

Fire & Rescue Service Headquarters Summergroves Way Kingston upon Hull HU4 7BB
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To: Members of the Governance, Audit and Scrutiny Committee	Enquiries to: Samm Campbell Email: committeemanager@humbersidefire.go.uk Tel. Direct: (01482) 393205 Date: 27 August 2021
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Dear Member

I hereby give notice that a meeting of the **GOVERNANCE, AUDIT AND SCRUTINY COMMITTEE** of Humberside Fire Authority will be held on **MONDAY 6 SEPTEMBER 2021 at 10.00AM** at HUMBERSIDE FIRE & RESCUE SERVICE HEADQUARTERS, SUMMERGROVES WAY, KINGSTON UPON HULL, HU4 7BB.

Public and press attendance at meetings

Due to current social distancing requirements, a **maximum of 4 people** will be permitted entry to the public gallery - **places must be booked in advance** by contacting the Committee Manager on the contact details above.

The business to be transacted is set out below.

Yours sincerely



Mathew Buckley
Monitoring Officer & Secretary to Fire Authority

Enc.

A G E N D A

Business	Page Number	Lead	Primary Action Requested
<u>Procedural</u>			
1. Apologies for absence	-	Monitoring Officer/ Secretary	To record
2. Declarations of Interest (Members and Officers)	-	Monitoring Officer/ Secretary	To declare and withdraw if pecuniary
3. Minutes of the meeting of 5 July 2021	(pages 1 - 10)	Chairperson	To approve

Business	Page Number	Lead	Primary Action Requested
4. Matters arising from the Minutes, other than on the Agenda	-	Chairperson	To raise
<u>Governance</u>			
5. Update: Matters Arising/ Feedback from Fire Authority	verbal	Chairperson and Monitoring Officer/ Secretary	To consider and make any recommendations to the HFA
6. Annual Update on the Declaration and Registration of Interests by Members	verbal	Monitoring Officer/ Secretary	To consider and make any recommendations to the HFA
<u>Audit</u>			
7. Internal Audit Reports: (i) Enforcement (ii) Grievance Arrangements (iii) National Operational Guidance (iv) Productivity - Shift System	(pages 11 - 54)	Internal Audit (TIAA)	To consider and make any recommendations to the HFA
8. Internal Audit Update	(pages 55 - 59)	Internal Audit (TIAA)	To consider and make any recommendations to the HFA
9. External Audit Completion Report 2020/21	(pages 60 - 94)	Mazars	To consider and make any recommendations to the HFA
<u>Finance and Performance</u>			
10. HMICFRS Inspection Update	verbal	Director of Service Improvement	To consider and make any recommendations to the HFA
11. Annual Statement of Accounts 2020/21	(pages 95 - 185)	Head of Finance	To consider and make any recommendations to the HFA
<u>Scrutiny Programme</u>			
12. Promotion Within Uniformed Roles	(pages 186 - 220)	Director of People and Development	To consider and make any recommendations to the HFA
13. GAS Committee Scrutiny Programme 2021/22	(pages 221 - 226)	Monitoring Officer/Secretary	To approve
14. Any Other Business	-	All Members	To raise

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HUMBERSIDE FIRE AUTHORITY
GOVERNANCE, AUDIT AND SCRUTINY COMMITTEE

5 JULY 2021

PRESENT: Independent Co-opted Members Mr D Chapman (Chairperson), Mr J Doyle, Mrs P Jackson, Mr A Smith and Mrs M Thomlinson.

Councillor Briggs as an observer.

Phil Shillito - Deputy Chief Fire Officer, Paul McCourt - Director of Service Delivery, Niall McKiniry - Director of Service Improvement, Martyn Ransom - Head of Finance, Jason Kirby - Temporary Head of People and Development, Simon Rhodes - Head of Corporate Assurance, Ruth Gilmour - Head of Human Resources, Sam O'Connor - Head of Organisational Development, Mathew Buckley - Monitoring Officer/Secretary, Samm Campbell - Committee Manager, Gavin Barker - External Audit (Mazars) and Andy McCulloch - Internal Audit (TIAA) were also present.

The meeting was held at the Humberside Fire and Rescue Service Headquarters, Kingston upon Hull. Meeting commenced at 10.00 a.m.

PROCEDURAL

60/21 APOLOGIES FOR ABSENCE - There were no apologies for absence.

61/21 DECLARATIONS OF INTEREST - There were no declarations of interest.

62/21 MINUTES - *Resolved* - That the minutes of the meeting of the Committee held on 14 June 2021 be confirmed as a correct record.

63/21 MATTERS ARISING FROM THE MINUTES, OTHER THAN ON THE AGENDA - There were no matters arising.

GOVERNANCE

64/21 UPDATE: MATTERS ARISING/FEEDBACK FROM FIRE AUTHORITY - The Monitoring Officer/Secretary provided feedback on items considered by the Fire Authority at its meetings of 25 June 2021.

Resolved - That the update be received.

Audit

65/21 INTERNAL AUDIT REPORT - EQUALITY, DIVERSITY AND INCLUSION - Andy McCulloch (TIAA) presented a report summarising TIAA's audit of equality, diversity and inclusion.

The report explained that the Service's policies relating to equality, diversity and inclusion were up-to-date, that relevant data was properly benchmarked and that mandatory training was in place for employees. The audit had resulted in three recommendations: one Category 2 and two Category 3. The report concluded with an assessment of 'reasonable assurance'.

Resolved - That the report be received.

66/21 INTERNAL AUDIT UPDATE - Andy McCulloch (TIAA) presented a report updating the Committee on progress in relation to the internal audit process.

The first audit activity of the 2021/22 plan, focussed on equality, diversity and inclusion, had been completed. Four other audits were due to be undertaken during July and August of 2021. TIAA had adopted a flexible approach to its work during 2021/22 in order to adapt to changes to Covid-19 restrictions.

A Member asked whether TIAA had been pleased with the progress made on the 2021/22 audit plan. The level of engagement between TIAA and the Service had been good.

Resolved - (a) That the update be received, and

(b) that the Committee offer its thanks to TIAA and the Service for their diligent work in relation to the audit plan in the light of the challenging conditions of the Covid-19 pandemic.

67/21 EXTERNAL AUDIT UPDATE - Gavin Barker (Mazars) presented a report updating the Committee on progress in relation to the external audit process.

Variations to the fees for the 2019/20 external audit process had been approved by the HFA and the Service would be billed in due course. Mazars had begun its work to develop its opinion in relation to the 2020/21 audit. Despite ongoing recruitment issues, Mazars was on track to meet the statutory deadline of 30 September 2021. Mazars had appointed some new members of staff, but they had not yet started working for the organisation. While Mazars planned to be operating at full capacity in the near future, it continue to endure some difficulties with the delivery of its services in the meantime.

Resolved - That the update be received.

FINANCE AND PERFORMANCE

68/21 DRAFT ANNUAL STATEMENT OF ASSURANCE 2020/21 - The Director of Service Improvement submitted a report summarising the draft Annual Statement of Assurance for 2020/21.

The Statement of Assurance was required annually by the Home Office and would be published on the Service's website following its approval by the Fire Authority. The draft Statement demonstrated the Service's compliance with the Fire and Rescue National Framework for England (Revised 2018) in relation to: financial assurance, governance assurance and operational assurance.

Resolved - That the report be received.

69/21 HMICFRS INSPECTION UPDATE - The Director of Service Improvement provided the Committee with a verbal update in relation to Her Majesty's Inspectorate of Constabulary and Fire and Rescue Service's (HMICFRS).

Since the Committee's previous meeting, the Service had received notice of the date of its next inspection by HMICFRS. Field work for the inspection was due to start in the week commencing 13 December 2021. Due to the ongoing challenges with Covid-19, the field work was due to be undertaken over the course of four weeks (rather than two) and would span the Christmas period. The Service was due to receive self-assessment documentation from HMICFRS imminently and would have four weeks in which to complete and return its self-assessment.

While the Service was on the right trajectory and had addresses HMICFRS's recommendations resulting from its previous inspection, the Committee was reassured that the Service would not be complacent in its approach to the next inspection. The inspection was due to be led by Andy Cooke, formerly Chief of Merseyside Police.

Resolved - (a) That the update be received, and
(b) that the Committee offer its thanks for, and take assurance from, the significant hard undertaken by the Service in preparation for its next HMICFRS inspection.

SCRUTINY PROGRAMME

70/21 ANTI-BULLYING CAMPAIGN - The Temporary Director of People and Development submitted a report in response to the scope within the Committee's Scrutiny Programme for 2021/22.

The Service was inspected by HMICFRS in 2018 and subsequently developed its Service Improvement Plan, incorporating areas for improvement identified both by the Strategic Leadership Team and HMICFRS. The Service had revised its policies and begun an anti-bullying campaign. The Dignity at Work Policy had been subject to consultation, agreed with the Fire Brigades Union, and implemented in October 2019. The Dignity at Work Policy defined bullying:

"Bullying is characterised as offensive, intimidating, malicious or insulting behaviour, an abuse or misuse of power through means that undermine, humiliate, denigrate or injure the recipient."

This definition had been directly informed by that of the Advisory, Conciliation and Arbitration Service (ACAS), which was used in Employment Tribunal cases. The Dignity at Work Policy had also been subject to consultation, agreed with the Fire Brigades Union, and implemented in October 2019. The Service had also procured and implemented the Employee Assistance Programme (Minute 94/20 refers), which included 24/7 support for staff members, and mandatory training to improve awareness with regard to bullying. Staff were also regularly reminded of the ways in which they could report bullying.

Formally reported incidents of bullying within the Service, while infrequent, were always treated seriously and investigated thoroughly. Mediation was usually offered by trained members of staff from the Service's Human Resources (HR) department in order to prevent the escalation of any problematic behaviours. Data relating to grievances and disciplinary matters were routinely uploaded to the Firewatch system, which also fed into the Service's bespoke tracking software and monitored by HR. The data did not, at the time of the meeting, reveal any concerning patterns.

During its inspection of the Service in 2018, HMICFRS had conducted an open staff survey, which had been followed by another in August 2020, the summarised results of which had been appended to the report. The first survey had caused concern as 26 percent of respondents had responded in the affirmative to the question, 'have you felt bullied or harassed at work in the last 12 months'. In the second survey, the percentage of affirmative responses to the same question had dropped to 14. However, both surveys had been conducted openly and anonymously, meaning that the results could not be verified. The Service had conducted four staff impact assessments since the beginning of the Covid-19 pandemic and, while they were not focussed on bullying and harassment, sought to understand the impact on, and supported required by, staff during the pandemic. Overall, the Service acknowledged the need to conduct further surveys to obtain a clear understanding of a variety of factors, and had decided that a series of shorter, thematic surveys would yield

better results than a single, longer annual one. The Organisational Development and Corporate Communications teams were in the process of developing a plan to undertake these surveys.

A Member drew attention to the fact that, while the Service reported that only 13 cases of bullying had been reported (either as a grievance or through disciplinary procedures) between November 2018 and May 2021, 26 percent of 206 respondents indicated that they had felt bullied or harassed in response to HMICFRS's 2018 survey. The Strategic Leadership Team had, at the time, been surprised by the survey's results, considering that the relevant policies were well understood by a heavily unionised workforce. There were two main problems with the quality of the data obtained through the HMICFRS survey. The first was that it was uncontrolled: any person who had the web link could have completed the survey and could have done so more than once. The second was that the survey had not defined what was meant by 'bullied or harrassed' before posing the question. Additionally, HMICFRS had not been able to verify its survey data during its field work, while it had been able to during its inspections of other fire and rescue services. The only reliable data the Service received was the result of what was reported directly by its employees. However, the Committee was assured that the Service was responsive in such instances, helping its employees to access the support they needed, investigating thoroughly and not acting only in the light of firm evidence.

Members were concerned by the responses received by HMICFRS in relation to the following questions in its 2018 survey:

- 20 percent of 206 respondents had disagreed with the statement, 'I am treated with dignity and respect at work', and
- 34 percent of respondents had disagreed with the statement, 'I would recommend my service to a friend as a place to work'.

Following the 2018 HMICFRS inspection, the Service had begun a process of cultural change, starting with the Supportive Leadership Framework at the top of the organisational structure, and also including the anti-bullying campaign and Employee Assistance Programme. The Committee was assured by the Service's responses to the results of the survey, but encouraged the Service to use its appraisal processes and exit interviews to gather high-quality data in relation to issues such as bullying. The Committee also noted the response to one of 2018 survey questions concerning feelings of fairness in relation to promotion processes and agreed to add a point to the scope of its item, Promotion within Uniformed Roles, due to be considered at its meeting of 6 September 2021.

Finally, the Committee agreed that, as part of its follow-up to the current item (due to be heard at its meeting of 11 April 2022), the Service's report should contain feedback from the relevant unions, and asked that the Temporary Director of People and Development work to include this in the report.

Resolved - (a) That the Service use its exit interviews and appraisals process to develop a clearer understanding bullying and changes to its organisational culture;

(b) that initial feedback on the progress of recommendation (a) be reported during the follow-up anti-bullying campaign item due to be heard on 11 April 2022;

(c) that the Service obtain high-quality data through a survey of staff in order to develop a clearer understanding of bullying and organisational culture than that afforded by the HMICFRS surveys of 2018 and 2020, and

(d) that the report for the follow-up anti-bullying campaign item contain feedback from the relevant unions.

71/21 GAS COMMITTEE SCRUTINY PROGRAMME 2021/22 - The Committee Manager submitted a report summarising the Committee's Scrutiny Programme 2021/22.

Resolved - (a) That the Programme be updated in accordance with Minute 70/21, and

(b) that the Programme be received.

72/21 ANY OTHER BUSINESS - There were no items.

Date	Item	Minute	Resolution	Responsible	Brief summary of outcome
13 July 2020	Internal Audit Update	49/20	Resolved - (b) that the Committee be updated in relation to TIAA's assessment of key financial controls at a future meeting.	TIAA	The Committee received the report relating to key financial controls at its meeting held on 25 January 2021.
13 July 2020	Draft Annual Performance Report 2019/20	51/20	Resolved - b) that the report be revised, taking into account the Committee's suggested amendments, prior to its receipt by the Fire Authority on 24 July 2020.	Director of Service Improvement	The report was updated prior to its receipt by the Fire Authority on 24 July 2020.
13 July 2020	LGA Consultation on Draft Code of Conduct	54/20	Resolved - That the Committee respond to the consultation collectively through Mandy Tomlinson.	Mandy Tomlinson	The consultation was responded to as planned.
13 July 2020	GAS Committee Scrutiny Programme 2020/21	56/20	Resolved - That the Scrutiny Programme 2020/21 be approved subject to the addition of scoping questions agreed by the Committee.	Committee Manager	Scrutiny Programme updated.
13 July 2020	AOB - Action Schedule	58/20	Resolved - That the Committee receive an action schedule tracking its recommendations at future meetings.	Committee Manager	Action schedule created.
7 September 2020	Internal Audit Progress Update	68/20	Resolved - that the TIAA briefing note, Cyber Threats using the COVID-19 Pandemic, be circulated to the Committee.	TIAA	The briefing note was circulated to the Committee following the meeting.
7 September 2020	Performance Reporting Update	70/20	Resolved - that, in future, changes of this calibre be communicated to the Committee further in advance.	Director of Service Improvement	ONGOING
7 September 2020	Absence Management Q1	72/20	Resolved - that the Service seek further feedback from its employees in relation to its anti-bullying campaign.	Director of People and Development	The Committee received a report on the Anti-Bullying Campaign at its meeting held on 5 July 2021.
7 September 2020	Effectiveness of the Protection Risk-Based Targeting Strategy	77/20	Resolved - (c) that the Committee be updated in six months in relation to the uptake of fire safety inspection training among on-call firefighters, and (d) that the Committee be updated in six months in relation to the Service's work with the University of Hull.	Director of Service Delivery Support	

7 September 2020	Update in relation to the Emergency Medical Response Cost Recovery Model (Scrutiny Programme 2019/20)	78/20	Resolved - That the updates be received.	Director of Service Delivery	Reschedule for further update.
16 November 2020	Performance and Risk Report - Second Quarter 2020/21	88/20	Resolved - (b) that the Service consider publishing details of the complaints it receives on its website.	Director of Service Improvement	A summary of complaints was uploaded to the Service's website.
16 November 2020	Absence Management - Second Quarter 2020/21	90/20	Resolved - (b) that the Temporary Director of People and Development update Members with the costs related to the delivery of the Employee Assistance Programme.	Temporary Director of People and Development	The Committee was provided an update on 30 November 2020.
16 November 2020	Treasury Management Mid-Year Update Report 2020/21	91/20	Resolved - (b) that the Service facilitate a session for the Committee on long-term treasury management issues.	Head of Finance	The session was held on 26 April 2021.
16 November 2020	Development and Delivery Plans to Support the Health and Wellbeing of Staff	94/20	Resolved - (b) that a verbal update be provided to the Committee in around three months.	Head of Occupational Health	Updates in relation to the Employee Assistance Programme were received at the Committee's meeting held on 5 July 2021.
16 November 2020	Update in relation to the Emergency Medical Response Cost Recovery Model (Scrutiny Programme 2019/20)	95/20	Resolved - (b) that the matter of the Emergency Medical Response Cost Recovery Model be considered resolved.	Director of Service Delivery	The cost recovery programme in relation to the Emergency Medical Response service was aligned across the Service's area.
25 January 2021	Internal Audit Update	8/21	Resolved - (b) that the audit report relating to health and safety be circulated to the Committee prior to its next meeting, and (c) that the Committee be informed of the final topic for the 2020/21 internal audit programme.	(b) Committee Manager (c) Head of Corporate Assurance	(b) The health and safety audit report was circulated on 2 February 2021 and included on the agenda for the 22 February 2021 meeting. (c) The decision was taken to move this slot into

					<p>2021/22 and await further guidance regarding the focus of the HMICFRS inspection before deciding on the topic. The following topic was also due to be proposed to the Committee for scrutiny in 2021/22:</p> <p>Business Continuity – Response to Covid Pandemic: Evaluation of lessons learned and the adoption of new working practices.</p>
25 January 2021	Protection Engagement with the Commercial and Business Community	13/21	<p>Resolved - (a) That an update on the Service's protection engagement be received during the 2021/22 scrutiny programme;</p> <p>(b) that the Committee be assured that the new Risk-Based Inspection Programme methodology enables the Service to prioritise and target engagement activities effectively, and</p> <p>(c) that the Committee note the ongoing impacts of both the Grenfell Tower fire and the Covid-19 pandemic, including the positive changes arising from them.</p>	Committee Manager/ Director of Service Support	<p>(a) The Committee approved its work programme at the meeting held on 14 June 2021;</p> <p>(b) N/A;</p> <p>(c) N/A.</p>
25 January 2021	GAS Scrutiny Programme 2020/21	14/21	<p>Resolved - (b) that the Workforce Plan be added as a matter for consideration as part of the scrutiny item due to be heard on 12 April 2021, Diversity and Recruitment - Progress and Plans.</p>	Committee Manager	The Programme was updated and included on the agenda for the 22 February 2021 meeting.
22 February 2021	Draft Internal Audit Plan 2021/22	23/21	<p>Resolved - (b) that the Committee's scrutiny of diversity and recruitment (due to be considered at the meeting to be held on 12 April 2021) be taken</p>	TIAA	

			into consideration during TIAA's audit of equality, diversity and inclusion as part of its Internal Audit Plan 2021/22.		
22 February 2021	GAS Committee Scrutiny Work Programme 2020/21	26/21	Resolved - (b) that a workshop be held in April 2021 to consider items for the 2021/22 Scrutiny Programme.	Committee Manager	The workshop was held on 20 May 2021 in order for the Programme to be considered for approval at the Committee's meeting due to be held on 14 June 2021.
12 April 2021	Draft Annual Governance Statement	37/21	Resolved - (b) that the draft Annual Governance Statement be updated to incorporate recent changes to the Committee's membership, and (c) that the Chair of the HFA and the Monitoring Officer consider an appraisal process for the GAS Committee.	Director of Service Improvement	(b) The Annual Governance Statement was updated prior to its receipt by the Fire Authority.
12 April 2021	Diversity and Recruitment - Progress and Plans	39/21	Resolved - (a) That the Service's future Positive Action Strategy and Framework be applied consistently; (b) that the Service ensure that its employees fully understand its Positive Action Strategy and Framework; (c) that the Service gather improved data in order to understand the makeup of its workforce in comparison to local demographics and other fire and rescue services; (d) that the Service improve its exit interview process to understand why employees leave the Service, and (e) that the Committee be updated about to the Service's progress in relation to the revision of its workforce plan and the recommendations of the associated internal audit report.	Temporary Director of People and Development	

14 June 2021	Annual Statement of Accounts (Unaudited)	51/21	Resolved - (b) that the Annual Statement of Accounts for 2020/21 be updated in response to the Committee's recommended amendments.	Head of Finance	The Annual Statement of Accounts for 2020/21 was updated prior to its receipt by the Fire Authority.
14 June 2021	Draft GAS Committee Scrutiny Programme 2021/22	55/21	Resolved - (a) That the Programme be approved subject to the addition of a reference to feedback on promotion processes received through exit-interviews on the scope of the item due to be heard on 6 September 2021.	Committee Manager	The scope was updated and received at the meeting held on 5 July 2021
5 July 2021	Anti-Bullying Campaign	70/21	Resolved - (a) That the Service use its exit interviews and appraisals process to develop a clearer understanding bullying and changes to its organisational culture; (b) that initial feedback on the progress of recommendation (a) be reported during the follow-up anti-bullying campaign item due to be heard on 11 April 2022; (c) that the Service obtain high-quality data through a survey of staff in order to develop a clearer understanding of bullying and organisational culture than that afforded by the HMICFRS surveys of 2018 and 2020, and (d) that the report for the follow-up anti-bullying campaign item contain feedback from the relevant unions.	Temporary Director of People and Development	
5 July 2021	GAS Committee Scrutiny Programme 2021/22		Resolved - (a) That the Programme be updated in accordance with Minute 70/21.	Committee Manager	The Programme was updated and received at the meeting held on 6 September 2021.



Internal Audit

FINAL

Humberside Fire & Rescue Service








Assurance Review of Enforcement

2021/22

August 2021



Executive Summary

OVERALL ASSESSMENT	KEY STRATEGIC FINDINGS								
<div></div>	<div><div><p>The Service's enforcement process was found to prioritise the greatest risks, with inspection activity directed accordingly.</p></div><div><p>Targets for number of inspections are not currently being met. Management interventions are planned to address underlying issues.</p></div><div><p>Quality assurance of enforcement work is undertaken by individual managers. An online process is in development, to enable central oversight and reporting.</p></div><div><p>Service Delivery Guidelines and Position Statements were found to adequately direct inspectors in their enforcement work.</p></div></div>								
ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE	GOOD PRACTICE IDENTIFIED								
<div>Review requested by client as part of annual audit plan</div>	<div><div><p>Central dashboards facilitate access to detailed management information on enforcement, from Service level to individual teams and inspectors.</p></div><div><p>An organisational review of Prevention and Protection is intended to facilitate more flexible deployment of resources under central management.</p></div></div>								
SCOPE	ACTION POINTS								
<div>The review considered the arrangements for enforcement plans to provide assurance that the highest risks are appropriately prioritised and that proportionate monitoring and evaluation is being carried out.</div>	<table><tr><th>Urgent</th><th>Important</th><th>Routine</th><th>Operational</th></tr><tr><td>0</td><td>3</td><td>0</td><td>0</td></tr></table>	Urgent	Important	Routine	Operational	0	3	0	0
Urgent	Important	Routine	Operational						
0	3	0	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	A sample of five engagement visits was reviewed where a crew was unable to obtain full positive assurance on fire safety from the responsible person. In only three of those cases, evidence was available that the necessary advice or guidance was subsequently issued. It was established that part of the follow up to engagement visits is processed by a central administration team, but that this has not been carried out in all cases. Although it was unclear how many premises had not received the recommended advice because of this issue, evidence indicated that serious breaches escalated to inspectors were not affected and these are followed up as expected.	All administrative procedures relating to enforcement and engagement activity be agreed and documented, while ensuring that these are fully understood and operating as intended.	2	<p><i>MS Forms for operational crew engagement activity to be reviewed to ensure all engagement outcome are recorded during every visit undertaken.</i></p> <p><i>Public Safety Centre processes to be reviewed to ensure all operational crew engagement activities are robustly processed.</i></p> <p><i>Review all Service Delivery Guidance (SDG) relating to protection activities to be reviewed and reissued to service users.</i></p>	<p>30/09/21</p> <p>30/09/21</p> <p>30/09/21</p>	<p>Dave Bristow Lynsey Driver</p> <p>Jonathon Clark Tracey Kendal</p> <p>Dave Bristow Lynsey Driver</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)
2	Delivery	<p>The minimum delivery standard within the Prevention and Protection Plan 2021-2024 is to audit within 2020-21 all premises within the highest risk category according to the Risk Based Inspection Programme (RBIP). This equates to 10 audits per inspector per month. Year-to-date performance to the end of June was at 71% of this figure; hence the Service is not on course to meet the delivery standard. Interviews with staff indicated that RBIP audits have historically been lower priority than some other tasks undertaken by inspectors and that discussions are ongoing with local managers to embed the cultural changes required to meet commitments within the new Prevention and Protection Plan. It was also confirmed that an organisational redesign is intended to allow greater central co-ordination of this activity and therefore more flexibility to deploy inspectors across the Service area in order to meet service commitments.</p>	The prioritisation of RBIP audits relative to other tasks be reviewed with District Protection Managers. Any improvement in delivery performance resulting from these discussions and subsequent organisational changes, should be monitored and further interventions made if necessary to achieve the required delivery standard.	2	<p><i>Review protection activity priority list to be reviewed and reissued to all protection staff</i></p> <p><i>Protection activities to be reviewed and a minimum expectation of 10 high risk audits per qualified inspector per month to be completed.</i></p> <p><i>Audit data within CFRMIS to be reviewed to seek assurance that the level of high-risk activity is accurately recorded in CFRMIS and accurately reflected in the corporate dashboard system.</i></p>	<p>31/08/21</p> <p>31/08/21</p> <p>31/12/21</p>	<p>Paul Robson Lynsey Driver</p> <p>Paul Robson</p> <p>Jonathon Clark Dave Bristow Paul Robson Lynsey Driver Jo Mann Martyn Shields Public Safety Centre</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	The quality of fire safety audits is currently monitored by individual managers through reviews of inspectors' work. This is not collated centrally, however, so there is limited ability to evaluate this across the whole Service. An electronic system for management review is now in development, which will enable qualitative data to be reported centrally and analysed as required.	The electronic quality assurance system be rolled out, along with associated analysis and evaluation processes, so that the Service is able to evidence the effectiveness of its enforcement work.	2	<i>MS Forms process to be established to improve management and support to inspectors following inspector QA process. This process is aimed at ensuring all identified areas are actioned appropriately.</i>	31/10/21	Dave Bristow Lynsey Driver

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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Operational - Effectiveness Matter (OEM) Action Plan

Ref	Risk Area	Finding	Suggested Action	Management Comments
There were no organisational effectiveness matters 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	-

Other Findings



Documentation and interviews confirmed that a Risk Based Inspection Programme (RBIP) is used to identify the highest risk properties for attention based on a series of metrics (the appropriateness of these metrics was not reviewed within the scope of this audit). Those with the highest risk scores are assigned for Fire Risk Audits by inspectors, with the next level being allocated to operational crews for engagement visits.



The Service has in place a number of position statements and service delivery guidance documents, describing its approach to enforcement activity and steps required in specific circumstances. Interviews were undertaken with a District Protection Manager, an Inspector and a Watch Manager and each confirmed that they are aware of and refer to these sources of documentation in their work and that are aware of recent changes, including to "Stay Put" advice.



The Service's Position Statement on the Concordat of Enforcement commits to providing proportionality and consistency in its enforcement work. Interviews confirmed that advice is often provided to responsible persons as the most effective way to reduce risk and that consistency is achieved through discussion of challenging cases with managers, peers and subject matter experts.



