 March 2023. At the time of preparing this report, significant matters remaining outstanding as outlined in section 2. We will provide an update to you in relation to the significant matters outstanding through issuance of a follow up letter.

Subject to the satisfactory conclusion of the remaining audit work, we have the following conclusions:

Subject to the satisfactory conclusion of the remaining audit work, we have the following conclusions:



Audit opinion

We anticipate issuing an unqualified opinion, without modification, on the financial statements. Our proposed audit opinion is included in the draft auditor's report in Appendix B.



Value for Money

We anticipate having no significant weaknesses in arrangements to report in relation to the arrangements that the Authority has in place to secure economy, efficiency and effectiveness in its use of resources. Further detail on our Value for Money work is provided in section 7 of this report.



Whole of Government Accounts (WGA)

We have not yet received group instructions from the National Audit Office in respect of our work on the Authority's WGA submission. We are unable to commence our work in this area until such instructions have been received.



Wider powers

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 to consider any objection made to the accounts. No questions or objections were received in respect of the Authority's 2022/23 accounts.








02


Section 02:


Status of the audit


2. Status of the audit

Our work is substantially complete and there are currently no matters of which we are aware that would require modification of our audit opinion, subject to the outstanding matters detailed below.

Audit area	Status	Description of the outstanding matters
Pensions		We are awaiting assurance from the pension fund auditor. The pension fund audit is still in progress, which means that we are unable to conclude our work to address the significant risk in respect of the defined benefit pension liability valuation at this stage. We are unlikely to receive the necessary assurance in time to give our opinion by the earlier audit completion deadline of 30 September 2023 due to a backlog of work on pension fund audits, but we will complete it as soon as possible.
Movement in Reserves Statement (MIRS) and supporting notes		The pensions entries have a material impact on the MIRS and supporting notes, so as in 2021/22, we have planned our audit of this area to follow the above work on pensions.
Property, Plant and Equipment		We have a small number of queries outstanding at the time of drafting this report.
Investments		We are awaiting external confirmation of one investment held by the Authority.
IT General controls		We will be updating our assessment of the design and implementation of IT general controls in September 2023.
WGA		We are awaiting group instructions from the National Audit Office. This may impact on the timing of issuing our audit certificate to formally conclude and close the audit as it did in 2020/21 and 2021/22.
Closing Procedures		Review and closure processes, including final consideration of post balance sheet events.

 Likely to result in material adjustment or significant change to disclosures within the financial statements.

 Potential to result in material adjustment or significant change to disclosures within the financial statements.

 Not considered likely to result in material adjustment or change to disclosures within the financial statements.

03

Section 03: **Audit approach**

3. Audit approach

Changes to our audit approach

We provided details of our intended audit approach in our Audit Strategy Memorandum in April 2023. We have not made any changes to our audit approach since we presented our Audit Strategy Memorandum.

Materiality

Our provisional materiality at the planning stage of the audit was set at £1.44m using a benchmark of 2% of gross operating expenditure. Our final assessment of materiality, based on the final financial statements, is £1.63m using the same benchmark.

Use of experts

Management makes use of experts in specific areas when preparing the Authority's financial statements. We have used available third-party information to challenge the key valuation assumptions. Furthermore, no changes have been made to the planned approach as outlined in the Audit Strategy Memorandum.

Items of account	Management's expert	Our expert
Property valuations	Clark Weightman	
Defined benefit pension liability	Government Actuary's Department (FFPS) and Hymans Robertson (LGPS).	NAO's Consulting Actuary (PWC)
Financial instruments	Link Asset Services	

Service organisations

The table below summarises the service organisations used by the Authority and our 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 reviewed and documented 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 reviewed and documented the controls in place for production of the financial statements and also within the material financial information systems.

04

Section 04: **Significant findings**

4. Significant findings

In this section we outline the significant findings from our audit. These findings include:

- our audit conclusions regarding other significant risks and key areas of management judgement outlined in the Audit Strategy Memorandum;
- our comments in respect of the accounting policies and disclosures that you have adopted in the financial statements. On page 13 we have concluded whether the financial statements have been prepared in accordance with the financial reporting framework and commented on any significant accounting policy changes that have been made during the year; and
- any significant difficulties we experienced during the audit.

Significant risks

Management override of controls	Description of the risk
	<p>In all entities, 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, we consider there to be a risk of material misstatement due to fraud and thus a significant risk on all audits.</p>
	<p>How we addressed this risk</p> <p>We addressed this risk through performing audit work over:</p> <ul style="list-style-type: none">• Accounting estimates impacting amounts included in the financial statements;• Consideration of identified significant transactions outside the normal course of business; and• Journals recorded in the general ledger and other adjustments made in preparation of the financial statements.
	<p>Audit conclusion</p> <p>Our audit work has provided the assurance we sought and has not identified any material issues to bring to your attention. There is no indication of management override of controls.</p>

4. Significant findings

The Valuation of the Defined Benefit Pension Liability / Asset	Description of the risk
	<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 undertook a triennial revaluation of the local government pension fund and the net valuation moved from a net liability to a net asset for the first time. This results in an increased risk of material misstatement.</p>
	<p>How we addressed this risk</p> <p>We discussed with key contacts any significant changes to the pension estimates. In addition to our standard programme of work in this area, we evaluated 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 reviewed the appropriateness of the key assumptions included within the valuations, compared them to expected ranges and reviewed the methodology applied in the valuation. We considered the adequacy of disclosures in the financial statements.</p> <p>We will also seek assurance from the audit of East Riding Pension Fund when the pension fund audit is substantially complete.</p>
	<p>Audit conclusion</p> <p>Subject to the completion of outstanding work, our work has provided the assurance sought. At this stage we have not identified any errors in respect of the valuation of pensions, although some errors in the pension disclosure notes have been identified and corrected.</p>

Valuation of land and buildings	Description of the risk
	<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>How we addressed this risk</p> <p>We addressed this risk by considering the Authority's arrangements for ensuring that land and building values are reasonable and we used data on valuation trends and relevant indices to assess the reasonableness of the valuations provided by the external valuer. We also assessed the competence, skills and experience of the valuer.</p> <p>We discussed methods used with the valuer and tested their calculations. We used indices provided by NAO's valuation expert (Montagu Evans) to confirm the assets not revalued were unlikely to have materially changed in value.</p> <p>We tested the revaluations in year to valuation reports and supporting calculation sheets and ensure that the calculations were correct and source data agreed with floor plans and indices.</p>
	<p>Audit conclusion</p> <p>We have not identified any 2022/23 valuation issues to bring to your attention. In 2021/22 two calculation errors were identified in respect of professional fees. There was a partially offsetting error in respect of the prior period adjustment. The posting of revaluation movements between the revaluation reserve and not cost of services was also incorrect. These misstatements are disclosed as adjusted misstatements on page 17 as management are planning to correct.</p>

4. Significant findings

Qualitative aspects of the Authority’s accounting practices

We have reviewed the Authority’s accounting policies and disclosures and concluded they comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23, as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets, published in November 2022, appropriately tailored to the Authority’s circumstances.

The Authority has taken advantage of the exception permitted by the Code to exclude immaterial disclosure notes and this has resulted in financial statements that are relatively streamlined. It also means we have not reported the omission of immaterial figures from disclosure notes as errors.

Draft accounts were received from the Authority on 31 May 2023 and were of a good quality. The Authority were one of the few authorities to submit draft accounts for audit by the earlier deadline for 2022/23 specified in the Accounts and Audit Regulations. Good quality working papers were supplied by the scheduled start of the final accounts audit and we received excellent co-operation though the audit.

Significant difficulties during the audit

During the course of the audit, we did not encounter any significant difficulties and we have had the full co-operation of management.

Wider responsibilities

Our powers and responsibilities under the 2014 Act are broad and include the ability to:

- issue a report in the public interest;
- make statutory recommendations that must be considered and responded to publicly;
- apply to the court for a declaration that an item of account is contrary to law;
- make an application for judicial review; and
- issue an advisory notice under schedule 8 of the 2014 Act.

We have not exercised any of these powers as part of our 2022/23 audit.

The 2014 Act also gives rights to local electors and other parties, such as the right to ask questions of the auditor and the right to make an objection to an item of account. No such objections have been raised.

05

Section 05:

Internal control recommendations

5. Internal control recommendations

As part of our audit of the financial statements, we obtained an understanding of internal controls sufficient to plan our audit and determine the nature, timing and extent of testing performed. Although our audit was not designed to express an opinion on the effectiveness of internal control, we are required to communicate to the Governance, Audit and Scrutiny Committee any significant deficiencies identified during the course of our work.

The purpose of our audit was to express an opinion on the financial statements. As part of our audit, we have considered the internal controls in place relevant to the preparation of the financial statements in order to design audit procedures to allow us to express an opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of internal control or to identify any significant deficiencies in their design or operation.

The matters reported are limited to those deficiencies and other control recommendations that we have identified during our normal audit procedures and that we consider to be of sufficient importance to merit being reported. If we had performed more extensive procedures on internal control, we might have identified more deficiencies to be reported or concluded that some of the reported deficiencies need not in fact have been reported. Our comments should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.

No significant findings or recommendations in relation to internal controls have been noted as at the date of this memorandum.

06

Section 06:

Summary of misstatements

6. Summary of misstatements

This section outlines the misstatements identified above the trivial threshold for adjustment of £49,000. During 2022/23 we have not identified any misstatements to the primary statements above this threshold.

The table below outlines the misstatements that we identified during our 2021/22 audit, which management assessed as not being material either individually or in aggregate to the financial statements and decided not to adjust in the 2021/22 accounts. Management are planning to amend the 2022/23 accounts to address these misstatements, so they are reported below as *adjusted*.

Adjusted misstatements		Comprehensive Income and Expenditure Statement		Balance Sheet	
		Dr (£'000)	Cr (£'000)	Dr (£'000)	Cr (£'000)
1	Dr: Property, Plant and Equipment			502	
	Cr: Revaluation Reserve				502
	Valuer calculation errors in the 2021/22 full revaluation regarding professional fees at two fire stations. In one case fees were deducted rather than added and in the other there was no allowance for professional fees.				
2	Dr: Capital Adjustment Account			272	
	Cr: Property, Plant and Equipment				239
	Cr: Revaluation Reserve				33
	Being an error in calculating and posting the prior period adjustment.				
3	Dr: Revaluation Reserve			466	
	Cr: Capital Adjustment Account				466
	Being an error in posting the revaluation adjustments to reserves.				
	Total unadjusted misstatements:				
	Property, Plant and Equipment			263	
	Revaluation Reserve				69
	Capital Adjustment Account				194

6. Summary of misstatements

Disclosure amendments

During our review of the financial statements, we have identified amendments that were required to disclosures. The Authority has made these amendments, the most significant of which were:

- Note 1 (accounting policies) initially indicated that material estimation uncertainty was wider than was recorded at Note 3;
- Note 4 (pensions) initially included incorrect figures for actuarial gains included in the SOCI (should be £230.21M not £233.48M), actuarial gains on assets in the 2015 scheme (should be £3.684M not £3.484M), past service costs (should be -£14.23M, -£1.85M and +16.17M for the three schemes rather than the net figure of zero), the 2021/22 changes in financial assumptions (should be £25,875K not £6,490K), the 2021/22 assets analysis (figures were from 2020/21 rather than 2021/22) and the 2021/22 present value of LGPS funded liabilities (should be £59.886M not £59.812M);
- Note 4 (pensions) initially omitted the sensitivity analysis required by the Code;
- Note 9 (financial instruments) initially overstated the credit risk of customers by £444K;
- Note 12 (related party transactions) did not initially disclose the most up to date figures for the Authority's share of ESFM's net assets (should be £1.5M, not £0.2M); and
- Note 15 (audit fees) did not initially disclose the most up to date figures for 2021/22 and 2022/23. In both years fees are expected to be £38K.

07

Section 07: **Value for Money**

7. Value for Money

Approach to Value for Money

We are required to consider 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 and sets out the reporting criteria that we are required to consider. The reporting criteria are:

- **Financial sustainability** - How the Authority plans and manages its resources to ensure it can continue to deliver its services
- **Governance** - How the Authority ensures that it makes informed decisions and properly manages its risks
- **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

At the planning stage of the audit, we undertake work to understand the arrangements that the Authority has in place under each of the reporting criteria and we identify risks of significant weaknesses in those arrangements. Although we describe this work as planning work, we keep our understanding of arrangements under review and update our risk assessment throughout the audit to reflect emerging issues that may suggest significant weaknesses in arrangements exist.

Where our risk-based procedures identify actual significant weaknesses in arrangements we are required to report these and make recommendations for improvement. Where such significant weaknesses are identified, we report these in the audit report.

The primary output of our work on the Authority's arrangements is the commentary on those arrangements that forms part of the Auditor's Annual Report. We intend to issue the Auditor's Annual Report later in 2023.

Status of our work

We are yet to complete our work in respect of the Authority's arrangements for the year ended 31 March 2023. At the time of preparing this report, we have not identified any significant weaknesses in arrangements that require us to make a recommendation, however we continue to undertake work on the Authority's arrangements.

Our draft audit report at Appendix B outlines that we have not yet completed our work in relation to the Authority's arrangements.

As noted above, our commentary on the Authority's arrangements will be provided in the Auditor's Annual Report later in 2023.

Appendices

A: Draft management representation letter

B: Draft audit report

C: Independence

D: Other communications

Appendix A: Draft management representation letter

From:

Executive Director of Corporate Services
Humberside Fire and Rescue Service Headquarters
Summergroves Way
Hull HU4 7BB

To:

Mr Gavin Barker
Director
Mazars LLP
The Corner
Bank Chambers
26 Mosley Street
Newcastle Upon Tyne
NE1 1DF

Date: TBC

Humberside Fire Authority - audit for year ended 31 March 2023

This representation letter is provided in connection with your audit of the financial statements of Humberside Fire Authority for the year ended 31 March 2023 for the purpose of expressing an opinion as to whether the statement of accounts give a true and fair view in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the Code).

I confirm that the following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, inspection of supporting documentation) sufficient to satisfy myself that I can properly make each of the following representations to you.

My responsibility for the statement of accounts and accounting information

I believe that I have fulfilled my responsibilities for the true and fair presentation and preparation of the statement of accounts in accordance with the Code.

My responsibility to provide and disclose relevant information

I have provided you with:

- access to all information of which I am aware that is relevant to the preparation of the statement of accounts such as records, documentation and other material;



Appendix A: Draft management representation letter

- additional information that you have requested from me for the purpose of the audit; and
- unrestricted access to individuals within the Authority you determined it was necessary to contact in order to obtain audit evidence.

I confirm as Chief Financial Officer that I have taken all the necessary steps to make me aware of any relevant audit information and to establish that you, as auditors, are aware of this information. As far as I am aware there is no relevant audit information of which you, as auditors, are unaware.

Accounting records

I confirm that all transactions have been recorded in the accounting records and are reflected in the financial statements. All other records and related information, including minutes of all Authority and Committee meetings, have been made available to you.

Accounting policies

I confirm that I have reviewed the accounting policies applied during the year in accordance with the Code and International Accounting Standard 8 and consider them appropriate for the year.

Accounting estimates, including those measured at fair value

I confirm that any significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.

Contingencies

There are no material contingent losses including pending or potential litigation that should be accrued where:

- information presently available indicates that it is probable that an asset has been impaired, or a liability had been incurred at the balance sheet date; and
- the amount of the loss can be reasonably estimated.

There are no material contingent losses that should be disclosed where, although either or both the conditions specified above are not met, there is a reasonable possibility that a loss, or a loss greater than that accrued, may have been incurred at the balance sheet date. There are no contingent gains which should be disclosed.

All material matters, including unasserted claims, that may result in litigation against the Authority have been brought to your attention. All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with Code.

Laws and regulations

I confirm that I have disclosed to you all those events of which I am aware which involve known or suspected non-compliance with laws and regulations, together with the actual or contingent consequences which may arise therefrom.

The Authority has complied with all aspects of contractual agreements that would have a material effect on the accounts in the event of non-compliance.



Appendix A: Draft management representation letter

Fraud and error

I acknowledge my responsibility as Chief Financial Officer for the design, implementation and maintenance of internal control to prevent and detect fraud and error.

I have disclosed to you:

- all the results of my assessment of the risk that the statement of accounts may be materially misstated as a result of fraud;
- all knowledge of fraud or suspected fraud affecting the Authority involving:
 - - management and those charged with governance;
 - - employees who have significant roles in internal control; and
 - - others where fraud could have a material effect on the financial statements.

I have disclosed to you all information in relation to any allegations of fraud, or suspected fraud, affecting the Authority's financial statements communicated by employees, former employees, analysts, regulators or others.

Related party transactions

I confirm that all related party relationships, transactions and balances (including sales, purchases, loans, transfers, leasing arrangements and guarantees) have been appropriately accounted for and disclosed in accordance with the requirements of the Code. I have disclosed to you the identity of the Authority's related parties and all related party relationships and transactions of which I am aware.

Impairment review

To the best of my knowledge, there is nothing to indicate that there is a permanent reduction in the recoverable amount of the property, plant and equipment below their carrying value at the balance sheet date. An impairment review is therefore not considered necessary.

Charges on assets

All the Authority's assets are free from any charges exercisable by third parties except as disclosed within the financial statements.

Future commitments

We have no plans, intentions or commitments that may materially affect the carrying value or classification of assets and liabilities or give rise to additional liabilities.

Subsequent events

I confirm all events subsequent to the date of the financial statements and for which the Code require adjustment or disclosure have been adjusted or disclosed.

Should further material events occur after the date of this letter which may necessitate revision of the figures included in the financial statements or inclusion of a note thereto, I will advise you accordingly.

Executive summary	Status of audit	Audit approach	Significant findings	Internal control recommendations	Summary of misstatements	Value for Money	Appendices
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Appendix A: Draft management representation letter

Going concern

I confirm that I have carried out an assessment of the potential impact of the war in Ukraine on the Authority, including the impact on inflation and I am satisfied that the going concern assumption remains appropriate and that no material uncertainty has been identified.

To the best of my knowledge there is nothing to indicate that the Authority will cease to continue as a going concern in the foreseeable future. The period to which I have paid particular attention in assessing the appropriateness of the going concern basis is not less than twelve months from the date of approval of the accounts.

Global Banking Challenges

We confirm that we have assessed the impact on the Authority of the on-going Global Banking challenges, in particular whether there is any impact on the Authority’s ability to continue as a going concern, and on the post balance sheet events disclosures.

We confirm that our exposure (either direct cash exposure or direct / indirect through investments) with Silicon Valley Bank, Credit Suisse, Signature Bank or any other bank in a distress situation, is not material.

Unadjusted misstatements

I confirm that there are no unadjusted misstatements above the reporting threshold of £49,000.

Yours sincerely

Executive Director of Finance

Date.....



Appendix B: Draft audit report

Independent auditor’s report to the members of Humberside Fire Authority
Report on the audit of the financial statements

Opinion on the financial statements

We have audited the financial statements of Humberside Fire Authority (“the Authority”) for the year ended 31 March 2023, which comprise the Comprehensive Income and Expenditure Statement, the Movement in Reserves Statement, the Balance Sheet, the Cash Flow Statement, the Firefighters Pension Fund Account and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23, as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets (“the Code Update”), published in November 2022.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Authority as at 31st March 2023 and of its expenditure and income for the year then ended; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 as amended by the Code Update.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Executive Director of Finance’s use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Appendix B: Draft audit report

Based on the work we have performed, and taking into account the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 as amended by the Code Update, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Authority’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Executive Director of Finance with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Statement of Accounts, other than the financial statements and our auditor’s report thereon. The Executive Director of Finance is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Executive Director of Finance for the financial statements

As explained more fully in the Statement of the Executive Director of Finance’s Responsibilities, the Executive Director of Finance is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 as amended by the Code Update, and for being satisfied that they give a true and fair view. The Executive Director of Finance is also responsible for such internal control as the Executive Director of Finance determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Executive Director of Finance is required to comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 as amended by the Code Update and prepare the financial statements on a going concern basis on the assumption that the functions of the Authority will continue in operational existence for the foreseeable future. The Executive Director of Finance is responsible for assessing each year whether or not it is appropriate for the Authority to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

.

Appendix B: Draft audit report

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Authority we identified that the principal risks of non-compliance with laws and regulations related to the Local Government Act 2003 (and associated regulations made under section 21), the Local Government Finance Acts of 1988, 1992 and 2012, and the Accounts and Audit Regulations 2015, and we considered the extent to which non-compliance might have a material effect on the financial statements.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- inquiring with management and the Authority as to whether the Authority is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Authority, which were contrary to applicable laws and regulations, including fraud.

We evaluated the Executive Director of Finance’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of management and the Authority on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management and the Authority. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

We are also required to conclude on whether the Executive Director of Finance’s use of the going concern basis of accounting in the preparation of the financial statements is appropriate. We performed our work in accordance with Practice Note 10: Audit of financial statement and regularity of public sector bodies in the United Kingdom, and Supplementary Guidance Note 01, issued by the National Audit Office in February 2023.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

Appendix B: Draft audit report

Report on the Authority’s arrangements for securing economy, efficiency, and effectiveness in its use of resources

Matter on which we are required to report by exception

We are required to report to you if, in our view we are not satisfied that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2023.

We have not completed our work on the Authority’s arrangements. On the basis of our work to date, having regard to the guidance issued by the Comptroller and Auditor General in January 2023, we have not identified any significant weaknesses in arrangements for the year ended 31 March 2023.

We will report the outcome of our work on the Authority’s arrangements in our commentary on those arrangements within the Auditor’s Annual Report. Our audit completion certificate will set out any matters which we are required to report by exception.

Responsibilities of the Accounting Officer

The Authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the Authority’s use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor’s responsibilities for the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources, and to report where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the Authority’s arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in January 2023.

Use of the audit report

This report is made solely to the members of Humberside Fire Authority as a body, in accordance with part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 44 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the members of the Authority those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members of the Authority as a body, for our audit work, for this report, or for the opinions we have formed.

Appendix B: Draft audit report

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have completed:

- the work necessary to issue our assurance statement in respect of the Authority’s Whole of Government Accounts consolidation pack; and
- the work necessary to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency, and effectiveness in its use of resources.

[Signature]

Gavin Barker
For and on behalf of Mazars LLP

The Corner
Bank Chambers
26 Mosley Street
Newcastle





Date

Appendix C: Independence

As part of our ongoing risk assessment, we monitor our relationships with you to identify any new actual or perceived threats to our independence within the regulatory or professional requirements governing us as your auditors.

We can confirm that no new threats to independence have been identified since issuing the Audit Strategy Memorandum and therefore we remain independent.

Appendix D: Other communications

Other communication	Response
<div>  <div> Compliance with Laws and Regulations </div> </div>	<p>We have not identified any significant matters involving actual or suspected non-compliance with laws and regulations.</p> <p>We will obtain written representations from management that all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements have been disclosed.</p>
<div>  <div> External confirmations </div> </div>	<p>We did not experience any issues with respect to obtaining external confirmations, other than a national delay in receiving confirming of investments with the Debt Management Office.</p>
<div>  <div> Related parties </div> </div>	<p>We did not identify any significant matters relating to the audit of related parties.</p> <p>We will obtain written representations from management confirming that:</p> <ol style="list-style-type: none"> they have disclosed to us the identity of related parties and all the related party relationships and transactions of which they are aware; and they have appropriately accounted for and disclosed such relationships and transactions in accordance with the requirements of the applicable financial reporting framework.
<div>  <div> Going concern </div> </div>	<p>We have not identified any evidence to cause us to disagree with the Executive Director of Finance that Humberside Fire Authority will be a going concern, and therefore we consider that the use of the going concern assumption is appropriate in the preparation of the financial statements..</p> <p>We will obtain written representations from management, confirming that all relevant information covering a period of at least 12 months from the date of approval of the financial statements has been considered in assessing the appropriateness of the going concern basis of preparation of the financial statements.</p>

Appendix D: Other communications

Other communication	Response
<div data-bbox="188 405 262 476"></div> <div data-bbox="303 412 445 465">Subsequent events</div>	<p>We are required to obtain evidence about whether events occurring between the date of the financial statements and the date of the auditor's report that require adjustment of, or disclosure in, the financial statements are appropriately reflected in those financial statements in accordance with the applicable financial reporting framework.</p> <p>We will obtain written representations from management that all events occurring subsequent to the date of the financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.</p>
<div data-bbox="180 691 270 776"></div> <div data-bbox="303 712 476 765">Matters related to fraud</div>	<p>We have designed our audit approach to obtain reasonable assurance whether the financial statements as a whole are free from material misstatement due to fraud. In addition to the work performed by us, we will obtain written representations from management, and the Authority confirming that</p> <ol style="list-style-type: none"> they acknowledge their responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud; they have disclosed to the auditor the results of management's assessment of the risk that the financial statements may be materially misstated as a result of fraud; they have disclosed to the auditor their knowledge of fraud or suspected fraud affecting the entity involving: <ol style="list-style-type: none"> Management; Employees who have significant roles in internal control; or Others where the fraud could have a material effect on the financial statements; and they have disclosed to the auditor their knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.

Gavin Barker, Director and Engagement Lead

Mazars

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

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2022/23

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HUMBERSIDE
Fire & Rescue Service

Humberside Fire Authority Annual Accounts 2022/23

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Narrative Report by the Executive Director of Finance/Section 151 Officer

Introduction

The Statement of Accounts summarises the financial performance of the Authority for year ended 31 March 2023. These accounts have been prepared in accordance with the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 published by the Chartered Institute of Public Finance and Accountancy (CIPFA).

The purpose of the narrative report is to offer interested parties a fair, balanced and easily understandable guide to the most significant matters reported in the accounts. The inevitable use of technical language has been kept to a minimum. A 'Glossary of Terms' (to help explain some of the technical terms) can be found in the appendices.

Organisational Summary

Humberside Fire and Rescue Service (HFRS) serves the communities within the areas of East Riding of Yorkshire Council, Kingston upon Hull City Council, North East Lincolnshire Council and North Lincolnshire Council. Governance of HFRS is provided through the Humberside Fire Authority (HFA) made up of elected members, nominated by each local authority.

Detailed in the 'Fire and Rescue National Framework for England', as approved under section 21 of the Fire and Rescue Services Act 2004, are the priorities of a fire and rescue authority, required in order to fulfil their statutory duty, to ensure provision of core functions:

- Make appropriate provision for fire prevention and protection activities and response to fire and rescue related incidents.
- Identify and assess the full range of foreseeable fire and rescue related risks their areas face.
- Collaborate with emergency services and other local and national partners to increase the efficiency and effectiveness of the service they provide.
- Be accountable to communities for the service they provide; and
- Develop and maintain a workforce that is professional, resilient, skilled, flexible, and diverse.

Humberside

HFRS serves a population of almost one million people across a geographical area of 1,358 square miles. Each of the unitary authority areas present the Service with different challenges, consisting of urban, rural, and coastal communities with some affluent areas and some areas suffering from significant deprivation.

The service area also includes a broad range of industrial and heavy commercial risks; having the second highest number of high hazard industrial sites in the UK. These include major petrochemical sites, natural gas storage, pharmaceutical industries, and large port complexes. Almost a quarter of the UK's sea borne trade passes through the Humber ports of Hull, Immingham, Grimsby, and Goole including 25% of the country's petroleum.

Service Statistics

- Number of fire stations: 31
- Number of fire engines: 46 frontline and 10 reserve
- Number of specialist emergency response vehicles: 27
- Number of Co-Responding and Falls vehicles: 18
- Number of staff: 890 (headcount)

Structure and Fire Station Locations

HFRS operates under a Service delivery structure with 4 districts, divided by the physical boundary of the Humber Estuary and river into North (Hull and East Riding) and South (North Lincolnshire and North East Lincolnshire). The respective Service delivery teams have the responsibility for all operational and safety matters in their area.



Community Risk Management Plan (CRMP) and Strategic Plan 2021 - 2024

Each Fire and Rescue Authority must produce an CRMP, which is available to the public. The plan must reflect the following information:

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

The Chief Fire Officer must, in exercising their functions, have regard to the Fire and Rescue Authority's CRMP and any set objectives and priorities which may then be outlined in a strategic plan. The Fire and Rescue Authority should give due regard to the professional advice of the Chief Fire Officer while developing the CRMP and when making decisions affecting the fire and rescue service.

The CRMP and Strategic Plan can be found at <https://humbersidefire.gov.uk/about-us/our-vision-and-plans>

The work of HFRS

HFRS have a legal duty to provide a fire and rescue service that meets the needs of the local communities, in accordance with the Service's CRMP. HFRS is prepared to deal with a wide range of emergencies, from house fires and road traffic collisions, to floods and chemical spills.

HFRS are responsible for the enforcement of fire prevention, petroleum, and explosives legislation, working with our communities to help keep people and property safe, providing a fire and rescue service for the people that live, work, and visit the Humberside area.

HFRS's emergency medical response teams are trained to respond immediately to life threatening calls received by the ambulance service, providing first responder intervention and increasing the chances of survival. In partnership with other agencies in the Hull area HFRS formed a Falls Intervention Response Safety Team, to deal with non-immediate life threatening incidents, predominantly following a fall, aiming to prevent the medical impact of such incidents while increasing and reducing the impact of less urgent calls on frontline services for both the health service and HFRS.

HFRS believe the most effective way to save lives and reduce injuries, to lessen the broader community impact from emergencies, is to engage in preventative activities to decrease the number of incidents that occur. To support such activities HFRS works closely with partner organisations and communities. Through the use of dedicated HFRS staff teams employed to work within the community, such as Safety Advocates, they are able to engage with those people most vulnerable to fire, providing information and education. This includes signposting people who are vulnerable from issues not directly related to the fire service such as older people who may be at risk from severe weather, or household security.

HFRS have legal responsibilities to enforce fire safety legislation and do this by providing free advice to businesses to support their compliance with legislative requirements. If it is necessary, to keep the public and our firefighters safe, HFRS will prohibit or restrict the use of premises and prosecute persons responsible for breaches of legislation.

Response Standards

HFRS response standards tell how quickly we aim to have a fire engine in attendance at an incident. They are based on (Domestic) Risk Areas, assessed as High, Medium, or Low. To enable us to assess the dwelling risk within our communities, our area is divided into 41 groupings of around 20000 residents. We call these 'Risk Regions' with 41 identified in our Service area, varying in geographical size. The dwelling risk rating is based upon the casualty and fatality rate per head of population within each risk region.

In managing these risks, the HFRS sends two fire engines to every fire in a home and to road traffic collisions, aiming to arrive within the time frames categorised below:

- **High Risk Area:** 8 Minutes
- **Medium Risk Area:** 12 Minutes
- **Low Risk Area:** 20 Minutes
- **Road Traffic Collision:** 15 Minutes

The performance target for the **first engine** in attendance, is to accomplish the response standards on a least 90% of occasions. In 2022/23 the first engine exceeded these standards achieving 96% on all occasions.

The performance target for the **second engine** in attendance, is to accomplish the response standards on a least 80% of occasions. In 2022/23 the second engine exceeded these standards achieving 87% on all occasions.

Service Performance Summary 2022/23

Service Performance Indicator (SPI)	Service Target	Actual Performance
SPI 1 Total Fatalities	Aspirational Zero	9
SPI 1.1 Total Casualties	Aspirational Zero	29 <i>(Fire related incidents)</i>

The proceeding data is a breakdown of the total number of key incidents across 2022/23 . Where appropriate Service Performance Indicators (SPI) are performance managed against calculated thresholds to define the range between high and low performance values for each of the different incidents. Thresholds enable the Service to analyse trends more accurately and less reactionary, enabling the deployment of resources and / or intervention activities more effectively.

Red	Performance that is a concern and needs addressing (above the upper threshold limits)
Green	Performance is positive and should be replicated (below the lower threshold limits)
Blank	Performance is stable between upper and lower thresholds

SPI	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	Total
SPI 2.2 Total Deliberate Fires	31	33	38	63	63	46	29	38	16	31	35	45	468
SPI 2.3 Accidental Dwelling Fires	30	33	31	33	34	18	21	34	32	34	26	33	359
SPI 2.4 Deliberate Secondary Fires	367	274	264	399	448	229	115	146	54	57	187	141	2681
SPI 2.5b False Alarm Non - Domestic	67	62	91	114	104	99	110	122	31	27	30	25	882
Total	495	402	424	609	649	392	275	340	133	149	278	244	<u>4390</u>

The Authority's Accounts for the year 2022/23 are set out on pages 1-66 and in addition to this narrative report they consist of:

The Statement of Responsibilities details the responsibilities of the Authority and the Executive Director of Finance/S.151 Officer for the Accounts. This statement is signed and dated by the Executive Director of Finance/S.151 Officer under a statement that the Accounts give a True and Fair View of the financial position of the Authority at the accounting date and its income and expenditure for the year ended 31 March 2023.

The Movement in Reserves Statement shows the movement in the year on the different Reserves held by the Authority. This statement is split into usable and unusable Reserves; the usable Reserves are those that can be used by the Authority to fund expenditure; and the unusable Reserves are those Reserves that are required to mitigate the effect of some transactions on council tax and those Reserves that are created to mitigate unrealised gains and losses.

The Comprehensive Income and Expenditure Statement shows the accounting cost of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. The Authority raises taxation in accordance with regulations which are different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement (the movement on usable reserves).

The Balance Sheet which shows the value of the Assets and Liabilities recognised by the Authority at the Balance Sheet date.

The Cash Flow Statement which shows the changes in cash and cash equivalents during the year. This statement shows how the Authority generates and uses its cash and cash equivalents by classifying cash flows as operating, investing and financing activities.

The Pension Fund Account which shows the movements relating to the Firefighters' Pension Fund.

2022/23 Financial Year

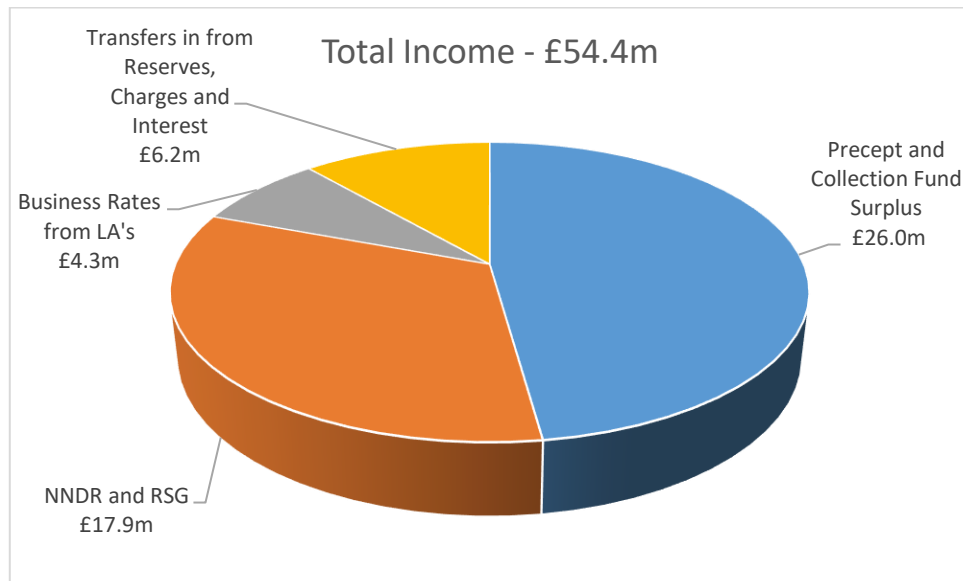
Since 2011/12 the Authority has suffered a circa 40% reduction in external funding which equates to approximately £11.5m.

Despite these significant challenges the Authority continues to take a very prudent approach to its finances. To this end, £11.5m of efficiencies have been implemented over the years 2011 to 2019.

Historically, the Authority has lived within its means and delivered a modest underspend in recent years. The 2022/23 financial year has seen the Authority deliver an underspend which signifies good financial management given increased cost pressures in relation to annual pay awards and general inflationary increases in relation to commodities such as gas, electricity and fuel.

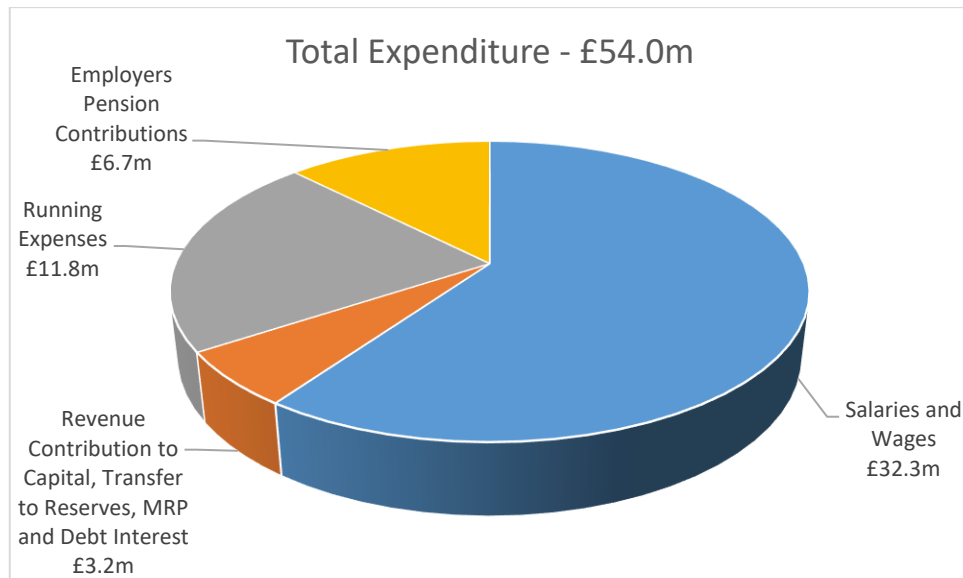
The Authority's position over the medium-term is sound, but will be kept under continuous review particularly with regard to any cost pressures arising and also pay awards that may be agreed over the next 2 to 3 years against a backdrop of higher levels of general inflation and tight financial settlements from the Government.

Income



In 2022/23, the Authority received Revenue Support Grant and an allocation of pooled National Non-Domestic Rates directly from Central Government. It also sets a Precept (council tax) throughout the Humberside area for the balance of its expenditure requirements. The Precept set for 2022/23 was £25.31m (2021/22 was £24.15m) which equated to a Council Tax Band D Equivalent of £90.11 (2021/22 was £88.35).

Expenditure



Budget Outturn Position

Income of £54.390m was received by the Authority of which £53.942m was incurred on expenditure during 2022/23 leaving a surplus of £0.448m (appendix 1 shows how this reconciles with the Movement in Reserves Statement and the Expenditure and Funding Analysis in note 2).

Analysis of the Major Revenue Variances (a comprehensive table is presented in Appendix 1)

Non-Pay Variances

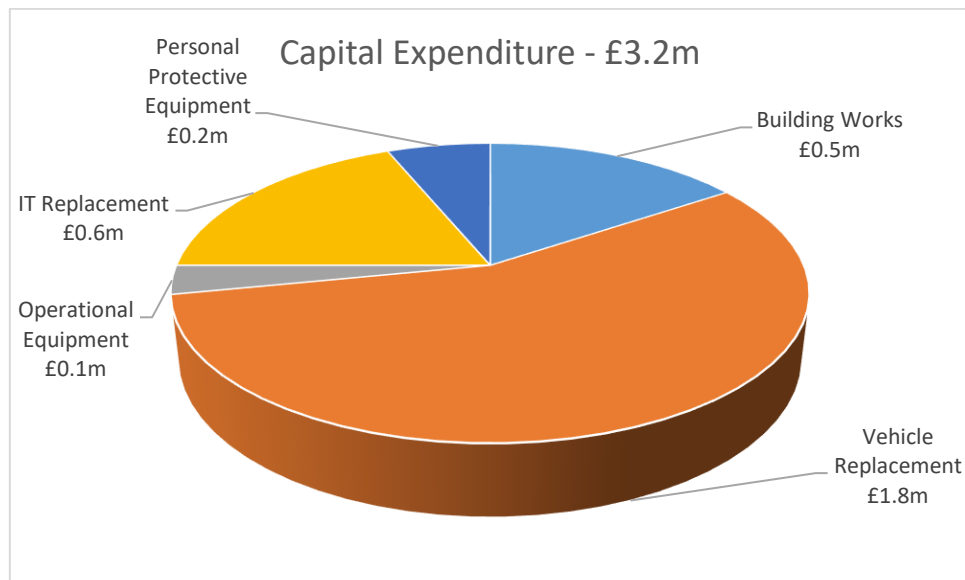
During 2022/23, the overall variance across all non-pay budgets was an underspend of £375k. This was primarily due to receiving a higher level of interest on our investments as well as a lower Minimum Revenue Provision charge following a lower Capital spend during 2021/22.

Income

During 2022/23 the Authority received £721k additional income relating mainly to additional Government grants, staff secondments, funding of the Road Safety team and income in relation to an insurance claim.

Capital Expenditure

During 2022/23, £3.2m was invested in capital projects against a budget of £7.5m due to a number of schemes not starting during the year. These projects include various building works across the estate, replacement programmes for vehicles, operational equipment and IT replacement. (A more detailed breakdown is provided in Appendix 2).



Financing of Capital Expenditure

The Authority has a rolling capital programme that is reviewed throughout the year. The programme is financed by external borrowing, capital receipts and revenue contributions.

Humberside Fire Authority Reserves

Balances at 1 April 2022 stood at £14.594m. £221k was transferred from Earmarked Reserves during 2022/23. £10k was transferred from the General Reserve and by adding £448k, the surplus for the year, balances at 31 March 2023 now stand at £14.811m (exclusive of the ESFM (Humberside) Ltd Reserve).

Future Spending Plans

The Authority has published a Medium-Term Resource Strategy for 2023/24 – 2026/27 which sets out the overall shape of the Authority's budget. It establishes how available resources will best deliver corporate objectives and mitigate corporate risks identified in the Strategic Plan. The current level of borrowing, including long-term leases held by the Authority, is £19.182m. The operational boundary is £35.0m and the authorised limit is £40.0m (these are part of the Authority's prudential indicators that have been previously agreed in the Authority's Treasury Management report; Fire Authority March 2023).

International Accounting Standard 19 (IAS 19)

IAS 19 requires employers to report the full cost of pension benefits as they are earned, regardless of whether they have been paid for. The Local Government Pension Scheme has an asset of £8.225m (2021/22 was a liability of £9.374m) and the liability on the Firefighters' Pension Scheme is £513.000m (2021/22 was £701.390m). The Authority's liability includes the Firefighters' Pension Scheme 1992, the Firefighters' Pension Scheme 2006, Firefighters' Pension Scheme 2015 and the Modified Firefighters' Pension Scheme. It should be noted that IAS 19 does not impact upon the level of balances held by the Authority. (Under IAS19 injury awards are now recognised in the accounts of the Authority).

Humberside Fire Authority Pension Fund Account

The Financial Statements include a separate section for the Humberside Fire Authority Pension Fund Account. Under the pension funding arrangements each Authority in England is required by legislation to operate a Pension Fund and the amounts that must be paid into and out of the fund are specified by regulation.

Change in Statutory Function

There have been no changes to the Authority's statutory functions during 2022/23.

Significant Change in Accounting Policies

There have been no significant changes to the accounting policies used by the Authority.

Material Events after 31 March

There are no material events after 31 March to disclose.

Going Concern

The savings proposals previously agreed have resulted in a balanced budget for 2023/24 and over the life of the Medium-Term Resource Strategy so the Authority will remain a Going Concern. Practice Note 10 of the Financial Reporting Council's Statement of Recommended Practice assumes that public sector organisations will remain as going concerns provided the services continue of which there is no plan to stop delivering a Fire and Rescue Service for Humberside.

Further Information

The Statement of Accounts is intended to give electors, Members, employees and other interested parties clear information about the Authority's finances. I would welcome any comments, which would help to improve the information. To this end a questionnaire has been devised and included in the Accounts.

Further information about the accounts is available from the Finance Section, Service Headquarters, Summergroves Way, Hull, HU4 7BB. In addition, interested members of the public have a statutory right to inspect the accounts before the audit is completed. The availability of the accounts for inspection is advertised on the Authority's website www.humbersidefire.gov.uk.

Acknowledgment

I would like to express my appreciation to Shaun Edwards and colleagues within the Finance team for their assistance in compiling the financial statements.

Kevin J Wilson BSc Econ (Hons), FCPFA

Executive Director of Finance/Section 151 Officer – May 2023

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Statement of Responsibilities for the Statement of Accounts

The Authority's Responsibilities

The Authority is required:

- To make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In this Authority that officer is the Executive Director of Finance and Section 151 Officer;
- To manage its affairs to ensure economic, efficient and effective use of resources and to safeguard its assets;
- To approve the Statement of Accounts.

I confirm that these accounts were approved at the Fire Authority meeting held on 21 July 2023.

Signed	Date
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Executive Director of Finance and Section 151 Officer Responsibilities

The Executive Director of Finance and Section 151 Officer is responsible for the preparation of the Authority's Statement of Accounts which, in accordance with the *Code of Practice on Local Authority Accounting in Great Britain* (the 'Code of Practice'), issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) is required to present fairly the financial position of the Authority at the accounting date, and its income and expenditure for year ended 31 March 2023.


In preparing this Statement of Accounts, the Executive Director of Finance/Section 151 Officer has:

- Selected suitable accounting policies and then applied them consistently;
- Made judgements and estimates that were reasonable and prudent;
- Complied with the Code of Practice.

The Executive Director of Finance and Section 151 Officer has also:

- Kept proper accounting records which are up to date;
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with regulation 9(1) of the Accounts and Audit Regulations 2015, I certify that the attached Statement of Accounts presents a True and Fair View of the financial position of the Authority as at 31 March 2023 and its income and expenditure for the year

Signed 	Date 30th May 2023
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STATEMENT OF ACCOUNTS
MOVEMENTS IN RESERVES STATEMENT

This statement shows the movement in the year on the different Reserves held by the Authority, analysed into 'Usable Reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other Reserves. The Surplus or (Deficit) on the Provision of Services line shows the true economic cost of providing the Authority's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. These are different to the statutory amounts required to be charged to the General Reserve Balance for council tax setting purposes. The Net Increase / (Decrease) before transfers to Earmarked Reserves shows the statutory General Fund before any discretionary transfers to or from Earmarked Reserves undertaken by the Authority.

2022/23

	Earmarked Reserves	General Fund Balance	Usable Capital Receipts Reserve	Total Usable Reserves	Pensions Reserve	Capital Adjustment Account	Revaluation Reserve	Collection Fund Adjustment Account	Accumulated Absences Account	Total Authority Reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Note(s)	6	2			4	6	6			
Balance at 31 March 2022	7,516	7,438	29	14,984	(710,764)	19,549	23,190	605	(420)	(652,855)
Surplus or (Deficit) on Provision of Services (accounting basis)		(27,343)		(27,343)						(27,343)
Other Comprehensive Income and Expenditure				-	230,214		1,421			231,635
Total Comprehensive Income and Expenditure	-	(27,343)	-	(27,343)	230,214	-	1,421	-	-	204,292
Adjustments between Accounting Basis & Funding Basis under Regulations (Note 10)		27,553	(29)	27,524	(24,235)	(2,409)	(872)	12	(20)	-
Net Increase / (Decrease) before transfers to Earmarked Reserves	-	210	(29)	181	205,979	(2,409)	549	12	(20)	204,292
Transfers to / (from) Earmarked Reserves	1,303	(1,303)		-						-
Increase / (Decrease) in Year	1,303	(1,093)	(29)	181	205,979	(2,409)	549	12	(20)	204,292
Balance at 31 March 2023	8,819	6,345	-	15,165	(504,785)	17,139	23,739	617	(440)	(448,563)

The accompanying notes form part of these Financial Statements.

MOVEMENT IN RESERVES STATEMENT

2021/22

	Earmarked Reserves	General Fund Balance	Usable Capital Receipts Reserve	Total Usable Reserves	Pensions Reserve	Capital Adjustment Account	Revaluation Reserve	Collection Fund Adjustment Account	Accumulated Absences Account	Total Authority Reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Note(s)	6	2			4	6	6			
Balance at 31 March 2021	7,363	6,373	-	13,737	(719,022)	20,377	8,919	443	(630)	(676,176)
Surplus or (Deficit) on Provision of Services (accounting basis)		(22,490)		(22,490)						(22,490)
Other Comprehensive Income and Expenditure				-	31,479		14,329			45,808
Total Comprehensive Income and Expenditure	-	(22,490)	-	(22,490)	31,479	-	14,329	-	-	23,318
Adjustments between Accounting Basis & Funding Basis under Regulations (Note 10)		23,706	29	23,735	(23,221)	(828)	(58)	162	210	-
Net Increase / (Decrease) before transfers to Earmarked Reserves	-	1,216	29	1,245	8,258	(828)	14,271	162	210	23,318
Transfers to / (from) Earmarked Reserves	153	(153)		-						-
Increase / (Decrease) in Year	153	1,063	29	1,245	8,258	(828)	14,271	162	210	23,318
Balance at 31 March 2022	7,516	7,438	29	14,984	(710,764)	19,549	23,190	605	(420)	(652,855)

The accompanying notes form part of these Financial Statements.

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

This statement shows the accounting cost in the year for providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

Year ended 31 March 2022			Year ended 31 March 2023		
£'000	£'000	£'000	£'000	£'000	£'000
Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure
3,348	(446)	2,902	3,524	(318)	3,206
37,855	(675)	37,180	39,291	(565)	38,726
16,627	(1,606)	15,022	18,913	(1,343)	17,570
132		132	132		132
15		15	38		38
		- Non Distributed Cost/(Income)			-
57,977	(2,727)	55,251	61,898	(2,226)	59,672
		Cost of Services			
193	(29)	164	224	(49)	175
		Other Operating Expenditure			
15,094	(16)	15,078	19,444	(335)	19,109
		Financing and Investment Income and Expenditure			
	(48,002)	(48,002)		(51,614)	(51,614)
		Taxation and Non-Specific Grant Income			
		22,491			27,343
		(Surplus) or Deficit on Provision of Services			
		(14,329) (Surplus) or Deficit on Revaluation of Non Current Assets			(1,421)
		(31,479) Remeasurement of the net defined liability / (asset)			(230,214)
		(45,808)			(231,635)
		Other Comprehensive Income and Expenditure (Surplus)/Deficit			
		(23,317)			(204,292)
		Total Comprehensive Income and Expenditure (Surplus)/Deficit			

* included within Fire Fighting & Rescue Operations are the costs of Safety work carried out by Firefighters who provide response duties.

The accompanying notes form part of these Financial Statements.

BALANCE SHEET

The Balance Sheet shows the value as at the Balance Sheet date, of the Assets and Liabilities recognised by the Authority. The net Assets of the Authority (Assets less Liabilities) are matched by the Reserves held by the Authority. Reserves are reported in two categories; the first category of Reserves are usable Reserves, i.e. those Reserves that the Authority may use to provide services, subject to the need to maintain a prudent level of Reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt); the second category of reserves includes amounts that would only become available to provide services if the assets were sold; and Reserves that hold a timing difference as shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations.'

31 March 2022		31 March 2023
£'000	Note(s)	
62,928 Property, Plant & Equipment	5	61,808
25 Intangible Assets	5	15
- Other Long-Term Assets	4	8,225
62,953 Long-Term Assets		70,048
406 Inventories		489
11,005 Short-Term Investments	7	8,974
11,032 Short-Term Debtors	8	10,750
149 Cash and Cash Equivalents	16	112
22,593 Current Assets		20,325
(7,305) Short-Term Creditors	8	(6,349)
(143) Short-Term Provisions		(313)
(1,006) Short-Term Borrowing	7	(1,599)
(8,454) Current Liabilities		(8,261)
(18,170) Long-Term Borrowing	7	(16,669)
(711,777) Other Long-Term Liabilities	4/7	(514,006)
(729,947) Long-Term Liabilities		(530,675)
<u>(652,855) Net Assets/(Liabilities)</u>		<u>(448,563)</u>
14,984 Usable Reserves	2/6	15,165
(667,839) Unusable Reserves	4/6	(463,728)
<u>(652,855) Total Reserves</u>		<u>(448,563)</u>

The accompanying notes form part of these Financial Statements.

CASH FLOW STATEMENT

The Cash Flow Statement shows the changes in cash and cash equivalents of the Authority during the accounting period. The statement shows how the Authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Authority are funded by way of taxation and grant income or from the recipients of services provided by the Authority. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Authority's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Authority.

31 March 2022		31 March 2023
£'000	Note(s)	£'000
(22,490) Net Surplus or (Deficit) on the Provision of Services	2	(27,343)
Adjust Net Surplus or Deficit on the Provision of Services for Non		
26,346 Cash Movements	16	29,084
Adjust for items included in the Net Surplus or Deficit on the		
(29) Provision of Services that are Investing and Financing Activities	16	(49)
3,827 Net Cash Flows from Operating Activities		1,693
(6,948) Investing Activities	16	(800)
2,002 Financing Activities	16	(930)
(1,119) Net Increase or (Decrease) in Cash and Cash Equivalents		(37)
Cash and Cash Equivalents at the Beginning of the		
1,267 Reporting Period	16	148
Cash and Cash Equivalents at the End of the Reporting		
148 Period	16	112
(1,119) Total Movement		(37)

The accompanying notes form part of these Financial Statements.

Notes to the Financial Statements

1. Accounting Policies

The Financial Statements must meet the accounting requirements of the CIPFA Code of Practice on Local Authority Accounting which has been agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the CIPFA Code of Practice on Local Authority Accounting 2022/23. The accounting policies contained in the CIPFA Code of Practice follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to Local Authority Accounts, as determined by HM Treasury, who are advised by the Financial Reporting Advisory Board. Where the CIPFA Code of Practice on Local Authority Accounting permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the particular circumstances of the Authority for the purpose of presenting fairly the position of the Authority is selected. The particular policies adopted by the Authority are described below and they have been applied consistently in dealing with items considered material in relation to the Accounts.

Accounting Convention

These Accounts have been prepared under the historical cost convention, modified to account for the revaluation of property, plant and equipment, intangible assets and inventories. Where appropriate, financial assets and liabilities have been impaired or discounted to bring them to fair value.

Acquisitions and Discontinued Operations

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another. The Authority has not acquired or discontinued any operations during the reporting period.

Going Concern

After making enquiries, the Authority has formed a judgement, at the time of approving the Financial Statements that there is a reasonable expectation that the Authority has access to adequate resources to continue in operational existence for the foreseeable future. For this reason, the Authority continues to adopt the Going Concern basis in preparing the accounts.

Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Authority's accounting policies, management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised and if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Judgements in Applying Accounting Policies

In applying the accounting policies of the Authority, the Authority has had to make certain judgements about complex transactions or those involving uncertainty about future events. Where a critical judgement is required for the accounts, the judgement is made using the knowledge and experience of relevant officers.

The Authority has to decide whether the leases it enters into should be treated as operating or finance leases and whether contractual arrangements it enters into have the substance of a lease. These judgements are made on the professional opinion of the Authority's valuers, accountants and procurement officer.

The Authority has to decide whether land and buildings owned by the Authority are investment properties. The Authority's valuers and accountants make judgements in accordance with IAS 40

Investment Property. It has been determined that the Authority does not have any investment property as it does not hold land and/or buildings solely for rental income or capital appreciation.

The Authority has to decide whether there is a group relationship between the Authority and other entities. The accountants assess each relationship that exists between the Authority and other entities that may result in a group accounts relationship.

The Authority has to decide whether the Authority's exposure to possible losses is to be accounted for as a Provision or a Contingent Liability. These decisions are taken by a combination of the Authority's accountants, solicitor and other relevant officers.

Judgement is required to determine whether the Authority can be reasonably assured that the conditions of grant and contribution monies received have been met before recognising them as income in the Comprehensive Income and Expenditure Statement. Where conditions require specified expenditure to have taken place, the grant monies will not be recognised until this happens. Equally, where conditions specify that a grant or contribution must be repaid in the event of non-expenditure, the income is not recognised until expenditure is incurred.

Key Sources of Estimation Uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Authority about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates. The items in the Authority's Balance Sheet at 31 March for which there is a significant risk of material adjustment in the following financial year are those relating to Pensions and PPE valuations, details of which can be found on page 31.

Pensions Liability and Reserve

Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected return on Pension Fund assets. Hymans Robertson (Actuaries) are contracted to provide an estimate of the net liability relating to the Local Government Pension Scheme. The Government Actuaries Department are contracted to provide an estimate of the net liability relating to the Firefighters' Pension Schemes.

Valuation and Depreciation Charges

Professional opinions of the values of land and buildings are made by Clark Weightman Ltd, who are contracted to provide valuation advice to the Authority. Estimates of the useful lives of property, plant and equipment are made by the relevant officers who have knowledge of such issues based on their professional judgement.

Revenue

Revenue in respect of services provided is recognised when the performance occurs, and is measured at the Fair Value of the consideration receivable.

Where income is received for a specific activity that is to be delivered in the following year the income is deferred.

Goods are sold on an incidental basis. Income is recognised at the point the sale transaction occurs.

Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received in accordance with section 2.7 of IFRS15. In particular:

- Revenue from the provision of services is recognised when the Authority can measure reliably the completion of the transaction.
- Supplies are recorded as expenditure when they are consumed.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.

- Fees, charges and rents due are accounted for as income at the date the Authority provides the relevant goods or services.
- Interest payable on borrowings and receivable on investments is accounted for as expenditure or income respectively on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where income and expenditure has been recognised but cash has not yet been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where it is doubtful that debts will be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

Overheads and Support Services

Management and Support Services form part of the overall net cost of service and are reflected as they are reported to management and the Fire Authority with the exceptions of the two headings below which are separately disclosed within net cost of services.

- Corporate and Democratic Core – costs relating to the democratic processes of the Authority and other corporate costs.
- Non Distributed Costs – the cost of discretionary benefits awarded to employees retiring early and impairment losses chargeable on Assets Held for Sale.

These two cost categories are accounted for as separate headings in the Comprehensive Income and Expenditure Statement as part of Cost of Services.

Agency Income

Precept income is collected on behalf of the Authority by the four unitary authorities (East Riding of Yorkshire Council, Kingston upon Hull City Council, North East Lincolnshire Council and North Lincolnshire Council). This income is collected under an agency arrangement with the Authority including an appropriate share of taxpayer transactions within the financial statements.

Employee Benefits

Benefits Payable during Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include benefits such as salaries, paid annual leave and flexitime, bonuses and non-monetary benefits (for example cars) for current employees and are recognised as an expense in the year in which employees render service to the Authority. The CIPFA Code of Practice on Local Authority Accounting requires the Authority to recognise the amount of untaken annual leave at the 31st March as a liability which is reflected on the Balance Sheet.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Authority to terminate an officer's employment before the normal retirement date or of an officer's decision to accept voluntary redundancy in exchange for those benefits. These are charged on an Accruals basis to the Comprehensive Income and Expenditure Statement at the earlier of when the Authority can no longer withdraw the offer of those benefits or when the Authority recognises costs for a restructuring.

When termination benefits involve the enhancement of pensions, statutory provisions require the General Fund Balance to be charged with the amount payable by the Authority to the Pension Fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Retirement Benefits

Employees of the Authority are members of the following pensions schemes:

- The 1992, 2006, 2015 and Modified (1992) Firefighters' Pension Schemes (FPS) - these are unfunded schemes, which means that there are no investment assets built up to meet the pensions liabilities, and cash has to be generated to meet the actual payments as they fall due. The Authority is required by legislation to operate a Pension Fund, with the amounts that must be paid into or out of the Pension Fund being specified by regulation. The Authority set up a Pension Fund on 1 April 2006 from which pension payments are made and into which contributions, from the Authority and employees, are received. The Pension Fund receives a top-up grant from the Government equal to the deficit each year, with any surplus on the Pension Fund being repaid to the Government. The Pension Fund is shown separately in the Accounts.
- The Local Government Pension Scheme (LGPS) for support staff, administered by the East Riding of Yorkshire Pension Fund, is a funded scheme, which means that the Authority and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment Assets.

The above schemes provide defined benefits to members (retirement lump sums and pensions), earned as employees work for the Authority. They are accounted for in accordance with the requirements for Defined Benefits Schemes, based on the principle that an organisation should account for retirement benefits when it is committed to give them, even though this may be many years into the future.

A pensions Asset or Liability is recognised in the Balance Sheet, made up of the net position of retirement Liabilities and pension scheme Assets. Retirement Liabilities are measured on an actuarial basis using the projected unit method, by assessing the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates and projections of earnings for current employees. Pension scheme assets (LGPS only) attributable to the Authority are included at their Fair Value. The Authority currently has a net pensions liability and this is matched in the Balance Sheet by a Pensions Reserve.

The change in net pensions Liability during the year is analysed into the following components:

Service cost comprising:

- Current service cost – the increase in Liabilities as a result of service earned by employees in the current year. This is charged to services within the Comprehensive Income and Expenditure Statement.
- Past service cost – the increase in Liabilities as a result of a scheme amendment or curtailment whose effect relates to service earned in earlier years. This is part of Non Distributed Costs in the Comprehensive Income and Expenditure Statement.
- Net interest on the net defined benefit Liability – the change during the period in the net defined benefit Liability that arises from the passage of time. This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit Liability at the end of the period, taking into account any changes in the net defined benefit Liability during the period as a result of contribution and benefit payments. This is charged to the Financing and Investment Income and Expenditure line within the Comprehensive Income and Expenditure Statement.

Remeasurements comprising:

- The return on plan assets (LGPS only) – this excludes amounts included in net interest on the net defined benefit Liability and is charged to the Pensions Reserve as Other Comprehensive Income and Expenditure

- Actuarial gains and losses – changes in the net pensions Liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions. This is charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- Contributions paid / benefits paid – cash paid as employer's contribution by the Authority either to LGPS or directly to pensioners to reduce the scheme Liabilities.

Statutory provisions require that the amount charged to the General Fund Balance is that payable by the Authority to Pensions Funds or directly to pensioners during the year rather than that calculated under accounting standards. This means that an appropriation to or from the Pensions Reserve is done within the Movement in Reserves Statement to replace the notional sums for retirement benefits with the actual pensions costs. The negative balance on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Other Expenses

Other operating expenses are recognised when, and to the extent that, the goods or services have been received. They are measured at the Fair Value of the consideration payable.

Property, Plant and Equipment

Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administration purposes;
- it is probable that service potential will be provided to the Authority;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has a cost of at least £6,000.

Donated Assets are recognised at their value and are defined in the CIPFA Code of Practice on Local Government Accounting as those Assets that are transferred at nil value or acquired at less than Fair Value. Donated Assets that are from other public bodies are accounted for as a government grant (as required by IAS 20).

Valuation

All property, plant and equipment are measured initially at cost, representing the cost attributable to acquiring or constructing the Asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All Assets are measured subsequently at Fair Value.

Land and buildings used by the Authority are stated in the Balance Sheet at their re-valued amounts, being the Fair Value at the date of valuation. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the Reporting Period. Fair Values are determined as follows:

- Operational Buildings – Depreciated Replacement cost.
- Land and non-specialised buildings – market value for existing use.
- Vehicles, plant and equipment – historic cost less accumulated depreciation (as a proxy for current replacement cost).

Properties in the course of construction are carried at cost, less any impairment loss. Costs include professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at Fair Value. Assets are re-valued and Depreciation commences when they are brought into use.

An increase arising on revaluation is taken to the Revaluation Reserve except when it reverses an impairment previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease is recognised as an

Impairment charged to the Revaluation Reserve to the extent that there is a balance on the Reserve for the Asset, and, thereafter, to expenditure. Gains and losses recognised in the Revaluation Reserve are reported as other comprehensive income in the Comprehensive Income and Expenditure Statement.

Subsequent Expenditure

Where subsequent expenditure enhances an Asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the Asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-off and charged to the Comprehensive Income and Expenditure Statement.

Disposals

Capital receipts from the sale of non-current assets are held in the Capital Receipts Unapplied Account until such time as they are used to finance other Capital Expenditure or to repay debt. Gains and losses on the disposal of non-current assets are recognised in the Comprehensive Income and Expenditure Statement.

Intangible Assets Recognition

Intangible assets are non-monetary Assets without physical substance, which are capable of sale separately from the rest of the Authority's business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits or service potential will be provided to the Authority; where the cost of the Asset can be measured reliably, and where the cost is at least £6,000.

Intangible Assets recognised by the Authority are purchased IT software systems and are Amortised over 5 years.

Intangible Assets acquired separately are initially recognised at Fair Value. Software that is integral to the operating of hardware, for example an operating system is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an Intangible Asset.

Measurement

The amount initially recognised for internally-generated Intangible Assets is the sum of the expenditure incurred from the date when the criteria are initially met. Where no internally-generated Intangible Assets can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, Intangible Assets are carried at Fair Value by reference to an active market, or where no active market exists, at Amortised replacement cost (modern equivalent assets basis). Internally-developed software is held at historic cost to reflect the opposing effects of increases and development costs and technological advances.

Depreciation, Amortisation and Impairments

Assets under construction are not Depreciated. Otherwise, Depreciation and Amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their Useful Economic Lives, on a reducing balance basis (with the exception of assets acquired under finance leases). The Useful Economic Life of an Asset is the period over which the Authority expects to obtain economic benefits or service potential from the Asset. This is specific to the Authority and may be shorter than the physical life of the Asset itself. The Useful Economic Life and Residual Values are reviewed each year end, with the effect of any changes recognised on a prospective basis. The approximate average useful lives (depreciation periods) are categorised below:

- | | |
|--|----------|
| • Buildings | 40 years |
| • Vehicles – Fire Appliances | 15 years |
| • Vehicles – Lorries and Vans | 7 years |
| • Vehicles – Non FDS Cars and Light Vans | 7 years |

- Vehicles – FDS Cars 5 years
- Equipment 5 years
- Specialised Equipment (e.g Breathing Apparatus) 10 Years

Assets acquired under Finance Leases are Depreciated over the term of the lease (or the life of the asset if this is lower than the term of the lease) on a straight-line basis.

At each reporting period end, the Authority checks whether there is any indication that any of its tangible or intangible non-current Assets have suffered an impairment loss. If there is indication of an Impairment loss, the recoverable amount of the Asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible Assets not yet available for use are tested for Impairment annually.

If there has been an Impairment loss, the Asset is written down to its recoverable amount, with the loss charged to the Revaluation Reserve to the extent that there is a balance on the Reserve for the Asset and, thereafter, to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the Asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure to the extent of the decrease previously charged there and thereafter to the Revaluation Reserve.

The Authority is not required to raise council tax to cover Depreciation, Impairment or Amortisation, however it is required to make an Annual Provision from its revenue budget to contribute towards the reduction in its overall borrowing requirement, the Minimum Revenue Provision (MRP). This is equal to 4% of the adjusted capital financing requirement at 31 March and subsequent supported borrowing, together with an amount equal to any Capital Expenditure funded from unsupported borrowing, apportioned over the Useful Economic Life of the Asset.

Government Grants

Government grants are grants from Government bodies. Revenue grants are matched against the expenditure to which they relate. Capital grants are credited to income once any conditions of the grant have been satisfied. Assets purchased from government grants are valued, Depreciated and Impaired as described for purchased Assets.

Non-Current Assets Held for Sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the Asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current Assets held for sale are measured at the lower of their previous carrying amount and Fair Value less costs to sell. Fair Value is open market value including alternative uses.

The profit or loss arising on the disposal of an Asset is the difference between the sale proceeds and the carrying amount and is recognised in the Comprehensive Income and Expenditure Statement. On disposal, the balance for the Asset on the Revaluation Reserve is transferred to the Capital Adjustment Account.

Property, Plant and Equipment that is to be scrapped or demolished does not qualify for recognition as Held for Sale. Instead, it is retained as an operational Asset and its Useful Economic Life is adjusted. The asset is de-recognised when it is scrapped or demolished.

Leases

Leases are classified as Finance Leases when substantially all of the risks and rewards of ownership are transferred to the lessee. All other leases are classified as Operating Leases.

The Authority As A Lessee

The Authority has a single Asset held under a Finance Lease. The outstanding Liability relating to Finance Leases is reflected in the Authority's Balance Sheet, with the Assets acquired under Finance Leases added to the Authority's Asset register and the value reflected in the Property, Plant and Equipment total on the Balance Sheet. Interest costs relating to Finance Leases are reflected

in the Comprehensive Income and Expenditure Statement. Payments for Finance Leases are made in equal amounts over the term of the lease. Operating Lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a Liability and subsequently as a reduction of rentals on a straight-line basis over the lease term. Where a lease is for land and buildings, the land and building components are separated. Leased land is treated as an Operating Lease. Leased buildings are assessed as to whether they are Operating Leases or Finance Leases.

Inventories

Inventories are valued at the lower of cost and Net Realisable Value using the average cost method. This is considered to be a reasonable approximation to Fair Value.

Cash and Cash Equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. The balances on the current account and the business reserve account are cash. The balance in the liquidity manager account is a cash equivalent (as this is held for investment purposes until a sufficient balance is achieved and a short-term investment entered into).

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Authority's cash management.

Provisions

Provisions are recognised when the Authority has a present legal or constructive obligation as a result of a past event, it is probable that the Authority will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties.

Contingencies

A Contingent Liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Authority, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. A Contingent Liability is disclosed unless the possibility of payment is remote.

A Contingent Asset is a possible Asset that arises from past events, the existence of which will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Authority. A Contingent Asset is disclosed where an inflow of economic benefits is virtually certain.

Where the time value of money is material, contingencies are disclosed at their present value.

Reserves

The Authority sets aside specific reserves for future policy purposes. The Authority has a number of revenue reserves:

- General Reserve
- Capital Funding Reserve
- Ark Reserve
- Resilience Reserve
- Emergency Services Fleet Management (Humberside) Ltd Reserve
- Insurance Reserve
- ESMCP Reserve
- Pay and Prices Reserve
- Grenfell and Protection Reserve
- Strategic Transformation Fund Reserve
- East Coast & Hertfordshire Control Room Consortium Reserve
- Environmental Initiative Reserve

The Authority has three capital reserves:

- Capital Adjustment Account
- Revaluation Reserve
- Capital Receipts Reserve

Other reserves held by the Authority, are held to meet accounting requirements:

- Pensions Reserve
- Collection Fund Adjustment Account
- Accumulated Absences Reserve

Financial Assets

Financial assets are recognised when the Authority becomes party to the Financial Instrument contract or in the case of trade receivables, when goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the Asset has been transferred. Financial Assets are initially recognised at Fair Value.

Financial Assets are classified into the following categories: Financial Assets at Fair Value through profit and loss; held to maturity investments; available for sale Financial Assets, and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Loans and Receivables

Loans and receivables are non-derivative Financial Assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at Amortised cost using the Effective Interest Method, less any Impairment. Interest is recognised using the Effective Interest Rate Method.

Fair Value is determined by reference to quoted market prices where possible, or failing that by reference to similar arms-length transactions between knowledgeable and willing parties.

The Effective Interest Rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset.

At the end of the reporting period the Authority assesses whether any Financial Assets, other than those held at 'Fair Value through profit and loss' are impaired. Financial assets are impaired and Impairment losses recognised if there is objective evidence of impairment, as a result of one or more events which occurred after the initial recognition of the Asset and which has an impact on the estimated future cash flows of the Asset.

For Financial Assets carried at amortised cost, the amount of the Impairment loss is measured as the difference between the Assets carrying amount and the present value of the revised future cash flows discounted at the Asset's original effective interest rate. The loss is recognised in expenditure and the carrying amount of the Asset reduced directly.

If, in a subsequent period, the amount of the Impairment loss decreases and the decrease can be related objectively to an event occurring after the Impairment was recognised, the previously recognised impairment loss is reversed through expenditure to the extent that the carrying amount of the receivable at the date of the Impairment is reversed does not exceed what the amortised cost would have been had the Impairment not been recognised.

Financial Liabilities

Financial Liabilities are recognised in the Balance Sheet when the Authority becomes party to the contractual provisions of the Financial Instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are derecognised when the liability has been

discharged, that is, the Liability has been paid or expired. Financial Liabilities are recognised at Fair Value.

Foreign Currencies

The Authority's functional currency and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of transactions. At the end of the Reporting Period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March. Resulting exchange gains and losses from either of these are recognised in the Authority's surplus/deficit in the period in which they arise.

Joint Operations

Joint operations are activities undertaken by the Authority in conjunction with one or more other parties but which are not performed through a separate entity.

Accounting Standards That Have Been Issued But Have Not Yet Been Adopted

- IFRS 16 Leases

The above accounting standards have been issued but are not be adopted until 1st April 2023. This is not expected to have a material impact on future financial statements.

Accounting Standards Issued That Have Been Adopted Early

There are no accounting standards issued that have been adopted early.

Exceptional Items

Exceptional items shall be included in the costs of the service to which they relate and noted accordingly.

Prior Period Adjustments

Unless otherwise sanctioned by the Code of Practice on Local Authority Accounting, material prior period adjustments shall result in restatement of prior year figures and disclosure of the effect.

Events After The Reporting Period

Material events after the Balance Sheet date shall be disclosed as a note to the Accounts and amended in the Accounts as required. Other events after the Balance Sheet date will be disclosed in a note with an estimate of the likely effect.

Group Accounts

Each reporting period the Authority will review its interests and influence on all types of entities including, but not limited to, other authorities and similar statutory bodies, common good trust funds, charities, companies, joint committees and other joint arrangements. If appropriate, then Group Accounts will be prepared in accordance with the Code of Practice on Local Authority Accounting.

VAT

Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of Non-Current Assets.