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	2 & 3	-
FC	Financial Constraint	The process operates within the agreed financial budget for the year.	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



An organisational review is ongoing, which aims to increase the number of inspectors carrying out Fire Safety Audits, so that delivery standards can be met without any negative impact on other key objectives.



The COVID lockdown required that much enforcement work was carried out via telephone rather than through in-person visits. Any risk arising from this approach should be mitigated by the intention to visit all of the highest risk premises during 2021-22.

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:	2 nd July 2021	5 th July 2021
Draft Report:	2 nd August 2021	11 th August 2021
Final Report:	12 th August 2021	

AUDIT PLANNING MEMORANDUM

Appendix B

Client:	Humberside Fire & Rescue		
Review:	Enforcement		
Type of Review:	Assurance	Audit Lead:	Stuart Whittingham

Outline scope (per Annual Plan):	The review considers the arrangements for enforcement plans to provide assurance that the highest risks are appropriately prioritised and that proportionate monitoring and evaluation is being carried out.
Detailed scope will consider:	<p>The review will set out to provide assurance to the Governance, Audit and Scrutiny Committee that robust arrangements are in place surrounding Humberside Fire and Rescue's enforcement activity:</p> <ul style="list-style-type: none"> • Procedures are in place to clearly define processes surrounding the enforcement plan, including prosecutions. • There is a clear risk-based methodology for prioritisation of enforcement action and activity is undertaken in line with this • The Service has considered the risks associated with enforcement activity and appropriate mitigating controls are identified and operated. • Performance is monitored in a proportionate way and in sufficient detail by senior management and the Authority.

Planned Start Date:	19/07/2021	Exit Meeting Date:	21/07/2021	Exit Meeting to be held with:	Head of Public Safety
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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



Internal Audit

FINAL

Humberside Fire and Rescue Service

Assurance Review of Grievance Arrangements

2021/22

August 2021



Executive Summary

OVERALL ASSESSMENT		KEY STRATEGIC FINDINGS									
<div><div><div>Adequate & effective governance, risk and control processes</div><div>REASONABLE ASSURANCE</div></div><div><div>SUBSTANTIAL ASSURANCE</div><div>REASONABLE ASSURANCE</div><div>LIMITED ASSURANCE</div><div>NO ASSURANCE</div></div></div>		<div><div><div></div><div>The process is appropriately directed through the Grievance Policy, but does not always operate as effectively as would be expected.</div></div><div><div></div><div>Some grievances that progressed to the final appeal stage could have been resolved through day-to-day management or more effective action at Stage One.</div></div><div><div></div><div>Systematic analysis and monitoring of trends in grievances is not currently in place, although the required tools are in development.</div></div><div><div></div><div>Training for managers to address shortcomings in handling grievances has not yet been undertaken. This is planned for the coming months.</div></div></div>									
ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE		GOOD PRACTICE IDENTIFIED									
<div>N/A - review requested by client</div>		<div><div><div></div><div>The updated Grievance Form invites employees to suggest a resolution to their concern, promoting active engagement in the process.</div></div><div><div></div><div>The Chief Fire Officer's video message in June 2021 stressed that the Service welcomes the raising of grievances and that this would not negatively impact career prospects.</div></div></div>									
SCOPE		ACTION POINTS									
<div>The review considered the arrangements for the operation of the grievance procedure at HFRS and will focus on the effectiveness of the process and the appropriateness of the evidence held to support grievances. The review also considered whether the level of trends or patterns in relation to submitted grievances are being considered and actions are being taken to address concerns.</div>		<table><tr><th>Urgent</th><th>Important</th><th>Routine</th><th>Operational</th></tr><tr><td>0</td><td>3</td><td>2</td><td>0</td></tr></table>		Urgent	Important	Routine	Operational	0	3	2	0
Urgent	Important	Routine	Operational								
0	3	2	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	It was confirmed that analysis and monitoring of grievance cases across the Service is currently limited to high-level statistics through the Power BI Dashboard. The HR Tracker contains a greater level of detail, providing the opportunity to categorise and identify trends, which Management intends to begin using in the coming months.	Analysis procedures be developed and rolled out to facilitate the review of trends and patterns in grievances. This should allow the Service to maximise the learning arising from the process and take improvement action where necessary.	2	Head of HR to identify and oversee HR working group. The latter will analyse trends and patterns before providing a summary report to the Head of HR who will then disseminate appropriately, including the Director of People and Development for reporting at the monthly SLT Performance meetings.	31/10/21	Head of HR
2	Directed	Management noted that additional training is required for managers on handling grievance cases fairly, effectively and efficiently. Sample testing during this audit supports this view (see findings from testing throughout this report). It is envisaged that this will form part of wider management training, the scheduling of which is due to commence in September 2021.	Training for managers on best practice in undertaking their role in grievance cases be incorporated into planned management training.	2	Arrangements have been made for an external provider to deliver training in this regard.	30/09/21	Director of People and Development

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	Directed	In the majority of cases tested for the audit, the manager's comments at Stage One indicated that they were unable to help with the grievance because they did not have the appropriate level of authority. The Grievance Policy suggests escalation in these circumstances, which can be done outside of the grievance procedure as a first step. In most cases reviewed, there was no evidence of the initial line manager escalating or involving specialists (e.g. HR) at an early stage. If this had been done, it may have been possible to resolve some grievances quickly before they progressed to the more resource-intensive Stage Two.	Engagement and training be undertaken with managers to clarify that further advice and escalation can be accessed before Stage One is completed, in order to increase the opportunity to resolve issues at the informal stage.	2	<i>This will be captured within the above training in (2) above. HR Service Partners will then continue to provide day to day coaching and support in this regard.</i>	30/09/21	Director of People and Development/HR Service Partners

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)
4	Directed	Management confirmed that it is common for hearings and appeals to be delayed beyond the deadlines specified within the policy (five working days from the next stage being initiated). This was also observed in sample testing. It was noted that this is due to a number of factors, including the shift patterns of operational staff, inability to attend meetings when not on shift, COVID-related absences and scheduling difficulties when senior management need to be involved. Although it is noted that all timelines can be extended by mutual agreement, quick resolution of grievances is in the interests of all parties and there is a risk of damage to employee relations if the Service is perceived to consistently miss deadlines.	All reasonable efforts be made to adhere to the timescales specified within the Grievance Policy.	3	<i>Every effort will be made to adhere to the expressed timescales. This will be monitored as part of the aforementioned analysis and addressed appropriately.</i>	31/10/21 (based on the same timescales as (1) above)	HR Service Partners

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)
5	Directed	In several cases tested, the Stage One outcome recorded that the manager was supportive of the employee's grievance, but unable to resolve it. In most of these instances, the grievance continued to the final stage of the process and was ultimately not upheld. Such clear expressions of support by managers may risk contradicting the final outcome and the judgement of Service colleagues, potentially undermining confidence in the overall process.	Managers be discouraged from expressing unambiguous support for grievances that cannot be resolved at Stage One. A more balanced position, such as acknowledging that the case could merit further investigation, may be more appropriate and reflective of the manager's responsibilities towards both the employee and the Service.	3	<i>This will be addressed as part of the training and support referenced in (2) and (3) above.</i>	31/10/21 (based on the same timescales as (1) above)	HR Service Partners

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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Operational - Effectiveness Matter (OEM) Action Plan

Ref	Risk Area	Finding	Suggested Action	Management Comments
There were no operational effectiveness matters 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.	Partially in place	1 & 2	-
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	3, 4 & 5	-

Other Findings



The new Grievance Policy was created in 2018 and reviewed in 2020. It now specifies in detail the steps required at each stage, includes guidance on good practice and signposts to sources of support and information. The grievance form has similarly been updated and aligned to the steps.



The Grievance form now asks the aggrieved employee to indicate how they feel that their grievance can be resolved, encouraging active involvement in the process.



The Grievance Policy envisages that the process will be driven by managers, with HR providing oversight and advice. It was confirmed, however, that in practice it is often HR Partners who take ownership for cases progressing once they reach the Formal Stage (Stage Two). Although increasing the workload for HR, this does provide assurance around the quality and compliance of the process, which is supported by the findings from audit testing on cases reaching Stages Two and Three.

Other Findings



The HMICFRS inspection of 2018 indicated that some staff are unsure that their views will be listened to or that they can feed back freely without fear of repercussions. No evidence was available during this audit to confirm staff feelings regarding the grievance process. As there have been 44 grievances raised in total since 2018, however, no indication was found of widespread reluctance to raise concerns.

The Chief Fire Officer's video message to staff in June 2021 specifically encouraged staff to raise any grievances, making clear that staff would not be disadvantaged by doing so and that the Service considers this to be a valuable learning opportunity.



In all cases sampled for the audit, panel membership for hearings and appeals at Stages Two and Three was found to be appropriate. Employees had been clearly informed of the outcome at each stage and information was made available on how to progress the grievance to the next stage. Comprehensive records are kept of meeting records and correspondence relevant to cases.



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.	In place	-	-
FC	Financial Constraint	The process operates within the agreed financial budget for the year.	Out of scope	-	-
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



High-level statistics on grievances are reported on a monthly basis through the SLT Performance Meetings. Once additional analytics and monitoring processes are introduced (see MAP Recommendation 1) it may be possible to enhance the information reported.



The process is dependent on the availability of staff to attend meetings, hearings and appeals. In addition to the difficulties posed by shift patterns for operational staff, COVID has created further problems due to illness and isolation. Although some cases have taken longer than expected to complete, it is noted that all parts of the process have continued to operate through the pandemic.

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.

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Effectiveness of arrangements

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Assurance Assessment

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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:	19 th July 2021	20 th July 2021
Draft Report:	16 th August 2021	25 th August 2021
Final Report:	26 th August 2021	

AUDIT PLANNING MEMORANDUM

Appendix B

Client:	Humberside Fire and Rescue Service		
Review:	Grievance Arrangements		
Type of Review:	Assurance	Audit Lead:	Stuart Whittingham

Outline scope (per Annual Plan):	The review considers the arrangements for the operation of the grievance procedure at HFRS and will focus on the effectiveness of the process and the appropriateness the evidence held to support grievances. The review also considers whether the level of trends or patterns in relation to submitted grievances are being considered and actions are being taken to address concerns.
Detailed scope will consider:	<p>The review will set out to provide assurance to the Governance, Audit and Scrutiny Committee that robust controls are in place and operating for grievances, including:</p> <ul style="list-style-type: none"> • Processes are directed by appropriate policy and procedures. • Appropriate records are maintained. • Data and trends are analysed to identify underlying issues and that these are monitored, reported and acted upon. • Policy is consistently applied and quality assured. • Staff (including managers) have adequate levels of training and awareness. • Informal grievances are effectively dealt with and included in trend analysis. • Performance information is reported to Authority / Committee.

Planned Start Date:	09/08/2021	Exit Meeting Date:	11/08/2021	Exit Meeting to be held with:	Director of People and Development
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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








Humberside Fire and Rescue Service

Assurance Review of National Operational Guidance Phase 3 and 4

2021/22

August 2021

Executive Summary

OVERALL ASSESSMENT	KEY STRATEGIC FINDINGS								
<div></div>	<div><div><div>The process was found to be appropriately directed and operating as expected.</div></div><div><div>Sample testing indicated that NOG scenarios are incorporated into the Service's operational procedures. Plans are in place to address any remaining gaps.</div></div><div><div>The Service currently has limited ability to demonstrate the operational use of NOG scenarios. Operational Assurance is to address this from September 2021.</div></div><div><div>Technology available on appliances was confirmed as providing resilient, accessible access to NOG information.</div></div></div>								
ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE	GOOD PRACTICE IDENTIFIED								
<div><div>SDS-2018-022 Failure to adopt and embed National Operational Guidance into Humberside FRS.</div><div>Non Alignment with nationally recognised policies, procedures and training outcomes.</div></div>	<div><div><div>Collaboration on NOG with other Yorkshire FRS has resulted in materials from the region being identified nationally as best practice by the NFCC/CPO</div></div><div><div>Greater resilience has been achieved through the involvement of a wider range of staff in NOG implementation, reducing the risk of a single point of failure</div></div></div>								
SCOPE	ACTION POINTS								
<div>The review followed on from the review of Phases One and Two in 2020/21 and considered the implementation of Phases Three and Four of the Service's action plan.</div>	<table><tr><th>Urgent</th><th>Important</th><th>Routine</th><th>Operational</th></tr><tr><td>0</td><td>1</td><td>1</td><td>0</td></tr></table>	Urgent	Important	Routine	Operational	0	1	1	0
Urgent	Important	Routine	Operational						
0	1	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	There is not currently a robust method in place to collect evidence that NOG scenarios are being utilised in the response to incidents. It is possible to check whether a crew referred to a scenario on the mobile data terminal, but this is a time-consuming, manual process on a case-by-case basis. It was confirmed that, from September 2021, NOG will form the basis of Operational Assurance activity, entailing internal review of training materials and targeted observation of incidents to ascertain whether actions are aligned with NOG and scenarios are accessed by crews.	The planned changes to base Operational Assurance activity around the requirements of NOG be fully implemented. The results of this work be monitored to ascertain whether NOG has become fully embedded into operational activity.	2	<i>Procedures and processes at operational incidents have not changed significantly as a result of the introduction of NOG, but the method of receiving information and guidance on scene has. Use of NOG scenarios at incidents has been scheduled as a dedicated theme for November and the monitoring activities leading up to this has progressed well. NOG scenario use following the thematic audit will be monitored as part of Business as usual within the operational assurance process.</i>	3 rd Quarter 01/11/21	GM Plunkett

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)
2	Directed	A Post-Implementation Plan for the NOG project is in place, confirming the need to continue maintenance of NOG materials as an ongoing activity, due to the ever-changing nature of national guidance. Requirements are identified regarding ownership within sections' own areas of responsibility. Central co-ordination is also recommended in the Plan, including monitoring evidence that the Service remains aligned with NOG requirements. Exact arrangements have yet to be confirmed at the time of the audit.	Arrangements be confirmed for maintaining, overseeing and assuring that the Service remains compliant with NOG requirements after the end of the implementation project.	3	A future proposal has been submitted for consideration and the existing NOG implementation team will continue to ensure compliance in the transitional phase. The overall management of NOG into the future is currently under review.	20/09/21	Gm Plunkett

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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Operational - Effectiveness Matter (OEM) Action Plan

Ref	Risk Area	Finding	Suggested Action	Management Comments
There were no operational effectiveness matters 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.	Partially in place	1 & 2	-
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.	In place	-	-

Other Findings







It was confirmed through interviews with key personnel that NOG scenarios are available to crews through various mobile and desktop technology solutions. At stations, there is access to the full range of HFRS training and documentation as well as NOG scenarios. While on the move, mobile technology allows access to the NOG scenarios, which are set up to regularly download offline copies of key information so that crews have access to guidance that is maximum 24 hours old. A further upgrade is planned for late 2021 to enable offline access to a wider range of material.



A comprehensive NOG communications programme is in place, including newsletter articles, emails and general messaging to staff. In order to further improve awareness of NOG, an additional staff member was appointed to the NOG project in March 2021 and has carried out in-person visits to stations, targeted engagement with managers and "bite-sized" videos explaining key points. The reach of content is monitored, so that items receiving fewer hits are reviewed and alternative delivery options considered.

Other Findings

-  A comprehensive update is under way to align all HFRS training materials with NOG to ensure that the guidance is fully embedded within the Service. The re-writing of packages (including theory and practical training and associated assessments) and their deployment to operational staff will take up to three years due to the volume and the need to maintain all other competencies at all times. Monitoring and reporting of training completion rates will be available to management through the existing dashboard systems.
-  Failure to adopt NOG remains a Directorate-level risk and is formally reviewed quarterly as part of the standard risk management process, with the key mitigation being the progress of the implementation project.
-  A sample of NOG scenarios was tested through comparison with current operational and training guidance. In all cases sampled, the current documentation was aligned with the NOG requirements. It was also confirmed that, where compliance will take longer to achieve (such as due to the need to invest in equipment or technology), a formal plan is in place to achieve this.
-  It was confirmed by interview with the Project Manager, that an exercise has been undertaken to delete all electronic versions of old non-NOG operating procedures and to remove all links to these. It was also confirmed that the monthly station audit by Station Managers now includes a requirement to remove and destroy any hard copy operating procedures that are found, to reduce the risk of outdated materials being used.







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.	In place	-	-
FC	Financial Constraint	The process operates within the agreed financial budget for the year.	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 NOG Project Board, including representatives from all sections, meets monthly and maintains logs of issues, actions and decisions. As NOG activity transitions into 'business as usual', it is envisaged that these meetings will become quarterly.
-  Monthly project reports are provided to the Senior Leadership Team, highlighting activities completed, planned and critical issues.
-  The NOG project is integrated into the Emergency Preparedness section and does not have a dedicated budget. It is evident, however, that resources have been appropriately managed in recent months to improve outcomes, through the temporary deployment of additional engagement staff onto the team and refocusing on NOG in other areas such as Operational Assurance and Learning and Development.
-  The risks of a single point of failure were noted in the audit of NOG implementation phases 1 and 2. It was noted within this audit that, through greater engagement across the Service and the identification of NOG points of contact in all sections, there is now greater resilience in key activities around the implementation project. It was also confirmed that additional users now have access to update resources, providing valuable backup.

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.

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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:	20 th July 2021	20 th July 2021
Draft Report:	10 th August 2021	24 th August 2021
Final Report:	25 th August 2021	

AUDIT PLANNING MEMORANDUM

Appendix B

Client:	Humberside Fire and Rescue Service		
Review:	National Operational Guidance Phase 3 and 4		
Type of Review:	Assurance	Audit Lead:	Stuart Whittingham
Outline scope (per Annual Plan):	The review follows on from the review of Phase One and Two in 2020/21 and will consider the implementation of Phase 3 and 4 of the Service's action plan.		
Detailed scope will consider:	<p>The review will set out to provide assurance to the Governance, Audit and Scrutiny Committee that Phase 3 and Phase 4 of the NOG implementation plan has been completed in line with the original action plan developed following the Gap analysis undertaken by HFRS.</p> <p>Phase 3 – The introduction of NOG Scenarios into HFRS and demonstration that it has embedded NOG and is actively using it.</p> <ul style="list-style-type: none"> Review of operating procedures for alignment with NOG scenarios. Review of quality assurance data to ascertain whether NOG is being actively used in practice <p>Phase 4 – Introduction of new Mobile Data Terminals in appliances compatible with NOG Scenarios and Service Integration Tool.</p> <ul style="list-style-type: none"> Review status of technology implementation to facilitate accessible, available, interactive and resilient access to NOG information by all operational staff. 		
Planned Start Date:	02/08/2021	Exit Meeting Date:	05/08/2021
		Exit Meeting to be held with:	Head of Training; NOG Project Team members

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.?	Y
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



Internal Audit

FINAL

Humberside Fire & Rescue








Assurance Review of Productivity – Shift System

2021/22

August 2021



Executive Summary

OVERALL ASSESSMENT	KEY STRATEGIC FINDINGS								
<div></div>	<div><div><p>Appropriate procedures have been agreed, but these are not yet fully embedded across the Service.</p></div><div><p>The design of the shift system was originally staff-led. The evolution of associated management systems has continued since its introduction in 2018.</p></div><div><p>Evidence of day-to-day activity is not currently recorded in sufficient detail to identify gains in productivity and public benefit from the new shift system.</p></div><div><p>Data indicates a substantial amount of time being spent on training, but there is limited evidence on how this time is used productively.</p></div></div>								
ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE	GOOD PRACTICE IDENTIFIED								
<div>N/A - targeted review requested through annual planning process</div>	<div><div><p>An internal evaluation of the shift system in 2020 confirmed cost savings and improved morale. A focus on productivity now aims to complement these gains.</p></div><div><p>A central process is now in operation to formally record and evidence activity undertaken by all staff to support the strategic plan whilst at work.</p></div></div>								
SCOPE	ACTION POINTS								
<div>The review considered the ongoing trial of the 24 hour day self-rostering shift system to determine if the expected project benefits in relation to the public, efficiency and costs and staff morale have been demonstrated.</div>	<table><tr><th>Urgent</th><th>Important</th><th>Routine</th><th>Operational</th></tr><tr><td>1</td><td>2</td><td>1</td><td>0</td></tr></table>	Urgent	Important	Routine	Operational	1	2	1	0
Urgent	Important	Routine	Operational						
1	2	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 Station Management Policy documents a system of prioritisation, planning, recording and oversight of watch activity, based on a combination of Service priorities and local requirements.</p> <p>Interviews with Watch Managers revealed that performance management elements of the policy are extremely new, in some cases only in operation in recent days.</p> <p>Sample testing for two stations found the required submission of Watch Planner and Watch Recorder forms only taking place around 70% of the time during the period reviewed. As a result, there is a lack of evidence to demonstrate productivity and public benefit.</p> <p>Management confirmed it has diverted resource to accelerate the embedding of the process, but this will take some time to feed through into measurable outcomes.</p>	All elements of the Station Management Policy be fully and consistently embedded across the Service, with appropriate enforcement of compliance.	1	<p><i>Sample testing of two stations is a small sample in comparison to the twelve fulltime stations available.</i></p> <p><i>Policy engagement sessions with Station Managers to achieve a consistent approach to the performance management of stations and watches embedding key policy absolutes, delivery outcomes and outputs.</i></p> <p><i>District Peer audit programme to support oversight and embedding of prioritisation, planning, delivery, and recording.</i></p> <p><i>Reporting to Directorate Management Team Performance Meetings</i></p> <p><i>Planned development events from July to December at GM/SM level.</i></p>	<p>16/06/21</p> <p>01/09/21</p> <p>04/08/21</p> <p>15/09/21</p>	Director of Service Delivery

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.

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
					<p>District development events for SM/WM Teams starting immediately via 1:1s, (during September and face to face in October and November for WM's).</p> <p>Development of SM and WM role induction and individual development plans for new and established staff.</p> <p>Watch Management Team Absolutes developed and applied.</p> <p>Redevelopment of the annual leave policy to balance resourcing allocations to support a productivity uplift</p> <p>Development of alternative shift systems proposals (directed/non-self-rostering, self-rostering) ready for implementation.</p> <p>Directorate Management Team scheduled reviews of Recommendation 1.</p>	<p>16/06/21</p> <p>01/10/21</p> <p>30/9/21</p> <p>01/01/22</p> <p>01/01/22</p> <p>15/09/21 11/10/21 15/11/21 06/12/21</p>	

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.

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
2	Directed	It was noted from a sample of Watch Recorder submissions that significant time is spent on training (often up to eight hours in a day) , but that minimal supporting detail was provided on the prioritisation and content of activity undertaken during this time. Although the Service Dashboard shows an overall competency level above the target of 95%, recording additional information would provide enhanced evidence that this significant amount of time has been spent as productively as possible.	A standard be established for the level of detail required when recording training time. Submissions should be monitored alongside overall competency rates, to ensure that outcomes are commensurate with the time invested in training.	2	<p><i>Amendment to policy standard delivery guidance to provide clear guidance to WM's regarding the detail required to enter into planning, reporting and supernumerary dashboard tools.</i></p> <p><i>Including direction on logging hours spent on daily work activities.</i></p> <p><i>e.g. some WMs are recording the time spent on activities cumulatively for individuals (presenting skewed data)</i></p> <p><i>Development, distribution, and the performance managing of WM daily absolutes directing the tasks that WMs need to achieve.</i></p> <p><i>Directorate Management Team scheduled monthly reviews of Recommendation 2.</i></p>	<p>31/08/21</p> <p>04/08/21</p> <p>15/09/21</p> <p>11/10/21</p> <p>15/11/21</p> <p>06/12/21</p>	Director of Service Delivery

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.

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
3	Directed	Prevention and protection data indicates that a substantial number of engagement visits are undertaken, but the raw figures do not demonstrate whether this was achieved in a way that maximises public benefit, such as by attending at the most appropriate time of day. Although Watch Managers were able to provide anecdotal examples (e.g. visiting fast food premises at times that would have been impractical on the old shift system), this level of detail was also generally not available in the sample of Watch Recorder forms reviewed. It is therefore difficult to identify robust evidence of public benefit of the current shift pattern in this area.	Recording of prevention and protection activity through the Watch Recorder system be expanded to include details of cases where the Service has provided additional benefit to the public, so that a bank of evidence and good practice can be collated. Examples may include engagement visits made at non-standard times of day or where particularly in-depth support is provided.	2	<p><i>Amendment to policy document to give clear guidance to Watch Managers (WM) regarding detail required within planning, reporting and supernumerary tools and how to record hours spent on any activity.</i></p> <p><i>Workstream identification from prevention and protection sections to be introduced to provide context for crews to direct engagement times</i></p> <p><i>Directorate Management Team scheduled monthly reviews of Recommendation 3.</i></p>	<p>31/07/21</p> <p>30/9/21</p> <p>15/09/21</p> <p>11/10/21</p> <p>15/11/21</p> <p>06/12/21</p>	Director of Service Delivery

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)
4	Directed	Management noted that the 24-hour shift pattern results in fewer on-site contact days for Station Managers with each Watch and concern was expressed that this reduces the opportunity to take timely action to address emerging productivity issues.	Opportunities be identified to deploy Station Manager resources more flexibly across the Service to ensure effective performance management in this area.	3	<p><i>Availability of access to stations by SM's to support stations remains the same.</i></p> <p><i>Station Managers to have identified full time station base locations.</i></p> <p><i>Scheduled Daily engagement with watches (face to face or via teams/telephone).</i></p> <p><i>Planned support from non-Service Delivery Station Managers. SM daily absolutes to be reviewed to support FDS duty system to improve SM out of hours managerial support & scheduled daily management support.</i></p> <p><i>Directorate Management Team scheduled monthly reviews of Recommendation 4.</i></p>	<p><i>31/07/21</i></p> <p><i>Immediate</i></p> <p><i>01/10/21</i></p> <p><i>15/09/21</i></p> <p><i>11/10/21</i></p> <p><i>15/11/21</i></p> <p><i>06/12/21</i></p>	<i>Director of Service Delivery</i>

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
There were no operational effectiveness measures 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.	Partially in place	1 & 4	-
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	2 & 3	-

Other Findings

-  The Station Management procedures facilitate the cascading of Service priorities into each District, Station and Watch, through individual and group meetings with managers. Heat maps are developed and maintained for each Station, tailoring delivery priorities to local circumstances. Watch Managers are directed to use these resources as a basis for their planning of specific tasks on a day-to-day basis.
-  The Locally Determined Shift System pattern has enabled stations to arrange cover locally for short term absences, by calling in staff from an opposing Watch. This has practically eliminated the need for overtime payments in these scenarios.
-  A process is in place to submit and review details of activity undertaken by any surplus staff. This may include cover at another Station, assisting central operations, project work or completing additional training or engagement.
-  The Service's evaluation of the shift system in 2020 involved substantial engagement with staff at all Stations and levels to assess the impact on staff morale. Data collected through interviews concluded that the system is extremely popular. This was supported by comments from all staff interviewed for this audit.

**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.	In place	-	-
FC	Financial Constraint	The process operates within the agreed financial budget for the year.	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 Service commissioned a post implementation review in January 2020, which showed a number of benefits achieved and identified areas for further improvement.

A report was provided to the Directorate Management Team in April 2021, providing an update on the action plan and activity of the working group tasked with co-ordinating this. The paper demonstrated that 10 out of 14 actions were substantially in place and the remainder in progress.

It was noted that the action plan and associated efforts thus far have focused on implementing arrangements for ensuring an effective shift system and that there is a need in the coming months to improve the identification and reporting of demonstrable outcomes benefiting the public, as noted in the recommendations in this report.



The principal financial benefit directly attributable to the LDSS shift system is the removal of overtime payments for covering sickness, through cover being provided locally by opposing shifts. The Service's post implementation review identified that the new system may have achieved annual savings of up to £42k, although a direct comparison is difficult because short-term sickness has reduced since the LDSS pattern has been introduced.