2. Expenditure and Funding Analysis

The objective of the Expenditure and Funding Analysis is to demonstrate to council tax payers how the funding available to the Authority (i.e government grants, council tax and business rates) for the year has been used in providing services in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes within the Authority. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

Year ended 31 March 2022

£'000 Net Expenditure Chargeable to the General Fund	£'000 Adjustments between the funding and accounting basis	£'000 Net Expenditure in the Comprehensive Income and Expenditure Statement	
2,310	(592)	2,902	Community Fire Safety
27,646	(9,534)	37,180	Fire Fighting & Rescue Operations
12,853	(2,169)	15,022	Management and Support
132	-	132	Corporate and Democratic Core
15	-	15	Corporate Management
42,956	(12,295)	55,251	Net Cost of Services
(44,021)	(11,260)	(32,761)	Other Income and Expenditure
(1,065)	(23,555)	22,490	(Surplus) or Deficit

6,373

Opening General Fund Balance

(1,065)

Less/Plus (Surplus) or Deficit on the General Fund in the Year

7,438

Closing General Fund Balance at 31 March

Year ended 31 March 2023

Note	£'000 Net Expenditure Chargeable to the General Fund	£'000 Adjustments between the funding and accounting basis	£'000 Net Expenditure in the Comprehensive Income and Expenditure Statement
10	2,690	(516)	3,206
10	30,132	(8,594)	38,726
10	15,573	(1,997)	17,570
10	132	-	132
10	38	-	38
	48,566	(11,107)	59,672
10	(47,473)	(15,143)	(32,330)
	1,093	(26,250)	27,343

7,438

1,0936,345

3. Material Risk and Uncertainty

Item	Uncertainties	Effect if actual results differ from assumptions
Pensions Liability (Firefighters' Pension Scheme)	The estimation of the net Liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement and mortality ages. The Authority receives advice from two separate actuaries, one for the Firefighters' Pension Schemes and one for the Local Government Pension Scheme.	The opening balance on the Firefighters' pension Liabilities at 1 April 2022 was £701.390m. The effects on the net pension Liabilities of changes in individual assumptions can be measured. For instance, a 0.5% decrease in the discount rate would result in an increase in the pension liabilities of £36m. However, the assumptions interact in complex ways so changes in individual assumptions should be treated with caution.
Pensions Liability (Local Government Pension Scheme)	The estimation of the net Liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement and mortality ages and expected returns on investment funds. The Authority receives advice from two separate actuaries, one for the Firefighters' Pension Scheme and one for the Local Government Pension Scheme.	The opening balance on the Local Government pension Liabilities at 1 April 2022 was £59.849m (The opening balance on scheme Assets was £50.475m). The effects on the net pension Liabilities of changes in individual assumptions can be measured. For instance a 0.5% decrease in the real discount rate would result in an increase in the pension Liabilities of £4.100m. However, the assumptions interact in complex ways so changes in individual assumptions should be treated with caution.
Property, Plant and Equipment	Assets are regularly re-valued by an external valuer to ensure values are a true reflection of the market at the 31 March. Asset values could be under or overstated. Depreciation is calculated based on the estimated useful life of the asset.	For each 1% of under/over statement the value of Property would need to be adjusted by £488k. The carrying value of Property, Plant and Equipment is £61.174m. If the estimated useful life is under or overestimated by one year then the depreciation charge to the Comprehensive Income and Expenditure would be increased or reduced by £608k. The Depreciation charge is £5.558m.

4. Pensions

Participation in Pension Schemes

As part of the terms and conditions of employment of its officers and other employees, the Authority offers retirement benefits. Although these will not actually be payable until employees retire, the Authority has a commitment to make the payments and these should be disclosed at the time that employees earn their future entitlement.

The Authority participates in five pension schemes:

- The 1992, 2006, 2015 and Modified (1992) Firefighters' Pension Schemes (FPS) - these are unfunded schemes, which means that there are no investment assets built up to meet the pensions liabilities, and cash has to be generated to meet the actual payments as they fall due. The Authority is required by legislation to operate a Pension Fund, with the amounts that must be paid into or out of the Pension Fund being specified by regulation. The Authority set up a Pension Fund on 1 April 2006 from which pension payments are made and into which contributions, from the Authority and employees, are received. The Pension Fund receives a top-up grant from the Government equal to the deficit each year, with any surplus on the Pension Fund being repaid to the Government. The Pension Fund is shown separately in the Accounts.
- The Local Government Pension Scheme for non-uniformed employees, administered by the East Riding of Yorkshire Council, is a funded scheme which means that the Authority and employees pay contributions into a fund, calculated at a level estimated to balance pension liabilities with investment assets.

The table below shows the key features of the four Firefighters' Pension Schemes and details of the Local Government Pension Scheme.

Key Features	1992 Firefighters' Scheme	2006 Firefighters' Scheme	Modified (1992) Pension Scheme	2015 Firefighters' Scheme	Local Government Pension Scheme
Status	Closed	Closed	Closed	Open	Open
Contribution Rate <ul style="list-style-type: none"> • employee • employer • ill health 	11% to 17% 37.3% 5.2%	8.5% to 12.5% 27.4% 3.2%	11% to 17% 37.3%	11% to 14.5% 28.8%	5.5% to 12.5% 18.5%
Benefits <ul style="list-style-type: none"> • maximum pension • minimum lump sum 	2/3 final salary	½ final salary		CARE Scheme	Varies Nil or 3/80ths
Maximum pensionable service	30 years	None	30 years	None	None
Normal retirement age	55 years	60 years	55 Years	60 years	68 years
Accrual rate	1/60 th for 20 years 2/60 th for 20+ years up to a maximum of 30 years	1/60 th	1/45 th	1/59.7 th	1/49 th

Transactions Relating to Retirement Benefits

The costs of retirement benefits are recognised in the Net Cost of Services when they are earned by employees, rather than when the benefits are eventually paid as pensions. The charge the Authority is required to make against the levies raised is based on the cash payable in the year, so the real cost of retirement benefits is reversed out of the revenue account after Net Operating Expenditure.

The following transactions have been made in the Comprehensive Income and Expenditure Account during the year.

	Firefighters' 1992 Pension Scheme		Firefighters' 2006 Pension Scheme		Firefighters' 2015 Pension Scheme		Local Government Pension Scheme	
	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000
<i>Net Cost of Service</i>								
Current Service Cost	(230)	(620)	(80)	(160)	(9,090)	(11,500)	(2,882)	(3,024)
Unfunded Benefits	-	-	-	-	-	-	-	-
Past Service Costs	-	-	-	-	-	-	-	-
<i>Net Operating Expenditure</i>								
Interest Cost	(15,950)	(12,270)	(890)	(660)	(1,610)	(1,070)	(1,677)	(1,281)
Expected Return on Assets in the Scheme	-	-	-	-	-	-	1,396	943
Retirement costs included in the Comprehensive Income and Expenditure Statement	(16,180)	(12,890)	(970)	(820)	(10,700)	(12,570)	(3,163)	(3,362)

In addition to the recognised gains and losses included in the Comprehensive Income and Expenditure Account (shown in the table above), actuarial gains of £230.214m were included in the Statement of Comprehensive Income and Expenditure (£31.479m for 2021/22).

The estimated contributions payable to the Authority's pension schemes for 2023/24 is £7.712m (£7.100m for 2022/23).

Actuarial gains and losses comprise:

- Experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred), and
- The effect of changes in actuarial assumptions.

Actuarial gains and losses are recognised in the Comprehensive Income and Expenditure Statement.

Assets and Liabilities in Relation to Retirement Benefits

Reconciliation of present value of the scheme Asset/Liabilities and Net Obligation of the Firefighters' Pension Schemes:

Period ended 31 March	Firefighters' 1992 Pension Scheme Assets		Firefighters' 1992 Pension Scheme Obligation		Firefighters' 1992 Pension Scheme Net Obligation		Firefighters' Injury Awards Assets		Firefighters' Injury Awards Obligation		Firefighters' Injury Awards Net Obligation	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Fair value of employer assets					-	-					-	-
Present value of funded liabilities					-	-					-	-
Present value of unfunded liabilities			(591,350)	(612,130)	(591,350)	(612,130)			(12,230)	(11,090)	(12,230)	(11,090)
Opening Position as at 31 March	-	-	(591,350)	(612,130)	(591,350)	(612,130)	-	-	(12,230)	(11,090)	(12,230)	(11,090)
Service Cost												
Current Service Cost				(340)	-	(340)			(230)	(280)	(230)	(280)
Past Service Cost (inc curtailments)			(14,320)		(14,320)	-					-	-
Effect of Settlements					-	-					-	-
Total Service Cost	-	-	(14,320)	(340)	(14,320)	(340)	-	-	(230)	(280)	(230)	(280)
Net Interest												
Interest income on plan assets					-	-					-	-
Interest cost on defined benefit obligation			(15,630)	(12,050)	(15,630)	(12,050)			(320)	(220)	(320)	(220)
Impact of asset ceiling on net interest					-	-					-	-
Total net interest	-	-	(15,630)	(12,050)	(15,630)	(12,050)	-	-	(320)	(220)	(320)	(220)
Total defined benefit cost recognised in Income and Expenditure	-	-	(29,950)	(12,390)	(29,950)	(12,390)	-	-	(550)	(500)	(550)	(500)
Cashflows												
Plan participants' contributions		110		(110)	-	-					-	-
Employer Contributions		305			-	305					-	-
Contributions in respect of unfunded benefits					-	-					-	-
Benefits paid	(17,460)	(19,800)	17,460	19,800	-	-	(450)	(450)	450	450	-	-
Unfunded benefits paid					-	-					-	-
Expected closing position	(17,460)	(19,385)	(603,840)	(604,830)	(621,300)	(624,215)	(450)	(450)	(12,330)	(11,140)	(12,780)	(11,590)
Remeasurements												
Changes in demographic assumptions			10,820		10,820	-			200		200	-
Changes in financial assumptions	17,460	19,385	169,320	6,490	186,780	25,875	450	450	3,040	120	3,490	570
Other experience			(38,510)	6,990	(38,510)	6,990			(40)	(1,210)	(40)	(1,210)
Return on assets excluding amounts included in net interest					-	-					-	-
Changes in assumptions underlying the present value of the retained settlement					-	-					-	-
Changes in asset ceiling					-	-					-	-
Total remeasurements recognised in Other Comprehensive Income	17,460	19,385	141,630	13,480	159,090	32,865	450	450	3,200	(1,090)	3,650	(640)
Exchange differences												
Effect of business combinations and disposals												
Fair Value of employer assets												
Present value of funded liabilities												
Present value of unfunded liabilities	-	-	(462,210)	(591,350)	(462,210)	(591,350)	-	-	(9,130)	(12,230)	(9,130)	(12,230)
Closing position as at 31 March	-	-	(462,210)	(591,350)	(462,210)	(591,350)	-	-	(9,130)	(12,230)	(9,130)	(12,230)

Period ended 31 March

Fair value of employer assets
 Present value of funded liabilities
 Present value of unfunded liabilities

Opening Position as at 31 March

Service Cost

Current Service Cost

Past Service Cost (inc curtailments)

Effect of Settlements

Total Service Cost

Net Interest

Interest income on plan assets

Interest cost on defined benefit obligation

Impact of asset ceiling on net interest

Total net interest

Total defined benefit cost recognised in Income and Expenditure

Cashflows

Plan participants' contributions

Employer Contributions

Contributions in respect of unfunded benefits

Benefits paid

Unfunded benefits paid

Expected closing position

Remeasurements

Changes in demographic assumptions

Changes in financial assumptions

Other experience

Return on assets excluding amounts included in net interest

Changes in assumptions underlying the present value of the retained settlement

Changes in asset ceiling

Total remeasurements recognised in Other Comprehensive Income

Exchange differences

Effect of business combinations and disposals

Fair Value of employer assets

Present value of funded liabilities

Present value of unfunded liabilities

Closing position as at 31 March

Firefighters' 2006 Pension Scheme Assets		Firefighters' 2006 Pension Scheme Obligation		Firefighters' 2006 Pension Scheme Net Obligation		Firefighters' 2015 Pension Scheme Assets		Firefighters' 2015 Pension Scheme Obligation		Firefighters' 2015 Pension Scheme Net Obligation	
2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000
				-	-					-	-
				-	-					-	-
		(32,640)	(33,030)	(32,640)	(33,030)			(65,160)	(47,200)	(65,160)	(47,200)
-	-	(32,640)	(33,030)	(32,640)	(33,030)	-	-	(65,160)	(47,200)	(65,160)	(47,200)
		(80)	(160)	(80)	(160)			(9,090)	(11,500)	(9,090)	(11,500)
		(1,850)		(1,850)	-			16,170		16,170	-
				-	-					-	-
-	-	(1,930)	(160)	(1,930)	(160)	-	-	7,080	(11,500)	7,080	(11,500)
				-	-					-	-
		(890)	(660)	(890)	(660)			(1,610)	(1,070)	(1,610)	(1,070)
				-	-					-	-
-	-	(890)	(660)	(890)	(660)	-	-	(1,610)	(1,070)	(1,610)	(1,070)
-	-	(2,820)	(820)	(2,820)	(820)	-	-	5,470	(12,570)	5,470	(12,570)
	140		(140)	-	-	2,740	2,180	(2,740)	(2,180)	-	-
52	190			52	190	5,524	4,812			5,524	4,812
				-	-					-	-
(260)	(410)	260	410	-	-	(4,580)	(900)	4,580	900	-	-
				-	-					-	-
(208)	(80)	(35,200)	(33,580)	(35,408)	(33,660)	3,684	6,092	(57,850)	(61,050)	(54,166)	(54,958)
		1,170	-	1,170	-			8,510		8,510	-
208	80	12,260	470	12,468	550	(3,684)	(6,092)	31,520	1,130	27,836	(4,962)
		(1,380)	470	(1,380)	470			(690)	(5,240)	(690)	(5,240)
				-	-					-	-
				-	-					-	-
				-	-					-	-
208	80	12,050	940	12,258	1,020	(3,684)	(6,092)	39,340	(4,110)	35,656	(10,202)
-	-	(23,150)	(32,640)	(23,150)	(32,640)	-	-	(18,510)	(65,160)	(18,510)	(65,160)
-	-	(23,150)	(32,640)	(23,150)	(32,640)	-	-	(18,510)	(65,160)	(18,510)	(65,160)

Reconciliation of present value of the scheme Assets/Liabilities and Net Obligation of Local Government Pension Scheme:

Period ended 31 March	Local Government Pension Scheme		Local Government Pension Scheme		Local Government Pension Scheme	
	Assets		Liability		Net (Obligation) / Surplus	
	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000
Fair value of employer assets	50,475	45,707			50,475	45,707
Present value of funded liabilities			(59,812)	(61,232)	(59,812)	(61,232)
Present value of unfunded liabilities			(37)	(47)	(37)	(47)
Opening Position as at 31 March	50,475	45,707	(59,849)	(61,279)	(9,374)	(15,572)
Service Cost						
Current Service Cost			(2,882)	(3,024)	(2,882)	(3,024)
Past Service Cost (inc curtailments)			-	-	-	-
Effect of Settlements					-	-
Total Service Cost	-	-	(2,882)	(3,024)	(2,882)	(3,024)
Net Interest						
Interest income on plan assets	1,396	943			1,396	943
Interest cost on defined benefit obligation			(1,677)	(1,281)	(1,677)	(1,281)
Impact of asset ceiling on net interest					-	-
Total net interest	1,396	943	(1,677)	(1,281)	(281)	(338)
Total defined benefit cost recognised in Income and Expenditure	1,396	943	(4,559)	(4,305)	(3,163)	(3,362)
Cashflows						
Plan participants' contributions	423	393	(423)	(393)	-	-
Employer Contributions	1,198	1,110			1,198	1,110
Contributions in respect of unfunded benefits	4	4			4	4
Benefits paid	(963)	(883)	963	883	-	-
Unfunded benefits paid	(4)	(4)	4	4	-	-
Expected closing position	52,529	47,270	(63,864)	(65,090)	(11,335)	(17,820)
Remeasurements						
Changes in demographic assumptions			1,686	323	1,686	323
Changes in financial assumptions			25,807	5,049	25,807	5,049
Other experience	474		(3,730)	(131)	(3,256)	(131)
Return on assets excluding amounts included in net interest	(1,411)	3,205			(1,411)	3,205
Changes in asset ceiling	(3,266)				(3,266)	-
Total remeasurements recognised in Other Comprehensive income	(4,203)	3,205	23,763	5,241	19,560	8,446
Exchange differences						
Effect of business combinations and disposals						
Fair Value of employer assets	48,326	50,475			48,326	50,475
Present value of funded liabilities			(40,068)	(59,812)	(40,068)	(59,812)
Present value of unfunded liabilities			(33)	(37)	(33)	(37)
Closing position as at 31 March	48,326	50,475	(40,101)	(59,849)	8,225	(9,374)

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the Balance Sheet date. Expected returns on equity investments reflect long-term real rates of return experienced in the respective markets.

Reconciliation of opening and closing surplus/(deficit):

Scheme History

	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
Present Value of Liabilities					
Local Government Pension Scheme	(51,544)	(43,897)	(61,279)	(59,849)	(40,101)
Firefighters' 1992 Pension Scheme	(566,870)	(523,400)	(612,130)	(591,350)	(462,210)
Firefighters' Injury Awards	(13,160)	(12,450)	(11,090)	(12,230)	(9,130)
Firefighters' 2006 Pension Scheme	(39,120)	(35,810)	(33,030)	(32,640)	(23,150)
Firefighters' 2015 Pension Scheme	(28,740)	(41,110)	(47,200)	(65,160)	(18,510)
Fair Value of Assets					
Local Government Pension Scheme	41,055	38,278	45,707	50,475	48,326
Firefighters' 1992 Pension Scheme	-	-	-	-	-
Firefighters' Injury Awards	-	-	-	-	-
Firefighters' 2006 Pension Scheme	-	-	-	-	-
Firefighters' 2015 Pension Scheme	-	-	-	-	-
Surplus/(Deficit) in the Scheme					
Local Government Pension Scheme	(10,489)	(5,619)	(15,572)	(9,374)	8,225
Firefighters' 1992 Pension Scheme	(566,870)	(523,400)	(612,130)	(591,350)	(462,210)
Firefighters' Injury Awards	(13,160)	(12,450)	(11,090)	(12,230)	(9,130)
Firefighters' 2006 Pension Scheme	(39,120)	(35,810)	(33,030)	(32,650)	(23,150)
Firefighters' 2015 Pension Scheme	(28,740)	(41,110)	(47,200)	(65,160)	(18,510)
	<u>(658,379)</u>	<u>(618,389)</u>	<u>(719,022)</u>	<u>(710,764)</u>	<u>(504,775)</u>

The Fair Value of Assets in the above table have been restated as permitted by IAS 19.

The Liabilities show the underlying commitments that the Authority has in the long-run to pay retirement benefits. The total net Liability of £504.775m (£710.764m in 2021/22) has a substantial impact on the net worth of the Authority as recorded in the Balance Sheet, resulting in a negative overall balance of £449.035m (£652.855m in 2021/22). However, there are statutory provisions (most recently, S13 of the Local Government Act 2003) for funding any Local Authority deficit. In addition, the surplus on the Local Government Scheme will be made good by decreased contributions over the remaining working life of employees as assessed by the scheme actuary.

Finance is only required to be raised to cover firefighters' pensions when pensions are actually paid, i.e. as they actually retire.

Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the Projected Unit Method by Hymans Robertson, an independent firm of actuaries for the Local Government Pension Scheme and by the Government Actuaries Department (GAD) in relation to the Firefighters' Pension Schemes. Estimates for the Local Government Pension Scheme administered by the East Riding of Yorkshire Council have been based on the latest full valuation of the scheme as at 31 March 2022.

The principal assumptions used by the actuaries have been:

	Local Government Pension Scheme		Firefighters' Pension Schemes	
	2022/23	2021/22	2022/23	2021/22
Longevity at 65 for current pensioners:				
Men	20.8	20.8	21.2	21.5
Women	23.7	23.5	21.2	21.5
Longevity at 65 for future pensioners: (45 for Firefighters' Pension Scheme)				
Men	21.5	22.0	22.9	23.2
Women	25.2	25.3	22.9	23.2
Rate of Inflation	3.0%	3.2%	2.6%	3.0%
Rate of increase in salaries	3.0%	4.1%	3.9%	4.8%
Rate of increase in pensions	3.0%	3.2%	2.6%	3.0%
Rate for discounting scheme liabilities	4.8%	2.8%	4.7%	2.7%
Take-up of option to convert annual pension into retirement lump sum	65.0%	60.0%	25.0%	25.0%

Mortality rates are projected using published tables and future mortality improvements are in line with the 2020-based UK national population projections.

The sensitivity of scheme liabilities to the changes in the main assumptions are as follows:

2022/23

	Firefighters' Pension Schemes		Local Government Pension Scheme	
	%	£'000	%	£'000
Change in assumption:				
0.5% increase in salaries increase rate	1.0	5,000	1.0	555
0.5% increase in pensions increase rate	7.0	35,000	10.0	3,605
0.5% decrease in discounting of liabilities rate	7.0	36,000	10.0	4,100
1 year increase in member life expectancy rate	2.5	12,500	4.0	1,604

2021/22

	Firefighters' Pension		Local Government	
	%	£'000	%	£'000
Change in assumption:				
0.5% increase in salaries increase rate	1.5	9,000	1.0	940
0.5% increase in pensions increase rate	7.5	54,000	10.0	5,880
0.5% decrease in discounting of liabilities rate	9.0	63,000	10.0	6,875
1 year increase in member life expectancy rate	3.5	24,000	4.0	2,394

Assets

Firefighters' Pension Schemes have no Assets to cover their Liabilities. Assets in the Local Government Pension Scheme administered by the East Riding of Yorkshire Council are valued at bid value and consist of the following categories, of the total Assets held by the East Riding Pension Fund:

Asset Category	Period Ended 31 March 2023				Period Ended 31 March 2022			
	Quoted prices in active markets £(000)	Quoted prices not in active markets £(000)	Total £(000)	Percentage of Total Assets	Quoted prices in active markets £(000)	Quoted prices not in active markets £(000)	Total £(000)	Percentage of Total Assets
Equity Securities:								
Consumer			0.0	0%			0.0	0%
Manufacturing			0.0	0%			0.0	0%
Energy and Utilities			0.0	0%			0.0	0%
Financial Institutions			0.0	0%			0.0	0%
Health and Care			0.0	0%			0.0	0%
Information Technology			0.0	0%			0.0	0%
Other	5,199.2		5,199.2	10%	6,054.3		6,054.3	12%
Debt Securities:								
Corporate Bonds (investment grade)			0.0	0%			0.0	0%
Corporate Bonds (non-investment grade)	505.8	2,702.8	3,208.6	6%	159.3	2,159.5	2,318.8	5%
UK Government	878.8		878.8	2%	1,325.3		1,325.3	3%
Other	470.2		470.2	1%	795.6		795.6	2%
Private Equity:								
All	599.8	2,589.6	3,189.4	6%	1,447.4	2,240.0	3,687.4	7%
Real Estate:								
UK Property	560.7	4,110.5	4,671.2	9%	1,822.7	3,929.7	5,752.4	11%
Overseas Property			0.0	0%			0.0	0%
Investment Funds and Unit Trusts:								
Equities	21,276.7		21,276.7	41%	20,297.8		20,297.8	40%
Bonds	3,465.9		3,465.9	7%	4,308.6	89.3	4,397.9	9%
Hedge Funds			0.0	0%			0.0	0%
Commodities			0.0	0%			0.0	0%
Infrastructure	401.6	3,027.8	3,429.4	7%	1,187.4	2,252.0	3,439.4	7%
Other	3,628.2	1,211.6	4,839.8	9%	472.9	1,284.6	1,757.5	3%
Derivatives:								
Inflation			0.0	0%			0.0	0%
Interest Rate			0.0	0%			0.0	0%
Foreign Exchange			0.0	0%			0.0	0%
Other			0.0	0%			0.0	0%
Cash and Cash Equivalents:								
All	962.8		962.8	2%	648.6		648.6	1%
Totals	37,950	13,642	51,592	100.00%	38,520	11,955	50,475	100.00%

The Actuarial Gains identified as movements on the Pensions Reserve in 2022/23 can be analysed into the following categories, measured as a percentage of Assets or Liabilities at the 31 March 2023:

	2018/19 %	2019/20 %	2020/21 %	2021/22 %	2022/23 %
Local Government Pension Scheme					
Difference between the expected and actual return on assets	4.16	(10.31)	15.30	7.01	(1.86)
Experience gains and (losses) on liabilities	2.33	1.93	2.02	1.54	2.33
Firefighters' Pension Scheme 1992					
Experience gains and (losses) on liabilities	(2.34)	7.25	(18.05)	2.20	23.95
Firefighters' Injury Awards					
Experience gains and (losses) on liabilities	(5.19)	0.06	11.89	(9.83)	26.17
Firefighters' Pension Scheme 2006					
Experience gains and (losses) on liabilities	(2.07)	4.73	10.13	2.85	36.91
Firefighters' Pension Scheme 2015					
Experience gains and (losses) on liabilities	(10.75)	7.83	18.87	(8.71)	60.37

The Fire Authority of Humberside, along with other Fire Authorities, currently have a number of claims lodged against them with the Central London Employment Tribunal. The claims are in respect of alleged unlawful discrimination arising from the Transitional Provisions in the Fire Pension Regulations 2015. Claims of unlawful discrimination have also been made in relation to the changes to the Judiciary and Firefighters Pension regulations. The Central London Employment Tribunal have upheld the claims and the remedy needed to make good these claims is currently under development by government and will be published in the future.

The Actuaries (GAD and Hymans Robertson) have included a reasonable estimate for the effect of the McCloud judgement within the overall scheme liabilities. The impact of an increase in scheme liabilities arising from these claims will be measured through the pension valuation process, which determines employer and employee contribution rates.

The Fire Pension valuation took place in 2020 with implementation of the results planned for 2024/25 and Fire Authorities will need to plan for the impact of this on employer contribution rates alongside other changes identified through the valuation process. The impact of an increase in annual pension payments arising from McCloud / Sargeant is determined through The Fire Pension Fund Regulations 2007. These require a Fire Authority to maintain a fire pension fund into which officer and employer contributions are paid and out of which pension payments to retired officers are made. If the fire pension fund does not have enough funds to meet the cost of pensions in year the amount required to meet the deficit is then paid by the Secretary of State to the Fire Authority in the form of a central government top-up grant.

5. Non-Current Assets

	Operational Assets				Operational Assets (Intangible)	Non-operational Assets		
	Land and Buildings	Vehicles	Plant and Equipment	TOTAL	Intangible Assets*	Assets Under Construction	Surplus Assets	Total Assets
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or Valuation								
1 April 2022	48,471	17,759	6,642	72,872	51	75	350	73,348
Additions/Enhancement	525	1,826	886	3,238				3,238
Revaluation increases / (decreases) to Revaluation Reserve	1,450			1,450				1,450
Revaluation increases / (decreases) to Comprehensive Income and Expenditure Statement	(487)			(487)				(487)
Derecognition - Disposals		(41)	(671)	(712)	(15)			(727)
Other movements				0		(75)		(75)
At 31 March 2023	49,959	19,544	6,857	76,361	36	0	350	76,747
Depreciation/Impairment								
1 April 2022	0	7,449	2,972	10,421	26	75	0	10,522
Charge for the year	1,448	3,169	927	5,544	5		9	5,558
Depreciation written out to the Revaluation Reserve	(438)			(438)				(438)
Derecognition - Disposals		(41)	(451)	(492)	(10)	(75)		(577)
At 31 March 2023	1,010	10,577	3,448	15,035	21	0	9	15,065
Net Book Value								
1st April 2022	48,471	10,310	3,670	62,451	25	0	350	62,821
31 March 2023*	48,949	8,967	3,409	61,326	15	0	341	61,676

*£147k is included in non-current assets (on the Balance Sheet) that are owned by ESFM (Humberside) Ltd, please see note 12 for details.

2021/22 Comparatives

	Land and Buildings	Vehicles	Plant and Equipment	TOTAL	Intangible Assets*	Assets Under Construction	Surplus Assets	Total Assets
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or Valuation								
1 April 2021	36,252	17,702	5,523	59,477	142	98	182	59,899
Additions/Enhancement	383	242	1,423	2,048				2,048
Revaluation increases / (decreases) to Revaluation Reserve	13,115			13,115			168	13,283
Revaluation increases / (decreases) to Comprehensive Income and Expenditure Statement	(1,279)			(1,279)				(1,279)
Derecognition - Disposals		(208)	(304)	(512)	(91)			(603)
Other movements		23		23		(23)		0
At 31 March 2022	48,471	17,759	6,642	72,872	51	75	350	73,348
Depreciation/Impairment								
1 April 2021	334	6,779	2,651	9,764	74	0	4	9,842
Charge for the year	709	815	525	2,049	13	75		2,137
Depreciation written out to the Revaluation Reserve	(1,043)			(1,043)			(4)	(1,047)
Derecognition - Disposals		(145)	(204)	(349)	(61)			(410)
At 31 March 2022	0	7,449	2,972	10,421	26	75	0	10,522
Net Book Value								
1st April 2021	35,918	10,923	2,872	49,711	68	98	178	50,053
31 March 2022*	48,471	10,310	3,670	62,451	25	0	350	62,821

*£132k is included in non-current assets (on the Balance Sheet) that are owned by ESFM (Humberside) Ltd, please see note 12 for details.

Asset Classes

The table below analyses the major types of Asset and the numbers held in each category:

Category of Asset	No. Held 31 March 2023	No. Held 31 March 2022
Operational Land & Buildings		
Service Headquarters	1	1
Fire Stations	31	31
Other Offices	2	2
Operational Vehicles		
Fire Appliances	76	71
Lorries	1	1
Vans	29	29
Cars	131	122
Others	4	4
New Dimensions Assets	6	6

Capital Financing Requirement

Movements in the Capital Financing Requirement for the year 2022/23 are shown in the table below:

	2022/23 £'000	2021/22 £'000
Opening Capital Financing Requirement	18,720	19,508
Capital Investment		
Operational Assets	3,238	1,960
Non Operational Assets	-	-
Sources of Finance		
Capital Receipts	(78)	-
Minimum Revenue Provision	(818)	(788)
Revenue Contributions to Capital Outlay	(1,650)	(1,960)
	19,412	18,720
Explanation of Movements in Year		
Increase/(Decrease) in the Underlying Need to Borrow		
Unsupported by Government Financial Assistance	692	(788)
	692	(788)

Valuation of Property carried at Current Value

The following statement shows the progress of the Authority's rolling programme for the revaluation of non-current Assets. The valuation of the building stock is carried out by the Clark Weightman Ltd and has an effective date of 1 April each year. The basis for valuation of the different categories of Asset is set out in note 1 of the Notes to the Financial Statements.

2022/23

	Operational Assets			Non Operational Assets		Total
	Other Land & Buildings	Vehicles	Plant & Equipment	Assets Under Construction	Surplus Assets	
	£'000	£'000	£'000	£'000	£'000	£'000
Value as at Historical Cost		8,967	3,409			12,376
Value at Current Value in:						
2022/23	21,132					21,132
2021/22	27,817				341	28,158
Value as at 31 March 2022	<u>48,949</u>	<u>8,967</u>	<u>3,409</u>	<u>-</u>	<u>341</u>	<u>61,666</u>
Nature of asset holding						
Leased	1,682					1,682
Owned	47,267	8,967	3,409	-	341	59,984
	<u>48,949</u>	<u>8,967</u>	<u>3,409</u>	<u>-</u>	<u>341</u>	<u>61,666</u>

Note: the above valuations as at 31 March 2023 are net of accumulated Depreciation to that date.

2021/22

	Operational Assets			Non Operational Assets		Total
	Other Land & Buildings	Vehicles	Plant & Equipment	Assets Under Construction	Surplus Assets	
	£'000	£'000	£'000	£'000	£'000	£'000
Value as at Historical Cost		10,310	3,670			13,980
Value at Current Value in:						
2021/22	48,471				350	48,821
Value as at 31 March 2022	<u>48,471</u>	<u>10,310</u>	<u>3,670</u>	<u>-</u>	<u>350</u>	<u>62,801</u>
Nature of asset holding						
Leased	1,769					1,769
Owned	46,702	10,310	3,670	-	350	61,032
	<u>48,471</u>	<u>10,310</u>	<u>3,670</u>	<u>-</u>	<u>350</u>	<u>62,801</u>

Capital Expenditure

Capital Expenditure incurred by the Authority during 2022/23 with comparatives for 2021/22 and the sources of financing are as follows:

Category of Asset	2022/23	Category of Asset	2021/22
	£'000		£'000
Land & Buildings (Including those under Construction)		Land & Buildings (Including those under Construction)	
Clough Road Training	(25)	Clough Road Training	20
Bridlington	(23)	Bridlington	35
Goole	37	Cromwell Road	67
Hornsea	25	Cleethorpes	44
Headquarters	54	Market Weighton	54
Scunthorpe	(5)	Scunthorpe	17
Dignity Works	210	Dignity Works	59
Calvert	252		
Vehicles (including those under Construction)	1,826	Vehicles (including those under Construction)	242
Plant & Equipment (Including Equipment under Construction)		Plant & Equipment (Including Equipment under Construction)	
IT Equipment	616	IT Equipment	260
Equipment	100	Equipment	126
Personal Protective Equipment	171	Personal Protective Equipment	1,036
Intangibles	-	Intangibles	-
	<u>3,238</u>		<u>1,960</u>
Source of Finance		Source of Finance	
	£'000		£'000
Loans - Unsupported Borrowing	1,510	Loans - Unsupported Borrowing	
Capital Contributions (including capital receipts)	1,728	Capital Contributions (including capital receipts)	1,960
	<u>3,238</u>		<u>1,960</u>

The Authority had outstanding commitments under capital contracts as at 31 March 2023 to the value of £0.115m which will take place during 2023/24.

Finance Leases

The Authority has a building that has been acquired under a finance lease. This asset is carried as Property, Plant and Equipment in the Balance Sheet at the following net amounts:

	2022/23	2021/22
	£'000	£'000
Property, Plant and Equipment	1,682	1,769
	<u>1,682</u>	<u>1,769</u>

The Authority is committed to making minimum payments under these leases comprising settlement of the long-term liability for the interest in the property acquired by the Authority and finance costs that will be payable by the Authority in future years while the liability remains outstanding. The minimum lease payments are made up of the following amounts:

	2022/23	2021/22
	£'000	£'000
Finance Lease Liability	1,013	1,029
Finance Costs		
Current	103	105
Non Current	1,292	1,395
	2,408	2,529

The minimum lease payments will be payable over the following periods:

	Minimum Lease		Finance Lease	
	2022/23	2021/22	2022/23	2021/22
	£'000	£'000	£'000	£'000
Not later than one year	120	120	17	16
Later than one year and not later than five years	482	482	89	81
Later than five years	1,806	1,927	907	934
	2,408	2,529	1,013	1,031

Operating Leases

The Authority does not have any material operating leases.

6. Reserves held by the Authority

Useable Reserves

The Authority retains a number of Reserves which are available to fund Expenditure.

General Fund Balance - This is retained to fund unforeseen expenditure pressures.

Earmarked Reserves - These reserves are retained to fund particular items of expenditure and are reviewed each year, currently the Earmarked Reserves balance is £8.819m (£7.516m at the end of 2021/22). Please see the description of each reserve below.

31 March 2022 £'000	Earmarked Reserves	31 March 2023 £'000
300	Resilience Reserve	1,000
4,160	Capital Funding Reserve	3,410
500	Insurance Reserve	500
1,000	Ark Reserve	1,000
360	Share of ESFM (Humberside) Ltd Net Assets	354
265	ESMCP Reserve	215
210	COVID Reserve	-
71	Grenfell and Protection Reserve	110
150	Uniform Replacement Programme Reserve	-
470	East Coast & Herfordshire Control Room Consortium Reserve	1,000
-	Pay and Prices Reserve	1,200
30	Environmental Reserve	30
7,516	Total Earmarked Reserves	8,819

Resilience Reserve – This can be used to fund any costs associated with the resilience of the service.

Capital Funding Reserve - This reserve is utilised to fund items of Capital expenditure.

Insurance Reserve – This reserve is to fund any costs that are not covered by the Authority's insurance policies.

Ark Reserve – This funding is identified to fund 'The Ark, National Flood Resilience Centre' development with Hull University.

Share of ESFM (Humberside) Ltd Net Assets – This reflects the Authority's share of ESFM (Humberside) Ltd net assets at the balance sheet date.

ESMCP Reserve – The Emergency Services Mobile Communications Programme (ESMCP) Reserve is a grant given by Government to assist with the upgrade of our mobile communications.

COVID Reserve – This is the remaining balance of the grant issued by Government to assist with additional costs associated with the COVID pandemic.

Grenfell and Protection Reserve – This is the remaining balance of grants issued by Government to respond to the Grenfell Tower Inquiry findings and Protection investment.

Uniform Replacement Programme Reserve – This funding is identified to fund the uniform replacement programme.

East Coast & Hertfordshire Control Room Consortium Reserve – This funding is identified to meet Humberside's share of the infrastructure costs of the East Coast and Hertfordshire Control Room Consortium.

Pay and Prices Reserve – This funding is identified to cover any pay and prices increases in excess of budget assumptions

Environmental Reserve – This funding is identified to develop environmental infrastructure.

Capital Receipts Reserve - This can be used to fund items of Capital Expenditure.

Unusable Reserves

The Authority now retains five unusable reserves:-

Capital Adjustment Account – This Reserve is required by the CIPFA Code of Practice on Local Authority Accounting and is used to allow the Authority to nullify the effect of Non-current Asset expenses on the Accounts.

Revaluation Reserve – This Reserve is required by the Code of Practice on Local Authority Accounting and reflects the amount to which the value of the property owned by the Authority has increased. A transfer can be made from the Revaluation Reserve to the Capital Adjustment Account to reflect the amount of additional Depreciation that has been charged due to the increase in value of the property, should the value of a previously revalued property fall some or all of the loss can be offset against the amount remaining in the Revaluation Reserve.

Pensions Reserve – Please see Note 4 Pensions.

Collection Fund Adjustment Account – This Reserve is required by the CIPFA Code of Practice on Local Authority Accounting for Adjustment Account billing and precepting Authorities regarding the collection and distribution of collection fund receipts.

Accumulated Absence Account – This Reserve is required by CIPFA Code of Practice on Local Authority Accounting to neutralise the impact on the General Funding Balance for the accruing of compensated absences earned but not yet taken in the year e.g. annual leave entitlement carried forward at 31 March.

Movement on Capital Reserves**Revaluation Reserve**

	2023 £'000	2022 £'000
Gains on Revaluation of Non Current Assets	(934)	(15,142)
Losses on Revaluation of Non Current Assets	(21)	813
Compensatory adjustment from the Revaluation Reserve to convert current value depreciation debits to historical cost.	406	58
Total Movement on Reserve	<u>(549)</u>	<u>(14,271)</u>
Balance Brought Forward 1 April	(23,190)	(8,919)
Balance Carried Forward at 31 March	<u>(23,739)</u>	<u>(23,190)</u>

Capital Adjustment Account

	2023 £'000	2022 £'000
Net Book Value of Assets disposed of	224	193
Depreciation	5,582	2,087
Impairments	21	1,354
Compensatory adjustment from the Revaluation Reserve to convert current value depreciation debits to historical cost.	(872)	(58)
Deferred Grants and Contributions applied	(1,728)	(1,960)
Provision for Repayments of External Loans (MRP)	(818)	(788)
Total Movement on Reserve	<u>2,409</u>	<u>828</u>
Balance Brought Forward 1 April	(19,548)	(20,377)
Balance Carried Forward at 31 March	<u>(17,139)</u>	<u>(19,548)</u>

7. Borrowing and Investments

Long Term Liabilities

The outstanding borrowings and Liabilities of the Authority are disclosed below:

	2022/23			2021/22		
	Repayable		Repayable	Repayable		Repayable
	Total	within 12 months	after 12 months	Total	within 12 months	after 12 months
	£'000	£'000	£'000	£'000	£'000	£'000
Public Works Loan Board	18,251	1,582	16,669	19,159	990	18,169
Finance Leases	1,013	17	996	1,029	16	1,013
Pension Liability - Firefighters' Pension Fund	513,010		513,010	701,390		701,390
Pension Liability - Local Government Pension Scheme*	-		-	9,374		9,374
	532,274	1,599	530,675	730,952	1,006	729,946

*for 2022/23 the Local Government Pension Scheme is an asset so is not disclosed in total long-term liabilities

The outstanding borrowings of the Authority at 31 March 2023 which were repayable within a period in excess of 12 months were as follows:

Source of Loan	Interest Rate Payable %	Amount Outstanding at	
		31 March 2023	31 March 2022
		£'000	£'000
Public Work Loans Board	1.80	1,000	1,000
Public Work Loans Board	1.86	1,000	1,000
Public Work Loans Board	1.96	1,000	1,000
Public Work Loans Board	1.99	1,000	1,000
Public Work Loans Board	2.09	1,000	1,000
Public Work Loans Board	2.10	1,000	1,000
Public Work Loans Board	2.14	1,000	1,000
Public Work Loans Board	2.19	1,000	1,000
Public Work Loans Board	2.25	1,000	1,000
Public Work Loans Board	3.70	1,000	1,000
Public Work Loans Board	3.75	1,000	1,000
Public Work Loans Board	3.84	-	1,000
Public Work Loans Board	3.88	1,000	1,000
Public Work Loans Board	4.40	428	428
Public Work Loans Board	4.55	3,000	3,000
Public Work Loans Board	4.63	500	500
Public Work Loans Board	4.75	95	95
Public Work Loans Board	4.90	246	246
Public Work Loans Board	5.00	400	900
		16,669	18,169

Loans analysed by maturity are as follows:

	31 March 2023	31 March 2022
	£'000	£'000
Maturing in 1-2 Years	841	1,500
Maturing in 2-5 Years	2,828	2,669
Maturing in 5-10 Years	7,000	7,000
Maturing in More Than 10 Years	6,000	7,000
	16,669	18,169

Short Term Investments

The Authority places funds with counter-parties on a commercial basis, these loans are made to counter-parties who meet a specified criteria. The loans are short-term (less than a year). Accrued interest is included in the Balance Sheet at 31 March. The value of these investments is £8.974m at 31 March. (2021/22 was £11.005m).

8. Other Creditors and Debtors

- Long-Term Creditors

There are no long-term creditors at 31 March 2023.

Short-Term Creditors

Analysis of short term creditors is as follows: -

	31 March 2023 £'000	31 March 2022 £'000
Central Government Bodies	1,261	966
Other Local Authorities	1,093	3,064
Bodies External to General Government	3,995	3,275
	6,349	7,305

*included in the Short-Term Creditors figure on the Balance Sheet is £351k relating to ESFM (Humberside) Ltd, please see note 12 for details.

- Long-Term Debtors

There were no long-term debtors at 31 March 2023.

- Short-Term Debtors

Amounts falling due within one year may be analysed as follows: -

	31 March 2023 £'000	31 March 2022 £'000
Central Government Bodies	5,473	5,204
Other Local Authorities	271	274
NHS Bodies	29	60
Bodies External to General Government	4,977	5,494
	10,750	11,032

*included in Short-Term Debtors is £438k relating to ESFM (Humberside) Ltd, please see note 12 for further details.

9. Financial Instruments

The Financial Instruments held by the Authority are included below and the Authority fully complies with the CIPFA Code of Practice on Local Authority Accounting.

Amortised Cost

Financial Instruments (whether borrowing or investment) are valued on an amortised costs basis using the Effective Interest Rate (EIR) method.

Fair Value

In these disclosure notes, Financial Instruments are also required to be shown at Fair Value.

Compliance

The Authority has complied with the following:

It has adopted the CIPFA Treasury Management in the Public Services: Code of Practice.

Set treasury management indicators to control key Financial Instrument risks in accordance with CIPFA's Prudential Code.

Accounting regulations require the Financial Instruments (investment, lending and borrowing of the Authority) shown on the Balance Sheet to be further analysed into various defined categories. The investments, lending & borrowing disclosed in the Balance Sheet are made up of the following categories of "Financial Instruments".

	Long Term		Current	
	31 March		31 March	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Investments at Amortised Cost				
Loans and Receivables at Amortised Cost			8,974	11,005
Total Investments at Amortised Cost	-	-	8,974	11,005
Debtors				
Financial Assets (including Trade Debtors and General and Other Debtors and Long Term Debtors)			1,730	2,834
Total Debtors	-	-	1,730	2,834
Borrowings at Amortised Cost				
Financial Liabilities at Amortised Cost	(17,666)	(19,183)	(1,599)	(1,006)
Total Borrowings at Amortised Cost	(17,666)	(19,183)	(1,599)	(1,006)
Creditors				
Financial Liabilities Carried at Contract Amount			(1,337)	(1,162)
Total Creditors	-	-	(1,337)	(1,162)

Analysis of the Financial Liabilities and Loans and Receivables is shown in the table below:

	31 March	
	2023	2022
	£'000	£'000
Financial Liabilities		
Current		
Creditors	(1,337)	(1,162)
Public Works Loans Board Loans and Finance Leases	(1,599)	(1,006)
	<u>(2,936)</u>	<u>(2,168)</u>
Long Term		
Public Works Loans Board Loans	(16,670)	(18,170)
Finance Leases	(996)	(1,013)
	<u>(17,666)</u>	<u>(19,183)</u>
	<u>(20,602)</u>	<u>(21,351)</u>
Financial Assets		
Current		
Debtors	1,730	2,834
Investments	8,974	11,005
	<u>10,704</u>	<u>13,839</u>

Gains and losses recognised in the Comprehensive Income and Expenditure Account for 2022/23 in relation to financial instruments are made up as follows:

	2022/23				2021/22			
	Financial Liabilities	Financial Assets	Total		Financial Liabilities	Financial Assets	Total	
	Measured at amortised cost	Loans and Receivables	Available for sale Assets		Measured at amortised cost	Loans and Receivables	Available for sale Assets	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Interest Expense	(713)	-	-	(713)	(756)	-	-	(756)
Loss on derecognition	-	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-	-
Interest payable and similar charges	(713)	-	-	(713)	(756)	-	-	(756)
Interest income	-	335	-	335	-	16	-	16
Losses on revaluation	-	-	-	-	-	-	-	-
Amounts recycled to the Income and Expenditure Account after impairment	-	-	-	-	-	-	-	-
Interest and investment income	-	335	-	335	-	16	-	16
Gains on revaluation	-	-	-	-	-	-	-	-
Losses on revaluation	-	-	-	-	-	-	-	-
Amounts recycled to the Income and Expenditure Account after impairment	-	-	-	-	-	-	-	-
Surplus arising on revaluation of financial assets	-	-	-	-	-	-	-	-
Net gain/(loss) for the year	(713)	335	-	(378)	(756)	16	-	(740)

The Fair value of each class of Financial Assets and Liabilities which are carried in the balance sheet at Amortised Cost is disclosed below.

The Authority engaged Link Asset Services, a firm of financial consultants specialising in treasury management and capital finance in the U.K. Public Sector, who have calculated the Fair Value of the Financial Instruments stated above. Link Asset Services methodology and assumptions have been adopted and are stated below.

Methods and Assumptions in Valuation Technique

The Fair Value of a Financial Instrument is determined by calculating the Net Present Value (NPV) of future cash flows, which provides an estimate of the value of payments in the future in today's terms.

The discount rate used in the NPV calculation is the rate applicable in the market on the date of valuation for a Financial Instrument with the same structure, terms and remaining duration. For debt, this will be the new borrowing rate since premature repayment rates include a margin which represents the lender's profit as a result of rescheduling the loan; this is not included in the Fair Value calculation since any motivation other than securing a fair price should be ignored.

The rates quoted in this valuation were obtained by our treasury management consultants from the market on 31 March 2023, using bid prices where applicable.

The calculations are made with the following assumptions:

For Public Works Loans Board debt, the discount rate used is the rate for new borrowing as per rate sheet number 127/23. For other market debt and investments the discount rate used is the rate available for a Financial Instrument with the same terms from a comparable lender. Interpolation techniques have been used between available rates where the exact maturity period was not available. No early repayment or Impairment is recognised.

Fair Values have been calculated for all Financial Instruments in the portfolio, but only those which are materially different from the carrying value have been disclosed (for loans of less than one year the principal amount of the loan is deemed to be fair value). The Fair Value of trade and other receivables is taken to be the invoiced or billed amount.

The Fair Values are calculated as follows:

	31 March 2023		31 March 2022	
	Carrying Amount £'000	Fair Value £'000	Carrying Amount £'000	Fair Value £'000
Financial Liabilities	(18,169)	(16,454)	(19,069)	(19,657)
Loans and Receivables	(8,964)	(8,964)	11,000	10,997

The decrease in the Fair Value of Financial Liabilities over the carrying amount is because the interest rate payable on the Authority's portfolio of fixed rate loans is lower than the rates for similar loans as at the Balance Sheet date.

The Authority's management of treasury risks actively works to minimise the exposure to the unpredictability of financial markets and to protect the financial resources available to fund services. The Authority has fully adopted CIPFA's Code of Treasury Management Practices and has written principles for overall risk management as well as written policies and procedures covering specific areas such as credit risk, liquidity risk and market risk.

Credit Risk

Credit risk arises from the short-term lending of surplus funds to banks, building societies and other local authorities as well as credit exposures to the Authority's customers. It is the policy of the Authority to place deposits only with a limited number of high-quality banks and building societies whose credit rating is independently assessed as sufficiently secure by the Authority's treasury advisers and to restrict lending to a prudent maximum amount for each institution. In order to mitigate against risk and in the light of market conditions, the Executive Director of Finance and Section 151 Officer considered that the most prudent approach was to restrict investments to UK based, and other 'AAA' rated European institutions with a maximum limit of £2m. The Authority has access to three money market investment funds, these are highly secure funds that are 'AAA' rated and provide instant return of the investment if required.

The following analysis summarises the Authority's potential maximum exposure to credit risk, based on past experience and current market conditions. No credit limits were exceeded during the financial year and the Authority expects full repayment on the due date of deposits placed with its counterparties.

	31 March 2023	Historical experience of default	Historical experience adjusted for market conditions at 31 March 2023	Estimated maximum exposure to default and uncollectability 31 March 2023
	£'000	%	%	£'000
Deposits with banks and financial institutions	8,974	0.00	0.00	-
Bonds	-	0.00	0.00	-
Customers	136	0.43	0.43	1
	<u>9,110</u>			<u>1</u>

No credit limits were exceeded during the Accounting Period and the Authority does not expect any losses from non-performance by any of its counterparties in relation to deposits and bonds.

Debtors

The Authority does not generally allow credit for customers, such that only £110k of the £580k balance is past its due date for payment. The past due amount can be analysed by age as follows:

	31 March 2023 £'000	31 March 2022 £'000
Less than three months	82	41
Three to six months	28	39
Six months to one year	-	-
More than one year	-	-
	<u>110</u>	<u>80</u>

Liquidity Risk

The Authority has access to a facility to borrow from the Public Works Loans Board. As a result there is no significant risk that the Authority will be unable to raise finance to meet its commitments under Financial Instruments. The Authority has safeguards in place to ensure that a significant proportion of its borrowing does not mature for repayment at any one time in the future to reduce the financial impact of re-borrowing at a time of unfavourable interest rates. The Authority's policy is to ensure that not more than 10% of loans are due to mature within any financial year and 25% within any rolling five-year period through a combination of prudent planning of new loans taken out and, where it is economic to do so, making early repayments.

See Note 7 of the Notes to the Accounts for an analysis of the maturity of long-term loans with the Public Work Loans Board.

All trade and other payables are due to be paid in less than one year.

Market RiskInterest Rate Risk

The Authority is exposed to interest rate risk in two different ways; the first being the uncertainty of interest paid/received on variable rate Financial Instruments, and the second being the effect of fluctuations in interest rates on the fair value of a Financial Instrument.

The current interest rate risk for the Authority is summarised below:

The Fair Value of fixed rate Financial Assets will fall if interest rates rise. This will not impact on the Balance Sheet for the majority of Assets held at Amortised Cost, but will impact on the disclosure note for Fair Value. It would have a negative effect on the Balance Sheet for those assets held at Fair Value in the Balance Sheet, which would also be reflected in the Comprehensive Income and Expenditure Statement.

The Fair Value of fixed rate Financial Liabilities will rise if interest rates fall. This will not impact on the Balance Sheet for the majority of Liabilities held at Amortised Cost, but will impact on the disclosure note for Fair Value.

The Authority has a number of strategies for managing interest rate risk. Policy is to aim to keep a maximum of 25% of its borrowings in variable rate loans. During periods of falling interest rates, and where economic circumstances make it favourable, fixed rate loans will be repaid early to limit exposure to losses. The risk of loss is ameliorated by the fact that a proportion of government grant payable on financing costs will normally move with prevailing interest rates or the Authority's cost of borrowing and provide compensation for a proportion of any higher costs.

The treasury management team has an active strategy for assessing interest rate exposure that feeds into the setting of the annual budget and which is used to update the budget quarterly during the year. This allows any adverse changes to be accommodated. The analysis will also advise whether new borrowing taken out is fixed or variable.

According to this investment strategy, at 31 March 2023, if interest rates had been 1% higher with all other variables held constant, the financial effect would be:

	31 March 2023 £'000	31 March 2022 £'000
Increase in Fair Value of fixed rate borrowing liabilities	(966)	(806)

Price Risk

The Authority does not invest in equity shares and does not have shareholdings in any joint ventures and therefore is not at significant risk to price movements.

Foreign Exchange Risk

The Authority has no Financial Assets or Liabilities denominated in foreign currencies and thus has no exposure to loss arising from movements in exchange rates.

Financial Guarantees

The Authority does not provide any financial guarantees.

10. Note to Expenditure and Fundings Analysis

Year ended 31 March 2022				Year ended 31 March 2023			
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Adjustments for Capital Purposes	Net Change for the Pensions Adjustments	Other Differences	Total Adjustments	Adjustments for Capital Purposes	Net Change for the Pensions Adjustments	Other Differences	Total Adjustments
(2)	(590)		(592)	(9)	(507)		(516)
(2,947)	(6,587)		(9,534)	(4,859)	(3,735)		(8,594)
(463)	(1,706)		(2,169)	(735)	(1,262)		(1,997)
(3,412)	(8,883)	-	(12,295)	(5,603)	(5,504)	-	(11,107)
2,555	(14,340)	525	(11,260)	2,322	(18,731)	1,266	(15,143)
(857)	(23,223)	525	(23,555)	(3,281)	(24,235)	1,266	(26,250)

11. Other Operating Expenditure, Financing, Investment Income, Taxation and Non-Specific Grants

	2022/23 £000s	2021/22 £000s
Other Operating Expenditure		
(Profit)/Loss on the disposal of assets	175	164
Total Other Operating Expenditure	175	164
Financing and Investment Income and Expenditure		
Interest Payable	713	756
Interest Receivable	(335)	(16)
Net interest cost on the net defined pension liability		
- Firefighters' Pension Scheme	18,450	14,000
- Local Government Pension Scheme	281	338
Total Financing and Investment Income and Expenditure	19,109	15,078
Taxation and Non Specific Grant Income		
Council Tax Payers	26,429	24,011
General Government Grants (See breakdown below)	3,424	2,653
Localised Business Rates	4,288	3,979
National Non Domestic Rates and Revenue Support Grant	17,473	17,359
Total Taxation and Non Specific Grant Income	51,614	48,002
General Government Grants		
Additional Pensions Grant	2,543	2,543
Services Grant	881	-
COVID19 Funding	-	110
	3,424	2,653

Precepts

The Authority, at its meeting on 11 February 2022, set a precept for 2022/23 equivalent to a Band D Council Tax of £90.11. Precepts and Collection Fund balances received from the four constituent Authorities for 2022/23 are as follows:

	Precepts 2022/23 £'000	Collection Fund Residual 2021/22 £'000	Surplus/(Deficit) 31 March 2023 £'000	Total 2022/23 £'000
Kingston upon Hull City Council	5,766	(183)	382	5,965
East Riding of Yorkshire Council	10,894	(326)	922	11,490
North East Lincolnshire Council	4,074	(44)	262	4,292
North Lincolnshire Council	4,578	(88)	137	4,627
	25,312	(641)	1,703	26,374

	Precepts 2021/22 £'000	Collection Fund Residual 2020/21 £'000	Surplus/(Deficit) 31 March 2022 £'000	Total 2021/22 £'000
Kingston upon Hull City Council	5,474	30	(67)	5,437
East Riding of Yorkshire Council	10,365	83	(152)	10,296
North East Lincolnshire Council	3,923	20	(29)	3,914
North Lincolnshire Council	4,386	12	(33)	4,365
	24,148	145	(281)	24,012

The Authority is made up of 22 Members who are nominated by the 4 Unitary Authorities in the Humberside region. The Police and Crime Commissioner for Humberside, Jonathan Evison, also sits on the Authority.

12. Related Parties

The Authority is required to disclose material transactions with related parties - bodies or individuals that have the potential to control or influence the Authority or to be controlled or influenced by the Authority. Disclosure of these transactions allows readers to assess the extent to which the Authority might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Authority.

Central Government

Central Government has significant influence over the general operations of the Authority; it is responsible for providing the statutory framework within which the Authority operates, it provides a significant part of its funding in the form of grants, and prescribes the terms of many of the transactions that the Authority has with other parties. The Authority receives NNDR, General Government grants and Capital Grants from the Department for Communities and Local Government or the Home Office. (Details of these grants are disclosed in note 11).

Pensions

See note 4 in the Notes to the Financial Statements.

Members

The Precept is collected on the Authority's behalf by the four Local Authorities in the Humberside area (as disclosed in note 11), the following Members are Local Councillors on these councils.

East Riding of Yorkshire Council: Julie Abraham, Phil Davison, John Dennis, Caroline Fox, Helen Green, Barbara Jefferson, Patricia Smith, Kay West.

Kingston upon Hull City Council: Sharon Belcher, Linda Chambers, Jackie Dad, Shane McMurray, Tracey Neal, Rosie Nicola.

North East Lincolnshire Council: Ian Lindley, Matt Patrick, Ron Shepherd, Stewart Swinburn.

North Lincolnshire Council: John Briggs, Mick Grant, Nigel Sherwood, Rob Waltham MBE.

The total of Members' allowances paid in 2022/23 is shown in note 13. During 2022/23 no Members of the Authority, or their close relations, undertook any declarable related party transactions with the Authority. The Authority requires Members to complete a declaration of related party transactions, and these declarations are used as the basis of this note.

Officers

During the course of 2022/23 no senior officers of the Authority (with the exception of two members of staff that are Directors of Emergency Services Fleet Management (Humberside) Ltd and two members of staff that are seconded to Humberside Police), or their close relations, undertook any declarable related party transactions with the Authority. The Authority requires senior officers to complete a declaration of related party transactions, and these declarations are used as the basis of this note.

Two officers of the Fire Authority are also Directors of Emergency Services Fleet Management (Humberside) Ltd (Deputy Chief Fire Officer Niall McKiniry and Director Jason Kirby). Emergency Services Fleet Management (Humberside) Ltd is a joint arrangement that provides vehicle maintenance services to the Authority and Humberside Police. Emergency Services Fleet Management (Humberside) Ltd supplied goods and services during 2022/23 with a value of £1.1m (£1.2m during 2021/22) to Humberside Fire Authority.

Two officers of the Fire Authority are also seconded to Police and Crime Commissioner for Humberside on a part time basis (Executive Director/S.151 Officer Kevin Wilson and Joint Deputy Chief Finance Officer/Deputy S.151 Officer Martyn Ransom). Humberside Police supplied goods and services to the Authority during 2022/23 with a value of £2.8m (£2.0m during 2021/22). The Authority supplied goods and services to Humberside Police during 2022/23 with a value of £0.4m (£0.3m during 2021/22).

The Authority retains joint control of Emergency Services Fleet Management (Humberside) Ltd with Humberside Police on a 50/50 split. The Authority's share of the net assets and reserves for 2022/23 are £1.5m (£0.3m 2021/22) and have been consolidated into the Financial Statements of the Authority. These amounts are taken from the Emergency Services Fleet Management (Humberside) Ltd draft accounts at 31 March 2023.

The disclosure note itself has been prepared in accordance with guidance on the interpretation of IAS 24 (Related Party Transactions) and its applicability to the public sector.

13. Members' Allowances

From 1 April 2003, the Authority is required to have its own scheme of Members' Allowances under the terms of the Local Authorities (Members' Allowances) (England) Regulations 2003. The total amount paid to Members under this scheme for 2022/23 was £127,918 (2021/22 was £127,137).

14. Officers' Emoluments

Regulation 7 (3) of the Accounts and Audit Regulations 2015 [SI 2015 No. 234] requires the publication of the following disclosures relating to the remuneration of senior employees.

The number of employees whose remuneration, excluding employer's pension contributions, was £50,000 or more in bands of £5,000 are disclosed below:

Remuneration Band	Number of Officers in Band					
	2022/23			2021/22		
	Operational	Non Operational	Total	Operational	Non Operational	Total
£150-154,999	-	-	-	1	-	1
£145-149,999	-	-	-	-	-	-
£140-144,999	-	-	-	-	-	-
£135-139,999	1	-	1	-	-	-
£130-134,999	-	-	-	-	-	-
£125-129,999	1	-	1	1	-	1
£120-124,999	-	-	-	-	-	-
£115-119,999	-	-	-	-	-	-
£110-114,999	-	-	-	1	-	1
£105-109,999	-	2	2	-	1	1
£100-104,999	1	-	1	-	-	-
£95-99,999	-	-	-	-	-	-
£90-94,999	1	-	1	-	-	-
£85-89,999	-	-	-	-	-	-
£80-84,999	1	-	1	3	-	3
£75-79,999	1	-	1	-	-	-
£70-74,999	2	-	2	-	-	-
£65-69,999	7	1	8	4	3	7
£60-64,999	15	2	17	8	-	8
£55-59,999	22	4	26	23	4	27
£50-54,999	37	4	41	21	2	23
	89	13	102	62	10	72

The following table sets out the remuneration disclosures for senior officers whose salary is less than £150,000 but equal to or more than £50,000 per year:

Disclosure for 2022/23

Post Title	Salary (Including fees & Allowances)	Benefits in Kind (e.g. Car Allowance)	Total Remuneration excluding employer's pension contributions 2022/23	Employer's pension contributions 2021/22	Total Remuneration including employer's pension contributions 2022/23
Chief Fire Officer & Chief Executive (1 April 2022 - 14 October 2022)	93,140	-	93,140	-	93,140
Chief Fire Officer & Chief Executive (15 October 2022 - 31 March 2023)	69,852	-	69,852	-	69,852
Deputy Chief Fire Officer & Executive Director of Corporate Services (1 April 2022 - 14 October 2022)	69,998	-	69,998	-	69,998
Deputy Chief Fire Officer & Executive Director of Service Delivery (15 October 2022 - 31 March 2023)	59,721	-	59,721	17,181	76,902
Assistant Chief Fire Officer & Executive Director of Service Delivery (1 April 2022 - 14 October 2022)	65,363	-	65,363	18,803	84,166
Assistant Chief Fire Officer & Executive Director of Corporate Services (15 October 2022 - 31 March 2023)	45,376	-	45,376	11,761	57,137
Director of Service Improvement - (1 April 2022 - 14 October 2022)	56,592	-	56,592	15,690	72,281
Director of Service Improvement - (15 October 2022 - 31 March 2023)	39,055	-	39,055	11,162	50,217
Director of Prevention and Protection - (1 April 2022 - 29 August 2022)	34,719	-	34,719	7,635	42,354
Director of Prevention, Protection, Fleet and Estates - (30 August 2022 - 31 March 2023)	49,148	-	49,148	-	49,148
Director of Emergency Response (1 April 2022 - 30 November 2022)	56,157	-	56,157	16,173	72,331
Director of Emergency Response (1 November 2022 - 31 March 2023)	35,120	-	35,120	10,115	45,235
Executive Director of Finance and Section 151 Officer*	106,554	1,263	107,817	19,657	127,474
Executive Director of People and Development	106,467	1,379	107,846	19,657	127,503
	887,262	2,642	889,904	147,833	1,037,737

* This post is shared with Humberside PCC

Disclosure for 2021/22

Post Title	Salary (Including fees & Allowances)	Benefits in Kind (e.g. Car Allowance)	Total Remuneration excluding employer's pension contributions 2021/22	Employer's pension contributions 2021/22	Total Remuneration including employer's pension contributions 2021/22
Chief Fire Officer & Chief Executive - Chris Blacksell	152,352	300	152,652	-	152,652
Deputy Chief Fire Officer & Executive Director of Corporate Services	129,498	300	129,798	-	129,798
Assistant Chief Fire Officer (23 July 2021 - 31 March 2022)	84,073	99	84,172	24,213	108,385
Executive Director of Corporate Services & S151 Officer*	106,646	1,986	108,632	19,730	128,362
Executive Director of HR and Training (7 February 2022 - 31 March 2022)	15,812	207	16,018	2,925	18,943
Director of Service Delivery Support	84,541	-	84,541	24,348	108,889
Director of Service Improvement (1 April 2021 - 22 July 2021)	26,149	44	26,193	7,536	33,729
Director of Service Improvement (1 September 2021 - 28 February 2022)	36,806	-	36,806	6,809	43,615
Director of Service Improvement - (1 March 2022 - 31 March 2022)	7,020	13	7,032	1,547	8,579
Director of Service Delivery	84,541	-	84,541	24,348	108,889
Director of Service Delivery - (1 March 2022 - 31 March 2022)	7,020	15	7,035	1,547	8,581
Director of People and Development - (1 April 2021 - 28 February 2022)	77,455	-	77,455	16,947	94,403
	811,913	2,963	814,875	129,950	944,825

* This post is shared with Humberside PCC

The number of employee compulsory and voluntary exit packages agreed with total cost per band and total cost of the redundancies are set out below:

Exit Package Cost Band	2022/23				2021/22			
	Number of Compulsory Redundancies	Number of Other Agreed Departures	Total Number of Exit Packages by Cost Band	Total Cost (£'000)	Number of Compulsory Redundancies	Number of Other Agreed Departures	Total Number of Exit Packages by Cost Band	Total Cost (£'000)
£0 - £20,000	-	-	-	-	-	1	1	17
Total Cost in Bandings	-	-	-	-	-	1	1	17

15. Other Notes To The Financial Statements

Contingent Liabilities

There are no contingent liabilities.

Exceptional Items

There are no exceptional items.

Material Items Of Income and Expenditure

There were no material items of income and expenditure during 2022/23 that are not disclosed elsewhere within the Statement of Accounts.

Heritage Assets

The Authority does not have any Heritage Assets; a collection of fire memorabilia is held by the Authority but has little financial value.

Audit Fees

During 2022/23 the Authority incurred £38k in Audit fees (£38k in 2021/22) from Mazars relating to external audit.

Prior Period Adjustments

There are no prior period adjustments.

Events After The Balance Sheet Date

There have been no events either adjusting or non-adjusting after the Balance Sheet date.

Long Term Commitments

The Authority has entered into a commitment to repay £600k to Humberside Police and Crime Commissioner from March 2016 in respect of additional work undertaken at the joint workshops facility at Melton. The remaining amount will be repaid over the next 3 years at £60k per annum.

16. Cash Flow notes

Movements in Cash and Cash Equivalents

	31 March 2023 £'000	31 March 2022 £'000	Movement £'000
Bank In Hand/(Overdrawn)	112	148	(36)
	112	148	(36)

Cash Flow Statement – Adjust net surplus or deficit on the provision of services for non-cash movements

	2022/23 £'000	2021/22 £'000
Depreciation/Amortisation & Impairment	5,603	3,440
Increase/(decrease) in Creditors	(1,317)	1,076
(Increase)/decrease in Debtors	(7,949)	(1,628)
(Increase)/decrease in Inventories	(83)	(42)
Increase/(decrease) in Provisions	170	16
Movement in Pension Liability	32,436	23,291
Carrying amount of non-current assets held for sale, sold or de-recognised	224	193
	29,084	26,346

Cash Flow Statement – Adjust for items included in the net surplus or deficit on the provision of services that are investing and finance activities

	2022/23 £'000	2021/22 £'000
Proceeds from short-term and long-term investments		
Proceeds from the sale of Property, Plant and Equipment and Intangible Assets	(49)	(29)
Any other items for which the cash effects are investing or financing cash flows		
	(49)	(29)

Cash Flow Statement – Operating activities within the cash flow statement include the following cash flows relating to interest

	2022/23 £'000	2021/22 £'000
Interest Received	335	16
Interest Paid	(713)	(756)
	(378)	(740)

Cash Flow Statement – Cash Flows from Investing Activities

	2022/23 £'000	2021/22 £'000
Payments to acquire property, plant and equipment, investment property and intangible assets	(3,238)	(1,960)
Opening Capital Creditors	(175)	(1,280)
Closing Capital Creditors	528	175
Purchase of short term investments	2,036	(4,000)
Other payments for investing activities	-	88
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	49	29
Net cash flows from investing activities	(800)	(6,948)

Cash Flow Statement – Financing Activities

	2022/23	2021/22
	£'000	£'000
Cash receipts of short and long-term borrowing	-	3,000
Appropriation to/from Collection Fund Adjustment Account	(12)	(162)
Repayments of short and long-term borrowing	(900)	(826)
Principal on Finance Leases	(18)	(10)
Net cash flows from financing activities	(930)	2,002

Government Grants

An analysis of other Government grants received during 2022/23 is given in note 11 of the notes to the Financial Statements.



HUMBERSIDE
Fire & Rescue Service

Humberside Fire Authority Pension Fund Account 2022/23

FIREFIGHTERS' PENSION FUND ACCOUNT

The following table analyses movements on the Fund for the year 2022/23

2021/22		2022/23
£'000s		£'000s
	Contributions receivable:	
(5,366)	Employers' contributions receivable	(5,873)
(2,443)	Firefighters' contributions	(2,588)
<u>(7,809)</u>		<u>(8,461)</u>
<u>-</u>	Transfers in from other authorities	<u>(203)</u>
	Benefits payable:	
16,963	Pensions	17,803
4,152	Commutations & lump sum retirement benefits	4,496
<u>21,115</u>		<u>22,299</u>
	Payments to and on account leavers	
-	Transfers out to other authorities	-
<u>13,306</u>	Net amount payable for the year	<u>13,635</u>
<u>(13,306)</u>	Top-up grant receivable to the Firefighters' Pension Fund	<u>(13,635)</u>
-	Fund Account balance	-

	<u>Net Assets Statement</u>	
2021/22		2022/23
	Current Assets	
4,921	Home Office grant debtor	3,435
1,500	Pensions Paid in Advance	1,652
	Current Liabilities	
(6,421)	Humberside Fire Authority	(5,087)
<u>-</u>		<u>-</u>

Notes to the Firefighters' Pension Fund Account

The funding arrangements for the Firefighters' Pension Scheme (FPS) changed on 1 April 2006. The Pension Fund was established under the Firefighters' Pension Scheme (Amendment) (England) Order 2006. The Pension Fund administers all four of the Firefighters' Pension Schemes (the 1992 Firefighters' Pension Scheme, the 2006 Firefighters' Pension Scheme, the 2015 Firefighters' Pension Scheme and the Modified Firefighters' Pension Scheme).

The Pension Fund is administered by Humberside Fire Authority.

The Pension Fund is managed by the Executive Director of Finance and Section 151 Officer.

The benefits payable from the Pension Fund are pensions, lump sum commutation payments and ill health pensions. Injury awards are payable from the Authority's General Fund Account.

The Pension Fund is an unfunded scheme, consequently:

- It has no investment assets;
- Benefits payable are funded by contributions from employers and employees; and
- any difference between benefits payable and contributions receivable is met by top-up grant from the Home Office (HO)

The Pension Fund is statutorily prevented from including interest on cashflows and administration expenses in the pension fund. These expenses are accounted for in the Authority's General Fund Account.

Employee and employer contribution levels are based on percentages of pensionable pay set nationally by HO and are subject to triennial revaluation by the Government Actuary's Department. The employers' contribution rates are determined nationally by the Government Actuary's Department and are currently 37.37% for the 1992 FPS, 27.4% for the 2006 FPS, 37.3% for the Modified FPS and 28.8% for the 2015 FPS.

The membership for the pensions fund is as follows;

Category of Member	31/3/2023 1992 FPS	31/3/2023 2006 NFPS	31/3/2023 Modified Pension Scheme	31/3/2023 2015 FPS	31/3/2022 1992 FPS	31/3/2022 2006 NFPS	31/3/2022 Modified Pension Scheme	31/3/2022 2015 FPS
Contributors	-	-	-	747	13	6	19	630
Deferred Pensioners	41	107	5	198	42	110	6	159
Pensioners	1,033	17	80	24	983	12	76	17

Statement of Accounting Policies

The Accounting Policies adopted for the Pension Fund follow those set out in the Authority's Statement of Accounting Policies (Note 1 of the Notes to the Financial Statements). Transfer values are an exception to this policy and are on a cash basis.

The following item(s) are estimated and are material to the Pension Fund account:

- Estimation of top-up grant receivable

The Pension Fund Account does not take account of the obligations to pay pensions and benefits that fall due after the end of the financial year. These are reflected in the Authority's accounts in accordance with IAS 19 – Employee Benefits (Please see note 4 in the Notes to the Financial Statements).

CERTIFICATIONS

We, the undersigned, certify that:-

The Statement of Accounts represents a True and Fair View of the financial position of Humberside Fire Authority as at 31 March 2023 and the Comprehensive Income and Expenditure for the year ended 31 March 2023.

.....

Phil Shillito – Chief Fire Officer/Chief Executive

.....

Councillor John Briggs – Chair

.....