Management confirmed that the COVID-19 pandemic and the associated operational and staffing challenges has delayed by several months the embedding of more robust arrangements to oversee productivity. As a result, evidence of improved outcomes is not yet consistently available, as would have been expected by this stage.

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:	17 th June 2021	17 th June 2021
Draft Report:	9 th July 2021	17 th August 2021
Final Report:	25 th August 2021	
Revised Final Report:	26 th August 2021	

AUDIT PLANNING MEMORANDUM

Appendix B

Client:	Humberside Fire & Rescue				
Review:	Productivity – Shift System				
Type of Review:	Assurance	Audit Lead:	Stuart Whittingham		
Outline scope (per Annual Plan):	The review will consider the ongoing trial of the 24 hour day Self-rostering shift system to determine if the expected project benefits in relation to the public, efficiency and casts and staff morale have been demonstrated.				
Detailed scope will consider:	<p>The review will set out to provide assurance to the Governance, Audit and Scrutiny Committee that robust arrangements are in place surrounding the Humberside Fire and Rescue shift system:</p> <ul style="list-style-type: none">• Procedures are in place to clearly define processes surrounding the shift system.• The Service has considered the risks associated with the shift system and its intended benefits and appropriate mitigating controls are identified and operated.• Performance is monitored in sufficient detail to senior management and the Authority, regarding the expected project benefits in relation to public benefit, efficiency and staff morale.• Appropriate actions have been taken in response to the findings and recommendations from the Service’s evaluation of the shift system changes.				
Planned Start Date:	28/06/2021	Exit Meeting Date:	01/07/2021	Exit Meeting to be held with:	Director of Service Delivery; District Heads of Service Delivery

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.?	Y
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?	Y
Are there any particular matters/periods of time you would like the review to consider?	Y

Humberside Fire and Rescue Service

Summary Internal Controls Assurance (SICA) Report

2021/22

August 2021



Summary Internal Controls Assurance

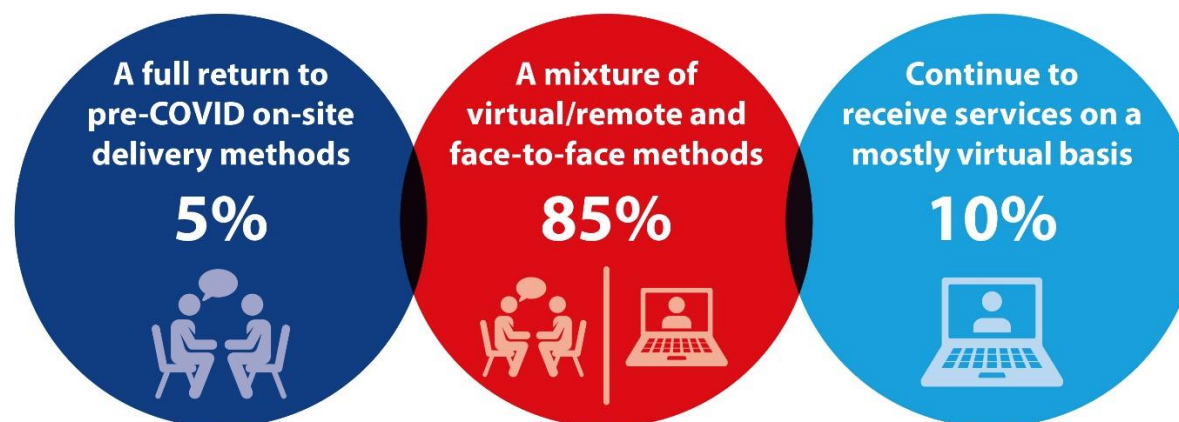
Introduction

1. This summary controls assurance report provides the Governance, Audit and Scrutiny Committee with an update on the emerging Governance, Risk and Internal Control related issues and the progress of our work at Humberside Fire and Rescue Service (HFRS) as at 20th August 2021.

Emerging Governance, Risk and Internal Control Related Issues

2. With the easing of restrictions come the decisions by many businesses as to how they are going to operate in a post-lockdown world. There is a balance between the creativity and collaboration that arises from being in the same workplace and the benefits that arise from remote working and embracing of technology. Our approach is largely driven by how our clients are going to operate so we decided to ask their thoughts as part of our annual client survey. The majority of respondents said that they would prefer a mixture of virtual/remote and face-to-face provision of assurance services in the future. This is largely what we expected, although we recognise that is likely to vary between sectors.

How our clients would like their organisation's assurance services provided



3. Whichever model is adopted, we will continue to consider the impact on Governance, Risk and Internal Control of any changes to working practices.

Audits completed since the last SICA report to the Governance, Audit and Scrutiny Committee

4. The table below sets out details of audits finalised since the previous meeting of the Governance, Audit and Scrutiny Committee.

Audits completed since previous SICA report

Review	Evaluation	Key Dates			Number of Recommendations			
		Draft issued	Responses Received	Final issued	1	2	3	OEM
Enforcement	Reasonable	02/08/2021	11/08/2021	12/08/2021	-	3	-	-
National Operational Guidance Phase 3 & 4	Reasonable	10/08/2021	24/08/2021	25/08/2021	-	1	1	-
Grievance Arrangements	Reasonable	16/08/2021	25/08/2021	26/08/2021	-	3	2	-
Productivity – Shift System	Limited	09/07/2021	17/08/2021 25/08/2021	26/08/2021	1	2	1	-

5. There are no issues arising from these findings which would require the annual Head of Audit Opinion to be qualified.

Progress against the 2021/22 Annual Plan

6. Our progress against the Annual Plan for 2021/22 is set out in Appendix A.

Changes to the Annual Plan 2021/22

7. Three days of the Contingency days have been allocated to a Follow Up of the Shift System Productivity audit.

Progress in actioning priority 1 & 2 recommendations

8. We have made no Priority 1 recommendations (i.e. fundamental control issue on which action should be taken immediately) since the previous SICA.

Frauds/Irregularities

9. We have not been advised of any frauds or irregularities in the period since the last SICA report was issued.

Other Matters

10. We have issued a number of briefing notes and fraud digests, shown in Appendix B, since the previous SICA report.

Responsibility/Disclaimer

11. 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. The matters raised in this report not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. 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.

Progress against Annual Plan

System	Planned Quarter	Current Status	Comments
Equality, Diversity and Inclusion	1	Completed	Final Report Issued
Productivity – Shift System	1	Completed	Final Report Issued
NOG Phase 3 and 4	1	Completed	Final Report Issued
Enforcement	1	Completed	Final Report Issued
Out of Hours Arrangements	2	To commence 19 th October 2021	
Data Quality – Risk Information	2	To commence 11 th October 2021	
Grievance Arrangements	3	Completed	Final Report Issued B/fwd. by HFRS Management
Key Financial Controls	4	To be booked	
Contingency (targeted on inspection outcomes)	3 -4		
Shift System Productivity Follow Up	3	To commence 15 th October 2021	
Follow-up	4	To be booked	





KEY:

	To be commenced		Site work commenced		Draft report issued		Final report issued
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Briefings on developments in Governance, Risk and Control

TIAA produces regular briefing notes to summarise new developments in Governance, Risk and Control that may have an impact on our clients. These are shared with clients and made available through our Online Client Portal. A summary list of those CBNs issued in the last three months which may be of relevance to HFRS is given below. Copies of any CBNs are available on request from your local TIAA team.

Summary of recent Client Briefing Notes (CBNs)

CBN Ref	Subject	Status	TIAA Comments
CBN-21020	Public Procurement Update		No Action Required To note.
CBN-21022	NCSC Device Security Guidance		Action Required All organisations are recommended to complete a health check to demonstrate that the holistic management of connected IT devices meet with current best practice. Audit committees and boards are recommended to seek assurance by either internal checks, or independent audit and review.
CBN-21023	Action Fraud Reporting Service		For Information Only Boards and Audit Committees are advised to note that Action Fraud continues to be the UK fraud reporting service. Plans are underway for a replacement system to be implemented in April 2022.
CBN-21024	Cyber Device Security Guidance		No Action Required To note.

Audit Completion Report

Humberside Fire Authority Year ended 31
March 2021

August 2021



Contents

- 01 Executive summary
- 02 Status of the audit
- 03 Audit approach
- 04 Significant findings
- 05 Internal control recommendations
- 06 Summary of misstatements
- 07 Value for Money

- 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

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

18 August 2021

Dear Committee Members

Audit Completion Report – Year ended 31 March 2021

We are pleased to present our Audit Completion Report for the year ended 31 March 2021.

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 which we presented on 25 January 2021. 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

Signed: {{_es_.signer1:signature }}

Gavin Barker

Mazars LLP

01

Section 01: **Executive summary**

1. Executive summary

Principal conclusions and significant findings

The detailed scope of our work as your appointed auditor for 2020/21 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;
- Property, plant and equipment valuation; and
- Defined benefit pension liability valuation.

Section 5 sets out internal control recommendations and section 6 sets out audit misstatements; there are no unadjusted 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 2021.

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:



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.







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 expecting to receive the necessary assurance in time to give our opinion by 30 September 2021.
Movement in Reserves Statement (MIRS) and supporting notes		The Authority has decided to amend the accounts for an error in respect of the valuation of 2 fire stations, which will impact on the MIRS. We will perform our testing of the MIRS and related notes once we have received and reviewed the amended statements.
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.
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 January 2021. 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 £1.5M using a benchmark of 2% of gross operating expenditure. Our final assessment of materiality, based on the final financial statements, is £1.454m 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	Carter Jonas	
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 planned audit approach.

Items of account	Service organisation	Audit approach
Processing the payroll system underpinning expenditure figures and remuneration disclosures within the financial statements.	East Riding of Yorkshire Council	We are also the auditor of the Council and have direct access to accounting records and staff. Accordingly, we can substantively test the financial statements in the same way as if the Authority did not rely on a service organisation. We 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 16 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	Description of the risk
override of controls	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.
How we addressed this risk	
We addressed this risk through performing audit work over:	
<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.	
Audit conclusion	
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.	

4. Significant findings

Valuation of property, plant and equipment	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 PPE. 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 PPE due to the significant judgements and number of variables involved in providing revaluations. We have therefore identified the valuation of PPE 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 PPE values are reasonable and reviewed third party data to assess the reasonableness of the valuations provided by the external valuer. We will also assessed the competence, skills and experience of the valuer.</p> <p>We discussed methods used with the valuer and examined their calculations. We tested all revaluations in year to valuation reports and supporting calculation sheets and ensured the calculations were correct and source data agreed with floor plans. We used indices to confirm the assets not revalued are unlikely to have materially changed in value.</p>
	<p>Audit conclusion</p> <p>We have not identified any material issues to bring to your attention. Two fire stations were understated due the valuer issuing a revised report after considering the actual construction costs of these relatively new fire stations and the Authority using the original valuation report to update its asset register and accounts. This is disclosed as an adjusted error on page 21.</p>

Valuation of Net Defined Benefit Pension Liability	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 2019/20 the local government pension assets were subject to material valuation uncertainty and due to the ongoing COVID-19 pandemic there is a risk that this might recur in 2020/21. 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 considered 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 have also sought assurance from the audit of East Riding Pension Fund, which is expected to be received before 30 September 2021.</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.</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 2020/21 Code of Practice on Local Authority Accounting, 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 24 June 2021 and were of a good quality.

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.



4. Significant findings

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; and
- issue an advisory notice under schedule 8 of the 2014 Act.

We have not exercised any of these powers as part of our 2020/21 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 questions or objections have been raised.



05

Section 05:

Internal control recommendations

5. Internal control recommendations

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.

Our findings and recommendations are set out below. We have assigned priority rankings to each of them to reflect the importance that we consider each poses to your organisation and, hence, our recommendation in terms of the urgency of required action. In summary, the matters arising fall into the following categories:

Priority ranking	Description	Number of issues
1 (high)	In our view, there is potential for financial loss, damage to reputation or loss of information. This may have implications for the achievement of business strategic objectives. The recommendation should be taken into consideration by management immediately.	0
2 (medium)	In our view, there is a need to strengthen internal control or enhance business efficiency. The recommendations should be actioned in the near future.	1
3 (low)	In our view, internal control should be strengthened in these additional areas when practicable.	1

5. Internal control recommendations

Other deficiencies in internal control – Level 2

Description of deficiency

During the pandemic the Authority has not tested its disaster recovery plan and ability to restore its general ledger. The last such test was performed in February 2020.

Potential effects

There is a risk of data loss or delays in producing financial information and implementing key financial controls if the disaster recovery plan, including the restoration of its general ledger is not regularly tested.

Recommendation

The Authority should resume annual testing of its disaster recovery plan and restoration of its general ledger in 2020/21.

Management response

We will resume testing the disaster recovery plan during 2021/22.

Other recommendations in internal control – Level 3

Description of deficiency

When staff transfer between departments the Authority does not have a formal system for assessing whether or not their access rights to the general ledger need to be reviewed.

Potential effects

Due to the low number of authorised users of the general ledger it is probable that any inappropriate access would be identified when an employee’s role changes. However, there is a low risk that an employee might initiate or authorise a transaction that is inappropriate following their change in role.

Recommendation

The Authority should consider whether the payroll mover process should include an additional check to ensure access rights to the general ledger remain appropriate.

Management response

We will formally consider in 2021/22 if a process is required to keep track of staff moving between roles and their access rights taking into account the time taken to implement such checks relative to the risk of inappropriate access, given that, there are only 10 staff that have access to the general ledger, other than for requisitioning.

06

Section 06:

Summary of misstatements

6. Summary of misstatements

This section outlines the misstatements identified during the course of the audit, above the trivial threshold for adjustment of £44,000.

There are no unadjusted misstatements.

The following table outlines the misstatements that have been adjusted by management during the course of the audit. Neither adjustment impacts on the Authority's usable reserves.

Adjusted misstatements		Comprehensive Income and Expenditure Statement		Balance Sheet	
		Dr (£'000)	Cr (£'000)	Dr (£'000)	Cr (£'000)
1	Dr: Short Term Creditors			805	
	Cr: Short Term Debtors				805
	Debits against the collection fund deficit were shown as debtors rather than netted off the collection fund creditor.				
2	Dr: Property, Plant and Equipment			520	
	Cr: Revaluation Reserve				520
	The Authority used the original valuation report to update its asset register so the valuations of 2 fire stations that had been revised in the Valuer's revised valuation report were understated.				
Total adjusted misstatements				1,325	1,325

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:

- Note 3 (material risk and uncertainty) did not reflect the position at 31 March 2021 reported by management’s experts as it indicated material valuation uncertainty for pension fund assets due to the 2019/20 disclosure being carried forward.
- Note 4 (pensions) did not distinguish funded and unfunded pension fund liabilities in the closing present values on page 38. In addition, the table on page 35 does not distinguish injury benefits from the Firefighters 1992 Pension Scheme and the table on page 37 did not add up (5th column – total measurements recognised in OCI) due to an omitted figure.
- Note 9 (financial instruments) did not correctly reflect the fair value of liabilities as £18,693K as the incorrect figure (£18,605K) had been taken from the Link report;
- Note 14 (senior officer remuneration) included an incorrect banding description regarding exit packages between £20,000 and £40,000; and
- Note 15 (audit fees) understated audit fees for both 2019/20 and 2020/21.



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 in December 2021.

Status of our work

We are yet to complete our work in respect of the Authority's arrangements for the year ended 31 March 2021. 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 in December 2021.



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: September 2021

Humberside Fire Authority - audit for year ended 31 March 2021

This representation letter is provided in connection with your audit of the financial statements of Humberside Fire Authority for the year ended 31 March 2021 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 2020/21 (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.



Appendix A: Draft management representation letter

Going concern

I confirm that I have carried out an assessment of the potential impact of the COVID-19 Virus pandemic on the Authority, including the impact of mitigation measures and uncertainties 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.

Unadjusted misstatements

I confirm that there are no unadjusted misstatements above the reporting threshold of £44,000.

Yours sincerely

Executive Director of Corporate Services

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 2021, which comprise the Comprehensive Income and Expenditure Statement, the Movement in Reserves Statement, the Balance Sheet, the Cash Flow Statement, the Firefighter’s Pension Fund 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 2020/21.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Authority as at 31st March 2021 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 2020/21.

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 Corporate Services’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, 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 Corporate Services with respect to going concern are described in the relevant sections of this report.

Other information

The Executive Director of Corporate Services is responsible for the other information. The other information comprises the other information included in the Statement of Accounts, other than the financial statements and our auditor’s report thereon. 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.



Appendix B: Draft audit report (continued)

We have nothing to report in this regard.

Responsibilities of the Executive Director of Corporate Services for the financial statements

As explained more fully in the Statement of the Executive Director of Corporate Services' Responsibilities, the Director of Corporate Services 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 2020/21, and for being satisfied that they give a true and fair view. The Executive Director of Corporate Services is also responsible for such internal control as the Executive Director of Corporate Services 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 Corporate Services is required to comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 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 Corporate Services 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.

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) and the Local Audit and Accountability Act 2014 (and associated regulations made under section 32), and we considered the extent to which non-compliance might have a material effect on the financial statements.

We evaluated the Executive Director of Corporate Services 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 were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to :

- discussing with management and the Governance, Audit and Scrutiny Committee the 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.

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

- making enquiries of management and the Governance, Audit and Scrutiny Committee 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;



Appendix B: Draft audit report (continued)

- 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 Governance, Audit and Scrutiny Committee. 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 Corporate Services' 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 April 2021.

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.

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 opinion, 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 2021.

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 April 2021, we have not identified any significant weaknesses in arrangements for the year ended 31 March 2021.

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 Authority

The Authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its 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. 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 April 2021.



Appendix B: Draft audit report (continued)

Matters on which we are required to report by exception under the Code of Audit Practice

We are required by the Code of Audit Practice to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014;
- we make a recommendation under section 24 of the Local Audit and Accountability Act 2014; or
- we exercise any other special powers of the auditor under sections 28, 29 or 31 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

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.

Delay in certification of completion of 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 Upon Tyne. NE1 1DF

xx September 2021



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
Compliance with Laws and Regulations	<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>
External confirmations	<p>We did not experience any issues with respect to obtaining external confirmations.</p>
Related parties	<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> <ul style="list-style-type: none">a. they have disclosed to us the identity of related parties and all the related party relationships and transactions of which they are aware; andb. they have appropriately accounted for and disclosed such relationships and transactions in accordance with the requirements of the applicable financial reporting framework.
Going Concern	<p>We have not identified any evidence to cause us to disagree with the Executive Director of Corporate Services 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 taken into account in assessing the appropriateness of the going concern basis of preparation of the financial statements.</p>

Appendix D: Other communications

Other communication	Response
Subsequent events	<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>
Matters related to fraud	<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> <ul style="list-style-type: none">a. they acknowledge their responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud;b. 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;c. they have disclosed to the auditor their knowledge of fraud or suspected fraud affecting the entity involving:<ul style="list-style-type: none">i. Management;ii. Employees who have significant roles in internal control; oriii. Others where the fraud could have a material effect on the financial statements; andd. 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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*where permitted under applicable country laws.



HUMBERSIDE
Fire & Rescue Service

Humberside Fire Authority Annual Accounts 2020/21

Contents

Narrative Report	3
Audit Opinion	13
Statement of Responsibilities for the Statement of Accounts	16
Movement in Reserves Statement	17
Comprehensive Income and Expenditure Statement	19
Balance Sheet	20
Cash Flow Statement	21

Notes to the Financial Statements

Note 1 – Accounting Policies	22
Note 2 – Expenditure and Funding Analysis	32
Note 3 – Material Risk and Uncertainty	33
Note 4 – Pensions	34
Note 5 – Non Current Assets	43
Note 6 – Reserves held by the Authority	48
Note 7 – Borrowing and Investments	51
Note 8 – Other Creditors and Debtors	52
Note 9 – Financial Instruments	53
Note 10 – Note to Expenditure and Funding Analysis Statement (Adjustments between Accounting basis and Funding basis under Regulation)	58
Note 11 – Other Operating Expenditure, Financing, Investment Income, Taxation and Non-Specific Grants	59
Note 12 – Related Parties	60
Note 13 – Members’ Allowances	61
Note 14 – Officers’ Emoluments	61
Note 15 – Other notes to the Financial Statements	63
Note 16 – Cash Flow notes	64
Firefighters’ Pension Fund Account	67
Certifications	70
Appendix 1 – Revenue Variance Analysis	71
Appendix 2 – Capital Expenditure breakdown and variance analysis	73
Appendix 3 – Glossary of Terms	74
Appendix 4 – Feedback Form	82
Appendix 5 – Annual Governance Statement	84

Narrative Report by the Executive Director of Corporate Services/Section 151 Officer

Introduction

The Statement of Accounts summarises the financial performance of the Authority for year ended 31 March 2021. These accounts have been prepared in accordance with the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 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 Overview

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 Humberside Fire and Rescue Service is provided via the Humberside Fire Authority (HFA) made up of Elected Members nominated by each local authority. The HFA have priorities set in the Home Office Fire and Rescue National Framework which includes the responsibilities to:

- 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.

HFRS serves a population of almost one million people, across a geographically and demographically diverse area of 1,358 square miles. Each of the Unitary Authority areas present us with different challenges, consisting of urban, rural, and coastal communities with some affluent areas and some areas suffering from significant deprivation.

Our service area also includes a broad range of industrial and heavy commercial risks; we have 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 percent of the country's petroleum.

Integrated Risk Management Plan (IRMP) and Strategic Plan: 2021-2024

A detailed assessment of risk is completed in the form of a 3 year, which is reviewed yearly. To deal effectively with the outcomes of the IRMP a Strategic Plan is used to focus our service delivery on keeping communities in the Humber area safe, keeping our firefighters safe, and contributing to the firefighting and rescue capabilities of the United Kingdom. Both documents were approved in December 2020 are published on our website at <https://humbersidefire.gov.uk/about-us/our-vision/our-plans>. These replace the 2018-21 versions that are on the website.

▪ **Service Statistics**

Number of fire stations: 31

Number of fire engines: 46 frontline and 10 reserve

Number of specialist emergency response vehicles: 25

Number of Co-Responding and Falls vehicles: 18

Number of staff: 1041

▪ **What we do**

We have a legal duty to provide a fire and rescue service that meets the needs of the local communities. We are prepared to deal with a wide range of emergencies, from house fires and road traffic collisions, to floods and chemical spills. We are also responsible for the enforcement of fire prevention, petroleum, and explosives legislation. We work 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.

Our 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 we have 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 increasing and to reduce the impact of less urgent calls on frontline services for both the health service and HFRS.

We believe the most effective way to save lives, reduce injuries and thus reduce the broader community impact from emergencies is to reduce the number of incidents that occur. To help us do this, we work closely with partner organisations and communities to develop and deliver initiatives aimed at preventing emergency incidents, including:

- ✓ Dedicated teams employed to work within the community as Safety Advocates to access and engage with those people most vulnerable to fire, providing information, education, and where necessary, additional protection measures.
- ✓ We have legal responsibilities to enforce fire safety legislation and we do this by providing free advice to businesses to support compliance with legislative requirements. If it is necessary, to keep the public and our firefighters safe, we will prohibit or restrict the use of premises and prosecute persons responsible for breaches of legislation.
- ✓ We support and signpost 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.
- ✓ We actively engage with other organisations to improve the safety of the community, including providing wide ranging education programmes from school visits to The Prince's Trust programmes.

▪ **When Emergency Incidents Do Occur?**

When we do have to attend emergency incidents our response performance is measured against locally determined response standards. As with many other public services we are facing challenging economic times, which can impact upon our resources. Despite this we routinely get fire engines to incidents quicker than our target time and we will continue to strive to make our communities safer from the risk of fire.

▪ **Response Standards**

Our 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' and there are 41 such Risk Regions within 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.

We will send two fire engines to every fire in a home and to road traffic collisions. On at least 90% of occasions, the first fire engine will be there in the following times:

High Risk Area: 8 Minutes

Medium Risk Area: 12 Minutes

Low Risk Area: 20 Minutes

Road Traffic Collision: 15 Minutes

Secondly, on at least 80% of occasions we will get a second fire engine to the incident within five minutes of the first one arriving.

Optimum Crewing Model – Our optimum crewing availability model is informed and managed against Service intervention standards which are: 100% Full-Time, 95% On-Call (First Engine) & 80% On-Call (Second Fire Engine).

The following tables provide an overview of emergency incident response and our performance, with additional information available on the Humberside Fire and Rescue Service website

<http://www.humbersidefire.gov.uk/about-us/our-vision/our-performance>

Intervention Type	Intervention Standard	Actual Performance
1 st Engine Intervention	On 90% of occasions	99.12%
2 nd Engine Intervention	On 80% of occasions	90.44%

Service Performance Indicator (SPI)	Service Target	Actual Performance
SPI 1 Total Fatalities	Aspirational Zero	2
SPI 1.1 Total Casualties	Aspirational Zero	31

Service Performance Indicator (SPI)	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	Total
SPI 2.2 Total Deliberate Fires	27	23	33	30	27	39	39	30	22	23	25	33	351
SPI 2.3 Accidental Dwelling Fires	40	47	23	24	21	28	29	27	29	21	26	32	347
SPI 2.4 Deliberate Secondary Fires	111	165	122	145	129	206	132	166	76	72	72	180	1576
SPI 2.5b Total Automated Fire Alarms	63	59	84	94	110	92	112	97	92	90	69	52	1014

Please Note: Denoted in the above table where appropriate Service Performance Indicators are measured against calculated thresholds, which define the range between high and low performance values for different incidents.

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

▪ Structure and Fire Station Locations

The Service operates under a Service Delivery Structure with 4 districts that are 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.



▪ Key Statistics

The last year has seen a decrease in the number of fire related incidents we attended, we continue to work with partners to identify and address the underlying causes. During the pandemic we have delivered our statutory duties, increased response times and availability while receiving a positive HMICFRS COVID 19 report. Our 'Annual Performance Report' provides further detail regarding Service performance during 2020/21 and is published on our website

<https://humbersidefire.gov.uk/about-us/our-vision/our-performance>

- **Services Response to COVID-19 Pandemic**

Our performance during 2020/21 reflects on how we have continued to support our staff and communities through the COVID-19 pandemic. In this unparalleled year we have continued to meet our statutory duties as an emergency service. We took quick and decisive action, aligned with Government guidelines, to protect the welfare of our staff and to help our communities remain safe, rallying together to combat COVID-19 without affecting our response standards as a fire and rescue service.

We have worked in partnership with the the Local Resilience Forum (LRF) and supported partner agencies alongside our communities throughout the pandemic. A great achievement was our management of the vital supply of personal protective equipment (PPE) and its distribution as part of the multi-agency response for the Humber region. During 2020/21, we were responsible for the delivery of 3 million items of medical supplies and PPE and our dedicated staff continue to work hard to continue this operation.

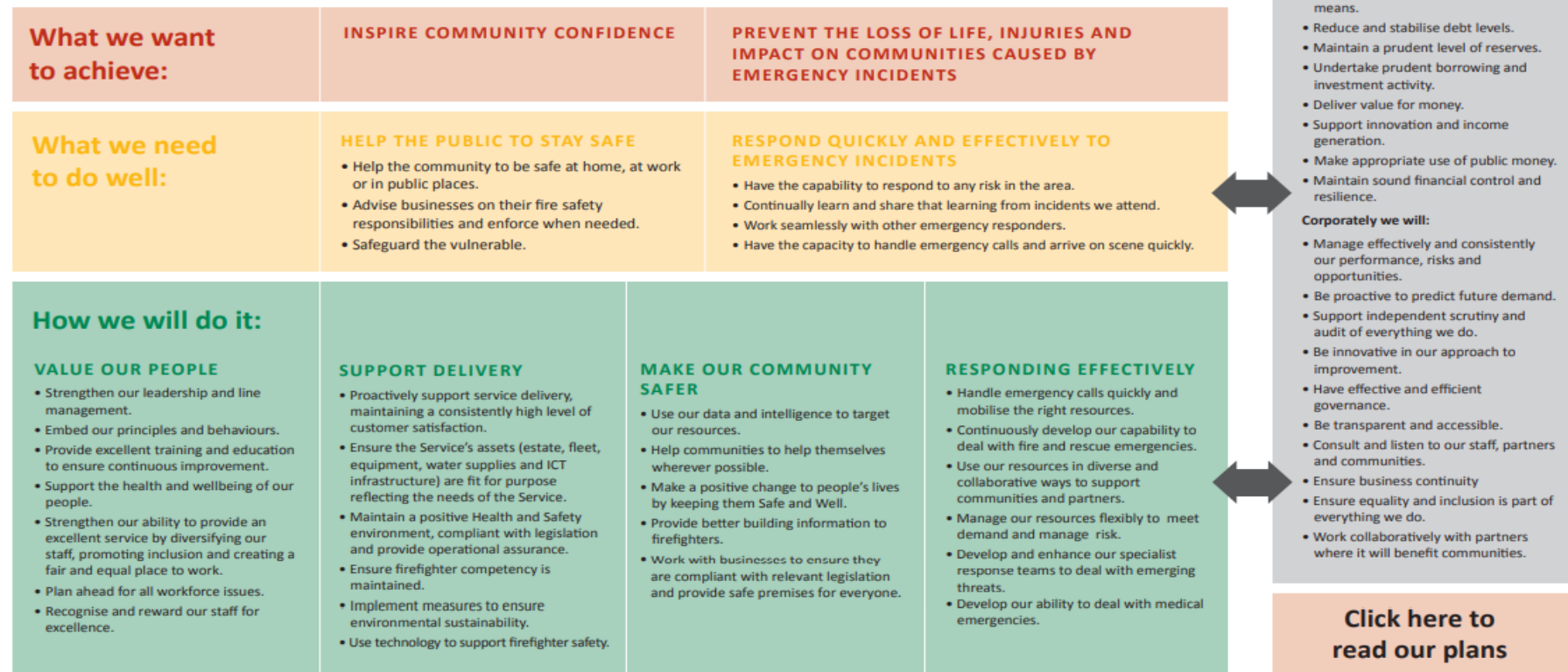
Our Strategic Plan

We have introduced our Strategic Plan on a page from 2018. A copy of this can be found over the page.



Strategic Plan: 2018–2021

Keeping communities in the Humber area safe, keeping our firefighters safe, and contributing to the firefighting and rescue capabilities of the United Kingdom.



The Authority's Accounts for the year 2020/21 are set out on pages 1-70 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 Corporate Services/S.151 Officer for the Accounts. This statement is signed and dated by the Executive Director of Corporate Services/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 2021.

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.

2020/21 Financial Year

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

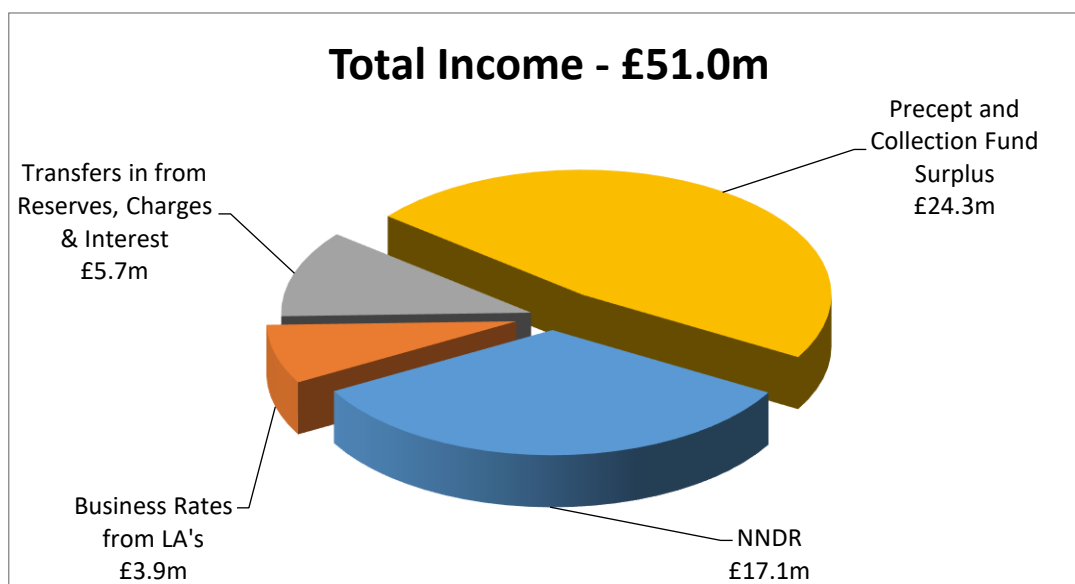
Despite these significant challenges the Authority continues to take a very prudent approach to its finances. To this end, £11.5m of efficiencies have been implemented over the years 2011 to 2019.

Historically, the Authority has lived within its means and delivered a modest underspend in recent years. The 2020/21 financial year has seen the Authority deliver a moderate underspend which signifies a tightening of available financial resources coupled with an increase in cost pressures, e.g. the costs associated with the recruitment and training of firefighters and also pressure from annual pay awards for staff.

The Authority's position over the medium-term is sound, but careful attention will need to be paid to any cost pressures arising and also the outcomes of the Government's Comprehensive Spending Review (CSR) process that will commence in the Autumn of 2021.

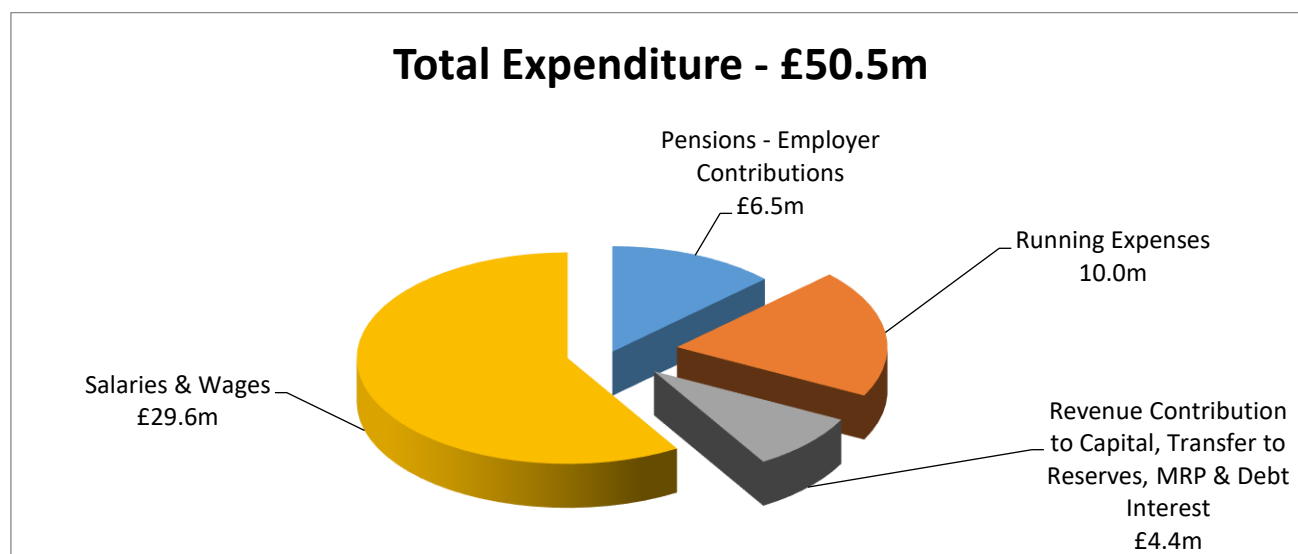
The medium-term position will be kept under continuous review particularly in the context of the Service's response to the current COVID-19 pandemic. Significant costs were incurred in the 2020/21 financial year and have been met from the funding that the Government has allocated to the Authority. Total funding from the Government in relation to COVID-19 has been £1.1m with £0.3m of this funding left to meet ongoing COVID-19 pressures in the 2021/22 financial year. The funding has been used mainly to meet the additional costs the service has incurred in relation to PPE, assisting the ambulance service and assisting with the mass vaccination programme.

Income



In 2020/21, 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 2020/21 was £23.82m (2019/20 was £22.99m) which equated to a Council Tax Band D Equivalent of £86.63 (2019/20 was £84.94).

Expenditure



Budget Outturn Position

Income of £51.025m was received by the Authority of which £50.454m was incurred on expenditure during 2020/21 leaving a surplus of £0.571m (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)

Pay Variances

During 2020/21, the overall pay variance on full-time firefighter, on-call firefighter and support staff pay was an under-spend of £265k. This was due to a combination of having a number of support posts vacant, lower call out costs for on-call staff and a lower pay award for greybook staff.

Non Pay Variances

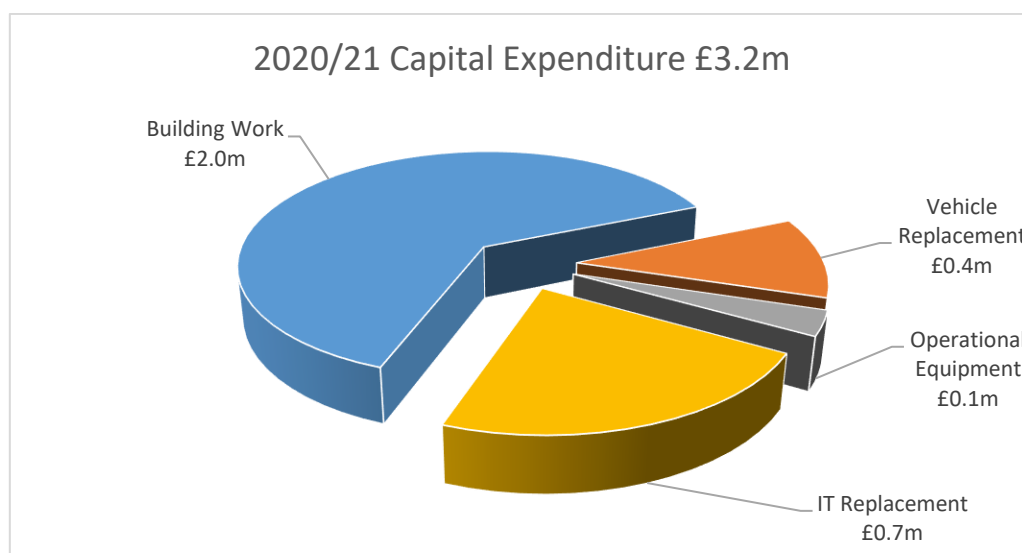
During 2020/21, the overall variance across all non-pay budgets was an under-spend of £826k. This was primarily due to slipping the rollout of the uniform replacement programme, lower business rate charges on our properties, lower spend on travel costs as well as lower spend on repairs, cleaning and issuing of PPE.

Income

During 2020/21 the Authority received £1,111k additional income relating mainly to additional grants distributed by Government in relation to COVID-19, Protection and Grenfell as well as staff secondments and insurance claims.

Capital Expenditure

During 2020/21 £3.2m was invested in capital projects. 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 2020 stood at £10.932m. £2.235m was transferred to Earmarked Reserves during 2020/21. £44k was transferred to the General Reserve and by adding £0.571m, the surplus for the year, balances at 31st March 2021 now stand at £13.782m (exclusive of the ESFM (Humberside) Ltd Reserve).

Future Spending Plans

The Authority has published a Medium-Term Financial Plan for 2021/22 – 2024/25 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 £17.935m. The operational boundary is £25.1m and the authorised limit is

£31.1m (these are part of the Authority's prudential indicators that have been previously agreed in the Authority's Treasury Management report; Fire Authority March 2021).

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 total liability is £719.022m (2019/20 was £618.389m); this is split between the Local Government Pension Scheme £15.572m (2019/20 was £5.619m) and the Firefighters' Pension Scheme £703.450m (2019/20 was £612.770m). 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 this regulation.

Change in Statutory Function

There have been no changes to the Authority's statutory functions during 2020/21.

Significant Change in Accounting Policies

The Authority has now adopted the Annuity Method when it calculates its Minimum Revenue Provision.

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 2021/22 and over the life of the Medium-Term Financial Plan and the Authority will remain a Going Concern. Practice Note 10 of the Financial Reporting Councils 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 Martyn Ransom, 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 Corporate Services/Section 151 Officer – June 2021

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 2021, which comprise the Comprehensive Income and Expenditure Statement, the Movement in Reserves Statement, the Balance Sheet, the Cash Flow Statement, the Firefighter's Pension Fund 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 2020/21.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Authority as at 31st March 2021 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 2020/21.

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 Corporate Services' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, 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 Corporate Services with respect to going concern are described in the relevant sections of this report.

Other information

The Executive Director of Corporate Services is responsible for the other information. The other information comprises the other information included in the Statement of Accounts, other than the financial statements and our auditor's report thereon. 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 Corporate Services for the financial statements

As explained more fully in the Statement of the Executive Director of Corporate Services' Responsibilities, the Director of Corporate Services 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 2020/21, and for being satisfied that they give a true and fair view. The Executive Director of Corporate Services is also responsible for such internal control as the Executive Director of Corporate Services 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 Corporate Services is required to comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 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 Corporate Services 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.

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) and the Local Audit and Accountability Act 2014 (and associated regulations made under section 32), and we considered the extent to which non-compliance might have a material effect on the financial statements.

We evaluated the Executive Director of Corporate Services 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 were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- discussing with management and the Governance, Audit and Scrutiny Committee the 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.

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

- making enquiries of management and the Governance, Audit and Scrutiny Committee 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 Governance, Audit and Scrutiny Committee. 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 Corporate Services' 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 April 2021.

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.

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 opinion, 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 2021.

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 April 2021, we have not identified any significant weaknesses in arrangements for the year ended 31 March 2021.

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 Authority

The Authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its 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. 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 April 2021.

Matters on which we are required to report by exception under the Code of Audit Practice

We are required by the Code of Audit Practice to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014;
- we make a recommendation under section 24 of the Local Audit and Accountability Act 2014; or
- we exercise any other special powers of the auditor under sections 28, 29 or 31 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

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.

Delay in certification of completion of 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 Upon Tyne. NE1 1DF

24 September 2021

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 Corporate Services 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 24 September 2021.

Signed	Date

Executive Director of Corporate Services and Section 151 Officer Responsibilities

The Executive Director of Corporate Services 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 2021.

In preparing this Statement of Accounts, the Executive Director of Corporate Services/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 Corporate Services 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 2021 and its income and expenditure for the year

Signed	Date

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.

2020/21

	Earmarked Reserves	General Fund Balance	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
Note(s)	6	10		4	6	6			
Balance at 31 March 2020	5,784	5,758	11,544	(618,399)	22,482	4,909	470	-	(578,994)
Surplus or (Deficit) on Provision of Services (accounting basis)		(23,669)	(23,669)						(23,669)
Other Comprehensive Income and Expenditure			-	(78,176)		494			(77,682)
Total Comprehensive Income and Expenditure	-	(23,669)	(23,669)	(78,176)	-	494	-	-	(101,351)
Adjustments between Accounting Basis & Funding Basis under Regulations (Note 10)		25,864	25,864	(22,447)	(2,707)	(52)	(27)	(630)	-
Net Increase / (Decrease) before transfers to Earmarked Reserves	-	2,195	2,195	(100,623)	(2,707)	442	(27)	(630)	(101,351)
Transfers to / (from) Earmarked Reserves	1,579	(1,579)	-						-
Increase / (Decrease) in Year	1,579	615	2,194	(100,623)	(2,707)	442	(27)	(630)	(101,351)
Balance at 31 March 2021	7,363	6,373	13,737	(719,022)	19,775	5,351	443	(630)	(680,346)

The accompanying notes form part of these Financial Statements.

MOVEMENT IN RESERVES STATEMENT

2019/20

Note(s)	Earmarked Reserves £'000 6	General Fund Balance £'000 10	Total Usable Reserves £'000	Pensions Reserve £'000 4	Capital Adjustment Account £'000 6	Revaluation Reserve £'000 6	Collection Fund Adjustment Account £'000	Total Authority Reserves £'000
Balance at 31 March 2019	5,448	5,251	10,701	(658,389)	24,764	5,349	524	(617,052)
Surplus or (Deficit) on Provision of Services (accounting basis)		(27,516)	(27,516)					(27,516)
Other Comprehensive Income and Expenditure			-	65,949		(375)		65,574
Total Comprehensive Income and Expenditure	-	(27,516)	(27,516)	65,949	-	(375)	-	38,058
Adjustments between Accounting Basis & Funding Basis under Regulations (Note 10)		28,359	28,359	(25,959)	(2,282)	(63)	(54)	-
Net Increase / (Decrease) before transfers to Earmarked Reserves	-	843	843	39,990	(2,282)	(438)	(54)	38,058
Transfers to / (from) Earmarked Reserves	336	(336)	-					-
Increase / (Decrease) in Year	336	507	842	39,990	(2,282)	(438)	(54)	38,058
Balance at 31 March 2020	5,784	5,758	11,544	(618,399)	22,482	4,909	470	(578,994)

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 2020				Year ended 31 March 2021			
£'000	£'000	£'000		£'000	£'000	£'000	
Gross Expenditure	Gross Income	Net Expenditure		Gross Expenditure	Gross Income	Net Expenditure	Note(s)
3,914	(391)	3,524	Community Fire Safety	3,502	(576)	2,926	
38,359	(870)	37,488	Fire Fighting & Rescue Operations *	39,605	(668)	38,936	
16,662	(871)	15,790	Management and Support	16,710	(846)	15,863	
133		133	Corporate and Democratic Core	130		130	
33		33	Corporate Management	28		28	
	(190)	(190)	Non Distributed Cost/(Income)	25		25	
59,101	(2,322)	56,777	Cost of Services	60,000	(2,090)	57,908	
388	(9)	379	Other Operating Expenditure	226	(65)	161	11
16,838	(69)	16,769	Financing and Investment Income and Expenditure	14,510	(12)	14,498	11
	(46,408)	(46,408)	Taxation and Non-Specific Grant Income		(48,897)	(48,897)	11
		27,516	(Surplus) or Deficit on Provision of Services			23,670	
		375	(Surplus) or Deficit on Revaluation of Non Current Assets			(494)	5
		(65,949)	Remeasurement of the net defined liability / (asset)			78,176	4
		(65,574)	Other Comprehensive Income and Expenditure (Surplus)/Deficit			77,682	
		(38,058)	Total Comprehensive Income and Expenditure (Surplus)/Deficit			101,352	

* 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 2020		31 March 2021
£'000	Note(s)	£'000
46,515 Property, Plant & Equipment	5	45,963
132 Intangible Assets	5	68
46,647 Long-Term Assets		46,031
469 Inventories		364
5,004 Short-Term Investments	7	7,000
8,966 Short-Term Debtors	8	9,409
114 Cash and Cash Equivalents	16	1,267
14,553 Current Assets		18,040
(7,211) Short-Term Creditors	8	(7,334)
- Short-Term Provisions		(127)
(736) Short-Term Borrowing	7	(931)
(7,947) Current Liabilities		(8,392)
(12,896) Long-Term Borrowing	7	(16,069)
(619,351) Other Long-Term Liabilities	4/7	(719,957)
(632,247) Long-Term Liabilities		(736,026)
<u>(578,994) Net Assets/(Liabilities)</u>		<u>(680,346)</u>
11,544 Usable Reserves	6/10	13,737
(590,538) Unusable Reserves	4/6	(694,083)
<u>(578,994) Total Reserves</u>		<u>(680,346)</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 2020		31 March 2021
£'000	Note(s)	£'000
(27,516) Net Surplus or (Deficit) on the Provision of Services	2	(23,670)
Adjust Net Surplus or Deficit on the Provision of Services for Non		
30,802 Cash Movements	16	26,283
Adjust for items included in the Net Surplus or Deficit on the		
(9) Provision of Services that are Investing and Financing Activities	16	(65)
3,277 Net Cash Flows from Operating Activities		2,549
(1,978) Investing Activities	16	(4,749)
(1,387) Financing Activities	16	3,353
(88) Net Increase or (Decrease) in Cash and Cash Equivalents		1,153
Cash and Cash Equivalents at the Beginning of the		
202 Reporting Period	16	114
Cash and Cash Equivalents at the End of the Reporting		
114 Period	16	1,267
(88) Total Movement		1,153

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 2020/21. 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 as follows:

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 Carter Jonas LLP, 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).

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
- COVID Reserve
- Grenfell and Protection Reserve
- Uniform Replacement Programme Reserve
- East Coast & Hertfordshire Control Room Consortium Reserve
- Environmental 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 2022. 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 2020

£'000	£'000	£'000	
Net Expenditure Chargeable to the General Fund	Adjustments between the funding and accounting basis	Net Expenditure in the Comprehensive Income and Expenditure Statement	
2,726	(798)	3,524	Community Fire Safety
27,165	(10,323)	37,488	Fire Fighting & Rescue Operations
13,698	(2,092)	15,790	Management and Support
133	0	133	Corporate and Democratic Core
33	0	33	Corporate Management
	190	(190)	Non Distributed Cost
43,754	(13,023)	56,777	Net Cost of Services
(44,261)	(15,001)	(29,260)	Other Income and Expenditure
(507)	(28,024)	27,516	(Surplus) or Deficit
5,251			Opening General Fund Balance
(507)			Less/Plus (Surplus) or Deficit on the General Fund in the Year
5,758			Closing General Fund Balance at 31 March

Year ended 31 March 2021

	£'000	£'000	£'000
Note	Net Expenditure Chargeable to the General Fund	Adjustments between the funding and accounting basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
10	2,457	(469)	2,926
10	28,179	(10,757)	38,936
10	14,443	(1,420)	15,863
10	130	0	130
10	28	0	28
10	0	(25)	25
	45,237	(12,671)	57,908
10	(45,853)	(11,615)	(34,238)
	(615)	(24,286)	23,670
	5,758		
	(615)		
	6,373		

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 2020 was £612.770m. 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 £61m. 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 2020 was £43.897m (The opening balance on scheme Assets was £38.278m). 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 £7.322m. 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 £314k. The carrying value of Property, Plant and Equipment is £45.298m. 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 £228k. The Depreciation charge is £2.070m.

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% 16.8%
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	
		2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<i>Net Cost of Service</i>									
	Current Service Cost	(1,390)	(1,990)	(250)	(360)	(11,630)	(11,720)	(1,855)	(2,513)
	Unfunded Benefits								
	Past Service Costs	-	(2,500)	-	2,690	-	-	-	-
<i>Net Operating Expenditure</i>									
	Interest Cost	(11,850)	(14,010)	(810)	(960)	(1,070)	(870)	(1,025)	(1,264)
	Expected Return on Assets in the Scheme							888	993
Retirement costs included in the Comprehensive Income and Expenditure Statement		(13,240)	(18,500)	(1,060)	1,370	(12,700)	(12,590)	(1,992)	(2,784)

In addition to the recognised gains and losses included in the Comprehensive Income and Expenditure Account (shown in the table above), actuarial losses of £78.176m were included in the Statement of Comprehensive Income and Expenditure, gains of £65.949m were included for 2019/20.

The estimated contributions payable to the Authority's pension schemes for 2021/22 is £6.861m. (£6.506m for 2020/21).

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	
	2020/21 £'000	2019/20 £'000	2020/21 £'000	2019/20 £'000	2020/21 £'000	2019/20 £'000	2020/21 £'000	2019/20 £'000	2020/21 £'000	2019/20 £'000	2020/21 £'000	2019/20 £'000
Fair value of employer assets					-	-					-	-
Present value of funded liabilities					-	-					-	-
Present value of unfunded liabilities			(523,400)	(566,870)	(523,400)	(566,870)			(12,450)	(13,160)	(12,450)	(13,160)
Opening Position as at 31 March	-	-	(523,400)	(566,870)	(523,400)	(566,870)	-	-	(12,450)	(13,160)	(12,450)	(13,160)
Service Cost												
Current Service Cost			(1,080)	(1,730)	(1,080)	(1,730)			(310)	(260)	(310)	(260)
Past Service Cost (inc curtailments)			-	(2,500)	-	(2,500)					-	-
Effect of Settlements					-	-					-	-
Total Service Cost	-	-	(1,080)	(4,230)	(1,080)	(4,230)	-	-	(310)	(260)	(310)	(260)
Net Interest												
Interest income on plan assets					-	-					-	-
Interest cost on defined benefit obligation			(11,580)	(13,690)	(11,580)	(13,690)			(280)	(320)	(280)	(320)
Impact of asset ceiling on net interest					-	-					-	-
Total net interest	-	-	(11,580)	(13,690)	(11,580)	(13,690)	-	-	(280)	(320)	(280)	(320)
Total defined benefit cost recognised in Income and Expenditure	-	-	(12,660)	(17,920)	(12,660)	(17,920)	-	-	(590)	(580)	(590)	(580)
Cashflows												
Plan participants' contributions	250	380	(250)	(380)	-	-					-	-
Employer Contributions	651	941			651	941					-	-
Contributions in respect of unfunded benefits					-	-					-	-
Benefits paid	(18,650)	(20,690)	18,650	20,690	-	-	(470)	(470)	470	470	-	-
Unfunded benefits paid					-	-					-	-
Expected closing position	(17,749)	(19,369)	(517,660)	(564,490)	(535,409)	(583,859)	(470)	(470)	(12,570)	(13,270)	(13,040)	(13,740)
Remeasurements												
Changes in demographic assumptions			-	17,110	-	17,110			-	450	-	450
Changes in financial assumptions	17,749	19,369	(54,100)	19,660	(36,351)	39,029	470	470	(710)	260	(240)	730
Other experience			(40,370)	4,320	(40,370)	4,320			2,190	110	2,190	110
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	17,749	19,369	(94,470)	41,090	(76,721)	60,459	470	470	1,480	820	1,950	1,290
Exchange differences												
Effect of business combinations and disposals												
Fair Value of employer assets												
Present value of funded liabilities												
Present value of unfunded liabilities	-	-	(612,130)	(523,400)	(612,130)	(523,400)	-	-	(11,090)	(12,450)	(11,090)	(12,450)
Closing position as at 31 March	-	-	(612,130)	(523,400)	(612,130)	(523,400)	-	-	(11,090)	(12,450)	(11,090)	(12,450)

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	
2020/21 £'000	2019/20 £'000	2020/21 £'000	2019/20 £'000	2020/21 £'000	2019/20 £'000	2020/21 £'000	2019/20 £'000	2020/21 £'000	2019/20 £'000	2020/21 £'000	2019/20 £'000
				-	-					-	-
				-	-					-	-
-	-	(35,810)	(39,120)	(35,810)	(39,120)	-	-	(41,110)	(28,740)	(41,110)	(28,740)
-	-	(35,810)	(39,120)	(35,810)	(39,120)	-	-	(41,110)	(28,740)	(41,110)	(28,740)
		(250)	(360)	(250)	(360)			(11,630)	(11,720)	(11,630)	(11,720)
		-	2,690	-	2,690					-	-
				-	-					-	-
-	-	(250)	2,330	(250)	2,330	-	-	(11,630)	(11,720)	(11,630)	(11,720)
				-	-					-	-
		(810)	(960)	(810)	(960)			(1,070)	(870)	(1,070)	(870)
				-	-					-	-
-	-	(810)	(960)	(810)	(960)	-	-	(1,070)	(870)	(1,070)	(870)
-	-	(1,060)	1,370	(1,060)	1,370	-	-	(12,700)	(12,590)	(12,700)	(12,590)
190	200	(190)	(200)	-	-	2,140	2,190	(2,140)	(2,190)	-	-
223	255			223	255	4,586	4,418			4,586	4,418
				-	-					-	-
(400)	(280)	400	280	-	-	(990)	(160)	990	160	-	-
				-	-					-	-
13	175	(36,660)	(37,670)	(36,647)	(37,495)	5,736	6,448	(54,960)	(43,370)	(49,224)	(36,922)
		-	1,320	-	1,320			-	1,350	-	1,350
(13)	(175)	(4,210)	2,290	(4,223)	2,115	(5,736)	(6,448)	(7,090)	1,620	(12,826)	(4,828)
		7,840	(1,750)	7,840	(1,750)			14,850	(710)	14,850	(710)
				-	-					-	-
				-	-					-	-
(13)	(175)	3,630	1,860	3,617	1,685	(5,736)	(6,448)	7,760	2,260	2,024	(4,188)
-	-	(33,030)	(35,810)	(33,030)	(35,810)	-	-	(47,200)	(41,110)	(47,200)	(41,110)
-	-	(33,030)	(35,810)	(33,030)	(35,810)	-	-	(47,200)	(41,110)	(47,200)	(41,110)