Kevin Wilson – Executive Director of Finance/Section 151 Officer

22rd September 2023 (authorised for issue date)

Appendix 1

Revenue Variance Analysis

2021/22		2022/23		
		Revised Estimate	Actual	Variance
£'000	Expenditure	£'000	£'000	£'000
38,338	Employees	40,308	41,020	712
2,529	Premises	3,067	3,153	86
1,675	Transport	1,784	1,827	43
3,585	Supplies and Services	4,427	4,425	(2)
138	Support Services	223	336	113
-	Non Pay Efficiency Savings*	207	-	(207)
3,417	Capital Charges	1,959	5,579	3,620
49,682	Total Expenditure	51,975	56,340	4,365
(2,726)	Income	(1,501)	(2,222)	(721)
46,956	Net Expenditure	50,474	54,118	3,644
756	Interest Payable	713	713	-
(16)	Interest Receivable	(87)	(335)	(248)
(669)	Accounting Adjustments	669	(3,111)	(3,780)
(178)	Contributions to / (from) Reserves	(231)	(231)	-
46,849	Net Budget Requirement	51,538	51,154	(384)
(2,653)	General Government Grant	(3,424)	(3,424)	-
(3,979)	Business Rates	(4,283)	(4,288)	(5)
(17,144)	NNDR	(17,870)	(17,873)	(3)
(24,064)	Precepts	(25,961)	(26,017)	(56)
(991)	Net (Surplus)/Deficit	-	(448)	(448)

£'000	Movement on the General Fund	£'000
(991)	(Surplus)/Deficit as above	(448)
-	Reserve Movements as per Fire Authority	1,530
(74)	Budgeted Transfer (To)/From General Reserve	10
(1,065)	(Surplus)/Deficit on the General Fund in the Year	1,093

* the non pay efficiency savings are those in excess of the target set for the year

	Overspend / (Underspend) £'000
Employees	712
a) Higher pay awards than that which was budgeted for 2022/23	
b) Additional training of operational staff due to unexpected staff turnover	
c) Higher level of ill health contributions than originally anticipated	
Premises	86
a) Lower Business Rate charges following a review of rateable values; offset by	
b) Additional cost of utilities due to higher unit price	
Transport	43
Higher fuel consumed and officer travel during 2022/23 than originally anticipated	
Support Services	113
Higher spend on legal fees during 2022/23	
Non Pay Efficiency Savings	(207)
An overachievement against the non pay efficiency target for 2022/23	
Capital Charges	3,620
Impairment and depreciation of the estate has caused this variance (offset with accounting adjustment note)	
Income	(721)
a) Additional income in relation to secondments	
b) Additional grant income received from Government	
c) Funding of the Road Safety Team has been received	
d) Income in relation to an insurance claim	
Interest Receivable	(248)
This is due to higher interest rates on our investments	
Accounting Adjustments	(3,780)
a) Impairment and depreciation of the estate (offset with asset rental interest note)	
b) Lower Minimum Revenue Provision charge following a lower capital spend during 2021/22	

Appendix 2

Capital Expenditure Breakdown and Variance Analysis

Project	2022/23		
	Revised Estimate £'000	Actual £'000	Variance £'000
Buildings			
Invest to Save	42	-	(42)
Goole	530	37	(493)
Bridlington and Calvert Roofs	150	179	29
BA Training Refurbishment	8	-	(8)
Calvert Lane	50	50	-
Howden	390	-	(390)
Driffield	202	-	(202)
Other Minor Schemes	162	-	(162)
Training Infrastructure	200	-	(200)
Furniture and Equipment	8	(3)	(11)
Scunthorpe	-	(5)	(5)
Hornsea	-	25	25
Headquarters	-	54	54
Clough Road	-	(25)	(25)
Dignity			
- Crowle	150	-	(150)
- Snaith	50	71	21
- Winterton	200	1	(199)
- Pocklington	150	-	(150)
- Immingham East	350	53	(297)
- Cromwell Road	500	70	(430)
Barton	-	10	10
Calvert Lane	-	4	4
Market Weighton	-	4	4
Vehicles			
Operational	1,436	1,557	121
Support	730	269	(461)
Plant & Equipment			
IT Equipment	1,291	616	(675)
PPE	364	171	(193)
Equipment	527	100	(427)
	7,490	3,238	(4,252)

Analysis of the most significant capital variances:

	Overspend/ (Underspend) £'000
Goole Fire Station Work expected to be completed in 2023/24	(493)
Driffield Work to commence during 2023/24	(202)
Training Infrastructure Work to commence during 2023/24	(200)
Dignity Works Work expected to be completed in 2023/24	(1,226)
Howden Fire Station This scheme has been removed from the programme	(390)
Vehicles Some vehicles have slipped into 2023/24	(340)
IT Equipment A number of ICT projects have slipped into 2023/24	(675)
PPE The cost of the PPE rollout was lower than anticipated	(193)
Equipment Some operational equipment has slipped into 2023/24	(427)

Appendix 3

Glossary of terms

Accounting Date	This is the date at which the Balance Sheet is produced, for this Authority it is 31 March each year.
Accounting Period	The period of time covered by the accounts, normally a period of twelve months commencing on 1 April. The end of the accounting period is the Balance Sheet date.
Accruals	Sums included in the final accounts to recognise revenue and capital income and expenditure earned or incurred in the financial year, but for which actual payment had not been received or made as at 31 March.
Actuarial Gains and Losses	<p>For a defined benefit pension scheme, the changes in actuarial surpluses or deficits that arise because:</p> <p>events have not coincided with the actuarial assumptions made for the last valuation (experience gains and losses) or the actuarial assumptions have changed.</p>
Agency Arrangements	An arrangement between two organisations where one will act as an agent, collecting money on behalf of the other party, to whom the money is then paid over. An example of this is council tax collections, where the four local authorities collect money from tax payers on behalf of the Authority and then pay it over.
Amortisation	The measure of the cost of the wearing out, consumption or other reduction in the useful economic life of the Authority's Intangible Assets during the accounting period, whether from use, the passage of time, or obsolescence through technological or other changes.
Asset	<p>An item having value to the Authority in monetary terms. Assets are categorised as either current or non-current:</p> <p>A current asset will be consumed or cease to have material value within the next financial year (e.g. cash and inventories);</p> <p>A non-current asset provides benefits to the Authority and to the services it provides for a period of more than one year and may be tangible e.g. a fire station or intangible, e.g. computer software licences.</p>
Audit of Accounts	An independent examination of the Authority's financial affairs.
Balance Sheet	A statement of the recorded Assets, Liabilities and other balances at the end of the Accounting Period.
Budget	The forecast of net revenue and Capital Expenditure over the Accounting Period.
Capital Expenditure	Expenditure on the acquisition of a non-current asset, which will be used in providing services beyond the current Accounting Period or expenditure that adds to,

and not merely maintains, the value of an existing non-current Asset.

Capital Financing	Funds used to pay for Capital Expenditure. There are various methods of financing Capital Expenditure including borrowing, leasing, direct revenue financing, usable capital receipts, capital grants, revenue reserves and earmarked reserves.
Capital Programme	The capital schemes the Authority intends to carry out over a specified period of time.
Capital Receipts	The proceeds from the disposal of land or other non-current Assets. Capital receipts can be used to finance new Capital Expenditure, but they cannot be used to finance Revenue Expenditure.
Carrying Value	This is the value of an Asset or Liability as shown in the Statement of Accounts
Cash Equivalents	Short-term, highly liquid investments readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.
Code Of Practice	The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice on Local Authority Accounting.
Component	A part of an Asset requiring separating from the total (host) Asset into an Asset in its own right as it has a cost that is significant in relation to the total cost of the Asset. If the components also have a significantly different depreciable life from the host then it is depreciated separately.
Comprehensive Income and Expenditure Statement	Shows the accounting economic cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.
Consistency	The concept that the accounting treatment of like items, within an Accounting Period and from one period to the next, are the same.
Consolidation	The process of combining the Financial Statements from the Authority and the Authority's share of Emergency Services Fleet Management (Humberside) Ltd.
Contingent Asset	A possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Authority.
Contingent Liability	A contingent liability is either: a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain

future events not wholly within the control of the Authority, or

a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

Corporate and Democratic Core	The corporate and democratic core comprises all activities that fire authorities engage in specifically because they are comprised of members elected to local authorities. The cost of these activities are thus over and above those which would be incurred by a series of independent, single purpose, nominated bodies managing the same services. There is therefore no logical basis for apportioning costs to services.
Creditor	Amount owed by the Authority for works done, goods received or services rendered within the Accounting Period, but for which payment has not been made by the end of that Accounting Period.
Current Service Cost (Pensions)	The increase in the present value of a defined benefit pension scheme's liabilities, expected to arise from employee service in the current period.
Debtor	Amount owed to the Authority for work done, goods received or services rendered within the Accounting Period, but for which payment has not been received by the end of that Accounting Period.
Defined Benefit Pension Scheme	Pension schemes in which the benefits received by the participants are independent of the contributions paid and are not directly related to any investments of the scheme.
Depreciation	The measure of the cost of the wearing out, consumption or other reduction in the useful economic life of the Authority's non-current Assets during the accounting period, whether from use, the passage of time, or obsolescence through technological or other changes.
Derecognition	The removal of an Asset or Liability from Authority's Balance Sheet.
Effective Interest Rate	This is the rate of interest necessary to discount the estimated stream of principal and interest cash flows through the expected life of a Financial Instrument to equal the amount after initial recognition.
Events after the Reporting Period	Events after the reporting period are those events, favourable or unfavourable, that occur between the Balance Sheet date and the date when the Statement of Accounts is authorised for issue.
Exceptional Items	Material items which derive from events or transactions that fall within the ordinary activities of the Authority and which need to be disclosed separately by virtue of their

size or incidence to give fair presentation of the Accounts.

Existing Use Value (EUV)	The estimated amount for which a property should be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction, assuming that the buyer is granted vacant possession of all parts of the property required by the business and disregarding potential alternative uses and any other characteristics of the property that would cause the market value to differ from that needed to replace the remaining service potential at least cost. Under IFRS this is the same as Fair Value.
Expected Return on Pension Assets	For a funded Defined Benefit Scheme, this is the average rate of return including both income and changes in Fair Value but net of scheme expenses, which is expected over the remaining life of the related obligation on the actual assets held by the scheme.
Fair Value	The amount of which an Asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's-length transaction. Under IFRS there is no consistent definition of Fair Value; different definitions apply in different circumstances.
Financial Instrument	Any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another. The term covers both financial assets and financial liabilities, from straightforward trade receivables (invoices owing) and trade payables (invoices owed) to complex derivatives and embedded derivatives.
Finance Lease	A lease that transfers substantially all the risks and rewards of ownership of an asset to the lessee (even though title to the property may not be transferred). The asset is recorded on the Balance Sheet of the lessee.
Going Concern	The concept that the Statement of Accounts are prepared on the assumption that the Authority will continue in operational existence for the foreseeable future.
Government Grants	Grants made by the Government towards either revenue or capital expenditure in return for past or future compliance with certain stipulations relating to the activities of the Authority. Grants may be specific to a particular scheme or may support the revenue or capital spend (respectively) of the Authority in general.
Held for Sale	Property, plant and equipment assets held by the Authority pending sale. Assets must meet strict criteria before being classified as Held for Sale.
Heritage Assets	An asset with historic, artistic, scientific, technological, geophysical, or environmental qualities that is held and maintained principally for its contribution to knowledge and culture and this purpose is central to the objectives of the entity holding it.

Impairment	A reduction in the value of a non-current Asset to below its Carrying Value on the Balance Sheet. Impairment is caused by a consumption of economic benefit such as obsolescence or physical damage of an Asset.
Income	Amounts that the Authority receives or expects to receive from any source, including fees, charges, sales and grants.
Intangible Assets	<p>An intangible (non-physical) item may be defined as an identifiable non-monetary asset when it is probable that the expected future economic benefits attributable to the asset will flow to the entity, and its cost can be measured reliably. An asset meets the identification criteria when it:</p> <ul style="list-style-type: none"> (a) Is separable, i.e. capable of being separated or divided from the entity and sold, transferred, licensed, rented, or exchanged, either individually or together with a related contract, asset or liability; or (b) Arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.
Interest Cost (Pensions)	For a Defined Benefit Scheme, the expected increase during the period in the present value of the scheme liabilities because the benefits are one period closer to settlement.
International Accounting Reporting Standards (IAS)	These are accounting standards published and produced by the International Accounting Standards Board. Further detail on International Accounting Standards can be found at www.ifrs.org
Inventories	Items of raw materials and stores, the Authority has procured and holds in expectation of future use. Examples are consumable stores, raw materials and products and services in intermediate stages of completion (work in progress).
Investments	A sum invested on a long-term or continuing basis to support the activities of an organisation, or where the disposal of the investment is restricted in some way. Monies invested which do not meet these criteria are classified as current assets.
Liability	<p>A liability is where the Authority owes payment to an individual or another organisation, arising from past events.</p> <ul style="list-style-type: none"> • A current liability is an amount which will or could become payable in the next Accounting Period, e.g. creditors or cash overdrawn. • A deferred liability is an amount which by arrangement is payable beyond the next year at some point in the future or to be paid off by an annual sum over a period of time.
Long-term Contract	A contract entered into for the design, manufacture or construction of a single substantial asset or the provision

	of a service (or a combination of assets or services which together constitute a single project), where the time taken to substantially complete the contract is such that the contract activity falls into more than one Accounting Period.
Materiality	The concept that the Statement of Accounts should include all amounts which, if omitted, or misstated, could be expected to lead to a distortion of the Financial Statements and ultimately mislead a user of the Accounts.
Minimum Revenue Provision (MRP)	The minimum amount which must be charged to the revenue account each year in order to provide for the repayment of loans and other amounts borrowed by the Authority.
Net Book Value (NBV)	The amount at which non-current Assets are included in the Balance Sheet, i.e. their historical costs or current value, less the cumulative amounts provided for Depreciation and Impairment.
Net Current Replacement Cost	The estimated cost of replacing or recreating a particular asset in its existing condition and in its existing use, i.e. the cost of its direct replacement.
Net Debt	The Authority's borrowings less cash, cash equivalents and short term investments.
Net Present Value	Net Present Value (NPV) is the difference between the present value of cash inflows and the present value of cash outflows
Net Realisable Value	The open market value of an asset less the expenses to be incurred in realising the asset.
Non-current Assets	Property, Plant and Equipment held or occupied, used or consumed by the Authority in pursuit of its strategic objectives in the direct delivery of those services for which it has either a statutory or discretionary responsibility.
Non Distributed Costs (NDC)	These are the overheads for which no user now benefits and as such are not apportioned to services.
National Non Domestic Rates (NNDR)	The non-domestic rate is a levy on businesses, based on a national rate in the pound set by the Government and multiplied by the assessed rateable value of the premises they occupy. It is collected by Local Authorities on behalf of Central Government and is then redistributed back to the Authority.
Operating Lease	A lease other than a Finance Lease. The risks and rewards of ownership of a non-current asset that is leased remain with the lessor and on the lessor's Balance Sheet. The lessee accounts for the rental payments as revenue income and expenditure.
Past Service Cost (Pensions)	For a Defined Benefit Pension Scheme, the increase in the present value of the scheme liabilities related to the employee service in prior periods arising in the current

	period as a result of the introduction of, or improvement to, retirement benefits.
Pension Scheme Liabilities	The liabilities of a Defined Benefit Pension Scheme for outgoings due after the valuation date. Scheme liabilities measured using the projected unit method reflect the benefits that the employer is committed to provide for service up to that date.
Precept	The levy made by precepting authorities on billing authorities, requiring the latter to collect income from council taxpayers on their behalf.
Prior Year Adjustment	Material adjustments applicable to prior years arising from changes in accounting policies or from the correction of material errors. This does not include normal recurring corrections or adjustments of accounting estimates made in prior years.
Projected Unit Method	An assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc., and projections of projected earnings for current employees.
Prospective Application	Applying new accounting policies to transactions, other events and conditions occurring after (not before) the date as at which the policy is changed and recognising the effect of the change in the accounting estimate in the current and future period affected by the change.
Provision	An amount put aside in the accounts for future liabilities or losses which are certain or very likely to occur as a result of a past event, but the amounts or dates of which they will arise are uncertain.
Public Works Loan Board (PWLb)	A Central Government Agency, which provides loans for one year and above to authorities at interest rates only slightly higher than those at which the Government itself can borrow.
Related Parties	There is a detailed definition of related parties IPSAS 20. For the Authority's purposes, related parties are deemed to include the Authority's Members, Senior Officers and their close family, partners, levying bodies, other public sector bodies, the Pension Fund and Assisted Organisations.
Related Party Transactions	The Code requires the disclosure of any material transactions between the Authority and related parties to ensure that stakeholders are aware when these transactions occur and the amount and implications of such.
Remuneration	All sums paid to or receivable by an employee and sums due by way of expenses allowances (as far as those sums are chargeable to UK income tax) and the monetary value of any other benefits received other than in cash. Pension contributions payable by the employer are excluded.

Reserves	The residual interest in the Assets of the Authority after deducting all of its Liabilities. These are split into two categories, usable and unusable. Usable reserves are those reserves that contain resources that an authority can apply to fund expenditure of either a revenue or capital nature (as defined). Unusable reserves are those that an authority is not able to utilise to provide services. They hold unrealised gains and losses (for example the revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences between expenditure being incurred and its financing e.g. Capital Adjustment Account.
Residual Value	The net realisable value of an asset at the end of its useful life.
Retirement Benefits	All forms of consideration given by an employer in exchange for services rendered by employees that are payable after the completion of employment.
Retrospective Application	Applying a new accounting policy to transactions, other events and conditions as if that policy had always been applied. Opening balances and prior year income and expenditure comparatives must be adjusted.
Revaluation Loss	A reduction in the value of a non-current Asset below its Carrying Amount in the Balance Sheet, caused by a general fall in prices across a whole class of assets.
Revenue Expenditure	The day-to-day expenses of providing services.
Revenue Support Grant	A grant paid by Central Government to authorities, contributing towards the general cost of services.
Single Entity	Refers to transactions and balances that form part of the Authority Accounts.
Statement of Accounts	The set of Statements comprising the Expenditure and Funding Analysis Statement, Movement in Reserves Statement, Comprehensive Income and Expenditure Statement, Balance Sheet, Cash Flow Statement and accompanying notes.
Temporary Borrowing	Money borrowed for a period of less than one year.
True and Fair View	The Statement of Accounts should be the faithful representation of the effects of the transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the code. Compliance with the Code is presumed to result in financial statements that achieve a true and fair presentation.
Useful Economic Life	The period over which the Authority will derive benefits from the use of a non-current Asset.

Appendix 4

Feedback form

Humberside Fire Authority

STATEMENT OF ACCOUNTS 2022/23 FEEDBACK FORM

The Statement of Accounts evolves each year and notwithstanding a large amount of information being prescribed by the Accounting Codes of Practice, the Authority attempts to make the document as readable and user friendly as possible.

We would therefore welcome any comments from readers on the Statement of Accounts regarding improvements to the layout and readability for future years. If you could complete the following questionnaire and return it to the address below we will try to accommodate any comments received. Alternatively, if you are viewing this document on the internet, there is an on-line form which you can submit.

We will attempt to incorporate any comments received by 31 March 2024 into the 2023/24 Statement of Accounts where possible and the Authority will try to include any comments received after that date into future years' documents.

1. Please indicate in what capacity you are viewing this Statement.

Local Tax Payer

☐

Local Business

☐

Other, please specify

.....

2. Is the format and the layout of the Statement of Accounts easy to understand and follow?

Yes

☐

No

☐

If not why not?

3. Did you find the information you were looking for?

Yes

☐

No

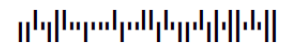
☐

If no, why?

4. Any other comments you have would be welcome:

Please return by attaching the freepost form on the next page to the front of an envelope.

Business Reply
Licence Number
RTRC-GLXU-LCJT



HUMBERSIDE
Fire & Rescue Service



2



Humberside Fire Service
Brigade Headquarters
Summergroves Way
Hull
HU4 7BB

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 six 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.
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 were as follows:
- Reduction in external funding
 - Threat of Industrial Action (IA)
 - Mobile Data Terminal (MDT) Failure
 - Emergency Services Network (ESN)

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

**MANAGEMENT ACCOUNTS 2023/24 – BASED ON PERIOD
ENDING 30 JUNE 2023**

1. SUMMARY

- 1.1 This report highlights the current financial position based on information to 30 June 2023.
- 1.2 The end of year projections are set out at section 4.1 for the revenue budget, the capital programme and the pensions account.

2. RECOMMENDATIONS

- 2.1 The Members take assurance from this report and the Authority's financial position for the period ending 30 June 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 30 JUNE 2023

- 4.1 The summary estimated outturn position for the current financial year based on information to 30 June 2023 is as follows:

CATEGORY	2023/24 OUTTURN PROJECTION
HFA	
Revenue Budget	£0.295m underspend
Capital Programme	On budget against a £7.474m allocation
Pensions Account	£13.792m deficit

- 4.2 This is the first set of Management Accounts for the 2023/24 financial year and updates will be brought to the Authority based on the periods ending 30 September 2023, 31 December 2023 and 28 February 2024.
- 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.

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 30 June 2023.

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Background Papers

None

FINANCIAL OUTLOOK 2024/25 ONWARDS

1. SUMMARY

- 1.1 This report considers the Authority's financial prospects for the years 2024/25 to 2027/28. The report also provides an update on the rationale for a Prudent Minimum level of General Reserves (PMGR).

2. RECOMMENDATIONS

- 2.1 It is recommended that the Fire Authority notes the financial outlook for the Service and approves the Prudent Minimum level of General Reserves (PMGR) as set out at Appendix 1.

3. BACKGROUND

- 3.1 The Authority has a strong track record in dealing with the significant challenges that austerity has brought since 2011 and has delivered £11m of efficiencies as a response to the £11m reduction in funding. This has involved early decision-making regarding efficiencies so that the impact on the Service can be kept to an absolute minimum.
- 3.2 The Authority has produced a Productivity and Efficiency Plan, and efficiency targets are included in all non-pay budgets to ensure the funding we receive is used effectively.

4. REPORT DETAIL

Current Financial Position 2023/24

- 4.1 The Authority's outturn for 2022/23 delivered an underspend of £448k and a closing level of total Revenue Reserves of £14.8m.
- 4.2 The Authority has set a balanced budget for 2023/24 and the last budget monitoring to 30 June 2023 set out a £295k projected underspend.
- 4.3 Pay awards in the current year have been agreed (with the exception of Green book staff), but every 1% increase on the pay bill if applied to all staff (Grey, Green and Gold Book) equals almost £400k.
- 4.4 The current financial projections for 2024/25 to 2027/28 have been updated to reflect agreed pay awards for 2023/24 (with an amended assumption of 6% for Green book staff) and the impact of these changes are shown in the table below.

	2024/25	2025/26	2026/27	2027/28
Surplus/(Deficit) (£k)	178	(763) *	(401)	47
Reserves (£m)	13.4	11.8	11.3	10.0
Precept Assumption	£4.99p	1.99%	1.99%	1.99%

*Includes additional £1.35m for system replacement costs

- 4.5 Like much of the wider public sector, the Service now faces financial uncertainty for the medium-term. The Finance team are in the early stages of planning for 2024/25 and the local government settlement is expected mid-December.

Pay inflation

- 4.6 Inflationary pressure remains on pay awards and as outlined above will be a significant

financial risk into the medium-term. Our current pay inflation assumption for 2024/25 is 4%, any pay award above this would cost £0.4m per 1% of additional award.

4.7 The current assumption is that there will be no additional funding from the Home Office to cover this increase.

4.8 The pay and prices earmarked reserve (£1.6m) could be used to meet these additional costs for one or more years, however this would cause a deficit over the medium term.

Non-Pay inflation

4.9 Non-pay inflation remains high with an increase the costs of existing contracts linked to inflation, or an increase in new contract prices following invitation to tender exercises, in effect additional pay and other costs from suppliers are now being passed onto the customer.

Grant Funding

4.10 Revenue Support grant is expected to increase by the September rate of inflation (CPI), this has been estimated at 5.5% (and will be amended once the actual figure is known).

Prudent Minimum General Reserve (PMGR)

4.11 Reserves are held by the Authority to meet general financial risks and costs that may materialise (General Reserve) and to meet specific project costs or financial liabilities (Earmarked Reserves). (Appendix 1).

4.12 The total level of reserves held by the Authority is in the 3rd quartile as a percentage of revenue budget (English Fire and Rescue Services). (Appendix 2).

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 financial outlook for the Service and approve the Prudent Minimum level of General Reserves (PMGR) as set out at Appendix 1.

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Background Papers

Budget report to HFA February 2023

Abbreviations

CPI	Consumer Prices Index
HFA	Humberside Fire Authority
PMGR	the Prudent Minimum level of General Reserves

MEDIUM TERM FINANCIAL PLAN 2024/25 TO 2027/28

RISK ASSESSMENT TO DETERMINE PRUDENT MINIMUM GENERAL RESERVE (PMGR)

Type	Risk	Consequence	Scale	Financial Loss £M	Likelihood %	Annual Risk £M	Period (years)	Where Provided	Reserve Required £M
Economic	Return to Recession	Lower Council Tax base (reduced construction)	£0.250M per 1% reduction	0.250	50%	0.125	3	Reserves	0.375
	Return to Recession	Lower collection of Council Tax (less able to pay)	£0.250M per 1% reduction	0.250	50%	0.125	3	Reserves	0.375
	Return to Recession	Reduced revenue income	25% decrease	0.050	30%	0.015	3	Reserves	0.045
	Adverse changes in interest rates	Higher financial costs	Net Debt circa £13M 1%=£0.130M	0.130	50%	0.065	3	Reserves	0.195
	Additional Costs due to higher insurance costs	Increase in revenue costs	20% of £400k	0.080	50%	0.040	5	Reserves	0.200
	Energy and fuel costs significant increases	Higher annual revenue costs		0.250	50%	0.125	3	Reserves	0.375
	Reduced Government Grants - Formula Grant	Lower annual revenue resources	£0.173M per 1%;assess risk of further 5% reduction	0.865	40%	0.346	3	Reserves	1.038
Employment	Higher pay settlements	Higher costs	£0.40M per 1%	0.400	50%	0.200	3	Reserves	0.600
	Equal Pay potential claims	One-off costs	£0.5M	0.500	10%	0.050	1	Reserves	0.050
	Flu pandemic or similar event	Increased employee absence requiring cover at extra cost	30% absence for 1 Month	0.875	40%	0.350	1	Reserves	0.350
	Employer Pension Contribution Increases	Higher annual revenue costs	£0.100M per 1% increase	0.300	40%	0.120	3	Reserves	0.360
	Prolonged Period of Industrial Action	Additional pressure on Revenue Budget	£1.2 per annum	1.200	30%	0.360	1	Reserves	0.360
Services	Additional funding required for system replacement costs more in excess of the budget	Additional pressure on Revenue Budget	Assess risk of additional £1m per annum	1.000	50%	0.500	1	Reserves	0.500
	Capital Overspends	Fund from revenue (no capital resources available)	One-off	1.000	10%	0.100	1	Reserves	0.100
General	Corporate Manslaughter	Unlimited Fine	Assess risk of £10M fine	10.000	10%	1.000	1	Reserves	1.000
	New Dimensions Assets	Replacement of asset outside existing replacement programme	Assume cost of £0.4M	0.400	20%	0.080	1	Reserves	0.080
Total General Reserve requirement									6.003

The recommended Prudent Minimum General Reserve (PMGR) required to meet Assessed Financial Risks is £6M

	Higher or more than last year or a new addition to the assessment
	the same as last year
	Lower or less likelihood than last year

Percentage of Core Spending Power (Revenue)

Fire and Rescue Authority	General Fund £m	Earmarked reserves £m	Total resource reserves £m	Capital reserves £m	2021/22 Core Spending Power £m	Resource reserves as a percentage of Core Spending Power %
Tyne and Wear	3.9	35.2	39.2	1.6	50.7	77%
Leicestershire	2.6	19.2	21.8	0	37.1	59%
Devon and Somerset	5.3	40.5	45.8	0	79.7	57%
Kent	3.7	38.2	41.9	7.9	75	56%
Bedfordshire	2.4	13.5	15.9	0.7	31.4	51%
Cheshire	2.3	18.9	21.2	1.6	45.2	47%
Hereford and Worcester	1.5	14.2	15.8	5.5	33.3	47%
Merseyside	3	26.1	29.1	10.4	63.8	46%
West Yorkshire	5	32.4	37.4	0.1	84.9	44%
Hampshire	2.5	33.3	35.8	0	0	43%
West Midlands	5.8	36.9	42.8	2.3	100.9	42%
East Sussex	2	15	16.9	6	40.2	42%
Dorset and Wiltshire	2.8	20.6	23.4	0	58.8	40%
Staffordshire	1.9	15.3	17.2	0	43.2	40%
Cleveland	1.6	8.8	10.3	1.2	28	37%
South Yorkshire	5	13.7	18.7	0.7	52.9	35%
Berkshire	2.3	9.9	12.2	0	35.5	34%
Lancashire	6.5	10.8	17.2	19.7	57.6	30%
Humberside	6.4	7.4	13.7	0	45.6	30%
Derbyshire	1.9	9.6	11.5	2.4	39.6	29%
Cambridgeshire	2.1	7	9.1	3.9	30.9	29%
Avon	1.5	10.7	12.2	7.1	45.4	27%
Durham and Darlington	1.5	6.2	7.7	0	30.1	26%
North Yorkshire	1.1	6.9	8	0	32.4	25%
Shropshire	1.6	4.2	5.8	11.5	23.4	25%
Essex	4.4	13.5	17.8	9.7	75.4	24%
Nottinghamshire	5	5.7	10.7	0.3	43.8	24%
Buckinghamshire	1.5	5	6.5	0	28.9	23%
Northamptonshire	3	1.9	4.9	0.6	24.1	20%

CAPITAL PROGRAMME 2024/25 ONWARDS – VEHICLES, ESTATES, AND ICT

1. SUMMARY

- 1.1 This report sets out for approval the proposed capital programme for Vehicles, Estates, and ICT for 2024/25 onwards.

2. RECOMMENDATIONS

- 2.1 It is recommended that the Fire Authority approves the capital programme as set out for Vehicles, Estates, and ICT for 2024/25 onwards, and that it is incorporated into the Medium-Term Financial Plan 2024/25 to 2027/28 to be considered at the February meeting of the Fire Authority.

3. BACKGROUND

- 3.1 This report details the Services requirements for funding, to maintain and support keeping our communities and firefighters safe, whilst contributing to the firefighting and rescue capabilities of the United Kingdom.

4. REPORT DETAIL

Vehicles/Equipment Programme 2023/24 Onwards

- 4.1 In the last twelve months, the Service placed an order for 5 appliances, these were accepted into the Service at the end of 2022, in keeping with the vehicle replacement programme. These vehicles come with a 'clean cab' solution, reflective of the national and international research relating to the risk of firefighter contamination. This will be a requirement of all future operational appliances. In addition we are currently out to tender for a further 5 appliances which will come into service by the end of 2024. We have then budgeted for a further 5 appliances in each of the years 25/26 and 26/27.
- 4.2 Annual condition reports continue to be undertaken and received for all vehicles in the fleet, and along with further analysis of each vehicle's usage, this is assisting us in undertaking a review of the Services small vehicles. We had committed to reducing this fleet by 10% and in fact we have been able to achieve a 14% reduction through the integrated efforts of all our functions.
- 4.3 The infrastructure to support our first electric vehicles has been installed at Cromwell Road Station to support the Services first three electric vehicles (EVs) which are now operational from that location, principally for the Prevention and Protection teams.
- 4.4 Further investment into the infrastructure required to support an EV fleet will continue in support of the Environmental Plan, (see Estates programme below) with the intention of replacing all small vehicles wherever possible. Consideration will be given to the replacement of other vehicles with EVs / sustainable fuels, including appliances, in due course, as and when new technologies/costs allow. Members will note the budget requirement associated with light cars/vans have been increased to reflect the move to EV's.
- 4.5 We have increased the heavy vehicles capital by 0.8m to support the purchase of a 45 metre Aerial. That figures include £0.21m which was allocated to the replacement water support unit, and slipped from 21/22, as this vehicle is still in good order. The

water support unit will now be replaced in 27/28 instead of the Aerial and this will see a reduction against the £0.8m allocated for that vehicle.

- 4.6 In 24/25 we have a planned £300k spend on replacement boats and £236k spend on replacement radiation equipment.

	2023/24 £	2024/25 £	2025/26 £	2026/27 £	2027/28 £
Heavy Vehicles	1.990m	0.980m	1.500m	1.600m	0.49m
Light Vehicles	0.624m	0.156m	0.650m	0.210m	0.508m
Equipment	0.363m	0.8m	0.242m	0.540m	0.3m
Total	2.977m	1.936m	2.392m	2.250m	1.298m

Estates Programme 2023/24 Onwards

- 4.7 A new Estates Manager was recruited to oversee the HFRS and HP joint estate's function and has now been in role for approx. 6 months.
- 4.8 As part of the recent restructure of the HFRS management team a dedicated Fire Fleet and Estates manager was introduced. This role is responsible for the oversight of and, liaison with, the respective joint functions (Emergency Services Fleet Management & the Joint Estates Function). The role reports to the Area Manager for Prevention, Protection, Fleet and Estate
- 4.9 Key areas of focus for the new Estates Manger and the Fire Fleet and Estates Manager were to review the capacity to deliver the base programme (including slipped works) and review and catch up on condition surveys. Members were previously asked to consider that, subject to the review, there may be some reprofiling of the programme as part of the outturn report for 2022/23. That reprofiling is presented over the next few paragraphs.
- 4.10 Fallout from the pandemic, and the conflict in Ukraine, continues to adversely impact timescales for work to be completed and the associated material costs. As a result, several capital works have been slipped and the costs re-evaluated.
- 4.11 Roof replacement schemes at Bridlington and Calvert Lane Fire stations, identified in last year's programme, have been completed.
- 4.12 Members will also be aware that a scheme to upgrade the reception area at Service Headquarters has also been completed.
- 4.13 The refurbishment at Goole station is well underway and due for completion in November. Due to the rising costs of materials, a further £143k was required to complete the works. The scheme has been undertaken in stages to allow for the continued operation of the station.
- 4.14 Additional priority dignity works at Preston and Patrington have been identified with the priority work of modernising these stations being undertaken this year.
- 4.15 Work at Winterton begins in October and Immingham East will begin in January. Both will be completed in the next financial year.
- 4.16 Service Headquarters works include a remodeling of Strategic Leadership Team (SLT) corridor and spend to save investment in more sustainable lighting solutions.
- 4.17 As detailed and agreed within the capital programme last year, a recurring budget allocation has been incorporated for the installation of electric charging points and associated infrastructure at appropriate stations. This will facilitate the introduction of

electric vehicles to the Service's fleet. Further work is underway to establish exact requirements and associated costs.

- 4.18 Provision for the replacement of the appliance room doors at Bridlington station as part of the ongoing refurbishment at the station, has been identified within the programme.
- 4.19 Planned works at Cromwell Road, Pocklington, Driffield, Crowle and Withernsea are due to begin in 24/25.
- 4.20 Discussions are ongoing with Howden Joinery with a view to building a new station as part of a wider development. In view of this, the original allocation of £390k is no longer required at this time. A further report will be submitted to Members in due course detailing the revised capital financing requirements.
- 4.21 The above planned works are subject to the outcomes of the whole estate condition survey referenced in 4.9. These surveys will, in turn, drive the capital plan for 25/26 onwards.
- 4.22 Again, as detailed and approved last year, the block allocation has been uplifted by £50k annually to reflect the increased costs of programme delivery in terms of materials and other supply chain inflation. Further work is underway to determine future years' priorities, including any further works identified by condition reporting.
- 4.23 The proposed Estates programme is therefore as follows:

Scheme	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Goole	675k			
Preston & Partington	60k			
Winterton	433k	216k		
Immingham East	328k	219k		
HQ	130k			
Training Infrastructure	108K	100k		
Electric vehicle charging points	60k	60k	40k	40k
Fire station external works	100k			
Bridlington Doors	150k			
Cromwell Road		431k		
Pocklington		150k		
Driffield		202k		
Crowle		200k		
Withernsea		50k		
Block Allocation			<i>750k</i>	<i>750k</i>
Total	<i>2.044m</i>	<i>1.988m</i>	<i>790k</i>	<i>790k</i>

ICT Programme 2023/24 Onwards

- 4.24 The core ICT Replacement Programme has been brought together with the agile/flexible working programme to ensure that replacement equipment is agile ready. This means that the maximum use and value can be obtained from all ICT equipment.
- 4.25 It should be noted that the move to hosted cloud systems means that increased spending is reflected in the revenue budget leading to less spending on the capital

budget. This will be reflected within the Medium-Term Resource Strategy due to be presented in February 2024.

- 4.26 Data Centre and core network equipment will need to continue to be upgraded as part of the ongoing maintenance programme, particularly in response to cyber-security threats, the need for resilience and to ensure that there remains enough capacity for critical business processes. While hosting options for applications are now actively pursued, it will be essential to maintain some 'on premises' facilities. As well as the core hardware elements, there will also need to be an investment in operational ICT hardware, such as Mobile Data Terminals, included within the programme.
- 4.27 Several business applications are approaching the end of their useful life and need to be replaced to support different ways of working, which enable better efficiency. The ICT Capital Programme continues to set out and plan for software replacements in the life of this ICT Capital Programme with funding assigned to cover this cost.
- 4.28 The proposed ICT capital programme is therefore as follows:

	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Core ICT Replacement Programme	200k	300k	200k	200k
Data Centre Hardware Upgrade	150k	150k	100k	100k
Total	350k	450k	300k	300k

Resourcing/financial/value for money implications

- 4.29 We strive for efficiency and effectiveness by choosing and procuring wherever possible the best available vehicles, equipment, and services, including estates and ICT, ensuring value for money is a priority consideration, we also continue to explore where possible joint procurement opportunities through regional collaborations. Example of joint ongoing Breathing Apparatus (BA) procurement with North Yorkshire Fire and Rescue.
- 4.30 The financial impact of the proposals is detailed in the report. Subject to approval of the recommendations contained within the report, the financial effect of the proposals will be incorporated into the Authority's revenue and capital plans for 2024/25 onwards, this will be presented for consideration and final approval at the Fire Authority in February 2024
- 4.31 The most appropriate method of financing the assets set out in this report will be determined based on value for money and risk to the Authority. This will be undertaken prior to the start of the financial year in liaison with the Authority's Treasury Management advisors.

Impact on Service Delivery/Organisation or Residents and any Communication actions required

- 4.32 The Service ensures our Fleet, Estate and ICT meets the needs of changing risks to front line Staff and its communities alike, in keeping with the Services Community Risk Management Plan.

Risk/ Health and Safety/legal implications

- 4.33 Health and Safety considerations and responsibilities are paramount, and to that end the Authority aims to provide suitable and sufficient equipment and vehicles to ensure effective service delivery

Linkages to any strategic/corporate plans/policies

4.34 The capital replacement programme contributes across all of the Service's strategic objectives of:

- What we must do well
- How we support our communities
- We value and support the people we employ.
- Efficiently managing the Service

4.35 The programme, is derived from, and supports the Services Community Risk Management Plan.

5. EQUALITY IMPLICATIONS

5.1 An equality impact has been completed (EIA/Service Delivery/11-2022/2) for the overarching Capital Programme 2023/24 and has identified positive impacts. It should be noted that individual schemes and projects within the programme are all subject to more detailed EIAs to identify specific improvements and actions as necessary.

5.2 The following positive impacts have been identified:

- (i) Estate – All schemes within the estates programme are required to consider accessibility (for staff and the community) and to improve dignity and welfare facilities.
- (ii) Vehicles and Equipment – New vehicle technology (such as reducing height through air suspension) enables more equality of access, functionality, and ease of use. The schemes give access to modern equipment which is ergonomically designed and sourced in consultation with staff. An improved range of modern equipment available for rescue and response diversifies our offer to those most vulnerable in our community (e.g., Falls provision and Bariatric Provision).
- (iii) ICT – Investments in the ICT arena supports agile and flexible working providing a greater equality of access for continued employment (reasonable adjustments \ Flexible working requests), and recruitment (HFRS as an Employer of choice). Our programmes include the development of our websites, platforms, and systems where accessibility for all is a key focus.

6. CONCLUSION

6.1 This report summarises the capital requirements for Vehicles, Estates, and ICT for the financial year 2024/25 and it is proposed that the Authority supports and approves the same.

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Background Papers

None

Abbreviations

BA	Breathing Apparatus
EIA	Equality Impact Assessment
EVs	Electric Vehicles
ICT	Information Communication Technology
MTRS	Medium-Term Resource Strategy
SLT	Strategic Leadership Team

EQUALITY, DIVERSITY AND INCLUSION (EDI)
ANNUAL REPORT 2022/2023

1. SUMMARY

- 1.1 This report provides an overview of the wide range of activities, outcomes and Equality, Diversity and Inclusion (EDI) progress made by HFRS from 1st April 2022 to 31st March 2023. It includes a set of case studies (Appendix 1) detailing EDI examples internally with/for staff and externally within the communities we serve.

2. RECOMMENDATIONS

- 2.1 It is recommended that the Fire Authority approves the Equality, Diversity and Inclusion (EDI) Annual Report 2022/23.

3. BACKGROUND

- 3.1 Humberside Fire and Rescue Service (HFRS) as a public sector organisation is subject to the public sector equality duty of the Equality Act 2010 which has general and specific duties which are:

- 4.1 General equality duty (section 149 Equality Act 2010).
(a) Eliminate unlawful discrimination, harassment, and victimisation.
(b) Advance equality of opportunity between different groups.
(c) Foster good relations between different groups.

Specific duties (Schedule 19 Equality Act) – Listed public authorities must publish:

- (a) Information on employees (if 150 staff or more) and people affected by policies and practices to demonstrate compliance with the equality duty, at least annually.
(b) Specific and measurable equality objectives, at least every four years.

4. REPORT DETAIL

- 4.1 HFRS reviewed our original Public Sector Equality Duty (PSED) Priorities during 2020-2021 by extensive consultation with staff and communities. Our 5 PSED priorities have been progressed over 3 years to align this work with our Community Risk Management Plan 2021-2024 and other strategic plans.

Our 5 PSED priorities

1. Leading by example on equality
 2. Increasing diversity throughout our workforce
 3. Ensuring a safe and fair workplace for all staff
 4. Continuing to improve our knowledge of our diverse communities and how we engage with them
 5. Identifying the fire and other emergency risks linked to multiple disadvantage and discrimination
- 4.2 Our PSED priorities have been developed into yearly action plans which include actions from consultation with staff and our community plus areas where we have known gaps from Local Government Association (LGA) Equality Framework and National Fire Chief Council (NFCC) Maturity Models and toolkits.

- 4.3 All Heads of Function have allocated actions, which are integrated into their Tactical Plans, and report on progress against these at the Tactical Leadership Team meetings, Performance Meetings and the Equality, Diversity and Inclusion (EDI) Steering Group. This year during November 2022 and January 2023 the Steering Group held workshops to review in year progress and identify key actions for 2023-24.

Achievements during 2022-23 by Priority

Priority 1: Leading by example on equality

- 4.4 Our equality, diversity and inclusion (EDI) work is structured through the EDI Steering Group. Membership of this Steering Group includes a wide range of stakeholders including elected Members, Heads of Departments, Trade Union and Representative Bodies and Staff Forums for under-represented groups. The Steering Group reviews our progress against our objectives regularly through the PSED action plan. The progress identified is reported in this report and gaps and areas which need further progress along with new issues are displayed within an updated action plan for work during the following year.
- 4.5 Active leadership on EDI happens at a range of levels and everyone has an active role. Particularly important are HFRS Senior Equality Ambassadors, working in the Senior Leadership Team level, each Ambassador champions one protected characteristic of the Equality Act 2010. The leads for these have been refreshed this year due to promotions and new appointments within the Senior Leadership Team. (please see appendix 2 for the role/responsibilities and the assigned protected characteristic leads).
- 4.6 Heads of Function have their area of the PSED to implement throughout the year and actively contribute to review of the action plan through the EDI Steering Group. EDI is integrated into all tactical plans, as a strand of work for all Heads of Function.
- 4.7 Managers also have a responsibility in achieving their statutory equality duties, a significant part of which is the conducting of Equality Impact Assessments (EIAs). Following the adoption of the National Fire Chief Council (NFCC) EIA template we have trained 60 managers through McKenzie's LLP (who provide training for the NFCC) and we provide this training annually to ensure new managers are competent in undertaking EIA's. All completed EIA's are published in a repository on the Service's intranet.
- 4.8 An external audit of HFRS' EIA arrangements was conducted in Summer 2022 by TIAA (HFRS external auditors). The key findings were reported to HFA Governance and Scrutiny Committee (GAS), confirming reasonable assurance and setting out a management action plan to support the implementation of 3 improvement actions identified during the audit, all of which have been completed.
- 4.9 Over the past three years staff have been developing bottom up mechanisms to influence EDI at HFRS. These Forums are run by staff from under-represented groups and aim to support staff, influence culture change within the workplace and be consultees for policies, equality assessments or organisational change. Currently there are three active Staff Forums:
- Voices of Disability
 - Voices for Women
 - LGBTQ+ Staff Forum
- 4.10 Recently staff across the age spectrum have been meeting to discuss what issues may be relevant to them and whether they wish to form a Staff Forum. These Forums are fully supported by the Service but develop their own approach and at their own pace.
- 4.11 Also, this year we have started to identify the role of allies, who may not be from the under-represented groups but who support and raise awareness to promote equality

of these groups. The Voices for Women Forum hosted an event for International Women's Day on 8th March 2022, at which 25 male and female allies from all levels came together with women to discuss their career development. Allies were able to identify the need for lived experience to fully understand what support women needed to progress. Staff Forums are also linking with allies and it is hoped an Allyship Forum will emerge to raise awareness across all staff. As allies all staff can have an active role in promoting equality.

Improve existing equality monitoring systems for service workforce profiling

- 4.12 Knowing our workforce and their needs is very important and work has progressed this year to make it easier for staff to update their personal information. This year during their annual Performance Development Review (PDR) all staff were requested to complete and updated personal data form electronically, which only they could see and submit. This provided reassurance about confidentiality and hopefully allows staff to feel confident and comfortable to disclose equality information.

Visibly promote HFRS as an anti-discriminatory organisation

- 4.13 In our EDI work we also need to be outward facing learning, sharing and influencing best practice. Firstly, we ensure all our staff are knowledgeable and aware of EDI issues relevant to their public service role.
- 4.14 We have adopted and are guided by the National Fire Standards Board (FSB) Core Code of Ethics which has 5 key principles:
1. Putting our communities first
 2. Integrity
 3. Dignity and Respect
 4. Leadership
 5. Equality, Diversity and Inclusion
- 4.15 HFRS has done extensive work with staff to embed this Code. All staff are provided with eLearning training and a knowledge of these principles are included into promotion processes. During the year we have updated our Core Code of Ethics Action Plan which ensures continuous organisational learning.
- 4.16 Along with an established EDI mandatory eLearning package we have refreshed our EDI Community Handbook, which provides updated information across a wide range of diverse communities we serve; for example, information about customs and practices, what language and terminology to use along with key facts about needs and vulnerabilities related to Fire and Rescue Service activities and work.
- 4.17 Our range of Senior Equality Ambassadors provides a named person to whom employees and community members can go to on any issues related to their protected characteristic. They also support key campaigns and events across the community. Ambassadors also support the work of relevant Staff Forums, for instance by attending meetings and supporting events hosted by the Staff Forums.
- 4.18 The Leadership role of HFRS on equality, diversity and inclusion also extends beyond our area to regional and national engagement. Some examples of this are:
- At a national level HFRS is a corporate member of the Asian Fire Service Association (AFSA) and has supported Northern AFSA to host a development weekend over the past year.
 - HFRS led a regional pilot for women's mentoring during 2022 the outcome from which influenced and actively contributed to the NFCC National Mentoring and Coaching Programme. HFRS staff have since become involved in the National Fire Chief Council (NFCC) Mentoring and Coaching programme.
 - HFRS established a network group as a result of attending the Mediation Training provided by Yorkshire and Humber Employers Association. This has grown to

become a regional network forum with current membership of 25 Human Resource, Occupational Health, Operational and other professionals.

- HFRS is also a corporate member of Women in The Fire Service UK (WFSUK) with a regional representative who links to WFSUK. This link benefits women staff at HFRS who attend the annual Summer training weekend and take up places on the 3-month Women's Development Programme.

Priority 2: Increasing diversity throughout our workforce

Visibly promote HFRS as an employer of choice and positively seek employees from under-represented groups.

- 4.19 HFRS is committed to diversifying our workforce. We understand where we have under-representation across the protected characteristics of the Equality Act, and we have been undertaking a wide range of targeted positive attraction to promote opportunities to under-represented groups and to support individuals to succeed in recruitment processes. Our positive attraction plan for 2022-23 included:
- Joint positive attraction events with Humberside Police in Hull, Grimsby and Scunthorpe resulting in 349 direct contacts made.
 - Organisational Development Team Corporate engagement with communities in Goole, Spring Bank and Peel Street in Hull and at the British Firefighter Championships held in Hull and at Hull Pride.
 - Station led events at Bridlington, Immingham East, Peakes Lane and Scunthorpe.
 - Work was undertaken with prevention and protection colleagues to enable a dual approach of fire safety and positive attraction that takes place at a range of suitable identified events identified in the Protection and Prevention calendar.
 - Posters were distributed to cross fit gyms and fit mums' groups.
 - Engagement with partner agencies such as Hull All Nations Alliance (HANA), Hull KR and Hull FC Rugby Clubs, Yorkshire Migration, Scunthorpe Job Centre, North Lindsey College and the Disability Consortium to promote recruitment opportunities.
- 4.20 Our new Reasonable Adjustments Policy Delivery Guidance (RAPDG) and passport process supports candidates who have disabilities or health issues to be supported at all stages of recruitment. We provided better information to enable candidates to confidently declare their need for reasonable adjustments, and they were supported with these throughout the recruitment process.

Rookie Red Programmes

- 4.21 The Rookie Reds Programmes at SHQ, Howdens, Pocklington, Market Weighton, Hornsea, Withernsea, Driffield continues to support (mainly) women in their continued preparation for successful recruitment into HFRS. These cohorts (circa 50+) have bonded into cohesive, supportive groups who are passionate about working for HFRS so much so that many regularly volunteer for community engagement events, e.g. Pride events and working at Food Banks.

On Call recruitment

- 4.22 There have been ongoing recruitment drives for on call, and we have particularly ensured continued engagement and support for on call women, rookie reds and BAME men and women that either completed the 10-week programme or did not make it through to last round of Full-time firefighter recruitment process. Support included development of a guide to on line testing, production of sample questions for interview practice, and a refresh and expansion of recruitment support on our website.

Full-time recruitment

- 4.23 There have been two Full time recruitment processes during 2022 and 2023. The statistics for which are as follows:

2022: 16 successful candidates; of which 4 were female (25%), 12 were male (75%) of which 1 is Black, Asian, Minority Ethnic (BAME) and 3 are neurodivergent.

2023: 39 candidates have been successful at the interview stage and are now currently undertaking their medicals. We are unable to report the final candidate selection, however of the 39 remaining in the process; 7 (18%) are Female, 31 (79%) are Male, 4 of the 39 are BAME.

Improve the retention and progression levels for all underrepresented groups.

- 4.24 This year HFRS has developed a Reasonable Adjustment Policy Delivery Guidance (RAPDG) and passporting system which has been thoroughly piloted. The guidance provides information to managers and employees about how the Service supports existing employees and job applicants with specific health and wellbeing requirements through reasonable adjustments, if required and able to do so. HFRS is committed to developing an inclusive working environment where every employee feels valued, respected and supported to give their best.
- 4.25 The passport system enables existing employees who feel they may identify or declare themselves as neurodivergent and therefore may wish to discuss reasonable adjustments to improve their working environment to suit their needs/requirements. The purpose is to provide support to construct the approved reasonable adjustments into a living passport that travels with them in the Service, without the need to re-negotiate things already in place.
- 4.26 HFRS have piloted the passports process in two ways, firstly using it to support operational progression processes to enable candidates to gain the support they needed to be on a level playing field in the recruitment process for promotion.
- 4.27 Secondly piloting also included support for retaining staff with neurodivergent conditions by identifying specific reasonable adjustments in their workplace and roles. All Human Resource Service Partners and Occupational Health Nurses have been coached in supporting managers in implementing reasonable adjustments and passports at work.

Learning and Development opportunities

- 4.28 HFRS continues to support all staff in their learning and development as this is seen as being a positive strategy for retention. Role Specific Training Outlines have been implemented for every level of staff across the Service detailing the Service supported learning and development for every role. There is also an embedded annual PDR process for all staff, which includes opportunities for staff to discuss their career aspirations and their development needs. Some examples of development opportunities in relation to EDI this year include:
- Mainstreaming the WFSUK 3-month development programme into the annual PDR process with a briefing to encourage managers to promote these opportunities to their female staff.
 - For International Women's Day 2022 we held a major event focusing on Women's Career Development. As part of this women employees and managers and male allies worked on a Career Development Action Plan. This action plan covered recruitment, development and retention and actions were developed for each of these which have been folded into the PSED action plan for implementation during 2023-2024.
 - NFCC Mentoring and Coaching as part of shaping our culture to a coaching style of management and ensuring all staff have appropriate and accessible skilled mentors – half of our 28 newly trained mentors are women and 3 of our 4 NFCC mentors are women thus ensuring a diverse range of mentors are available for women and men to select from at HFRS.

- As corporate members of WFSUK, our staff representatives attend committee meetings and co-ordinates women from HFRS to attend the national training weekend each Summer. Most years we have funded between 10 and 20 delegates from across the Service including new female Fire-fighters.
- HFRS continues to be an active corporate member of the Asian Fire Service Association (AFSA) and our HFRS Race Ambassador and our 2 AFSA representatives attend AFSA Annual Conferences and other events and feed learning into the EDI Steering Group.

Priority 3: Ensuring a safe and fair workplace for all staff

Raise the awareness of managers and staff to create a safe and fair environment for co-workers in protected groups.

4.29 During this reporting year the following achievements and opportunities include:

- A new Occupational Health and Wellbeing Portal was launched providing staff with easy access to a wide range of health, safety and wellbeing information, self-help resources and support. This includes confidential, self-referral, as well as manager referral, to Confidential Care Services Employee Assistance Programme where staff can access specialist, professional counsellors. The Portal also gives access to a wide range of information and support around physical health, menopause and a range of programmes including access to the Fire Fighter Charity Rehabilitation programmes.
- HFRS has been awarded the Healthy workplace Award (Silver Level) for actions and evidence against all 8 thematic areas of the Award.
- Our Community Café 'Fire Lounge' was established and provides a pleasant space for staff to eat, network, and relax.
- The Service has provided two well-being pods at SHQ site, these are for staff support and confidential discussions in relation to staff welfare and well-being.
- The Service continues to have blue light champions, a range of staff willing to have well-being discussions and support staff in times of need. These staff are easily identified through the wearing of blue light champions lanyards. Blue light champions can obtain coffee and cake from the Community Café when supporting staff that reach out to them.
- Annual Staff Awards Evening recognising and celebrating staff achievements.
- We jointly hosted with West Yorkshire FRS a major event for staff to celebrate national Staff Network Day on 11 May.
- During Mental Health Awareness week, we celebrated the benefits that staff forums bring to likeminded people that can benefit staff with a safe space for debate, discussion and support which is beneficial for mental health and well-being. HFRS hosted a virtual Workshop on 'How to do Staff Networks well' and West Yorkshire FRS hosted an afternoon session with special speaker Rasheed Ogunlaru, <https://www.rasaru.com/> who talked about the power of staff networks.

Support staff to establish and utilise diverse staff forums and other 'speaking voice to power' mechanisms.

4.30 As well as management action to create a fair and safe workplace, Staff Forums have been active in improving workplace culture. The **LGBTQ+ Forum** has created and distributed posters in all HFRS workplaces with contacts for support. The Forum knows, from members lived experience, that just having posters visible in workplaces allows staff who may not be 'out' at work to start to feel more supported and helps limit homophobic micro aggressions in the workplace.

4.31 **The Voices for Women Forum** has created a safe space for female staff by having women only regular meetings and an informal part of each meeting to chat about how women who are attending are feeling. They have also hosted a range of meetings on particular topics open to all staff to raise awareness, for example:

- The Cost of Living (which led to the engagement of Directors and Trade Union leaders and a support resource being made available on our intranet).
 - Imposter Syndrome which can affect individuals from a number of under-represented groups and lead them to feel lacking in self-esteem.
 - 8 March 2023, for HFRS International Women's Day Celebrations, a major event which brought together leaders, managers and male and female staff to discuss and action plan around women's career development at HFRS, and how allies can take responsibility to champion this issue.
 - Championing fitness for women and focussing on Green book staff and are currently supporting HFRs Occupational Health and Wellbeing professionals to develop fitness programmes for women and around women's health.
 - Menopause (pre and post-menopausal) women have formed a Menopause Group A Menopause Policy has been developed, consulted on and adopted this year which provide support and guidance.
 - A task and finish group including lived experience of women who have been pregnant and taken maternity leave supported by managers (male and female) has been formed to develop a Maternity Guidance Handbook.
- 4.32 This year the **Voices for Disability Forum** has continued to provide a safe space for staff to discuss relevant issues and members have continued to provide a contact point for staff and provide informal support and mentoring for disabled staff. The Forum has also continued to raise awareness on disability equality issues and provide information to all staff on a wide range of issues from Neurodiversity to the social model of disability.
- 4.33 The Forum has been successful in influencing the Service to adopt the social model of disability rather than a medical model. The social model says that disability is caused by the way society is organised, rather than by a person's impairment or difference. Adoption of this model is crucial for promoting disability equality at work, and therefore a significant change. The Forum has also continued work begun in 2021/2022 when they identified a need for a policy on reasonable adjustments and undertook research on best practice.
- 4.34 All Staff Forums regularly post awareness raising information, links and videos in the staff newsletter Siren, to provide learning and awareness raising for all staff.
- 4.35 New Staff Forums are emerging this year. Discussions have taken place, stimulated by our HFRS Age Ambassador, about whether staff want to form an Age Spectrum Forum to look at issues effecting staff across the age spectrum.
- 4.36 HFRS's Chief Fire Officer was instrumental leading the change to promote Staff Forums developing from 2020 and continues to provide leadership on EDI, including ensuring space to meet with all Staff Forum Chairs every six months to discuss their direction and what support is needed.
- 4.37 Discussion around the involvement of allies has begun in Staff Forums which was then followed by the International Women's Day event this year from which an Allyship Group is emerging. The aim of this group is to allow staff from across HFRS to champion under-represented groups. Work started on this several years ago with HFRS HeForShe campaigns promoting allyship for sex equality.

Priority 4: Continuing to improve our knowledge of our diverse communities and how we engage with them

Actively consult and draw support from leaders of underrepresented communities to guide the steering of our programmes for community engagement and recruitment.

- 4.38 Our Communication and Prevention Teams have produced EDI and Fire and Rescue Campaign Calendars and with information about opportunities to learn about and participate in a wide range of EDI events and campaigns.

- 4.39 As an anti-discriminatory public sector organisation, we are present in communities promoting EDI and Safety across the County including Pride Celebrations, promoting action during Mental Health Awareness, Dementia Action, Be Water Aware, and Home Fire Safety Weeks. Managers from our Prevention Teams are active within EDI Local Authority and wide Interagency Working Groups and on Domestic Violence, LGBTQ+ and BAME Forums.
- 4.40 We have been involved in the Regional Migration Forum with our work around volunteering opportunities and recruitment practice. HFRS is mentioned as good practice in their forthcoming online toolkit and referenced in their good practice multi - agency training presentation.
- 4.41 Districts have been involved in station led community engagement and positive attraction such as career events with schools and colleges and station open evenings.

Work in Partnership with local authorities and others to develop organisational learning on community issues to improve our approaches to diverse engagement.

- 4.42 We are involved in all EDI partnership meetings across our area and sent representatives to meetings and contribute to these two-way exchanges, to develop and learn from best practice.
- 4.43 During the year we held a professional partners networking afternoon where we engaged with a range of community partners to promote prevention and establish key stakeholders. We also established engagement with representatives from a local mosque.
- 4.44 This year we consolidated our support and involvement in the White Ribbon Campaign to stop domestic abuse. On 25 November, the International Day for Elimination of Violence against Women, we joined the Hull Domestic Abuse Partnership in promoting action to recruit White Ribbon Women Champions and Male Ambassadors.

Priority 5: Identifying the fire and other emergency risks linked to multiple disadvantage and discrimination

Utilise our data to improve our knowledge of multiple disadvantaged and discriminated communities to continually improve our prevention and protection service delivery

- 4.45 We have improved our data management and analysis by creating a Risk and Intelligence function. Our analytics team, including a Data Scientist, ensures that data-driven evidence and decision-making follow a linear process from start to finish. This supports other sections in the organisation, such as providing social data about our community.
- 4.46 The employment of our Data Scientist has enabled us to use data more intelligently. We have used national data and machine learning models to help us understand the attributes of risk and, more importantly, what unique combination of attributes make a person at greater risk of becoming a fire fatality. These risk attributes include some of the protected characteristics such as sex, age, and disability. We turn this intelligence into a risk profile at a household level to drive our proactive prevention work.
- 4.47 We have developed intelligence for our proactive protection activity using the same modelling process and this creates a business-level risk profile for our Inspectors' audit schedule and our Operational Crews' business engagement activity. By doing this, we progress our aim to ensure that the businesses where the public sleep, work and visit are safe. People with protected characteristics such and those who are deprived or disadvantaged, all benefit from the safety of premises they are likely to spend time in such as hospitals, care homes, restaurants, clinics, religious centres, hotels etc.
- 4.48 We subscribe to Oxford Consultants for Social Inclusion (OSCI) which gives us the latest data and analysis for our community, allowing us to create bespoke area population profiles. These profiles underpin Station Story Maps available to our crews

for each station area. The crews can access top-level population data about the area they cover, such as ethnicity, allowing them to understand the occasions they may need to work differently or utilise the HFRS community handbook for more information about a particular group in the community.

- 4.49 We have created dashboards to help us understand the community and evaluate our activity. For example, we have one that shows the race of people experiencing fires and those receiving prevention services from us. We have another that shows the vulnerabilities we have found in each home fire safety visit we've carried out. We are further developing the system that collects prevention and protection data to give us more insight on these dashboards and this includes harmonising the data collection to government standards. We plan to develop our understanding of our community with more risk profiles and dashboards, for example, we are currently developing a prototype dashboard to understand station-based community risk and linked activity.

Utilise our improved equality assessments to guide the direction of prevention and protection engagements in communities that experience multiple disadvantages and/or discrimination.

- 4.50 The HFRS Function Equality Impact Assessment (EIA) was started this year to allow us to consider the equality impacts of the 4 key responsibilities of the Fire and Rescue Services Act 2004 which are:

- Extinguishing fires in their area
- Protecting life and property in the event of fires in their area
- Rescuing and protecting people in the event of a road traffic collision and
- Rescuing and protecting people in the event of other emergencies

- 4.51 The EIA identifies, by sector, and then locally, the statistical information for each protected characteristic of the Equality Act 2010. The process of developing this EIA has already highlighted that there are issues faced by people across the protected characteristics and other vulnerable groups which are relevant for consideration of how we may provide our Services now and in the future.

- 4.52 This EIA has also established we wish to increase the number of outward facing community focused EIAs, as they are key enablers for service improvement. This functional assessment will assist trained Prevention and Protection managers in conducting and completing more EIAs as these have been identified as a priority within the Prevention Tactical Plan.

Work with our partners to reduce the likelihood of incidents affecting communities that experience multiple disadvantages and/or discrimination.

- 4.53 It has been a year of growth, development, and community building. Our Prevention Team have strengthened our existing partnerships to create outputs that improve lives and build communities. Our engagement with partners who work with vulnerable service users is targeted to where we can make most impact around safety and this year, we continued to undertake the provision of training for partners, including at an event at Scunthorpe Fire Station.

- 4.54 To address increased domestic fire fatalities this year which were outside our existing fire fatality profiles, we have specifically targeted our partners who work with the affected groups/protected characteristics to create direct referral routes and to undertake joint awareness raising training with them.

- 4.55 Utilising NFCC equality of access to services toolkit we have created direct access to service routes for vulnerable groups and people across protected characteristics.

- 4.56 Another key area of partnership working is around road safety. Through working with Safer Roads Humber the work this year has included several presentations to refugees

at Hull college on Cycle safety and to adult European drivers about driving rules in the UK.

- 4.57 Continued involvement in the Peel Project in Hull is a key part of our community focused partnership strategy. To continue to offer support to those from disadvantaged and BAME communities and allow equal access to our safety messages and services. We have successfully received funding from Tomlinson's social value fund for the Peel Project. This sponsorship was to provide support for their on-going work with diverse communities.
- 4.58 Our involvement this year has included, canal boat trip for community leaders, youth engagement activities, supported youth visits to Central Fire station and attendance at the Ladies Bazaar where we engaged with many BAME women and children of South Asian, Arab and African descent. All of which appreciated the advice and support of our service and many of which have gone away with greater knowledge of not only how to call the Fire Service but with Fire Safety knowledge to help to keep their families and Communities safe
- 4.59 To help support communities through the cost of living crisis this year we also developed a resource bank of information which our prevention staff and operational crews use when engaging with communities. This mirrored support for staff developed through our Voices for Women Cost of Living Event.
- 4.60 We also delivered a comprehensive programme of water safety education in response to the heatwave and continued high temperatures during summer 2022 and several fire safety education presentations were delivered this year to support refugees who are new to UK or do not speak English as a first language.

Forward Look: Work on PSED Priorities during 2023-2024

- 4.61 Next year (2023-2024) will be the fourth and last year we implement our existing priorities to achieve outcomes for our communities and employees. We will then be consulting with a wide range of stakeholders to refresh our objectives.
- 4.62 An example of actions in our 5 Priorities of our PSED action plan for next year are:

Priority 1 Leading by example on equality	Promote and support new and emerging Staff Forums and Groups including an Age Equality Forum and Allyship Group.
Priority 2 Increase diversity throughout our workforce	Continue our positive attraction campaigns targeting women, and men and women from BAME communities.
Priority 3 Ensuring a safe and fair workplace for all staff	Service wide implementation of the reasonable adjustment guidance and passports for existing staff, recruitment and promotion processes.
Priority 4 Continuing to improve our knowledge of our diverse communities and how we engage with them	Implement a wider range of robust EIA's in prevention with improvement outcomes.
Priority 5 Identifying the fire and other emergency risks linked to multiple disadvantage and discrimination	Utilise new sources of data to improve community engagement and provision of services.

5. EQUALITY IMPLICATIONS

- 5.1 An EIA has been completed, a summary of the negative impacts and mitigation are as follows:

Protected Characteristic	Mitigating Action
Disability	Full launch of Reasonable Adjustment guidance and passport process and roll out of coaching/training will allow those staff who require reasonable adjustments within the workplace to access them and it will enhance access to HFRS jobs for disabled candidates.
Race	We need to continue with positive attraction for BAME. Implementation of robust EIAs in prevention is expected to improve the outcomes in this protected characteristic.
Religion/Belief	To identify and consider data sources to understand if there are any negative impacts for this protected characteristic. Further analysis of the Service EIA to identify these negative impacts will be undertaken during 2023-24.
Sexual Orientation	Analysis of Employee data from PDR 2023 will identify current disclose rates for this protected characteristic.

6. CONCLUSION

- 6.1 Members are requested to approve the EDI Annual Report for 2022/2023.

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Background Papers

None

Glossary/Abbreviations

AFSA	Asian Fire Services Association
BAME	Black, Asian, Minority Ethnic
EDI	Equality Diversity Inclusion
EIAs	Equality Impact Assessments
GAS	Governance and Scrutiny Committee
HANA	Hull All Nations Alliance
HFRS	Humberside Fire and Rescue Service
Hull FC	Hull Football Club (Rugby League)
Hull KR	Hull Kingston Rovers (Rugby Club)
LGA	Local Government Association
NFCC	National Fire Chief Council
OCSI	Oxford Consultants for Social Inclusion
PDR	Performance Development Review
PSED	Public Sector Equality Duties
RAPDG	Reasonable Adjustment Policy Delivery Guidance
WFSUK	Women in the Fire Service UK

**CASE STUDIES DEMONSTRATING AND EVIDENCING OF EDI ACTIVITY/WORK AND
PROGRESS DURING 2022/2023**

EDI Case Studies for 2022/2023

(Priority 1 – Leading by example on equality)

Allyship and Career Development for Women

On 8th March this year on International Women's Day the Voices for Women Forum hosted a workshop event on Career Development for Women.

This workshop gave an opportunity for male and female allies and line managers to share skills and approaches to actively develop and progress all women across the Service and openly challenge barriers to change. Our CFO championed this Event in our staff bulletin which let all staff know it was a priority and supported their attendance by quoting “We wish to build upon our current programme, including actively developing and



progressing women across our service (operational, green book and control) and openly challenging barriers to change. For this to be effective we need male allies in the service to step up and openly and consistently support women”.

It also gave women at the workshop the chance to chat with other women, and explore their thinking around what job satisfaction, career success and happiness at work means to them and consider options, pathways and next steps to achieve their chosen career. It also gave them tools on how best to prepare and manage the process of applying for posts within the Service and identify the key characteristics needed for their next role and their own individual strengths and areas for improvement.

Allyship is now very much a key focus for HFRS, and the Service continues to support women to improve their working experience and also with health challenges, and to offer development and career opportunities. An Allyship Group is developing which is open to male and female staff at all levels who are committed to learning and taking action to promote equality across all equality strands at HFRS.

(Priority 2 – Increasing diversity throughout our workforce)
Positive Action in recruitment

HFRS is committed to increasing diversity within our workforce. We understand where we have under-representation across the protected characteristics of the Equality Act, and we have been undertaking a wide range of targeted positive attraction events to promote opportunities to under-represented groups and to support individuals to succeed in recruitment processes.

On Call recruitment to full time and transfers in - we continued our engagement and support for on call women, 'rookie reds' and Black, Asian and minority ethnic (BAME) men and



women that either completed the 10-week programme or did not make it through to last round of Full-time firefighter recruitment processes. This included development of a guide to on-line testing, production of sample questions for interview practice, and a refresh and expansion of recruitment support on our website.

North Lincolnshire Job Fair

Preparation for full time recruitment during 22/23 Included a range of events which will

ensure a targeted pro-active engagement with women and BAME men and women.

Our positive attraction events have included use of a broad range of media promoting careers at HFRS including an event at the foundry Scunthorpe, St Stephens in Hull and Freshney Place in Grimsby, along with a Zoom Q&A and posters in CrossFit gyms.

During 2022 we also hosted the British Fire Fighter challenge and had a positive attraction stand to promote our roles to the public.

(Priority 3 – Ensure a safe and fair workplace for all staff)
Promoting Disability Equality

Disability Passport introduction - The introduction of HFRS Reasonable Adjustments (RA) Policy and Passport has been another stride towards inclusivity for HFRS.

Initiated by Voices for Disability members who, from their own lived experience and their support to other staff, identified a gap around a clear policy and pathway for disabled staff to gain reasonable adjustments more easily when needed. Having identified a need, the Forum, along with professionals in the People Directorate, undertook extensive research to identify a range of best practice. This showed that having a clear policy and process, along with a passport (an agreed statement of reasonable adjustments for the member of staff to take with them to different roles) was needed. The new RA Policy and passport process and paperwork has now been trialled and will be launched shortly.

Support for Neurodiversity

Over the past 12 months, as awareness along with confidence of disabled staff increased, there has been a notable increase in members of staff requesting support related to neurodiversity. Rather than viewing this as a challenge, we regard it as a positive shift towards openness, dialogue, and understanding of neurodiversity in our workplace. By encouraging our staff to voice their unique needs we are better positioned to provide them with the necessary resources and adjustments to thrive.

We have also seen the increasing influence neurodiverse managers are beginning to have on the service. Their unique perspectives and problem-solving abilities have driven innovation and to the development of more effective strategies. Their contributions will undeniably enrich our service delivery, demonstrating the immense value of a diverse and inclusive workforce.

To provide more equality for neurodiverse operational personnel, the Service introduced Portfolios of Evidence into the promotion process this year. These portfolios allow candidates to demonstrate their skills, knowledge and experience in a broader range of ways than traditional assessment methods. This ensures fair representation and strengthens the validity of our selection processes.

Supporting and managing menopause in the workplace

This year the Service has formed a Menopause staff group with the overall purpose of promoting a supportive and open culture around menopause in the workplace, with aims as follows:

- Assist managers in being aware of potential symptoms and ensure they feel comfortable discussing the menopause.
- Treating everyone as an individual
- Make suggestions for reasonable adjustments
- To signpost managers to HFRS's Menopause Policy
- To raise awareness on how staff can support colleagues
- To provide a safe space for individuals to talk about their menopause journey

The menopause policy has been developed, consulted on and adopted this year which provides support and guidance.

Currently the Service is working towards the 'Menopause Friendly Accreditation' to show its commitment to supporting women through the menopause and helping make HFRS a good place to work for women.

(Priority 4 – Continue to improve our knowledge of diverse communities and how we engage with them)

Supporting Community EDI events

Over the last year HFRS has attended many EDI events in the community to engage and to provide information on safety and how to apply for jobs. Key Events over the summer of 2022 were Pride Celebrations. HFRS senior managers and staff attended all Humberside Prides Celebrations at Hull, Grimsby and Cleethorpes and Bridlington. Involvement with these events provides an opportunity for the Service to show support for LGBTQ+ colleagues and those in the community it serves.



Hull Pride in July 2022 marked Pride's 21st anniversary in the city and teams from HFRS attended including members from HFRS's Senior Management Team who were present in the parade. HFRS LGBTQ+ Forum Chair engaged with Hull Pride committee in co-ordinating Parade volunteers. (need pic of Hull Pride). HFRS Pride decorated Fire Engine attended at Bridlington Pride which was the first Pride for the Town and held at Bridlington Spa. At most Pride Celebrations HFRS Pride decorated Fire Engine was present and both operational and prevention staff were engaging with communities to provide information on recruitment and safety.

Members of HFRS LGBTQ+ Forum attended each Pride and talked about the Forum. Even at Towns where they do not yet have Pride Celebrations Rainbow flags flew at HFRS Fire Stations and staff were engaged. At Scunthorpe Station a member of HFRS LGBTQ+ Forum gave a talk on her experiences to station staff, to reduce stigma and raise awareness.

(Priority 5 – Identifying the fire and other emergency risks linked to multiple disadvantage and discrimination)
Engaging with diverse communities

It has been a year of growth, development, and community building for HFRS. We have strengthened our existing partnerships to create outputs that improve lives and build communities.

The Peel Project is a trusted organisation within the local community which HFRS has partnered with. It is recognised for carrying out activities which benefit the community and in particular to ethnic minority communities in Hull.

The focus of the Peel Project work is to offer support to those suffering deprivation, those who are new to UK or do not speak English as a first language and need support (low income families who cannot afford to support their children in extracurricular activities) and education.

Work with the Peel Project has included:

- Peel Project Ladies Bazaar engaged with many BAME women and children of South Asian,

Arab, and African descent who were provided with information on fire safety to keep families safe.

- A canal boat trip for the Peel Project Community Leaders via Solutions.
- Successfully applying for monies from Tomlinson's social value fund for Peel Project. This was to provide support for their on-going work with diverse communities.
- Delivering several fire safety education presentations to support refugees who are new to the UK or do not speak English as a first language.
- Water safety education in response to the heatwave and continued high temperatures last summer.

In addition, the Service has engaged with other communities including arranging a Ukrainian visit to Bridlington Fire Station, and also sponsoring the Venture Smith Rugby Cup during Black History Month.



Venture Smith Rugby Cup

HFRS Equality Ambassadors – as at February 2023

Previously SLT agreed that each member of SLT, except for the Chief Fire Officer, and Deputy Chief Fire Officer could be an Equality strand Ambassador for HFRS, these were reviewed in February 2023 and allocated as follows:

1. Race and Religion Ambassador – Jon Henderson
2. LGBTQ+ Ambassador – Jason Kirby
3. Sex Equality Ambassador – Christine Cooper
4. Disability Ambassador – Matt Sutcliffe
5. Age Ambassador – Steve Duffield

The CFO will have a role in supporting all HFRS Staff Forums via bi-annual meetings

Due to changes in the Executive and Senior Leadership Team these roles were revised in December 2022 and we are allocated with the following rationale:

	EDI strand	Exec/SLT member allocation	Proposed Exec/SLT	Reason
1	Race Equality and Religion and Belief	Niall McKiniry	Jon Henderson	Community inclusion is in Jon's portfolio
2	LGBTQ+	Kevin Wilson	Jason Kirby	Pride month and crew attendance
3	Sex	Christine Cooper		Remains the same Active staff forum
4	Disability	Jason Kirby	Matt Sutcliffe	Active staff forum
5	Age	Steve Duffield		Remains the same

This removes Kevin Wilson given his split time with HP and Niall McKiniry as the DCFO with new ACFO role established and in post.

Role of Equality Strand Ambassadors

- **Represent HFRS** in relation to its approach and work to promote equality across the Ambassadors equality strand e.g. sexual orientation equality, racial equality, disability equality
- **Personal attributes** - the role is will require personal, emotional and intellectual commitment. It may require an openness to explore personal unconscious bias and learn from each other, staff and community members.
- **Organisational and community leadership** – the role will contribute to solving challenges related to inequalities within HFRS and the communities served. This may involve being part of any local or multi-agency group or initiating groups/campaigns and helping to overcome barriers, or act as a contact and support for those staff that attend such meetings, e.g. Head of Prevention and Public Safety.
- **Support for change:** The role will involve supporting actions aimed at reducing inequalities or enabling groups to raise their voice.
- **Communicating Issues related to Role** Ambassadors will regularly communicate to staff, managers and Members about issues related to their role. They will each host at least one Event for staff and communities around the annual calendar of Events e.g. International Men's day, World Mental Health Day, Dyslexia Awareness Week, Diwali, Ramadan etc.