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 Assets		Local Government Pension Scheme Liability		Local Government Pension Scheme Net Obligation	
	2020/21 £'000	2019/20 £'000	2020/21 £'000	2019/20 £'000	2020/21 £'000	2019/20 £'000
Fair value of employer assets	38,278	41,055			38,278	41,055
Present value of funded liabilities			(43,830)	(51,471)	(43,830)	(51,471)
Present value of unfunded liabilities			(67)	(73)	(67)	(73)
Opening Position as at 31 March	38,278	41,055	(43,897)	(51,544)	(5,619)	(10,489)
Service Cost						
Current Service Cost			(1,855)	(2,513)	(1,855)	(2,513)
Past Service Cost (inc curtailments)			(25)	-	(25)	-
Effect of Settlements					-	-
Total Service Cost	-	-	(1,880)	(2,513)	(1,880)	(2,513)
Net Interest						
Interest income on plan assets	888	993			888	993
Interest cost on defined benefit obligation			(1,025)	(1,264)	(1,025)	(1,264)
Impact of asset ceiling on net interest					-	-
Total net interest	888	993	(1,025)	(1,264)	(137)	(271)
Total defined benefit cost recognised in Income and Expenditure	888	993	(2,905)	(3,777)	(2,017)	(2,784)
Cashflows						
Plan participants' contributions	374	357	(374)	(357)	-	-
Employer Contributions	1,115	924			1,115	924
Contributions in respect of unfunded benefits	5	7			5	7
Benefits paid	(805)	(818)	805	818	-	-
Unfunded benefits paid	(5)	(7)	5	7	-	-
Expected closing position	39,850	42,511	(46,366)	(54,853)	(6,516)	(12,342)
Remeasurements						
Changes in demographic assumptions			(764)	2,182	(764)	2,182
Changes in financial assumptions			(14,591)	4,943	(14,591)	4,943
Other experience			442	3,831	442	3,831
Return on assets excluding amounts included in net interest	5,857	(4,233)			5,857	(4,233)
Changes in asset ceiling					-	-
income	5,857	(4,233)	(14,913)	10,956	(9,056)	6,723
Exchange differences						
Effect of business combinations and disposals						
Fair Value of employer assets	45,707	38,278			45,707	38,278
Present value of funded liabilities			(61,232)	(43,830)	(61,232)	(43,830)
Present value of unfunded liabilities			(47)	(67)	(47)	(67)
Closing position as at 31 March	45,707	38,278	(61,279)	(43,897)	(15,572)	(5,619)

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

	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
Present Value of Liabilities					
Local Government Pension Scheme	(42,410)	(44,101)	(51,544)	(43,897)	(61,279)
Firefighters' 1992 Pension Scheme	(573,080)	(534,450)	(566,870)	(523,400)	(612,130)
Firefighters' Injury Awards	(11,750)	(12,530)	(13,160)	(12,450)	(11,090)
Firefighters' 2006 Pension Scheme	(20,150)	(34,330)	(39,120)	(35,810)	(33,030)
Firefighters' 2015 Pension Scheme	(11,330)	(18,530)	(28,740)	(41,110)	(47,200)
Fair Value of Assets					
Local Government Pension Scheme	35,917	37,831	41,055	38,278	45,707
Firefighters' 1992 Pension Scheme	-	-	-	-	-
Firefighters' Injury Awards	-	-	-	-	-
Firefighters' 2006 Pension Scheme	-	-	-	-	-
Firefighters' 2015 Pension Scheme	-	-	-	-	-
Surplus/(Deficit) in the Scheme					
Local Government Pension Scheme	(6,493)	(6,270)	(10,489)	(5,619)	(15,572)
Firefighters' 1992 Pension Scheme	(573,080)	(534,450)	(566,870)	(523,400)	(612,130)
Firefighters' Injury Awards	(11,750)	(12,530)	(13,160)	(12,450)	(11,090)
Firefighters' 2006 Pension Scheme	(20,150)	(34,330)	(39,120)	(35,810)	(33,030)
Firefighters' 2015 Pension Scheme	(11,330)	(18,530)	(28,740)	(41,110)	(47,200)
	<u>(622,803)</u>	<u>(606,110)</u>	<u>(658,379)</u>	<u>(618,389)</u>	<u>(719,022)</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 £719.022m (£618.389m in 2019/20) has a substantial impact on the net worth of the Authority as recorded in the Balance Sheet, resulting in a negative overall balance of £680.346m (£578.994m in 2019/20). However, there are statutory provisions (most recently, S13 of the Local Government Act 2003) for funding any Local Authority deficit. In addition, the deficit on the Local Government Scheme will be made good by increased 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 2019.

The principal assumptions used by the actuaries have been:

	Local Government Pension Scheme		Firefighters' Pension Schemes	
	2020/21	2019/20	2020/21	2019/20
Long-term expected rate of return on assets in the scheme :				
Equity Investments	17.5%	4.6%		
Bonds	17.5%	4.6%		
Property	17.5%	4.6%		
Other	17.5%	4.6%		
Longevity at 65 for current pensioners:				
Men	21.0	20.9	21.4	21.3
Women	23.7	23.3	21.4	21.3
Longevity at 65 for future pensioners: (45 for Firefighters' Pension Scheme)				
Men	22.2	21.8	23.1	23.0
Women	25.5	24.8	23.1	23.0
Rate of Inflation	2.8%	1.8%	2.4%	2.0%
Rate of increase in salaries	3.7%	2.7%	4.2%	4.0%
Rate of increase in pensions	2.8%	1.8%	4.2%	4.0%
Rate for discounting scheme liabilities	2.1%	2.3%	2.0%	2.3%
Take-up of option to convert annual pension into retirement lump sum	60.0%	60.0%	25.0%	25.0%

Mortality rates are projected to 2008 using the standard '92-series' mortality improvements and rated down one year. Future mortality improvements from 2008 are in line with the 2008-based UK national population projections.

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 2021				Period Ended 31 March 2020			
	Quoted prices in active markets	Quoted prices not in active markets	Total	Percentage of Total Assets	Quoted prices in active markets	Quoted prices not in active markets	Total	Percentage of Total Assets
	£(000)	£(000)			£(000)	£(000)		
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	5,539.5		5,539.5	12%	3,327.1		3,327.1	9%
Debt Securities:								
Corporate Bonds (investment grade)			0.0	0%			0.0	0%
Corporate Bonds (non-investment grade)	1,775.5	2,158.8	3,934.3	9%	400.5	2,226.9	2,627.4	7%
UK Government	1,413.7		1,413.7	3%	1,699.8		1,699.8	4%
Other	858.4		858.4	2%	724.9		724.9	2%
Private Equity:								
All	897.5	1,708.9	2,606.4	6%	534.1	1,498.1	2,032.2	5%
Real Estate:								
UK Property	1,697.6	3,615.9	5,313.5	12%	1,479.9	3,614.2	5,094.1	13%
Overseas Property			0.0	0%			0.0	0%
Investment Funds and Unit Trusts:								
Equities	18,650.5		18,650.5	41%	16,329.2		16,329.2	43%
Bonds	1,937.5		1,937.5	4%	883.2		883.2	2%
Hedge Funds			0.0	0%			0.0	0%
Commodities			0.0	0%			0.0	0%
Infrastructure	911.9	1,834.8	2,746.7	6%	546.8	1,720.1	2,266.9	6%
Other	297.1	1,140.0	1,437.1	3%	285.3	1,197.2	1,482.5	4%
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	1,269.4		1,269.4	3%	1,810.7		1,810.7	5%
Totals	35,249	10,458	45,707	100.00%	28,022	10,257	38,278	100.00%

The Actuarial Gains identified as movements on the Pensions Reserve in 2020/21 can be analysed into the following categories, measured as a percentage of Assets or Liabilities at the 31 March 2021:

	2016/17 %	2017/18 %	2018/19 %	2019/20 %	2020/21 %
Local Government Pension Scheme					
Difference between the expected and actual return on assets	25.17	0.47	4.16	(10.31)	15.30
Experience gains and (losses) on liabilities	(13.92)	2.34	2.33	1.93	2.02
Firefighters' Pension Scheme 1992					
Experience gains and (losses) on liabilities	(18.50)	6.96	(2.34)	7.25	(18.05)
Firefighters' Injury Awards					
Experience gains and (losses) on liabilities	(9.39)	(6.64)	(5.19)	6.23	11.89
Firefighters' Pension Scheme 2006					
Experience gains and (losses) on liabilities	(42.58)	(66.05)	(2.07)	4.73	10.13
Firefighters' Pension Scheme 2015					
Experience gains and (losses) on liabilities	(77.20)	(1.68)	(10.75)	7.83	18.87

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 next Fire Pension valuation is due to take place in 2021 with implementation of the results planned for 2023/24 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 2020	32,881	17,663	4,954	55,498	256	75	182	56,011
Additions/Enhancement	2,022	330	828	3,180	0	23		3,203
Revaluation increases / (decreases) to Revaluation Reserve	(792)			(792)				(792)
Revaluation increases / (decreases) to Comprehensive Income and Expenditure Statement	(2,029)			(2,029)				(2,029)
Derecognition - Disposals		(291)	(259)	(550)	(114)			(664)
Other movements				0				0
At 31 March 2021	32,082	17,702	5,523	55,307	142	98	182	55,729
Depreciation/Impairment								
1 April 2020	947	6,088	2,361	9,396	124	0	2	9,522
Charge for the year	673	878	464	2,015	26		2	2,043
Depreciation written out to the Revaluation Reserve	(1,286)			(1,286)				(1,286)
Derecognition - Disposals		(187)	(174)	(361)	(76)			(437)
At 31 March 2021	334	6,779	2,651	9,764	74	0	4	9,842
Net Book Value								
1st April 2020	31,934	11,575	2,593	46,102	132	75	180	46,486
31 March 2021	31,748	10,923	2,872	45,543	68	98	177	45,883

*£148k is included in non-current assets (on the Balance Sheet) that are owned by ESFM (Humberside) Ltd, please see note 12 for details.

2019/20 Comparatives

	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 2019	33,708	16,907	4,658	55,273	452	648	190	56,563
Additions/Enhancement	966	500	784	2,250	0	8	2	2,260
Revaluation increases / (decreases) to Revaluation Reserve	(697)	0	0	(697)	0	0	0	(697)
Revaluation increases / (decreases) to Comprehensive Income and Expenditure Statement	(1,096)	0	0	(1,096)	0	0	(10)	(1,106)
Derecognition - Disposals	0	(325)	(488)	(813)	(196)	0	0	(1,009)
Other movements	0	581	0	581	0	(581)	0	0
At 31 March 2020	32,881	17,663	4,954	55,498	256	75	182	56,011
Depreciation/Impairment								
1 April 2019	557	5,382	2,272	8,211	207	0	0	8,418
Charge for the year	712	866	417	1,995	49	0	2	2,046
Depreciation written out to the Revaluation Reserve	(322)	0	0	(322)	0	0	0	(322)
Derecognition - Disposals	0	(160)	(328)	(488)	(132)	0	0	(620)
At 31 March 2020	947	6,088	2,361	9,396	124	0	2	9,522
Net Book Value								
1st April 2019	33,151	11,525	2,386	47,060	245	648	190	48,141
31 March 2020	31,934	11,575	2,593	46,102	132	75	180	46,486

*£161k 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 2021	No. Held 31 March 2020
Operational Land & Buildings		
Service Headquarters	1	1
Fire Stations	31	31
Other Offices	2	2
Operational Vehicles		
Fire Appliances	72	72
Lorries	1	1
Vans	27	27
Cars	129	143
Others	4	4
New Dimensions Assets	6	7

Capital Financing Requirement

Movements in the Capital Financing Requirement for the year 2020/21 are shown in the table below:

	2020/21 £'000	2019/20 £'000
Opening Capital Financing Requirement	17,871	16,829
Capital Investment		
Operational Assets	3,180	2,252
Non Operational Assets	23	8
Sources of Finance		
Capital Receipts	(65)	(9)
Minimum Revenue Provision	(700)	(1,209)
Revenue Contributions to Capital Outlay	(801)	-
	<u>19,508</u>	<u>17,871</u>
Explanation of Movements in Year		
Increase/(Decrease) in the Underlying Need to Borrow Unsupported by Government Financial Assistance	1,637	1,042
	<u>1,637</u>	<u>1,042</u>

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 Carter Jonas LLP 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.

2020/21

	Operational Assets			Non Operational Assets		Total £'000
	Other Land & Buildings	Vehicles	Plant & Equipment	Assets Under Construction	Surplus Assets	
	£'000	£'000	£'000	£'000	£'000	
Value as at Historical Cost		10,923	2,872	98		13,893
Value at Current Value in:						
2020/21	23,740					23,740
2019/20	3,101					3,101
2018/19	1,363				177	1,540
2017/18	3,544					3,544
Value as at 31 March 2021	31,748	10,923	2,872	98	177	45,818
Nature of asset holding						
Leased	728					728
Owned	31,020	10,923	2,872	98	177	45,090
	31,748	10,923	2,872	98	177	45,818

Note: the above valuations as at 31 March 2021 are net of accumulated Depreciation to that date.

2019/20

	Operational Assets			Non Operational Assets		Total £'000
	Other Land & Buildings	Vehicles	Plant & Equipment	Assets Under Construction	Surplus Assets	
	£'000	£'000	£'000	£'000	£'000	
Value as at Historical Cost		11,575	2,593	75		14,243
Value at Current Value in:						
2019/20	10,967					10,967
2018/19	1,391				180	1,571
2017/18	19,575					19,575
Value as at 31 March 2020	31,933	11,575	2,593	75	180	46,356
Nature of asset holding						
Leased	744					744
Owned	31,189	11,575	2,593	75	180	45,612
	31,933	11,575	2,593	75	180	46,356

Capital Expenditure

Capital Expenditure incurred by the Authority during 2020/21 with comparatives for 2019/20 and the sources of financing are as follows:

Category of Asset	2020/21	Category of Asset	2019/20
	£'000		£'000
Land & Buildings (Including those under Construction)		Land & Buildings (Including those under Construction)	
Clough Road Training	671	Clough Road Training	196
Bridlington	405	Bridlington	34
Service Headquarters	137	Service Headquarters	162
Beverley	73	Goole	13
Howden	5	Howden	5
Scunthorpe	513	Scunthorpe	36
Market Weighton	22	Cleethorpes	49
Dignity Works	146	Dignity Works	470
Calvert Lane	23	Ark	8
Barton	5	Co-Location	3
Peaks Lane	22		
Vehicles (including those under Construction)	353	Vehicles (including those under Construction)	500
Plant & Equipment (Including Equipment under Construction)		Plant & Equipment (Including Equipment under Construction)	
IT Equipment	719	IT Equipment	706
Equipment	109	Equipment	78
Intangibles		Intangibles	
	3,203		2,260
Source of Finance		Source of Finance	
	£'000		£'000
Loans - Unsupported Borrowing	2,337	Loans - Unsupported Borrowing	2,251
Capital Contributions (including capital receipts)	866	Capital Contributions (including capital receipts)	9
	3,203		2,260

The Authority had outstanding commitments under capital contracts as at 31 March 2021 to the value of £17k which will take place during 2021/22.

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:

	2020/21	2019/20
	£'000	£'000
Property, Plant and Equipment	728	744
	728	744

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:

	2020/21	2019/20
	£'000	£'000
Finance Lease Liability	951	966
Finance Costs		
Current	83	84
Non Current	1,140	1,223
	2,174	2,273

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

	Minimum Lease		Finance Lease	
	2020/21	2019/20	2020/21	2019/20
	£'000	£'000	£'000	£'000
Not later than one year	99	99	16	14
Later than one year and not later than five years	395	395	77	71
Later than five years	1,680	1,779	859	881
	2,174	2,273	952	966

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 £7.363m (£5.784m at the end of 2019/20). Please see the description of each reserve below.

31 March 2020 £'000	Earmarked Reserves	31 March 2021 £'000
300	Resilience Reserve	300
3,000	Capital Funding Reserve	4,160
500	Insurance Reserve	500
1,000	Ark Reserve	1,000
611	Share of ESFM (Humberside) Ltd Net Assets	(45)
373	ESMCP Reserve	355
-	COVID Reserve	288
-	Grenfell and Protection Reserve	155
-	Uniform Replacement Programme Reserve	150
-	East Coast & Hertfordshire Control Room Consortium Reserve	470
-	Environmental Reserve	30
5,784	Total Earmarked Reserves	7,363

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 the 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.

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

Unusable Reserves

The Authority now retains four 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**

	2021 £'000	2020 £'000
Gains on Revaluation of Non Current Assets	(1,460)	(584)
Losses on Revaluation of Non Current Assets	966	959
Compensatory adjustment from the Revaluation Reserve to convert current value depreciation debits to historical cost.	53	63
Total Movement on Reserve	(441)	439
Balance Brought Forward 1 April	(4,910)	(5,350)
Balance Carried Forward at 31 March	(5,351)	(4,910)

Capital Adjustment Account

	2021 £'000	2020 £'000
Net Book Value of Assets disposed of	226	388
Depreciation	2,070	2,069
Impairments	2,029	1,106
Compensatory adjustment from the Revaluation Reserve to convert current value depreciation debits to historical cost.	(53)	(63)
Deferred Grants and Contributions applied	(866)	(9)
Provision for Repayments of External Loans (MRP)	(700)	(1,209)
Total Movement on Reserve	2,706	2,282
Balance Brought Forward 1 April	(22,482)	(24,764)
Balance Carried Forward at 31 March	(19,775)	(22,482)

7. Borrowing and Investments

Long Term Liabilities

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

	2020/21			2019/20		
	Repayable		Repayable	Repayable		Repayable
	Total	within 12	after 12	Total	within 12	after 12
	£'000	months	months	£'000	months	months
Public Works Loan Board	16,984	915	16,069	13,618	722	12,896
Finance Leases	951	16	935	966	14	952
Pension Liability - Firefighters' Pension Fund	703,450		703,450	612,780		612,780
Pension Liability - Local Government Pension Scheme	15,572		15,572	5,619		5,619
	736,957	931	736,026	632,983	736	632,247

The outstanding borrowings of the Authority at 31 March 2021 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	31 March
		2021 £'000	2020 £'000
Public Work Loans Board	1.80	1,000	-
Public Work Loans Board	1.86	1,000	-
Public Work Loans Board	1.96	1,000	-
Public Work Loans Board	1.99	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	3.70	1,000	1,000
Public Work Loans Board	3.75	1,000	1,000
Public Work Loans Board	3.84	1,000	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	3,900	4,400
Public Work Loans Board	4.63	500	827
Public Work Loans Board	4.75	95	95
Public Work Loans Board	4.90	246	246
Public Work Loans Board	5.00	900	900
		<u>16,069</u>	<u>12,896</u>

Loans analysed by maturity are as follows:

	31 March 2021 £'000	31 March 2020 £'000
Maturing in 1-2 Years	900	827
Maturing in 2-5 Years	3,169	3,241
Maturing in 5-10 Years	7,000	6,828
Maturing in More Than 10 Years	5,000	2,000
	<u>16,069</u>	<u>12,896</u>

Provision for the Repayment of External Loans

The Authority is required by statute to set aside a Minimum Revenue Provision (MRP) for the redemption of external debt. The method of calculating the Provision is defined by statute. The MRP for 2020/21 is as follows:

	2020/21 £'000	2019/20 £'000
MRP based on Option 1 - 4% of CFR/Supported Borrowing	276	563
MRP based on Option 3(a) - Equal Instalments	-	633
MRP based on Option 3(b) - Annuity Method	410	-
MRP for Assets acquired under Finance Leases Matched to the Principal repaid	14	13
	<u>700</u>	<u>1,209</u>

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 £7.000m at 31 March. (2019/20 was £5.004m).

8. Other Creditors and Debtors

- Long-Term Creditors

There are no long-term creditors at 31 March 2021.

- Short-Term Creditors

Analysis of short term creditors is as follows: -

	31 March 2021 £'000	31 March 2020 £'000
Central Government Bodies	969	2,092
Other Local Authorities	2,280	1,299
Bodies External to General Government	4,085	3,820
	<u>7,334</u>	<u>7,211</u>

*included in the Short-Term Creditors figure on the Balance Sheet is £729k relating to ESFM (Humberside) Ltd, please see note 12 for details.

- Long-Term Debtors

There were no long-term debtors at 31 March 2021.

- Short-Term Debtors

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

	31 March 2021 £'000	31 March 2020 £'000
Central Government Bodies	4,113	3,343
Other Local Authorities	121	222
NHS Bodies	-	21
Bodies External to General Government	5,175	5,380
	<u>9,409</u>	<u>8,966</u>

*included in Short-Term Debtors is £465k 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	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Investments at Amortised Cost				
Loans and Receivables at Amortised Cost			7,000	5,004
Total Investments at Amortised Cost	-	-	7,000	5,004
Debtors				
Financial Assets (including Trade Debtors and General and Other Debtors and Long Term Debtors)			3,032	2,831
Total Debtors	-	-	3,032	2,831
Borrowings at Amortised Cost				
Financial Liabilities at Amortised Cost	(17,004)	(13,848)	(931)	(736)
Total Borrowings at Amortised Cost	(17,004)	(13,848)	(931)	(736)
Creditors				
Financial Liabilities Carried at Contract Amount			(1,755)	(1,721)
Total Creditors	-	-	(1,755)	(1,721)

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

		31 March	
		2021	2020
		£'000	£'000
Financial Liabilities			
Current			
Creditors		(1,755)	(1,721)
Public Works Loans Board Loans and Finance Leases		(931)	(736)
		<u>(2,686)</u>	<u>(2,457)</u>
Long Term			
Public Works Loans Board Loans		(16,069)	(12,896)
Finance Leases		(935)	(952)
		<u>(17,004)</u>	<u>(13,848)</u>
		<u>(19,690)</u>	<u>(16,305)</u>
Financial Assets			
Current			
Debtors		3,032	2,831
Investments		7,000	5,004
		<u>10,032</u>	<u>7,835</u>

Gains and losses recognised in the Comprehensive Income and Expenditure Account for 2020/21 in relation to financial instruments are made up as follows:

	2020/21				2019/20			
	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	(633)	-	-	(633)	(727)	-	-	(727)
Loss on derecognition	-	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-	-
Interest payable and similar charges	(633)	-	-	(633)	(727)	-	-	(727)
Interest income	-	12	-	12	-	69	-	69
Losses on revaluation	-	-	-	-	-	-	-	-
Amounts recycled to the Income and Expenditure Account after impairment	-	-	-	-	-	-	-	-
Interest and investment income	-	12	-	12	-	69	-	69
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	(633)	12	-	(621)	(727)	69	-	(658)

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 2021, 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 127/21. 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 2021		31 March 2020	
	Carrying Amount £'000	Fair Value £'000	Carrying Amount £'000	Fair Value £'000
Financial Liabilities	(16,896)	(18,693)	(14,584)	(15,102)
Loans and Receivables	7,000	7,000	5,004	5,004

The increase 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 higher than the rates for similar loans as at the Balance Sheet date. The decrease in the Fair Value of the Loans and Receivables over the carrying amount is due to the interest rate receivable on the Authority's portfolio of fixed rate investments being 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 Corporate Services 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 2021	Historical experience of default	Historical experience adjusted for market conditions at 31 March 2021	Estimated maximum exposure to default and uncollectability 31 March 2021
	£'000	%	%	£'000
Deposits with banks and financial institutions	7,000	0.00	0.00	-
Bonds	-	0.00	0.00	-
Customers	1,404	0.43	0.43	6
	<u>8,404</u>			<u>6</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 £94k of the £1.404m balance is past its due date for payment. The past due amount can be analysed by age as follows:

	31 March 2021 £'000	31 March 2020 £'000
Less than three months	58	2
Three to six months	36	29
Six months to one year	-	-
More than one year	-	-
	<u>94</u>	<u>31</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 Risk

Interest 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 2021, if interest rates had been 1% higher with all other variables held constant, the financial effect would be:

	31 March 2021 £'000	31 March 2020 £'000
Decrease in Fair Value of fixed rate investment assets	-	-
Increase in Fair Value of fixed rate borrowing liabilities	1,222	861

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 2020				Year ended 31 March 2021			
£'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
(3)	(795)		(798)	(3)	(466)		(469)
(2,796)	(7,527)		(10,323)	(3,666)	(7,091)		(10,757)
(376)	(1,716)		(2,092)	(432)	(988)		(1,420)
			- Corporate and Democratic Core				-
			- Corporate Management				-
	190		190		(25)		(25)
(3,175)	(9,848)	-	(13,023)	(4,101)	(8,570)	-	(12,671)
			Net Cost of Services				
830	(16,121)	290	(15,011)	1,340	(13,877)	922	(11,615)
			Other Operating Expenditure				
			Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services				
(2,345)	(25,969)	290	(28,034)	(2,761)	(22,447)	922	(24,286)

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

	2020/21 £000s	2019/20 £000s
Other Operating Expenditure		
(Profit)/Loss on the disposal of assets	161	379
Total Other Operating Expenditure	161	379
Financing and Investment Income and Expenditure		
Interest Payable	633	727
Interest Receivable	(12)	(69)
Net interest cost on the net defined pension liability		
- Firefighters' Pension Scheme	13,740	15,840
- Local Government Pension Scheme	137	271
Total Financing and Investment Income and Expenditure	14,498	16,769
Taxation and Non Specific Grant Income		
Council Tax Payers	23,878	23,390
General Government Grants (See breakdown below)	3,641	2,552
Localised Business Rates	3,909	3,811
National Non Domestic Rates and Revenue Support Grant	17,469	16,655
Total Taxation and Non Specific Grant Income	48,897	46,408
General Government Grants		
Additional Pensions Grant	2,543	2,543
COVID19 Funding	1,098	9
	3,641	2,552

Precepts

The Authority, at its meeting on 10 February 2020, set a precept for 2020/21 equivalent to a Band D Council Tax of £86.63. Precepts and Collection Fund balances received from the four constituent Authorities for 2020/21 are as follows:

	Precepts 2020/21 £'000	Collection Fund Residual 2019/20 £'000	Surplus/(Deficit) 31 March 2021 £'000	Total 2020/21 £'000
Kingston upon Hull City Council	5,423	(44)	36	5,415
East Riding of Yorkshire Council	10,236	43	17	10,296
North East Lincolnshire Council	3,840	56	(38)	3,858
North Lincolnshire Council	4,322	(51)	38	4,309
	23,821	4	53	23,878

	Precepts 2019/20 £'000	Collection Fund Residual 2018/19 £'000	Surplus/(Deficit) 31 March 2020 £'000	Total 2019/20 £'000
Kingston upon Hull City Council	5,221	(25)	142	5,338
East Riding of Yorkshire Council	9,899	22	152	10,073
North East Lincolnshire Council	3,673	30	83	3,786
North Lincolnshire Council	4,200	12	(19)	4,193
	22,993	39	358	23,390

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 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: Chad Chadwick, Phil Davison, John Dennis, Caroline Fox, Helen Green, Barbara Jefferson, Pat Smith, Kay West.

Kingston upon Hull City Council: Linda Chambers, Jackie Dad, Shane McMurray, Rosie Nicola, Christine Randall, Abhimanya Singh.

North East Lincolnshire Council: Ian Barfield, Ros James, Ron Shepherd, Stewart Swinburn.

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

The total of Members' allowances paid in 2020/21 is shown in note 13. During 2020/21 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 2020/21 no senior officers of the Authority (with the exception of the one member of staff that is a Director of HFR Solutions, 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.

One officer of the Authority is also a Director of HFR Solutions Community Interest Company (CFO Chris Blacksell).

The Authority/HFR Solutions supplied goods and services to each other during 2020/21; the value of the supplies to HFR Solutions was £0.2m (£0.3m during 2019/20), HFR Solutions supplied goods and services to the Authority with a negligible value (negligible in 2019/20) and made under normal commercial terms. £0.1m was owed to the Authority at 31 March 2021 (£0.1m was outstanding at 31 March 2020).

Two officers of the Fire Authority are also Directors of Emergency Services Fleet Management (Humberside) Ltd (Executive Director/S.151 Officer Kevin Wilson and Director Steve Topham). 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 2020/21 with a value of £1.2m (£1.2m during 2019/20) to Humberside Fire Authority.

Two officers of the Fire Authority are also seconded to Humberside Police on a part time basis (Executive Director/S.151 Officer Kevin Wilson and Head of Finance Martyn Ransom). Humberside Police supplied goods and services to the Authority during 2020/21 with a value of £3.0m (£2.2m during 2019/20). The Authority supplied goods and services to Humberside Police during 2020/21 with a value of £0.4m (£0.2m during 2019/20).

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 2020/21 are £0.1m (£0.6m 2019/20) 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 2021.

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 2020/21 was £128,430 (2019/20 was £131,022).

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					
	2020/21			2019/20		
	Operational	Non Operational	Total	Operational	Non Operational	Total
£150-154,999	1	-	1	-	-	-
£145-149,999	-	-	-	1	-	1
£140-144,999	-	-	-	-	-	-
£135-139,999	-	-	-	-	-	-
£130-134,999	-	-	-	-	-	-
£125-129,999	1	-	1	1	-	1
£120-124,999	-	-	-	-	-	-
£115-119,999	-	-	-	-	-	-
£110-114,999	-	-	-	-	-	-
£105-109,999	-	1	1	-	1	1
£100-104,999	-	-	-	-	-	-
£95-99,999	-	-	-	-	-	-
£90-94,999	-	-	-	-	-	-
£85-89,999	-	1	1	-	-	-
£80-84,999	3	-	3	3	-	3
£75-79,999	1	-	1	-	-	-
£70-74,999	-	-	-	2	1	3
£65-69,999	4	-	4	1	-	1
£60-64,999	10	3	13	9	-	9
£55-59,999	20	1	21	12	2	14
£50-54,999	17	3	20	25	1	26
	57	9	66	54	5	59

The remuneration paid to senior officers whose salary is as follows:

Disclosure for 2020/21

Post Title	Salary (Including fees & Allowances)	Benefits in Kind (e.g. Car Allowance)	Total Remuneration excluding employer's pension contributions 2020/21	Employer's pension contributions 2020/21	Total Remuneration including employer's pension contributions 2020/21
Chief Fire Officer & Chief Executive - Chris Blacksell	150,281	-	150,281	-	150,281
Deputy Chief Fire Officer & Director of Service Delivery - (1 April 2020 - 2 November 2020)	86,248	-	86,248	28,155	114,403
Deputy Chief Fire Officer & Director of Service Delivery - (5 December 2020 - 31 March 2021)	41,006	-	41,006	-	41,006
Executive Director of Corporate Services & S151 Officer *	105,197	1,671	106,868	19,453	126,321
Director of Service Delivery Support	84,171	-	84,171	24,018	108,189
Director of Service Improvement	83,402	-	83,402	24,018	107,420
Director of Service Delivery	83,402	-	83,402	24,018	107,420
Director of People & Development - (1 April 2020 - 31 July 2020)	86,168	629	86,797	-	86,797
Area Manager Projects - (1 April 2020 - 20 January 2021)	59,198	-	59,198	15,031	74,229
Temporary Director of People and Development - (01 April 2020 - 31 December 2020)	54,481	659	55,140	9,103	64,243
Temporary Director of People and Development - (21 January 2021 - 31 March 2021)	16,286	-	16,286	3,530	19,816
	849,840	2,959	852,799	147,325	1,000,124

*This post is shared with Humberside PCC

Disclosure for 2019/20

Post Title	Salary (Including fees & Allowances)	Benefits in Kind (e.g. Car Allowance)	Total Remuneration excluding employer's pension contributions 2019/20	Employer's pension contributions 2019/20	Total Remuneration including employer's pension contributions 2019/20
Chief Fire Officer & Chief Executive	147,335	-	147,335	-	147,335
Deputy Chief Fire Officer & Director of Service Delivery	125,236	-	125,236	46,713	171,949
Executive Director of Corporate Services & S151 Officer*	104,422	1,720	106,142	17,326	123,469
Director of Service Delivery Support	81,756	-	81,756	23,543	105,298
Director of Service Improvement	82,120	-	82,120	23,543	105,663
Director of Service Delivery	81,745	-	81,745	23,543	105,288
Director of People & Development	70,721	1,352	72,073	-	72,073
Temporary Director of People & Development - (16 March 20 - 31 March 20)	3,085	-	3,085	518	3,603
Area Manager Projects	42,216	-	42,216	10,392	52,608
	738,636	3,072	741,708	145,578	887,286

* w/e 1st January 2020 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	2020/21			Total Cost (£'000)	2019/20			Total Cost (£'000)
	Number of Compulsory Redundancies	Number of Other Agreed Departures	Total Number of Exit Packages by Cost Band		Number of Compulsory Redundancies	Number of Other Agreed Departures	Total Number of Exit Packages by Cost Band	
£100,001 - £150,000	-	1	1	102	-	-	-	-
£80,001 - £100,000	-	-	-	-	-	-	-	-
£60,001 - £80,000	-	1	1	63	-	-	-	-
£40,001 - £60,000	-	-	-	-	-	-	-	-
£20,001 - £40,000	-	-	-	-	-	-	-	-
£0 - £20,000	-	-	-	-	-	-	-	-
Total Cost in Bandings	-	2	2	165	-	-	-	-

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 2020/21 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 2020/21 the Authority incurred £30k in Audit fees (£32k in 2019/20) from Mazars relating to external audit.

Prior Period Adjustments

There have been no prior period adjustments during 2020/21.

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 4 years at £60k per annum.

16. Cash Flow notes

Movements in Cash and Cash Equivalents

	31 March 2021 £'000	31 March 2020 £'000	Movement £'000
Bank In Hand/(Overdrawn)	1,267	114	1,153
	1,267	114	1,153

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

	2020/21 £'000	2019/20 £'000
Depreciation/Amortisation & Impairment	4,086	3,159
Increase/(decrease) in Creditors	(268)	2,045
(Increase)/decrease in Debtors	(440)	(682)
(Increase)/decrease in Inventories	105	(68)
Increase/(decrease) in Provisions	127	-
Movement in Pension Liability	22,447	25,959
Carrying amount of non-current assets held for sale, sold or de-recognised	226	388
	26,283	30,802

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

	2020/21 £'000	2019/20 £'000
Proceeds from short-term and long-term investments		
Proceeds from the sale of Property, Plant and Equipment and Intangible Assets	(65)	(9)
Any other items for which the cash effects are investing or financing cash flows		
	(65)	(9)

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

	2020/21 £'000	2019/20 £'000
Interest Received	12	69
Interest Paid	(633)	(727)
	(621)	(658)

Cash Flow Statement – Cash Flows from Investing Activities

	2020/21 £'000	2019/20 £'000
Payments to acquire property, plant and equipment, investment property and intangible assets	(3,203)	(2,260)
Opening Capital Creditors	(891)	(115)
Closing Capital Creditors	1,280	891
Purchase of short term investments	(2,000)	(503)
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	65	9
Net cash flows from investing activities	(4,749)	(1,978)

Cash Flow Statement – Financing Activities

	2020/21	2019/20
	£'000	£'000
Cash receipts of short and long-term borrowing	4,000	
Appropriation to/from Collection Fund Adjustment Account		
Repayments of short and long-term borrowing	(632)	(1,385)
Principal on Finance Leases	(15)	(2)
Net cash flows from financing activities	3,353	(1,387)

Government Grants

An analysis of other Government grants received during 2020/21 is given in note 11 of the notes to the Financial Statements.



HUMBERSIDE
Fire & Rescue Service

Humberside Fire Authority Pension Fund Account 2020/21

FIREFIGHTERS' PENSION FUND ACCOUNT

The following table analyses movements on the Fund for the year 2020/21

2019/20		2020/21
£'000s		£'000s
	Contributions receivable:	
(5,839)	Employers' contributions receivable	(5,788)
(2,541)	Firefighters' contributions	(2,490)
<u>(8,380)</u>		<u>(8,278)</u>
<u>(238)</u>	Transfers in from other authorities	<u>(89)</u>
	Benefits payable:	
16,122	Pensions	16,649
5,040	Commutations & lump sum retirement benefits	3,391
<u>21,162</u>		<u>20,040</u>
	Payments to and on account leavers	
72	Transfers out to other authorities	-
<u>12,616</u>	Net amount payable for the year	<u>11,673</u>
<u>(12,616)</u>	Top-up grant receivable to the Firefighters' Pension Fund	<u>(11,673)</u>
-	Fund Account balance	-

	<u>Net Assets Statement</u>	
2019/20		2020/21
	Current Assets	
3,141	Home Office grant debtor	3,822
1,423	Pensions Paid in Advance	1,443
	Current Liabilities	
(4,564)	Humberside Fire Authority	(5,265)
<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 Corporate Services 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 21.7% for the 1992 FPS, 11.0% for the 2006 FPS, 21.7% for the Modified FPS and 14.3% for the 2015 FPS.

The membership for the pensions fund is as follows;

Category of Member	31/3/2021 1992 FPS	31/3/2021 2006 NFPS	31/3/2021 Modified Pension Scheme	31/3/2021 2015 FPS	31/3/2020 1992 FPS	31/3/2020 2006 NFPS	31/3/2020 Modified Pension Scheme	31/3/2020 2015 FPS
Contributors	34	6	27	641	53	7	36	627
Deferred Pensioners	45	111	7	134	48	113	11	98
Pensioners	977	13	72	19	972	18	58	11

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 2021 and the Comprehensive Income and Expenditure for the year ended 31 March 2021.

.....

Chris Blacksell – Chief Fire Officer/Chief Executive

.....

Councillor John Briggs – Chair

.....

Kevin Wilson – Executive Director of Corporate Services/Section 151 Officer

23rd July 2021 (authorised for issue date)

Appendix 1

Revenue Variance Analysis

2019/20		2020/21		
		Revised Estimate	Actual	Variance
£'000	Expenditure	£'000	£'000	£'000
38,526	Employees	39,099	38,834	(265)
2,728	Premises	2,823	2,671	(152)
661	Transport	1,480	1,232	(248)
3,845	Supplies and Services	4,210	3,731	(479)
149	Support Services	204	257	53
3,112	Capital Charges	1,983	4,619	2,636
49,021	Total Expenditure	49,799	51,344	1,545
(2,132)	Income	(979)	(2,090)	(1,111)
46,889	Net Expenditure	48,820	49,254	434
727	Interest Payable	661	633	(28)
(69)	Interest Receivable	(60)	(12)	48
(1,903)	Accounting Adjustments	29	(3,118)	(3,147)
699	Contributions to / (from) Reserves	(539)	1,596	2,135
46,343	Net Budget Requirement	48,910	48,352	(558)
(2,552)	General Government Grant	(3,641)	(3,641)	-
(3,811)	Business Rates	(3,915)	(3,909)	6
(16,830)	NNDR	(17,104)	(17,119)	(15)
(23,270)	Precepts	(24,250)	(24,254)	(4)
(120)	Net (Surplus)/Deficit	-	(571)	(571)

£'000	Movement on the General Fund	£'000
(120)	(Surplus)/Deficit as above	(571)
(400)	Reserve Movements as per Fire Authority	-
13	Budgeted Transfer From General Reserve	(44)
(507)	(Surplus)/Deficit on the General Fund in the Year	(615)

	Overspend / (Underspend) £'000
Employees	(265)
a) Lower pay award than anticipated for greybook staff	
b) Lower call out costs for on-call staff	
c) A number of vacant support role posts	
d) Higher level of ill health contributions than originally anticipated	
e) Additional spend on agency staff to cover the vacant support roles	
Premises	(152)
Lower Business Rate charges on our properties	
Transport	(248)
a) Free fuel provided by BP during the COVID-19 pandemic	
b) Lower spend on officer travel as training courses and meetings moved to a virtual delivery	
Supplies and Services	(479)
a) Uniform replacement programme has slipped into 2021/22	
b) Lower spend on issue, cleaning, repairs and replacement of PPE	
c) Lower spend on smoke alarms and hydrant maintenance	
Support Services	53
Conclusion of the mesothelioma claim which is partly offset by additional income	
Asset Rental Interest	2,636
Impairment and depreciation of the estate has caused this variance (offset with accounting adjustment note)	
Income	(1,111)
a) Additional grant income received from Government in relation to Protection, Grenfell and COVID-19	
b) Insurance income received in relation to the meothelioma claim	
c) Funding of the Road Safety Team has been received	
d) Additional income in relation to secondments	
Accounting Adjustments	(3,147)
a) Impairment and depreciation of the estate (offset with asset rental interest note)	
b) Change in method used to calculate the Authority's Minimum Revenue Provision (MRP)	
Contribution to Reserves	2,135
Transfer to reserves to fund future year spend on the following:	
a) Uniform replacement programme (offset with note on supplies and services)	
b) Grant income in relation to Protection, Grenfell and COVID-19 (offset with note on income)	
c) Transferring the saving on MRP (offset with accounting adjustments note)	
d) Replacement boats	
e) East Coast and Hertfordshire Control Room Consortium anticipated part contribution of infrastructure replacement costs	

Appendix 2

Capital Expenditure Breakdown and Variance Analysis

Project	2020/21		
	Revised Estimate	Actual	Variance
	£'000	£'000	£'000
Buildings			
Invest to Save	402	195	(207)
Goole	387	-	(387)
Scunthorpe	513	510	(3)
Clough Road Training	657	675	18
Bridlington	500	398	(102)
BA Training Refurbishment	18	-	(18)
HQ OTC	16	5	(11)
HQ Minor Capital Works	-	10	10
Calvert Lane	100	-	(100)
Capital Furniture and Fixtures	86	78	(8)
Dignity Works	170	146	(24)
Co-Location	97	-	(97)
Howden	395	5	(390)
Other Minor Capital Schemes	54	-	(54)
Vehicles			
Operational	372	299	(73)
Support	487	54	(433)
Plant & Equipment			
IT Equipment	820	719	(101)
PPE	1,400	-	(1,400)
Equipment	380	109	(271)
	6,854	3,203	(3,651)

Analysis of the most significant capital variances:

	Overspend/ (Underspend)
	£'000
Howden	
Work anticipated to be completed during 2021/22	(390)
Goole	
Work anticipated to be completed during 2021/22	(387)
Invest to Save	
Work anticipated to be completed during 2021/22	(207)
Vehicles	
Some vehicles have slipped into 2021/22	(506)
Plant & Equipment	
The rollout of replacement PPE has slipped into 2020/21	(1,400)

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	For a defined benefit pension scheme, the changes in actuarial surpluses or deficits that arise because: events have not coincided with the actuarial assumptions made for the last valuation (experience gains and losses) or the actuarial assumptions have changed.
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	An item having value to the Authority in monetary terms. Assets are categorised as either current or non-current: A current asset will be consumed or cease to have material value within the next financial year (e.g. cash and inventories); 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.
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 2020/21 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 2022 into the 2021/22 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

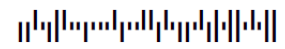
☐

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



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Humberside Fire Service
Brigade Headquarters
Summergroves Way
Hull
HU4 7BB

Humberside Fire Authority**ANNUAL GOVERNANCE STATEMENT 2020/21****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/Society of Local Authority Chief Executives (CIPFA/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 a set of Principles of Good Conduct for employees.
5. This statement explains how the HFA has complied with the code 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 ended 31 March 2021 and up to the date of approval of the Annual Performance Report and Statement of Accounts.

The Governance Framework 2020/21

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/Opportunity Management 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 Corporate Services as 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 Strategic Leadership Team (SLT) have 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 Integrated Risk Management Plan (IRMP) for 2018/21 ensure a three-year plan, linked to financial planning.
 - l) The Strategic Plan 2018/21 includes strategic objectives and Directorate responsibilities. Strategic Plan 2021/24 was approved by HFA in December 2020 following consultation.

- m) The IRMP 2018/21 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. IRMP refresh for 2021/24 was approved by HFA in December 2020 following consultation.
- 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, please follow this [Link](#).
- o) Subscription to the services of whistleblowing charity Protect. Staff are informed of this service via updates in wage slips as well as via the Whistleblowing Policy which is published on the external website.
- p) A Fire and Police Transformation Board has been established to develop a number of collaborative workstreams. These have been categorised under the main headings as follows:
 - Organisation;
 - Delivery of Service;
 - Estates;
 - Futurist.

Directors have been allocated lead HFRS responsibility for specific workstreams.

- q) A Service Improvement Plan has been developed to ensure that improvement areas across the Service are documented, evidenced and regularly reviewed.
- r) Member and Officer Development Programmes. During 2020/21 Officers undertook a facilitated supportive leadership development programme. Access to the T2Hub of Management and Leadership Self Development resources, Continual Professional Development through Leadership Forum Guest Speakers and Directors completing the Executive Leadership Programme.
- s) 8 scheduled Member Days to support Member development and awareness conducted as remote sessions during Covid-19 restrictions.
- t) An approved Treasury Management Policy and Prudential Indicators.
- u) An approved HFA Performance and Risk Framework supported by the Performance and Risk Framework Policy and incorporating, amongst others, the following guidance notes:
 - Performance Measurement;
 - Corporate Reporting of Performance;
 - Project and Programme Management;
 - Organisational Risk and Opportunity Management.
- v) A Protective Marking Scheme (based upon the Her Majesty's Government Security Framework).
- w) Implementation of a Public Sector Equality Duty (PSED) action plan to implement its priorities. Actions within this plan has been fully integrated within the LGA FRSEF Self-assessment/action planning process and Priorities were consulted upon during 2020.

- x) Aligned service delivery with our 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.
- y) Retention of the Customer Service Excellence Award, conducted in February each year.
- z) Annual Performance and Quarterly Performance Reports to HFA are published on our Website.
- aa) 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 2020/21 and also had a training input session.
- bb) The Deputy Chief Fire Officer chairs a Joint Consultative Committee attended by all Representative Bodies to discuss any matters relating to staff terms and conditions.
- cc) Member Champions continue to support functional areas and are invited to attend local District performance meetings and to meet with Directors.
- dd) Consultation on our Council Tax Precept for 2020/21 drew a significant number of responses from our community (2572). This allowed Fire Authority Members to make an informed decision on this matter.
- ee) In line with legislative requirements HFRS published its Gender Pay Gap Report by the end of March 2021.

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. HFA reviews the effectiveness of the GAS Committee and receives an Annual Report at the HFA Annual General Meeting. A review of the size and role of the GAS Committee was conducted at the HFA Meeting 7 December 2020, membership was reduced from seven to five (upon the completion of terms of office). The HFA Constitution was amended to reflect changes.
- 13. The GAS Committee has continued its scrutiny programme during 2020/21, including the scrutiny of the Effectiveness of the Protection Risk-Based Targeting Strategy, Development and Delivery Plans to Support the Health and Wellbeing of Staff, Safety Protection - Engagement with the Commercial/Business Community and Diversity and Recruitment - Progress and Plans.
- 14. The induction and training of new Members during 2020/21 has further enabled Members to discharge the functions of the HFA.

15. During the 2020/21 financial year, the HFA and Committees met as follows:
- * HFA 9 occasions;
 - * GAS Committee 7 occasions;
 - * Pension Board 2 occasions.
- * The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020 came into force on 4th April 2020. Subsequently all meetings of the Authority and Committees were held remotely.
16. 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.
17. The review of the effectiveness of the system of internal control is informed by:
- a. The work of Senior Officers;
 - b. The work of Internal Audit;
 - c. Corporate Risk and Opportunity Management;
 - d. Performance information;
 - e. The Authority's External Auditor, in their Annual Governance Report, Annual Audit Letter and other reports.
18. Internal Audit has undertaken a number of reviews during 2020/21. The following areas were covered:
- Health & Safety
 - Business Safety
 - Performance Management
 - Arson Prevention
 - Workforce Planning
 - Key Financial Controls
 - ICT Cyber Security
 - HR - Absence Management
 - National Operational Guidance (NOG)
- In response to the Covid-19 pandemic reviews were conducted remotely.
19. A full self-assessment has been undertaken against the criteria contained within the CIPFA Financial Management Code. The self-assessment shows the Authority to be almost fully compliant with only two areas of partial compliance that will be developed in 2021/22. These are the further development of objective measures to assess the risks to financial sustainability and the embedding of our option appraisal methodology. These two areas are included in the Action Plan for further work in 2021/22. Full compliance against the code is mandatory from 1 April 2022 with the coming year as a transition towards that compliance.

20. The overall Head of Internal Audit opinion for the period 1 April 2020 to 31 March 2021 provides Reasonable Assurance.
21. 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 the quarterly Management Accounts and the quarterly 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.
22. A comprehensive Assurance Map for the Service has been developed to help inform the work of SLT, the GAS Committee and Internal Audit.
23. We have been advised on the implications of the result of the review of the effectiveness of the governance framework by SLT and the GAS Committee, and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

Significant Governance Issues 2020/21

24. 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 2020/21.
25. In February 2016 HMG published the Policing and Crime Bill to improve the efficiency and effectiveness of police forces. The Bill received Royal Assent in January 2017 and the Act now places a statutory duty upon Fire and Rescue, Police and Ambulance services to collaborate. The Act also enables Police and Crime Commissioners (PCC) to take responsibility for fire and rescue services, where a Business Case is formed and there is local public support. We continue to proactively identify collaborative opportunities with the Police and 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 Falls Response Team with City Health Care Partnership (CHCP), NHS Hull Clinical Commissioning Group (CCG) 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:
 - Searching for Missing Persons
 - Fire Investigation
 - Forced Entry for Medical Rescues
 - Drone
 - Bariatric
 - An Integrated Health Centre incorporating a Full-Time fire station, in partnership with Hull CCG.
 - A Fire and Police Transformation Board continues to commission and review collaboration opportunities, including shared estate at appropriate locations.
 - HFRS, Humberside Police, East Midlands Ambulance Service, Yorkshire Ambulance Service meet on a quarterly basis to discuss collaborative opportunities.
 - Shared provision of Health and Safety function.
 - HFRS providing Financial Management support to Humberside PCC.
 - 'Don't Cross the Line' campaign to support stopping attacks on Emergency Service Workers.

26. Following the first inspection of Effectiveness, Efficiency and People, by HMICFRS in November 2018, steps have been taken to react to inspection outcomes and prepare the Service for inspection taking place in 2021/22. This includes development of a Service Improvement Plan, performance monitoring through a Strategic Leadership Team performance meeting held monthly and re-alignment of Director portfolios to incorporate a Director of Service Improvement.
27. Two Whistleblowing complaints were received by the Monitoring Officer during 2020/21 and were dealt with in accordance with the Whistleblowing Policy. An action plan has been developed to address discrepancies in the requirements for officer declarations of business interests, compared to the requirements placed on Members. The HFA Constitution will be reviewed and amended accordingly.

Action Plan

28. Strategic Risk and Opportunity Register
The action points outlined below are included within our Strategic Risk and Opportunity Register and Action Plan, progress will be monitored throughout 2021/22.
- Incorporation of the Humberside PCC onto the HFA, including any arising changes to governance arrangements and mechanism for PCC to produce Business Case to take over governance of Fire and Rescue.
 - Impact of EU Exit. (Complete)
 - Continued Scenario Planning to mitigate the effect of any further reductions or challenges on finances.
 - Impact of firefighter pension remedy implementation.
 - Cyber Security threats.
 - HMICFRS arising issues.
 - Emergency Services Network.
 - Grenfell Inquiry Outcomes.
 - LGPS Exit Pay Cap.
 - Covid Staff Shortages.
 - Environmental Sustainability.
29. COVID-19 Pandemic.
Influenza Management Business Continuity Plans implemented enabling a very good level of Service to be maintained. This includes Influenza Management Team (IMT) and Business Interruption Management Team (BIMT) Meetings. A separate Covid-19 Risk Register has been produced. Widespread support is being provided to NHS partners and Local Authorities co-ordinated via the Local Resilience Forum. HMICFRS conducted a themed inspection of the HFA and Service response to Covid-19 resulting in a positive assessment of the decisions taken, actions implemented and contributions made by staff.
30. CIPFA Financial Management Code
Further development of objective measures to assess the risks to financial sustainability and embedding of our option appraisal methodology will be developed during 2021/22.

Conclusions

31. This Annual Governance Statement for 2020/21 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

REPORT EXECUTIVE SUMMARY
Promotion Within Uniformed Roles

This paper responds to the following questions\requests as part of the GAS Committee Scrutiny Programme.

- 1. How does the Service manage promotions within uniformed roles?**
- 2. How has this process changed across the last 20 years?**
- 3. What regard has been given to public sector and sector-specific best practice/guidance?**
- 4. Does the promotion process fit with the Workforce Plan and with the Service's strategy on positive action?**
- 5. Feedback on promotion processes received through exit-interviews?**

Appendices Included from the current CM process as follows: -

1. CMWWM Talent Pipeline Process
2. Guidance for Applicants Document
3. CM Job Description
4. CM Specification
5. CM Role Specific Training Outline
6. CMWWM Talent Pipeline Evaluation
7. Internal Advert Example
8. External Advert Example

RECOMMENDATIONS

1. That the GAS committee take assurance from the Promotion Processes that HFRS has in place.

REPORT DETAIL

How does the Service manage promotions within uniformed roles?

2. Following significant consultation with the Representative Bodies, the talent pipeline process was developed and introduced in July 2020. The process addresses the need to support employees through a structured development process in line with Role specific Training Outlines and Person Specifications. The process also prepares prospective candidates for promotion, providing a structured and transparent process for all parties.
3. In the first instance all applicants need to have a Personal Development Review (PDR) and an Individual Development Plan (IDP) to enter the pipeline and meet the minimum requirement and specification of their existing role. The line manager is required to review the application and documents with the applicant and in order to approve (or reject) the application, following this the senior manager also reviews the application prior to submission. If an application is not supported, the applicant's managers will discuss this with the applicant and where appropriate work with them to create an IDP to assist them in developing for the next process.
4. All applications (even unsupported applications) are sent to the sifting team to ensure that fair consideration has taken place. All applications are sifted by the same panel, to the same specification to ensure consistency in approach.
5. Applicants are given a minimum of three weeks to apply and the process, depending upon the number of applicants, will usually take between two and four weeks to undertake; Station Managers are a smaller group whereas Crew Managers are a larger group and will take longer to process.
6. As the purpose of this process is to select managers who will be required to 'take command' at various situations it is essential that candidates either hold an IC qualification or they pass an IC assessment at the end of the selection process. Where candidates do not hold the pre-requisite qualification this is built into the process, as per the recent ACFO process, or there is a requirement to complete an assessment before being confirmed in post.
7. The process includes the production and verbal summary of a report, the production and delivery of a presentation and an interview. The applicant is required to either have completed the relevant incident command course, or at the end of the process (if appointable) to be assessed in incident command.
8. All applicants are scored by the same panels where possible (interview, presentation and report) for consistency and then all scores totalled resulting in the categories of 'appointable', 'appointable on a temporary basis' or 'not appointable at this time'.
9. The appointable candidates are then retained in the pipeline for 12 months so that when a vacancy arises, the highest scoring applicant is offered promotion.