- **Confidentiality:** The role may involve hearing personal testimonies from staff and community members. Potentially about sensitive issues such as harassment or inequality. This will require an ability to work with confidentiality protocols and also reflect on how to advise, signpost, and safeguard, and use appropriate policies of HFRS.

HFRS Equality Champions (to be inaugurated within PSED action plan 2023/24)

As well as Senior equality Ambassadors HFRS are aiming to develop Equality Champions who will provide peer support for all staff and managers on issues of equality and inclusion. Previous Equality Champions have been consulted on launching this initiative. Equality Champions will provide confidential support to individuals and help to managers on any E&I issues. Their work may involve personal support and signposting for an employee who is experiencing issues around harassment; helping managers brief their team on any E&I issue.

EDI Steering Group

HFRS Equality Ambassadors are welcome to attend the EDI Steering Group and contribute on issues related to their ambassadorial remit.

Available support and resources

1. Library of Resources

OD have developed a Library of resources on equality and inclusion and on each of the protected characteristics of the Equality Act. This work has been initiated to support our Equality Ambassadors but will also be available to all staff. This is available on [SharePoint OD Team page](#).

It will be developed further on a continuous basis and hopefully Ambassadors, staff and managers will source materials to add to the Library.

2. Training for Ambassadors

This can be sourced upon individual/joint request.

3. Involvement in Staff Forums

As well as Ambassadors initiating their own involvement in national and local Community Forums HFRS staff and managers have identified the following relevant Forums for Ambassadors to get involved with, for example:

- Asian Fire Service Association - issues around promoting race and religion and belief equality - contact HFRS AFSA Reps – Simona Raducan/Anne Stott
- Women in the Fire Service UK – supporting women in FRS sector and promoting gender equality – contact HFRS Rep. Natalie Parkinson
- Hull & East Riding LGBT Forum – community led forum campaigning for better LGBT services, leads Hull Pride – contact Rachael Harrison
- Humberside Police Forum – staff forum that meets quarterly to support all minority groups – contact Sam O'Connor/Sarah Wilkinson
- East Riding Council Disability Advisory Group – organisation and community forum - contact Sarah Wilkinson

4. HFRS Staff Forums

As HFRS staff forums develop Chairs from these Forums may wish to have discussions with relevant Ambassadors to determine what role and support The Forum may need from them. Currently HFRS have the following Staff Forums:

Voices for Disability – contact Chair Ian Marritt
 Voices for Women – contact Chair Lesley Butcher
 LGBTQ+ Forum – contact Chair Rachael Harrison

BULLYING, HARASSMENT & DISCRIMINATION INTERNAL AUDIT REPORT 2023/2024

1. SUMMARY

- 1.1 Members approved the annual internal plan in March 2023 (Appendix 1), with each of the selected topics informed by identified risk-based themes detailed in the Service Improvement Plan and/or the Corporate Risk and Opportunity Register, which included an assurance review of 'Bullying, Harassment and Discrimination'.
- 1.2 'Bullying, Harassment and Discrimination' was an assigned four-day internal audit conducted from 21 to 28 July 2023 by TIAA (commissioned internal auditors).
- 1.3 The overarching scope of the internal audit considered Service actions taken to minimise instances of bullying, harassment, and promotion of the No Tolerance campaign, stated in the Audit Planning Memorandum (APM), (Appendix 2).
- 1.4 The internal audit methodology consisted of desktop reviews of associated documentation, analysis of monitoring and recording, sample testing, staff interviews, introduction and exit meetings.
- 1.5 The Service received an overall assessment rating of reasonable assurance with three important and one routine action point recommendations identified (Appendix 3), against which the Service provided its managerial responses to address.
- 1.6 The Service has now completed each of the action point recommendations, which will be subject to a mid-year follow as part of the internal audit plan 2023/24.

2. RECOMMENDATIONS

- 2.1 It is recommended that the Fire Authority receives the report and notes that:
 - (i) the Service has adhered to the Annual Internal Plan through the completion of the Bullying, Harassment and Discrimination internal audit, receiving a rating of reasonable assurance.
 - (ii) each of the action point recommendations have been addressed and completed.
 - (iii) the outcomes from the internal audit will be used to inform further learning and supportive evidence for His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS), values and culture report.
 - (iv) TIAA will quality assure the Service completion of the action point recommendations in their scheduled mid-year follow up audit.

3. BACKGROUND

- 3.1 HMICFRS stated in their round two inspection of the Service the need to do more in tackling bullying, harassment and discrimination stating, *'Staff have a good understanding of what bullying, harassment and discrimination are and their negative effect on colleagues and the organisation. In our staff survey, 15% of staff who responded to the survey (35 of 233) told us they had been subject to bullying or harassment in the past year. In most cases, the source of bullying, harassment or discrimination was described as someone in a management position'*.

- 3.2 The Service addressed HMICFRS inspection finding by managing the resulting actions through the Service Improvement Plan, which included the actioning of the internal audit.

4. REPORT DETAIL

- 4.1 The internal audit report provided clear recommendations for the Service to address, using their assessment criteria and priority grading systems (3.4), as detailed below:
- i. It be ensured that reported complaints are dealt with in a more timely manner to minimise potential stress to all those involved. (Priority 2 Important).
 - ii. The Senior Leadership Team be provided with regular updates on bullying, harassment and discrimination cases including actions taken and outcomes incorporating external complaints to the service, including any trends. (Priority 2 Important).
 - iii. Training for the Freedom to Speak Up Guardian be undertaken and completed as soon as it is practicable to ensure consistency is delivered and to ensure the Freedom to Speak Up Guardian understands speaking up and its importance in creating an environment in which people are supported to deliver their best. (Priority 2 Important).
 - iv. The Exit Feedback Form be strengthened to include bullying, harassment, and discrimination as specific examples of workplace issues that are the reason for leaving. (Priority 2 Important).
- 4.2 The internal audit report identified good practice in the following:
- i. Regular communication on the Zero Tolerance campaign are reinforced through the staff magazine/ bulletin, which is published every fortnight. In the most recent editions, the different support routes available to staff members who may be facing bullying, harassment and victimisation are listed.
- 4.3 For context TIAA use a four-level tiered assessment approach (Substantial Assurance, Reasonable Assurance, Limited Assurance and No Assurance) to inform the overall assurance rating issued. In coordination with this a three-tier priority grading is used (1 Urgent, 2 Important and 3 Routine) against each of the respective findings and recommendations.

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 the recommendations outlined, with the Service proactively seeking continuous improvement in this area.

Steve Duffield
Area Manager of Service Improvement

Officer Contact

Jamie Morris - Designate Head of Corporate Assurance

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✉ jmorris@humbersidefire.gov.uk

Background Papers

[HMICFRS Values and Culture Report](#)

[HMICFRS Round 2 Inspection Report HFRS](#)

Appendices

Appendix 1: Internal Audit Plan 2023/24

Appendix 2: Bullying, Harassment and Discrimination APM

Appendix 3: Bullying, Harassment and Discrimination Final Report

Glossary/Abbreviations

APM	Audit Planning Memorandum
HMICFRS	His Majesty's Inspectorate of Constabulary and Fire & Rescue Services



Humberside Fire and Rescue Service

Internal Audit Annual Plan 2023/24

2023/24



February 2023

FINAL

OVERVIEW

Introduction

The Audit Plan for 2023/24 has been informed by a risk assessment carried out across our fire service clients and by an updated audit risk assessment to ensure that planned coverage for the year is focussed on the key audit risks, and that the coverage will enable a robust annual Head of Internal Audit Opinion to be provided.

Key Emerging Themes

This year will continue to be another challenging year for the fire service in terms of the macroeconomic and financial environment, spiralling costs and the labour market. We have identified a number of key areas which will individually and collectively affect the sector in various ways; these require consideration when planning internal audit coverage.

Macroeconomic and financial environment: The UK economy has experienced a sequence of significant events including Brexit, the pandemic and the conflict in Ukraine. Further challenges lie ahead as the government seeks to cut spending and raises taxes to plug the gap in the UK's finances. Rapid and increasingly prolonged inflation, rising interest rates, shortages in the labour market and continuing supply chain disruption are leading to increased costs and a challenging financial situation for many.

Increasing wage demands: One of the consequences of the economic situation is demands for significant pay increases to help combat the effect of inflation and a perceived lack of pay progression for over a decade. This has seen strike action taking place or planned by rail workers, postal workers, lecturers, bus drivers and nurses. This will put pressure on organisational budgets and present challenges in recruitment.

Cyber security: This continues to be one of the highest ranked risks for organisations and shows no sign of going away. The widespread move to remote working and increased online service delivery has made organisations more vulnerable to phishing, malware, and ransomware attacks, particularly where there has been a lack of investment in infrastructure.

Climate change: Global warming can lead to physical, operational, financial and reputational risks arising. 'Loss and damage' - the phrase used to describe the destruction being wrought by the climate crisis - will remain high on the agenda. Aside from the obvious environmental impact, climate change can stress local economies, threaten business models and pose widespread disruption to organisations.

Adequacy of the planned audit coverage

The reviews identified in the audit plan for 2023/24 support the Head of Internal Audit's annual opinion on the overall adequacy and effectiveness of the Fire Service's framework of governance, risk management and control as required by TIAA's charter. The reviews have been identified from your assurance framework, risk registers and key emerging themes.

INTERNAL AUDIT PLAN

Audit Strategy Methodology

We adopt a proprietary risk-based approach to determining your audit needs each year which includes reviewing your risk register and risk management framework, the regulatory framework, external audit recommendations and previous internal audit work for the organisation, together with key corporate documentation such as your business and corporate plan, standing orders, and financial regulations. For 2023/24, we have conducted an analysis of the key risks facing the sector and client base more broadly to inform our annual planning. The Audit Strategy is based predominantly on our understanding of the inherent risks facing the Fire Service and those within the sector and has been developed with senior management.

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.

Risk Prioritisation

Each year an updated risk assessment is carried out to ensure the Audit Plan remains fully aligned with the key risks facing the Fire Service. We take in to account any emerging or heightened risks that are facing the sector, to ensure that the work of internal audit remains appropriately focused.

Internal Audit Plan

Following the risk prioritisation review, the Annual Plan (Appendix A) sets out the reviews that will be carried out, the planned times and the high-level scopes for each of these reviews.

The Annual Plan will be subject to ongoing review and could change as the risks change for the organisation and will be formally reviewed with senior management and the Governance, Audit and Scrutiny (GAS) Committee mid-way through the financial year or should a significant issue arise.

The overall agreed time for the delivery of each assignment within the Annual Plan includes: research; preparation and issue of terms of reference; site work; production and review of working papers; and reporting.

The Annual Plan has been prepared on the assumption that the expected controls will be in place.

The total number of days required to deliver the Audit Plan is as agreed in the contract between TIAA and the Humberside Fire and Rescue Service. This number of days is fixed and it is TIAA's responsibility to deliver the Audit Plan for this number of days. Where the Fire Service agrees additional work the required number of days and the aggregate day rate will be agreed in advance with the Executive Director of Service Support and S151 Officer and will be clearly set out in the terms of reference for the additional review(s).

Release of Report

The table below sets out the history of this plan.

Date plan issued:	9 th February 2023
Date final plan issued:	23 rd February 2023

APPENDIX A: ANNUAL PLAN – 2023/24

Quarter	Review	Type	Days	High-level Scope
1	Bullying, Harassment and Discrimination	Assurance	6	The review will consider the action taken to minimise instances of bullying, harassment and discrimination, the reporting and investigation processes. The review will also consider promotion of the No Tolerance campaign.
3	Enforcement Powers and Priorities	Assurance	6	The review will consider the actions taken by the Fire Service in ensuring that enforcement powers prioritise the highest risks and high-risk premises are visited in line with policy.
1	Effectiveness of Systems (used to learn from operational Incidents)	Assurance	6	The review considers the arrangements in place to ensure that debriefs are undertaken in relation to a broad range of operational incidents and that appropriate lessons learned exercises are undertaken and communicated through appropriate channels.
2	National Operational Guidance	Assurance	5	The audit will review the effectiveness of NOG implementation against the plan, including staff training and guidance, communication of plans and understanding among staff.
1	Service Absolutes Process	Assurance	6	The review will evaluate the consistency in application, value, accuracy, recording and alignment to related performance management measures for the absolutes process. The review will also include the understanding of absolutes among staff.
2	Follow-up (Mid-year)	Follow Up	2	Follow-up of implementation of agreed priorities one and two actions from audit reports, ensuring the Fire Service are implementing recommendations, and providing reports to GAS Committee.
2	Staff Development	Assurance	6	The review will consider whether the Fire Service is applying appropriate practices related to staff development and talent management including workforce planning, recruitment and staffing strategies, succession management, learning and development and performance development reviews. The review will also assess the effectiveness and communication of the “Pipeline” process.
1	Mobile Data Terminal’s (MDT) performance	Assurance	6	The review will consider the effectiveness of the Mobile Data Terminals in use on fire engines including the accuracy, and accessibility of information provided through MDT’s, training provided to staff and the utilisation of the reporting processes for defects.
4	ICT Management Controls	Assurance	4	The review considers the arrangements for: access security; back up retention periods; email/ internet policy and enforcement; licence monitoring, upgrade controls and protocols for communicating with third parties. The scope of the review does not include consideration of the training needs; or the appropriateness of file sharing.

Quarter	Review	Type	Days	High-level Scope
3 or 4	Key Financial Controls	Assurance	7	<p>The review will assess the adequacy and effectiveness of the internal controls in place for managing the following key financial systems.</p> <ul style="list-style-type: none"> • Creditor Payments; • Payroll; • Treasury Management; • Debtors; • General Ledger; and • Pensions
4	Follow-up	Follow up	2	Follow-up of implementation of agreed priorities one and two actions from audit reports, ensuring the Fire Service are implementing recommendations, and providing reports to GAS Committee.
1	Annual Planning	Management	2	Assessing the Fire Service's annual audit needs.
4	Annual Report	Management	1	Reporting on the overall conclusions and opinion based on the year's audits and other information and providing input to the Annual Governance Statement.
1 – 4	Audit Management	Management	6	This time includes: meeting client management, overseeing the audit plan, reporting and supporting GAS Committee, liaising with External Audit and Client briefings (including fraud alerts, fraud digests and committee briefings).
Total days			65	

APPENDIX C: INTERNAL AUDIT CHARTER

The Need for a Charter

The Audit Charter formally defines internal audit's purpose, authority and responsibility. It establishes internal audit's position within the Fire Service and defines the scope of internal audit activities. The establishment of the Audit Charter is a requirement of the Public Sector Internal Audit Standards (PSIAS) and approval of the charter is the responsibility of the GAS Committee.

Definition of Internal Auditing

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The Role of Internal Audit

The main objective of the internal audit activity carried out by TIAA is to provide, in an economical, efficient and timely manner, an objective evaluation of, and opinion on, the overall adequacy and effectiveness of the framework of governance, risk management and control. TIAA is responsible for providing assurance to the Fire Service's senior management and governing body (being the body with overall responsibility for the organisation) on the adequacy and effectiveness of the risk management, control and governance processes.

Standards and Approach

TIAA's work will be performed with due professional care, in accordance with the requirements of the PSIAS and the IIA standards which are articulated in the International Professional Practices Framework (IPPF).

Scope

All the Fire Service's activities fall within the remit of TIAA. TIAA may consider the adequacy of controls necessary to secure propriety, economy, efficiency and effectiveness in all areas. It will seek to confirm that the Fire Service's management has taken the necessary steps to achieve these objectives and manage the associated risks. It is not within the remit of TIAA to question the appropriateness of policy decisions; however, TIAA is required to examine the arrangements by which such decisions are made, monitored and reviewed.

As well as providing the required level of assurance, TIAA's may engage in consultancy activity that contributes to the overall assurance that can be delivered to the GAS Committee.

TIAA may also conduct any special reviews requested by the Board, GAS Committee or the nominated officer (being the post responsible for the day-to-day liaison with TIAA), provided such reviews do not compromise the audit service's objectivity or independence, or the achievement of the approved audit plan.

Access

TIAA has unrestricted access to all documents, records, assets, personnel and premises of the Fire Service and is authorised to obtain such information and explanations as they consider necessary to form their opinion. The collection of data for this purpose will be carried out in a manner prescribed by TIAA's professional standards, Information Security and Information Governance policies.

Independence

TIAA has no executive role, nor does it have any responsibility for the development, implementation or operation of systems; however, it may provide independent and objective advice on risk management, control, governance processes and related matters, subject to resource constraints. For day-to-day administrative purposes only, TIAA reports to a nominated officer within the Fire Service and the reporting arrangements must take account of the nature of audit work undertaken. TIAA has a right of direct access to the chair of the board, the chair of the GAS Committee and the responsible accounting officer (being the post charged with financial responsibility).

To preserve the objectivity and impartiality of TIAA's professional judgement, responsibility for implementing audit recommendations rests with the Fire Service's management.

Conflict of Interest

Consultancy activities are only undertaken with distinct regard for potential conflict of interest. In this role we will act in an advisory capacity and the nature and scope of the work will be agreed in advance and strictly adhered to.

We are not aware of any conflicts of interest and should any arise we will manage them in line with TIAA's audit charter and internal policies, the PSIAS/IIA standards and the Fire Service's requirements.

Irregularities, Including Fraud and Corruption

TIAA will without delay report to the appropriate regulator, serious weaknesses, significant fraud, major accounting and other breakdowns subject to the requirements of the Proceeds of Crime Act 2002.

TIAA will be informed when evidence of potential irregularity, including fraud, corruption or any impropriety, is discovered so that TIAA can consider the adequacy of the relevant controls, evaluate the implication of the fraud on the risk management, control and governance processes and consider making recommendations as appropriate. The role of TIAA is not to investigate the irregularity unless commissioned to do so.

Limitations and Responsibility

Substantive testing will only be carried out where a review assesses the internal controls to be providing 'limited' or 'no' assurance with the prior approval of the Fire Service and additional time will be required to carry out such testing. The Fire Service is responsible for taking appropriate action to establish whether any loss or impropriety has arisen as a result of the control weaknesses.

Internal controls can only provide reasonable and not absolute assurance against misstatement or loss. The limitations on assurance include the possibility of one or more of the following situations, control activities being circumvented by the collusion of two or more persons, human error, or the overriding of controls by management. Additionally, no assurance can be provided that the internal controls will continue to operate effectively in future periods or that the controls will be adequate to mitigate all significant risks that may arise in future.

The responsibility for a sound system of internal controls rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses that may exist. Neither should internal audit work be relied upon to identify all circumstances of fraud or irregularity, should there be any, although the audit procedures have been designed so that any material irregularity has a reasonable probability of discovery. Even sound systems of internal control may not be proof against collusive fraud.

Reliance will be placed on management to provide internal audit with full access to staff and to accounting records and transactions and to ensure the authenticity of these documents.

The matters raised in the audit reports will be only those that come to the attention of the auditor during the course of the internal audit reviews and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. The audit reports are prepared solely for management's use and are not prepared for any other purpose.

Liaison with the External Auditor

We will liaise with the Fire Service's External Auditor. Any matters in the areas included in the Annual Plan that are identified by the external auditor in their audit management letters will be included in the scope of the appropriate review.

Quality Assurance

TIAA recognises the importance of Internal Audit being controlled at each stage to ensure that we deliver a consistent and efficient Internal Audit service that is fully compliant with professional standards and also the conditions of contract. We operate a comprehensive internal operational quality review process to ensure that all Internal Audit work is carried out in accordance with these standards. These quarterly reviews are part of our quality management system which has ISO 9001:2015 accreditation.

Governance, Audit and Scrutiny Committee Responsibility

It is the responsibility of the Fire Service to determine that the number of audit days to be provided and the planned audit coverage are sufficient to meet the Committee's requirements and the areas selected for review are appropriate to provide assurance against the key risks within the organisation.

By approving this document, the GAS Committee is also approving the Internal Audit Charter.

Reporting

Assignment Reports: A separate report will be prepared for each review carried out. Each report will be prepared in accordance with the arrangements contained in the Terms of Reference agreed with TIAA and which accord with the requirements of TIAA's audit charter and PSIAS/IIA standards.

Progress Reports: Progress reports will be prepared for each GAS Committee meeting. Each report will detail progress achieved to date against the agreed annual plan.

Follow-Up Reports: We will provide an independent assessment as to the extent that priority 1 and 2 recommendations have been implemented. Priority 3 recommendations are low-level/housekeeping in nature and it is expected that management will monitor and report on implementation as considered appropriate.

Annual Report: An Annual Report will be prepared for each year in accordance with the requirements set out in TIAA's audit charter and PSIAS/IIA standards. The Annual Report will include a summary opinion of the effectiveness of the Fire Service's governance, risk management and operational control processes based on the work completed during the year.

Other Briefings: During the year Client Briefing Notes, Benchmarking and lessons learned digests will be provided. These are designed to keep the organisation abreast of in-year developments which may impact on the governance, risk and control assurance framework.

Assurance Assessment Gratings

We use four levels of assurance assessments as set out below.

Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
Reasonable Assurance	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
Limited Assurance	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
No Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

Data Protection

TIAA has policies, procedures and processes in place to comply with all associated regulation and legislation on information security, which is underpinned by mandatory annual awareness training for all staff. To carry out our role effectively, we need to obtain information that is reliable, relevant and sufficient to support our findings and recommendations. The collection of data, particularly sensitive personal data, is minimised and is not shared with unauthorised persons unless there is a valid and legal requirement to do so. We have clear policies on the retention of data and its appropriate, controlled disposal. TIAA has a fully robust Information Security Management System that meets all the requirements of ISO27001:2013.

Disclaimer

The matters raised in this planning report, along with those raised in our audit and annual reports, are only those that came to the attention of the auditor during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Performance Standards

The following Performance Targets will be used to measure the performance of internal audit in delivering the Annual Plan:

Performance Measure	Target
Completion of planned audits.	100%
Audits completed in time allocation.	100%
Draft report issued within 10 working days of exit meeting.	100%
Final report issued within 10 working days of receipt of responses.	100%
Compliance with TIAA's audit charter and PSIAS/IIA Standards.	100%

AUDIT PLANNING MEMORANDUM

Client:	Humberside Fire and Rescue Service
Review:	Bullying, Harassment and Discrimination
Type of Review:	Assurance
Review Agreed By:	In the Annual Plan 2023/24

Planned Start Date:	21 st July 2023
Planned Exit Meeting Date:	26 th July 2023

Lead Auditor:	Ade Kosoko
Exit Meeting to be held with:	TBC

SELF ASSESSMENT RESPONSE (to be completed by the client)

Matters over the previous 12 months relating to activity to be reviewed (to be covered at the opening meeting).	Y/N
Has there been any reduction in the effectiveness of the internal controls due to staff absences through sickness and/or vacancies etc?	
Have there been any breakdowns in the internal controls resulting in disciplinary action or similar?	
Have there been any significant changes to the process?	
Are there any particular matters/periods of time you would like the review to consider?	

Outline scope (per Annual Plan):

The review will consider the action taken to minimise instances of bullying, harassment and discrimination, the reporting and investigation processes. The review will also consider promotion of the No Tolerance campaign.

Detailed scope

The review will set out to provide assurance to the Governance, Audit and Scrutiny Committee that the organisation has robust controls in relation to the preventing and managing cases of bullying and harassment and discrimination.

- The policy and procedures are up-to-date, clearly define responsibilities and are available to staff.
- Practices are in place to prevent Bullying, Harassment and Discrimination.
- Staff inductions and ongoing briefing cover these areas.
- A designated trained contact is in place to receive and manage cases.
- Reported complaints are dealt with in a timely manner.
- Complaints are recorded centrally for monitoring purposes.
- Exit meetings and staff surveys are utilised to gauge workplace culture and to track trends.
- The No Tolerance campaign has been promoted to staff.

Information / documentation request

Any policies and procedures that are relevant to the audit subject areas.
 Details of any action plans in place in order to prevent Bullying, Harassment and Discrimination.
 Details of staff briefings in relation to the subject matter, including the No Tolerance campaign.
 Details of the team/member of staff responsible for receiving and investigating complaints and any training that they have received.
 Copy of the staff induction.
 Copy of the results any staff surveys undertake.
 Copy of the exit interview survey and any issues identified that are related to the audit scope.
 Any relevant reports that have been presented to senior management/committee, etc.
 Access to documentation in relation to complaints raised.

Appendix 3



Internal Audit

FINAL






Humberside Fire & Rescue

Assurance Review of Bullying, Harassment and Discrimination

2023/24

September 2023

Executive Summary

OVERALL ASSESSMENT	KEY STRATEGIC FINDINGS								
<div></div>	<div><div><p>Staff inductions and regular briefings from the Chief Fire Officer cover the Service's position on bullying, harassment and discrimination. There is also a designated contact/ Freedom to Speak Up Guardian, however they are yet to be trained as a Freedom to Speak Up Guardian.</p></div><div><p>Complaints relating to bullying, harassment and discrimination are recorded centrally for monitoring purposes and are maintained by the Human Resources Team. Two open complaints/ cases were seen to not have been dealt with in a timely manner.</p></div><div><p>All employees are required to complete mandatory training on bullying, harassment, and discrimination. Testing showed 95.3% of employees have completed this to date.</p></div></div>								
ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE	GOOD PRACTICE IDENTIFIED								
<p>Public confidence in Working Culture: As a result of the identification of unacceptable cultural behaviours within the emergency services sector, reported through independent inquiries, whistleblowing and media platforms, public perception is affected which may result in reputational damage to the organisation.</p>	<div><div><p>Regular communication on the Zero Tolerance campaign are reinforced through the staff magazine/ bulletin, which is published every fortnight. In the most recent editions, the different support routes available to staff members who may be facing bullying, harassment and victimisation are listed.</p></div></div>								
SCOPE	ACTION POINTS								
<p>The review considered the action taken to minimise instances of bullying, harassment and discrimination, the reporting and investigation processes. The review also considered promotion of the No Tolerance campaign.</p>	<table><tr><th>Urgent</th><th>Important</th><th>Routine</th><th>Operational</th></tr><tr><td>0</td><td>3</td><td>1</td><td>0</td></tr></table>	Urgent	Important	Routine	Operational	0	3	1	0
Urgent	Important	Routine	Operational						
0	3	1	0						

Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Directed	<p>The case tracker / spreadsheet was thoroughly reviewed as part of the audit. This contained data only from September 2022 as, due to a cyber-attack in mid-2022, previous cases were lost.</p> <p>There are two current cases ongoing. For one of the cases, this is at a stage 2 hearing, but no details have been provided on the tracker as to whether a stage 2 hearing took place. Discussions with the Head of HR however confirmed this has taken place with the stage 2 outcome being awaited, however the tracker is yet to be updated.</p> <p>In the second case, this is due a stage 3 appeal hearing. It is however not clear whether this has taken place as it has not been updated on the tracker. The Head of HR also confirmed this is yet to take place.</p> <p>In both cases, the total number of days investigating and progressing between stages have totalled 230 days. Timescales were not strictly adhered to in both cases. It was confirmed, these are two sensitive and complex cases.</p>	It be ensured that reported complaints are dealt with in a more timely manner to minimise potential stress to all those involved.	2	<p>A new approach has been recently implemented whereby upon receipt of a matter, the dates for the whole process will be provisionally scheduled into the appropriate calendars and the individual advised accordingly. In this way, the Service will be compliant with the timescales set out in its policy and the individual can make any necessary arrangements in advance. Furthermore, it will ensure that the appropriate hearing officers are also available, taking into account rota days, etc.</p> <p>Whilst every effort will continue to be made to identify a convenient date for the individual on which to hear their matter, in order to ensure the timescales are adhered to, it may not now be possible to schedule meetings on the days on which the individual is on duty/at work. There will therefore be a level of flexibility required by the</p>	01/09/23	Head of HR

PRIORITY GRADINGS

1	URGENT	Fundamental control issue on which action should be taken immediately.	2	IMPORTANT	Control issue on which action should be taken at the earliest opportunity.	3	ROUTINE	Control issue on which action should be taken.
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Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
					<p><i>individual themselves in terms of their availability.</i></p> <p><i>Should the matter be resolved during the early stages, the dates can then be removed from the various calendars.</i></p> <p><i>It should be noted, however, that in the event that matters should be as complex and as sensitive as those reviewed by the auditor, involving the interviewing of a number of individuals, there may still be a need to extend the timescales, but this will continue to be done with the prior knowledge and agreement of the individual concerned.</i></p> <p><i>The Unions have been apprised of this approach and are supportive of the same.</i></p>		

PRIORITY GRADINGS

1	URGENT	Fundamental control issue on which action should be taken immediately.
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2	IMPORTANT	Control issue on which action should be taken at the earliest opportunity.
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3	ROUTINE	Control issue on which action should be taken.
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Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
3	Delivery	There are no formal reports to the Senior Leadership Team on bullying, harassment, and discrimination. Discussions with the Head of Human Resources (HR) confirmed updates on cases, trends and overall information and data relating to this subject matter is verbally shared and discussed with the Executive Director of People and Development at the People and Development Directorate Board meeting and through regular catchups. As these are verbally discussed they are not formally documented or minuted. The Head of HR confirmed work is underway to ensure that formal reporting is made to the Senior Leadership Team.	The Senior Leadership Team be provided with regular updates on bullying, harassment and discrimination cases including actions taken and outcomes incorporating external complaints to the service, including any trends.	2	<p><i>Formal reporting to SLT will now take place on a quarterly basis, with trends, patterns, outcomes and actions taken forming part of the report. Monthly summaries of all ER matters will also be provided to SLT.</i></p> <p><i>The meetings have been scheduled into the diary, with the first being scheduled for Wednesday 6 September.</i></p>	01/09/23	Head of HR
4	Delivery	It was confirmed that the newly appointed Freedom to Speak Up Guardian has not attended relevant training since assuming the role. Discussions with the Freedom to Speak Up Guardian confirmed accessing training for this role has proved challenging. They have however joined the Fire Service Speak Up working group/ network led by Devon and Somerset Fire and Rescue Service in order to access training for Guardians.	Training for the Freedom to Speak Up Guardian be undertaken and completed as soon as it is practicable to ensure consistency is delivered and to ensure the Freedom to Speak Up Guardian understands speaking up and its importance in creating an environment in which people are supported to deliver their best.	2	<i>Freedom to speak up training was completed in August.</i>	31/08/23	HOF Occupational Health

PRIORITY GRADINGS

1	URGENT	Fundamental control issue on which action should be taken immediately.	2	IMPORTANT	Control issue on which action should be taken at the earliest opportunity.	3	ROUTINE	Control issue on which action should be taken.
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Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
2	Directed	Exit surveys are completed for staff members when they leave the Service via an online link to complete following their resignation. They are also offered a face-to-face meeting with their Line Manager. Discussions with the Head of HR confirmed leavers are further offered the opportunity to speak with a different Line Manager, a member of HR or a member of the Senior Leadership Team. Data obtained from the meetings are then fed into a spreadsheet, which is used to show and monitor trends. This data is said to be reviewed by the HR Team and discussed informally with the Executive Director of People and Development. This is usually led by the Head of HR. A review of the exit form showed the different reasons for leaving included workplace issues and conflict with others and managers. Whilst there is no specific list for bullying, harassment, and victimisation, it was confirmed that where a leaver selects their reason as workplace issues or conflicts with others/ managers, this is picked up by the HR Team for further investigation.	The Exit Feedback Form be strengthened to include bullying, harassment, and discrimination as specific examples of workplace issues that are the reason for leaving.	3	<p><i>This has been actioned and the revised form is now live.</i></p> <p><i>Bullying, harassment and discrimination are now three separate categories, with discrimination have the following, additional subcategories:</i></p> <ul style="list-style-type: none"> - Age - Disability - Gender reassignment - Marriage and civil partnership - Pregnancy and maternity - Race - Religion or belief - Sex - Sexual orientation 	03/08/23	Head of HR

PRIORITY GRADINGS

1 **URGENT** Fundamental control issue on which action should be taken immediately.

2 **IMPORTANT** Control issue on which action should be taken at the earliest opportunity.

3 **ROUTINE** Control issue on which action should be taken.

Operational - Effectiveness Matter (OEM) Action Plan

Ref	Risk Area	Finding	Suggested Action	Management Comments
No Operational Effectiveness Matters were identified.				

ADVISORY NOTE

Operational Effectiveness Matters need to be considered as part of management review of procedures.

Findings



Directed Risk:

Failure to properly direct the service to ensure compliance with the requirements of the organisation.

Ref	Expected Key Risk Mitigation		Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
GF	Governance Framework	There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.	In place	-	-
RM	Risk Mitigation	The documented process aligns with the mitigating arrangements set out in the corporate risk register.	In place	-	-
C	Compliance	Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.	Partially In place	1, & 2	-

Other Findings









The Professional Standards Dignity at Work Policy (anti Bullying and Harassment Procedure) in place was last reviewed in October 2022. The Policy is designed to provide support to members of staff who have been the subject of bullying and harassment to take action, access support and to ensure that all staff within the service understand their roles and responsibility in relation to this subject area. The policy further acts as a piece of guidance to managers involved in cases of bullying and harassment by defining their roles and responsibilities, setting out process to be followed and outlining support available to staff. Key areas covered within the policy include: Definitions of harassment, victimisation, discrimination and bullying; The procedure for managing bullying and harassment complaints (stage 1: informal procedure and stage 2: formal procedure); training, follow up and on-going resolution; and monitoring and evaluation.

Associated policies/ documents used jointly with the Professional Standards Dignity at Work Policy include the Professional Standards Grievance Procedure Policy, Professional Standards Whistleblowing Policy, Professional Standards Disciplinary Procedures Policy, Corporate Communication, Social Media and Events Policy, Professional Standards Mediation Policy, Corporate Equality and Inclusion Policy, Professional Standards Exits From the Service Policy, and the Equality Impact Analysis.

All policies were seen during the audit and it was confirmed that they were in date.

Other Findings

-  Overall responsibility for the management of bullying, harassment, and discrimination within HFRS sits with the Executive Director of People and Development. This role is supported by other members of staff such as the Head of Human Resources, Head of Occupational Health and Wellbeing, Workplace Wellbeing Manager and Corporate Communications Supervisor and different teams such as the Occupational Health Team, Training, Corporate Assurance Team and Organisational Development Team. The Professional Standards Dignity at Work Policy (anti Bullying and Harrassment Procedure) further sets out the roles and responsibilities of all employees including Line Managers and Trade Unions.
-  The following risk is a strategic risk on the Corporate Risk Register; "Public Confidence in Working Culture - As a result of the identification of unacceptable cultural behaviours within the emergency services sector, reported through independent inquiries, whistleblowing and media platforms, public perception is affected which may result in reputational damage to the organisation".
Mitigating controls include development of service policies such as Dignity at Work (anti bullying and harassment); Disciplinary Procedures Policy, Implementation of the Core Code of Ethics (including policy statements, eLearning & PDR integration); Commissioning of independent cultural review and the Zero Tolerance campaign. This risk is reviewed quarterly and was last reviewed in June 2023.
-  Complaints/ cases of bullying, harassment and discrimination are logged on a spreadsheet/ case tracker and on individual employee personnel files. The spreadsheet/ case tracker is used to record details of the specific cases, actions taken, to monitor trends and is also used to view case summary including outcomes. Testing identified this is only accessible to the HR Team including the Director of People and Development. Permissions are sought for any other member of staff wanting to view this spreadsheet outside of those who already have permissions
-  It was confirmed that Service Partners attend monthly district performance meetings with Station Managers, chaired by Group Manager (GMs), where topics relating to bullying, harassment and discrimination are discussed with workplace standards reiterated and reinforced and trends discussed. This forms part of the standard agenda discussed. The Freedom to Speak Up Guardian has also attended some of these district meetings to discuss their role. These monthly meetings are supported by the monthly district GM meetings that is attended by the Head of HR where similar items are discussed. It was also confirmed that there are regular HR engagement meetings where the Head of HR meets with On Call Watchers and Full time Watchers at their drill nights where discussions are held to ensure the working environment is free from bullying, harassment and victimisation and to ensuring that all employees are treated fairly and with respect.
-  As part of induction programme for newly appointed/ recruited members of staff, bullying, harassment and discrimination is discussed. This ensures that new staff are aware of the Core Code of Ethics for the Authority ensuring that this is applied appropriately. New employees are also directed to relevant key policies such as the Professional Standards Dignity at Work Policy (anti Bullying and Harrassment Procedure) and the Professional Standards Grievance Procedure Policy, so they understand their responsibilities under the policies. Details are also covered within the employee handbook which is provided at induction for new starters. It is understood that existing staff also have access to the employee handbook/ staff booklet as this is available on the Authority's intranet within the Organization Development section.
-  All staff, including Line Managers, have access to the E-learning portal which allows them to complete mandatory e-learning modules. This includes bulling, harassment, and discrimination, which is to be completed every three years and monitored by Service Partners/ OD Team for compliance. A review of the training data for all staff in the Service confirmed, 991 staff out of 1040 staff have completed their training on bullying and harassment. Compliance rate is therefore 95.3%. Discussions with the Head of Organisational Development confirmed 100% compliance rate may not be achievable due to reasons such as absences, sickness, maternity leave, however the Service expects a 100% compliance rate. It was further confirmed that when members of staff return to work, as part of their return to work, they are signposted to complete any outstanding training that is due.