10. At the end of the 12-month period, an appointable candidate who has not been offered a promoted vacancy, or who has been offered but not accepted a promoted vacancy will be removed from the pipeline and will need to reapply for the next pipeline process.
11. The term 'appointable' is used deliberately so that no candidate can assert that they have been promoted until they are offered and accept a substantive promotion – at which point, they become 'successful'. If there are insufficient vacancies during the 12-month period, they will be removed from the pipeline and will need to apply again, should they wish to.
12. Feedback is offered to all candidates after each selection process so that they can learn, develop and focus on areas for development ahead of any future selection processes. The majority of candidates have taken this offer up in recent selection processes.
13. After the initial CM and WM processes were implemented in late 2020 and early 2021, all involved in delivering the various stages met to evaluate what worked well, what needed further development, etc which was captured in an evaluation action plan which aided improvements to process and paperwork.
14. Feedback was also sought from applicants and candidates taking part in the initial processes and as a result further guidance has been developed to address candidate feedback, particularly where they have made incorrect assumptions.
15. The processes that are running this year (SM, WM and CM), and in future years, are all open to external candidates.
16. Any candidates requiring additional support during the selection process (e.g., for dyslexia, etc) are provided with support specific to their needs.
17. Taking into consideration that it may have been quite some years since some candidates may have applied for a post or promotion, resources to assist candidates in their preparation for the selection processes are also made available on the OD SharePoint pages for how to prepare a report or presentation, etc.
18. In late 2019 the Transfers and Postings policy and process was revised and set up to run monthly to review any vacancies that have arisen, allow the movement of Firefighters, Crew Managers and Watch Managers who are on the transfer list (that match the available vacancies) and now fill any remaining vacancies from the Talent Pipeline appointable candidates. This process is fair and transparent and ensures all such postings / movements are managed in a structured manner.

How has the process changed across the last 20 years?

19. Up until November 2003 the '*Appointments and Promotions Regulations 1978*' applied to all promotions within the Service. These regulations required personnel to have passed statutory examinations ran by the Fire Services Examinations Board (FSEB) prior to seeking promotion.
20. The FSEB administered practical and written examinations which were taken for Leading Firefighter (now Crew Manager) and Sub Officer (now Watch Manger) levels. Written examinations only were taken at Station Officer (now Station Manager) levels. Following the introduction of '*The Fire Services Act 2004*' and specifically '*The Fire Services (Appointment and Promotion) Regulations 2004*' the examinations were phased out.

21. Once the examinations had been attained individuals were eligible to apply for the promotion processes when advertised. The promotion process typically consisted of panel interviews following which candidates would be scored and those who passed the minimum identified level would be held on a list in rank order with promotions offered in the order they became available.
22. In 2004 the Integrated Personal Development System (IPDS) was introduced into the UKFRS and it was deemed that the existing examination process was not appropriate. Instead, an Assessment Development Centre (ADC) process was developed which, in the same way as examinations, was a gateway to the promotion process.
23. ADCs were developed and taken at Supervisory (prior to CM & WM promotion), Middle (prior to SM & GM promotion) and Strategic (Prior to AM and above promotion). ADCs involved a variety of scenarios often in a non-FRS environment (airport, leisure centre for example) to assess potential for the next level. An ADC would usually include a single role-play scenario, multi-role play scenario, group exercise and in basket exercise.
24. As with the previous examinations, once the ADC pass was attained individuals were eligible to apply for the promotion processes when advertised. The promotion process typically consisted of panel interviews following which candidates would be scored and those who passed the minimum identified level would be held on a list in rank order with promotions offered in the order they became available.
25. In July 2010 Communities and Local Government (CLG) announced that it would no longer enforce a national approach to workforce development. Following this many Services (including HFRS) began to move away from the ADC process for several reasons including the fact the assessments were not set in a fire service context and the resource implications of running the process.
26. Following this and up until 2019 promotion processes were held via a series of interviews and assessments and successful individuals 'held in a pool' until such time as a suitable vacancy arose. This process sometimes resulted in individuals spending in excess of two years in a pool awaiting promotion with no ongoing support or requirement to either develop or maintain their skills.
27. Between 2015 and 2018 HFRS introduced the Institute of Fire Engineers (IFE) examinations initially as a voluntary qualification and then latterly as a requirement with different examinations (increasing in complexity) applying to more senior roles as detailed in the role specific training outlines. HFRS considered that this bridged an identified gap in terms of a measure of technical knowledge. The IFE examination remains in the current process as a pre-requisite in that candidates must hold or be working towards the relevant qualification.
28. The process was then reviewed in early 2019 when there was a move, (albeit temporarily) towards recruiting individually to each vacancy with the creation of a Recruitment Policy and deletion of the Promotion Policy. At this time, remaining promotion pool members continued to be allocated to posts until such time as the old pools were exhausted, but it soon became apparent that it was just not possible to recruit the volume of CMs, WMs or SMs required on an 'as and when basis' whilst maintaining Service Delivery standards.

29. Operational CM and WM vacancies arise on a frequent basis – particularly given the retirement profile and we needed to address this predicted shortage by creating a process that would run periodically, that was clear, fair and transparent to all, and that would provide a pipeline of talent available for when the vacancies arose; Hence the talent pipeline was created.

What regard has been given to public sector and sector-specific best practice/guidance?

30. Promotion processes, guidance and paperwork varies across public sector organisations and other Fire and Rescue Services (FRS), however common themes such as skills, knowledge, qualifications and competency are used to determine promotion criteria combined with the principle of fair recruitment, these aspects have been applied in the development of HFRS promotion processes.
31. HFRS use a combination of person specifications (experience, education, training, qualifications, principles and behaviours, skills, knowledge) and role specific training outlines (competency and training requirements) as our measurement of what is required at each level of the organisation for operational roles. The specifications utilised align well with the nationally agreed NFCC Leadership Framework and NFCC Core Learning Pathways.
32. The application and selection methods are also in line with other public sector and other FRSs such as requesting a current PDR/Appraisal and use of presentations and written reports.
33. The interview panels use the ORCE model (Observation, Record, Classify and Evaluate). This methodology is employed during the Police National Assessment Centre and provides a robust framework for the panel to utilise.
34. The NFCC Central Programme Office continues to increase its development of national products including a Supervisory Leadership Programme, Direct Entry Scheme and firefighter Recruitment Project all in train. As these products are released HFRS will seek to adopt and/or align our current processes.
35. Members of the OD and HR teams are involved in NFCC frameworks and work programmes through informal 'Workplace' groups (NFCC Facebook style system), formal meeting structures (regionally and nationally) and representation on various NFCC Committees for example: CFO – Strategic lead for the Executive and Supervisory Leadership Programmes, Louise Marritt – Apprenticeship Programmes, Paul Cook – Recruitment Project.

Does the promotion process fit with the Workforce Plan and with the Service's strategy on positive action??

36. Our monthly establishment report and meeting and the workforce plan informs us where current vacancies are and where they may arise in the coming months through the retirement profile. It also allows us to both prepare suitable candidates through development of skills and identify appointable candidates to fill funded vacancies as they arise.
37. The effects of positive action in an internal promotion process are always going to be challenging as we are dealing with existing workforce 'make up' - however we are now

advertising externally and maintain a transfer request list from other Fire Service candidates.

38. We recognise that HFRS is particularly underrepresented by women in operational roles and that one of the best ways to develop self and career is to gain support through mentorship. The support of a mentor can be short term to help individuals focus through a promotion process or longer term to build on career aspirations.
39. HFRS have led the way locally and regionally to establish a women's mentoring programme which has trained male and female mentors (with both operational and corporate role experience) available now for mentoring. These are spread across the four FRS in Yorkshire and Humberside and women can choose a mentor from any Service thus providing plenty of choice of style and experience.
40. HFRS has been continuing to support the progression of women through Development Programmes and a range of Mentoring opportunities. Building on the two 3-month Development Programmes run in 2018 and 2019. One of the benefits of running these programmes has been the emergence of a Women's Development Network staff forum that is now established and active in the Service.

Feedback on promotion processes received through exit-interviews?

41. The current exit interview process does not include a direct reference to promotion processes as part of the standard questions however there is ample opportunity for individuals to make either positive or negative comments regarding all aspects of their work at HFRS.
42. To date our current data from exit interviews does not make any reference to the promotion processes.
43. Our exit interview process is currently under review and an automated electronic process through Microsoft Forms is being considered. It is hoped that as well as making the process more efficient it will also encourage individuals to complete the process (many leavers do not take up the offer of an exit interview) and to be more open in their responses.

STRATEGIC PLAN COMPATIBILITY

44. This report supports the delivery of our Strategic Plan 2021-2024 through pillar 3 'We value and support the people we employ.'

FINANCIAL/RESOURCES/VALUE FOR MONEY IMPLICATIONS

45. None directly, all areas within this report are delivered within existing budgets.

LEGAL IMPLICATIONS

46. The report outlines several areas which contribute to the Service's compliance with the Equality Act 2010 and numerous other aspects of Employment Law.

EQUALITY IMPACT ASSESSMENT/HR IMPLICATIONS

47. The contents of this report are directly related to promoting our aspiration of being an Employer of choice within the Humberside area; a key aspect of our Positive Action Strategy.

CORPORATE RISK MANAGEMENT IMPLICATIONS

48. Many of the areas explored within this report feature as key items on the Services Improvement Plans.

HEALTH AND SAFETY IMPLICATIONS

49. None arising directly.

COMMUNICATION ACTIONS ARISING

50. None arising directly.

DETAILS OF CONSULTATION AND/OR COLLABORATION

51. None arising directly.

BACKGROUND PAPERS AVAILABLE FOR ACCESS

52. Not applicable, relevant documents attached as appendices.

RECOMMENDATIONS RESTATED

53. The GAS committee take assurance from the Promotion Processes that HFRS has in place.

J. Kirby

Officer Contact: Jason Kirby ☎ 01482 567185
Director of People and Development

Humberside Fire & Rescue Service
Summergroves Way
Kingston upon Hull

Talent Pipeline – Full Time and On Call Crew Manager and Watch Manager Recruitment Process

2021

In order to ensure a ready supply of operational Watch Managers and Crew Managers for both temporary and permanent promotion, this process has been further developed based on a review, reflection and feedback from all stakeholders including candidates from the 2020 process.

For operational Firefighters, Crew Managers and Watch Managers seeking to gain promotion and be appointed to permanent operational Crew Manager and Watch Manager positions, the process will be as follows;

In the first instance, before any applications for promotion can be made, all applicants must have;

- (a) An IDP (Individual Development Plan)
- (b) A current PDR (Performance Development Review)
- (c) Evidence of competence against the role specific training outline in their existing role
- (d) Evidence of competence of all training requirements detailed in the person specification for their existing role (PDR pro account is up to date – (a printout of the summary will suffice)
- (e) Evidence of incident command experience / riding in charge of a fire engine (WM process)
- (f) Evidence that they meet the pre-requisite (essential criteria) of the role they are applying for and any other criteria contained within the advert
- (g) A current fitness test pass is in date at the point of application*
- (h) No outstanding disciplinary or performance sanctions*

**These will be verified by HR*

Full Time Firefighters who are also On-Call at a CM or WM role will be able to apply for promotion by evidencing their highest role competency as above. This is likely to be extremely rare but will be allowed should it arise.

If an individual who is already at the required role level (and competent against the role specific training outline for their role) wishes to apply for a specialist role they should submit a transfer request for consideration. Where there is more than one applicant for a specialist role they will be considered alongside other appointable candidates from the pipeline process and the successful candidate(s) will be selected based on the best fit for that particular specialism through the completion of a skills matrix.

The Process for all CM and WM roles

Application Process and Guidance

The advert inviting applications, job specification, job description and recruitment process will be published via Siren for Operational and Specialist Crew Managers and Watch Managers.

Applications must be completed via the Per 34 Application Form and signed off by the applicant's direct line manager and then countersigned by a senior manager. For example, for a Crew Manager, this would be the Watch Manager and Station Manager; for a Watch Manager, this would be the Station Manager and Group Manager. By endorsing the application, both managers must confirm that the applicant meets the development criteria (a) to (h) above.

It is the applicants' responsibility to ensure that the application and all required documentation is submitted by the specified closing date.

There will be a minimum window of 21 calendar days for employees to submit their completed application which must include all the required documentation. Applications that are incomplete, late, not signed by both relevant managers or not sent to the nominated recipient will not be considered.

It is the responsibility of the individual to ensure that all documentation is submitted within the required time frame at each stage of the application and recruitment process.

This process will allow for permanent and temporary promotion to Crew and Watch Manager posts.

Applicants must be Full Time and On Call Operational Grey Book employees who meet the core skills for the role as detailed in the (CM, WM) specification.

- Applicants also need to be competent / up to date with the training requirements for the person specification, e.g.
- Hold or working towards Incident Command Foundation
- Hold or working towards IFE Level 3 Certificate in Fire Science, Operations, Fire Safety and Management Unit 2: Fire Operations
- Hold or working towards IFE Level 3 Certificate in Fire Science, Operations, Fire Safety and Management Unit 3: Fire Safety
- IOSH Working Safely

Applications will be accepted from Full Time operational staff who hold the necessary higher level of competency as an On-Call firefighter (i.e., dual role) to qualify for meeting the specification detailed above (a – h).

Sifting Process

In the first instance, line managers and senior managers will need to assess whether or not the applicant meets the criteria (a) – (h) above. If the applicant does meet the

criteria, the application should be signed off and returned to the applicant so that they may submit it. If the applicant does not meet the criteria, the senior manager should speak to the applicant directly, note on the application form where the criteria is not met and send the form to their HRSP.

A sift will take place of all applications by a panel consisting of one HRSP, one OD specialist and one SM to ensure consistency.

This panel will also review any applications that have not been endorsed by the senior managers as not meeting the required development criteria for consistency and fairness.

Local managers (SMs and GMs) will be responsible for providing feedback on unsuccessful application forms. Feedback will not be provided by the HR Team or the sifting panel.

Recruitment Process

The recruitment process for operational Crew Managers and Watch Managers will be a two-part process as follows.

Part 1

1. Written report – 1000 words – specific subject identified at the time of advert submitted 1 week before the interview – to be summarised verbally for 5 mins at the start of the interview. A template report will be provided.
2. Presentation – 20 minutes power point (or similar media) presentation on a specific subject identified at the time of advert submitted 1 week before the interview.
3. Interview – 6 questions based on competency/behaviour, experience and skill set for role.

Through the interview stages notes will be taken and the panel members will moderate the results through a recruitment scoring mechanism.

Part 2

4. Incident Command measurement; either:
 - (a) – the candidate already has the required level of Incident Command certification, and is fully maintaining their competence
 - (b) – Candidates without an Incident Command Foundation will be expected to undertake this qualification before being appointed permanently as a CM

Scoring

Part 1

All interviews will contain 6 questions, scored at a maximum of 5 points each.

The presentation will attract a maximum of 30 points.

The written report will attract a maximum of 30 points.

Total possible score will be 90 – the ‘appointable score’ will be 60.

Appointable Candidates will be those scoring 60 and above – i.e. can be offered substantive promotion providing there are opportunities available within the 12-month pipeline duration period.

Unsuccessful candidates will be all those who score 59 and below; however, the following will apply

Appointable on a temporary basis only - candidates that score 50-59 can be offered IDPs and temporary opportunities (maximum 6 months duration) – providing there are opportunities available within the 12-month pipeline duration period.

Appointable on a temporary basis only - candidates that score 40-49 can be offered IDPs and temporary opportunities (maximum 3 months duration) – providing there are opportunities available within the 12-month pipeline duration period.

Unappointable - candidates that score 39 and below will be supported to work on their development needs via on job learning and through PDR processes and encouraged to apply again at the next pipeline intake

Part 2

Candidates who have achieved the required standard in interview stage will be required to: either;

(a) undertake an incident command test which will be a pass or fail

or

(b) evidence their successful completion of the relevant ‘in ticket’ level of IC certification

Panel Composition

The selection panels for interviews will consist of the following;

Crew manager

A combination of two of the following: Watch Managers Station managers, Fire staff and in addition to these two panel members, 1 x HR representative.

At least one panel member will have completed the recruitment and selection training.

Watch Manager

A combination of two of the following; Station Managers or Fire staff and in addition to these two panel members, 1 x HR representative.

At least one panel member will have completed the recruitment and selection training.

Assessment methodology

All panel members will be trained in appropriate and consistent assessment methodology based on ORCE (Observe, Record, Classify, Evaluate) principles.

Data Collection

All application and selection data will be collected and reviewed to ensure a fair process and to identify areas where additional support may be necessary.

Decision Process

The outcome of this assessment process will be:

1. Appointable – scoring 60 and above
2. Appointable on a temporary basis only – scoring 50 – 59 (max 6 months)
3. Appointable on a temporary basis only – scoring 40 – 49 (max 3 months)
4. Unappointable – scoring 39 and below

There will be no appeal mechanism for candidates to appeal their assessment score.

All appointable candidates will be listed in order of those who scored the highest number of points during the assessment process.

As permanent CM and WM positions become available at the transfer and postings meetings (including all operational and specialist day duty roles), the remaining candidates on the appointable list will be offered the substantive promotion opportunity in order of the highest-ranking scores during the 12 month pipeline duration period.

Temporary promotions will also be offered in the same way.

Any candidate refusing an offer of substantive promotion at the location of the available vacancy will be moved to the bottom of the appointable list irrespective of their original score/place in the ranked order. – the Service, through the Transfers & Postings Chair, Head of HR and HR Service partner will consider adjustments to this based on flexible working requests, geographical challenges and any Service needs/requirements at the time.

If an appointable candidate is already carrying out a temporary promotion and a permanent vacancy becomes available elsewhere, and they are the next candidate on the appointable list, they will be offered the substantive promotion.

Once a candidate has been offered substantive promotion and accepted, they will be required to remain in their new post for a minimum of two years before they register any application for a transfer on the transfer lists.

The list of appointable candidates will remain live for 12 months only. This period will run from the date that individuals are notified that they are appointable. It is the responsibility of all appointable candidates to maintain their competency throughout the whole 12-month period.

Removal from the appointable list will arise in the following circumstances: [add] Should any appointable candidate lapse in their competency or be subject to any disciplinary or poor performance related issues whilst they are on the list of appointable candidates, they will be removed from the list until the matter is resolved or spent as long as this is within the 12 month period.

Should any appointable candidate be off work on long term sickness in excess of one month, they will remain on the appointable list in their score position until they return to work on full duties as long as this is within the 12 month period.

ALL appointable candidates who are still on the approved list after 12 months have elapsed will be removed from the list, regardless of personal circumstances. These candidates will need to apply again and undertake a further full recruitment process in the next round of the talent pipeline process if they still wish to be considered.

Being classed as 'appointable' does not guarantee the candidate will be substantively promoted if insufficient vacancies arise during the 12-month period or if they are not at work available to take up the vacant position*. There will be no 'carried over' rights to promotion beyond the 12-month period.

*An exception to the requirement for a candidate to be at work and available to take up the position will apply in cases where a candidate is absent from work by reason of pregnancy or maternity. In such circumstances, the candidate will be appointed as if she was at work and available to take up the vacant position and the role will be offered on a temporary basis to the next suitable candidate for the duration of the period of pregnancy or maternity after which time the replacement will return to his/her substantive post.

Where a candidate is not at work and available to take up the vacant position for a reason related to a disability, the Service will consider whether it would be reasonable for it to adjust its policy taking into account the operational needs of the Service and information available about the candidate's condition. Any consideration of a candidate in this position must be undertaken with the support of the relevant HR Service Partner.

Candidates who are deemed to be not appointable will be offered feedback in order for them to develop IDPs with their current managers. Candidates who would like feedback will be expected to contact their HR Service Partner (HRSP) within 14 days of notification of their process result to arrange this feedback with the manager who conducted their interview.

No posts will be designated to any candidate during this process. The number of promotions to each role will depend upon Service need during the 12-month period following the selection process and cannot be predicted.

Guidance for applicants to the CM and WM Pipeline Process.

Further to feedback provided by some of our previous applicants to the pipeline processes, these guidance notes are intended to assist and elaborate on various parts of the process for future candidates.

Whilst this guidance is intended to support both Full Time and On-Call applicants, ultimately, the contacts for each group are different.

Talent Pipeline – Development and Selection

The Talent Pipeline processes were developed for two purposes;

1. as a framework for supporting development of individuals via the PDR process and jointly prepared Individual Development Plans (IDPs)
2. to provide a transparent process for selection for promotion.

Development is a joint journey in which the employee plays a significant part.

‘Development’ isn’t just something a manager ‘does to’ an employee – it’s a jointly owned process which the employee needs to play an active part in. For this reason, IDPs are a document developed and owned by both the employee and their manager and it is up to the employee to seek out development if they wish to progress or they feel they have gaps in their skills and knowledge.

The Talent Pipeline process is detailed as part of the advert for each campaign and may be subject to minor changes. For example, in the 2020 scheme, candidates were asked 8 questions. When the process was evaluated, this was reduced to 6 questions.

Feedback suggests that some candidates found the 2020 CM and WM selection process very challenging – however, in order to select our managers, the process needs to test a variety of elements.

Being a manager, from CM onwards requires more than excellent technical operational skills and we are seeking to ensure that everyone who is substantively promoted has the necessary ‘raw’ skills and attributes to allow them to be a successful manager.

Reports and Presentations

We have included the preparation of a report and presentation within our selection process as most levels of manager – especially within the public sector - should reasonably expect to do this as part of their normal duties and it’s important that all our managers are well rounded in managerial skills as well as technical operational skills.

In response to feedback that a few candidates indicated that they would like more support with report writing and delivering a presentation, we addressed this by providing some supportive resources and links on the Organisational Development Sharepoint pages for those who would to access them.

This is a development need individuals could identify for themselves and can be included on their IDP so they can take opportunities to develop this skill with their manager in their existing role and work location.

There is also a reasonable expectation that applicants will carry out their own research to assist them to develop their own presentation and report submissions, for example via a google search.

Please note that applicants are not sifted out of the process based solely upon the report they submit; sifting is carried out using the application form against the person specification and RSTO.

Candidates will be expected to summarise their report verbally during the interview process. This is not because the panel have not read it! The purpose is for us to be assured that you know your subject, that it was actually written by you (not for you!) and that you can speak competently about why you have written what you have written.

Application form

It's important that the applicant completes the application form as thoroughly as possible to demonstrate their skills, experience, knowledge and attributes.

It is also necessary for your application to be supported/signed off by your line manager before it can be submitted.

If your application is not supported by your manager, they will have a discussion with you to explain why you are not being supported and if you wish to develop and progress, to assist you with an IDP which will prepare you for future processes.

Please note, it is YOUR responsibility to submit your application form and documents by the closing date of the application process to the email address/person specified.

It is NOT up to your manager to do this for you.

Sifting

Application forms will be sifted by the sifting panel – this is where your skills and experience are taken into consideration against how you meet the person specification and the RSTO

Some applicants who applied for the 2020 CM and WM pipelines were under the impression that previous experience and skills were not taken into consideration, but this is not accurate.

Applications not supported by line management are sent to the sifting panel so they can also be checked for fairness and consistency against the person specification and RSTO.

Application form feedback

It is unusual for any organisation to provide feedback on the content of application forms when an employee is unsuccessful at sifting stage. Whilst we did provide limited feedback to the 2020 candidates, during evaluation it was decided due to the volume of feedback required and the logistics of providing that feedback when candidates were on shift/available, that it was not feasible for the sifting panel to do this. Therefore, for the 2021 and all future campaigns, all candidates who do not pass the sift will be referred back to their line manager for further support and feedback.

Interviews

Candidates are expected to prepare for their interview via their own research and consideration of issues that they think may be facing HFRS and the UK Fire Service generally. Other issues to consider are our Code of Ethics and HFRS values and how you can demonstrate that you meet them.

We do not issue interview questions or topics ahead of the process simply because we are not looking for a 'rehearsed' version of what you think we want to hear.

We are looking for well rounded applicants who can demonstrate that they've given some personal thought to what they think is important to the role they are applying for and can respond to questions posed by the panel in considered, logical and thorough way.

We are all expected to 'think on our feet whilst remaining calm' at times in our jobs – especially operational staff and therefore an interview is simply a reflection of that demand.

It is useful to remember STAR when responding to interview questions;

S – what was the situation and when did it take place?

T – what was the task and goal?

A – What action did YOU take?

R – what was the result?

HFRS use the ORCE (Observe, Record, Classify and Evaluate) methodology during interviews and presentations which means that all of our assessors need to do a lot of writing whilst you are talking, to capture as much of what you are saying as possible.

Some candidates from the 2020 processes commented that they found that a little uncomfortable, but rest assured we are all listening and taking in what you are saying!

Incident Command Requirement

We do not require that candidates undertake a physical technical skills assessment – it is taken as read that you are all able to perform the technical demands of your jobs –

otherwise it is likely that anyone not able to fulfil this element would be subject to a capability or performance management process.

As part of the purpose of this process is to select managers who will be required to 'take command' at various situations it is essential that candidates either hold an IC qualification or they pass an IC assessment at the end of the selection process.

Candidates having to undertake the IC assessment will need to be considered appointable in the other elements of the selection process before the IC assessment can take place.

Scoring

It was a very deliberate move to assess candidates as follows;

1. Appointable
2. Appointable on a temporary basis only
3. Not appointable

This is because, until a suitable vacancy arises that the appointable candidate at the top of the scoring list can be offered (and they accept), they cannot be considered as 'successful'.

The candidate can only be deemed 'successful' when they accept and take up a substantive promotion.

If too few opportunities for promotion/vacancies arise during the 12 month period, remaining appointable candidates will not be substantively promoted – and therefore cannot be regarded as 'successful'.

The outcome and scores of all candidates will not be published. GDPR means that individual results are confidential to the person concerned only.

Feedback

Feedback regarding your application form will come solely from your manager and not the sifting panel. It is expected that you will be having development discussions with your manager around your skills and any resulting IDP and should your application not be supported, or rejected by the sifting panel because you do not meet the necessary criteria, you will need to discuss this with your manager.

Feedback from the selection process (ie interview, presentation and report) will be provided by the panel if you wish. The feedback will not be a complete review of every step you took through the process, but will highlight where you performed well, and areas you need to focus on developing.

Feedback is provided as a means for you to consider how you can perform better next time, but it is not a 'justification session' where your scores and performance are debated in fine detail.

Feedback on your presentation and report will again highlight good performance and areas for development. It will not however tell you what you should have written or included.

12 Months in the Pipeline

It was decided at the outset of the introduction of this process that appointable candidates will remain in the pipeline for promotion for 12 months only to ensure that all appointable candidates maintain their skills and IDPs in readiness for substantive promotion.

At the end of 12 months, any remaining appointable candidates will be removed from the list (there will be no 'carried over' rights to be substantively promoted) and will need to apply again at the next process, should they wish to gain substantive promotion.

Previous processes did not focus on the maintenance and development of those candidates' skills whilst waiting in the 'promotion pool' – and this was not helped by some candidates remaining 'in the pool' for several years.

We want to maintain the best possible pipeline of talented, committed and well equipped appointable candidates for all CM and WM positions and as a result we will be running those processes once a year to maintain and develop our ability to fill vacancies with quality candidates.

This allows all concerned to understand the process, and should they not be ready or supported for the current years' pipeline selection process, they are clear in what is required and able to develop and prepare themselves to apply at the following years process.

Vacancies and Selection Process – Full Time

When vacancies arise; all appointable candidates will be offered the next available vacancy; be that a Service Delivery station based vacancy or a 'day post' in a specialized area.

All Operational staff sign a contract at the outset of their employment to agree that they will serve anywhere within the service area, and on any shift system.

This means that if you are offered the vacancy as a substantive promotion, you will be expected to take up that vacancy where it exists.

That said, if there are several vacancies to fill at the same time, we will match skills and locations to appointable candidates wherever possible

Anyone declining the opportunity to be substantively promoted will be moved to the bottom of the appointable list.

In the event that the appointable list is exhausted, temporary appointments may be made with the candidates who score an appropriate level (as detailed within the pipeline process) supported by the completion of an IDP.

Being temporarily promoted and completing an IDP however, will not constitute the right to be substantively promoted and those candidates will need to undertake the next available pipeline process should they wish to apply.

Vacancies and Selection Process – On Call

Selection for CM and WM vacancies for On-Call staff work differently as you will all be well aware.

Appointable On-Call CMs and WMs can only be promoted into On-Call roles where they can maintain their attendance time and therefore the available vacancies are likely to be much more limited.

On-Call candidates who are appointable will not be considered for Full Time promoted vacancies – this is a separate contract and would impact upon the Funded Full Time Establishment base data.

Contract types

When you apply for any of the WM and CM processes you must make it clear what you are applying for. You may only apply for promotion within your own contract type; ie, On Call or Full Time.

Becoming appointable as an On-Call CM will not qualify you for Full Time vacancies (as explained above)

If you have a dual role, ie, Full Time and On-Call, you will need to separate out your applications and they will need to be relevant to each of your roles;

ie. Dual role On-Call FF seeking promotion to On-Call CM, needs to be supported by your On-Call management and Full Time CM application supported by Full Time management.

If this occurs, we will need to bring both applications together so you only go through the process once, but we need to be clear that in the event you are appointable your contracts will run separately.

Transparency

We have made the process as clear and transparent as possible. All relevant documents are published with the advert so all candidates know what is required and what will be expected of them during the process.

We know from recent feedback that this is a significant improvement on previous processes and the majority of candidates found the process fair and clear. We aim to be as consistent as possible and to give all candidates a multifaceted approach to demonstrate their readiness for promotion.

Whilst we are able to outline a timeline for our pipeline processes, we are not able to provide the fine detail of when interviews will take place for individuals at the outset of the process as a lot depends upon how many applicants are selected at the sift to progress through the process.

This process also requires significant service resources to run it – in addition to all concerned carrying out their normal duties. Therefore, again, this prevents explicit arrangements being released at the outset of the process, but is arranged as each step progresses.

Summary

The talent pipeline development and selection process has been developed to be as transparent as possible so that all candidates know what is required.

We have also provided resources and signposting for all applicants so that they may equip themselves in report writing, presentation and interview skills.

That said, there is also a significant onus on each candidate to carry out their own research and preparation for both the content and style of their submissions, and interview technique as detailed above.

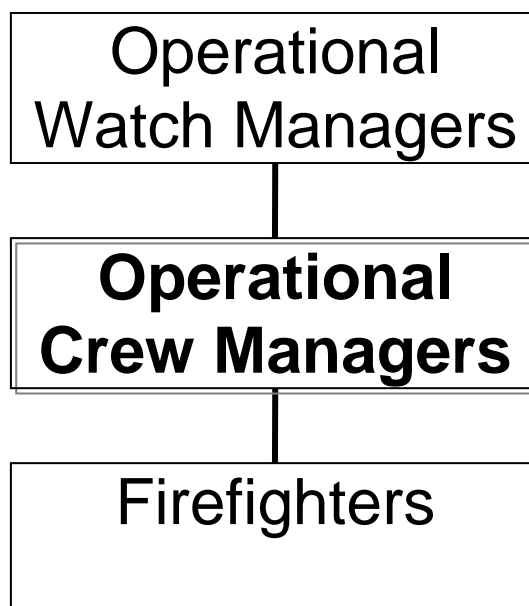
Job Description

Role	Crew Manager	Role Title	Operational Crew Manager
Code	CM-O	Duty System	42 Hour – Shift System
Location	Any Operational Fire Station	Line Manager	Watch Manager
Overall purpose of Post	To supervise and develop individuals and crews, and to assist the Watch Manager to maximise the effectiveness of service delivery, at watch level.		
Functional Rolemap			Relevant NOS's
	Inform and educate your community to improve awareness of safety matters.		FF1
	Contribute to fire safety solutions to minimise risks to your community.		FF8
	Lead the work of teams and individuals to achieve their objectives.		WM1
	Maintain activities to meet requirements.		WM2
	Take responsibility for effective performance.		WM4
	Support the development of teams and individuals.		WM5
	Investigate and report on events to inform future practice.		WM6
	Lead and support people to resolve operational incidents.		WM7
PRIMARY RESPONSIBILITIES			
<ul style="list-style-type: none">• Attend operational incidents and supervise crews as required• Supervise the maintenance of appliances and equipment in the workplace• Facilitate the delivery and recording of training and development sessions at watch level• Contribute to the development of teams and individuals at watch level• Gather information on risks within the community and inform all relevant people• Supervise and participate in local community safety activities• Assess the performance and competence of crews and individuals at watch level• Supervise workplace activities at watch level• Monitor the use of consumable stores at watch level• Monitor and maintain the health safety and welfare of teams and individuals at watch level• Advise the Watch Manager on all matters relating to operational readiness• Attend meetings at watch and station level			

PERSON SPECIFICATION

- Embraces and values diversity and continually demonstrates the Service's ethical principles and underpinning behaviours
- Proactively supports change, adjusting approach to meet changing requirements.
- Maintains a confident, controlled and focussed attitude in highly challenging situations.
- Leads, involves and motivates others both within the Fire and Rescue Service and in the community.
- Communicates effectively both orally and in writing
- Committed and able to develop self, individuals, teams and others.
- Understands and applies relevant information to create practical solutions.
- Maintains an active awareness of the environment to promote safe effective working.
- Leads others to achieve excellence by the establishment, maintenance and management of performance requirements.
- Creates and implements effective team plans in line with strategic policy objectives

LINE MANAGEMENT STRUCTURE



HUMBERSIDE FIRE AND RESCUE SERVICE

EMPLOYEE SPECIFICATION

CREW MANAGER

	Prerequisite Specification	How Measured	Competent Specification
Experience	<ul style="list-style-type: none">• Experience in a wide range of training and operational incidents at Firefighter level• Actively participates in Prevention and Protection activities to minimise risks to the community• Takes responsibility for effective performance and supports the development of teams and individuals• Promotes equality and inclusion with a commitment to fairness and dignity at work and in the community	Application / PDR / Interview	<ul style="list-style-type: none">• Experience in leading crews in a wide range of training and operational incidents at Crew Manager level• Creates and implements effective team plans in line with strategic policy objectives• Conduct inspections, report on events and carry out investigations in line with Service requirements• Builds successful working relationships and partnerships with people to achieve more together• Takes decisions based on supporting evidence and prior knowledge of good practice• Knowledge of what the key organisational goals are and how own work contributes

Reviewed August 2021

Education/Training/ Qualifications	<ul style="list-style-type: none"> • Competent in Current Substantive Role • In house leadership/management development modules/programmes • Hold or working towards Incident Command Foundation • Hold or working towards IFE Level 3 Certificate in Fire Science, Operations, Fire Safety and Management Unit 2: Fire Operations • Hold or working towards IFE Level 3 Certificate in Fire Science, Operations, Fire Safety and Management Unit 3: Fire Safety • IOSH Working Safely 	Application / Course Management System (CMS)	<ul style="list-style-type: none"> • Incident Command Foundation Course – ICS Level 1 Incident Command (Initial) • IFE Level 3 Certificate in Fire Science, Operations, Fire Safety and Management Unit 2: Fire Operations • IFE Level 3 Certificate in Fire Science, Operations, Fire Safety and Management Unit 3: Fire Safety • IOSH Managing Safely
Ethical Principles & Behaviours	<ul style="list-style-type: none"> • Consistently displays HFRS Core Code of Ethics (Ethical Principles and Behaviours) 	Application / PDR	
Underpinning Knowledge	<ul style="list-style-type: none"> • Knowledge of H&S in the workplace • Knowledge of the Service, it's operations and partnership working • Knowledge of HFRS Prevention and Protection activities • Awareness of multi-agency working in an operational context • Safeguarding and Prevent responsibilities • Working knowledge and application of Joint Emergency Services Interoperability Program (JESIP) principles and procedures • Knowledge of HFRS preparedness and resilience procedures 	Application / Interview	<ul style="list-style-type: none"> • Evidence of application of H&S in the workplace • Evidence of application of the Service, it's operations and partnership working • Evidence of application of HFRS Prevention and Protection activities • Evidence of application of HFRS preparedness and resilience procedures

Skills/Personal Attributes	<ul style="list-style-type: none"> • Leads, involves and motivates others both within the Fire & Rescue Service and the community • Maintains a confident, controlled and focussed attitude in highly challenging situations • Embraces and values diversity and demonstrates a fair and ethical approach • Proactively supports change, adjusting approach to meet changing requirements • Communicates effectively both orally and in writing • Understands and applies relevant information to create practical solutions • Ability to devise and deliver presentations that engage, inform and enthuse to a wide range of audiences • Ability to work as part of a team 	Application / PDR / Interview	<ul style="list-style-type: none"> • Leads others to achieve excellence by the establishment, maintenance and management of performance requirements • Ability to adjust appropriately to differing group dynamics and manage conflict where appropriate • Creates a sense of common purpose in own team and encourages pride and professionalism • Shows pride and passion for HFRS and own work and communicates with enthusiasm • Communicates positive messages about the organisation internally and externally • Open and honest in communication and praises others for their contribution. Challenges unacceptable behaviours • Identifies opportunities to improve the way we do things and puts ideas forward
Working Arrangements	<ul style="list-style-type: none"> • Station based 24/7 rota system. Local arrangements will determine which shift system is adopted 	Interview	



Crew Manager Role Specific Training Outline

Core Skill	Description	Frequency
Leadership	<ul style="list-style-type: none"> Supportive leadership and management behaviours PRINT profile/self-awareness Legislation and policy knowledge Personal resilience Detailed Understanding of the Core Code of Ethics. Challenge poor practice Coach/Mentor/Assessor 	<ul style="list-style-type: none"> Once/ongoing Once Ongoing Ongoing Ongoing Ongoing Selected Personnel
Management	<ul style="list-style-type: none"> In-house Management Development Programme Development of team and individuals Data Protection Legislation Awareness (LearnPro) 	<ul style="list-style-type: none"> Once Ongoing Biennial
Equality and Inclusion	<ul style="list-style-type: none"> E&I awareness (LearnPro) E&I Champion Safeguarding children, adults and mental capacity (Learnpro) Modern Day Slavery Bullying and Harassment (LearnPro) Fair recruitment including unconscious bias Prevent Duty HeForShe 	<ul style="list-style-type: none"> Annually Selected personnel Annually Annually Triennial Selected Personnel Ongoing Ongoing
Welfare and Well-being	<ul style="list-style-type: none"> Welfare officer Report and escalate concerns & refer Blue Light Training for identified Champions Mental Health & Wellbeing awareness (LearnPro) 	<ul style="list-style-type: none"> Selected Personnel Ongoing Selected Personnel Annually
Health & Safety	<ul style="list-style-type: none"> H&S Assurance and Compliance IOSH Managing Safely H&S Awareness (LearnPro) Manage/escalate concerns/risks Manual Handling (LearnPro) 	<ul style="list-style-type: none"> Ongoing Once Annually Ongoing Triennial
Communication	<ul style="list-style-type: none"> Peer working Internal – between watches, stations and sections Visible support for others Social Media Awareness (LearnPro) Awareness of ICT systems including Workplace and Teams 	<ul style="list-style-type: none"> Ongoing Ongoing Ongoing Biennial Ongoing

HFRS Generic and Role Specific Training Outline

Role Specific

SPECIFIC SKILL	FREQUENCY
Breathing Apparatus	• every 2 years
Compartment Fire Behaviour (CFBT)	• every 2 years
Immediate Emergency Care (IEC)	• every 3 years
Incident Command Foundation (acting up/temp)	• every 2 years
Incident Command Level 1 (permanent)	• every 2 years
Joint Emergency Services Interoperability Programme (JESIP)	• once + CPD
IFE Level 3 Certificate in Fire Science, Operations, Fire Safety and Management Unit 2: Fire Operations	• once
IFE Level 3 Certificate in Fire Science, Operations, Fire Safety and Management Unit 3: Fire Safety	• once
Safe and Well Training	• once + CPD
CM rolemap requirements	• ongoing

Station Specific - For station specific training requirements, please refer to current Training Needs Analysis document

Organisational Development 2021

Recommendations from CM/WM Talent Pipeline Evaluation of first cohorts undertaken in January 2021

	Area for improvement	Recommendations	Actions
1.	To improve the diversity of the workforce	All roles, operational and non operational, will be advertised internally and externally	Applicable to all posts from 1 May 2021
2.	Specialist Day roles	<p>Specialist operational day roles that occur within the respective talent pipeline process will not be advertised separately, but will be included within the talent pipeline running at that time.</p> <p>Where a vacancy arises for a specialist operational day role outside of the talent pipeline timeline then they can be advertised separately the same as other day role vacancies.</p>	Internal and external candidates that are already at the level/rank required from the vacancy can submit a transfer request for consideration along with the required application documents that will be considered against the relevant skills matrix for the post. These will be considered alongside other applications undertaking the promotional process through the talent pipeline process. All successfully shortlisted candidates will then progress to the interview stages.
3.	Feedback to candidates who have not met the required shortlisting criteria	There is no obligation to provide feedback to candidates who do not meet the shortlisting requirements, however should candidates make a request for this, it will be considered the responsibility of their line manager, not the interviewing panel or HR.	Any requests from candidates for feedback that do not meet the shortlisting criteria will be referred to their line manager. Guidance notes to reflect this

	Area for improvement	Recommendations	Actions
4.	The number of interview questions	The number of questions be reduced from 8 to 6 to assist in both candidate and panel experience of the process	Guidance notes to reflect this.
5.	Standard presentation topic	A standard presentation topic be adopted for consistency, transparency and to allow individuals to articulate their achievements within the pipeline process	The standard presentation topic will be “what skills to you possess and foresee in this role in supporting, promoting and managing: Valuing our People, Supporting Delivery, Making our Communities Safer and Responding Effectively
6.	Successful recruitment score	Actual scores and feedback from panel members, verified by a moderation panel deemed an appropriate successful score as 60 for 2021 processes.	Successful score for permanent appointments will be 60. This will be reviewed on an annual basis. Guidance notes to reflect this.
7.	Unsuccessful candidates	<p>Unsuccessful candidates will be all those who score 59 and below.</p> <p>Of these candidates those that score 50-59 can be offered IDPs and temporary opportunities (maximum 6 months duration) – providing there are opportunities available</p> <p>Of these candidates those that score 40-49 can be offered IDPs and temporary opportunities (maximum 3 months duration) – providing there are opportunities available</p> <p>Of these candidates that score below 40 can work on their development needs via on job learning and through PDR processes</p>	This scoring matrix will be reviewed on an annual basis. Guidance notes to reflect this.

	Area for improvement	Recommendations	Actions
8.	Substantive promotions	These will be offered in score order, however the Service reserves the right, through the Transfer and Promotions Board to take into consideration flexible working requests, geographical challenges and Service needs at the time of confirmation of substantive promotions.	Guidance notes will reflect this.

Full Time and On Call Crew Manager Talent Pipeline (INTERNAL ADVERT)

Applications from Full Time and On Call temporary Crew Managers and competent Firefighters are now invited for the Crew Manager Talent Pipeline 2021. This process will enable the Service to meet the demands of current and future vacancies across the organisation for 2021 and 2022.

The Service is looking for individuals who, as positive role models, will put our communities first, act with integrity, dignity and respect and actively promote equality, diversity, and inclusion.

To apply, please return the following:

- A completed PER 34 application form (supported and signed by your Watch Manager and Station Manager). Please clearly state the pipeline for which you are applying.
- Supporting documentary evidence to demonstrate that you are or that you hold the following, essential, criteria below:
 - Individual Development Plan
 - Current Performance Development Review
 - Competent against the Role Specific Training Outline in your existing role
 - Current and competent with all training requirements detailed in the person specification for their existing role (*please provide a printed summary of your up to date PDR pro account*)

Please note all applicants will be expected to have the following:

- In date fitness test at the point of application
- No outstanding disciplinary or performance sanctions

The above will form part of the pre-employment screening process for all applicants and will be undertaken by HR.

Your application form and supporting evidence should be submitted, by email, to talentpipeline@humbersidefire.gov.uk by **12 noon on Monday 13th September**.

Applicants are responsible for the submission of their own applications and supporting documents by the closing date above.

The Service regrets that any application received after this date or submitted without the correct documentary evidence, will be unable to be considered.

Selection process:

- Application and supporting evidence **submitted by 12 noon on Monday 13th September**
- Shortlisting to begin w/c Monday 20th September
- A written report, **submitted by 12 noon on Tuesday 19th October**

- A presentation to an interview panel, **submitted by 12 noon on Tuesday 19th October**
- It is anticipated that panel interviews will commence during w/c Monday 1st November
- Where the Incident Command Foundation certification has not been attained, candidates will undertake an incident command test. The date of this test will be advised.

If you are shortlisted for an interview, you will be required to:

1. Compile a written report (maximum 1000 words), the subject of which is:

“How will you support your Watch Manager to drive continual improvement of team performance and what are the relevant tools and processes you would use?”

You will also be asked to present a 5 minutes summary of your report to the interview panel. Please ensure your report is emailed to us by **12 noon on Tuesday 19th October**. Reports should be emailed to talentpipeline@humbersidefire.gov.uk

2. Compile and deliver a 20 minutes PowerPoint presentation (or other media of your choosing) on the following topic:

“Identify the top three responsibilities of a Crew Manager and explain how you will facilitate these priorities in terms of your own individual skills and qualities.”

The presentation should address:

- Putting our communities first
- Acting with integrity
- Acting with dignity and respect
- Leadership
- Continually recognising and promoting the value of EDI

The above reflects our core code of ethics which can be found on our website, [here](#).

Please ensure your presentation is emailed to us **by 12 noon on Tuesday 19th October**. Presentations should be emailed to talentpipeline@humbersidefire.gov.uk

Information

You can access support and guidance on report writing, presentations and preparing for interview by visiting the OD page “Promotion Support” via the [HFRS SharePoint](#).

A copy of the Crew Manager Talent Pipeline process is attached for information and further guidance in support of this process is also included.

Should you require consideration to given to reasonable adjustments for disabilities, please contact us as soon as possible (talentpipeline@humbersidefire.gov.uk)

Should you secure a position within the Crew Manager Pipeline, you will be posted in accordance with the Talent Pipeline process and be required to remain in that post for a minimum of two years prior to requesting a transfer. Please note that you may be posted anywhere within the Service area.

All correspondence regarding Crew Manager applications will be sent via your HFRS email. Please ensure you state this email address in your application form and that you check your email inbox regularly for updates.

Any enquiries about this pipeline should be directed to your Station Manager in the first instance.

Humberside Fire and Rescue Service is an equal opportunities employer. We value diversity and welcome applications from candidates from all backgrounds. We particularly welcome applications from sections of the community that are currently under-represented at Humberside Fire and Rescue Service, including women, Ethnic Minorities, and applicants with disabilities.

Reminder – not for inclusion in advert!

Links/documents to be inserted into the advert:

- Final Talent Pipeline Recruitment Process (internal applicants)
- OD page “Promotion Support” - Link
- PER34 form
- Person specification
- Job Description

Crew Manager Talent Pipeline 2021 (EXTERNAL ADVERT)

Applications are invited from substantive Crew Managers (on transfer) and competent Firefighters (on promotion) for our Crew Manager Talent Pipeline 2021. This process will enable Humberside Fire and Rescue Service to meet the demands of current and future vacancies across the organisation for 2021 and 2022.

We are looking for individuals who will act as positive role models, whilst putting our communities first. Those individuals will also act with integrity, dignity and respect and actively promote equality, diversity, and inclusion.

To apply, please submit the following:

- A completed Humberside Fire & Rescue application form
- Supporting documentary evidence to demonstrate that you are or that you hold the following essential criteria:
 - Continuing professional development evidence (CPD)
 - A current Performance Development Review/Staff Appraisal
 - Competent and up to date with all training in your existing role
 - Able to meet the pre-requisite (essential criteria) in the person specification

Please note all applicants will be expected to have the following:

- An in-date fitness test at the point of application
- No outstanding disciplinary or performance sanctions

The above will form part of the pre-employment screening process for all applicants and will be undertaken by HR.

Your application form and supporting evidence should be submitted to talentpipeline@humbersidefire.gov.uk **by 12 noon on Monday 13th September**. We regret that any application received after this date and time, or submitted without the correct documentary evidence, will be unable to be considered.

Selection process:

- Application and supporting evidence submitted **by 12 noon on Monday 13th September**
- Shortlisting to begin w/c Monday 20th September
- A written report, **submitted by 12 noon on Tuesday 19th October**
- A presentation to an interview panel, **submitted by 12 noon on Tuesday 19th October**
- It is anticipated that panel interviews will take place, in person, during w/c Monday 1st November at Service Headquarters, Hessle, HU4 7BB.

Should you be shortlisted for an interview, you will be required to:

- a. Compile a written report (maximum 1000 words), the subject of which is:

“How will you support your Watch Manager to drive continual improvement of team performance and what are the relevant tools and processes you would use?”

You will also be asked to present a 5 minutes summary of your report to the interview panel. Please ensure your report is emailed to us **by 12 noon on Tuesday 19th October**. Reports should be emailed to talentpipeline@humbersidefire.gov.uk

- b. Compile and deliver a 20 minutes PowerPoint presentation (or other media of your choosing) on the following topic:

“Identify the top three responsibilities of a Crew Manager and explain how you will facilitate these priorities in terms of your own individual skills and qualities.”

The presentation should address:

- Putting our communities first
- Acting with integrity
- Acting with dignity and respect
- Leadership
- Continually recognising and promoting the value of EDI

The above reflects our core code of ethics which can be found on our website, [here](#).

Please ensure your presentation is emailed to us **by 12 noon on Tuesday 19th October**. Presentations should be emailed to talentpipeline@humbersidefire.gov.uk

Information

Should you require consideration to be given to reasonable adjustments for disabilities, please contact us as soon as possible (talentpipeline@humbersidefire.gov.uk)

Should you secure a position within the Crew Manager Pipeline, you will be posted in accordance with the Talent Pipeline process and be required to remain in that post for a minimum of two years prior to requesting a transfer. Please note that you may be posted anywhere within the Humberside Fire and Rescue Service area.

All correspondence regarding Crew Manager applications will be sent via email.

Should you have any enquiries about this pipeline, please contact us: talentpipeline@humbersidefire.gov.uk

Humberside Fire and Rescue Service is an equal opportunities employer. We value diversity and welcome applications from candidates from all backgrounds. We particularly welcome applications from sections of the community that are currently under-represented at Humberside Fire and Rescue Service, including women, Ethnic Minorities, and applicants with disabilities.

Governance, Audit and Scrutiny Committee 6 September 2021	Report by the Monitoring Officer/Secretary
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GAS COMMITTEE SCRUTINY PROGRAMME 2021/22

REPORT EXECUTIVE SUMMARY

This paper summarises the Governance, Audit and Scrutiny Committee's Scrutiny Programme 2021/22. Each year, the Committee will programme six specific, defined scrutiny items complete with scopes in order that relevant officers can focus their reports. Appendix 1 to this report will serve as a point of reference for report-writers and as a 'living document' during the year for the Committee as it considers the scopes for its scrutiny items.

RECOMMENDATIONS

1. That Members consider and approve the Scrutiny Programme 2021/22.

PUBLIC SCRUTINY PROCESS

2. Public scrutiny is a corporate process undertaken by the GAS Committee, appointed by the Fire Authority for its breadth of professional experience.
3. Six areas for scrutiny were identified by the Committee for its 2021/22 programme:
 - Anti-Bullying Campaign (Assessing the Issue)
 - Promotion Within Uniformed Roles
 - Implementation of the NFCC Code of Ethics
 - Management of Risk Information by On-Call Fire Stations
 - Workforce Monitoring and Planning (Revision of Workforce Plan)
 - Anti-Bullying Campaign (Progress Update)

STRATEGIC PLAN COMPATIBILITY

6. This paper supports the achievement of Strategic Plan 2021-24 through the provision of independent scrutiny of activity.

FINANCIAL/RESOURCES/VALUE FOR MONEY IMPLICATIONS

7. Independent scrutiny contributes towards efficiency review activity.

LEGAL IMPLICATIONS

8. None directly arising.

EQUALITY IMPACT ASSESSMENT/HR IMPLICATIONS

9. None directly arising.

CORPORATE RISK MANAGEMENT IMPLICATIONS

10. Scrutiny of performance provides an assurance that arising risks are being mitigated.

HEALTH AND SAFETY IMPLICATIONS

11. None directly arising.

COMMUNICATION ACTIONS ARISING

12. GAS Committee papers are publicly available via the HFRS Website.

DETAILS OF CONSULTATION AND/OR COLLABORATION

13. SLT regarding scrutiny topics.

RECOMMENDATIONS RESTATED

14. That Members consider and approve the Scrutiny Programme 2021/22.

Officer Contact: Samm Campbell ☎ 01482 393205
 Committee Manager

 Mathew Buckley ☎ 01482 567174
 Secretary/Monitoring Officer

Humberside Fire & Rescue Service
Summergroves Way
Kingston upon Hull

SC
August 2021

GAS Committee Scrutiny Programme 2021/22		
Meeting Date	Responsible Officer	Item and Scope
5 July 2021	Director of People and Development	<p>Anti-Bullying Campaign (Assessing the Issue)</p> <ul style="list-style-type: none"> • How does the Service define bullying (what guidance has informed its policies etc)? • To what extent is bullying an issue within the Service? • How does the Service measure and understand its organisational culture and bullying in its workforce? • What have staff surveys shown with regard to bullying? • How many staff surveys have been conducted since the Service's last inspection by HMICFRS? • Is the Service confident that its anti-bullying campaign has/will improve its culture?
6 September 2021	Director of People and Development	<p>Promotion Within Uniformed Roles</p> <ul style="list-style-type: none"> • How does the Service manage promotions within uniformed roles? • How has this process changed across the last 20 years? • What regard has been given to public sector and sector-specific best practice/guidance? • Does the promotion process fit with the Workforce Plan and with the Service's strategy on positive action? • What reference have ex-staff members made to promotion processes in their exit interviews and surveys? • In the HMICFRS survey conducted in 2020, 50 percent of respondents disagreed with the statement, 'The promotion process within my service is fair'. How has the Service addressed this?
15 November 2021	Director of Service Improvement	<p>Implementation of the NFCC Code of Ethics</p> <ul style="list-style-type: none"> • How has the NFCC Code of Ethics changed the Service? • How has the Service approached its implementation?

24 January 2022	Director of Service Delivery	Management of Risk Information by On-Call Fire Stations <ul style="list-style-type: none"> • What processes are used to maintain accurate risk information by On-Call fire stations. • How is the Service assured that these processes are in line with best practice?
21 February 2022	Director of People and Development	Workforce Monitoring and Planning (Revision of Workforce Plan) <ul style="list-style-type: none"> • What changes has the Service made to its Workforce Plan? • To what extent has the Service's strategy on positive action affected both the Plan and its workforce? • Update in relation to the Committee's recommendations of 12 April 2021: <ul style="list-style-type: none"> (a) That the Service's future Positive Action Strategy and Framework be applied consistently; (b) that the Service ensure that its employees fully understand its Positive Action Strategy and Framework; (c) that the Service gather improved data in order to understand the makeup of its workforce in comparison to local demographics and other fire and rescue services; (d) that the Service improve its exit interview process to understand why employees leave the Service, and (e) that the Committee be updated about to the Service's progress in relation to the revision of its workforce plan and the recommendations of the associated internal audit report. • How does the Service balance external and internal recruitment? • How does this balance compare at different levels of seniority within the organisation?
11 April 2022	Director of People and Development	Anti-Bullying Campaign (Progress Update) <ul style="list-style-type: none"> • How has the Services anti-bullying campaign progressed? • How does the Service know progress has been made? • What have the Service's measures of organisational culture and bullying shown? • How has the Service responded to the recommendations made by the Committee at its meeting of 5 July 2021 (Minute 70/21 refers):

		<p>(a) That the Service use its exit interviews and appraisals process to develop a clearer understanding bullying and changes to its organisational culture;</p> <p>(b) that initial feedback on the progress of recommendation (a) be reported during the follow-up anti-bullying campaign item due to be heard on 11 April 2022;</p> <p>(c) that the Service obtain high-quality data through a survey of staff in order to develop a clearer understanding of bullying and organisational culture than that afforded by the HMICFRS surveys of 2018 and 2020, and</p> <p>(d) that the report for the follow-up anti-bullying campaign item contain feedback from the relevant unions.</p>
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