Other Findings



Discussions with the Head of HR confirmed that where a complaint or allegation relating to bullying, harassment and discrimination is received, this is discussed with the relevant Line Manager in the first instance. The recently appointed Freedom Speak up Guardian is a designated contact that employees can also speak to and share concerns with. A dedicated page on Freedom to speak up is on the Authority's Sharepoint page detailing all options available, with a form available for members of staff to report concerns. When complaints or allegations of bullying and harassment are raised and, depending on the type, it is noted that this could be resolved informally through timely dialogue with a Line Manager, a representative from HR or a member of a trade union or formally where the matter is considered too serious. In these cases, a formal written complaint is to be made by the member of staff to their Line Manager who will then contact HR/ Director of People and Development in order that an investigation is launched. Where a formal stage is triggered, an Investigating Officer/ Investigating Manager is appointed. The Authority encourages the investigation and resolving of cases of bullying and harassment in a timely manner to minimise potential stress to all those involved, and timescales have been set. It was however confirmed the timescales are only a guide and may need extension for appropriate reasons such as gathering and reviewing evidence and arranging meeting dates. The Professional Standards Dignity at Work Policy provides several options for resolving issues and complaints of bullying and harassment and the appeals process should a member of staff be dissatisfied with the outcome from the investigation. This process is known as stage 3.



HFRS have nine internal mediators that are used to resolve issues relating to bullying, harassment and discrimination at any stage. This process is designed to help the staff members involved to discuss their experiences, identify the impact, consider change and discuss ways in resolving the situation. The Head of HR confirmed external mediators are sometimes used to obtain more successful outcomes in sensitive/ complex cases. Testing identified all nine mediators have been fully trained and have been issued with a certificate of attendance, however not all have been accredited at the time of the audit. In relation to accreditation, this is provided externally where participants/ the Service's internal mediators would need to provide a written case study of a live mediation that they have undertaken with a witness statement from either the mediation sponsor or disputants involved within 12 months of completing the training programme. It was noted three of the mediators are within their 12 months period for them to undertake a live mediation session and gain ILM certification. Whilst it was noted that some of the mediators completed their training programme in 2011, the Head of Organisational Development confirmed that mediators meet regularly through the regional mediator forums as part of continuous professional development.



Delivery Risk:

Failure to deliver the service in an effective manner which meets the requirements of the organisation.

Ref	Expected Key Risk Mitigation		Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
PM	Performance Monitoring	There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.	Partially In place	3, & 4	-
S	Sustainability	The impact on the organisation's sustainability agenda has been considered.	In place	-	-
R	Resilience	Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.	In place	-	-

Other Findings



The Governance, Audit and Scrutiny (GAS) Committee on the 3rd of July 2023 received a report written by the Head of Human Resources, that detailed grievances that were raised by members of staff during the period 1st April 2022 to 31st March 2023. The report provided an overview of how the Grievance Policy and Procedure was followed, identifying trends, learnings, or recommendations. It also detailed the training and resources available for key staff involved in the process. During the reporting period, it was noted there were 15 grievances raised. Three of these related to bullying and discrimination. For all 15 grievance cases, five were resolved at informal stage 1, three resolved at formal stage 2 with six proceeding to stage 3 which is the appeals stage. One further grievance is still to be heard at stage 2 and may proceed to stage 3 should the individual be unsatisfied with the outcome. The report also provided details of the outcome of the grievances with the majority being not upheld. In relation to training, it was confirmed in the report that 736 employees have completed their grievance training/module as at the time of the report.



In 2019 Humberside Fire Authority launched the Zero Tolerance for Bullying Campaign - Support, Challenge and Report. This campaign initiated and launched by the previous Chief Fire Officer was to encourage bullying to be reported with the emphasis that this would be dealt with seriously. Details of the campaign were included in the staff magazine SIREN in the August 2019 edition. This also provided a link for all staff to complete training relating to bullying and harassment. This was further reiterated in 2023 by the current Chief affirming the commitment to zero tolerance. This campaign is promoted to all members of staff through awareness posters in every service building. These posters detail confidential contact numbers and this is also on HFA's dedicated HR page on Sharepoint. It was confirmed that in March 2023, a team meeting/ training session was held, chaired by the Assistant Chief Fire Officer and the Executive Director for People and Development and Senior Corporate Assurance Officer, with all members of staff being asked to dial in. This was to further reaffirm and reinforce the Service's position on Zero Tolerance to Bullying and to discuss the Service's stand on having a positive workplace culture.



It was identified, actions / recommendations were raised by the GAS Committee during the review of the Grievance scrutiny report, some of which included the review of the Equality Impact Assessment. Testing identified that actions from the meeting have not been logged on a separate spreadsheet, however the Head of HR confirmed that these actions are due to be logged with an update provided to GAS in September or November 2023.

Other Findings



As part of the options available to manage bullying, harassment and discrimination, members of staff have access to Occupational Health and Wellbeing who can refer them to partner organisations who offer counselling service 24 hours a day, every week.



An external provider has been commissioned to undertake an employee survey to help the Authority understand the attitude, behaviours, and beliefs of the workforce with the aim to continually drive the positive workplace culture. This is understood to launch in September 2023.



A Freedom to Speak Up Policy is being drafted by the Freedom to Speak Up Guardian with consultations and input from relevant teams including the HR Team. This policy is to promote the role of the Guardian in dealing with cases of bullying, harassment, and victimisation, ensuring that staff are able to report these issues / concerns without fear of reprisal and highlighting the support and options available.



Regular communications on the Zero Tolerance campaign are reinforced through the staff magazine/ bulletin which is published every fortnight. In the most recent editions, the different support routes available to staff members who may be facing bullying, harassment and victimisation are listed. They include through access to the dedicated SharePoint portal page that has all internal and external support routes available for staff to speak up, raise concerns and get support in confidence.



Ten members of staff, from different teams, were interviewed in order to establish their knowledge of the various bullying, harassment, and discrimination policies and other documentation and how HFRS manages cases. Questions asked included: had they experienced bullying, harassment, and discrimination since they joined the service; are they confident that they could speak up if they were to experience bullying, harassment, or discrimination; are they confident that the Service would treat the matter seriously; and do they know who the designated contact for reporting cases/ Freedom to Speak Up Guardian is?

Comments obtained confirmed that all employees knew the designated contact for reporting cases/ Freedom to Speak up Guardian and knew where to find the policies that relate to this subject area. All had completed relevant training and have knowledge on how to report cases that fall under this subject area.

Some comments, however, suggested that the process may not have been fully embedded as hoped and should be considered as part of the external reviews to be undertaken to seek to build on some concerns highlighted during the audit. These concerns and comments were communicated to the Head of Corporate Assurance during the audit.

EXPLANATORY INFORMATION

Appendix A

Scope and Limitations of the Review

1. The definition of the type of review, the limitations and the responsibilities of management in regard to this review are set out in the Annual Plan. As set out in the Audit Charter, substantive testing is only carried out where this has been agreed with management and unless explicitly shown in the scope no such work has been performed.

Disclaimer

2. The matters raised in this report are only those that came to the attention of the auditor during the course of the review, and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Effectiveness of arrangements

3. The definitions of the effectiveness of arrangements are set out below. These are based solely upon the audit work performed, assume business as usual, and do not necessarily cover management override or exceptional circumstances.

In place	The control arrangements in place mitigate the risk from arising.
Partially in place	The control arrangements in place only partially mitigate the risk from arising.
Not in place	The control arrangements in place do not effectively mitigate the risk from arising.

Assurance Assessment

4. The definitions of the assurance assessments are:

Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
Reasonable Assurance	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
Limited Assurance	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
No Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

Acknowledgement

5. We would like to thank staff for their co-operation and assistance during the course of our work.

Release of Report

6. The table below sets out the history of this report.

Stage	Issued	Response Received
Audit Planning Memorandum:	12 th July 2023	19 th July 2023
Draft Report:	25 th August 2023	4 th September 2023
Final Report:	6 th September 2023	

AUDIT PLANNING MEMORANDUM

Appendix B

Client:	Humberside Fire & Rescue		
Review:	Bullying, Harassment and Discrimination		
Type of Review:	Assurance	Audit Lead:	Ade Kosoko
Outline scope (per Annual Plan):	The review will consider the action taken to minimise instances of bullying, harassment and discrimination, the reporting and investigation processes. The review will also consider promotion of the No Tolerance campaign.		
Detailed scope will consider:	<p>The review will set out to provide assurance to the Governance, Audit and Scrutiny Committee that the organisation has robust controls in relation to the preventing and managing cases of bullying and harassment and discrimination.</p> <ul style="list-style-type: none"> • The policy and procedures are up-to-date, clearly define responsibilities and are available to staff. • Practices are in place to prevent Bullying, Harassment and Discrimination. • Staff inductions and ongoing briefing cover these areas. • A designated trained contact is in place to receive and manage cases. • Reported complaints are dealt with in a timely manner. • Complaints are recorded centrally for monitoring purposes. • Exit meetings and staff surveys are utilised to gauge workplace culture and to track trends. • The No Tolerance campaign has been promoted to staff. 		
Planned Start Date:	21/07/2023	Exit Meeting Date:	28/07/2023
		Exit Meeting to be held with:	Anne Stott (Head of Human Resources); Kevill Hill (Freedom Speak Up Guardian); Simon Rhodes, Jamie Morris (Designate Head of Corporate Assurance); Simon Rhodes (Head of Corporate Assurance) and Sam O'Connor (Head of Organisational Development)

SELF ASSESSMENT RESPONSE

Matters over the previous 12 months relating to activity to be reviewed	Y/N (if Y then please provide brief details separately)
Has there been any reduction in the effectiveness of the internal controls due to staff absences through sickness and/or vacancies etc?	N
Have there been any breakdowns in the internal controls resulting in disciplinary action or similar?	N
Have there been any significant changes to the process?	N
Are there any particular matters/periods of time you would like the review to consider?	N

Real World HR – Service Improvement Journey

1. SUMMARY

- 1.1 The report provides Members with an update on the continuing cultural journey the Service is taking in light of the number of reports on the culture within the Fire and Rescue Sector being published over the past six months
- 1.2 In April, the Service issued a tendering exercise to a number of suitably skilled suppliers in the market to carry out independent staff engagement in relation to some areas of values and culture and how it can be further improved.
- 1.3 Through a competitive process Real World HR has been appointed to carry out an independent staff engagement process relating to values and culture, undertaking the engagement process with our staff across the Service will include a staff survey, a number of focus groups and action plan outcomes for the Service.
- 1.4 Within the contract, it is proposed that the Service will receive a completed report with findings from the Real World HR in November 2023.

2. RECOMMENDATIONS

It is recommended that the Fire Authority:

- (i) endorses the approach taken to ensuring the values and culture of the Service are understood and improved, ensuring that a safe and supportive working environment is provided;
- (ii) receives timely updates on the project and the associated outcomes of the report.

3. BACKGROUND


- 3.1 Following publication of the Independent Culture Review of London Fire Brigade (LFB) in November 2022, at its meeting of 10 March 2023, the Fire Authority received a report that set out the Authority's cultural journey since adopting the Core Code of Ethics (CCoE) in June 2021.
- 3.2 On Thursday 30 March 2023 HMICFRS published its report 'Values and culture in fire and rescue services'. The report was an outcome of a spotlight review of inspection findings across all 44 English Fire and Rescue Services.
- 3.3 As a result of a number of reports on the culture within the Fire and Rescue Sector being published over the past six months the Executive Team felt that it was important that an independent staff engagement process was carried out to establish how staff feel about values and culture in HFRS. For the benefit of independence, transparency and anonymity it was determined that a third-party company should be used.

4. REPORT DETAIL

- 4.1 In April 2023 a process to select a provider to carry out the independent work in the Service was distributed to a number of organisations which the Service identified as potential suppliers and with expertise such reviews.

- 4.2 Through the competitive process Real World HR has been appointed to carry out an independent engagement process with our staff across the Service including a survey, a number of focus groups and action plan outcomes for the Service.
- 4.3 Within the contract, it is proposed that the Service will receive a completed report with findings from the Real World HR in November 2023. In the meantime, however, Members should be assured that regular updates will be provided in advance to ensure that the Service remains self-aware and can continue to factor improvements into the way it operates in advance of a final report.
- 4.4 Real World HR will be working in partnership with the Communications team in Corporate Assurance to coordinate staff participation in the engagement programme. Respective sections and staff will be involved when required, while the required information, actions and evidence will be collated in a timely manner as part of the Service Improvement Plan.

Key Milestones within the Project

<div>Reporting Period</div> <div>As At 04 08 2023</div>		<div>Overall Status</div> <div></div>	
Key Milestones			
Description	Due	Status	Comments
Contact email opens	20.07.2023		
1:1's begin	21.07.2023		Closes 29.10.23
Desktop research	31.07.2023		
Introduce our support	31.07.2023		Due date changed from 31.07.23 to 11.08.23 as currently ongoing due to the availability of staff network leads and TU reps. Engagement with key stakeholders to continue throughout.
Launch and run staff engagement survey	31.07.2023		Survey Launch date confirmed as 03.08.23 and communications launch added to Siren Communications Team hold the communications plan and RWHR to align activities.
Close staff engagement survey	28.08.2023		Potential for this to close 31.08.23 but will assess by the numbers (week by week assessment)
Analysis of survey responses	31.08.2023		
Update to project sponsors	01.09.2023		Will need to flex in line with survey closure – if closure date is extended this date will change
Engagement meetings conclude	29.10.2023		
Analysis of findings complete	13.11.2023		
Report & presentation	30.11.2023		

Financial Implications

- 4.5 The contract tendered for was within a £40k envelope and will be sourced from existing budgets. There are clear deliverables for a number of phases and on successful completion of each element a payment will be released.

Risk Management Implications

- 4.6 In addition to the recommended actions from HMICFRS, a Strategic Risk has been added to the Strategic Risk and Opportunity Register regarding 'Public Confidence in Working Culture'. Actions have also been incorporated into the Service Improvement Plan (SIP), to ensure they are effectively implemented, managed and monitored.

Communication Actions

- 4.7 As part of this review Real World HR has engaged with the Trade Unions and Staff Forums and included them as consultees in the development of the staff survey. Regular updates and communication with take place with the Trade Unions and Staff Forums from Real Word HR through the full engagement process.

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, although the Authority should be assured that for the activities that have created a change, that an EIA will be created.

6. CONCLUSION

- 6.1 Real World HR has begun its independent engagement process, with a programme now underway.
- 6.2 A completed report with findings from the Real World HR is scheduled for completion by November 2023. In the meantime, Members should be assured that regular updates will be provided in advance to ensure that the Service remains self-aware and can continue to make any necessary improvements into the way it operates in advance of a final report.
- 6.3 Members should take assurance by the approach taken by the Service in ensuring values and culture of the Service are understood and improved, ensuring that a safe and supportive working environment is provided for all.

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Executive Director of Corporate Services

Officer Contact

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Background Papers

None

Glossary/Abbreviations

CCoE	Core Code of Ethics
HMICFRS	His Majesty's Inspectorate of Constabulary and Fire & Rescue Services
LFB	London Fire Brigade
SIP	Service Improvement Plan

HMICFRS INSPECTION UPDATE & UPDATE ON VALUES AND CULTURE IN FIRE AND RESCUE SERVICES

1. SUMMARY

- 1.1 This report provides an update on recent correspondence from His Majesty's Inspectorate of Constabulary Fire and Rescue Services (HMICFRS), regarding their programme of inspections, across 2023 and 2024, for Humberside Fire and Rescue Service (HFRS).
- 1.2 On 13 July 2023 the Home Secretary commissioned HMICFRS to carry out a thematic inspection of the handling of misconduct allegations in fire and rescue services in England.
- 1.3 On 26 July 2023 confirmation was received that HFRS would be one of ten services selected for the thematic inspection. The ten services selected are to ensure evidence is gathered from large and small, and rural and urban services. They also cover different governance models that operate throughout England and have been selected to avoid overlap with scheduled service inspections.
- 1.4 It is also timely to update Members of our response to recommendations made by HMICFRS in its spotlight report 'Values and culture in fire and rescue services', reported to the Authority in June 2023.
- 1.5 On 31 July 2023 HMICFRS updated services on progress with round three service inspections, including dates. Dates for HFRS inspection, initially anticipated to commence in the first quarter of 2024, have been confirmed to now start 1 July 2024 with the inspection processes concluding in October 2024.

2. RECOMMENDATIONS

- 2.1 It is recommended that the Fire Authority takes assurance from the pro-active actions taken and receives further updates periodically.

3. BACKGROUND

- 3.1 Members were provided with background information regarding our relationship with HMICFRS at the Authority meeting in June 2023. It is opportune to remind Members of some of the background detail in support of this report.
- 3.2 HMICFRS independently assesses and reports on the effectiveness and efficiency of police forces and fire and rescue services – in the public interest. The Inspectorate commenced inspections of Fire and Rescue Services in 2017, issuing judgements based upon their assessments of Effectiveness, Efficiency and People. All HMICFRS inspection reports are public documents accessible on the [HMICFRS Website](#).
- 3.3 For round three inspections HMICFRS introduced a revised assessment process, replacing the overarching pillar judgments for Effectiveness, Efficiency and People with the issuing of 11 individual grades against each of the underpinning sub-criteria related to each of the three themes. Alongside this HMICFRS now operate a five-tier graded system introducing the rating of adequate (Outstanding, Good, Adequate, Requires Improvement, Inadequate).

- 3.4 HMICFRS is also commissioned by the Home Secretary to conduct thematic inspections, where deemed appropriate. More common for Police services, within fire and rescue this has previously only included an inspection of the sector's response to the Covid-19 Pandemic.
- 3.5 HMICFRS has no role in inspecting Fire Authorities but do take account of the business of the Authority. Our allocated Service Liaison Lead receives all Authority reports, has a standing invitation to attend meetings and is notified of any significant governance or service issues.

4. REPORT DETAIL

HMICFRS Thematic Inspection – Handling of Misconduct Allegations

- 4.1 The evidence collected during the thematic inspections will inform HMICFRS's understanding of the handling of misconduct in England in general. Reports for individual services will not be published, nor will graded judgements be awarded as is the case for full inspections. However, the evidence gathered will be considered during our full inspection in 2024 and may therefore influence that report and graded judgments.
- 4.2 Our inspection will take place over a three-week period 6 to 24 November 2023 and will include a mix of on-site and remote engagement. This will be preceded by policy and document reviews including a desktop review of a sample of complaint, grievance, discipline, and whistleblowing files; interviews; focus groups; and reality testing. HMICFRS have requested the submission of a data return detailing the amount of misconduct, complaints and disciplinary cases the Service has managed over a 12-24-month period, to inform their desktop review activities, by the 22.09.2023. HMICFRS have also requested the return of 22 Service documents by the 13.10.2023 which includes a range of policies, procedures and plans relating to the subject matter.
- 4.3 HMICFRS thematic inspection team will consist of six people, three with a FRS background, one associate and one HR specialist.
- 4.4 The terms of reference for the inspection work will include an examination of the extent to which services have taken steps to implement the recommendations HMICFRS made in its spotlight report [Values and culture in fire and rescue services](#).

Including examining:

- the extent to which services are identifying and investigating misconduct.
- the effectiveness of misconduct processes and how consistently they are applied.
- how confident fire and rescue service staff are in raising concerns and in misconduct processes.
- the role of fire and rescue authorities and other organisations in handling misconduct.

HMICFRS Round Three Service Inspection

- 4.5 The third round of service inspections commenced in early 2023, the first 12 of 44 inspections are either completed or in progress. HFRS is 28th on the list and inspection activities are scheduled to commence on 1 July 2024, concluding in October, with the six-week cycle of assessment activity starting 2 September 2024.
- 4.6 The inspection report will be made available to the Chief Fire Officer (CFO) in draft for factual accuracy checking, before being published and reported by HMICFRS to national media approximately 20 weeks after the on-site fieldwork has been concluded.

- 4.7 The service inspection follows a similar process to the themed inspection detailed above; however, the breadth of activity is far greater to give a rounded assessment of each service across three 'pillars', including:
- Effectiveness: the operational service provided to the public including prevention, protection and response.
 - Efficiency: how well it provides value for money, allocates resources to match risk, and collaborates with other emergency services.
 - People: how well it promotes its values and culture, trains its staff and ensures they have the necessary skills, ensures fairness and diversity for the workforce and develops leadership and service capability.
- 4.8 Our last service inspection took place in 2021/22, from December 2021 to February 2022. We were subsequently graded:
- Good for Effectiveness
 - Good for Efficiency
 - Good for People
- 4.9 During each inspection an assessment is made of organisational culture, against the following areas, all assessed as Good in our last inspection:
- Promoting the right values and culture
 - Getting the right people with the right skills
 - Ensuring fairness and promoting diversity
 - Managing performance and developing leaders

Response to HMICFRS Recommendations Arising from The Values and Culture In Fire and Rescue Services Spotlight Report

- 4.10 At the June 2023 meeting of the Authority, Members received a report outlining the HMICFRS 'Values and Culture in Fire and Rescue Services' spotlight report, published in March 2023, including the actions being taken by Officers in response to arising recommendations. The CFO subsequently gave a verbal update of progress at the meeting of the Authority in July 2023.
- 4.11 The Action Plan, for actions with direct CFO accountability, continues to progress through a cross representative Culture Working Group to ensure our compliance with recommendations. A copy of the Action Plan is attached at Appendix A.
- 4.12 Progress is reported to HMICFRS and our response to recommendations will be reviewed by them during the thematic inspection.
- 4.13 Of particular note for Members, the independent staff engagement survey commissioned through RealWorldHR is now live, and our auditors TIAA, have concluded a review of our Dignity at Work – Bullying and Harassment Policy. Separate reports providing further detail are included on the Agenda for this meeting.

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 for policies and working practices underpinning our responses to the recommended actions arising from the HMICFRS spotlight report.

6. CONCLUSION

- 6.1 In 2021/22 HMICFRS commended the service on our positive and constructive engagement with their inspection team, since then we have been requested to act as a pilot service to help them develop two other inspection strands, we welcome the opportunity to be included in the thematic inspection.
- 6.2 Preparation for both the thematic and service wide inspections are underway, engagement with HMICFRS is managed through the Service Improvement Directorate. Updates will be provided for Members at future meetings.
- 6.3 Whilst we are confident that inspection outcomes will be positive, we are also committed to resolve any notable issues that may arise and ensure the values and culture of our organisation are something we, and our communities are all proud of, and that we provide a safe and supportive working environment for all colleagues and visitors.
- 6.4 It is recommended that the Fire Authority takes assurance from the pro-active actions taken and receive further updates periodically.

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Background Papers

HMICFRS Values and Culture in Fire and Rescue Services Report

[Values and culture in fire and rescue services - His Majesty's Inspectorate of Constabulary and Fire & Rescue Services \(justiceinspectorates.gov.uk\)](#).

Independent Cultural Review of London Fire Brigade

[Independent Culture Review | London Fire Brigade \(london-fire.gov.uk\)](#)

HMICFRS Inspection Report HFRS 2021/22

[Humberside - His Majesty's Inspectorate of Constabulary and Fire & Rescue Services \(justiceinspectorates.gov.uk\)](#)

Glossary/Abbreviations

CFO	Chief Fire Officer
HFA	Humberside Fire Authority
HFRS	Humberside Fire and Rescue Service
HMICFRS	His Majesty's Inspectorate of Constabulary and Fire and Rescue Services

HMICFRS recommendations for action by CFO (HMICFRS reference numbers by date due)

Key		
Recommendation Compliant	Recommendation Partially Compliant	Recommendation None Compliant

1 June 2023

3	4	5	20	21	23	27	28	32	34
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1 August 2023

18	33
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1 September 2023

22

1 October 2023

1	24	26
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1 January 2024

9

1 March 2024

12	14
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LATEST COMPLIANCE DATE	REQUIRED ACTION	GAP ANALYSIS	EVIDENCE OF COMPLIANCE
31 May 2023	(3) Review the support available for those who have raised concerns and take any action needed to make sure these provisions are suitable.	<p>Compliant</p> <p>Additional Actions</p> <ol style="list-style-type: none"> 1. Grievance and Discipline Policy to include Employee Relations Tracker detail - AS 2. Incorporate Exit Interview and Mediation into Tracker and Dashboard – AS 	<ul style="list-style-type: none"> • HR Bullying Case File Records • Dignity at Work Policy (anti Bullying and Harassment) • Corporate Assurance Complaint Case File Records • Complaints Policy • HR Discipline Case File Records • Disciplinary Policy • HR Exit Interview Case Files • Exits From the Service Policy • OD EDI Case File Records • Equality and Inclusion Policy • HR Grievance Case File Records • Grievance Policy • HS&E Safety Event Case File Records • Safety Event Reporting Recording and Investigation Arrangements Policy • Corporate Assurance Whistleblowing Case File Records • Whistleblowing Policy • HR Mediation Case File Records • Mediation Policy • HR Menopause Case File Records • Menopause Policy • Anti-Fraud and Corruption Policy • FTSU Guardian • Employee Relations Tracker and Dashboard – HR • HMICFRS Reporting Line • Blue Light Champions • Staff Forums • Employee Assistance Programme • RealWorldHR appointed to conduct independent Staff Engagement • 'FRS Speak Up' independent service via Crimestoppers

LATEST COMPLIANCE DATE	REQUIRED ACTION	GAP ANALYSIS	EVIDENCE OF COMPLIANCE
31 May 2023	(4) Updates on how concerns are being handled are shared with those who raise them.	Compliant	<ul style="list-style-type: none"> HR Case File Records Employee Relations Tracker and Dashboard Corporate Assurance Case File Records
	Updates should be given in an accessible way that encourages trust and confidence in the service response.	Compliant <p>Additional Actions</p> <ol style="list-style-type: none"> Review how Lessons Learned from relevant cases and Organisational Learning is/can be captured and shared/reported – SR/AS 	
	Consideration should be given to creating a Professional Standards Function to handle conduct concerns in service (or from an external service) to have oversight of cases, to make sure they are conducted in a fair and transparent way and to act as a point of contact for all staff involved.	Compliant <p>Additional Actions/Considerations</p> <ol style="list-style-type: none"> Consider contracting out the investigation role to an independent body. CC 	<ul style="list-style-type: none"> Currently already managed across HR and Corporate Assurance functions managing External Complaints, Whistleblowing, Internal Grievance and Disciplinary cases. Relevant Policies aligned under 'Professional Standards' header on the Website Cases involving Exec Directors may be independently investigated. HR Case File Records Employee Relations Tracker and Dashboard Corporate Assurance Case File Records

LATEST COMPLIANCE DATE	REQUIRED ACTION	GAP ANALYSIS	EVIDENCE OF COMPLIANCE
31 May 2023	(5) Provide accessible information for all staff and members of the public on how they can raise concerns and access confidential support (including through external agencies).	Compliant Action Communications Plan being implemented - RB	<ul style="list-style-type: none"> Relevant Policies of the Fire Authority are accessible via the HFRS Website Our policies Humberside Fire Signposting to relevant policies is listed within the Data Transparency area of the HFRS Website Contact details for raising concerns are signposted within Complaints, Whistleblowing, Bullying and Harassment, Grievance, Mediation, Anti-Fraud and Corruption Policy. Internal and External contact details are provided. Clearly signposted 'Contact Us' link on HFRS Website for Complaints, Whistleblowing, Concerns, Compliments etc. Contact Us Humberside Fire Free text search function on HFRS Website. HMICFRS hotline. Safeguarding Policy and website signposting. Employee Assistance Programme. Blue Light Champions. Bullying Hotline – HR 'FRS Speak Up' independent service via Crimestoppers FTSU Guardian Access to Support Routes documented on Portal.
	Make sure accessible information is provided on how concerns and allegations will be investigated in a way that ensures confidentiality and is independent of the alleged perpetrator.	Compliant	<ul style="list-style-type: none"> Detailed within relevant policies: Dignity at Work Policy (anti Bullying and Harassment) Grievance Policy Complaints Policy Equality and Inclusion Policy Whistleblowing Policy 'FRS Speak Up' independent service via Crimestoppers.
	(20) Have plans in place to ensure we meet Fire Standards: <ul style="list-style-type: none"> Leading the Service Leading and Developing People 	Compliant	<ul style="list-style-type: none"> Fire Standard self-assessments completed. Filed on the Portal.

LATEST COMPLIANCE DATE	REQUIRED ACTION	GAP ANALYSIS	EVIDENCE OF COMPLIANCE
31 May 2023	(21) A full, 360-degree feedback process is in place for Senior Leaders - Assistant Chief Fire Officer, or equivalent, and above.	Compliant <p>Actions/Considerations</p> <ul style="list-style-type: none"> Review long term options for 360 feedback. CC 	<ul style="list-style-type: none"> Saville Assessment Services appointed to process 360 feedback for Exec Directors
	(23) Chief Fire Officers should seek regular feedback from staff about values, culture, fairness and diversity, with due regard to the Leading and Developing People standard. They should show how they act on this feedback.	Partial Compliance (pending delivery of Independent Staff Engagement programme) <p>Action</p> <ul style="list-style-type: none"> RealWorldHR appointed to conduct independent Staff Engagement commencing August. Sentiment Analysis to be developed. JM 	<ul style="list-style-type: none"> SLT visits and response to raised issues. Quarterly On-Call Meetings Fire Standard Q&A engagement with SLT members EDI Staff Groups PDRs

LATEST COMPLIANCE DATE	REQUIRED ACTION	GAP ANALYSIS	EVIDENCE OF COMPLIANCE
31 May 2023	(27) Chief fire officers should make sure their equality impact assessments are fit for purpose and, as a minimum, meet the requirements of the National Fire Chiefs Council equality impact assessment toolkit.	Compliant	<ul style="list-style-type: none"> NFCC Model has been adopted and training delivered. Internal Audit 2022/23 GAS Scrutiny 2022/23
	(28) Review how we gather and use equality and diversity data to improve understanding of staff demographics.	Compliant	<ul style="list-style-type: none"> Gender Pay Gap Report Workforce Profiling Community Profiling Workforce Planning PSED Compliance EDI Annual Report – HFA Recruitment and Selection Data Reports Personal Data Forms NFCC EDI Data Toolkit Local Insight System
	Apply and meet the requirements of the NFCC Equality, Diversity and Inclusion Data Toolkit.	Compliant	<ul style="list-style-type: none"> EDI Annual Report PSED Compliance Equality and Inclusion Policy GAS Scrutiny Topic 2022/23

LATEST COMPLIANCE DATE	REQUIRED ACTION	GAP ANALYSIS	EVIDENCE OF COMPLIANCE
31 May 2023	(32) As a priority, specify in succession plans how we intend to improve diversity across all levels of the service. This should include offering increased direct-entry opportunities. Capsticks	Compliant Action 1. NFCC Direct Entry Pilot Scheme launched 3 April. HFRS are not an early adopter and will await feedback on the outcome of the Pilot. 2. Talent Management Strategy and Succession Plan	<ul style="list-style-type: none"> Positive Action Framework 2021-24 Workforce Planning PSED - EDI Priority 2 – Increase diversity throughout our workforce. Strategic Plan Objective 3.1 Annual Pay Gap Report Draft Talent Management Strategy and Implementation Plan awaiting approval. Draft Succession Plan awaiting approval. Recruitment and Selection Policy People Strategy Promotion Process Guidance
	(34) With immediate effect, review the implementation of the Core Code of Ethics and make sure it is being applied across the service.	Compliant Consideration <ul style="list-style-type: none"> Review the application of the CCoE through the RealWorldHR independent Staff Engagement 	<ul style="list-style-type: none"> Fire Standard – Partial Compliance Embedded across Policy and relevant processes. Review of application through following: PDR Dip Sample Staff Focus Groups Staff Feedback Complaints, Grievance and Disciplinary case files. GAS Scrutiny Topic 2021/22 Promotion Process Recruitment and Selection Policy Induction Programmes HFA Constitution

LATEST COMPLIANCE DATE	REQUIRED ACTION 2023	GAP ANALYSIS	EVIDENCE OF COMPLIANCE
1 August 2023	(18) By 1 August 2023, chief fire officers should provide assurances to HMICFRS that all parties are supported in relation to ongoing investigations.	<p>Compliant</p> <p>Action</p> <p>Return to HMICFRS completed.</p> <p>Themed HMICFRS Misconduct Management inspection scheduled for November 2023</p>	<ul style="list-style-type: none"> • HR Bullying Case File Records • Dignity at Work Policy (anti Bullying and Harassment) • Corporate Assurance Complaint Case File Records • Complaints Policy • HR Discipline Case File Records • Disciplinary Policy • HR Exit Interview Case Files • Exits From the Service Policy • OD EDI Case File Records • Equality and Inclusion Policy • HR Grievance Case File Records • Grievance Policy • HS&E Safety Event Case File Records • Safety Event Reporting Recording and Investigation Arrangements Policy • Whistleblowing Case File Records • Whistleblowing Policy • HR Mediation Case File Records • Mediation Policy • HR Menopause Case File Records • Menopause Policy • Anti-Fraud and Corruption Policy • FTSU Guardian • Employee Relations Tracker and Dashboard – HR • HMICFRS Reporting Line • Blue Light Champions • Staff Forums • Employee Assistance Programme • ‘FRS Speak Up’ service via Crimestoppers
	(33) By 1 August 2023, chief fire officers should develop plans to promote progression paths for existing staff in non-operational roles and put plans in place to reduce any inequalities of opportunity.	<p>Compliant</p> <p>Action</p> <ol style="list-style-type: none"> 1. Review Career Ladders with Heads of Function. SO 2. Review EDI Data Male/Female development. SO 	<ul style="list-style-type: none"> • Succession Plan Framework • Career Ladders • PDR Process • Role Specific Training Outlines • Core Skills Framework • Professionalisation of Roles • Talent Management Strategy

LATEST COMPLIANCE DATE	REQUIRED ACTION 2023	GAP ANALYSIS	EVIDENCE OF COMPLIANCE
1 September 2023	(22) By 1 September 2023, chief fire officers should make sure there is a full, 360-degree feedback process in place for all other leaders and managers in service. The process should include gathering feedback from a wide range of sources including colleagues and direct reports.	<p>Not Compliant</p> <p>Actions/Considerations</p> <ul style="list-style-type: none"> Awaiting NFCC development of a 360-feedback tool/methodology that will be made available to fire and rescue services. Due December 2023. Other potential suppliers are being considered. CC Consider adding to annual PDR process as an interim introduction to the 360-feedback system to make it more instantly palatable for staff. SOc 	<ul style="list-style-type: none"> Talent management, (purely promotion focussed includes 360-approach to development).
1 October 2023	(1) By 1 October 2023, chief fire officers should make sure their services provide a confidential way for staff to raise concerns and that staff are aware of whistleblowing processes.	<p>Compliant</p> <p>Action</p> <ol style="list-style-type: none"> Improve resilience for Bullying Hotline 24/7. AS Support Routes reminder on pay slips. SR 	<ul style="list-style-type: none"> Relevant Policies of the Fire Authority are accessible via the HFRS Website Our policies Humberside Fire Signposting to relevant policies is listed within the Data Transparency area of the HFRS Website Contact details for raising concerns are signposted within Complaints, Whistleblowing, Bullying and Harassment, Grievance, Mediation, Anti-Fraud and Corruption Policy. Internal and External contact details are provided. Clearly signposted 'Contact Us' link on HFRS Website for Complaints, Whistleblowing, Concerns, Compliments etc. Contact Us Humberside Fire Free text search function on HFRS Website. HMICFRS hotline. Safeguarding Policy and website signposting. Employee Assistance Programme. Blue Light Champions. Bullying Hotline – HR FRS Speak Up service via Crimestoppers FTSU Guardian Access to Support Routes documented on Portal

LATEST COMPLIANCE DATE	REQUIRED ACTION 2023	GAP ANALYSIS	EVIDENCE OF COMPLIANCE
1 October 2023	(24) By 1 October 2023, chief fire officers should put plans in place to monitor, including through the gathering and analysis of staff feedback, watch and team cultures and provide prompt remedial action for any issues they identify.	Partial Compliance (pending delivery of Independent Staff Engagement programme) Action <ul style="list-style-type: none"> RealWorldHR appointed to conduct independent Staff Engagement Sentiment Analysis to be developed. Off the shelf software not suitable, being looked at by Hull Uni student. Creation of a culture dashboard threshold chart by 1st October JM 	<ul style="list-style-type: none"> Employee Relations Tracker SLT Visits
	(26) By 1 October 2023, as a precursor to the development of the College of Fire and Rescue, chief fire officers and the National Fire Chiefs Council should work with the Home Office to consider how they can improve the training and support they offer to staff in management and leadership development. This should include authority members in respect of their assurance leadership roles and should ensure that opportunities are offered fairly across all staff groups.	Not Compliant Awaiting clarification of any discussion between NFCC and Home Office.	

LATEST COMPLIANCE DATE	REQUIRED ACTION 2024	GAP ANALYSIS	EVIDENCE OF COMPLIANCE
1 January 2024	(9) By 1 January 2024, chief fire officers should: <ul style="list-style-type: none"> • immediately review their current background checks arrangements, and make sure that suitable and sufficient background checks are in place to safeguard their staff and communities they serve; and • make sure that appropriate DBS check requests have been submitted for all existing, new staff, and volunteers, according to their roles as identified by the Fire Standards Board. 	Partial Compliance All FRA employees are now eligible for Standard DBS Criminal Record checks, and where appropriate Enhanced DBS checks. Work underway to implement DBS checks for all staff. CC	
1 March 2024	(12) By 1 March 2024, chief fire officers should provide assurances to HMICFRS that they have implemented the standard on staff disclosure, complaint and grievance handling	Not Compliant Awaiting action by Fire Standards Board	
	(14) By 1 March 2024, chief fire officers should provide assurances to HMICFRS that they have implemented the standard on misconduct allegations and outcomes handling.	Not Compliant Awaiting action by Fire Standards Board	